



Ordinary Meeting of Council

Olympia, Ibbott & Hawdon Rooms; Level 4, 1 Flintoff Street, Greensborough

11 April 2022

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Banyule Integrated Transport Plan (BITP): Progress Report - 11 April 2022

To date Council have completed 91% of the 68 actions of the Banyule Integrated Transport Plan adopted in 2015. This is an increase from 75% of the actions completed in 2019. Of the completed actions 66% have been incorporated into ongoing business as usual across Council departments including Environment and Transport, City Futures, Health, Aged and Community Planning, Leisure and Recreation Culture, and Capital Delivery and Assets. Of the six outstanding actions: four are related to the implementation of the recently adopted Banyule Bicycle Strategy 2022, one is concerned with securing the ongoing provision and maintenance of bus shelters in Banyule and the final one relates to the current development of sustainable guidelines for capital works construction materials. Table 1 below shows the number of actions that have been implemented or remain outstanding in the Banyule Integrated Transport Plan. Figure 1 below shows this information as percentages.

Table 1: Banyule Integrated Transport Plan 2015 – 2035 - Progress summary table

BITP Section	Total No. Actions	Sep-19	Apr-22		
		Implemented	Implemented	BAU ¹	Out Standing
Accessibility and Mobility	6	3	6	3	0
Land Use and Development	8	8	8	6	0
Walking and Cycling	23	16	19	14	4
Public Transport	7	5	6	6	1
Streets and Public Spaces	14	9	13	7	1
Advocacy and Leadership	10	10	10	9	0
Total	68	51	62	45	6
		75%	91%	66%	9%

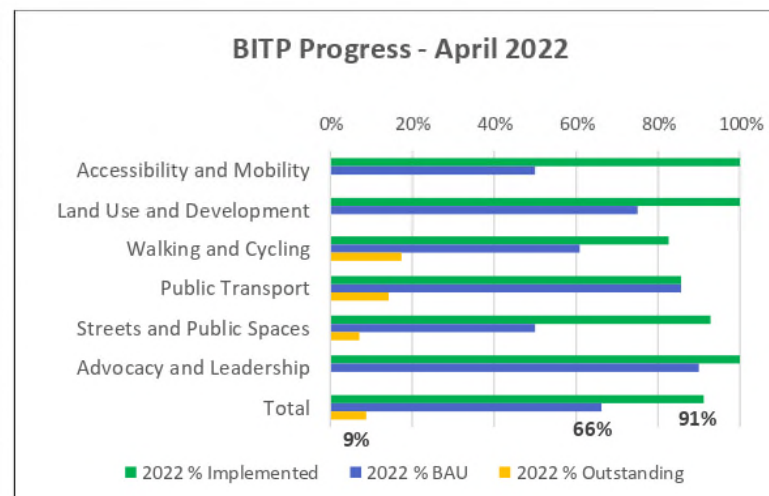


Figure 1: BITP 2015-2035 - Percentage Progress 2022

See Table 2 below for a listing of the overarching principals and strategic directions of the BITP that the actions were designed to realise. Table 2 also includes the original BITP targets however these are considered to be largely unhelpful for measuring progress. See Table 3 starting on page 5 for detailed reporting on each of the 68 actions of the BITP.

¹ Implemented as ongoing Business as Usual

*Attachment 1: Banyule Integrated Transport Plan (2015 – 2035) – Progress Report***Table 2: Banyule Integrated Transport Plan 2015 – 2035 – Principals and Strategic Directions**

BITP Section	Principals	Strategic Directions	Indicators	Baseline 2014/15	2023/24 Target	Comment 2022
Accessibly and Mobility	Improve accessibility and transport choice to destinations within and beyond Banyule for people of all abilities and reduce our reliance on private vehicles.	1. Key destinations will be universally accessible. 2. Reliance on private cars will be reduced and there will be a greater choice of accessible public and active transport. 3. Community transport will be improved and sustainable.	Percentage of public transport services that are wheelchair accessible.	73%	80%	Not measurable by LG
			No. of car share spaces within Banyule.	0	15	Not usually formalised.
Land Use and Development	Land use and development in Banyule will support sustainable transport and reduce the distance travelled.	4. New development will be located in accessible locations that offer greatest access to public transport and walking and cycling infrastructure. 5. Transport improvements will support businesses and the local economy. 6. Development will support and encourage walking, cycling and public transport use.	Percentage of new dwellings in Banyule constructed within 800m of a railway station or within 400m of a tram route or a Tier 1 bus service.	65%	65%	Difficult to measure. A suggestion is to use a measure of exiting multi – dwelling development across Banyule which would be expected to increase density over time.
			Percentage of residents reporting difficulties with transport access to key destinations within Banyule.	20%	20%	Not a meaningful target.
Walking and Cycling	Walking and cycling will be encouraged and become a mainstream transport	7. A consistent and strategic approach will be used to manage walking.	Percentage of students involved in the Walk to School Program.	2000	5000	Discontinued Program

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BITP Section	Principals	Strategic Directions	Indicators	Baseline 2014/15	2023/24 Target	Comment 2022
	choice for short trips in Banyule.	8. Council will improve pedestrian connections and ease of navigation. 9. Council will encourage and support walking as a transport mode. 10. A consistent and strategic approach will be used to manage cycling. 11. The cycling network will cater for all ages and abilities. 12. Council will promote a cycling culture.	No. of kilometres of on-road cycling lanes in Banyule.	55km	65km	Too narrow a definition of bike facilities. Doesn't include open space trails, improved on road infrastructure or SUP adjacent to roads
Public Transport	Council will work with State Government agencies to ensure the provision of an accessible and reliable public transport network across Banyule that meets the needs of the community.	13. Public transport upgrades will improve infrastructure and services. 14. The public transport system will be universally accessible.	Percentage of housing within walking distance (500m) to a public transport stop.	55%	63%	Difficult to measure. A suggestion is to use a measure of exiting multi – dwelling development across Banyule which would be expected to proportional to this.
			Percentage of weekday train, tram and Tier 1 bus services with an average service frequency of 10 minutes or lower.	30%	50%	This is largely out of LG control. Also needs a stronger definition to allow comparison.
Streets and Public Spaces	Streets will be places where people live, work and congregate and provide access for a range of users to deliver a safe	15. Road Space will be managed to give priority to sustainable transport modes. 16. Arterial road upgrades will improve safety and amenity.	Percentage of community satisfaction with traffic management (Customer Service Index).	58%	60%	Poor measure as community satisfaction in this survey is very general and not closely aligned with these strategic directions.

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BITP Section	Principals	Strategic Directions	Indicators	Baseline 2014/15	2023/24 Target	Comment 2022
	integrated and efficient transport system.	17. Streets and public spaces will incorporate environmentally sensitive design features. 18. Parking will be approached as a limited shared resource. 19. The transport network will be safe for all users.	No. of serious and fatal crashes in Banyule per 100,000 residents.	57	52	Influenced by many factors outside of LG management
Advocacy and Leadership	Lead and raise awareness of community transport issues and advocate to State and Federal Governments and other stakeholders for funding and action.	20. Council will advocate to the State Government and other transport agencies on key local and regional transport issues.	No. of schools and employers assisted to develop and implement Green Travel Plans	3	15	This is not a core task of Council and there is low appetite for this assistance from schools.
		21. Council will become a leader in encouraging, developing and implementing sustainable transport behaviour and road safety education programs. 22. Council will actively engage and raise community awareness of transport mode choice and safety.	No. of kilometres travelled by Council vehicles.	3687	3500	Difficult to measure. Not a useful measure. Councils movement to low emission or electric vehicles is a more appropriate measure.

Attachment 1: Banyule Integrated Transport Plan (2015 – 2035) – Progress Report

Table 3: Banyule Integrated Transport Plan 2015 – 2035: detailed progress table

Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status	
	Action complete	C				
	Action business as usual	B				
Actions						
I: Accessibility and Mobility						
A1	Develop and implement a Universal Access Strategy for Banyule that identifies mobility trends and areas for improving accessibility across the municipality.	19/20	Some initial research done. To be developed by Transport Planning FY 19/20 budget.	IP	Transferred to the Transport Engineering team who completed a study of loading bay availability and usage across Banyule in 2021 to inform any changes. This practical action was deemed to be more appropriate at a local government level especially considering the Victorian Governments work underway on an updated Transport Accessibility Strategy (expected to be complete by end 2022).	C
A2	Develop and implement a program to provide accessible footpath connections to public transport and key destinations.	23/24	All Council installed pedestrian crossing designs include tactile surfaces and consideration for ramp access. Council adopted a Walking Strategy in December 2018 which includes a Pedestrian Priority Network for the municipality. Council currently embarked on a Safe Access Audits plan for four neighbourhood activity centres.	IP	A Footpath prioritisation Tool was developed out of the Banyule Walking Strategy to inform the provision of new footpath where most needed. The Safe Access Audit Program is now in its third year and has been highly successful in identifying infrastructure improvements to improve walking, cycling and mobility scooter use across neighbourhood and activity centres. These are then added to Councils Capital Works Program or advocated for where in DoT jurisdiction.	C
A3	Support the actions proposed by Public Transport Victoria in the Accessible Public Transport in Victoria Action Plan 2013-17.	Long Term	All actions supported, TGSIs installed at all bus stops and bus shelters.	IP	The Victorian Government have work underway on an updated Transport Accessibility Strategy (expected to be complete by end 2022).	C
A4	Support and promote car sharing in Banyule by promoting the use of car share schemes, through travel behaviour programs and encouraging share operators to expand operations	Long Term	Some informal car sharing occurring throughout Banyule. Council also supports staff car sharing at its 1 Flintoff Offices with five car share spaces.	B	Some issues with car share due to Covid over the last two years and social distancing requirements. Also currently supporting the provision of free parking with 3 electric charging stations for visitors to Greensborough (complete) and Heidelberg Activity Centres (FY 21/22).	B

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status		April 2022 - Status
	Action complete	C				
	Action business as usual	B				
Actions						
A5	Advocate for the development of a State Government community transport service model to provide funding for community transport providers to provide transport across Victoria, for people who have difficulty accessing regular public transport.		Long Term	Advocacy efforts ongoing	B	Advocacy efforts ongoing. Also see A6 below. B
A6	Encourage local groups to provide community transport services in Banyule through Council grants and other funding sources.		Long Term	Working with Health & Aged Services including senior community transport sessions and advocacy to improve community transport.	B	Council's Community Programs directorate are currently investigation the feasibility of a Council-run or Council supported community bus service to support residents, particularly older people and those with disabilities, to access local shopping and activity areas (Council Report - 21 March 2022). B
2. Land use and Development						
A7	Support development surrounding railway stations, tram routes and high frequency bus routes.		Long Term	Rosanna Urban Design Guidelines, Level Crossing work & Hurstbridge Line upgrade, Watsonia Urban Design.	B	Hurstbridge Rail Duplication – Stage 2 – Greensborough to Montmorency + SUP underway 2022/23. B
A8	Develop and implement Structure Plans for Banyule's Activity Centres.		19/20	Ivanhoe SP 2014 complete. New Heidelberg SP underway. Greensborough – Green Book 2006 – dated.	B	Heidelberg Structure Plan and was completed by Strategic Planning in late 2021. The first stage of A Greensborough North East Gateway Integrated Strategic Plan (GNEISP) background plan has been completed (Oct 2021) to inform the development of the IGNEISP. B
A9	Amend the Municipal Strategic Statement to include the key transport issues and objectives identified within the Banyule Integrated Transport Plan.		19/20	Planning Panel endorsement Dec 2016. Planning Minister permission obtained for inclusion in the Banyule Planning Scheme.	C	The Banyule Planning Scheme format is in the process of being modified with the introduction of a Municipal Strategic Plan (MSP) and the retiring of the use of a Municipal Strategic Statement (MSS). The changes are 'policy neutral', with the intent of the existing controls in the planning scheme will remaining the same. C

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	Action complete	C			
	Action business as usual	B			
Actions					
A10	Support and work with State Government agencies and transport providers to improve and upgrade access, appearance and safety of modal interchanges		Long Term	Rosanna Urban Design Guidelines, Level Crossing work & Hurstbridge Line upgrade. Greensborough Transport Masterplan, Watsonia Rail Station with North East Link.	B
A11	Investigate opportunities for temporary place making within streets and public parking areas to increase street activity within our Activity and Neighbourhood centres.		19/20	Concept Designs for Activation of Rights of Way produced. City Development realignment including Environment and Place manager appointment. Watsonia pop-up park.	B
A12	Ensure streetscape works within activity and neighbourhood centres prioritise sustainable transport modes, including walking, cycling and public transport.		Long Term	Concept Designs for Activation of Rights of Way. All streetscape works include consultation with Transport Engineers and Planners. Rosanna Streetscape.	B
A13	Identify and examine the most appropriate mechanism to require Green Travel Plans at planning permit stage.		19/20	Included in Parking Overlay for Heidelberg and The Mall. Allows for reduced parking provision in commercial developments where an approved Green Travel Plan is in place.	C
A14	Ensure new Council developments and community facilities improvements address sustainable transport access as part of the scope of works.		Long Term	Included in design scope of all projects. I Flintoff Street includes full sustainable transport access and amenities.	B

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status	
	Action complete	C				
	Action business as usual	B				
Actions						
3. Walking and Cycling						
A15	Develop and implement a Banyule Walking Strategy that incorporates the principles of Healthy by Design.	19/20	Council adopted the Banyule Walking Strategy in December 2018.	C	Actions from the Walking Strategy are being delivered through the Safe Access Audit Program, New Footpath Program and informing structure planning for activity centres as well as DoT Movement and Place (M&P) collaboration efforts.	C
A16	Develop a Banyule Principal Pedestrian Network to identify key walking routes in Banyule (map).	19/20	Council developed a Banyule Principal Pedestrian Network (PPN) as an action of the Banyule Walking Strategy.	C	PPN mapping is being used to inform Council's structure planning and collaboration on M&P to DoT.	C
A17	Create Activity Centre Pedestrian Priority Precincts (Banyule Pedestrian Priority Precincts) where accessibility, mobility and safety will inform the design of the public realm.	19/20	Activity Centre Pedestrian Priority Precincts have been created as part of the Ivanhoe, Heidelberg and Greensborough Activity Centre structure plans.	B	The Movement and Place Framework (2019) which includes walking classifications is now being used as the principal planning tool for structure planning. Recent examples include M&P studies of Heidelberg and Greensborough commissioned by Strategic Planning.	B
A18	Sign the International Charter for Walking.	19/20	Signed in July 2016	C	Signed in July 2016	C
A19	Provide paths between walking routes and public transport modes.	Long Term	Many completed pedestrian crossings including Beetham Parade Rosanna (x2) - May 2015 and Yarra St, Heidelberg - Oct 16.	B	Capital works program continues to provide crossings where identified as required. Advocacy to Hurstbridge rail duplication stage 2 to ensure safe pedestrian access is ongoing.	B
A20	Advocate for increased pedestrian priority at traffic signals.	Long Term	Included in advocacy around Level Crossing Removal Project Rosanna. Implemented as part of the actions of the Banyule Safe Travel Plan and Banyule Walking Strategy.	B	Continued advocacy where required. A current project includes advocacy to DoT for improvements to the pedestrian crossing at the Ivanhoe Town Square across Upper Heidelberg Road.	B

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status
	Action complete	C			
	Action business as usual	B			
Actions					
A21	Consider the needs of pedestrians in transport infrastructure upgrades and street maintenance programs.		Long Term	New children's crossings at Coorie Crescent, Rosanna, Sharpes Road, Watsonia, Russell Street, Ivanhoe, Cape Street, Heidelberg	Councils Capital Works Program along with State Gov provided grants support the Pedestrian Improvements and New Footpath programs to install and improve pedestrian crossings and install new footpath.
A22	Continue to install or replace missing or deficient kerb ramps and develop criteria for prioritising implementation.		Long Term	Being implemented as part of the Banyule Walking Strategy and Assets/Infrastructure funding.	As above. Assets maintenance as required and also as informed by the Safe Access Audits Program.
A23	Improve pedestrian navigation through wayfinding and directional signs.		23/24	Pedestrian, Cycling and Scooting maps developed for each of Banyule's primary schools. Decals delineating seven routes to school installed for Greensborough and Olympic Village Primary School. New wayfinding signage installed along Darebin Creek Trail.	Wayfinding signage continues to be installed as needed. A Wayfinding Strategy to encompass both Walking and Cycling is scheduled for development in Council's initiatives budget as part of the Bicycle Policy (Strategy) Implementation Program in 2023/24 (Marked as in progress at action 33)
A24	Support schools to participate in Vic Health's existing Walk to School program and support community walking initiatives.		Long Term	Council continues to support schools and the community to participate in the VicHealth program. In 2017/18 15 schools and over 3,000 students participated	The WTS program has been discontinued by Vic Health. We continue to provide support to schools to improve active transport for students.
A25	Promote walking as a fun, practical and healthy transportation choice through the development and implementation of behaviour change programs		Long Term	Walk to School Program (WTS) Oct 2018, Ride to Work Day Oct 2018. Banyule Walking Strategy – walking circuits.	The Banyule Walking Circuits have proved to be very popular and there are now a set available on the Banyule Website and more in development. Leisure and culture are also actively promoting walking with regular activities.
A26	Review and update the Banyule Bicycle Strategy.		23/24	New Banyule Bicycle Strategy (BBS) being developed in 19/20.	The Banyule Bicycle Strategy was adopted in March 2022.

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status		
	Action complete	C					
	Action business as usual	B					
Actions							
A27	Review the existing cycling network to identify missing routes, gaps and deficiencies.		23/24	A review of the existing cycling network was undertaken in 2018/19 to inform the development of the BBS.	IP	This will be revisited as part of the Banyule Bicycle Strategy Action Plan 2022-2027. Action 2.2 will apply a cycling route feasibility tool to the Banyule local bicycle network routes.	IP
A28	Support the implementation of the Northern Regional Trails Strategy to improve links through and beyond Banyule.		Long Term	NRTS launched Aug 2016. Implementation is currently underway with a mix of funding sources.	IP	An update to the Northern Regional Trail Strategy (NRTS) is currently in development	IP
A29	Advocate to VicRoads for the completion of the Principle Bicycle Network (PBN) across Banyule.		Long Term	Working with Department of Transport on the Strategic Cycling Corridor (SSC) development. Draft SCC available for Banyule. SSC's are a subset of priority PBN routes.	IP	The SSC mapping was completed by DoT in 2022. Advocacy for the SSC as part of the Banyule Bicycle Strategy 2022 priority cycling project list continues.	B
A30	Develop and extend the existing bicycle network of links between our key destinations, and work with neighbouring councils and the State Government to strengthen the suburban bicycle network.		Long Term	Wayfinding signage in place LBN2, 4 and 6. Line marking in LBN4, 5, 8, 9 and 11. Trail feeder route improvements. SCC development.	B	Council continue to work collaboratively with DoT and with the Major Transport Infrastructure Authority MTIA (Planning and delivery of Major Transport Projects) to both plan for and increase the extent of implemented SSC, as well as the other cycling routes (municipal, direct, training and recreational).	B
A31	Develop a bicycle accessibility map to help promote riding routes within and beyond Banyule.		23/24	A TravelSmart map including cycling, walking and PT routes was updated in 2016. It is available both online and printed. A website map to be developed as part of the Banyule Bicycle Strategy	IP	As part of the 2021/22 initiatives budget to implement the Banyule Bicycle Strategy 2022, Council is developing a cycling communications plan including a presence on the Banyule website and an online map. The TravelSmart map is also currently being updated.	IP
A32	Provide end of trip facilities at key destinations, including bike parking and charging points for electric bicycles.		Long Term	Bike Facilities at Rail Stations report undertaken. Bicycle facilities at 1 Flintoff Street.	B	Contributed to Banyule's internal Sustainable Building Guidelines Policy and early discussions on DELWP's 'Environmentally Sustainable Development of Buildings and Subdivisions – A Roadmap for Victoria's Planning System' in 20/21.	B

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	Action complete	C					
	Action business as usual	B					
Actions							
A33	Improve cyclist navigation through wayfinding and directional signs.		19/20	LBN 2, 4, 5, 6, 8, 9, and 11 signed. Trail network signage improvements on Darebin Creek.	IP	Wayfinding signage continues to be installed as needed. A Wayfinding Strategy to encompass both Walking and Cycling is scheduled for development in Council's initiatives budget as part of the Bicycle Policy (Strategy) Implementation Program in 2023/24.	IP
A34	Consider the needs of cyclists in all transport infrastructure upgrades and street maintenance programs.		Long Term	Re-sheeting includes bike treatments if appropriate	B	Cycling infrastructure is upgraded/ maintained where a cycling route of any classification coincides spatially with other infrastructure upgrades and maintenance.	B
A35	Support schools to participate in Bicycle Network's Ride to School program.		Long Term	Support schools each year with Bicycle Network.	B	This program runs independently of Council input as a direct engagement of school by Bicycle Network. Council offers support as needed.	B
A36	Promote cycling as a fun, practical and healthy transportation choice.		Long Term	Ride to work breakfast, Bike Rally Activities at Malahang Festival and at Arty Farty Festival.	B	There was a hiatus over 2020 and 2021 as a result of COVID – 19. Opportunities to promote cycling are emerging again including at festivals and as part of Leisure and Culture activities.	B
A37	Co-fund the provision of Parkiteer cages at railway stations in conjunction with PTV.		19/20	FY 14/15 Greensborough, FY 15/16 Watsonia. Parkiteer cages at Heidelberg, Watsonia and Greensborough in place. Parkiteer cage – built into Rosanna Station in 2018. Note: Council provided co-funding was not found to increase provision of bike cages as other factors at State Gov level were more influential. New bike cages are only being provided at Stations being upgraded as part of the Level Crossing Removal Program.	C	A new built in cage will be provided at both Greensborough and Montmorency as part of the Hurstbridge Stage 2 – 22/23 (Level Crossing Removal Program). Bike parking at Ivanhoe (hoops) proposed on Council land – investigation underway 21/22.	B

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	Action complete	C				
	Action business as usual	B				
Actions						
4. Public Transport						
A38	Advocate for upgrading the Hurstbridge line in conjunction with the grade separation of Lower Plenty Road at Rosanna station, including providing double tracks along all sections, as well as upgrading the signalling systems.	15/16	Hurstbridge Stage 1 completed 2018.	C	Hurstbridge Stage 2 currently in development to duplicate the rail from Greensborough to Montmorency Stations. Council advocacy in progress including for the addition of a Shared User Path.	B
A39	Support 10-minute service frequency for trains and premium bus services.	15/16	Meetings and advocacy with Department of Transport. Advocacy sheets produced for use with Ministers and State Government	B	Continuing advocacy to DoT and MTIA. Participation in the Northern Councils Alliance – Northern Transport Strategy – including Stage 2 – Bus review.	B
A40	Support increased services linking key destinations within and beyond Banyule, including to and within the La Trobe National Employment Cluster.	15/16	Meetings and advocacy with Department of Transport. Advocacy sheets produced for use with Ministers and State Government	B	Continuing advocacy to DoT and MTIA. Participation in the Northern Councils Alliance – Northern Transport Strategy – including Stage 2 – Bus review.	B
A41	Advocate to Public Transport Victoria for improved service reliability, coverage and timetable coordination between train, tram and bus services.	15/16	Meetings and advocacy with Department of Transport. Advocacy sheets produced for use with Ministers and State Government	B	Continuing advocacy to DoT and MTIA. Participation in the Northern Councils Alliance – Northern Transport Strategy – including Stage 2 – Bus review.	B
A42	Support the provision of safe and comfortable waiting areas at bus stops.	15/16	Provision of bus seating. Advocated for bus shelter improvements. Bus Shelter installation program currently being developed by Council.	IP	Bus Shelter provision and maintenance future options include new contract or DOT MOU.	IP

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	Action complete	C					
	Action business as usual	B					
Actions							
A43	Work with the State Government and other stakeholders to improve integration between public transport, walking and cycling.		15/16	Meetings with PTV, Vic Track and LXRA and State Government.	B	Continuing advocacy to DoT and MTIA.	B
A44	Work with Public Transport Victoria and taxi providers to improve taxi rank facilities at key destinations.		15/16	VicTaxi Grant secured three new improved taxi ranks in Banyule.	IP	Transport Engineering review of Taxi ranks completed in 2021/22. This review was done in conjunction with a loading zone study and was intended to evaluate whether Taxi ranks are located optimally within the municipality given technological changes to the way taxis are used (i.e. booking app not just turning up) and other options such as ride share companies. The reviews recommendations are currently under consideration.	B
5. Streets and Pubic Spaces							
A45	Use the Road User Hierarchy to govern road space allocation across Banyule.		15/16	FY 14/15 Heidelberg and The Mall Parking Plan FY 16/17 Ivanhoe Parking Plan FY 16/17 On-street Parking Management Framework 2016 Residential Parking Permit Policy	B	The Road User Hierarchy is applied across Transport Strategy and Policy including Activity Centre Parking Plans, and the On-Street Parking Management Framework. A current update of the Residential Parking Permit Policy is also reinforcing the hierarchy.	B
A46	Minimise the construction of new roads or widening of existing roads to provide for private cars.		19/20	Have advocated strongly on the North East Link. Looking for alternative sustainable transport options.	B	Council is currently advocating for a reduction in capacity on Rosanna Road following completion of the North East Link.	B

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status	
	Action complete	C				
	Action business as usual	B				
Actions						
A47	Develop and implement a Destination Freight Strategy to address delivery and service vehicle access within our Activity, Neighbourhood and Industrial centres.	19/20	Funding available for Council to develop a Banyule Destination Freight Strategy. Upcoming FY 19/20	IP	Transferred to the Transport Engineering team who completed a study of taxi loading bay availability and usage across Banyule in 2021 to inform any changes. This practical action was deemed to be more appropriate at a local government level. Council contributed to the DoT stakeholder consultation for the Principal Freight Network PFN review in late 2020.	C
A48	Advocate for improved bus priority on arterial roads through the provision of bus lanes and jump queues at intersections.	15/16	Strong advocacy on behalf of Council with Department of Transport and State Government ministers.	B	Further bus advocacy to be informed by the Council adopted Transport Advocacy List 2022 as well as outcomes of the Northern Region Transport Strategy – Stage 2 (Bus focused).	B
A49	Work in partnership with VicRoads to review Network Operating Plans across Banyule and beyond.	15/16	Department of Transport Pipeline Projects informed by the Council adopted Transport Advocacy List 2018	B	Department of Transport Pipeline Projects to be informed by the Council adopted Transport Advocacy List 2022.	B
A50	Advocate for a North-East Link as a direct orbital link between the Metropolitan Ring Road to Eastlink.	15/16	Council developed a NEL Advocacy Project List. Council heavily involved in the NEL EES process.	IP	The NEL route is now set to a direct route through Banyule. Council obtained a significant settlement out of the legal action following the NEL EES process. This included funding for Watsonia Town Square development and the completion of the Eastwest power easement trail.	C
A51	Use environmentally sensitive materials and apply best environmental practices when upgrading streetscapes and public spaces.	15/16	FY 16/17 Rosanna Urban Guidelines, Decal Program on safe routes to schools has used recyclable materials. Bike Racks also using recyclables.	IP	Council Sustainable Building Guidelines were developed in 2021 to guide capital works buildings. Further guidelines specifically around road-based infrastructure and use of environmentally sustainable materials are also in development.	B
A52	Support the implementation of the MPA's Boulevard Strategy to improve tree canopies and overall amenity along arterial roads.	15/16	Urban Forest Strategy adopted May 2016	C	MPA is now Victorian Planning Authority.	C

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Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status	
	Action complete	C				
	Action business as usual	B				
Actions						
A53	Use a wide range of parking management tools to manage parking demand within Banyule.	15/16	Completed revised Residential Parking Permit Policy FY 15/16 FY 16/17 - On street Parking Management Framework Work underway on Background and Issues/Opportunities of a future Banyule Parking Plan	B	The completed Activity Centre Parking Plans and On-Street Parking Management Framework are in place. An update of the Residential Parking Permit Policy is currently underway. See also A55.	B
A54	Develop and implement Parking Plans and Parking Overlays for the Heidelberg, Ivanhoe and Greensborough Activity Centres	15/16	FY 14/15 Heidelberg and The Mall Parking Plan, Amendment C108 to add parking overlays to the Banyule Planning Scheme adopted by Council - Jan 17. FY 16/17 Ivanhoe Parking Plan, FY 17/18 Greensborough Parking Plan + Greensborough Transport Masterplan	IP	Greensborough Parking Plan was completed in 2019. A recommendation for a planning scheme amendment to remove the existing parking overlay (which required excessive car parking provisions) was completed successfully in 2020.	C
A55	Implement the Residential Parking Permit Policy and Activity Centre Car Parking Policy in the development of an overarching Banyule wide Parking Strategy.		RPPP and ACCPP complete FY15/16 – On street Parking Management Framework developed.	IP	A municipal wide parking plan background paper was developed in 2020. It was considered at a Councillor briefing that it was unnecessary to continue to develop a municipal wide Parking Strategy	C
A56	Review and update the Banyule Road Safety Strategy.	15/16	Banyule Safe Travel Plan - adopted Sept 2016	C	Banyule Safe Travel Plan - adopted Sept 2016	C
A57	Work with VicRoads to reduce speed limits on roads in key areas, including within Banyule's Activity and Neighbourhood centres.	15/16	Rosanna, Heidelberg and Ivanhoe 40km limits in place Advocacy to include more main roads when needed into the 40kph schemes.	B	A current proposal to reduce speeds in Hawdon Street and Beetham Parade is currently proposed by DoT to support a new cycling route.	B
A58	Ensure the safety of all road users is considered and addressed in the design and implementation of all transport infrastructure works and upgrades.	15/16	Banyule Safe Travel Plan - adopted Sept 2016	B	Integrated into Council processes and addressed through advocacy to State Government Projects.	B

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Attachment 1: Banyule Integrated Transport Plan (2015 – 2035) – Progress Report

Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status	
	Action complete	C				
	Action business as usual	B				
Actions						
6. Advocacy and Leadership						
A59	Develop advocacy priorities as part of each new City Plan.	19/20	Contributed to the Council Plan 2017-2021	B	Contributed to the Council Plan 2021-2025 and reviews annually.	B
A60	Lobby to the State and Federal Government and other stakeholders for action on the issues identified within the Banyule Integrated Transport Plan.	15/16	Appointment of a Manager for Transport Advocacy - June 2016 to advocate for NE link, Hurstbridge duplication, PT services. Continued appointment of Transport Advocacy Advisor and new Transport Advocacy team from 2017.	B	Transport Planning and Advocacy continue to work with the Communications team to develop factsheets and materials for transport advocacy projects.	B
A61	Inform the Banyule community of transport advocacy activities.	15/16	Request for community members for NE link focus group in local leader newspapers and the Banyule website. Inclusion in Shaping Banyule + 2 x NEL community information sessions – Comprehensive advocacy through NEL EES.	B	Regular Community consultation on transport projects across the Transport Department. Recent examples include the Odenwald Bridge Project, the Banyule Bicycle Strategy and the Hurstbridge Feasibility Study looking for community needs and wishes.	B
A62	Promote sustainable travel behaviour by Council staff through developing and implementing a green travel plan for Council's main offices.	15/16	Adoption of the Banyule Green Travel Plan. PTV next 5 now included on BRIAN. Green Travel Hub and Myki Commuter Club launched. Five car share spaces in 1 Flintoff Street.	B	Due for refresh but continues to operate. Will be refreshed as Council staff continue to return to the office post Covid-19.	B
A63	Improve the sustainability of Council's vehicle fleet as part of an overall Fleet Review, through rationalising the vehicle fleet and leasing or buying electric and low emission vehicles and plant.	15/16	Fleet review completed - Fleet Review Improvement action plan adopted. Formation of a Fleet Governance Group FY 16/17 Fleet Management Framework + Corporate Mobility Policy. Electric Vans now included in Council's fleet.	B	Fleet Policy and Guidelines – Aug 2020 update in place. In conjunction with the Corporate Emissions Reduction Plan 2020-2023 will reduce the reliance of Council fleet on Fossil fuel powered vehicles. Preferred vehicles are electric, hybrid and small engine (4cyl).	B
A64	Encourage and provide assistance to schools and large employers in Banyule to prepare and implement green travel plans.	19/20	Walking and cycling routes maps developed and distributed to 32 Banyule Primary Schools. Decal footpath stickers installed for two primary schools. Continue to support Walk to School, Ride to School events. Ride to Work day.	B	To be continued following Covid -19 pause to school and workplace attendance.	B

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Attachment 1: Banyule Integrated Transport Plan (2015 – 2035) – Progress Report

Status Legend	Action in progress	IP	2015 Target	September 2019 - Status	April 2022 - Status
	Action complete	C			
	Action business as usual	B			
Actions					
A65	Proactively source and apply for a range of transport related funding opportunities from State and Federal Government agencies to undertake transport programs in Banyule.		15/16	Funding applied for and received Taxi Rank Funding, Walk to School Funding, Community Road Safety Funding, Safe Access Audits funding.	B
A66	Ensure up-to-date information on public transport, services and initiatives availability is provided to the community through a variety of mediums.		19/20	Provide social media posts from Department of Transport regarding service changes.	B
A67	Implement and promote travel behaviour programs, events and to increase walking, cycling and public transport use.		19/20	Walk to School Month, Ride to Work Day, Banyule Festival Cycling promotion, Malahang Festival Cycling activities. Banyule Green Travel Plan.	B
A68	Promote the Banyule Integrated Transport Plan.		19/20	Printed copies distributed to all stakeholders and available in Customer Service. Electronically available on website.	C

Council Report - 11 April 2022 – Transport Planning and Advocacy Update - Attachment 2

Banyule Transport Advocacy Projects List

No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
1	Walking	Provide a dedicated pedestrian bridge adjacent to the Odenwald Road rail bridge.	Eaglemont	VicTrack	Low	High	High
2	Walking	Narrow the Para Road - Grimshaw Street intersection to facilitate pedestrian crossing movement and reduce entering traffic volume from Para Road into Grimshaw Street.	Greensborough	DoT	Low	High	High
3	Walking	Prioritise pedestrian movement through Heidelberg Activity Centre by introducing a zebra crossing or a pedestrian operated crossing in front of Warringal Shopping Centre on Burgundy Street.	Heidelberg	DoT	Low	High	High
4	Walking	Upgrade the pedestrian operated crossing to a raised crosswalk with the addition of mast arms to make the traffic signals more visible to drivers at Upper Heidelberg Road between Ivanhoe Girls Grammar School and The Centre Ivanhoe.	Ivanhoe	DoT	Low	High	High
5	Walking	Provide a new pedestrian crossing on the east side of the Marshall Street level crossing.	Ivanhoe	DoT	Low	High	High
6	Walking	Build pedestrian operated signals or zebra crossings on Banksia Street at Waratah Special Development School and at Heidelberg Repatriation Hospital.	Ivanhoe	DoT	Low	High	High
7	Walking	Provide a pedestrian operated at grade crossing of Burgundy Street near Martin Street.	Heidelberg	DoT	Low	High	High
8	Walking	Provide signalised pedestrian crossings of Diamond Creek Road at Plenty River Drive and between Pembroke Street and Avandina Crescent (POS) in Greensborough.	Greensborough/ St Helena	DoT	Low	Med	Moderate
9	Walking	Prioritise pedestrian movement through Heidelberg Activity Centre by reducing the speed limit to 30km/h along Burgundy Street.	Heidelberg	DoT	Low	Med	Moderate
10	Walking	Provide kerb outstands at the intersections of Hawdon Street and Cape Street in Burgundy Street.	Heidelberg	DoT	Low	Low	Lower
11	Walking	Install a set of pedestrian operated signals near the intersection of Banksia Street and Hawdon Street in Heidelberg.	Heidelberg	DoT	Low	Low	Lower
12	Walking	Improve the pedestrian permeability and priority on Waterdale Road by providing Zebra crossings or pedestrian operated signals at the intersections of Disney Street (south side) and O'Keefe Street (north side).	West Heidelberg	DoT	Low	Low	Lower

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Council Report - 11 April 2022 – Transport Planning and Advocacy Update - Attachment 2

No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
13	Walking and Cycling	Install Zebra crossings or pedestrian operated signals at the Courthouse and/or at the southern end of the Jika/Yarra Street intersection.	Heidelberg	DoT	Low	High	High
14	Walking and Cycling	Upgrade the pedestrian crossing at the intersection of Burgundy Street and Studley Road to improve alignment with the rail trail and add a bicycle lantern (Northern Trail route).	Heidelberg	DoT	Possible	High	Moderate
15	Walking and Cycling	Provide a pedestrian operated signal (including bicycle lantern) at the intersection of Yarra Street and Rosanna Road.	Heidelberg	DoT	Possible	High	Moderate
16	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route from Banksia Street/Jika Street to Burke Road in the vicinity of the Boulevard through East Ivanhoe	East Ivanhoe	NELP	Low	High	High
17	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route on Yarra Street from the Main Yarra Trail with safe crossings at Dora Street and Lower Heidelberg Road in Heidelberg.	Heidelberg	NELP	Low	High	High
18	Cycling	Complete the Main Strategic Cycling Corridor (C2) route within the Hurstbridge rail corridor from Heidelberg Station to Rosanna Station	Heidelberg-Rosanna	DoT/VicTrack	Low	High	High
19	Cycling	Provide a safe bicycle intersection treatment to implement a continuous north south Strategic Cycling Corridor (C1) route from the Oriel Road bike lanes across Livingstone Street and provide a Shared User Path (SUP) to connect to Miles Street. The intersection should also cater to east west cyclists using the Livingstone Street Principal Bicycle Network (C3) route bike lanes.	Ivanhoe	DoT	Low	High	High
20	Cycling	Complete the Principal Bicycle Network (C3) route on road cycling route as part time bike lanes along Upper Heidelberg Road through Ivanhoe.	Ivanhoe	DoT	Low	High	High
21	Cycling	Complete the Principal Bicycle Network (C3) route on road cycling route along Lower Heidelberg Road and Heidelberg Road to Darebin Creek in Ivanhoe. As part of this provide protected road cycling facilities on Heidelberg Road from the City of Banyule to facilitate access to the Melbourne CBD.	Ivanhoe/ East Ivanhoe	DoT	Low	High	High
22	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route from Macleod Station/ Charles La Trobe Secondary College via Joynt St, Waiora Road, Dougharty Road, and Oriel Road to Ivanhoe. As an urgent interim measure	Macleod - Ivanhoe	DoT	Low	High	High

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No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
		provide a safe cycling crossing of Bell Street in West Heidelberg along the on-road Oriel Road cycling route.					
23	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route along the Hurstbridge rail corridor from Montmorency Station to connect to the Diamond Creek Trail and Eltham Station in Nillumbik	Montmorency - Eltham	DoT/ VicTrack	Low	High	High
24	Cycling	Complete the Main Strategic Cycling Corridor (C2) route along the Hurstbridge rail corridor from Rosanna Station to Macleod Station	Rosanna - Macleod	DoT/VicTrack	Low	High	High
25	Cycling	Complete the Main Strategic Cycling Corridor (C2) route from the M80 Ring Road via a grade separated crossing of Lower Plenty Road to connect to Heidelberg (Jika Street).	Bundoora - Heidelberg	NELP	Possible	High	Moderate
26	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route along the Hurstbridge rail corridor from Greensborough Station to Montmorency Station	Greensborough - Montmorency	LXRP/ DoT	Possible	High	Moderate
27	Cycling	Upgrade or relocate the unsafe (steep, slippery and flood prone) section of the Main Yarra Trail at the underpass of the Banksia Street road bridge.	Heidelberg	NELP	Possible	High	Moderate
28	Cycling	Provide improved bicycle parking facilities at Banyule train stations in order of priority at: Ivanhoe, Macleod, Darebin, and Eaglemont.	Banyule	DoT	Possible	High	Moderate
29	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route along the Hurstbridge rail corridor from Macleod Station to Watsonia Station	Macleod - Watsonia	NELP/DoT	Possible	High	Moderate
30	Cycling	As part of the North East Link Project provide east-west bicycle and pedestrian connections over Greensborough Road and the North East Link corridor at Yando Road, Near Grimshaw Street, Nell Street, Elder Street, Watsonia Road and in the vicinity of Lower Plenty Road to provide access to the La Trobe NEIC.	Greensborough/ Watsonia/ Yallambie	NELP	Planned	High	Lower
31	Cycling	Provide a new shared user bridge to link Banksia Park/Heide (Manningham) to the Heidelberg Activity Centre.	Heidelberg	NELP	Planned	High	Lower
32	Cycling	Complete the East-West Power Easement Trail from Plenty Road through Watsonia Town Centre to connect to the Plenty River Trail in Yallambie. As part of this provide an at grade separated crossing of Greensborough Hwy/NEL.	Watsonia	NELP	Planned	High	Lower
33	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route on Banksia Street from Heidelberg Station to the Darebin Creek Trail.	Bellfield	DoT	Low	Med	Moderate

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No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
34	Cycling	Complete the Primary Strategic Cycling Corridor (C1) route from the M80 Shared User Path via Yando Street and the Kalparrin Gardens to Greensborough Station.	Bundoora M80 - Greensborough Station	DoT	Low	Med	Moderate
35	Cycling	Investigate cyclist safety at Rosehill Road, Lower Plenty from the northbound traffic slip lane off Fitzsimons Lane.	Lower Plenty	DoT	Low	Med	Moderate
36	Cycling	Complete the Main Strategic Cycling Corridor (C2) route along Edwin Street from Bell Street to Banksia Street.	West Heidelberg	DOT	Low	Med	Moderate
37	Cycling	Complete the Main Strategic Cycling Corridor (C2) route from Macleod via Drysdale Street and Lower Plenty Road to Fitzsimons Lane.	Yallambie	NELP/ DoT	Low	Med	Moderate
38	Cycling	As part of the North East Link Project provide a Plenty River Trail connection to the Greensborough Bypass Trail.	Greensborough	NELP	Low	Low	Lower
39	Public Transport	Conduct a comprehensive review of bus routes and services in Banyule as part of the implementation of the State Government Bus Plan 2021.	Banyule	DoT	Low	High	High
40	Public Transport	Provide higher frequency and all year (no semester break) operation of Bus Route 301.	Banyule	DoT	Low	High	High
41	Public Transport	Extend Bus Route 301 to Heidelberg Station to improve access to La Trobe NEIC from the east and north east.	Heidelberg	DoT	Low	High	High
42	Public Transport	Advocate for the provision of improved bus services to La Trobe University from Yallambie, Viewbank and Lower Plenty (or realignment of Route 517)	Banyule	DoT	Low	High	High
43	Public Transport	Upgrade Heidelberg Station to provide a high-quality modal interchange facility in Heidelberg.	Heidelberg	DoT	Low	High	High
44	Public Transport	Improve accessibility at Ivanhoe Rail Station including replacing the existing pedestrian bridge to be DDA compliant and providing lifts.	Ivanhoe	DoT	Low	High	High
45	Public Transport	Provide a grade separation of the Marshall Street level crossing.	Ivanhoe	DoT	Low	High	High

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No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
46	Public Transport	Upgrade Watsonia Station including an integrated transport interchange with direct DDA compliant access to the station from the surrounding precinct.	Watsonia	DoT	Low	High	High
47	Public Transport	Advocate for the provision of a 70m northbound queue jump bus lane (Waterdale Road at Kingsbury Dr) to improve bus priority for the future SRL and to La Trobe University.	West Heidelberg	DoT	Low	High	High
48	Public Transport	Improve bus connections to Latrobe University from Hurstbridge line stations at Heidelberg and Macleod.	Bundoora	DoT	Possible	High	Moderate
49	Public Transport	Reconfigure Para Road and the Para Road/ Flintoff Street intersection, to facilitate bus, pedestrian and cycling movement to the proposed Greensborough Transport Interchange.	Greensborough	DoT	Possible	High	Moderate
50	Public Transport	Duplicate Hurstbridge Railway Line from Montmorency to Eltham.	Montmorency	DoT/ VicTrack	Low	High	Moderate
51	Public Transport	Provide an at grade bus interchange at Greensborough Station on the land parcel at the corner of Para Road and Flintoff Street including commuter car parking along with commercial and residential development on upper floors of the development.	Greensborough	DoT	Planned	High	Lower
52	Public Transport	Provide new or upgraded railway stations at Heidelberg and La Trobe University as part of the implementation of the Suburban Rail Loop	Heidelberg and Bundoora	SRL	Planned	High	Lower
53	Public Transport	Upgrade Watsonia Railway Station including an integrated transport interchange with direct DDA compliant access to the station the multi-deck 'park and ride' carpark (to be built by NELP).	Watsonia	DoT	Planned	High	Lower
54	Public Transport	Provide increased bus priority on Grimshaw Street.	Greensborough	DoT	Low	Med	Moderate
55	Public Transport	Provide a bus interchange reconfiguration in Main Street to improve pedestrian ease of use.	Greensborough	DoT	Low	Med	Moderate
56	Public Transport	Advocate for the connection of Bus Route 513G with Bus Route 343 and extend to La Trobe University to provide direct connections from north of Greensborough.	Greensborough	DoT	Low	Med	Moderate
57	Public Transport	Provide bus service connections from Banyule to the planned NEL Eastern Freeway dedicated busway.	Banyule	DoT	Low	Med	Moderate

Council Report - 11 April 2022 – Transport Planning and Advocacy Update - Attachment 2

No.	Type	Project	Location	Stakeholder	State Interest	Need	Priority
58	Public Transport	Provide a bus service equivalent to the future Suburban Rail Loop route in Banyule to grow patronage along the route as an interim measure.	Heidelberg and Bundoora	DoT	Low	Med	Moderate
59	Public Transport	Extend Bus Route 609 across the Yarra River on Chandler Highway to La Trobe NEIC and increase service frequency and span.	Ivanhoe	DoT	Low	Med	Moderate
60	Public Transport	Provide additional commuter car parking at Ivanhoe and Macleod Stations.	Macleod	VicTrack	Low	Med	Moderate
61	Public Transport	Relocate Route 548 from Edwin Street to Waterdale Road to allow cyclist priority on Edwin Street (C2 Strategic Cycling Corridor)	West Heidelberg	DoT	Low	Med	Moderate
62	Public Transport	Provide a grade separation of Ruthven Street/Chapman Street and the Hurstbridge Railway Line.	Macleod	DoT	Low	Low	Lower
63	Road Network	Address congestion and safety issues at Greensborough Highway/Grimshaw Street intersection in Greensborough in conjunction with the NEL Northern package.	Greensborough	NELP	Low	High	High
64	Road Network	Reconfigure the Main Street – The Circuit – Hailes Street – intersection to facilitate traffic movement between Para Road and Grimshaw Street via the Circuit.	Greensborough	DoT	Low	High	High
65	Road Network	Limit the movement of trucks turning right from Banksia Street into Dora Street and turning left from Lower Heidelberg Road into Jika Street.	Heidelberg	DoT	Low	High	High
66	Road Network	Provide capacity improvements to the Bell-Banksia Link.	Heidelberg	DoT	Low	High	High
67	Road Network	Improve connectivity to the arterial road network through providing a direct link from Upper Heidelberg Road to the Bell Banksia Link.	Heidelberg	DoT	Low	High	High
68	Road Network	Upgrade Greensborough Hwy/Diamond Creek Road – M80 to Yan Yean Road, including grade separation at the Civic Drive roundabout.	ST. Helena	DoT	Low	High	High

Greensborough Major Activity Centre

We are seeking...

That the State Government realise the ambition of the Greensborough Major Activity Centre and maximise its investment by taking a precinct-wide approach to planning and development by:

1. Extending its funding for the **Greensborough Station Carpark and Bus Interchange** to include a multi-level mixed use development opportunity above the car park.
2. If delivery of a multi-level development is not possible at this time, investment is sought for the structure to be engineered to ensure it is future proofed to be built upon at a later stage to avoid the lost development-opportunity potential of the site.
3. The 'air-rights' above the development be returned to Council via strata title.

Greensborough has begun its transformation as a Major Activity Centre. Banyule Council has invested more than \$80 million over the past 15 years to deliver a leisure facility, civic offices and connecting walkways and developer interest suggests the multi-million dollar transformation will continue.

Vacant land on the corner of Flintoff Street and Para Road, earmarked for the Greensborough Station Carpark and Bus Interchange, is a significant site that forms the eastern gateway into the precinct and it is critical that it contains mixed-use tenancies to enable the site to reach its development potential.

Strategic Plan for Greensborough

The Strategic Plan for the Greensborough Activity Centre includes a precinct that is brought to life by expanded retail, commercial, entertainment, leisure, civic uses, allied health services and residential tenancies to serve the needs of the local and regional area.¹

Development is focussed on:

- Encouraging a mix of uses with active frontages; and
- Creating safe and convenient pedestrian links to the retail core and public transport services which encourage people to use active and public transport rather than cars.

The scale of development throughout the precinct needs to capitalise on the topography and take advantage of views of the treed valley north of the site. The preferred height is 32 metres (10 storeys).²

Realising Future Potential

Council has advocated for the delivery of a bus interchange in Greensborough and welcomes the announcement of government investment for the project.

As part of a 'whole-of-place' planning to address accessibility and connectivity in the centre, it is imperative that the station parking and bus interchange is not exclusively reliant on the existing 'at grade' pedestrian crossing on Para Road that connects to Greensborough

Railway Station. The bus interchange needs to be integrated into the development of the East Main Street Precinct. This requires pedestrian connection towards the future Greensborough Town Square and access to the Greensborough Walk, enabling people to more easily navigate the existing topography.



We are requesting that the State adopt an appropriate design that dually considers the structural requirements and associated spacing for supporting additional development above its proposed carpark. It is expected that up to 100 residential or affordable housing units could be accommodated on the site.² This is consistent with what is allowed under the current zoning. It is also consistent with the State Government's *Plan Melbourne* Policy which promotes planning for "new development and investment opportunities on the existing and planned transport network."

Opportunities to deliver more jobs and employment are a key State objective and Greensborough could and should be a showcase for how to deliver best practice outcomes using transport infrastructure as a catalyst for change.³

An artists impression of how the Flintoff Street/Para Road Intersection could be developed.



Vision

The Greensborough Major Activity Centre will be famous for its extraordinary natural attributes, an urban area connected to the natural beauty of the Lower Plenty River Valley.

New developments will provide visual linkages as well as an extension of the green landscape between the valley and the activity centre.

The green edge will define the centre's entrances and reflect the landscape setting, while greenery and landscaping treatments throughout will provide both cohesiveness and define the role of parts of the centre.

The activity centre will be recognised for its sense of community, sustainability and connectivity to and within the centre. A coherent public realm will be created with new public spaces including the centrally located town square, where people of all ages can gather.

Health and wellbeing is the focus of the transformed centre with the Aquatic Centre, spa facilities and a host of health and wellbeing services already accommodated in the centre.



An artist's impression of the Eastern Gateway to the Greensborough Activity Centre

The diversity of higher density mixed use development will cater for the varied needs of the Greensborough population, including providing new opportunities for people to live in the centre. The centre will provide expanded retail, commercial, entertainment, leisure and civic uses to serve the needs of the local and regional area.

Visitors and residents will be encouraged to walk the centre or use public transport rather than use their cars.

The transformation of Greensborough is underway.

Banyule Council has delivered the southern anchor in the East Main Street precinct with WaterMarco, Council's civic offices, and the Greensborough Walk connection between Flintoff Street and the Greensborough Plaza. Well-connected public space is envisaged as a link to developments that activate Para Road and Flintoff Street.

The future use of the land at the corner of Flintoff and Para has been identified as critical to improving connection, integration, sense of place and identity.² Council also showed support for a bus interchange in the centre by resolving to secure an appropriate transport interchange as part of any activated mixed-use development.²

Duplication of the Hurstbridge Railway Line at the Eastern end of town is a significant opportunity for the transformation.

Station carpark and bus interchange

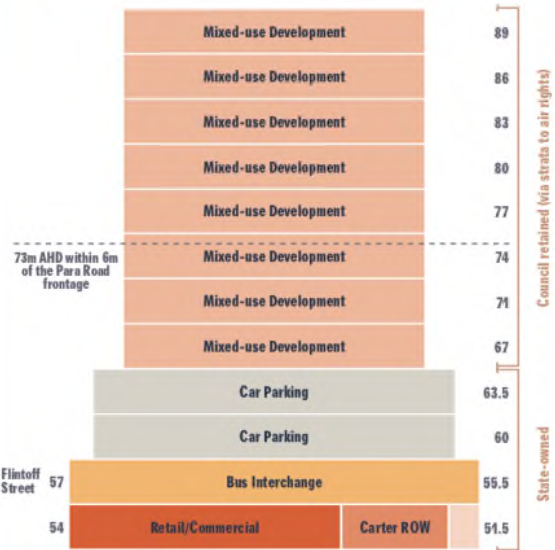
The State Government's announcement of a commuter carpark and bus interchange on the corner of Flintoff Street and Para Road is welcomed by Banyule Council.

Site potential

An opportunity exists to deliver a transport solution that is both more commensurate with Council's strategic objectives for the Greensborough Major Activity Centre and presents a better return on the State's investment.

Council urges that development of the site capitalises on height allowances and commercial and residential opportunities as outlined below.

Height allowances - Flintoff Street and Para Road



Council Commitment

Council could commit to contributing 'an amount' towards the design and construction of future proofing the structure to enable development of the upper levels, which would be on the condition that the air rights remain in Council's ownership.

This would be subject to a Council resolution and require Level Crossing Removal Project to provide an in principal agreement to the proposal.

Council believes the following should be strongly considered as part of any development on this site:

- Multi-level mixed use development (could be a mix of commercial and residential) opportunity above the car park:
- There is significant developer interest in this site and surrounding properties within Greensborough that have the potential to add significant vibrancy and diversity to the area.
- Developments of this kind, adjacent to activity centres, major retail, and railway stations, act to catalyse further mixed-use development.
- If not feasible to be delivered as part of this project, the structure should be engineered to ensure it is future proofed and could be built upon at a later stage to avoid the lost development-opportunity potential of the site.
- The 'air-rights' above the development should be returned to Council via strata title.
- Para Road Activation and greening – Retail/Commercial frontage, possibly fine grained
- Carter Street RoW access retained
- Bus Interchange making use of existing levels
- Improved pedestrian connectivity and safety
- The carpark should be constructed to ensure it can be repurposed for mixed use development in the future.

Plan Melbourne

Greensborough is deemed a major activity centre under the *Plan Melbourne* Policy. It is a centralised activity district and the heart of the surrounding suburbs.

Greensborough presents an opportunity for the State to deliver a whole-of-place outcome for a major activity centre as a model and case study for integrated transport and place-based planning.

Greensborough is a centre that could showcase the value of why the State created the Victorian Planning Authority or DJPR's Precinct focus.

The potential to enhance an emerging health precinct alongside a planned transport interchange and integration of a major missing link in Melbourne's north-east trail network is a unique opportunity in an established area.

This is a set of ingredients that *Plan Melbourne* aspires to bring together from a place and accessibility perspective.

Council would welcome the opportunity to partner with an appointed agency (such as the Victorian Planning Authority, Development Victoria or the Precincts team in DJPR) to coordinate and secure investment and land use outcomes to realise these strategies and deliver a platform for economic recovery post COVID in a major activity centre.

Greensborough's new train station deserves to be an exciting opportunity to re-invent the centre and make public transport, people and ease of movement a focal point for transformation.

This window of opportunity is closing and it is imperative that the new bus interchange and carpark is future proofed to ensure future development can be realised.

✓ Major Activity Centres

Major activity centres are suburban centres that provide access to a wide range of goods and services. They have different attributes and provide different functions with some serving larger subregional catchments.

✓ Ideal geographical location

In addition to meeting these benchmark requirements Greensborough has other unique and positive aspects. It is positioned in direct relation to the green setting of the Plenty River Valley and has a unique topography that allows beautiful views across the valley.

The majority of the area falls within a 400 metre, 5 minute walkability radius and its connection to greater Melbourne is already strong, with a rail link located at the northern border of the area.

✓ Wide catchment area

Greensborough is also home to an established mix of retail premises including a major shopping centre, Greensborough Plaza, in the West Main Street Precinct that draws residents from a wide catchment area.

With the area of the Plenty Valley, encompassing South Morang and Mernda, identified as a *Melbourne 2030* growth area, Greensborough has the potential to draw on these future population reservoirs, given the right mix of services and diversity of attractions.

¹ *The Greenbook in 2006 – This has informed the basis for the current controls in the Banyule Planning Scheme for Greensborough – Schedule 1 to the Activity Centre Zone (ACZ1).*

² *Greensborough North East Gateway Integrated Strategic Plan Background Review*

³ *Plan Melbourne Policy 1.3.1 and 1.3.2*



For more information

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Housing & Neighbourhood Character Preliminary Discussion Paper

Draft for Council Report, April 2022



Introduction

Banyule's recently adopted *Community Vision 2041* (October 2021) places a strong emphasis on meeting not just our current needs, but those of our emerging communities. It includes a desire to provide more diverse, affordable and sustainable housing to 'meet the mixed needs of our diverse community'. Liveability and enhancing our local character are also integral objectives.

Council adopted the current Banyule Housing Strategy in 2009 to manage the City's population and housing growth to 2030. The Neighbourhood Character Strategy was prepared in 2012 to ensure this housing growth was balanced with the protection of the valued character of Banyule's neighbourhoods. Since that time, metropolitan Melbourne has seen significant changes to population growth and projections, while Banyule will see major transport projects, such as North East link, bring greater regional accessibility to our doorstep.

As Banyule continues to attract more residents, its existing residents choose to age in place and new household needs begin to emerge, it is now time for Council to revisit that work and start planning for the city's changing housing needs. This means building suitable homes as well as communities. Affordability, housing choice, rental housing, social connectivity and sustainability are also some of the important topics of conversation in relation to our housing needs.

This Preliminary Discussion Paper is part of the background work needed to start a conversation and consider how the housing and policy landscape has changed since 2009 and investigate whether our housing aims are being achieved and if not, how we might better adapt our thinking and approach.

A small number of key questions are included at the end to start a conversation with you about our housing needs looking forward to 2041.

What is the State Government and Banyule City Council's role in Housing?

Council's role is to help deliver on the State policy objectives for housing at a local level. It is also to work with the development and construction industry to improve the overall design, quality and sustainability of our homes and neighbourhoods using a range of planning tools.

The State Government's Metropolitan planning policy, *Plan Melbourne 2017-2050*, directs population and new housing within the existing Urban Growth Boundary, in defined and planned housing change areas in existing communities and around activity centres. It seeks to provide long term housing growth, diversity and choice in locations that capitalise on existing infrastructure, jobs, services and public transport. It also seeks to increase the supply of social and affordable housing by calling for a range of housing types to be developed within suburbs across Melbourne, rather than being focussed in outer areas, so that local affordability for homeowners and renters can be improved.

Plan Melbourne is reflected in State Policy in the Planning Scheme. Key State policy on housing in the Planning Scheme is summarised in **Table 1** below:

Table 1: Key State Housing and Settlement Policies

Clause	Policy
11.01-1S	Ensure regions and their settlements are planned in accordance with their relevant regional growth plan, or Plan Melbourne. Develop compact urban areas that are based around existing or planned activity centres to maximise accessibility to facilities and services.
11.02-2S	Plan to accommodate projected population growth over at least a 15-year period and provide clear direction on locations where growth should occur. Residential land supply will be considered on a municipal basis, rather than a town-by-town basis. Planning for urban growth should consider: <ul style="list-style-type: none"> opportunities for the consolidation, redevelopment and intensification of existing urban areas neighbourhood character and landscape considerations the limits of land capability and natural hazards and environmental quality service limitations and the costs of providing infrastructure.
15.01-5S	Ensure development contributes to existing or preferred neighbourhood character.
16.01-1S	Increase the supply of housing in existing urban areas by facilitating increased housing yield in appropriate locations, including under-utilised urban land. Ensure that an appropriate quantity, quality and type of housing is provided.
16.01-2S	Increase the proportion of new housing in designated locations within established urban areas and reduce the share of new dwellings in greenfield and dispersed development areas. Encourage higher density housing development on sites that are well located in relation to services, jobs and public transport. Ensure an adequate supply of redevelopment opportunities within established urban areas to reduce the pressure for fringe development. Identify opportunities for increased residential densities to help consolidate urban areas.
16.01-3S	Ensure housing stock matches changing demand by widening housing choice. Facilitate diverse housing that offers choice and meets changing household needs.

Source: Planning Practice Note 90: Planning for Housing, DELWP, Dec 2019

All Victorian Councils are responsible for the long-term planning for housing within their local government area. Council is expected to facilitate State policy through its own long-term strategies and plans that are reflected in its local policies, zones and overlays in the Planning Scheme. These should encourage housing supply and diversity and guide new development into sustainable locations with access to services, transport and facilities, whilst also ensuring the unique features that make each municipality unique, such as neighbourhood character, landscape, vegetation and heritage are respected. This provides the community with certainty about where housing change will occur and the level of change.

Council must also act on the ***Banyule Community Vision 2041***, which has a renewed call for affordable housing and establishment of 20-Minute neighbourhoods. This should have an impact upon how we plan for and accommodate our future population adopting a place-based approach to our neighbourhoods.

One of its priority themes is '**Our Well Built City**' which states:

We are a city with diverse, affordable, and sustainable housing solutions that meet the mixed needs of our diverse community.

Our City is a network of 20-minute neighbourhoods, connected through a range of transport options and we have easy access to places to live, work and play. We discourage car use and use active and sustainable forms of transport such as walking, cycling and public transport.

Other relevant priority themes include:

- **Our Sustainable Environment**, which highlights the need for environmentally sustainable design to be at the core of planning and development, the need for abundant natural open spaces, and maintaining tree canopies in local streets.
- **Our Valued Community Assets**, that should be evenly distributed across the municipality, safe and accessible to all residents.

What is a Housing Strategy?

A **Housing Strategy** is a Council's long-term plan to manage future housing growth and change so that it best meets the ongoing needs of the community. It allows Council to plan for the future. A Housing Strategy should show the locations for new residential development and identify how new development can be managed to protect valued and unique attributes of the municipality and its neighbourhoods.

The **Housing Strategy** informs how Council applies the zones and overlays in its residential areas, which guide the location and intensity of new housing development.

State Policy (see Table 1) requires Council to review their Housing Strategy every 15 years so changes in the municipality can be considered and planned for. This includes changes to population and households, the natural and built environment, accessibility to infrastructure and services, and housing affordability.

A housing strategy should:

- Plan to accommodate projected population growth over at least a 15-year period and provide clear direction on locations where growth should occur.
- Outline the strategies and actions to accommodate the projected population and household needs.
- Ensure a range of housing opportunities are available across the municipality to meet the needs of the current and future population.
- Ensure neighbourhood character and landscape are considered.

Fundamental to the review and the preparation of a new housing strategy is a review of neighbourhood character. The overarching aim of the housing strategy is to plan for housing growth that contributes to the existing or preferred neighbourhood character.

This means that while we are planning for housing, Council must also revisit its existing *Neighbourhood Character Strategy 2012*.

What is a Neighbourhood Character Strategy?

Neighbourhood character is the look and feel of a place. It is the combination of unique features that make one place different from the next. These features may include vegetation, topography, streetscape, building styles, the spaces between buildings, colours and materials. Some features are more important than others in creating this distinctive character.

The need to protect neighbourhood character must be balanced with the need to provide more diverse housing across the municipality.

A **Neighbourhood Character Strategy** is a major piece of strategic work that should be delivered alongside the Housing Strategy. It involves assessing the existing residential neighbourhoods and preparing preferred character statements that outline whether it is the existing character that should be respected, or a defined preferred new character. Design guidelines then describe how developments can achieve this. The preferred character statements for each neighbourhood should be considered when identifying housing change areas in the municipality.

A Neighbourhood Character Strategy should:

- Identify the significance of each neighbourhood area.
- Provide strategic direction for neighbourhood character to guide future development.
- Form the basis for any variations to the Planning Scheme, such as policies or objectives for neighbourhood character or changes to a residential zone schedule.
- Demonstrate that housing objectives will not be prejudiced when deciding on how neighbourhood character will be protected.

Neighbourhood Character Strategies are not intended to prevent change or require new development to copy the design of existing housing. They should promote housing design that is inspired by the existing or preferred new character of a place.

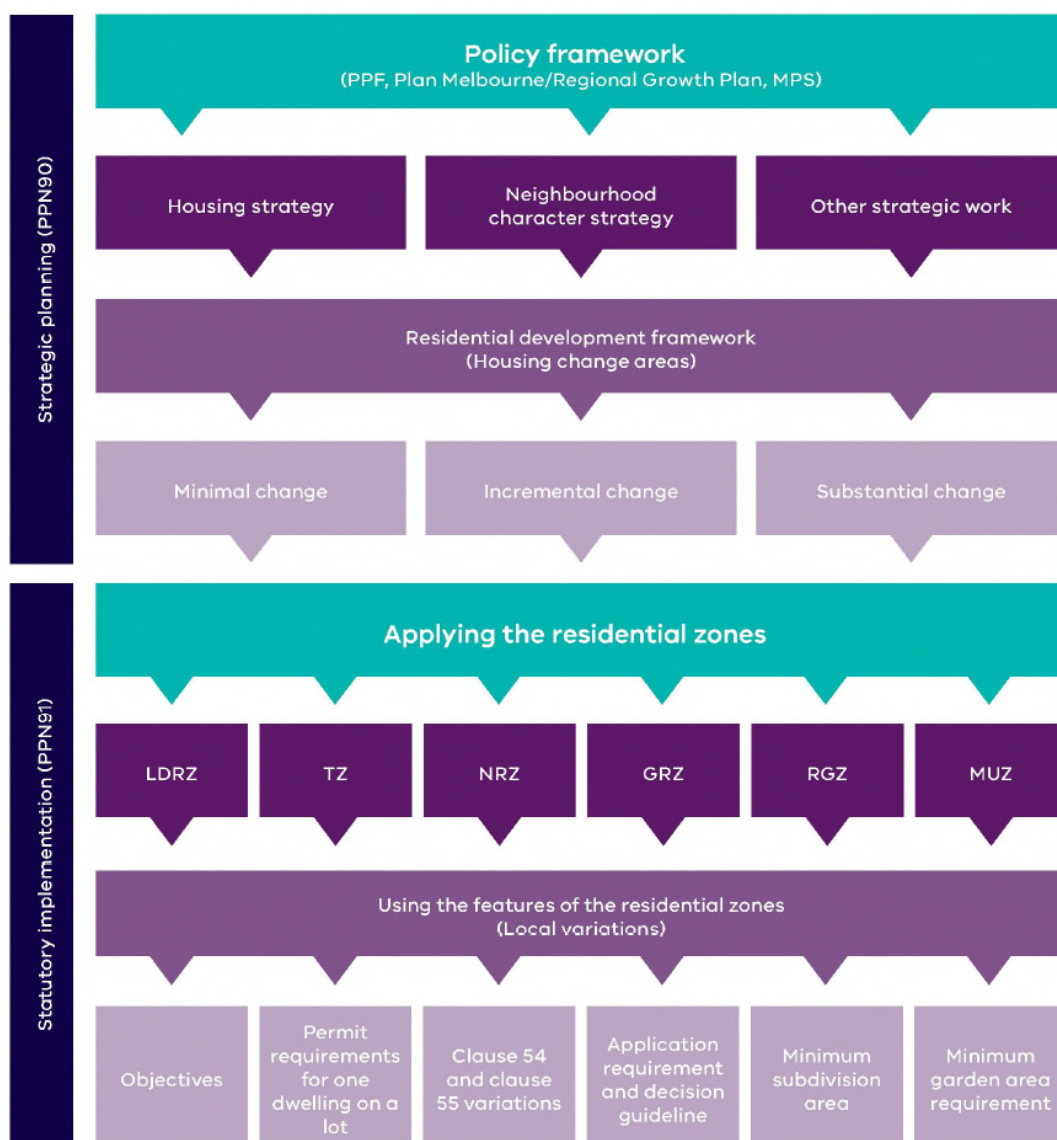
State Requirements for Reviewing Housing and Neighbourhood Character

The State Government's *Planning Practice Note 90 - Planning for Housing* and *Planning Practice Note 91 - Reforms to the Residential Zones* recommends a Neighbourhood Character Strategy be prepared to support other relevant strategic work when preparing a new Housing Strategy. The two strategies need to align so that Council is giving a consistent message about the outcomes it is seeking to achieve in particular locations.

Inconsistencies between housing and neighbourhood character objectives create confusion about whether housing growth or the protection of existing neighbourhood character is to be prioritised in a defined area or neighbourhood.

Figure 1 below outlines the steps that should be taken when considering any changes to housing and character policies, and the order that these steps must proceed in. This process must be followed before Council can consider implementing any changes to local policies for neighbourhood character or urban design, or making any changes to local schedules of a residential zone for features such as site coverage or design detail like fencing.

Figure 1: Balancing Housing Growth and Protection of Neighbourhood Character



Source: Planning Practice Note 90 – Planning for Housing, Department of Environment, Land, Water and Planning, December 2019

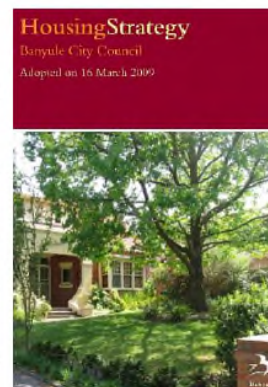
What has changed and why do we need a review?

Banyule's Housing Strategy was adopted in 2009 and is nearly 13 years old. The Neighbourhood Character Strategy was prepared in 2012. Since then, metropolitan Melbourne has seen unprecedented population growth and, with it, emerging pressures in housing delivery and our built environment. Substantial changes are occurring within our activity centres, significant State Government investment in city shaping infrastructure and policy, issues are emerging through population and household change and there is continued feedback regarding housing in Banyule. As such, it is timely that the strategies be reviewed and updated to plan for future housing growth and protect neighbourhood character.

Banyule Housing Strategy 2009

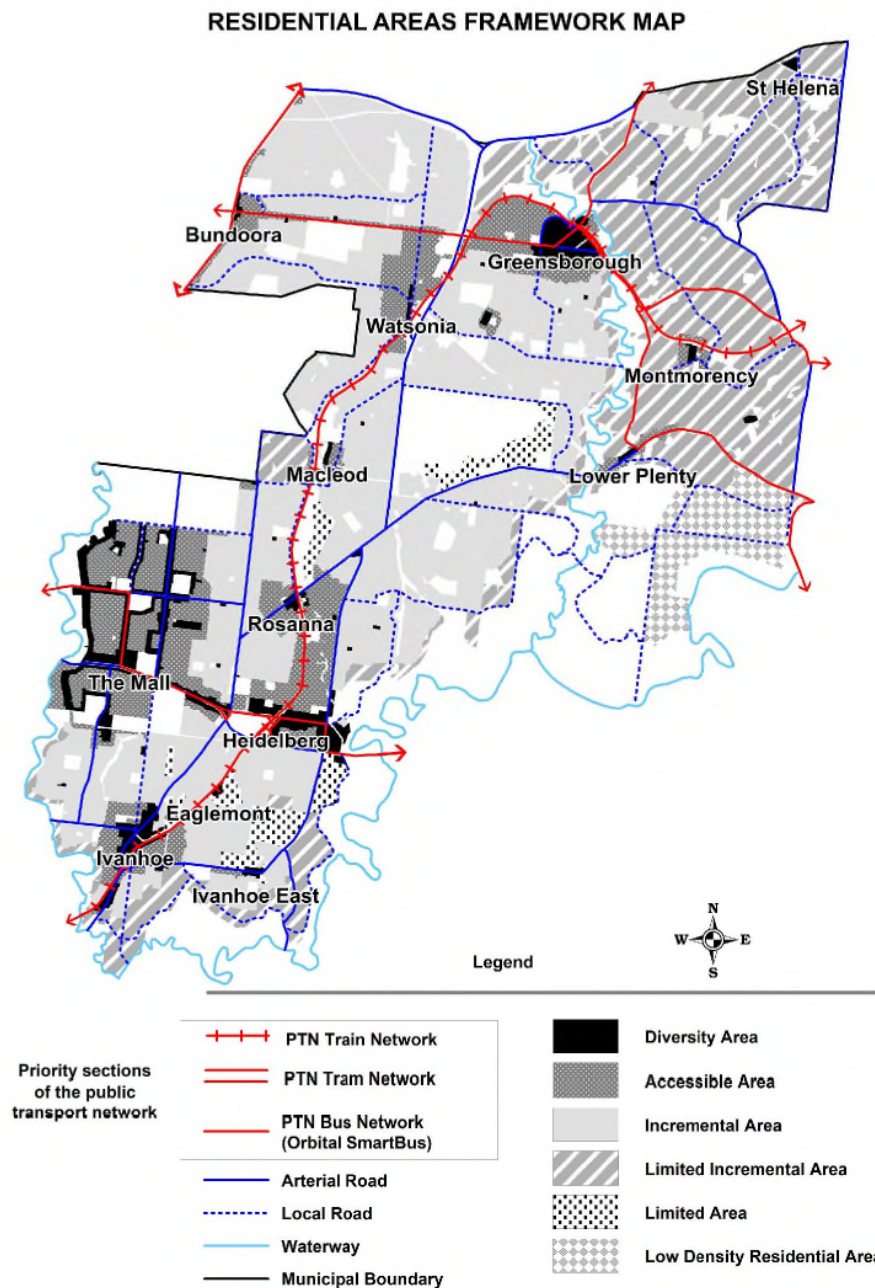
The current Banyule Housing Strategy in 2009 set out to manage the City's population and housing growth to 2030.

- The priority actions of the Housing Strategy 2009 have been acted upon through:
- Structure Planning for our three major activity centres – Ivanhoe, Greensborough and Heidelberg.
- An updated Neighbourhood Character Strategy to support a permanent local policy in the Banyule Planning Scheme.
- The introduction of a local policy on Environmentally Sustainable Development.
- The development of Banyule's Liveable Housing Design Guidelines.



The Housing Strategy was also implemented in the Planning Scheme through Amendment C63 which introduced Clause 21.06 Built Form in the Banyule Planning Scheme. This includes a Residential Areas Framework Map (See **Figure 2** below) which shows the preferred housing outcomes for various locations across the municipality. The map was used as the basis for the introduction of the State's new residential zones in 2013.

Figure 2: Residential Areas Framework Map from Clause 21.06 of the Banyule Planning Scheme



This map shows the indicative location of the Residential Areas described in the Residential Areas Framework.

At the time the Housing Strategy was written, dwellings in Banyule were generally single family detached houses. New residential opportunities generally consisted of subdividing the backyard of existing house blocks for a second detached dwelling.

Banyule's population growth was slow, well below average for the State. The analysis that informed the 2009 Housing Strategy showed a declining population in the early 2000s that was projected to slowly increase by 2.4% over 20 years to 121 533 residents in 2021. The real population growth has exceeded these projections. Banyule's population is now at around 129 387 (ABS Estimated Resident Population 2021). This is an increase of 9.7% over 20 years.

Dwelling types have not changed significantly, with separate dwellings remaining the dominant housing type.

In 2016, housing types in Banyule consisted of:

- 76% Single dwellings
- 21.8% Medium density dwellings (an increase of 1% in 10 years)
- 1.7% High density dwellings (an increase of 1.4% in 10 years)

The analysis that informed the 2009 strategy also noted that growth was occurring most significantly in large separate dwellings (4+ bedrooms). This trend has continued. In 2016, dwellings with 3 bedrooms remained the most common in Banyule, but their representation in new developments continued to decline. New dwellings with 4+ bedrooms however have increased by 1622 dwellings over the last 10 years.

The number of bedrooms per dwelling in 2016 were:

- 18.7% - 2 bedroom dwellings (no change)
- 46.7% - 3 bedroom dwellings (3% decrease in 10 years)
- 21.6% - 4 bedroom dwellings (1.2% increase in 10 years)
- 4.8% - 5 or more bedroom dwellings (0.8% increase in 10 years)

(Note - There was also an increase in responses that did not state bedroom numbers in the 2016 census.)

Source: *Australian Bureau of Statistics, Census of Population and Housing 2006 and 2016. Compiled and presented by .id (informed decisions).*

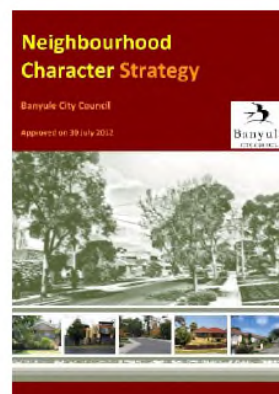
Dwelling type and bedroom number is an important indicator of Banyule's residential role and function. Banyule's dominant larger single dwelling type is more likely to attract families. Medium or higher density dwellings typically attract young adults, small households and renters. These dwelling types reflect market opportunities, but also planning policy and the type of housing that is encouraged across the municipality.

With the benefit of more than a decade of development since the last Housing Strategy to inform a review, Council must now begin to consider what needs to be addressed and how we can provide improved and more sustainable housing into the future.

Neighbourhood Character Strategy 2012

This strategy was an update to the Banyule Neighbourhood Character Strategy prepared in 1999. The Neighbourhood Character Strategy lists 5 types of character areas:

- Garden suburban
- Garden court
- Bush Garden
- Semi Bush
- Bush Woodland



Each character area contains a number of precincts, with preferred Neighbourhood Character Statements and Design Responses that are intended to guide new development.

Since the 2012 Strategy was prepared, changes in Council's vision for areas in and around our Major Activity Centres and the Postcode 3081 Urban Renewal Area, has meant that our Neighbourhood Character Strategy 2012 and Housing Strategy 2009 no longer align. Our housing needs across the municipality are changing as more people seek to live in Banyule, and some existing residents choose to stay and age in place in smaller homes near friends and family. Younger residents who would like to continue living in Banyule as they build their own families need more affordable housing options. A revised Neighbourhood Character Strategy would ensure any future housing growth is balanced with the protection of the valued character of Banyule's neighbourhoods.

State and Local Policy changes since 2009

The Housing Strategy 2009 was prepared prior to significant State investment in infrastructure and policy that will influence where more housing is needed in Banyule, including:

- Introduction of new residential zones by the State Government in 2013, and their reforms in 2017 and 2018.
- The State's release of *Plan Melbourne 2017 – 2050*.
- The Draft Northern Region Land Use Framework Plan 2021, which guides the application of Plan Melbourne at a regional and local level. It requires Councils to prepare up-to-date housing strategies.
- Introduction of the Better Apartments in Neighbourhoods Design Standards and the Apartment Design Guidelines for Victoria.
- City shaping infrastructure projects, including the:
 - Construction of the North East Link between Greensborough and Heidelberg.
 - M80 upgrade.
 - Hurstbridge Line Upgrade (including the duplication of tracks in sections, and a new Greensborough Railway Station).
 - Level crossing removal at Rosanna and construction of a new railway station.
 - Planned Suburban Rail Loop (North) which is to run through Heidelberg and include the construction of an interchange station in the longer term (by 2053).

Development of New Housing and Neighbourhood Character Strategies

Council now needs to review the existing strategies and prepare new long-term plans that provide an updated consideration of recent housing development and demographic trends, Council's current planning framework, and recent State government policy changes.

This Preliminary Discussion Paper is the first step in reviewing the Housing and Neighbourhood Character Strategies. It starts to consider how the current strategies and controls are performing, and how they can be better aligned to achieve the desired housing and neighbourhood character outcomes. The next step will be to undertake a 'health check' analysis of our housing situation as a key background document.

This Preliminary Discussion Paper will then be expanded using the background analysis and become a more detailed final Housing Strategy and Neighbourhood Character Discussion Paper. In turn, this will then be used for broader community consultation.

The Final Discussion Paper will need to consider:

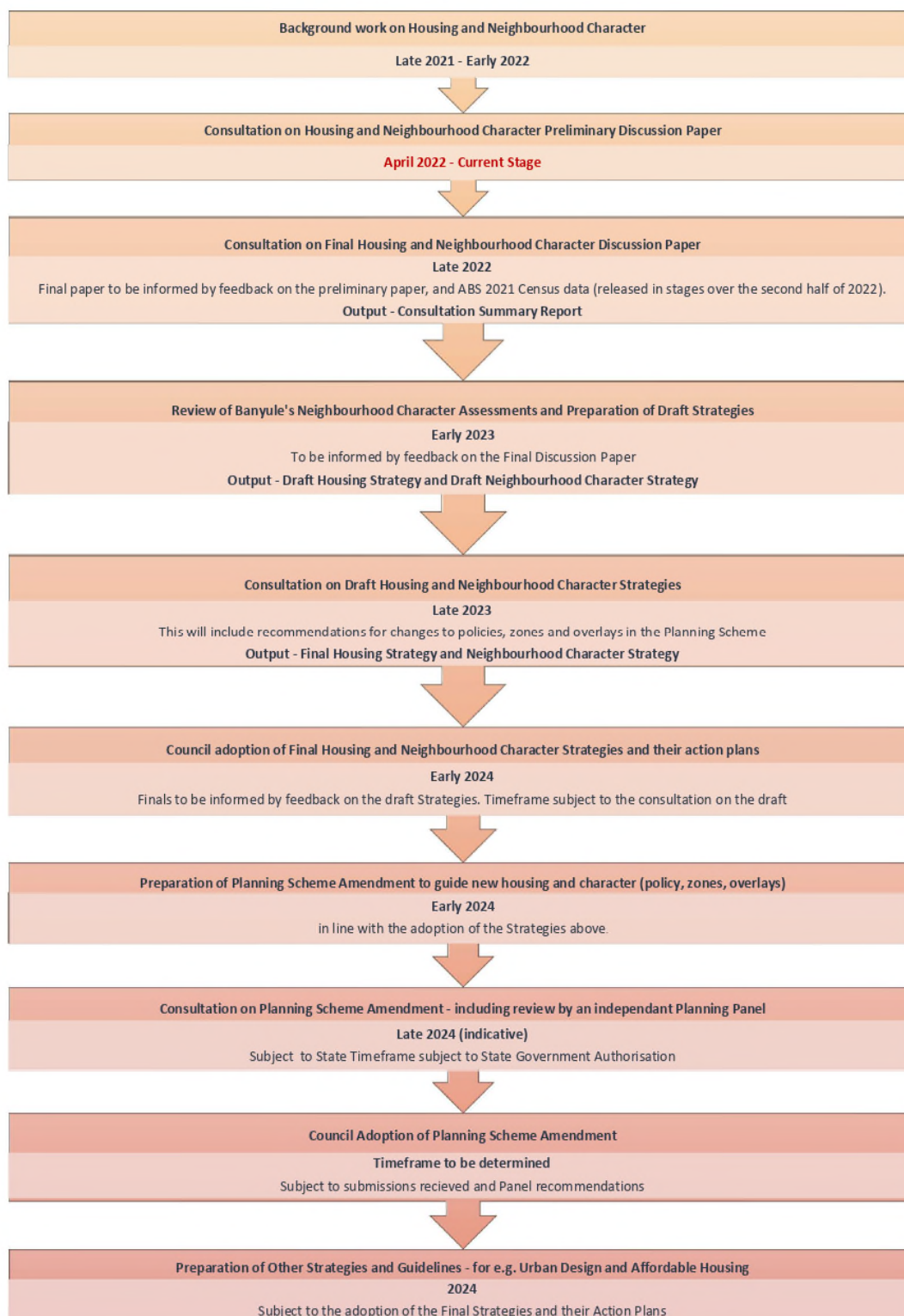
- How has policy changed since 2009? What is the role of different levels of government in influencing outcomes, and what is being done by governments to address current and future housing needs?
- Have the housing needs changed? Is current housing supply responding to community need and changes in demographic?
- Is there sufficient land, appropriately zoned, to meet housing demand? Are there areas which could provide for housing need or to diversify housing? What degrees of change are considered appropriate?
- How is development affecting our neighbourhoods? What are the impacts of new developments on existing neighbourhoods?
- What effects are current planning controls having on housing delivery, diversity, quality and character?
- How can Council improve the provision of social and affordable housing?
- Is new housing sustainable?

The Final Discussion Paper will inform the preparation of a Draft Housing Strategy and Neighbourhood Character Strategy. Once the final strategies are adopted, they will be used as the strategic basis for refining the residential planning controls in the Planning Scheme.

Housing Strategies and Neighbourhood Character Strategies are significant pieces of strategic work that take time to prepare and discuss with the community.

Banyule Council's plan to review Housing and Neighbourhood Character and reflect this review in the Planning Scheme, is outlined in **Figure 3** below:

Figure 3: Roadmap for the Review of Housing and Neighbourhood Character



Housing & Neighbourhood Character Preliminary Discussion Paper | Confidential Draft for Councillor Briefing - March 2022

Any proposed Planning Scheme Amendment would need to consider the emerging State Planning reforms, including the outcomes of the Improving the Operation of Rescode Review and the Environmentally Sustainable Development Roadmap. The amendment may need to adapt in response to any reforms as they are introduced.

Any residential zone and schedule changes proposed would need to give effect to the housing and neighbourhood character objectives. It should be noted that all residential zones support and allow for some increase in housing.

What role will the community play and how can I get involved?

Council will now begin preparing a 'health check' analysis that will look at how we are going in terms of meeting our housing needs and what our future requirements will be. This will help to inform detailed consultation later in this project.

In the meantime, Council would very much like to start the conversation with you to get your insights on housing needs and what neighbourhood character means to you.

Community feedback on the following discussion questions will help inform the next stage of our housing and neighbourhood character review:

- Do you feel that Banyule's housing is diverse and provides sufficient choice, affordability and options that meet the needs of all of our people?
- If you fast-forward 5, 10 or 15 years, do you think your housing needs or those of your family will be met in Banyule?
- More new housing will be needed for our growing and changing population. What is it about your local area that is important to you when it comes to housing, housing change and the character and feel of your neighbourhood?
- How important is it to you to have future housing choices (including rental) that will enable you to continue to live in your local area and close to family and friends? What if this meant an apartment or townhouse?
- What are good examples of the housing you would like to see more of in Banyule? What are examples of housing you don't like so much and why?
- If you own an investment property in Banyule that you plan to redevelop in the future, what are the challenges you see in developing in your area?
- If you rent a property in Banyule and would like to stay in your local community, what are the barriers to buying a home or finding a suitable rental property in your area?

Responses can be provided on Shaping Banyule from May 2022 or by emailing strategic.planning@banyule.vic.gov.au

What happens next?

Community insights on this Preliminary Discussion Paper will help inform the focus of the final Discussion Paper. This Final Discussion paper will also be informed by the Australian Bureau of Statistics 2021 Census data, which will be released in stages over the second half of 2022.

Further consultation on the Final Discussion Paper will help Council to prepare the new Housing and Neighbourhood Character Strategies. Draft versions of these strategies will be released for further feedback.

The Final Housing and Neighbourhood Character Strategies will include action plans that may include making changes to the Banyule Planning Scheme or the development of other strategies that will guide future housing growth that is more sustainable, affordable and respects neighbourhood character.

Asset Plan (Draft) 2022 - 2032



Document control

Record Number	[Subject]
Date Created	Click or tap to enter a date.
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Executive Summary

Introduction

This Asset Plan outlines key elements involved to sustainably and effectively manage Council's infrastructure assets. This Plan is a key element of Council's strategic asset management planning.

The purpose of this plan is to:

- Demonstrate Council's responsibility to manage infrastructure assets;
- Define and articulate how infrastructure assets are managed to achieve the organisation's goals and objectives;
- Understand the current condition of infrastructure assets and how they may look in 10 years;
- Facilitate stakeholder consultation to determine appropriate levels of service;
- Manage risk of premature asset failures;
- Manage assets by optimising lifecycle costs and support long term financial planning;
- Meet Council's obligation to comply with the Local Government Act 2020.

The outcome of this plan will identify future funding requirements for service delivery considering the condition of assets, levels of service to be provided, future demand and risk management.

Asset Portfolio

This plan focused on Council's fixed infrastructure assets (excluding land and trees) of \$986 million. Six asset categories included in this plan are:

- Roads, including kerb and channel and carpark
- Footpaths
- Bridges, including road and pedestrian bridges
- Stormwater Drainage
- Buildings
- Parks and Open Space (POS)

Community Expectation

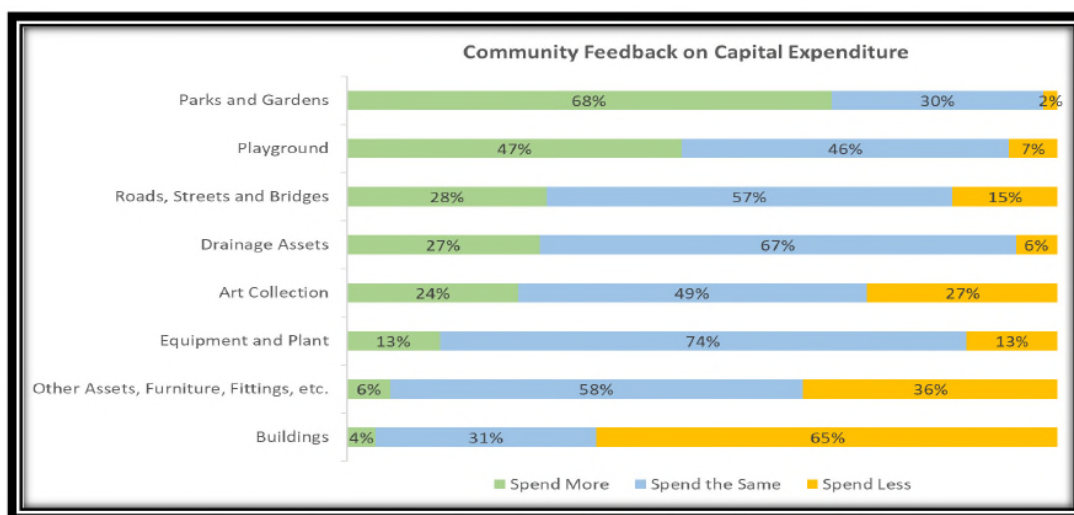
In accordance with the Local Government Act (2020), Banyule City Council engaged with the community in 2020/21, driven by principles of deliberative engagement, to inform the development of the Banyule Community Vision 2041 and Council Plan 2021-2025. The Vision 2041 statement is:

"We in Banyule are a thriving, sustainable, inclusive and connected community. We are engaged, we belong, and we value and protect our environment."

During the engagement process, the community was asked 'When considering how Council spends on Capital works, do you think Council should spend more, the same or less?'. The following figure presents the summary of 320 responses to the question.

The community told us they would like to see Council spends more on parks and gardens and less on buildings. Key strategies the community provided are:

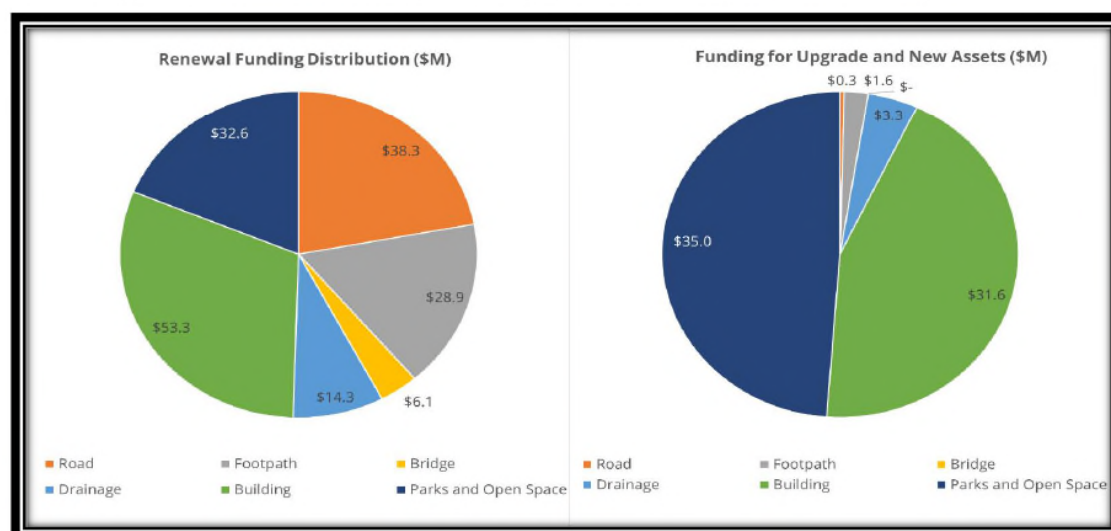
- Most preferred was to spend more on fixing existing infrastructure rather than building anything new.
- Least preferred was to borrow funds to build new infrastructure.
- Council should find efficiencies to reduce costs and fully utilise existing assets.



Financial Forecast and Sustainability:

Council's recurrent expenditure including operation and maintenance is required to continue as it is to keep Council's services operational and safe for the community.

Following figures depict the proposed capital funding distribution among various asset categories.



Findings

- Council's renewal budget over the next 10 years is \$173 million.
- Building and POS consume 50 per cent of this allocation. Road and footpath are 22 and 17 per cent respectively.
- Council's total budget for upgrading and creating new assets is \$72 million over the next 10 years. Almost half (49 per cent) of it is allocated for POS, which supports community preferences.
- A major part (44 per cent) is allocated toward buildings, which may be a concern for managing other assets. Creating new buildings also increases operational and maintenance costs significantly.
- Banyule is preparing a Community Infrastructure Plan (CIP), which will help understand more accurate capital funding required for buildings.

Renewal Funding Allocated Vs Renewal Funding Required

A comparison between renewal funding allocated and required for different asset categories along with Renewal Gap Ratio is summarised below.

Asset Category	VAGO Financial sustainability indicators		Renewal Modelling Financial Indicator			
	Renewal Gap Ratio	Risk Level	Renewal Funding Allocation, (\$M)	Required Renewal Funding (\$M)	Renewal Intervention, Condition	Financial Sustainability (%)
Road	0.7	Medium	38.3	38.3	5	100%
Footpath	1.16	Low	28.9	20.7	4	140%
Bridge	6.11	Low	6.1	1.5	4	402%
Drainage	0.67	Medium	14.3	9.4	4	152%
Building	3.92	Low	53.3	38.1	4 & 5	140%
Parks and Open Space	1.34	Low	32.6	31.2	5	104%
Total			173.4	139.2		125%

Comments

- Council's overall renewal funding is 25 per cent higher than that required to keep up with asset consumption (depreciation).
- This additional renewal funding is required to renew any premature failures of assets, legislative and safety compliance, and also to implement best practice energy standard to address Banyule's carbon neutrality target 2028.
- Council spending on renewing buildings, footpaths and bridges is appropriate. These assets are financially sustainable for the next 10 years.
- Council's renewal funding for drainage asset is also appropriate considering the renewal requirement. However, the Renewal Gap Ratio, which considers depreciation, indicates that renewal funding is insufficient.
- Drainage assets are long life (100+ years) assets and the average age of Banyule's drainage network is at the middle of its useful life. Therefore, current renewal requirement is less than depreciation. When this asset class approaches the end of its useful life, renewal needs will increase significantly. It is recommended to continue with the current drainage funding.
- Road assets including carpark and kerb and channel are financially at medium risk. Council has been underspending on roads, carparks and kerb and channel in recent years.
- Parks and Open Space is also at the medium to low risk financially. Current renewal funding looks appropriate to maintain overall asset condition, however the community has shown a preference to improve the level of service of POS.

Recommendations

- It is recommended to implement the renewal funding proposed by this plan, as summarised in Table 3.
- This includes increasing renewal funding by \$6.3 million over the next 10 years for roads (including carparks and kerb and channel) compared to previous planning, through the redistribution of renewal funding across asset classes.
- Maintain renewal spending on drainage, bridges and buildings, and continue with the development of the Community Infrastructure Plan to better inform future capital spending needs for buildings.
- Provide an additional \$10 million towards the renewal and upgrade of Parks and Open Space assets, as the community has shown a preference to improve the level of service of POS. This funding is included in the 10 year Financial Plan.

1. Introduction

This Asset Plan outlines key elements involved to sustainably and effectively manage Council's infrastructure assets. It combines engineering, technical practices and financial management to ensure that services are provided to the community by minimising the lifecycle cost.

This Plan is a key element of Council's strategic asset management planning. The purpose of this plan is to:

- Demonstrate Council's responsibility to manage infrastructure assets;
- Define and articulate how infrastructure assets are managed to achieve the organisation's goals and objectives;
- Understand the current condition of infrastructure assets and how they may look in 10 years;
- Facilitate stakeholder consultation to determine appropriate levels of service;
- Manage risk of asset failure;
- Manage assets by optimising life cycle costs and support long term financial planning;
- Meet Council's obligation to comply with the Local Government Act 2020.

The outcome of this plan will check financial sustainability of Council's infrastructure assets and identify future funding requirements for service delivery considering the following factors:

- Current levels of service and status of assets;
- Predicted level of service and status of the assets in 10 years;
- Future demand for infrastructure;
- Asset failure and risks involved;
- Financial forecasts and funding gaps.

2. Strategic Linkage

Banyule City Council has developed an integrated strategic approach to planning, delivering and reporting to deliver service outcomes for the community and to meet requirements of the new Local Government Act 2020 (the Act).

Integrated planning and reporting aim to ensure we remain an adaptive, responsive and viable local government authority. This is facilitated by understanding community needs and aspirations, setting direction within our resource capability and supporting Council to make informed decisions on behalf of our community. Figure 1 depicts our integrated planning and reporting approach from long term vision to annual actions and reporting.

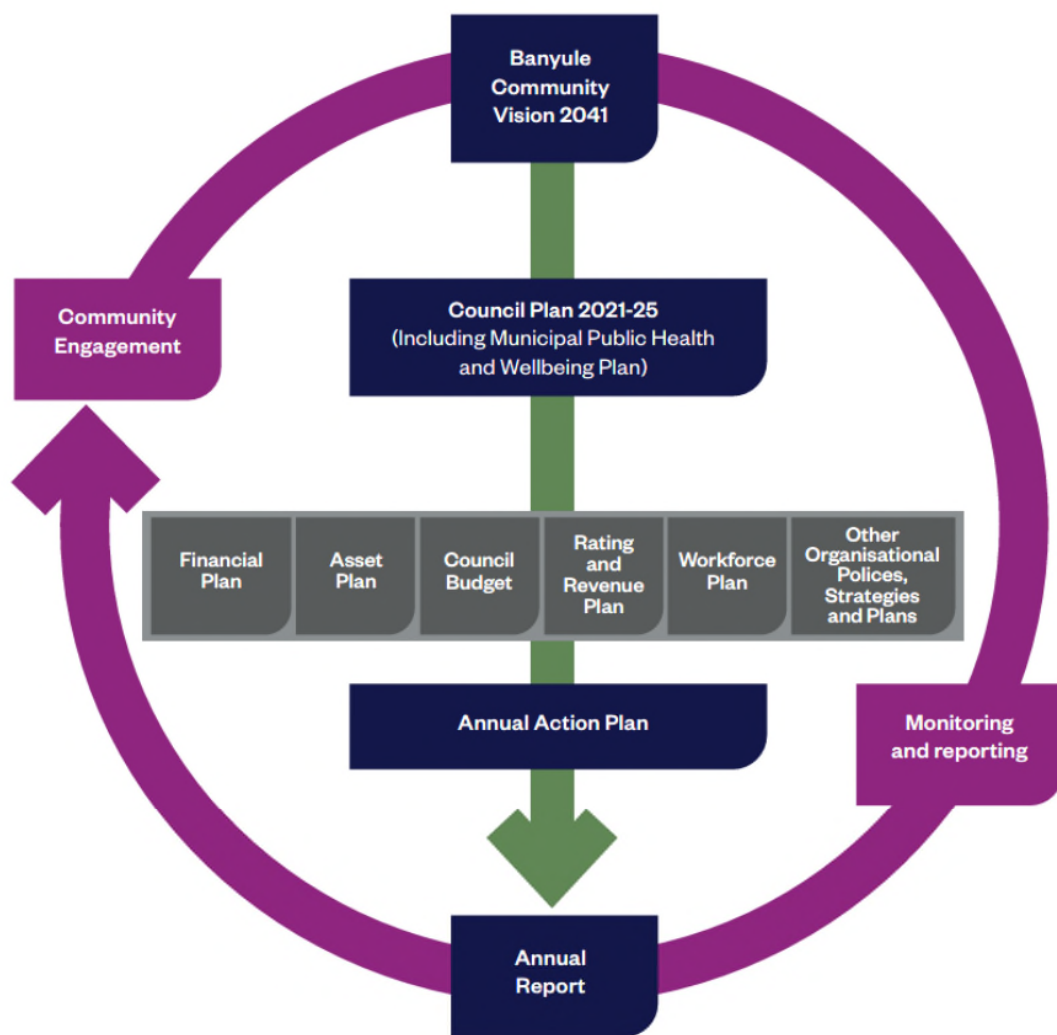


Figure 1: Integrated Planning and Reporting Approach (Source: Banyule Council Plan 2021 – 2025)

Striving to achieve long-term social inclusion, economic prosperity and environmental sustainability, Council adopted the Banyule Community Vision 2041. The Vision 2041 statement is:

“We in Banyule are a thriving, sustainable, inclusive and connected community. We are engaged, we belong, and we value and protect our environment.”

The Vision includes six priority themes which outline the aspirations and focus of our community for the next 20 years.



This plan intends to demonstrate how Council funds are allocated to manage infrastructure assets to support the Council Vision as guided by the Council Plan. The plan is also part of Council's Asset Planning documents, as shown in Figure 2, to support Council's Asset Management Strategy and Policy, and guide operation plans.

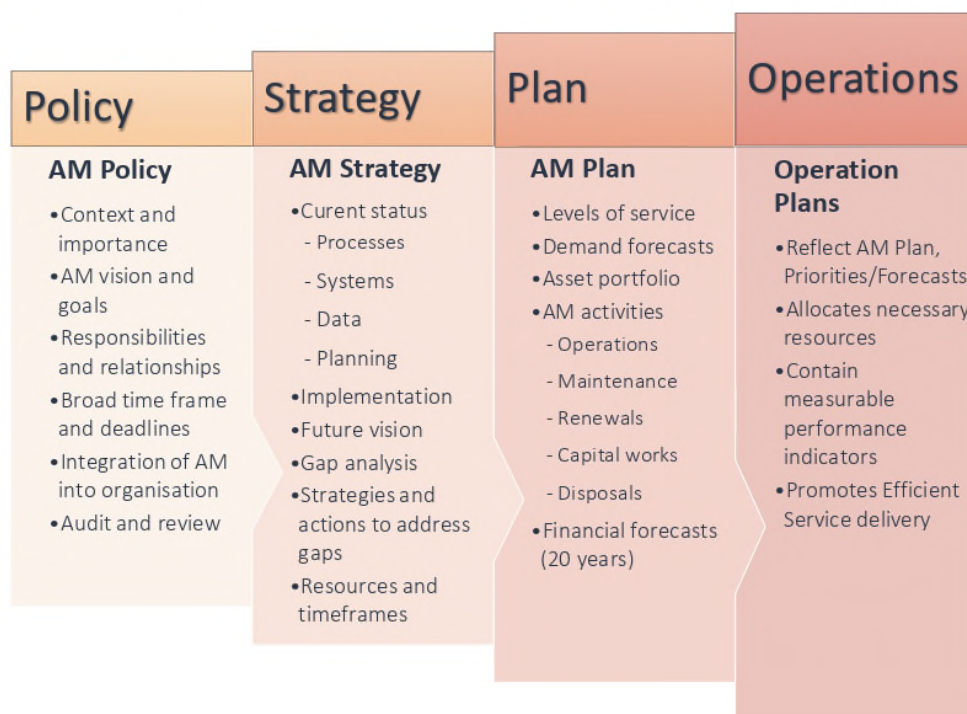


Figure 2: Asset Management Planning Hierarchy

3. Assets and Services Provided

Council manages fixed infrastructure assets (excluding land) of \$986 million on behalf of the community. These assets are required to provide agreed services to our diverse communities. Figures 3 and 4 summarises a list of Council's infrastructure assets and their values respectively.

Service refers to the services, programs and activities that support individuals and communities achieve better health, wellbeing, social and economic outcomes. Council has a long history of providing services for community benefit. As our communities evolve, Council's community services will adapt to keep pace. Figure 5 depicts some examples of Council's services, which are provided or supported by infrastructure assets.

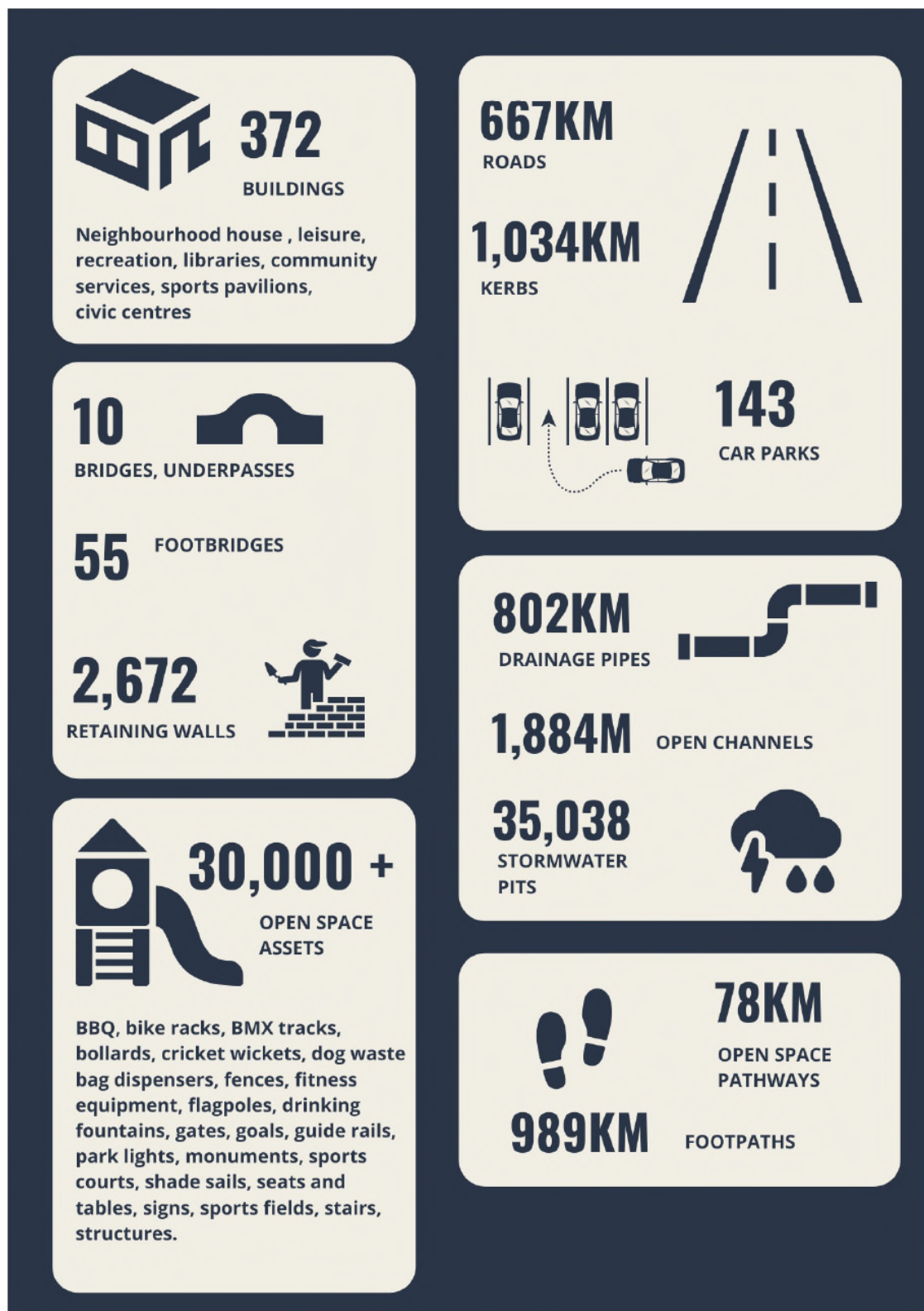


Figure 3: Summary of Council's Assets

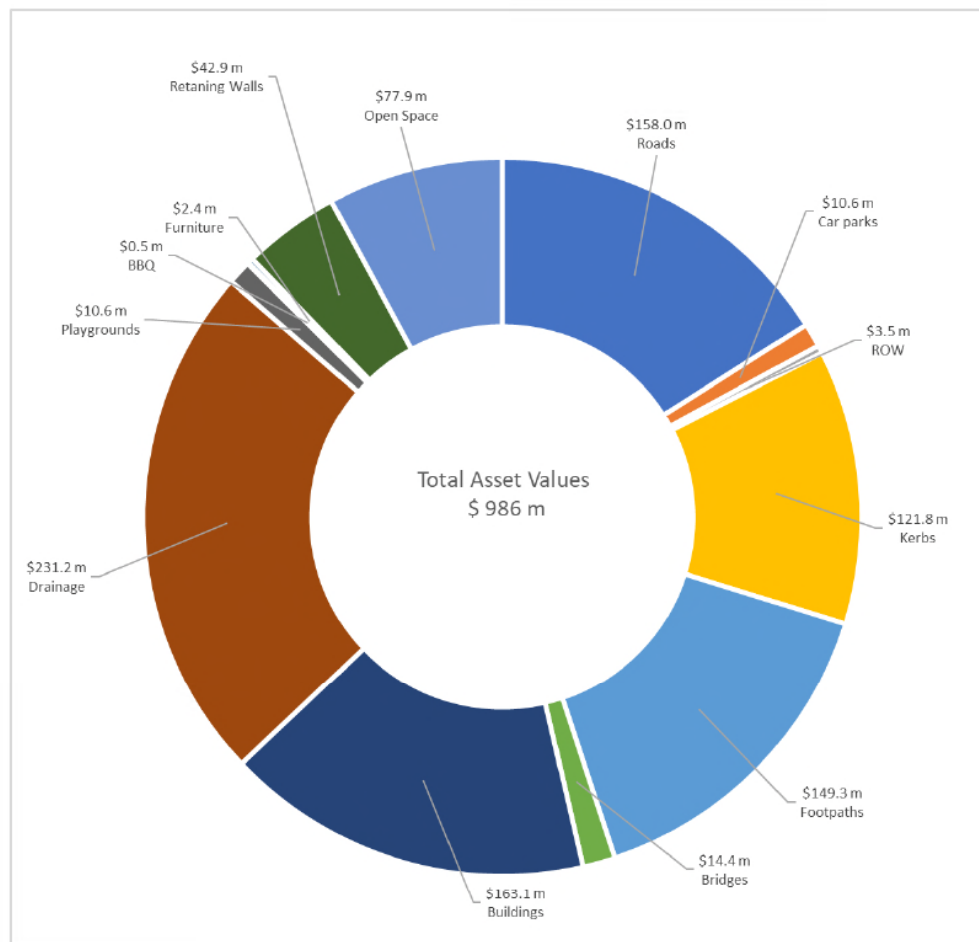


Figure 4: Assets Value



Figure 5: Example of Council's Services

4. Life Cycle Management of Our Assets

Lifecycle management details how the Council creates, operates and manages assets at the agreed levels of service within available resources. Figure 6 shows components of lifecycle management.



Figure 6: Life Cycle Management of Assets

5. State of Assets (Current and Future Outlook)

Council's most recent State of Assets Report was adopted in 2019. This report presents a condition summary of Council's infrastructure assets with the exception of fleet, plant, equipment, trees and land.

Council applies a five point grading system, as summarised in Table 1, to assess the condition of Council's assets. This is consistent with the grading system recommended by the Institute of Public Works Engineering Australasia (IPWEA).

Table 1 | Condition Rating Definition

Condition Grading Scale	Name	Description
1	Very Good	Assets in as new condition
2	Good	Only planned maintenance required
3	Fair	Minor maintenance required plus planned maintenance
4	Poor	Major maintenance required
5	Very Poor	Significant renewal/rehabilitation required

Council carries out asset condition audits regularly and monitor the condition of our assets. This Plan presents current condition of assets and their predicted condition after 10 years. Council's Asset Management System has been used for predictive modelling. Three scenarios are considered to demonstrate predicted condition and required funding as follows:

Scenario 1 - Condition with the proposed funding level and renewing assets based on levels of service

Scenario 2 - Condition forecast with renewing assets when they reach Condition 4

Scenario 3 - Condition forecast with renewing assets when they reach Condition 5

Scenario 1: Condition with the proposed funding level and renewing assets based on levels of service

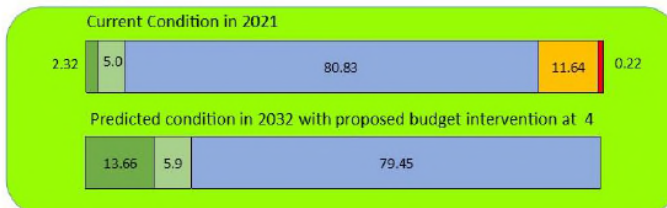
This option keeps Council's proposed funding level as it is and will target renewing assets when they reach their level of service. The level of service is defined by the intervention levels for renewal, which is Condition 4 or 5 depending of asset categories. Predicted condition of the assets at the end of the 10 year analysis period is shown in Figures 7, 8 and 9.

More details of the intervention levels and funding scenarios are discussed in Section 8.

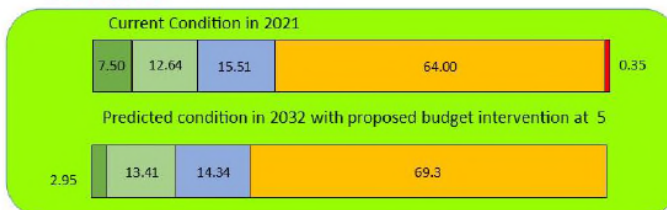
Asset Condition Guide - Condition as Percentage of Assets Value



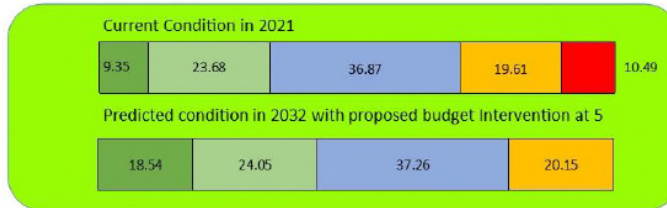
Pathways



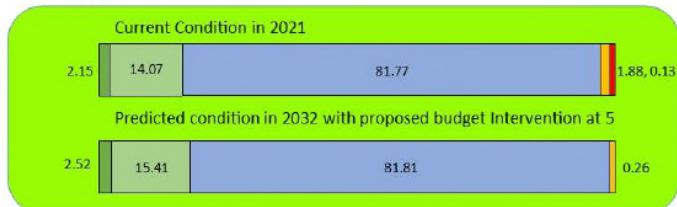
Road surface



Road Pavements



Kerbs



Stormwater Drains

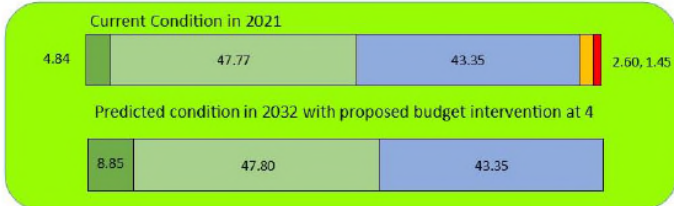
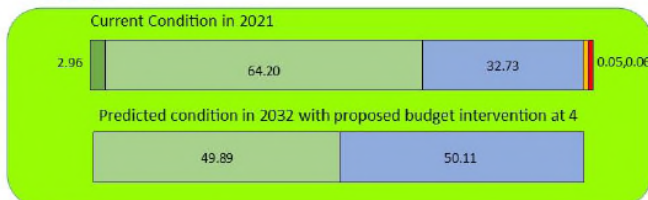


Figure 7: Asset Condition Considering Proposed Funding

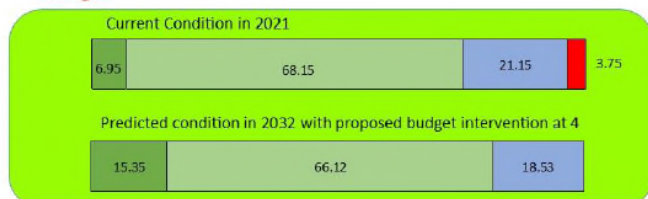
Asset Condition Guide - Condition as Percentage of Assets Value



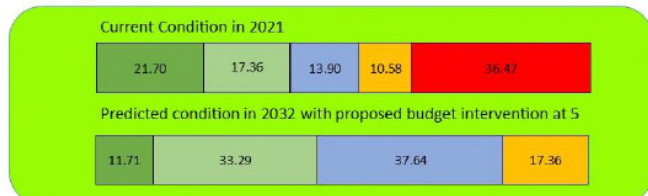
Buildings



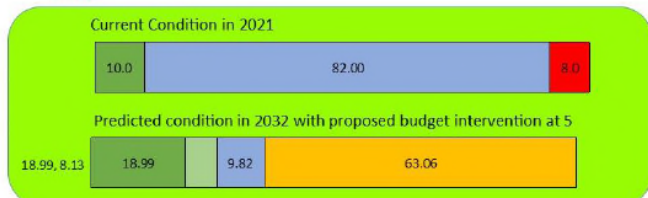
Bridges



Playgrounds



BBQs



Retaining Walls

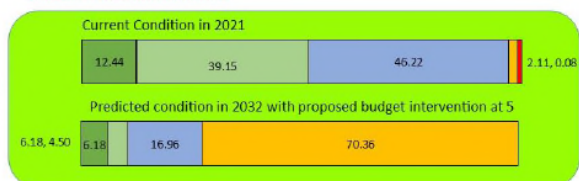


Figure 8: Asset Condition Considering Proposed Funding (Continued)

Asset Condition Guide - Condition as Percentage of Assets Value



Street and Park Furniture



Right of Ways



Other Open Space Assets



Car Parks

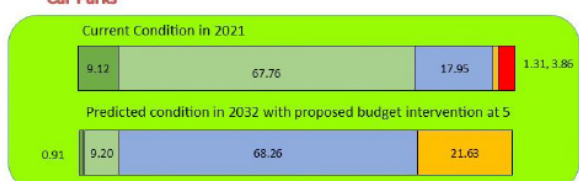


Figure 9: Asset Condition Considering Proposed Funding (Continued)

Scenario 2: Condition forecast, renewing assets when they reach Condition 4

This scenario considers an unconstrained budget and targets renewing assets when they reach Condition 4. It will renew assets as they reach Condition 4 and subsequently will require significantly more funding to achieve. Level of service will improve significantly.

Funding required for this option is discussed in Section 8. Figure 10 presents the condition forecast of assets after 10 years. This option will renew assets at Condition 4, therefore the forecast does not have any assets at Condition 4 or 5.

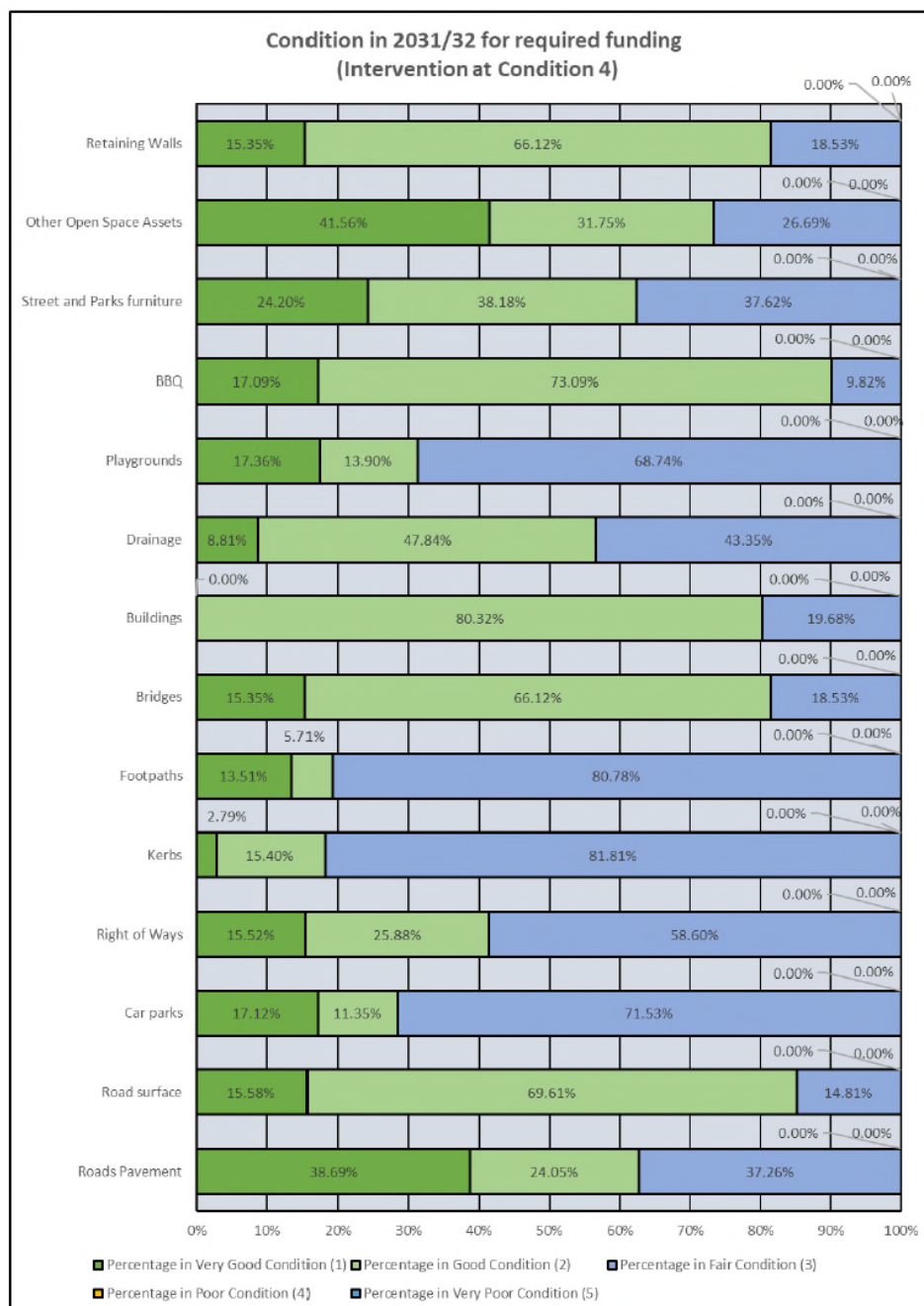


Figure 10: Asset Condition Considering Required Funding and Intervention at Condition 4

Scenario 3: Condition forecast, renewing assets when they reach Condition 5

This scenario considers an unconstrained budget and targets renewing assets when they reach Condition 5. It will renew assets as they reach at Condition 5. Funding required for this option is summarised in Section 8. Figure 11 presents the condition forecast of assets after 10 years. This option does not have any assets at Condition 5.

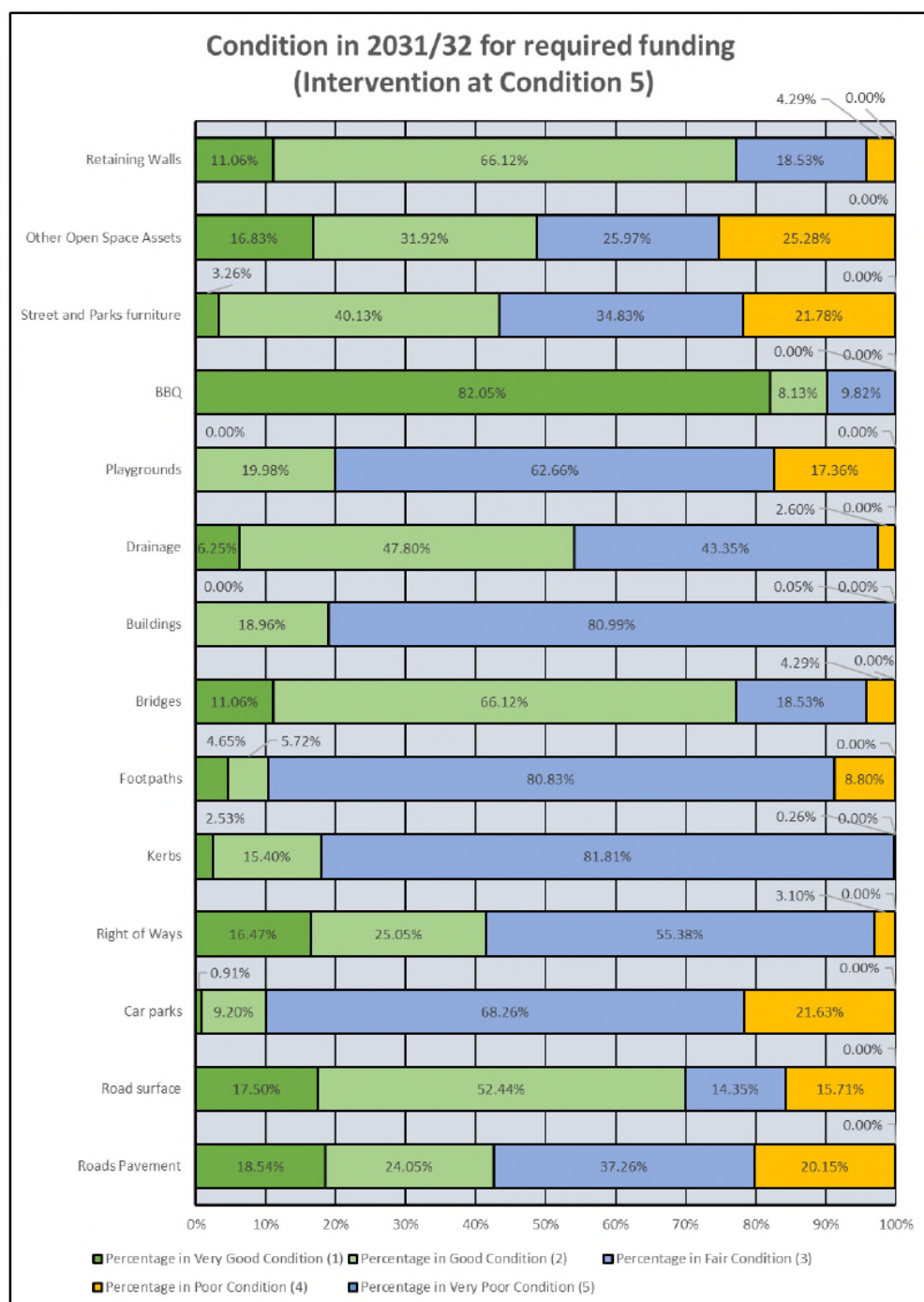


Figure 11: Asset Condition Considering Required Funding and Intervention at Condition 5

6. Challenges

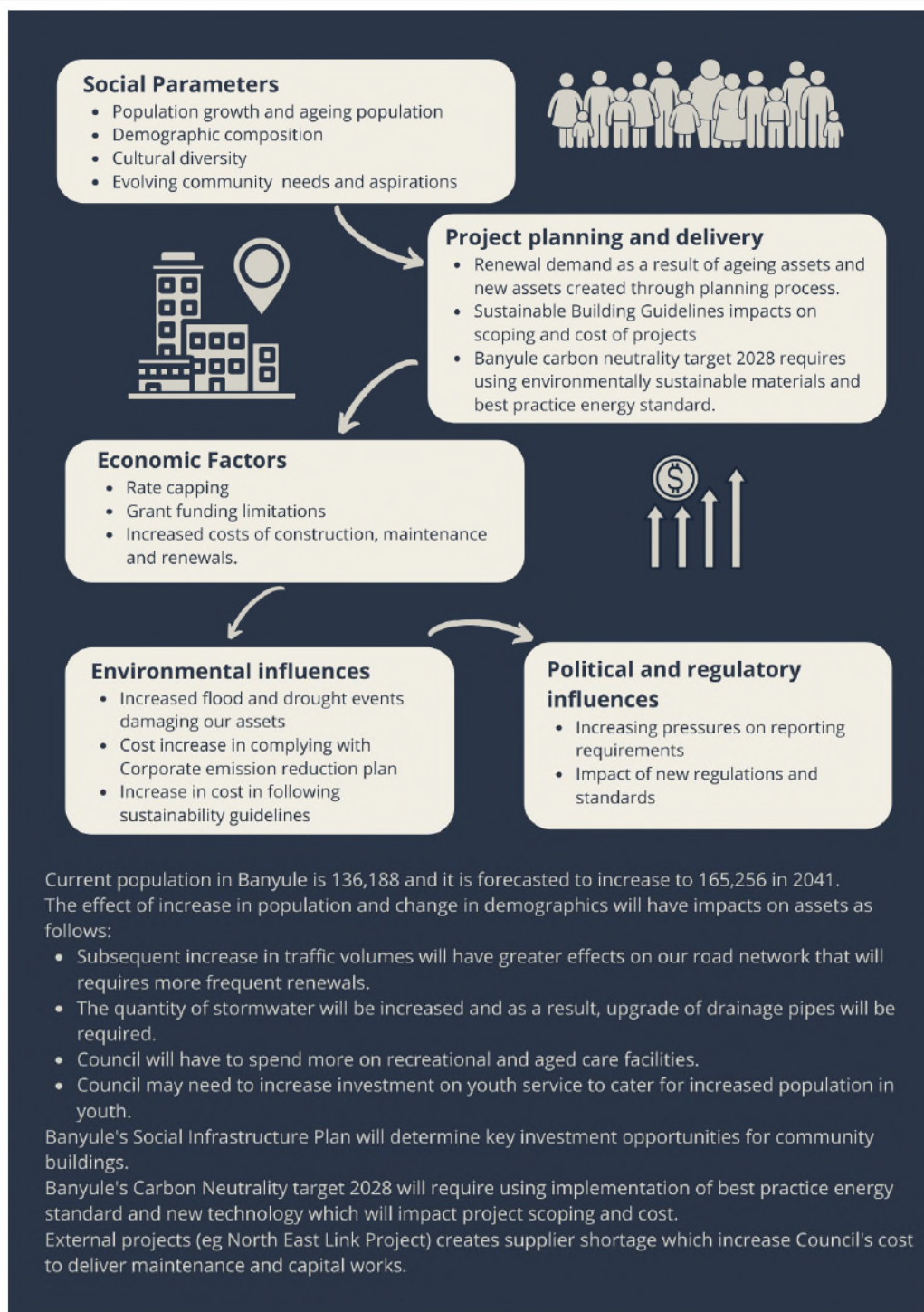


Figure 12: Challenges

7. Strategic Intent for Investment

We plan our investments to minimise the lifecycle cost and to ensure the sustainability of our assets. Our expenditure is categorised based on activity types. Future asset investment needs are predicted based on available data and asset condition. Council's Asset Management System is utilised to predict asset deterioration and renewal required into the future.

7.1 Expenditure Categories

Council's expenditure to manage infrastructure assets is broadly grouped into either recurrent or capital. Figure 13 depicts the details of expenditure categories.

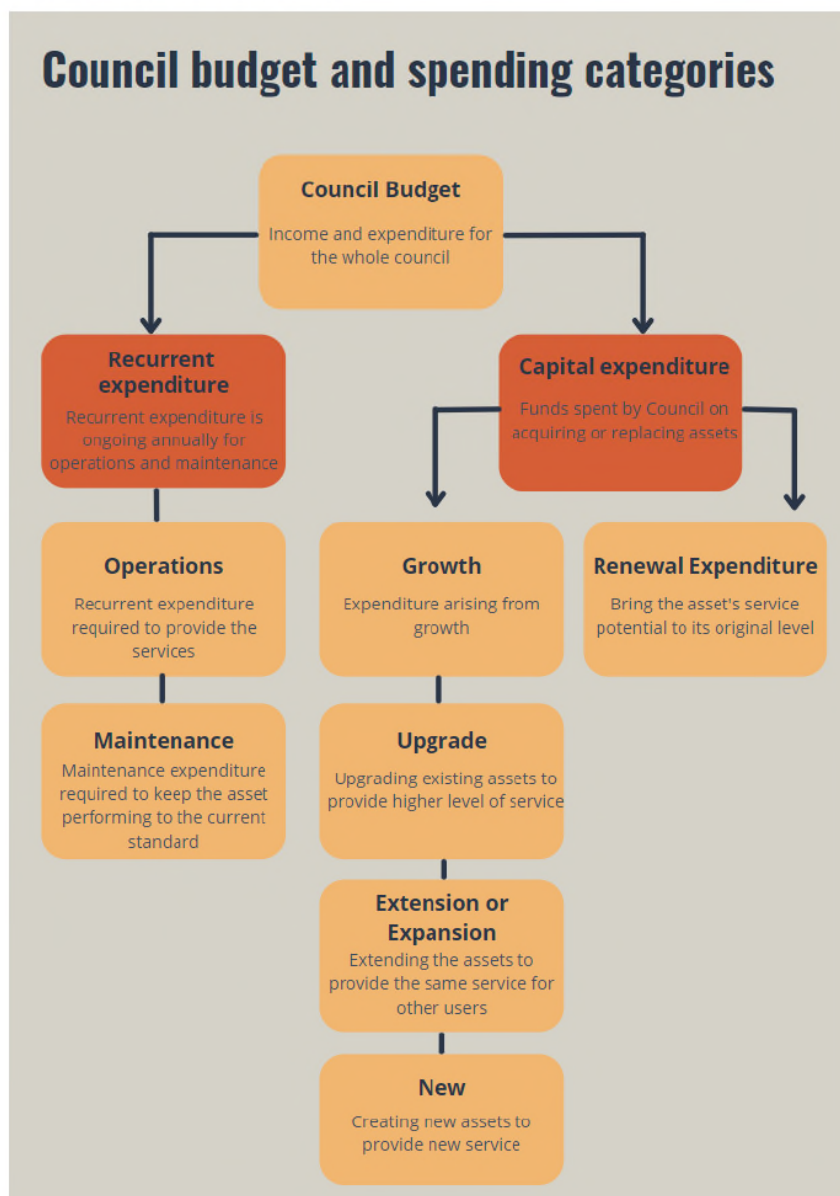


Figure 13: Expenditure Categories

Recurrent Expenditure

Recurrent expenditure includes both operational and maintenance activities to provide services.

Operation is regular activity required to maintain the service level even if the assets are in excellent condition without any defects. For instance, cleaning, street sweeping, utilities costs.

Maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again, e.g. pothole patching and crack sealing of road, footpath wedging and grinding, replacing or repairing small components of buildings. Maintenance actions do not extend the life of assets.

Capital Expenditure

Capital expenditure includes renewal, upgrade, expansion and new assets.

Renewal expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is considered to be an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Examples of renewal include:

- Resurfacing roads
- Replacing footpath segments, kerb and channel, bridge components
- Replacing drainage pipes and pits
- Replacing major building components (e.g. roof, kitchen, fit outs, mechanical, any structural components)
- Replacing existing Parks and Open Space assets (e.g. playground, BBQ, seats)

Upgrade is required to provide higher level of service such as sealing an unsealed road, converting open drains to underground drainage.

Expansion is required to extend the capacity of the service. For instance, road widening, installing bigger drainage pipes, extending buildings. They may result from growth, social or environmental needs.

New works are those that create a new asset that did not previously exist.

7.2 Investment Principles

Council's investments on our asset portfolio is guided by level of service, statutory requirements and the Social Infrastructure Framework. The levels of service are defined to respond to our requirement to deliver public value, which is informed by community needs and aspirations and feasible long term financial plan. Levels of service provide the basis for the life cycle management strategies including recurrent and capital expenditure.

Recurrent activities including operation and maintenance are non-discretionary as they are required to keep the service operational and safe. Asset renewals are also non-discretionary, however standard practice is to shift budget from one asset category to another subject to the condition and community need. Any upgrade, expansion and creation of new assets are discretionary items, which should be provided to respond to population growth, demographics, changes in demand, budget constraints, grant opportunities, consolidation or reimagining of assets.

7.3 Community Expectation

In accordance with the Local Government Act (2020), Banyule City Council engaged with the community in 2020/21, driven by principles of deliberative engagement, to inform the development of the Banyule Community Vision 2041 and Council Plan 2021-2025. Community feedback was also sought regarding Council's capital expenditure in various assets.

Presented below in Figure 15 are the responses to the question 'When considering how Council spends on Capital works, do you think Council should spend more, the same or less?'. A total of 320 responses was received for this question.

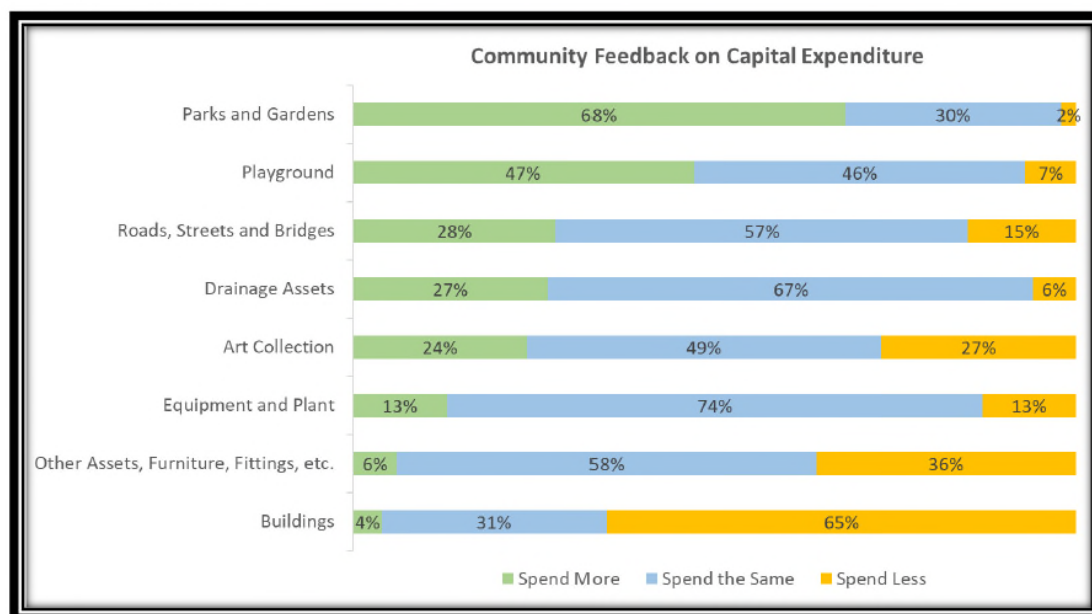


Figure 14: Community Feedback of Capital Expenditures

Overall, participants would like to see Council spend more on parks and gardens. We heard that Council should spend the same on equipment and plant, drainage and road assets, other assets including furniture and fittings and the arts collection, and that Council should spend less on buildings. Key strategies the community provided are:

- Most preferred was to spend more on fixing existing infrastructure rather than building anything new.
- Least preferred was to borrow funds to build new infrastructure.
- Council should find efficiencies to reduce costs and fully utilise existing assets.

7.4 Climate Change – Risks and Mitigation

Under the Local Government Act 2020, Councils are now required to consider opportunities for climate mitigation (carbon emission reductions) and plan for projected climate change risks.

Council is committed to achieving carbon neutrality for the organisation by 2028 and for the municipality by 2040. Projects or suppliers addressing climate change as such obtain higher priority scorings in project evaluations.

Buildings contribute a greater level of carbon emissions compared to other asset classes. Recognising this, Council has recently developed the Sustainable Building Guidelines to ensure the delivery of best practice energy standards that align with the organisations carbon neutrality focus. These guidelines will apply to any Council building projects including renewals, maintenance upgrades and new builds, ensuring minimisation of the carbon footprint caused by Council's buildings.

For other infrastructure, Council is also committed to trialling or implementing the best available products to contribute to the carbon neutrality target. For instance, Council has trialled modified asphalt made from recycled plastic, glass, toner cartridges, and reclaimed asphalt for road resurfacing.

Council recognises the need to consider climate risk within asset planning, as we build adaptation and resilience to future climate impacts. We know we are experiencing the impacts of climate change today and will continue to do so. Temperatures extremes, and increasing incidents of floods and bushfires require us to consider how to build in a way that minimises our exposure and vulnerability to these events. Key strategies implemented here will support the Victorian Government's Built Environment Climate Change Adaptation Action Plans.

7.5 Financial Sustainability

Good asset management practice relies on Council being financially sustainable. The Victorian Auditor General Office (VAGO) uses Renewal Gap Ratio (RGR) and Capital Replacement Ratio (CRR) as indicators relating to asset management. The RGR is calculated by comparing renewal and upgrade expenditure to depreciation and the CRR is capital expenditure to depreciation.

Table 2 outlines the criteria VAGO applies to assess each council's financial sustainability risk.

Table 2 | Criteria to Assess Financial Sustainability Risk

Risk	Renewal Gap Ratio	Capital Replacement Ratio
High	Less than 0.5 - Spending on existing assets has not kept pace with consumption of these assets.	Less than 1.0 - Spending on capital works has not kept pace with consumption of assets.
Medium	0.5 to 1.0 - May indicate insufficient spending on renewal of existing assets.	1.0 to 1.5 - May indicate spending on asset renewal is insufficient.
Low	More than 1.0 - Low risk of insufficient spending on assets.	More than 1.5 - Low risk of insufficient spending on asset renewal.

The following section highlights the current capital expenditure for various asset classes for the next 10 years. It also predicts the expenditure required for the same analysis period and identifies gaps.

8. Financial Forecast

8.1 Roads

Assets Included

- Sealed and unsealed road pavement and surface
- Kerbs and table drains
- Carpark
- Right of Ways

Financial indicators (10 Years)

- Renewal Gap Ratio 0.70
- Capital Replacement Ratio 0.70
- Risk Level Medium

Assets Life in Years

- Sealed road pavement 100
- Right of ways 50
- Asphalt surface 25
- Spray seal 15
- Slurry Seal 10
- Kerbs 70

Services Provided

- To ensure the connectivity and mobility of the community with a safe road network

Total Replacement Value

- \$293.8 M
- 30% of Asset Portfolio of \$986 M

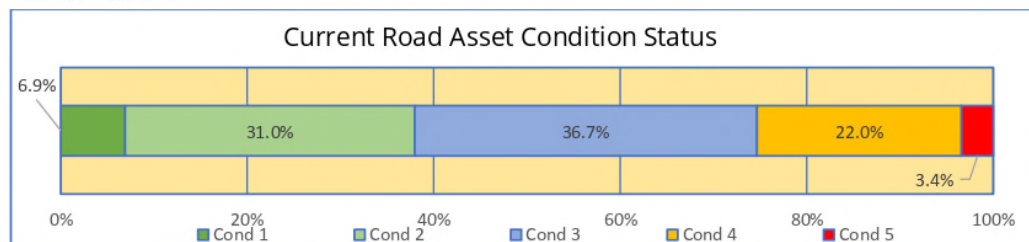
Confidence level of the existing data

- Inventory data 95%
- Condition data 95%

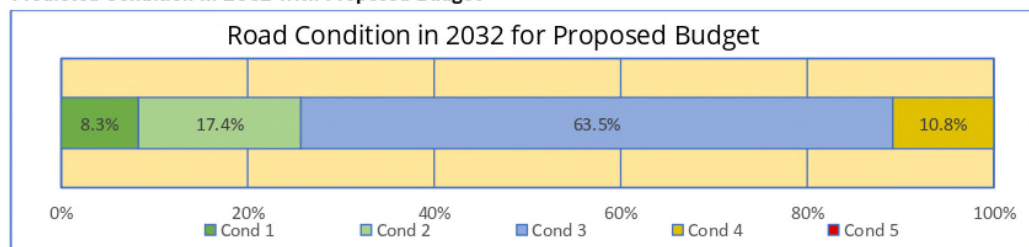
Renewal Required and Funding Gap

- Total renewal funds allocated \$38.3 M
- Scenario-1:
 - Required funds for intervention at Condition 4 (model output) \$88.3 M
 - Funding gap for intervention at condition 4 \$56.3 M
- Scenario-2:
 - Required funds for intervention at Condition 5 (model output) \$38.3 M
 - Funding gap for intervention at condition 5 \$0

Current Condition:

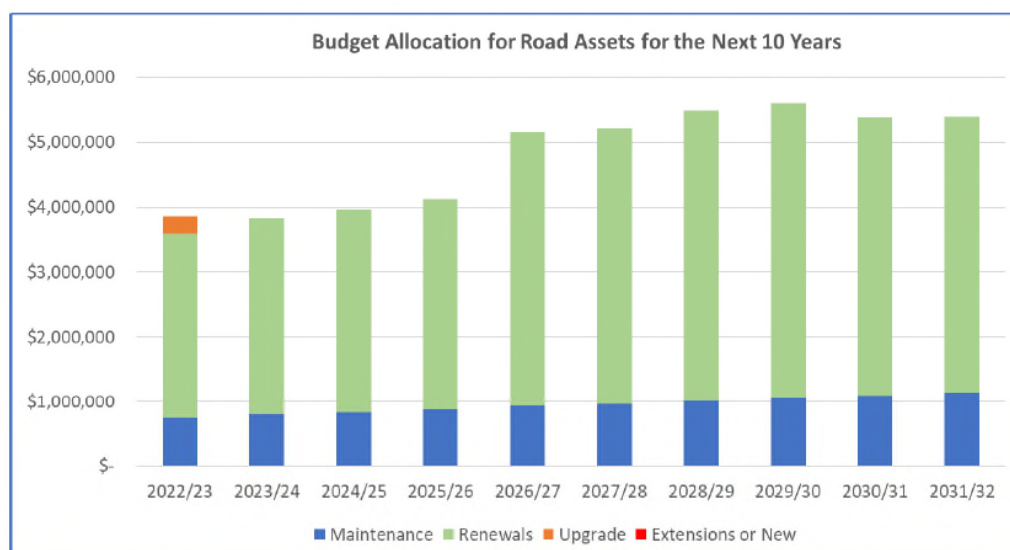


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 0.75	\$2.84	0.27	0
2023/24	\$ 0.79	\$3.04	0	0
2024/25	\$ 0.84	\$2.97	0	0
2025/26	\$ 0.88	\$3.24	0	0
2026/27	\$ 0.93	\$4.22	0	0
2027/28	\$ 0.97	\$4.25	0	0
2028/29	\$ 1.01	\$4.47	0	0
2029/30	\$ 1.06	\$4.54	0	0
2030/31	\$ 1.10	\$4.28	0	0
2031/32	\$ 1.15	\$4.25	0	0
Total	\$ 9.47	\$38.28	0.27	0



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> Regular inspections Pothole patching Line marking Cleaning table drains Sweeping General upkeep of the road network 	<ul style="list-style-type: none"> Major patching Road resurfacing Road reconstruction 	<ul style="list-style-type: none"> Carpark upgrade work included in next 10 years 	<ul style="list-style-type: none"> No new and extension work included in next 10 years

Comments

- Council has more recently been underspending on renewal of roads, including carpark and kerb and channel.
- There is a need to explore more recycled and environmentally sustainable materials for road infrastructure to address Banyule's carbon neutrality target 2028.

Recommendations

- Scenario-2 is recommended, which is to renew road assets reaching at condition 5 (Very Poor).
- It is proposed to increase renewal funding by \$6.3 M over the next 10 years, approximately \$1 million annually starting from 2026/27, reallocated from other asset classes.

8.2 Footpath

Assets Included

- Footpaths - Concrete
- Footpaths – Asphalt
- Footpaths – Pavers
- Footpaths - Gravel

Services Provided

- To ensure the connectivity of the community with a safe footpath network.
- To provide safe and enjoyable walking paths.

Total Replacement Value

- \$149.3 M
- 15% of Asset Portfolio of \$986 M

Financial indicators

- Renewal Gap Ratio 1.16
- Capital Replacement Ratio 1.22
- Risk Level Low

Assets Life in Years

- Concrete footpaths 60
- Asphalt footpaths 30
- Gravel footpath 10
- Pavers 60

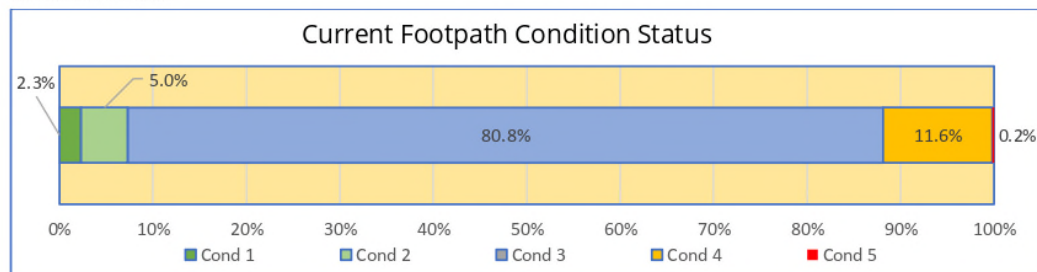
Confidence level of the existing data

- Inventory data 95%
- Condition data 95%

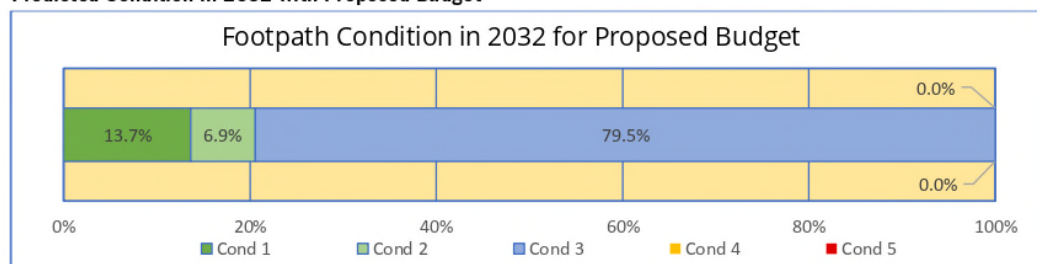
Renewal Required and Funding Gap

- Total renewal funds allocated \$28.90 M
- Scenario-1:
 - Required funds for intervention at Condition 4 (model output) \$20.7 M
 - Funding gap for intervention at condition 4 -\$8.2 M
- Scenario-2:
 - Required funds for intervention at Condition 5 (model output) \$19.1 M
 - Funding gap for intervention at condition 5 -\$9.8 M

Current Condition:

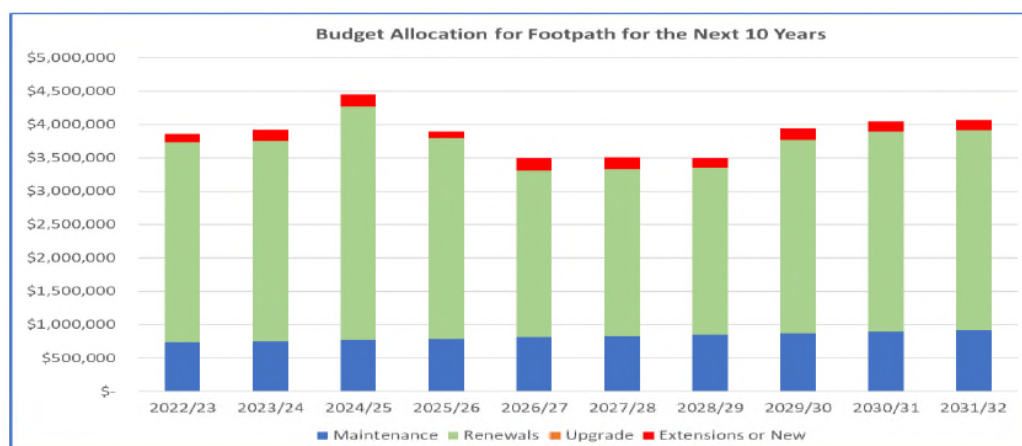


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 0.73	\$3.00	0	\$ 0.13
2023/24	\$ 0.75	\$3.00	0	\$ 0.17
2024/25	\$ 0.77	\$3.50	0	\$ 0.18
2025/26	\$ 0.79	\$3.00	0	\$ 0.10
2026/27	\$ 0.81	\$2.50	0	\$ 0.19
2027/28	\$ 0.83	\$2.50	0	\$ 0.18
2028/29	\$ 0.85	\$2.50	0	\$ 0.15
2029/30	\$ 0.87	\$2.90	0	\$ 0.17
2030/31	\$ 0.90	\$3.00	0	\$ 0.15
2031/32	\$ 0.92	\$3.00	0	\$ 0.15
Total	\$ 8.23	\$28.90	0	\$ 1.57



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> Regular inspections Wedging Replacing damaged bays 	<ul style="list-style-type: none"> Replacing damaged bays Re-gravelling of gravel footpaths Laying asphalts on damaged sections 	<ul style="list-style-type: none"> No upgrade work included in next 10 years 	<ul style="list-style-type: none"> Extending existing footpaths or constructing new footpaths

Comments

- Council's footpath network has a large number of localised defects (eg. tripping hazards), which require fixing by renewing associated footpath bays. This is required in accordance with the Road Management Plan, which is a legal obligation for Council.
- Therefore, overall asset condition rating does not fully reflect renewal needs. Renewing footpath bays associated with localised defects is also required.
- A condition audit of Council's footpath is due this financial year, 2021/22, which will help better understand the current footpath condition and more accurate renewal needs.
- There is a need to explore more recycled and environmentally sustainable materials for footpath renewal to address Banyule's carbon neutrality target 2028.

Recommendations

- Scenario 1 is recommended for footpaths, maintaining current funding in the short term.
- This is sufficient renewal funding to maintain overall asset condition, as well as manage localised defect repairs in accordance with the Road Management Plan.

8.3 Bridge

Assets Included

- Road bridges and culverts 10
- Footbridges 55

Financial indicators

- Renewal Gap Ratio 6.11
- Capital Replacement Ratio 6.11
- Risk Level Low

Services Provided

- To ensure the connectivity and mobility of the community with a safe road and pathways network
- Providing safe walking paths in reserves.

Assets Life in Years

- Concrete vehicular bridges 100
- Concrete vehicular culverts 100
- Steel frame and concrete deck bridges 80
- Timber Bridges 60

Total Replacement Value

- \$14.4 M
- 1.5% of Asset Portfolio of \$986 M

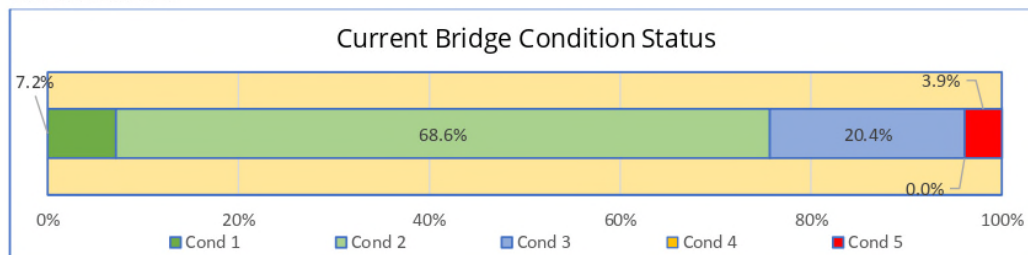
Confidence level of the existing data

- Inventory data 95%
- Condition data 95%

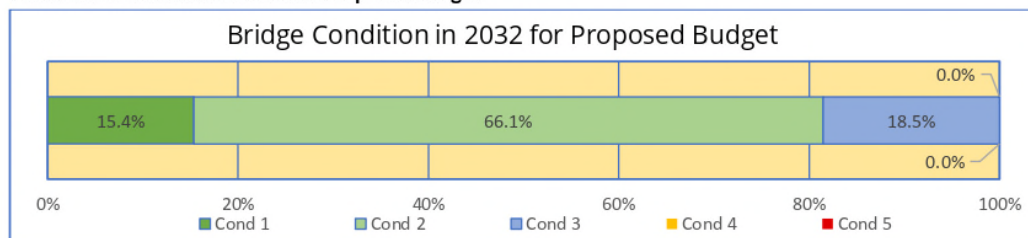
Renewal Required and Funding Gap

- Total renewal funds allocated \$6.1 M
- Scenario-1:
 - Required funds for intervention at Condition 4 (model output) \$1.5 M
 - Funding gap for intervention at condition 4 -\$4.6 M
- Scenario-2:
 - Required funds for intervention at Condition 5 (model output) \$0.54 M
 - Funding gap for intervention at condition 5 -\$5.6 M

Current Condition:

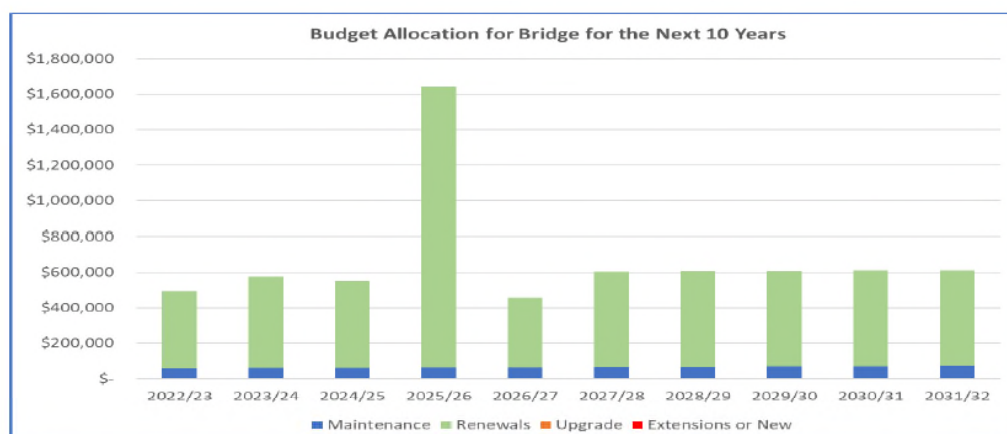


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 0.06	\$ 0.44	\$ -	\$ -
2023/24	\$ 0.06	\$ 0.52	\$ -	\$ -
2024/25	\$ 0.06	\$ 0.49	\$ -	\$ -
2025/26	\$ 0.06	\$ 1.58	\$ -	\$ -
2026/27	\$ 0.07	\$ 0.39	\$ -	\$ -
2027/28	\$ 0.07	\$ 0.54	\$ -	\$ -
2028/29	\$ 0.07	\$ 0.54	\$ -	\$ -
2029/30	\$ 0.07	\$ 0.54	\$ -	\$ -
2030/31	\$ 0.07	\$ 0.54	\$ -	\$ -
2031/32	\$ 0.07	\$ 0.54	\$ -	\$ -
Total	\$ 0.66	\$ 6.11	\$ -	\$ -



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> Level 1, 2 and 3 Inspections Reactive repairs of defects identified through the inspections 	<ul style="list-style-type: none"> Replacing damaged Bridge decks Replacing damaged bridge components Protective works of abutments and piers 	<ul style="list-style-type: none"> No upgrade work included in next 10 years 	<ul style="list-style-type: none"> No New or extension works included in next 10 years

Comments

- Most of Council's bridges are footbridges used by pedestrians only.
- Council carries out Level 2 bridge inspection for the whole network every 2 years.
- Majority of Council's bridges are in good condition.
- Current renewal requirement of the bridges is therefore not high.
- The renewal ratio for bridges is exaggerated by the low number of bridge assets and the need for complete renewal of one bridge within the next 10 years.
- In current practice, Council considers replacing damage components rather than renewing whole bridges.
- Council also applies environmentally sustainable materials for replacing bridge deck and other components.

Recommendations

- It is recommended to keep the current renewal funding as it is.

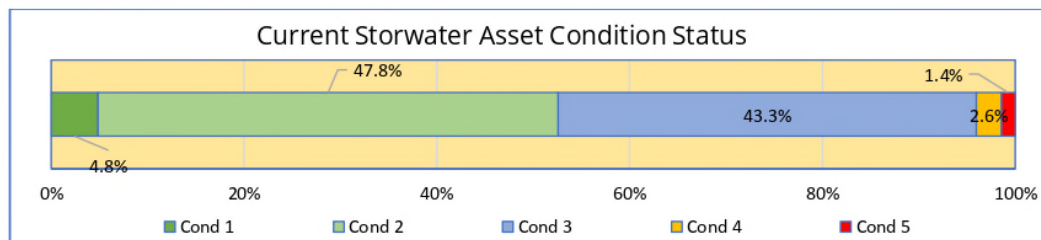
8.4 Stormwater Drainage

Assets Included <ul style="list-style-type: none"> Pipes including channels 804 km Pits 35,205 no. 	Financial indicators <ul style="list-style-type: none"> Renewal Gap Ratio 0.67 Capital Replacement Ratio 0.76 Risk Level Medium
Services Provided <ul style="list-style-type: none"> Conveyance of stormwater from private and public land. Protect the community from flooding. Improve the quality of stormwater discharge to natural waters. 	Assets Life in Years <ul style="list-style-type: none"> Stormwater pits and pipes 100
Total Replacement Value <ul style="list-style-type: none"> \$231 M 23% of Asset Portfolio of \$986 M 	Confidence level of the existing data <ul style="list-style-type: none"> Inventory data 95% Condition data 10%

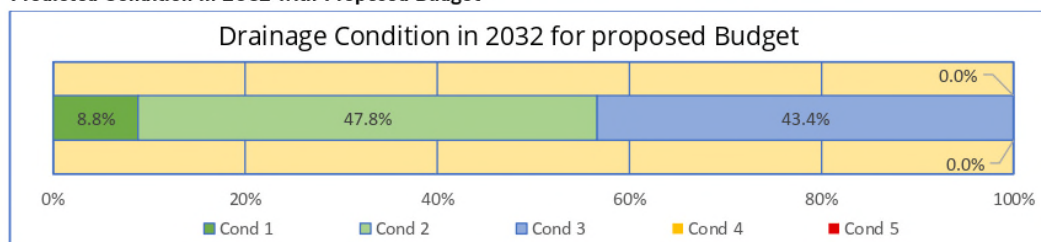
Renewal Required and Funding Gap

• Total renewal funds allocated	\$14.3 M
Scenario-1:	
• Required funds for intervention at Condition 4 (model output)	\$9.4 M
- Funding gap for intervention at condition 4	-\$4.9 M
Scenario-2:	
• Required funds for intervention at Condition 5 (model output)	\$3.3 M
- Funding gap for intervention at condition 5	-\$10 M

Current Condition:

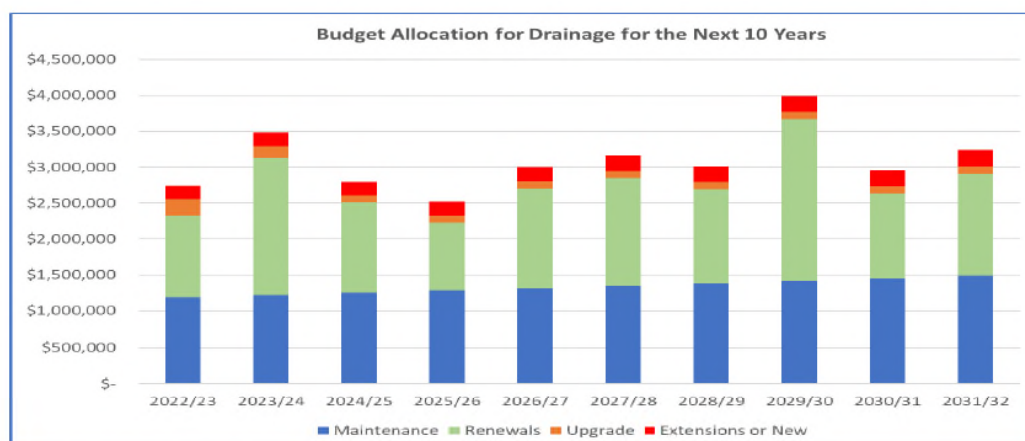


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 1.19	\$ 1.13	\$ 0.24	\$ 0.18
2023/24	\$ 1.22	\$ 1.91	\$ 0.17	\$ 0.19
2024/25	\$ 1.25	\$ 1.26	\$ 0.09	\$ 0.19
2025/26	\$ 1.28	\$ 0.94	\$ 0.10	\$ 0.20
2026/27	\$ 1.32	\$ 1.39	\$ 0.10	\$ 0.20
2027/28	\$ 1.35	\$ 1.50	\$ 0.10	\$ 0.21
2028/29	\$ 1.38	\$ 1.31	\$ 0.10	\$ 0.21
2029/30	\$ 1.42	\$ 2.25	\$ 0.10	\$ 0.22
2030/31	\$ 1.45	\$ 1.18	\$ 0.10	\$ 0.22
2031/32	\$ 1.49	\$ 1.42	\$ 0.11	\$ 0.23
Total	\$ 13.35	\$ 14.28	\$ 1.21	\$ 2.05



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> CCTV inspections of pipes and pits Reactive repairs of defects identified Pipe and pit cleaning 	<ul style="list-style-type: none"> Replacing damaged pipes and pits 	<ul style="list-style-type: none"> Replacing under capacity pipes with larger pipes 	<ul style="list-style-type: none"> Installing stormwater and water sensitive urban design activities Extending the drainage network Installation of stormwater quality improvement devices

Comments

- Condition inspection of pipes is comparatively expensive. As a result, Council has very limited drainage condition data.
- Renewal funding requirement has been forecasted based on age of the pipe network.
- The average age of the pipe network is approximately 54 years, which is at the middle of its useful life, 100 years.
- Council has been inspecting one per cent of its network annually, to obtain a good sample size after 5 years in order to get a sample condition data.
- 60% of the pipe network is running full in a 5-year flood event. This means there is a possibility of flooding for higher flood events.
- Current renewal funding is allocated based on identified flooding problems.
- Upgrading and creating new drainage pipes are also considered to cope with future growth.

Recommendations

- It is recommended to continue the current capital funding.

8.5 Building

Assets Included

• Administration	12
• Health & Aged Services	4
• Leisure, Recreation & Culture	153
• Major Projects & Infrastructure	2
• Operations	13
• Parks and Gardens	108
• Economic development	17
• Family Service	63
Total buildings included	372

Services Provided

- Community services
- Sports and recreation
- Health services
- Youth services
- Senior citizen services

Total Replacement Value

- \$163 M
- 17% of Asset Portfolio of \$986 M

Financial indicators

• Renewal Gap Ratio	3.92
• Capital Replacement Ratio	4.12
• Risk Level	Low

Assets Life in Years

• External Finishes	15
• Internal finishes, fire protection, Doors	20
• Electrical items	25
• Fences, Hydraulic, Fit out and windows	30
• External structures	40
• Roof and plumbing	45
• External finishes, paving and roads	50
• Superstructure and substructure	80

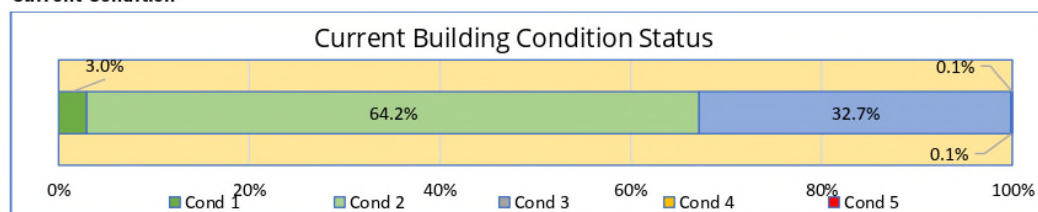
Confidence level of the existing data

• Inventory data	95%
• Condition data	95%

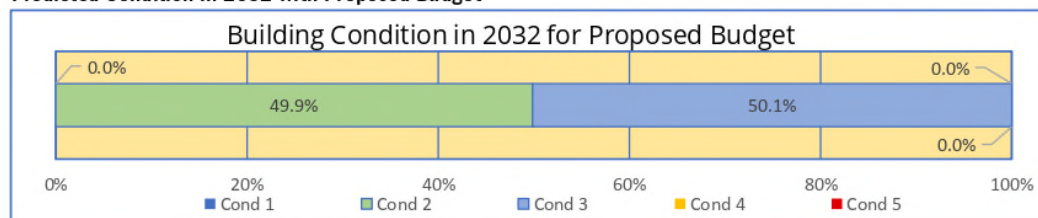
Renewal Required and Funding Gap

• Total renewal funds allocated	\$53.3 M
Scenario-1:	
• Required funds for intervention at Condition 4 (model output)	\$99.6 M
- Funding gap for intervention at condition 4	\$46.3 M
Scenario-2:	
• Required funds for intervention at Condition 5 (model output)	\$38.1 M
- Funding gap for intervention at condition 5	-\$15.2 M

Current Condition:

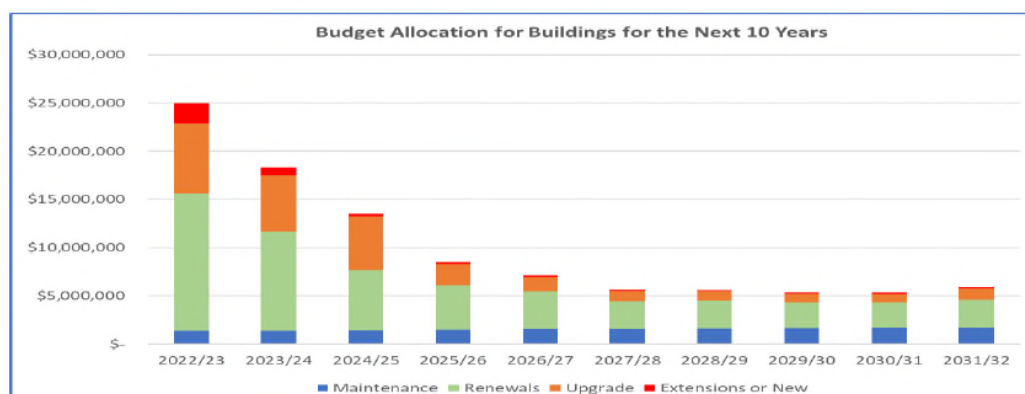


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 1.38	\$ 14.22	\$ 7.31	\$ 2.06
2023/24	\$ 1.41	\$ 10.28	\$ 5.79	\$ 0.85
2024/25	\$ 1.44	\$ 6.24	\$ 5.55	\$ 0.27
2025/26	\$ 1.48	\$ 4.59	\$ 2.24	\$ 0.19
2026/27	\$ 1.52	\$ 3.94	\$ 1.54	\$ 0.15
2027/28	\$ 1.56	\$ 2.89	\$ 1.07	\$ 0.15
2028/29	\$ 1.59	\$ 2.89	\$ 1.02	\$ 0.10
2029/30	\$ 1.63	\$ 2.69	\$ 0.90	\$ 0.10
2030/31	\$ 1.68	\$ 2.69	\$ 0.84	\$ 0.15
2031/32	\$ 1.72	\$ 2.89	\$ 1.18	\$ 0.15
Total	\$ 15.41	\$ 53.29	\$ 27.44	\$ 4.17



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> Reactive repairs of defects identified through the inspections and customer requests Essential Safety Measure inspections Cleaning and pest control Painting 	<ul style="list-style-type: none"> Replacing damaged building components Replacing heating or cooling systems Replacing damaged assets within the building premises 	<ul style="list-style-type: none"> Building extensions Sustainability improvement such as solar panels, water harvesting etc 	<ul style="list-style-type: none"> Construction of new building to adapt population changes and demand.

Comments

- Council carried out building condition audit in 2019/20. Therefore, condition data is up to date.
- Current funding considers renewal of some components (e.g. structures, low usage building components) at Condition 5 and some components (fit outs, high usage buildings) at Condition 4, which is a common practice across the industry.
- In addition, Council considers climate risks in prioritising building renewals and upgrades. For instance:
 - Replacement of gas equipment is prioritised for renewal over existing electric.
 - Upgrading to energy-efficient heating and cooling systems are prioritised to reduce the cost of achieving thermal comfort as a result of climate change.
- Council is committed to applying the Sustainable Building Guidelines for any building projects including renewals and upgrades to address carbon neutrality target 2028.
- Banyule is also preparing a Social Infrastructure Framework (SIF) and a Community Infrastructure Plan (CIP), which will help understand more accurate capital funding required for buildings.

Recommendations

- It is recommended to continue with the current renewal funding.
- Continue with the development of the Community Infrastructure Plan (CIP) to better inform future capital spending needs for buildings, whilst considering community feedback received during the deliberative community engagement in 2020/21.

8.6 Parks and Open Space

Assets Included

• Playgrounds	146
• BBQ	39
• Furniture (Street and parks)	1192
• Retaining Walls	2672
• Other open space assets	1498

Services Provided

- Access to high quality open space.
- To ensure the cities open space and street scape are presentable, aesthetic and pleasing.
- Provide safe walking paths in reserves.

Total Replacement Value

- \$134.3 M
- 14% of Asset Portfolio of \$986 M

Financial indicators

• Renewal Gap Ratio	1.34
• Capital Replacement Ratio	1.39
• Risk Level	Low

Assets Life in Years

• Playgrounds	15
• BBQ	20
• Timber furniture	10
• Steel or aluminium furniture	15
• Recycled plastic furniture	20
• Sleepers R/Walls	50
• Stone R/walls	60
• Concrete R/walls	80

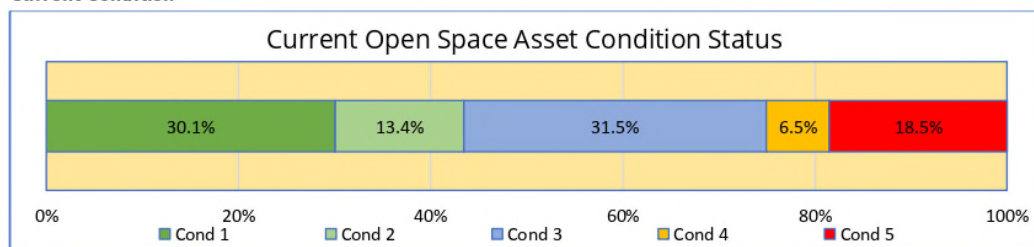
Confidence level of the existing data

• Inventory data	80%
• Condition data	50%

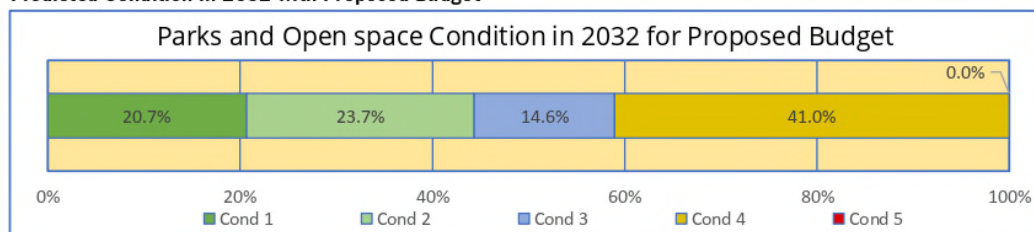
Renewal Required and Funding Gap

• Total renewal funds allocated	\$32.6 M
Scenario-1:	
• Required funds for intervention at Condition 4 (model output)	\$80 M
- Funding gap for intervention at condition 4	\$47.43 M
Scenario-2:	
• Required funds for intervention at Condition 5 (model output)	\$31.2 M
- Funding gap for intervention at condition 5	-\$1.37 M

Current Condition:

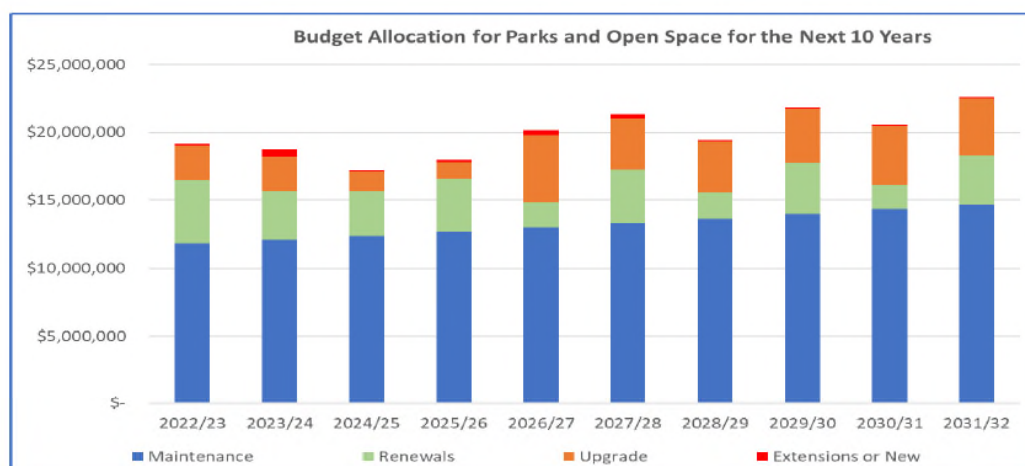


Predicted Condition in 2032 with Proposed Budget:



Recurrent and Capital Expenditure for next 10 years

Year	Maintenance (\$M)	Renewals (\$M)	Upgrade (\$M)	Extensions or New (\$M)
2022/23	\$ 11.74	\$ 4.70	\$ 2.57	\$ 0.14
2023/24	\$ 12.03	\$ 3.65	\$ 2.51	\$ 0.56
2024/25	\$ 12.33	\$ 3.31	\$ 1.46	\$ 0.09
2025/26	\$ 12.64	\$ 3.91	\$ 1.26	\$ 0.21
2026/27	\$ 12.96	\$ 1.89	\$ 4.97	\$ 0.39
2027/28	\$ 13.28	\$ 3.98	\$ 3.76	\$ 0.34
2028/29	\$ 13.62	\$ 1.94	\$ 3.77	\$ 0.09
2029/30	\$ 13.96	\$ 3.79	\$ 4.01	\$ 0.09
2030/31	\$ 14.30	\$ 1.79	\$ 4.37	\$ 0.09
2031/32	\$ 14.66	\$ 3.61	\$ 4.25	\$ 0.09
Total	\$ 131.53	\$ 32.57	\$ 32.91	\$ 2.05



Example of activities carried out under each expenditure category

Maintenance	Renewals	Upgrades	New or Extensions
<ul style="list-style-type: none"> Proactive inspections Reactive repairs of defects identified through the inspections and customer requests Mowing, vegetation and weed control Litter collection and cleaning Graffiti removal 	<ul style="list-style-type: none"> Replacing damaged or old equipment in playgrounds and parks Replacing damaged park and street furniture and signs. Replacing existing playground 	<ul style="list-style-type: none"> Refurbishment of existing parks and reserves 	<ul style="list-style-type: none"> Constructing new playgrounds and reserves

Comments

- Council's Parks and Open Space (POS) assets inventory and condition require improvements.
- Regular condition audit of POS data is expensive due to having a large portfolio and the diversity of these assets.
- Community prefers to increase funding for POS and improve the level of service.

Recommendations

- Scenario 2 is recommended, which is to renew POS assets at Condition 5.
- An additional \$10 million for POS asset renewal and upgrade is proposed to improve the level of service. This funding is included in the 10 year Financial Plan.

9 Summary and Recommendations

Council's recurrent expenditure including operation and maintenance is required to keep Council's services operational and safe for the community.

Figure 16 depicts the proposed capital funding distribution among various asset categories.

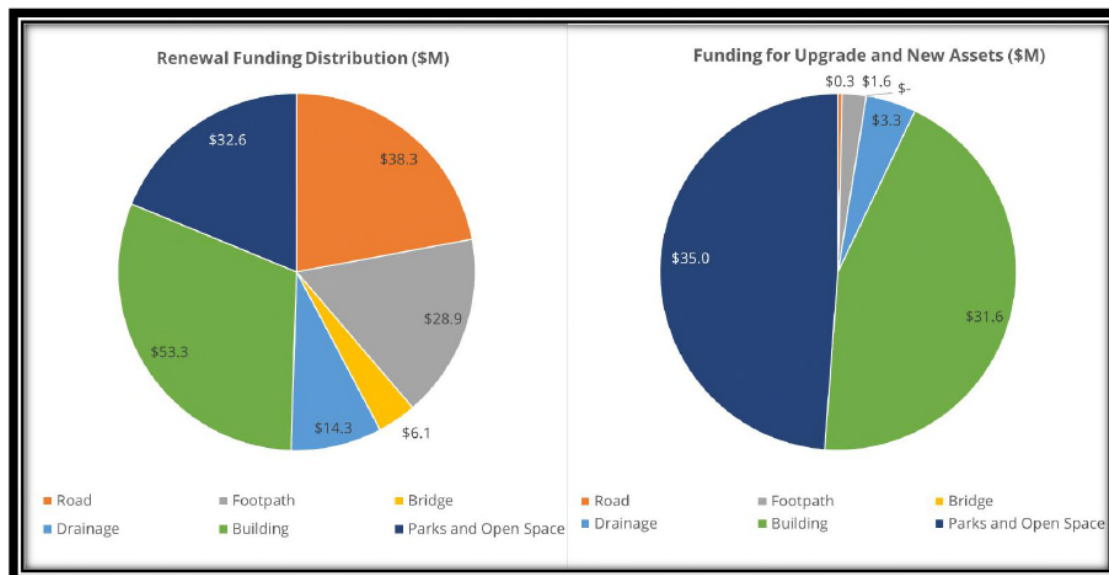


Figure 15: Capital Funding Distribution

Findings

- Council's renewal budget over the next 10 years is \$173 million.
- Building and POS consume 50 per cent of this allocation. Road and footpath are 22 and 17 per cent respectively.
- Council's total budget for upgrading and creating new assets is \$72 million over the next 10 years. Almost half (49 per cent) of it is allocated for POS, which supports community preferences.
- A major part (44 per cent) is allocated toward buildings, which may be a concern for managing other assets. Creating new buildings also increases operational and maintenance costs significantly.
- Banyule is preparing a Community Infrastructure Plan (CIP), which will help understand more accurate capital funding required for buildings.

Proposed Renewal Funding Vs Renewal Funding Required

A comparison between renewal funding allocated and required for different asset categories along with Renewal Gap Ratio is summarised in Table 3.

Table 3 | Proposed Renewal Funding Vs Renewal Funding Required

Asset Category	VAGO Financial sustainability indicators		Renewal Modelling Financial Indicator			
	Renewal Gap Ratio	Risk Level	Renewal Funding Allocation, (\$M)	Required Renewal Funding (\$M)	Renewal Intervention, Condition	Financial Sustainability (%)
Road	0.7	Medium	38.3	38.3	5	100%
Footpath	1.16	Low	28.9	20.7	4	140%
Bridge	6.11	Low	6.1	1.5	4	402%
Drainage	0.67	Medium	14.3	9.4	4	152%
Building	3.92	Low	53.3	38.1	4 & 5	140%
Parks and Open Space	1.34	Low	32.6	31.2	5	104%
Total			173.4	139.2		125%

Comments

- Council's overall renewal funding is 25 per cent higher than that required to keep up with asset consumption (depreciation).
- This additional renewal funding is required to renew any premature failures of assets, legislative and safety compliance, and also to implement best practice energy standard to address Banyule's carbon neutrality target 2028.
- Council spending on renewing buildings, footpaths and bridges is appropriate. These assets are financially sustainable for the next 10 years.
- Council's renewal funding for drainage asset is also appropriate considering the renewal requirement. However, the RGR, which considers depreciation, indicates that renewal funding is insufficient.
- Drainage assets are long life (100+ years) assets and the average age of Banyule's drainage network is at the middle of its useful life. Therefore, current renewal requirement is less than depreciation. When this asset class approaches the end of its useful life, renewal needs will increase significantly. It is recommended to continue with the current drainage funding.
- Road assets including carpark and kerb and channel are financially at medium risk. Council has been underspending on roads, carparks and kerb and channel in recent years.
- Parks and Open Space is also at the medium to low risk financially. Current renewal funding looks appropriate to maintain overall asset condition, however the community has shown a preference to improve the level of service of POS.

Recommendations

- It is recommended to implement the renewal funding proposed by this plan, as summarised in Table 3.
- This includes increasing renewal funding by \$6.3 million over the next 10 years for roads (including carparks and kerb and channel) compared to previous planning, through the redistribution of renewal funding across asset classes.
- Maintain renewal spending on drainage, bridges and buildings, and continue with the development of the Community Infrastructure Plan to better inform future capital spending needs for buildings.
- Provide an additional \$10 million towards the renewal and upgrade of Parks and Open Space assets, as the community has shown a preference to improve the level of service of POS. This funding is included in the 10 year Financial Plan.

IVANHOE AQUATIC CENTRE

170 Waterdale Rd, Ivanhoe VIC 3079

SHEET LIST	
SHEET	NAME
P001	COVER SHEET
P101	EXISTING SITE PLAN
P102	EXISTING GROUND FLOOR PLAN
P103	EXISTING FIRST FLOOR PLAN
P104	PROPOSED GROUND FLOOR PLAN
P105	PROPOSED FIRST FLOOR PLAN
P106	PROPOSED ROOF PLAN
P107	ARTIST IMPRESSIONS 01
P108	ARTIST IMPRESSIONS 02
P109	ARTIST IMPRESSIONS 03
P110	ARTIST IMPRESSIONS 04
P111	ARTIST IMPRESSIONS 05



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COVER SHEET

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DIRECTOR
D.H

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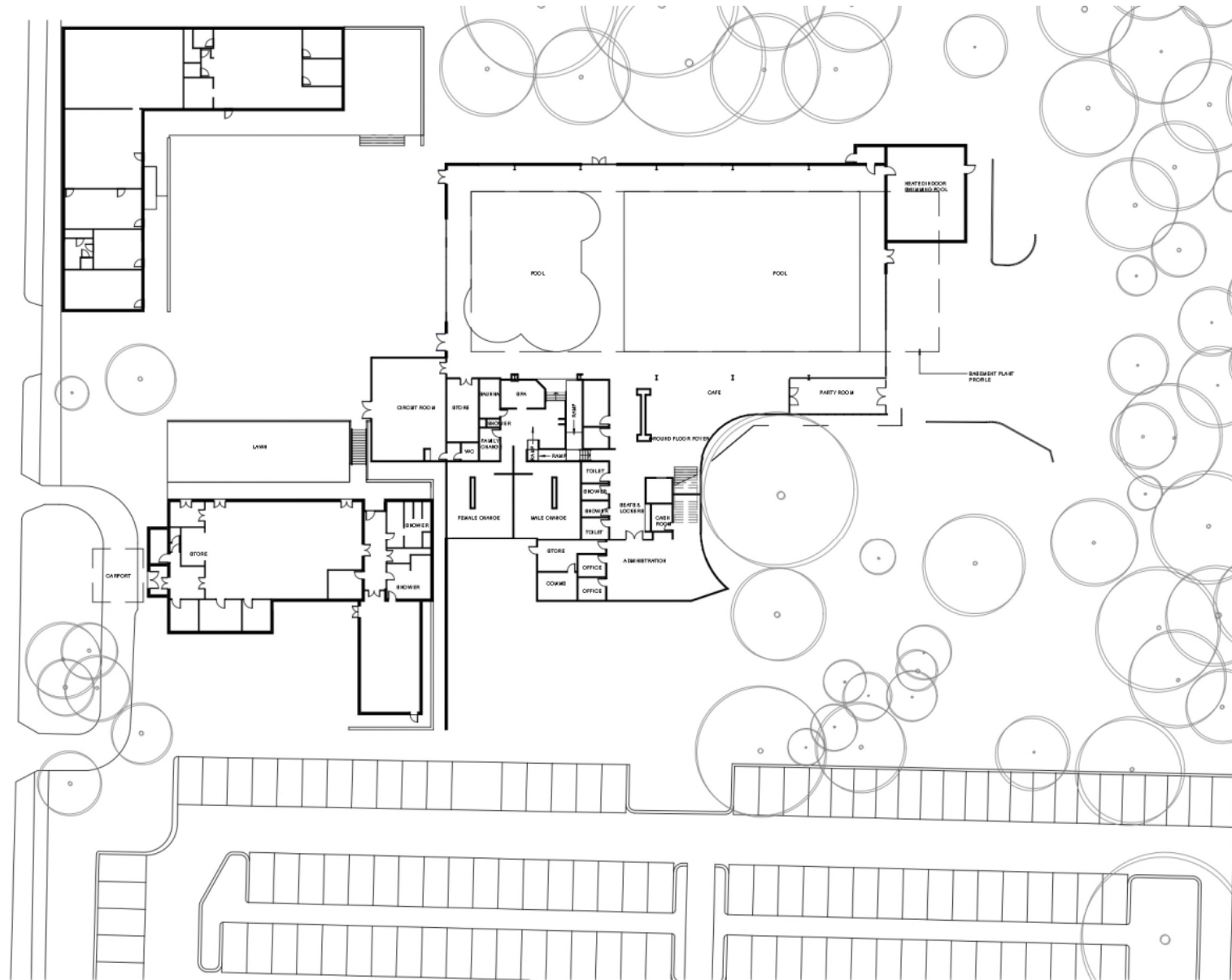


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EXISTING GROUND FLOOR PLAN

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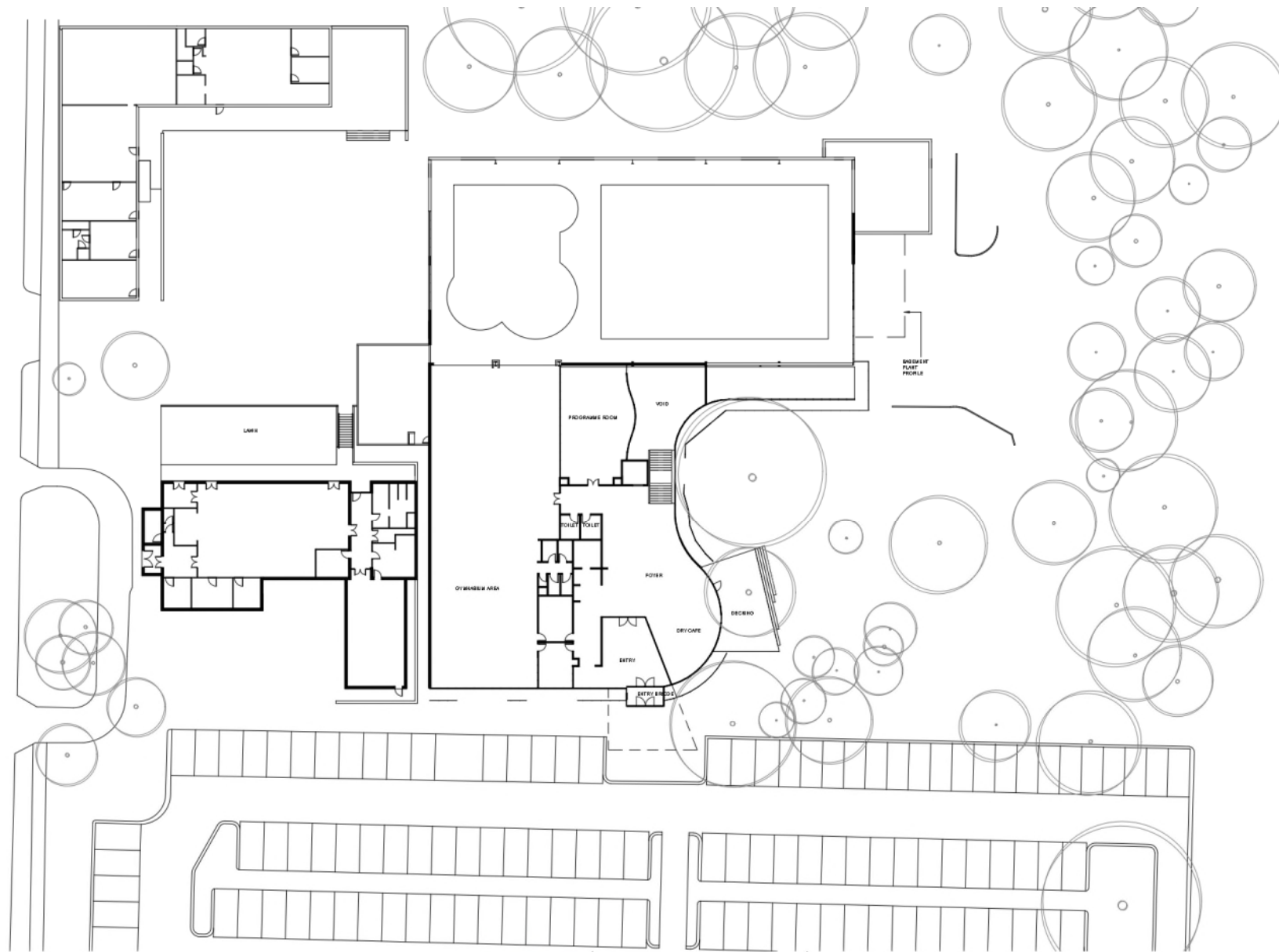
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EXISTING FIRST FLOOR PLAN

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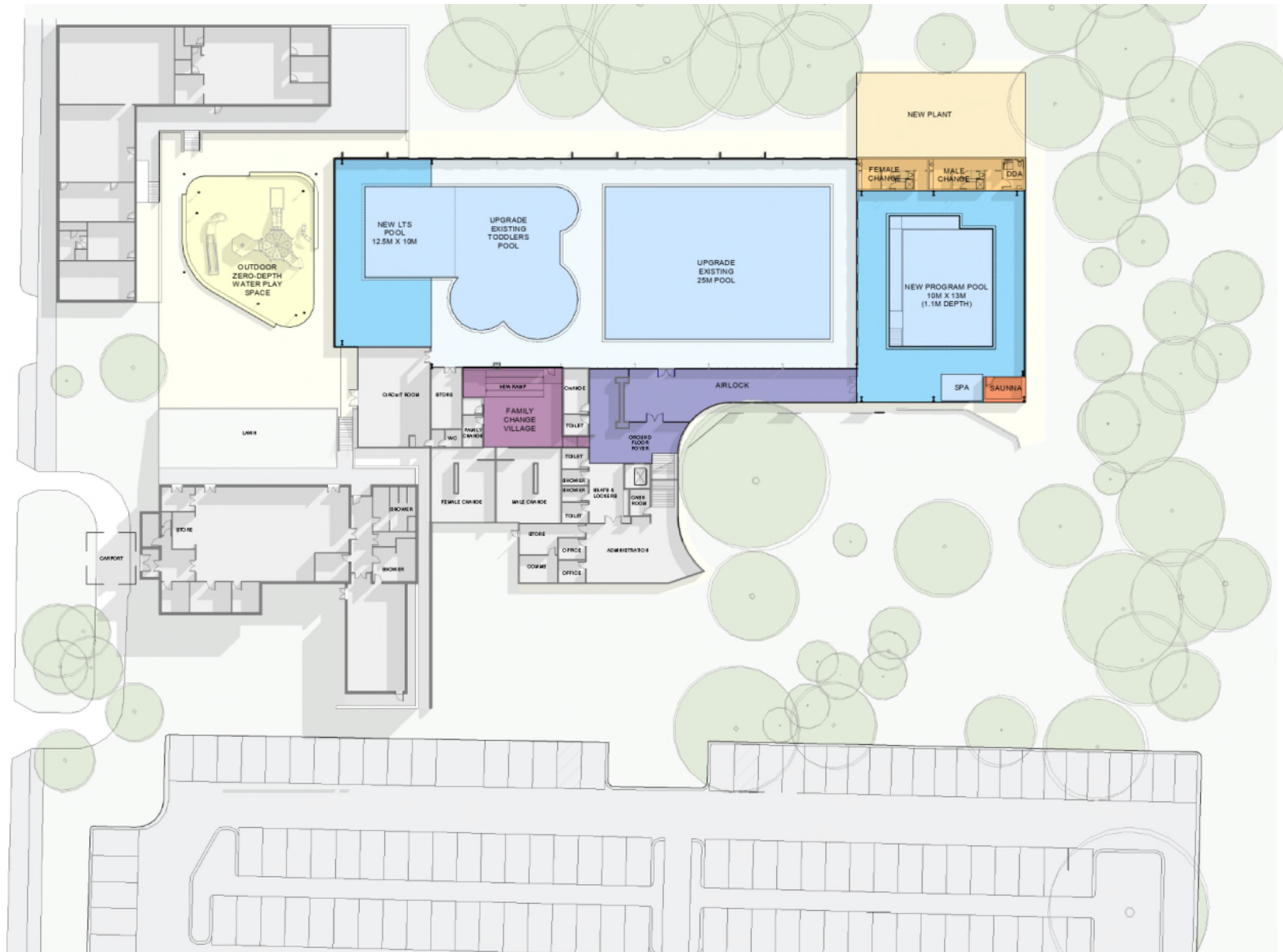
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PROPOSED GROUND FLOOR PLAN

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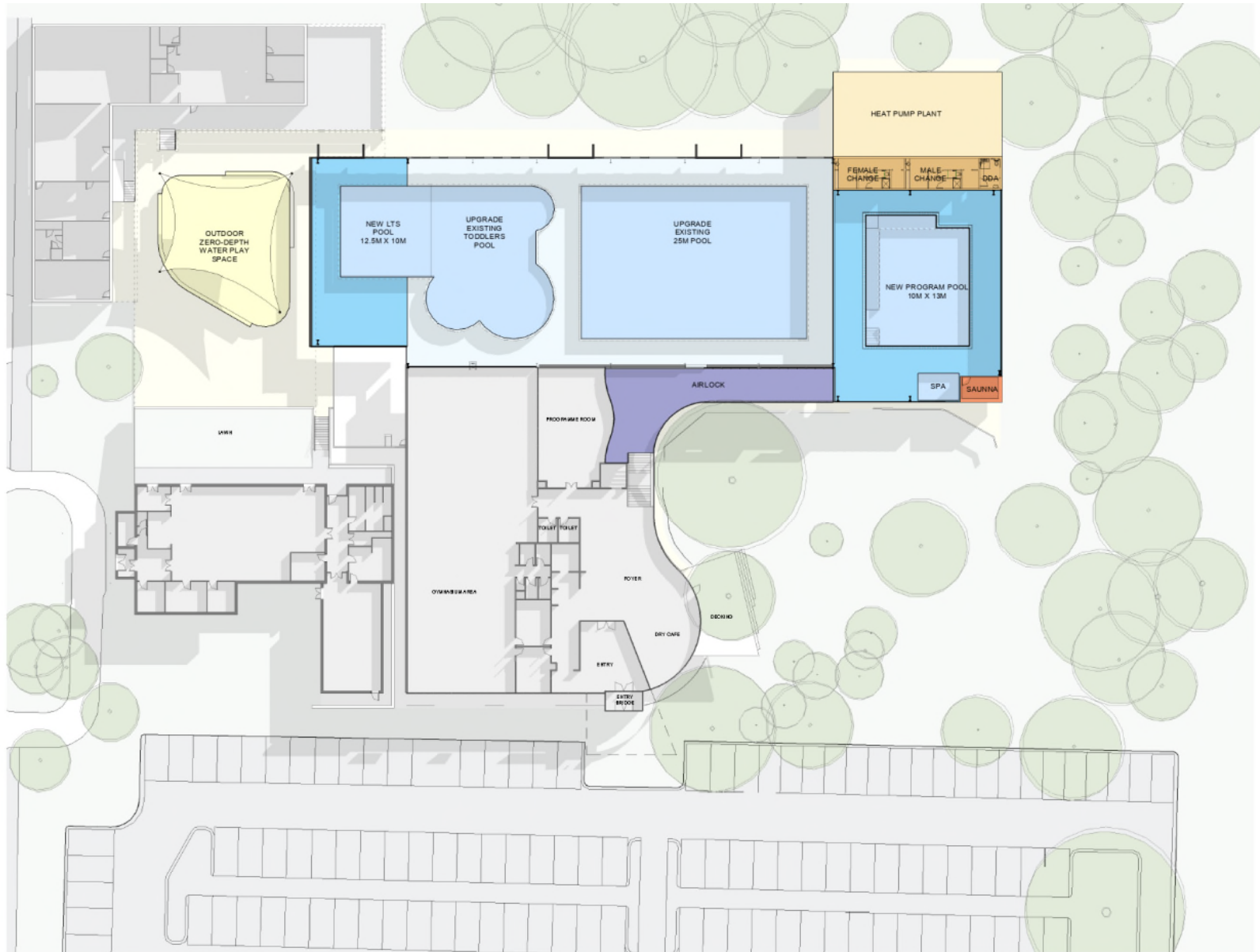
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PROPOSED FIRST FLOOR PLAN

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PROPOSED ROOF PLAN

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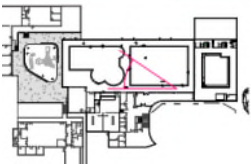
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ARTIST IMPRESSIONS 01

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ARTIST IMPRESSIONS 02

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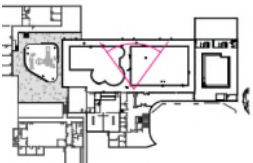
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ARTIST IMPRESSIONS 03

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ARTIST IMPRESSIONS 04

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ARTIST IMPRESSIONS 05

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Revised 10 Year Financial Plan

2022-2032



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1. Legislative Requirements

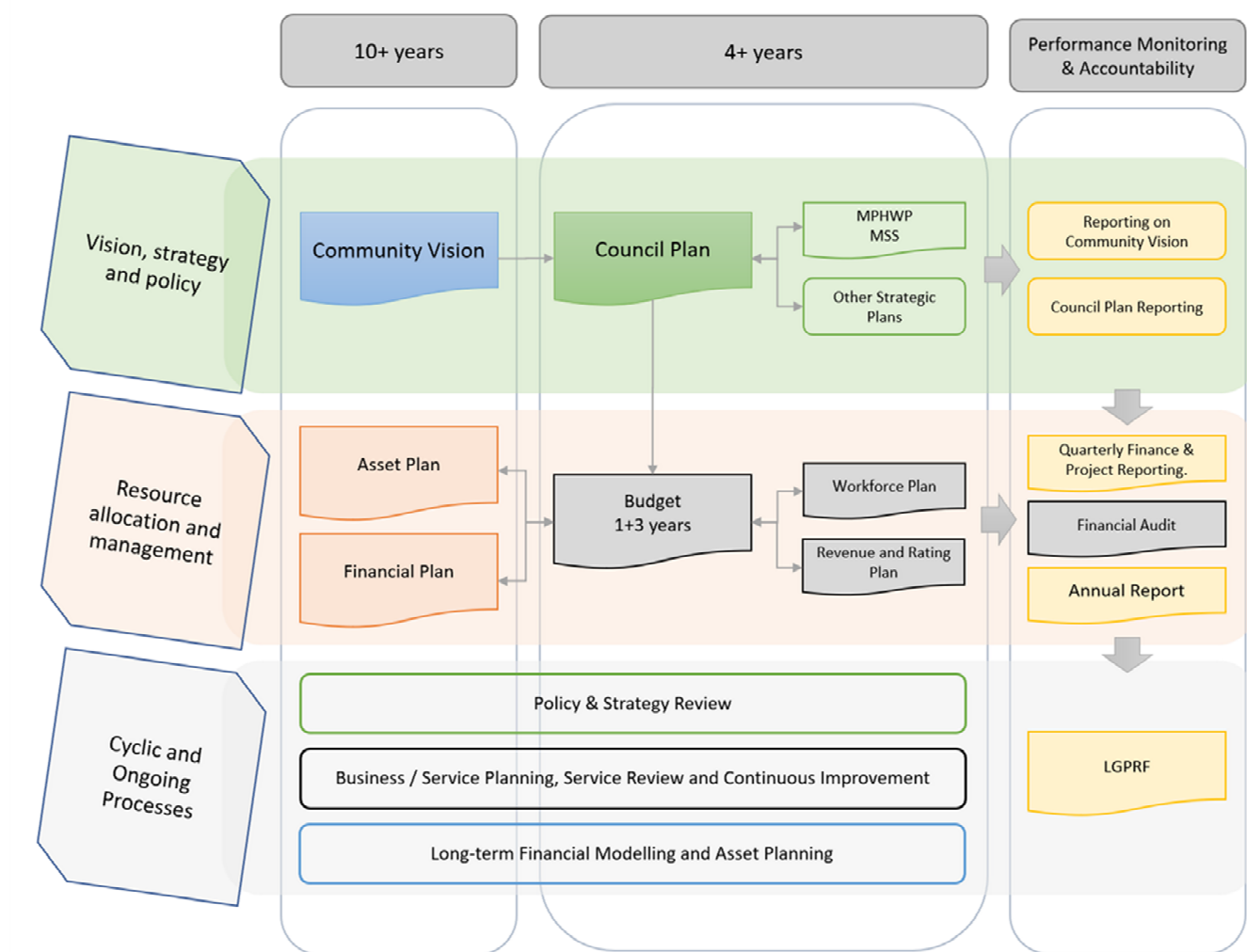
The *Local Government Act 2020 Section 91* requires Council to develop, adopt and keep in force a financial plan with an outlook of at least 10 years to show how the viability and financial sustainability of Banyule City Council will be achieved and maintained, and to define the broad fiscal boundaries for the Council Plan, Asset Plan, other strategic plans of Banyule.

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



The following figure demonstrates how each element might inform or be informed by other parts of the integrated framework.



1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

- Council has an integrated approach to planning, monitoring and performance reporting.
- Council financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.
- Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan.
- The Financial Plan provides for the strategic planning principles of progress monitoring of progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

Like every other Council, Banyule City Council's financial position over the coming decade is likely to be increasingly challenging. The State Government rate capping regime will significantly limit Council's ability to raise funds from its own operations. At the same time Council will continue to experience increasing cost pressures associated with an ageing population, ageing capital infrastructure and continued cost shifting from other levels of government. This situation is not expected to change in the foreseeable future.

The purpose of the Banyule City Council Financial Plan is to ensure we can continue to deliver high quality services to our community, provide job security and stability for our highly valued workforce and continue to meet our capital requirements while investing in new capital and infrastructure. The Financial Plan provides context and structure to many of the innovative financial strategies Council has adopted in recent years including our strategic approach to property acquisition and development.

The Financial Plan establishes a prudent and sound financial framework, combining and integrating financial strategies to achieve a planned outcome; a financial measurement framework against Council's plans and policies and ensures that Council complies with sound financial management principles, as required by the *Local Government Act 2020* and to plan for the long-term financial sustainability of Council.

In addition, Banyule City Council will continue to focus on operational efficiencies, support initiatives that deliver financial savings to Council and reduce Council reliance on property rates to fund services and infrastructure and reduce debt.

The Financial Plan demonstrates the following financial management principles:

- Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- Management of the following financial risks:
 - the financial viability of the Council.
 - the management of current and future liabilities of the Council.
 - the beneficial enterprises of Council (where appropriate).
- Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- Council maintains accounts and records that explain its financial operations and financial position.

1.3 Engagement Principles

In accordance with the *Local Government Act 2020*, Banyule City Council is engaging with the community, driven by principles of deliberative engagement, to inform the development of the Banyule Community Vision 2041, Council Plan 2021-2025 (Year 2), and Financial Plan 2022/23 – 2031/32.

1.3.1 Deliberative Engagement

The key characteristics of deliberative engagement are:

- Authentic engagement with the community;
- Good representation of the community in engagement activities;
- Clear demonstration of how all views have been considered;
- Accessible and relevant information available to the community to ensure the decision-making process

- The community's level of influence is clear in each instance and that participants are fully informed.

1.3.2. Banyule 2041 Shaping Our Future

Banyule undertook a comprehensive and meaningful engagement program throughout 2020/21 that empowered and enabled community and Council to work together to plan for our future and how we would like to get there.

Throughout the Banyule 2041 – Shaping Our Future Project high-quality community engagement enabled us to make well-informed decisions as well as achieving effective and transparent governance.

The aim of the Banyule 2041 – Shaping Our Future Project was to develop an innovative, aspirational and co-designed Community Vision that guides Council's work in enhancing the municipality of Banyule over the next 20 years. Through a robust engagement program Council and community worked together to inform the:

- Community Vision that captures how the community want Banyule to be in 2041
- Council Plan that sets out how Council is working toward that vision every 4 years
- Financial Plan that will guide how Council will remain financially sustainable while supporting the Community Vision and the Council Plan.
- The Budget and the Revenue and Rating Plan that defines how revenue is generated through various sources.

Information about the *Banyule 2041 - Shaping Our Future* project can be found on Council's website.

In 2022 the iterations of these Plans have drawn on data from last year's Banyule 2041 deliberative engagement and other consultation processes. The draft ten-year Asset Plan 2022-32 has also drawn on this data. Given much of these documents were established through these earlier processes, the community engagement activities planned in 2022 will target those areas that community can influence to build on data from Council's previous engagement.

1.4 Service Performance Principles

Banyule's community is diverse, and this is part of what makes Banyule such a great place. We want our communities to be strong, healthy and inclusive. There are many different characteristics that make Banyule great, including highly valued public space, strong identity and character and vibrant shopping strips, waterways and a sustainable transport network in the region. People participate in their local community in many ways, whether it be participation in local sports, recreation and cultural activities, volunteering or having a say on the issues that are important. We want everyone in Banyule to feel like they are connected to their communities.

Council want to deliver the best value services and facilities for people of all ages and in differing circumstances. Council has an ongoing commitment to achieving outcomes that are sustainable, eco-friendly and bear the least impact on our environment including our response to climate change and the way our waste is managed.

To help us to deliver on our focus areas and important initiatives Council will work in partnership with the community; engage with our community to ensure they are well informed and represented and meaningfully involved in decision making; encourage community participation and inclusion to provide opportunities for all and advocate for our community to improve services, infrastructure and social outcomes.

Council services are designed to be purpose, targeted to community needs and value for money. The service performance principles are listed below:

- Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the

community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.

- Services are accessible to the relevant users within the community.
- Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services.
- Council is developing a performance monitoring framework to continuously improve its service delivery standards.
- Council is developing a service delivery framework that considers and responds to community feedback and complaints regards service provision.

1.5 Asset Plan Integration

Integration to the Asset Plan is a key principle of the Council's strategic financial planning principles. The purpose of this integration is designed to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide council with a sound base to understand the risk associated with managing its assets for the community's benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

The first Asset Plan for Council will be adopted by Council by 30 June 2022 and have effect from 1 July 2022.

2. Financial Plan Context

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions and risks.

2.1 Municipal Demographics

Banyule's estimated resident population for 2021 is 129,387. The municipality has an older age profile compared to Greater Melbourne. Older adults aged 50+ years make up 36% of Banyule's population compared to 31% of the population in Greater Melbourne.

Banyule's population is forecast to grow to 165,256 by 2041 at an average annual growth rate of 1%. The population aged 80 years and over is forecast to have the largest growth across the municipality.

Banyule is a diverse municipality. Residents come from over 140 countries and around 120 different languages are spoken at home. Skilled migrants comprise the bulk of recent migration in Banyule, followed by those who settled through family reunion. Humanitarian arrivals represent the smallest proportion of migrant intake.

The City is substantially developed and while it is experiencing a small increase in property numbers, these mainly arise from higher density developments. Council continues to support appropriate increases in development density around its activity centres which will have ongoing implications for many service areas and infrastructure provision. Council's structure planning processes for these precincts is well established. Council has implemented an open space contribution scheme and an infrastructure development contribution plan.

2.2 COVID-19

The organisation has been slow to recover from the financial impacts of COVID-19 and it will take a few years to reach our operable levels. Yet despite this setback Council continue to be a financially sustainable Council in the long-term.

Council has always put the needs of the community first and has done everything in its control to maintain key services and infrastructure delivery to the community and we were well positioned to obtain the much-needed funding support from State and Federal Governments through this recovery phase.

Rates and charges contribute funds to address ageing infrastructure, improve the amenity and quality of community assets and deliver vital services across the breadth of the City. Our services income has not yet fully recovered in many core areas. Where feasible operational expenditure will continue to be directly offset across all council service to accommodate for the severity of the financial impacts of COVID-19 experienced over the past few years.

Council will continue to undertake prudent financial management to generate enough funds to maintain financial sustainability into the future.

2.3 Economic and Fiscal Indicators

Economic circumstances include at the macro and micro levels. In the broader economic climate circumstances these can include heightened levels of uncertainty about economic conditions and outcomes.

While the economic outlook is positive, sourcing labour, supply change disruptions and material shortages continue to be the biggest challenges. Rising staffing costs and the impact of geopolitical tensions have added new challenges to businesses already facing an uphill battle. Business and consumer confidence will drive the local economy and the return of international visitors and visa holders will further its growth, particularly in the tourism, education, hospitality and agricultural sectors.

Gross Domestic Product (GDP) rose 3.4% in the December 2021 quarter as NSW, Victoria and the ACT came out of extended lockdowns in October 2021. Household spending rose 6.3% in this quarter exceeding pre-pandemic levels for the first time as lockdown restrictions eased. In line with this recovery in activity, the labour market has also performed better than expected.

In the year ending June 2021, there were 48,414 jobs in Banyule. Employment grew strongly over the latter part of 2020, and the national unemployment rate declined to 5.1% in December 2021. The unemployment rate in Banyule dropped to 3.7% in December 2021.

The cash rate is Australia's official interest rate which is currently held at a target of 0.10% by the Reserve Bank of Australia (RBA). It has remained at this rate since March 2020, with the RBA indicating it is unlikely to lift it until annual inflation is within the 2-3% target range. The RBA does not forecast a rate rise until 2024.

At the micro level, circumstances within municipalities may influence decisions. These circumstances can include the general economic condition or likely outcomes for stakeholders (particularly ratepayers) in a municipality. For example, unfavourable conditions may discourage councils from taking decisions which may unnecessarily impact on its ratepayers. This may be a valid concern but will need to be balanced against achieving the most cost-effective return to Council in the medium to long term.

2.3.1 North East Link

There are major Victorian Government transport projects being rolled out in Banyule and we remain committed to advocating in the best interests of our community. We continue to push for improvements and increased project scope for the North East Link and the Hurstbridge Line Duplication to enhance the local amenity, upgrade transport infrastructure, construct shared trails, and improve the connectivity and frequency of transport services across all modes.

2.3.2 Climate Emergency

Council is firmly committed to working towards carbon neutrality as an organisation by 2028 and zero waste to landfill by 2030. Among the initiatives Council will be installing more electric vehicle charging stations, LED street lighting, solar panels and batteries, and making energy efficient enhancements in Council buildings. We are also continuing to transition our fleet to electric vehicles and plant thousands of advanced trees each year.

With the introduction of a food organics and garden organics (FOGO) service this year (2022/23) thousands of tonnes of waste from landfill each year will be diverted and will be used to help produce compost for farms, parks and gardens.

The Victorian Government continues to reform the waste industry and will implement changes to household recycling, including a fourth bin for glass. While this promotes better recycling and the reuse of products, providing four separate waste services increases Council costs well above what we can recover through rates. This is compounded by the Victorian Government's increase to the landfill levy. These rising costs have been

absorbed by local governments over many years and have now become unsustainable, particularly since councils have been subject to rate caps.

From 1 July 2022 Council are proposing to separate out the cost of both public waste services and kerbside waste collection services into two new waste rates. These will appear as individual items on rates notices.

We also continue to fund other ongoing environmental initiatives, including solar system and energy efficient subsidies, environmental grants, home energy audits, plus host a range of educational workshops. All these measures are reducing our carbon footprint and making our City more sustainable.

2.3.3 Local jobs creation

Through investing in our substantial capital works program and partnering with other government initiatives, Council are stimulating the local economy. Combined with the ongoing success of our inclusive jobs and social enterprises initiatives, we are helping to creating more local jobs in the municipality and transforming lives by providing opportunities to learn skills, gain experience and improve financial security.

In the year ending June 2021, there were 48,414 jobs in Banyule. The largest employer in the municipality is the Health Care and Social Assistance industry, making up 36% of all employment, followed by Education and Training (10%), Retail Trade (9%) and Construction (8%). A considerable proportion of the people who work in Banyule also live in the area (36%).

2.3.4 Land Fill Levy

Under the State Government's Recycling Victoria waste policy, the landfill levy will increase by 61% by 2022/23. The Land Fill Levy payable to the State Government upon disposal of waste into landfill results in additional waste tipping costs. The levy has increased from \$9 per tonne in 2008/09 to \$105.90 per tonne in 2021/22 and has added to Council's costs.

Rate (\$/T)	2020/21	2021/22	2022/23
Metropolitan- municipal	\$85.90	\$105.90	\$125.90

Council's Towards Zero Waste Plan 2019-2023 and the Community Climate Action Plan identified the need to divert more waste from landfill. In Victoria, about 50% of Councils have changed their services to divert food waste from landfill. We recently implemented a high-performance Food Organics Garden Organics waste service to reflect the changes required to meet sector challenges and Council, State and Federal Government objectives.

In addition, Council propose to alter the rating framework, while remaining within the Fair Go Rate Cap of a 1.75% increase, to separately rate for a public waste service; and for a kerbside waste collection service for those properties that receive a kerbside waste service. There will be a reduction in general rates income with the introduction of these two alternate rating methodologies of a public waste rate and a kerbside waste rate.

2.3.5 Maintenance of public assets

Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition, Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.

2.3.6 Cost Shifting

Local Government provides a service to the community on behalf of the State and Commonwealth Government. Over time the funds received by local governments have not increased in line with real cost increases. Examples of services that are subject to cost shifting include school crossing supervisors, library services and home & community care for aged residents. Council continues to monitor services in these areas and advocate to ensure equity under the 'fair go rates system' rate cap environment.

2.4 Financial Policy Statements and Risk Management

This section defines the policy statements, risk, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

2.4.1 Strategic Actions

Council's strategic actions to influence long term financial sustainability include:

- Generate enough cash to fund capital works and meet the asset renewal requirements as outlined by the VAGO financial sustainability ratios.
- Encourage more operational innovation to enhance operating activities and control expenditure at levels that can consistently support the funding requirements of the capital works program and provision of quality services.
- Support the growth of non-rate revenue to achieve greater diversification of the current revenue base and provide flexibility within which to better manage rate revenue increases to within the rate cap.
- Balance meeting the ongoing core service needs of our community, expectations and quality of delivery with the ongoing achievement of long-term financial sustainability.
- Delivery of a revenue and rating plan based on stability, equity, efficiency and transparency.
- Delivery of a debt management strategic plan to ensure decisions and opportunities can be accommodated within a context of responsible, sustainable financial management.

Banyule City Council is in a strong financial position under this Financial Plan. Council expected to deliver a surplus in the 2021/22 financial year and generated consistent cash from operations. Total gross debt is at its low level in five years and this Financial Plan demonstrates that the financial management principles can be maintained in the long term.

Banyule's Financial Plan provides Council with the ability to plan for a strong financial future and manage its enterprise (internal) and strategic (external) financial risks. The actions outlined in the Plan provide direction where Council will continue to maximise its current financial position while continuing to explore other revenue and expenditure opportunities to guarantee the delivery of quality services and community infrastructure.

Council will continue to implement strategies and actions that address concerns of our community, organisation and management and measure success through utilising key financial sustainable ratios. These ratios assist to monitor and highlight issues for appropriate discussion and decision making throughout the planning process.

2.4.2 Sector influences

The Key Sector Influences continue to guide the organisation in planning for a sustainable future and include:

- Major projects and project management
- Environment
- Advocacy / engagement

- Urban development and transport
- Governance and reform
- Employment pathways and social enterprise.

2.4.3 Risk Management

Significant work has been undertaken in relation to Council's Risk Management Framework and ongoing consideration of risk – particularly in reference to Council's consideration of Strategic and Enterprise risks.

Strategic Risks are the risks where Council has little to no control or influence over the risk materialising. Strategic Risk focuses on uncertainty – they are risks where the causes are external to the organisation that, if they were to occur, would be serious enough that a change in strategic direction may be required. Conversely, Enterprise risk focuses on those risks where Council has significant control/influence in relation to the risk materialising.

The Strategic Risks identified by Council are:

- 1) *Increase in the number and/or severity of climate influenced major disaster events impact Council's ability to deliver services and infrastructure and increasing the burden on Council to support the community.*

As the climate changes, modelling has predicted an increase in the number and severity of natural disaster events. This may require changes to Council's strategy in relation to increased requirements for new builds; consideration of zoning restrictions as well as the types of services offered by Council during disaster events. This risk takes account of Council's ability to deliver services and infrastructure as well as the increased burden on resources that will be required in order to provide adequate support to the community.

- 2) *State/Federal major projects do not adequately factor in local amenity and connectivity needs resulting in substandard outcomes for the community.*

The North East link Project and the new rail project do bring significant potential opportunities, but they may also result in impacts on Council that need to be managed through, and beyond, the projects.

- 3) *Technology advances more rapidly than Council can adapt its services and infrastructure resulting in substandard customer service and delivery.*

Technology is advancing rapidly, which may require additional services and/or infrastructure. If Council is unable to adapt to these changing needs in a timely manner, community dissatisfaction could increase.

- 4) *External financial challenges such as rate capping impact Council's ability to deliver quality services and infrastructure.*

Any significant extension of, or changes to the current rate-capping regime may see significant impacts in relation to Council's ability to provide services, particularly if the rate increases do not grow at the same pace as Council's operating costs.

- 5) *Changes to Federal and/or State legislation and regulations are not adequately managed by Council resulting in non-compliant operations.*

Such changes (e.g. FOGO/new Local Government Act) can result in a significant cost impost to Council that is not necessarily covered by increases. These changes (particularly when they occur relatively close to each other in terms of implementation) can have a significant impact on Council's strategy.

- 6) *Global incident (e.g. pandemic/economic downturn) significantly impact Council operations as well as the community and local businesses.*

Any significant downturn in the economy will have a significant impact on Council in terms of potential increase in demand for services; increased instances of rates in arrears, etc. This risk also takes account of global incidents such as a pandemic which can see a short-medium term impact on businesses and the wider community.

- 7) *Changes in demographics across the local government area are not properly considered and planned, resulting in inefficient long-term resource allocation.*

With the new road and rail projects to be completed in the next few years, the appeal of Banyule LGA as a place to live is likely to increase. With that may come a change in the demographic across Banyule. This may result in current services being over and/or underutilised and/or required services not available. This could see a significant change to Council's structure/strategy and long-term community plans.

Some of the above strategic risks have been outlined within this section and how they may influence this Financial Plan. Generally, Section 2 of this Financial Plan provides more specific details of these strategic risks such as population growth, rate capping, reliance on supplementary rates and financial assistance grants and other grant funding from the State and Federal Governments. These in turn have influenced several assumptions made in section 2.5 below on income generation.

The Enterprise Agreement (EA) is currently in negotiation and remaining competitive within the labour market to recruit the skilled specialists has been challenging.

Council has an ongoing obligation to fund any investment shortfalls in the Defined Benefits Scheme. The last call on Local Government was in the 2012/13 financial year where Council was required to pay \$9.12 million to top up its share of the Defined Benefits Scheme. The amount and timing of any liability is dependent on the global investment market.

Councils have a duty of care in the context of climate change adaptation that is recognised in law. The Victorian Government outlines how failure to act may leave your council open to claims of negligence. Acting on climate change is no longer optional.

The Environment Protection Agency (EPA) regulation has a sustained impact on Council with regards to compliance with existing and past landfills sites. Waste disposal costs are also impacted by industry changes such as increasing EPA landfill levies and negotiation of contracts e.g. recycling sorting and acceptance.

And as already noted above the Coronavirus Pandemic (COVID-19) has presented a fast-evolving significant challenge to businesses, households, and the economy worldwide.

In preparing this Financial Plan, several Council identified Strategic and Enterprise risks have been taken into consideration as outlined throughout section 2. Council is relatively well position to meet these risks, but additional strategies and measures may be required in the future depending on the magnitude of these risks.

2.5 Assumptions to the financial plan statements

2.5.1 Assumptions

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2022/23 to 2031/32. The assumptions comprise the annual escalations / movement for each line item of the Comprehensive Income Statement.

The projections are based on known information at a point in time. The assumptions used for income and expenditure are:

- The average annual rate increase matches the projected rate cap e.g. 1.75% for year 1.
- The annual increase of Grants, User Fees & Charges, Statutory Fees & Charges, Contribution income, Rental Income and Other Income match projected CPI.
- Interest income is based on predicted cash flows, cash balance and investment returns. The interest rate returns are predicted to remain low with a return aligned to CPI.
- The assumption for Council's Employee Benefit expenditure is based on 25 basis points less than Rate Cap, and an additional 0.50% has been included each year for natural banding level increments.
- The super guarantee rate increased to 10.00% on 1 July 2021 and continue increase by 0.50% increments each year until it reaches 12.00% by 1 July 2025. For 2022/23 the rate will be 10.50%.
- A superannuation call has not been factored into this plan.
- Other expenses are assumed at 25 basis points less than CPI.
- Utility charges increase more than CPI, but there is an assumed reduction on usage.

Escalation Factors % movement	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CPI	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rates and charges	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Statutory fees and fines	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User fees	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Grants - Operating	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Grants - Capital	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Contributions - monetary	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Contributions - non-monetary	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other income	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee costs	2.30%	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Materials and services	1.50%	2.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Depreciation & Amortisation	1.50%	2.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Other expenses	1.50%	2.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

2.5.2 Rates and charges

Base rate revenue will increase by 1.75% for the 2022/23 year, based on the state government rate cap, with estimated future annual increases as per the table below. In addition, it is expected that during the 2021/22 year a further increase of \$0.7 million per annum will be received for growth (additional properties) as a result of supplementary rates.

Projection	Y1 222/23	Y2 23/24	Y3 24/25	Y4 25/26	Y5 26/27	Y6 27/28	Y7 28/29	Y8 29/30	Y9 30/31	Y10 31/32
CPI	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Rate Cap	1.75%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

These indicative rates are predicated on a rate capping environment and not indicative of maintaining all Council's services at their current level.

Banyule will continue to revisit these figures when further information is received from the State Government on the extent of rate capping, this will be then matched with the community's desire to maintain current service levels versus a reduced rate environment.

Supplementary rates are additional rates received after the budget is adopted each year, for the part of the year when a property value increases in value (e.g. due to improvements made or change in land class), or new residents become assessable. Importantly, supplementary rates recognise that new residents require services on the day they move into the municipality and Council is committed to providing these. Supplementary rates income is based on historical and forecast data and is set at anticipated levels.

A waste rate will be introduced in 2022/23 for waste recovery as part of the rating framework as outlined in the Revenue and Rating Plan. The rating framework includes a separate rate for Public waste services; and kerbside waste collection services for those properties that receive a kerbside waste service.

To offset the introduction of waste rates, general rates will be reduced. In 2022/23 the total financial impact will be revenue neutral across the ratepaying base.

2.5.3 Fees and Charges

Fees and Charges are the second major source of revenue for Council and represent in the Budget 2021/22 17.42% of total revenue. It is predicted that there will be a slow recovery from the financial impact from COVID-19 where fees and charges originally represented approximately 20% of total revenue.

In this Financial Plan, Council's strategy is to increase the total revenue generated from user fees by at least equal to CPI. Council has discretion in setting these fees and has identified the importance to generating more revenue to cover the enterprise agreement and banding increment cost increases and other expenditure management challenges.

Fees and Charges fall into two broad categories; statutory fees and fines and user fees.

2.5.3.1 Statutory fees and fines

Statutory Fees & Charges are fixed by statute and can only be increased in line with the annual increases announced by State Government.

The Financial Plan indexes statutory fees, set by legislation, according on the estimated annual rate of CPI. This is often a best-case scenario given some fees are outside of the control by Council and therefore may be subject to increases less than CPI.

2.5.3.2 User fees

The balance of fees and charges are discretionary in that Council can levy the amount it believes is equitable for each service/item. Council in its determination of user fee increases has taken into consideration the needs and accessibility of the community; demand for the service, pricing and cost to sustain a viable service.

Community fees are fees where no competition for the service exists. The services provided aim to strengthen capacity and connections to build healthy and strong communities. Council aim to encourage greater participation across the municipality and maintain sustainable community affordability by keeping these fees low.

Commercial fees represent 66% of Council's user fees. The fees for these services are predominately provided to commercial clients, or for the services operating under a commercial environment and have been maintained where possible to reflect CPI increases, to balance cost recovery, competitive pressures and council's financial sustainability objectives.

Details of user fees for the 2022/23 budget year can be found in Council's schedule of Fees and Charges that is adopted in conjunction with the budget. Revenue increases for the ensuing years are based on a conservative annual rate in line with CPI.

The increase in fees and charges revenue will need to be balanced with the appropriate utilisation of services to ensure demand in services is maintained and increased where practical.

2.5.4 Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance grant funding received via the Victorian Local Government Grants Commission (VLGGC). Operating grants are expected to increase on an annual basis by CPI.

Financial Assistance Grants are the largest source of government funding to Council (through the annual Victorian Grants Commission allocation). The overall state allocation is determined by the Federal Financial Assistance Grant and grant funding is limited to the minimum increase assessable to Council.

2.5.5 Contributions

Contributions relate to monies paid by property developers towards public open space and developer contribution plan monies paid by local sporting clubs/organisations to contribute towards capital works projects and contributions to other operational programs. In October 2019 Banyule commenced its Developer Contribution Plan.

Contributions represent funds to enable council to provide the necessary infrastructure and infrastructure improvements to accommodate development growth. The contributions are for specific purposes and often require Council to outlay funds for infrastructure works often before receipt of this income source. These contributions are statutory contributions and are transferred to a restricted reserve until utilised for a specific purpose through the capital works program or delivered as works in kind by developers.

2.5.6 Other income

Revenue from other income mainly comprises investment income plus the recovery income from a variety of sources and rental income received from the hire of Council buildings.

2.3.6.1 Interest Income

Interest income is predominantly made up of the interest received on Council's cash holdings. With interest rates at historical lows, the income generated from investments has declined over time placing pressure on other sources of income to fund operations.

An Investment Strategy and Policy have been developed and approved. Council will have implemented this strategy and commenced reporting and monitoring of the outcomes during 2022. It is expected that the investment return on overall portfolio will achieve its target i.e. CPI+2.50% outlined in the strategy.

2.3.6.2 Rental Income

Rental income for all residential and commercial properties is expected to increase at contracted rates or CPI in 2021/22. Rental Income represents 1.62% of Council's income budget.

2.3.6.3 Developer Contribution Scheme (DCP)

A DCP is a financial management tool to help fund Council's capital works commitment for projects that service a community's changing profile. Because Banyule has an established community, only a portion of total project cost can be allocated to a DCP and paid by developers.

A DCP enables Council to require developers to pay a contribution. In most instances, the need for payment is triggered by a planning permit condition. For smaller developments, like extensions to shops and offices, payment can be triggered by a building permit only. Contributions are then paid before a Statement of Compliance is given for land subdivision or before a building permit can be issued.

Development contributions fall into two categories, these are for:

- Development Infrastructure required for basic community health, safety or wellbeing. This includes to roads, paths and drains.
- Community Infrastructure. This includes construction of buildings or facilities that will be used for community or social purposes.

2.5.7 Employee costs

The assumption for Council's Employee Benefit expenditure is based on 25 basis points less than Rate Cap, and an additional 0.50% has been included each year for natural banding level increments.

The super guarantee rate increased from 1 July 2021 to 10%, increasing by 0.50% increments each year until it reaches 12.00% by 1 July 2025.

A superannuation call has not been factored into this plan.

In addition, under the Statement of Human Resources (section 3.6) The Equivalent Full Time (EFT) is remained stable after Year 4. The split between Female, Male and Self-described gender is generally based on current categories. Council is committed to boosting diversity (gender, race, disability) in our staff recruitment and engagement practices. The first Workforce Plan for Council was developed and adopted by 31 December 2021. The newly adopted Workforce Plan is anticipated to influence the future Financial Plans.

2.5.8 Materials and services

Material costs include items required for the maintenance and repairs of Council buildings, roads, drains and footpaths which are more governed by market forces based on availability than CPI. Waste disposal is included in this category and the increases in the landfill levy will have a direct impact on Council's costs to collect kerbside waste and the fee charged by the Waste Recovery Centre.

Other associated costs included under this category are materials and consumable items for a range of services, insurances, and motor vehicle operating costs. Council also utilises external expertise on a range of matters, including legal services, consultants, contractors and auditors.

These costs are kept to within CPI levels where possible and according to specific contract agreements with service providers.

2.5.9 Depreciation & amortisation

Depreciation estimates have been based on the projected capital spending contained within this Financial Plan document. Depreciation has been further increased by the indexing of the replacement cost of Council's fixed assets.

2.5.10 Borrowing costs

Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in Section 5.1 Debt Management Strategic Plan.

2.5.11 Other expense categories

Other expenses are assumed at 25 basis points less than CPI. Utility charges increase more than CPI, but there is an assumed reduction on usage.

2.5.12 Working Capital

The V-Shape in working capital over the 10 years reflects the capital investment to growth assets, i.e. properties, based on the suggested investment portfolio to enhance our overall returns. Implementing the adopted investment strategy is estimated to hold \$40m of property investment as 50% of the investment portfolio. The Investment Strategy will be reviewed each year with specific reference to the Council's Strategic Plans. This will reaffirm the allocation of the investment portfolio to the risk bands and the split between defensive and growth assets.

2.6 Other Matters impacting the 10-year financial projections

Council will continue delivering quality and inclusive services to the community that offer value for money and respond to community needs; lead on environmental sustainability; invest in infrastructure and community facilities that service our community today and for future generations; plan for our growing City addressing development, transport, open space and diversity; and maintain our public and open spaces and preserve neighbourhood character.

To help us to deliver on these main focus areas and important initiatives above Council will work in partnership with the community; engage with our community to ensure they are well informed and represented and meaningfully involved in decision making; encourage community participation and inclusion to provide opportunities for all; and advocate for our community to improve services, infrastructure and social outcomes.

2.6.1 Rates Burden

Council has developed a Revenue and Rating Plan. In 2015 the state Government introduced the 'Fair Go Rates System' (FGRS) which sets out the maximum amount councils may increase rates in a year. The FGRS cap is set at 1.75% for 2022/23.

The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges. local government expenditures can be highly variable due to the nature of capital works programs, damage to infrastructure assets from fire, storms and flood and related increased service needs, operating costs being subject to increases significantly beyond CPI (such as materials), cost shifting between levels of government and other one off impacts such as calls to fund unfunded superannuation liabilities.

While some of these costs may be supported by other forms of funding such as grants, in the absence of matching revenue streams, entities must resort to alternative funding avenues. To assist Council to better manage the State Government Waste reforms a kerbside waste collection service and public waste services will be removed from general rates and be levied as two separate waste service rates. This will be introduced in 2022/2023 through the Revenue and Rating Plan 2022-2026.

2.6.2 Debt Levels

Borrowing is generally regarded as an appropriate means of funding an enterprise. For councils this is because they do not have a fixed capital base and funding needs will be likely to exceed cash reserves at various times. Funding for councils, as for other public sector levels, can be particularly beneficial given the security of councils' income streams and therefore ability to service debt. This security translates into generally lower servicing costs making debt more attractive (compared to other types of entities) as a funding source.

Councils do not have recourse to capital, other than in the form of accumulated surpluses. Apart from fees and charges which contribute to Council operations generally, debt provides a buffer to assist in maintaining stable rating. The funding structure of a Council should reflect its existing and planned cash requirements. Planned cash requirements should be based on an entity's strategic plans, existing financial position and budgeted and forecast cash flows.

Borrowings are recognised as a legitimate and responsible financial management tool when used for appropriate purposes and in appropriate circumstances. In this Financial Plan Council is seeking to obtain additional funds in 2022/2023 as part of the Community Infrastructure Loan Scheme run by the Victorian Government of \$6.30 million as part of the Capital Works Program funding. The loan interest rates are expected to be lower than our interest earnings and it is in Council's financial interest to bid for this loan funding to support our investment in new community program infrastructures.

2.6.3 Working Capital

Revenues from the sale or provision of goods and/or services (such as rates, user charges etc) are generally perceived as funding operating expenditure, although ideally generating surpluses for distribution to owners and/or to provide flexibility for future funding needs and thereby contributing to accumulated surpluses and cash reserves. Capital can be invested by the owners of an entity to fund the start or some subsequent part of an enterprise. This type of funding is not available to local government. Capital can also be accumulated over time through surpluses which result in increases in the value (net assets) of the business. However, accumulated surpluses do not necessarily represent cash surpluses available for investing in capital works. The use of this source of funds (internal funding) needs to be managed carefully to ensure "working capital" (that is available cash) is maintained at appropriate levels to fund day to day operations.

2.6.4 Renewal of Infrastructure

Asset management policies and plans will assist in ensuring expenditure aimed at retaining (renewal) or enhancing (upgrade) infrastructure assets occurs at the optimum. Delays in building, renewing and upgrading infrastructure can result in this expenditure not being incurred at a time which minimises the cost

The planned capital expenditure will need to be increased when implementing the Community Climate Action Plan to achieve Zero net emissions by 2040. In addition, any additional demands for Major Projects will be a challenge to funding within current operational surpluses.

The associated costs of new assets will require additional maintenance and management and Council will need to factor these costs into the future operational costs of Council.

2.6.5 COVID-19 Business Impact

Council has throughout 2020-2022 monitored the COVID-19 business impacts. The effects on the economy including Councils' various services and business are seeing a slow but steady financial recovery.

2.6.6. Cash Reserves

Council has significant cash reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public reserves and recreation.

Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

- Council has allocated a yearly optimal closing cash of \$70m to support long-term sustainability and to provide a strong liquidity position for viability and solvency. It should also be noted that the cash balance may be needed in the future to accommodate the possibility of a superannuation liability call for the defined benefit members. A superannuation call has not been factored into this draft Financial Plan.
- The cash generated from Council's operating activities is estimated to be approximately \$37m over the course of the next 10 years, the projected cash balance including the financial investment is to be \$109.72m at the end of 2031/32.

2.6.7. Capital works and major initiatives

Capital works and major initiatives are an essential component of a financial plan as it provides an indicator of the necessary financial commitment which would adequately sustain Council's asset base in future years. Securing a reliable funding resource for the programs is a key step for Council under the environment of rate capping.

Under the rate capping environment Council has continued to invest generously in its capital works and initiatives program. To continue to support sustainable development on major capital and initiative projects, Council will also seek to maximise external funding opportunities, such as applying for government grants and draw on cash reserves accumulated over the years.

3. Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years from 2021/22 to 2030/31.

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

3.1 Comprehensive Income Statement

	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	2031/32 \$000
Income										
Rates and charges	111,616	114,792	118,324	121,945	125,656	129,457	133,357	137,353	141,450	145,649
Grants - Operating	12,233	11,660	11,931	12,223	12,528	12,840	13,159	13,487	13,823	14,167
Grants - Capital	16,100	4,364	1,690	1,717	1,745	1,773	1,802	1,831	1,862	1,893
Statutory fees and fines	10,385	10,627	10,949	11,221	11,446	11,734	12,083	12,387	12,638	12,956
User fees and charges	21,323	21,845	22,415	22,996	23,571	24,160	24,763	25,381	26,014	26,663
Contributions - non-monetary	5,372	5,355	5,490	5,609	5,747	5,889	6,034	6,183	6,336	6,493
Interest income	1,012	1,366	1,680	1,911	2,123	2,317	2,481	2,611	2,697	2,734
Rental income	2,945	2,862	2,936	3,013	3,091	3,122	3,204	3,289	3,376	3,465
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	54	181	223	366	338	247	262	194	375	250
Other income	855	867	880	894	908	922	936	951	967	982
Total income	181,895	173,919	176,518	181,895	187,153	192,461	198,081	203,667	209,538	215,252
Expenses										
Employee costs										
Materials and services	75,127	76,575	78,663	81,351	84,405	87,042	89,542	92,489	95,532	98,708
Utility charges	51,041	50,812	51,005	50,580	50,902	51,889	53,257	53,598	54,872	55,803
Depreciation	4,776	4,877	4,996	5,116	5,239	5,365	5,492	5,623	5,756	5,893
Amortisation - intangible assets	23,892	25,123	26,197	27,199	28,237	29,292	30,328	31,463	32,560	33,321
Amortisation - right of use assets	220	220	175	-	-	-	-	-	-	-
Borrowing costs	1,741	1,723	1,635	1,518	1,402	1,280	1,141	996	839	671
Finance Costs - leases	16	29	27	16	11	29	24	15	14	28
Donations expenditure	1,133	1,144	1,019	1,063	1,038	1,094	1,069	1,125	1,102	1,158
Contribution expense	7,313	7,433	7,572	7,714	7,859	8,007	8,159	8,314	8,472	8,634
Other expenses	1,891	1,875	1,927	1,979	2,034	2,086	2,140	2,195	2,252	2,312
Total expenses	167,701	170,366	173,672	176,992	181,572	186,506	191,540	196,206	201,787	206,916
Surplus/(deficit) for the year	14,194	3,553	2,846	4,903	5,581	5,955	6,541	7,461	7,751	8,336
Total comprehensive result	14,194	3,553	2,846	4,903	5,581	5,955	6,541	7,461	7,751	8,336

3.2 Balance Sheet

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets										
Current assets										
Cash and cash equivalents	15,388	16,971	14,313	13,761	14,333	14,602	16,056	18,624	20,363	21,720
Trade and other receivables	17,071	16,400	16,622	16,822	17,024	17,228	17,432	17,632	17,824	18,010
Other financial assets	61,000	72,000	61,000	56,000	58,000	60,000	66,000	72,000	79,000	88,000
Inventories	48	48	48	48	48	48	48	48	48	48
Current Assets held for resale	21,720	5,000	10,000	-	-	-	-	-	-	-
Other assets	1,672	1,672	1,672	1,672	1,672	1,672	1,672	1,672	1,672	1,672
Total current assets	116,899	112,091	103,655	88,303	91,077	93,550	101,208	109,976	118,907	129,450
Non-current assets										
Trade and other receivables	200	200	200	200	200	200	200	200	200	200
Investments in associates, joint arrangement and subsidiaries	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567
Property, infrastructure, plant & equipment	1,718,521	1,729,339	1,725,336	1,730,050	1,732,258	1,732,998	1,730,484	1,727,654	1,724,819	1,720,812
Leasehold improvement	250	196	142	88	34	-	-	-	-	-
Right-of-use assets	1,015	1,058	656	479	798	954	790	402	723	1,103
Investment property	12,597	8,597	23,597	38,597	38,597	38,597	38,597	38,597	38,597	38,597
Intangible assets	395	175	-	-	-	-	-	-	-	-
Total non-current assets	1,736,545	1,743,132	1,753,498	1,772,981	1,775,454	1,776,316	1,773,638	1,770,420	1,767,906	1,764,279
Total assets	1,853,444	1,855,223	1,857,153	1,861,284	1,866,531	1,869,866	1,874,846	1,880,396	1,886,813	1,893,729
Liabilities										
Current liabilities										
Trade and other payables	12,812	12,945	13,563	14,217	14,915	13,573	13,735	13,908	14,081	14,261
Trust funds and deposits	4,292	4,292	4,292	4,292	4,292	4,292	4,292	4,292	4,292	4,292
Provisions	18,190	18,720	19,262	19,820	20,394	20,987	21,596	22,225	22,875	23,546
Interest-bearing liabilities	1,584	1,680	1,801	1,917	2,035	2,173	2,319	2,472	2,648	2,471
Lease liabilities	502	396	407	399	379	384	394	395	391	391
Unearned Income	3,194	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Total current liabilities	40,574	40,333	41,625	42,945	44,315	43,709	44,636	45,592	46,587	47,261
Non-current liabilities										
Provisions	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163
Trust funds and deposits	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Interest-bearing liabilities	24,307	22,627	20,826	18,909	16,874	14,700	12,381	9,909	7,261	4,790
Lease liabilities	485	632	225	50	381	541	372	(23)	296	673
Total non-current liabilities	26,964	25,431	23,223	21,131	19,427	17,413	14,925	12,058	9,729	7,635
Total liabilities	67,538	65,764	64,848	64,076	63,742	61,122	59,561	57,650	56,316	54,896
Net assets	1,785,906	1,789,459	1,792,305	1,797,208	1,802,789	1,808,744	1,815,285	1,822,746	1,830,497	1,838,833
Equity										
Accumulated surplus	549,128	552,681	555,526	560,429	566,010	571,965	578,506	585,967	593,718	602,054
Reserves	1,236,778	1,236,778	1,236,779	1,236,779	1,236,779	1,236,779	1,236,779	1,236,779	1,236,779	1,236,779
Total equity	1,785,906	1,789,459	1,792,305	1,797,208	1,802,789	1,808,744	1,815,285	1,822,746	1,830,497	1,838,833

3.3 Statement of Changes in Equity

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$000	\$000	\$000	\$000
2022 Forecast Actual				
Balance at beginning of the financial year	1,763,278	526,498	1,199,754	37,026
Surplus/(deficit) for the year	8,434	8,434		
Transfers to other reserves	-	(16,851)	-	16,851
Transfers from other reserves	-	38,340	-	(38,340)
Balance at end of the financial year	1,771,712	556,421	1,199,754	15,537
2023 Budget				
Balance at beginning of the financial year	1,771,712	556,421	1,199,754	15,537
Surplus/(deficit) for the year	14,194	14,194	-	-
Transfers to other reserves	-	(59,006)	-	59,006
Transfers from other reserves	-	30,536	-	(30,536)
Balance at end of the financial year	1,785,906	542,145	1,199,754	44,007
2024				
Balance at beginning of the financial year	1,785,906	542,145	1,199,754	44,007
Surplus/(deficit) for the year	3,553	3,553	-	-
Transfers to other reserves	-	(38,850)	-	38,850
Transfers from other reserves	-	24,142	-	(24,142)
Balance at end of the financial year	1,789,459	530,990	1,199,754	58,715
2025				
Balance at beginning of the financial year	1,789,459	530,990	1,199,754	58,715
Surplus/(deficit) for the year	2,846	2,846	-	-
Transfers to other reserves	-	(18,413)	-	18,413
Transfers from other reserves	-	15,724	-	(15,724)
Balance at end of the financial year	1,792,305	531,147	1,199,754	61,404
2026				
Balance at beginning of the financial year	1,792,305	531,147	1,199,754	61,404
Surplus/(deficit) for the year	4,903	4,903	-	-
Transfers to other reserves	-	(23,295)	-	23,295
Transfers from other reserves	-	13,287	-	(13,287)
Balance at end of the financial year	1,797,208	526,042	1,199,754	71,412
2027				
Balance at beginning of the financial year	1,797,208	526,042	1,199,754	71,412
Surplus/(deficit) for the year	5,581	5,581	-	-
Transfers to other reserves	-	(13,586)	-	13,586
Transfers from other reserves	-	11,639	-	(11,639)
Balance at end of the financial year	1,802,789	529,676	1,199,754	73,359
2028				
Balance at beginning of the financial year	1,802,789	529,676	1,199,754	73,359
Surplus/(deficit) for the year	5,955	5,955	-	-
Transfers to other reserves	-	(13,882)	-	13,882
Transfers from other reserves	-	9,213	-	(9,213)

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$000	\$000	\$000	\$000
Balance at end of the financial year	1,808,744	530,962	1,199,754	78,028
2029				
Balance at beginning of the financial year	1,808,744	530,962	1,199,754	78,028
Surplus/(deficit) for the year	6,541	6,541	-	-
Transfers to other reserves	-	(14,188)	-	14,188
Transfers from other reserves	-	9,939	-	(9,939)
Balance at end of the financial year	1,815,285	533,254	1,199,754	82,277
2030				
Balance at beginning of the financial year	1,815,285	533,254	1,199,754	82,277
Surplus/(deficit) for the year	7,461	7,461	-	-
Transfers to other reserves	-	(14,497)	-	14,497
Transfers from other reserves	-	8,256	-	(8,256)
Balance at end of the financial year	1,822,746	534,474	1,199,754	88,518
2031				
Balance at beginning of the financial year	1,822,746	534,474	1,199,754	88,518
Surplus/(deficit) for the year	7,751	7,751	-	-
Transfers to other reserves	-	(14,818)	-	14,818
Transfers from other reserves	-	11,847	-	(11,847)
Balance at end of the financial year	1,830,497	539,254	1,199,754	91,489
2032				
Balance at beginning of the financial year	1,830,497	539,254	1,199,754	91,489
Surplus/(deficit) for the year	8,336	8,336	-	-
Transfers to other reserves	-	(15,144)	-	15,144
Transfers from other reserves	-	10,400	-	(10,400)
Balance at end of the financial year	1,838,833	542,846	1,199,754	96,233

3.4 Statement of Cash Flows

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure										
Roads, street and bridges	16,196	7,532	8,946	8,543	7,868	9,559	9,075	9,638	9,348	8,383
Drainage	1,550	2,261	1,543	1,235	1,687	1,808	1,623	2,572	1,506	1,750
Parks and gardens	11,023	7,964	3,625	6,193	5,495	8,036	4,422	6,489	4,355	5,717
Playground	680	690	1042	764	947	947	697	697	697	697
Total infrastructure	29,449	18,447	15,156	16,735	15,997	20,350	15,817	19,396	15,906	16,547
Property										
Freehold buildings	27,812	16,431	11,406	6,956	6,856	5,301	5,481	5,866	5,056	7,196
Total property	27,812	16,431	11,406	6,956	6,856	5,301	5,481	5,866	5,056	7,196
Plant and equipment										
Motor vehicles	1,140	4,902	4,391	8,300	6,984	4,101	6,180	2,933	8,765	5,300
Plant and equipment	1,404	1,420	1,523	736	1,236	736	736	736	737	736
Furniture and fittings	235	235	235	235	235	235	235	235	235	235
Total plant and equipment	2,779	6,557	6,149	9,271	8,455	5,072	7,151	3,904	9,737	6,271
Other										
Art Collection	160	50	150	50	150	50	150	50	150	50
Total other	160	50	150	50	150	50	150	50	150	50
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064
Represented by:										
Asset renewal expenditure	34,501	30,228	24,153	26,906	26,926	24,819	24,990	25,422	27,498	26,733
Asset upgrade expenditure	20,553	9,305	7,697	5,114	3,245	4,799	2,606	2,952	2,423	2,440
Asset expansion expenditure	260	400	200	200	250	100	200	50	150	100
New asset expenditure	4,886	1,552	811	792	1,037	1,055	803	792	778	791
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064
Funding sources represented by:										
Government grant	15,077	3318	618	618	618	618	618	618	618	618
Contribution	9,208	6,360	4,007	3,475	3,505	3,600	2,305	2,600	2,080	3,600
Council Cash	29,615	31,807	28,236	28,919	27,335	26,555	25,676	25,998	28,151	25,846
Borrowings	6,300	-	-	-	-	-	-	-	-	-
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064

3.5 Statement of Capital Works

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure										
Roads, street and bridges	16,196	7,532	8,946	8,543	7,868	9,559	9,075	9,638	9,348	8,383
Drainage	1,550	2,261	1,543	1,235	1,687	1,808	1,623	2,572	1,506	1,750
Parks and gardens	11,023	7,964	3,625	6,193	5,495	8,036	4,422	6,489	4,355	5,717
Playground	680	690	1042	764	947	947	697	697	697	697
Total infrastructure	29,449	18,447	15,156	16,735	15,997	20,350	15,817	19,396	15,906	16,547
Property										
Freehold buildings	27,812	16,431	11,406	6,956	6,856	5,301	5,481	5,866	5,056	7,196
Total property	27,812	16,431	11,406	6,956	6,856	5,301	5,481	5,866	5,056	7,196
Plant and equipment										
Motor vehicles	1,140	4,902	4,391	8,300	6,984	4,101	6,180	2,933	8,765	5,300
Plant and equipment	1,404	1,420	1,523	736	1,236	736	736	736	737	736
Furniture and fittings	235	235	235	235	235	235	235	235	235	235
Total plant and equipment	2,779	6,557	6,149	9,271	8,455	5,072	7,151	3,904	9,737	6,271
Other										
Art Collection	160	50	150	50	150	50	150	50	150	50
Total other	160	50	150	50	150	50	150	50	150	50
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064
Represented by:										
Asset renewal expenditure	34,501	30,228	24,153	26,906	26,926	24,819	24,990	25,422	27,498	26,733
Asset upgrade expenditure	20,553	9,305	7,697	5,114	3,245	4,799	2,606	2,952	2,423	2,440
Asset expansion expenditure	260	400	200	200	250	100	200	50	150	100
New asset expenditure	4,886	1,552	811	792	1,037	1,055	803	792	778	791
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064
Funding sources represented by:										
Government grant	15,077	3318	618	618	618	618	618	618	618	618
Contribution	9,208	6,360	4,007	3,475	3,505	3,600	2,305	2,600	2,080	3,600
Council Cash	29,615	31,807	28,236	28,919	27,335	26,555	25,676	25,998	28,151	25,846
Borrowings	6,300	-	-	-	-	-	-	-	-	-
Total capital works expenditure	60,200	41,485	32,861	33,012	31,458	30,773	28,599	29,216	30,849	30,064

3.6 Statement of Human Resources

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
Total Permanent staff numbers										
Female	395.49	395.49	395.49	395.49	395.49	395.49	395.49	395.49	395.49	395.49
Male	256.18	256.18	256.18	256.18	256.18	256.18	256.18	256.18	256.18	256.18
Self-described gender	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02
Total Permanent staff numbers	653.69	653.69	653.69	653.69	653.69	653.69	653.69	653.69	653.69	653.69
Permanent full time										
Female	247.26	247.26	247.26	247.26	247.26	247.26	245.26	245.26	245.26	245.26
Male	241.00	240.63	240.63	240.63	240.63	239.63	238.63	238.63	238.63	238.63
Self-described gender	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	489.26	488.89	488.89	488.89	488.89	487.89	484.89	484.89	484.89	484.89
Permanent part time										
Female	148.23	149.54	149.54	149.54	149.54	149.49	149.54	149.54	149.54	149.74
Male	15.18	15.18	15.18	15.18	15.18	15.18	15.18	15.18	15.18	15.18
Self-described gender	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Total	164.43	165.74	165.74	165.74	165.74	165.69	165.74	165.74	165.74	165.94
Casual and temp	41.18	28.84	22.51	20.49	20.49	20.49	20.49	20.49	20.49	20.49
Total staff numbers	694.87	682.53	676.20	674.18	674.18	674.18	674.18	674.18	674.18	674.18
Capitalised labour costs	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(11.00)	(11.00)	(11.00)	(11.00)
Total	682.87	670.53	664.20	662.18	662.18	662.18	663.18	663.18	663.18	663.18

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total permanent staff expenditure										
Female	43,754	45,391	47,072	48,809	50,612	52,246	53,692	55,433	57,233	59,122
Male	27,830	28,755	29,815	30,916	32,058	32,962	33,909	35,009	36,144	37,316
Self-described gender	237	246	255	264	274	283	292	302	312	321
Total permanent staff expenditure	71,821	74,392	77,142	79,989	82,944	85,491	87,893	90,744	93,689	96,759
Permanent full time										
Female	28,797	29,787	30,888	32,030	33,213	34,291	35,147	36,286	37,463	38,678
Male	26,525	27,404	28,416	29,485	30,553	31,409	32,305	33,353	34,434	35,551
Self-described gender	130	135	140	145	150	155	160	166	171	176
Total	55,453	57,326	59,444	61,641	63,917	65,854	67,612	69,805	72,068	74,405
Permanent part time										
Female	14,956	15,604	16,181	16,779	17,400	17,955	18,547	19,148	19,769	20,444
Male	1,305	1,349	1,399	1,451	1,505	1,554	1,604	1,656	1,710	1,765
Self-described gender	107	111	115	119	124	128	132	136	141	145
Total	16,368	17,065	17,696	18,350	19,028	19,636	20,283	20,941	21,620	22,355
Casual	4,692	3,541	2,879	2,716	2,817	2,908	3,002	3,100	3,200	3,304
Total staff expenditure	76,513	77,931	80,019	82,707	85,761	88,398	90,898	93,845	96,888	100,064
Capitalised labour costs	(1,386)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)
Total	75,127	76,575	78,663	81,351	84,405	87,042	89,542	92,489	95,532	98,708

3.7 Planned Human Resource Expenditure

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets & City Services										
Permanent - Full time	19,482	20,150	20,893	21,664	22,462	23,190	23,943	24,720	25,521	26,349
Female	3,775	3,904	4,048	4,198	4,352	4,493	4,639	4,790	4,945	5,105
Male	15,707	16,246	16,845	17,466	18,110	18,697	19,304	19,930	20,576	21,244
Permanent - Part time	363	376	390	404	419	433	446	461	476	491
Female	323	334	347	359	373	385	397	410	423	437
Male	40	42	43	45	46	48	49	51	53	54
Total Assets & City Service	19,845	20,526	21,283	22,068	22,881	23,623	24,389	25,181	25,997	26,840
City Development										
Permanent - Full time	11,079	11,427	11,850	12,288	12,742	13,156	13,203	13,632	14,073	14,530
Female	5,197	5,375	5,574	5,780	5,993	6,188	6,132	6,331	6,536	6,748
Male	5,882	6,052	6,276	6,508	6,749	6,968	7,071	7,301	7,537	7,782
Permanent - Part time	2,258	2,336	2,422	2,511	2,604	2,689	2,776	2,866	2,959	3,089
Female	1,802	1,864	1,933	2,004	2,078	2,146	2,215	2,287	2,361	2,472
Male	456	472	489	507	526	543	561	579	598	617
Total City Development	13,337	13,763	14,272	14,799	15,346	15,845	15,979	16,498	17,032	17,619
Community Programs										
Permanent - Full time	11,620	12,019	12,464	12,924	13,403	13,701	14,146	14,605	15,079	15,568
Female	10,683	11,050	11,459	11,882	12,322	12,721	13,134	13,560	14,000	14,454
Male	937	969	1,005	1,042	1,081	980	1,012	1,045	1,079	1,114
Permanent - Part time	11,290	11,812	12,250	12,702	13,172	13,590	14,041	14,495	14,966	15,450
Female	10,513	11,008	11,416	11,838	12,275	12,664	13,085	13,509	13,947	14,399
Male	670	693	719	745	773	798	824	850	878	906
Self-described gender	107	111	115	119	124	128	132	136	141	145
Total Community Programs	22,910	23,831	24,714	25,626	26,575	27,291	28,187	29,100	30,045	31,018
Executive Office										
Permanent - Full time	4,007	4,146	4,299	4,458	4,623	4,773	4,928	5,088	5,253	5,423
Female	2,322	2,403	2,492	2,584	2,680	2,767	2,856	2,949	3,045	3,143
Male	1,685	1,743	1,807	1,874	1,943	2,006	2,072	2,139	2,208	2,280
Permanent - Part time	572	592	614	636	660	681	703	726	750	774
Female	572	592	614	636	660	681	703	726	750	774
Total Executive Office	4,579	4,738	4,913	5,094	5,283	5,454	5,631	5,814	6,003	6,197
Corporate Services										
Permanent - Full time	9,266	9,585	9,939	10,306	10,686	11,034	11,391	11,759	12,143	12,536
Female	6,821	7,055	7,316	7,586	7,866	8,122	8,385	8,655	8,938	9,228
Male	2,315	2,395	2,483	2,575	2,670	2,757	2,846	2,938	3,034	3,132
Self-described gender	130	135	140	145	150	155	160	166	171	176
Permanent - Part time	1,884	1,949	2,021	2,096	2,173	2,244	2,316	2,392	2,469	2,549
Female	1,746	1,806	1,873	1,942	2,013	2,079	2,146	2,216	2,288	2,362
Male	138	143	148	154	160	165	170	176	181	187
Total Corporate Services	11,150	11,534	11,960	12,402	12,859	13,278	13,707	14,151	14,612	15,085
Casuals, temporary	4,692	3,539	2,877	2,718	2,817	2,907	3,005	3,101	3,199	3,305
Total staff expenditure	76,513	77,931	80,019	82,707	85,761	88,398	90,898	93,845	96,888	100,064
Capitalised labour costs	(1,386)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)	(1,356)
Total	75,127	76,575	78,663	81,351	84,405	87,042	89,542	92,489	95,532	98,708

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
Assets & City Services										
Permanent - Full time	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00
Female	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00
Male	156.00	156.00	156.00	156.00	156.00	156.00	156.00	156.00	156.00	156.00
Permanent - Part time	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79
Female	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29
Male	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Assets & City Service	197.79	197.79	197.79	197.79	197.79	197.79	197.79	197.79	197.79	197.79
City Development										
Permanent - Full time	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00
Female	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00
Male	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00
Permanent - Part time	28.42	28.42	28.42	28.42	28.42	28.42	28.42	28.42	28.42	28.42
Female	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10
Male	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32
Total City Development	118.42	118.42	118.42	118.42	118.42	118.42	118.42	118.42	118.42	118.42
Community Programs										
Permanent - Full time	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00
Female	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00
Male	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Permanent - Part time	112.62	112.62	112.62	112.62	112.62	112.62	112.62	112.62	112.62	112.62
Female	104.58	104.58	104.58	104.58	104.58	104.58	104.58	104.58	104.58	104.58
Male	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02
Self-described gender	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Total Community Programs	217.62	217.62	217.62	217.62	217.62	217.62	217.62	217.62	217.62	217.62
Executive Office										
Permanent - Full time	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Female	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Male	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Permanent - Part time	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27
Female	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27
Total Executive Office	29.27	29.27	29.27	29.27	29.27	29.27	29.27	29.27	29.27	29.27
Corporate Services										
Permanent - Full time	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Female	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00
Male	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Self-described gender	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Permanent - Part time	15.59	15.59	15.59	15.59	15.59	15.59	15.59	15.59	15.59	15.59
Female	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25
Male	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34
Total Corporate Services	90.59	90.59	90.59	90.59	90.59	90.59	90.59	90.59	90.59	90.59
Casuals, temporary	41.18	29.78	23.45	21.43	21.43	20.38	18.43	18.43	18.43	18.43
Total staff expenditure	694.87	683.47	677.14	675.12	675.12	674.07	672.12	672.12	672.12	672.12
Capitalised labour costs	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)
Total	682.87	671.47	665.14	663.12	663.12	662.07	660.12	660.12	660.12	660.12

4. Financial Performance Indicators

4.1 Victorian Auditors-General's Office (VAGO)

Practicing sound financial management is subjective in nature and requires consideration and balancing of competing imperatives. Objective guidance is available in several forms such as generation of surpluses, strength of the balance sheet and cash generated by an enterprise.

The Victorian Auditor-General's Office (VAGO) assesses all Victorian councils annually against six criteria related to financial sustainability. To understand further the way in which the VAGO ratios are calculated refer to their website: <https://www.audit.vic.gov.au>.

4.2 Local Government Performance Reporting Framework (LGPRF)

The Victorian Government has a reporting framework to ensure that all Councils are measuring and reporting on their performance in a consistent way. The framework became mandatory from 1 July 2014. The framework is made up of 59 quantitative measures and 24 qualitative measures which build a comprehensive picture of Council performance. Council's Financial Plan focuses on the Financial Performance Indicators (of which there are 11 quantitative measures).

The 11 financial indicators cover key financial objectives. These indicators provide relevant information about the efficiency, effectiveness and economy of financial management in local government.

Financial Subarea	Definition
Operating position	Measures whether a council can generate an adjusted underlying surplus
Liquidity	Measures whether a council can generate sufficient cash to pay bills on time
Obligations	Measures whether the level of debt and other long-term obligations is appropriate to the size and nature of the Council's activities
Stability	Measures whether a council can generate revenue from a range of sources
Efficiency	Measures whether a council is using resources efficiently

The Financial Performance Indicators provide relevant information about the effectiveness of financial management and an overall assessment of the long-term financial sustainability of Council.

Council has also previously forecast its financial sustainability on the Victorian Auditor-General's Office (VAGO) indicators, and will continue to do so, as they provide another level of financial sustainability assurance.

The Financial Performance indicators from the framework are outlined below. The following table highlights Banyule City Council's projected performance across a range of key financial performance indicators. These indicators provide an analysis of Council's 10-year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

- The revised 10 year financial plan highlights the healthy financial position of Council and a funded capital works and major initiatives program over the next 10 years.

- Funding of the capital works program will continue to be delivered through operational funding and reserves (e.g. Innovation, efficiencies in operations, along with enhanced revenue generating major initiatives). Funding for major projects and initiatives currently outside 4-year cycle will need to be supported from future strategic property initiatives, grants and third-party funding to maintain a financial sustainable position over the next 10 years.

Indicator	Measure	Forecast											Trend
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/2030	2030/2031	2031/2032	
Operating position													
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	-4.89%	-3.04%	-2.55%	-1.39%	-0.24%	0.06%	0.19%	0.42%	0.80%	0.85%	1.03%	
Liquidity													
Working Capital	Current assets / current liabilities	262.04%	288.11%	277.91%	249.02%	205.62%	205.52%	214.03%	226.74%	241.22%	255.24%	273.90%	
Unrestricted cash	Unrestricted cash / current liabilities	149.64%	175.20%	207.45%	168.20%	150.10%	151.26%	158.55%	171.96%	187.14%	201.91%	220.94%	
Obligations													
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	19.19%	23.33%	21.29%	19.23%	17.17%	15.13%	13.10%	11.08%	9.06%	7.04%	5.01%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	11.23%	2.67%	2.90%	2.82%	2.74%	2.65%	2.57%	2.50%	2.42%	2.35%	2.29%	-
Indebtedness	Non-current liabilities / own source revenue	15.93%	18.20%	16.67%	14.75%	13.02%	11.62%	10.13%	8.43%	6.62%	5.19%	3.96%	-
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	167.57%	195.80%	134.26%	103.62%	100.51%	91.34%	86.51%	77.88%	77.32%	78.89%	75.14%	-
Stability													
Rates concentration	Rate revenue / adjusted underlying revenue	70.38%	68.18%	68.71%	68.70%	68.70%	68.80%	68.94%	69.00%	69.12%	69.19%	69.36%	0
Rates effort	Rate revenue / CIV of rateable properties in the municipality	0.21%	0.18%	0.19%	0.19%	0.20%	0.21%	0.21%	0.22%	0.23%	0.23%	0.24%	-
Efficiency													
Expenditure level	Total expenses/ no. of property assessments	\$ 2,882	\$ 2,953	\$ 2,970	\$ 2,997	\$ 3,025	\$ 3,073	\$ 3,126	\$ 3,180	\$ 3,227	\$ 3,287	\$ 3,340	-
Revenue level	Total rate revenue / no. of property assessments	\$ 1,933	\$ 1,954	\$ 1,990	\$ 2,031	\$ 2,073	\$ 2,116	\$ 2,159	\$ 2,203	\$ 2,248	\$ 2,294	\$ 2,341	-

Key to Forecast Trend:

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

4.3 Disclosure Required (LGPRF)

4.3.1 (OP1) – Adjusted Underlying Result

The underlying surplus as a percentage of adjusted underlying revenue

This is an indicator of the sustainable operating result that is required for Council to continue to provide its core services and meet its objectives. COVID-19 pandemic has continued from into 2020/21 and has had a negative financial impact on Banyule's results for 2020/21 as Council services adjusted to meet restrictions and the Banyule Economic Support Package came into effect.

4.3.2 (L1) – Working Capital

Current assets as a percentage of current liabilities

Working Capital is an indicator of how easily Council can cover its liabilities that are to fall due over the next 12 months. Council is expected to remain in a strong working capital position. The slight reduction in 2020/21 is due to a loan liability moving from non-current to current as it falls due for repayment in 2021/22.

Results in following years, which include property sales expected in 2022/23 will return current assets and working capital to previous strong levels, although reducing over the 10 years.

4.3.3 (L2) – Unrestricted Cash

Unrestricted cash as a percentage of current liabilities

This is an indicator of the broad objective that sufficient cash is free of restrictions and available to pay bills as and when they fall due. Council's liquidity position will continue at a high level, reflecting our continued sustainable financial operations, although reducing gradually over the years.

Items which are restricted under the definition are:

- trust funds and deposits
- statutory or non-discretionary reserves
- cash held to fund carry forward capital works
- conditional grants unspent

Term deposits with an original maturity of greater than 90 days (i.e. other financial assets) are also considered to be restricted under this definition.

4.3.4 (02, 03) – Loans and Borrowings

Interest bearing loans and borrowings as a percentage of rate revenue and Interest and principal repayments on interest bearing loans and borrowings as a percentage of rate revenue

The trend of these indicators reflects Council's reducing reliance on debt. Council will continue to pay down existing debt while rate revenue will continue to rise in line with the rate cap. The trend has accelerated in recent years as a result of Council's debt reduction strategy. This accelerated repayment includes a large payment to complete one of our loans in October 2021. There is a slight increase in loans and borrowings in 2022/23, associated with Council's expected application for a loan as part of the Victorian Government's Community Infrastructure Loan Scheme, which provides local governments access to very low interest, subsidised loans to help fund infrastructure projects.

4.3.5 (04) – Indebtedness

Non-current liabilities as a percentage of own source revenue.

This is an indicator of the broad objective that the level of long-term liabilities should be appropriate to the size and nature of a Council's activities. Low or decreasing level of long-term liabilities suggest an improvement in the capacity to meet long term obligations.

4.3.6 (05) – Asset Renewal

Asset renewal and upgrade expense compared to depreciation assesses whether council spending on assets is focused on purchasing new assets or renewing and upgrading existing ones.

This indicator shows the extent of Council's asset renewal expenditure against its depreciation charge.

Assessment of whether council assets are being renewed or upgraded as planned. It compares the rate of spending on existing assets through renewing, restoring, replacing or upgrading existing assets with depreciation. Ratios higher than 1.0 indicate there is a lesser risk of insufficient spending on Council's asset base.

4.3.7 (S1) – Rates Concentration

Rate revenue as a percentage of adjusted underlying revenue

This indicates the extent of reliance on rate revenue to fund all of Council's ongoing services. This trend indicates Council's reliance on rates is holding relatively steady.

4.3.8 (S2) – Rates Effort

Rate revenue as a percentage of the capital improved value of rateable properties in the municipality

This is an indicator of the broad objective that the rating level should be based on the community's capacity to pay. Low or decreasing level of rates suggest an improvement in the rating burden for ratepayers.

Note: Council policy is not to estimate future movements in property values and assume that they will hold steady from the most recent CIV figures.

4.3.9 (E2) – Expenditure Level

Total expenses per property assessment

This is an indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of expenditure suggests an improvement in organisational efficiency.

4.3.10 (E4) – Revenue Level

The average rate revenue per property assessment

This is an indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of rates suggests an improvement in organisational efficiency.

5. Strategies and Plan

This section describes the strategies and plans that support the 10-year financial projections included to the Financial Plan.

5.1 Borrowing Strategy

5.1.1 Current Debt Position

Council's debt management strategic plan responds to Council's strategic direction and considers Council's long-term financial sustainability.

The debt management strategic plan addresses the following matters:

- The legislative framework
- Linkage to the Proposed Council Plan
- Sound financial management principles
- Current level of debt
- Forecast sustainability ratios.

The total amount borrowed as at 30 June 2022 was \$20.81 million.

Banyule City Council significantly increased its debt levels between 2009 - 2013 to \$60m due to an increased level of strategic property acquisitions and expanding capital expenditure. The Financial Plan contains forecasts that this debt will be reduced to \$7.26 million by 30 June 2032.

The amount of debt includes an additional \$6.30 million projected borrowing in 2022/23 to help fund the redevelopment of the Rosanna Library and Precinct upgrade. Council intends to apply for a loan as part of the Community Infrastructure Loan Scheme run by the Victorian Government. This scheme allows local governments to access low-interest subsidised loans to support the funding of community infrastructure. The interest rate on borrowing is anticipated to be lower than our cost of funds and therefore in our financial interest to take on the loan.

5.1.2 Future Borrowing Requirements

The following table highlights Council's projected loan balance, including new loans (Proposed Community Infrastructure Loan Scheme) and loan repayments for the 10 years of the Financial Plan.

	Forecast / Actual										
	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
Opening balance	31,067	20,810	25,891	24,307	22,627	20,826	18,909	16,874	14,701	12,382	9,910
Plus New loans	-	6,300	-	-	-	-	-	-	-	-	-
Less Principal repayment	(10,257)	(1,219)	(1,584)	(1,680)	(1,801)	(1,917)	(2,035)	(2,173)	(2,319)	(2,472)	(2,648)
Closing balance	20,810	25,891	24,307	22,627	20,826	18,909	16,874	14,701	12,382	9,910	7,262
Interest payment	(1,920)	(1,741)	(1,723)	(1,635)	(1,518)	(1,402)	(1,280)	(1,141)	(996)	(839)	(671)

5.1.3 Performance Indicators

Council maintains its loan borrowing within prudent and management limits as demonstrated by the following performance indicators.

Performance Indicator	Target	Forecast / Actual										
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	19.08%	23.20%	21.17%	19.12%	17.08%	15.05%	13.03%	11.02%	9.01%	7.01%	4.99%
Debt servicing / Rate revenue	Below 5%	1.76%	1.56%	1.50%	1.38%	1.24%	1.12%	0.99%	0.86%	0.73%	0.59%	0.46%
Debt commitment / Rate revenue	Below 10%	11.16%	2.65%	2.88%	2.80%	2.72%	2.64%	2.56%	2.49%	2.41%	2.34%	2.28%
Indebtedness / Own source revenue	Below 60%	15.93%	18.20%	16.67%	14.75%	13.02%	11.62%	10.13%	8.43%	6.62%	5.19%	3.96%

5.2 Reserves Strategy

5.2.1 Current Reserves

Council maintains reserves of separately identified funds to meet specific purposes in the future and for which there is no existing liability. These amounts are transferred to and from the accumulated surplus. Two of these reserves are statutory reserves, meaning that the funds must remain available for a specific purpose (public open space and off-Street car parking).

The remaining reserves are discretionary and while not restricted, Council has made decisions regarding the future use of these funds and unless there is a Council resolution, these funds should be used for those earmarked purposes.

Provisions such as annual leave and long service leave are not held separately in a cash reserve. These amounts are held as an intended allocation with the accumulated surplus balance. Although these funds are not externally restricted, they have been allocated for specific future purposes by Council.

Council had the following Reserve Accounts:

- Public Open Space Reserve (Restricted)
- Off Street Parking Reserve (Restricted)
- General Reserve (including Debt Redemption) Reserve
- Plant and Equipment Reserve
- IT Equipment Reserve
- BPI Investment Reserve
- Asset Renewal Reserve
- Strategic Properties Reserve
- Car Parking Meters Reserve
- Environment Reserve (new)

The recommended purpose of each Reserve is set out as follows:

5.2.1.1 Public Open Space Reserve:

The Public Open Space Reserve is a Statutory Reserve, with the income being determined by legislation.

Property developers are required to contribute 5% of the property development cost into the Public Open Space Reserve.

Expenditure from this Reserve must continue to be of a "public open space" nature, like parks, parklands/reserves, playground equipment, etc. to satisfy the requirements of the legislation.

5.2.1.2 Off Street Parking Reserve:

The Off Street Parking Reserve was a Statutory Reserve and the income was controlled by legislation.

The funds were received from developers when additional shops went into local shopping precincts in lieu of providing the requisite car parking spaces. As of 2009, Council has ceased receiving additional income to fund this reserve.

5.2.1.3 General Reserve (including Debt Redemption):

This Reserve is a general reserve designed to be used for purposes not covered by the other Reserves including environmental projects.

In recent years, this reserve has been built up for the purpose of repaying Council's loans when they are up for review and able to be paid out without penalty.

5.2.1.4 Plant and Equipment Reserve:

The Plant and Equipment Reserve is used to fund the purchase of vehicles (fleet, waste trucks, etc) and some other items of plant & equipment.

It is funded by an internal charge to each business unit for their vehicles less the running costs for those vehicles (fuel, repairs, insurance, etc.). In recent years, due to a healthy balance, the Plant and Equipment Reserve has been used to fund other non-plant types of "equipment".

5.2.1.5 IT Equipment Reserve:

This reserve was created to set aside funds for the replacement of Council's IT Systems & Equipment including software, hardware and audio-visual equipment.

As the levels of expenditure fluctuate between years a consistent amount is transferred from operating each year to 'smooth out' the cost of IT systems & equipment.

5.2.1.6 BPI Investment Reserve:

10% of Building Permits and Inspections department's profits are set aside in this reserve.

The express purpose is, for the future investment towards improving BPI's services to remain competitive in a commercial environment.

5.2.1.7 Asset Renewal Reserve:

The Asset Renewal Reserve was created during 2013. The purpose of this Reserve is to set aside funds to replace/renew major assets, when required as year to year these costs can fluctuate significantly.

This Reserve is used for the renewal/replacement of major assets, which are outside the scope of the Plant and Equipment Reserve & Public Open Space Reserve.

5.2.1.8 Strategic Properties Reserve:

The Strategic Properties Reserve was created during 2010. The purpose was to fund dealings in property and property developments with the express purpose of creating a profit to reduce the amount of income required to be raised via Rates.

The Reserve was initially commenced via a Council loan, since then the Reserve has been funded via the sale of properties, excess to Council needs, and properties developed by Council including the school sites.

This Reserve continues to be used to buy and sell property in order to fund future major projects and to reduce the amount of income required to be raised by way of rates.

The remaining funds in the reserve can only be used for the express purpose of providing car parking improvements in the shopping centre areas for which the funds were collected.

5.2.1.9 Car Parking Meter Reserve:

The Car Parking Meter Reserve was opened in during 2013 with the installation of parking meters in several locations.

Council decided that 2/3rds of the net profit of operating the parking meters be transferred to a newly created Reserve account. These reserve funds would be used to cover parking improvements and other parking related expenditure in the suburbs from where it was collected.

5.2.1.10 Environmental Reserve (new):

The purpose of the reserve is to allocate and spend the savings on environmental projects. This reserve has only recently been established and should not be used for any other purpose.

5.2.2 Reserve Usage Projections

The table below discloses the balance and annual movement for each reserve over the 10-year life of the Financial Plan. Total amount of reserves, for each year, is to align with the Statement of Changes in Equity.

Restricted reserves are to be included to the disclosure of restricted cash assets

Reserves	Restricted / Discretionary	2021-22 \$000	2022-23 \$000	2023-24 \$000	2024-25 \$000	2025-26 \$000	2026-27 \$000	2027-28 \$000	2028-29 \$000	2029-30 \$000	2030-31 \$000	2031-32 \$000
Public Open Space Reserve												
	Restricted											
Opening balance		7,226	9,758	6,391	4,755	5,588	7,054	8,614	10,205	13,222	15,076	18,586
Transfer to reserve		4,500	4,600	4,704	4,821	4,942	5,065	5,191	5,322	5,454	5,590	5,731
Transfer from reserve		(1,968)	(7,967)	(6,340)	(3,988)	(3,476)	(3,505)	(3,600)	(2,305)	(3,600)	(2,080)	(3,600)
Closing balance		9,758	6,391	4,755	5,588	7,054	8,614	10,205	13,222	15,076	18,586	20,717
Off Street Parking Reserve												
	Restricted											
Opening balance		252	252	252	252	252	252	252	252	252	252	252
Transfer to reserve												
Transfer from reserve												
Closing balance		252	252	252	252	252	252	252	252	252	252	252
Reserves Summary												
	Total Restricted											
Opening balance		7,478	10,010	6,643	5,007	5,840	7,306	8,866	10,457	13,474	15,328	18,838
Transfer to reserve		4,500	4,600	4,704	4,821	4,942	5,065	5,191	5,322	5,454	5,590	5,731
Transfer from reserve		(1,968)	(7,967)	(6,340)	(3,988)	(3,476)	(3,505)	(3,600)	(2,305)	(3,600)	(2,080)	(3,600)
Closing balance		10,010	6,643	5,007	5,840	7,306	8,866	10,457	13,474	15,328	18,838	20,969
General Reserve												
	Discretionary											
Opening balance		1,801	2,535	-	-	-	-	-	-	-	-	-
Transfer to reserve		1,194	3,400	-	-	-	-	-	-	-	-	-
Transfer between reserve		2,500	-3,400	-	-	-	-	-	-	-	-	-
Transfer from reserve		(2,960)	(2,535)	-	-	-	-	-	-	-	-	-
Closing balance		2,535	-	-	-	-	-	-	-	-	-	-
Debt Redemption Reserve												
	Discretionary											
Opening balance		6,033	-	-	-	-	-	-	-	-	-	-
Transfer to reserve		3,057	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		(9,090)	-	-	-	-	-	-	-	-	-	-
Closing balance		-	-	-	-	-	-	-	-	-	-	-

Reserves	Restricted / Discretionary	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Plant and Equipment Reserve	Discretionary											
Opening balance		10,736	12,807	15,832	14,919	14,756	11,336	9,195	9,655	8,176	9,758	6,316
Transfer to reserve		3,260	3,298	3,364	3,438	3,515	3,593	3,673	3,755	3,839	3,925	4,012
Transfer between reserve		-	750	-	-	-	-	-	-	-	-	-
Transfer from reserve		(1,189)	(1,023)	(4,277)	(3,601)	(6,935)	(5,734)	(3,213)	(5,234)	(2,257)	(7,367)	(4,400)
Closing balance		12,807	15,832	14,919	14,756	11,336	9,195	9,655	8,176	9,758	6,316	5,928
IT Equipment Reserve	Discretionary											
Opening balance		5,116	2,089	2,121	2,411	2,710	2,610	2,510	2,410	2,310	2,210	2,110
Transfer to reserve		1,373	1,382	1,390	1,399	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Transfer between reserve		-	750	-	-	-	-	-	-	-	-	-
Transfer from reserve		(4,400)	(2,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	-1,100	-1,100	-1,100
Closing balance		2,089	2,121	2,411	2,710	2,610	2,510	2,410	2,310	2,210	2,110	2,010
BPI Investment Reserve	Discretionary											
Opening balance		155	101	71	41	11	11	11	11	11	11	11
Transfer from reserve		(54)	(30)	(30)	(30)	-	-	-	-	-	-	-
Closing balance		101	71	41	11	11	11	11	11	11	11	11
Asset Renewal Reserve	Discretionary											
Opening balance		1,549	6,549	2,431	2,595	4,867	6,433	8,544	10,725	12,977	15,303	17,704
Transfer to reserve		2,717	2,853	2,909	2,976	3,042	3,111	3,181	3,252	3,326	3,401	3,477
Transfer between reserve		7,500	0	-	-	-	-	-	-	-	-	-
Transfer from reserve		(5,217)	(6,971)	(2,745)	(704)	(1,476)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Closing balance		6,549	2,431	2,595	4,867	6,433	8,544	10,725	12,977	15,303	17,704	20,181
Strategic Properties Reserve	Discretionary											
Opening balance		343	-22,839	12,081	28,356	27,256	37,156	37,056	36,956	36,856	36,756	36,656
Transfer to reserve		0	42,730	25,725	5,000	10,000	-	-	-	-	-	-
Transfer between reserve		(10,000)	1,900		-	-	-	-	-	-	-	-
Transfer from reserve		(13,182)	(9,710)	(9,450)	(6,100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Closing balance		-22,839	12,081	28,356	27,256	37,156	37,056	36,956	36,856	36,756	36,656	36,556
Car Parking Meter Reserve	Discretionary											
Opening balance		3,815	4,287	4,829	5,387	5,964	6,561	7,178	7,815	8,473	9,153	9,854
Transfer to reserve		752	742	758	777	797	817	837	858	880	901	924
Transfer from reserve		(280)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Closing balance		4,287	4,829	5,387	5,964	6,561	7,178	7,815	8,473	9,153	9,854	10,578
Reserves Summary	Total Discretionary											
Opening balance		29,548	5,529	37,365	53,709	55,564	64,107	64,494	67,572	68,803	73,191	72,651
Transfer to reserve		12,353	54,405	34,146	13,590	18,354	8,521	8,691	8,865	9,045	9,227	9,413
Transfer from reserve		(36,372)	(22,569)	(17,802)	(11,735)	(9,811)	(8,134)	(5,613)	(7,634)	(4,657)	(9,767)	(6,800)
Closing balance		5,529	37,365	53,709	55,564	64,107	64,494	67,572	68,803	73,191	72,651	75,264
Reserves Summary	Restricted & Discretionary											
Opening balance		37,026	15,539	44,008	58,716	61,404	71,413	73,360	78,029	82,277	88,519	91,489
Transfer to reserve		16,853	59,005	38,850	18,411	23,296	13,586	13,882	14,187	14,499	14,817	15,144
Transfer from reserve		(38,340)	(30,536)	(24,142)	(15,723)	(13,287)	(11,639)	(9,213)	(9,939)	(8,257)	(11,847)	(10,400)
Closing balance		15,539	44,008	58,716	61,404	71,413	73,360	78,029	82,277	88,519	91,489	96,233

5.3 Revenue and Rating Plan

The adoption of a Revenue and Rating Plan is a new requirement under section 93 of the *Local Government Act 2020*. Consultation on the proposed Revenue and Rating Plan 2022-2026 was undertaken in accordance with Council's Banyule Community Engagement Policy which was adopted in accordance with section 55 of the *Local Government Act 2020*.

Banyule City Council's Revenue and Rating Plan 2022-2026 supports the rating principles used to levy rates and charges, in collaboration with determining the Proposed Budget 2022-2026.

The Revenue and Rating Plan 2022-2026 outlines the framework under which Council will fund services, capital works and initiatives over the four years that the plan is active. There is a requirement to ensure that services are financially sustainable.

In funding services, capital works and initiatives, Council operates under restrictions imposed by the Fair Go Rates System cap and grant allocations from the state and commonwealth government.

Banyule values appropriate commercial and industrial development. However, also acknowledge an increased impact on our shared infrastructure by these developments. We choose to differentially rate these properties to ensure an equitable outcome to infrastructure costs across our community.

The existing rating structure comprises six differential rates being: residential improved, residential vacant, commercial improved, commercial vacant, industrial improved and industrial vacant.

- It is proposed that that the following rating principles are included in the rating framework:
 - Rates being payable in four instalments only
 - Maintaining the existing differential rating structure
 - Charging five properties under the *Cultural and Recreational Lands Act 1963*
 - To declare through the budget to separate all waste and recycling collection fees from general rates and create new service rates.
 - Levy a service rate for the provision of kerbside waste collection services; and
 - Levy a service rate for the provision of public waste services.
 - Levying a Service Charge on non-rateable residential land for the provision on a waste service.
 - Not offering any Council concessions
 - Not offering any incentives for prompt payment.
 - Not levying a Municipal Charge
 - Charging penalty interest in accordance with section 172 of the *Local Government Act 1989*
 - Undertaking collections of unpaid rates in accordance with sections 180 and 181 of the *Local Government Act 1989*

5.4 Investments

Council has traditionally invested cash reserves in bank term deposit with the major financial institutions in line with its Investment Policy. Domestic interest rates have been reducing over the past few years and are now at record low levels.

An Investment Strategy has recently been developed by Council. Once fully implemented the financial return outcomes will be updated from current projects. Banyule is also currently invested in several established properties generating commercial returns and several properties which require further investment. Good financial management requires considered assessment of the risks and benefits of investments.

5.4.1 Strategic Property Acquisition

Council, from time to time, may acquire property assets that are deemed to increase its ability to:

- Invest into an appreciating asset that can:
 - Generate appropriate rental revenue
 - Deliver a growth in value
 - Be realised at a future point in time.
- Increase and provide pathways for property consolidation or growth
- Enable a diversification of its property portfolio
- Influence and shape occupancy that leads to social and economic development outcomes
- Provide for catalyst planning outcomes that demonstrate leadership underpinned by broad community support

The general principles that will guide Council's acquisition methodology are to:

- Provide a financial return and a community benefit to Council
- Ensure the best use of existing, underutilised and/or surplus assets
- Complement and augment existing planning policy framework aspirations
- Lead best practice and high-quality planning outcomes
- Stimulate local investment and infrastructure

5.4.2 Strategic Property Sales

From time to time, Council will evaluate its property portfolio to establish the suitability of its assets to deliver operational services to the community.

Property assets may be held for operational and non-operational reasons. Council holds and manages property assets as a means of responding to and providing for the evolving needs of the community. Operational property holdings provide value via service delivery. Non-operational property is generally acquired or held for income generation.

The disposal of property assets in Banyule are governed by the Guidelines for the Sale and Exchange of Council Land. Council has agreed the following principles for property disposal:

- The sale or exchange of Council Land must comply with the provisions of the Act
- The sale of Council Land should be conducted through a public process (i.e. public auction, public tender or by registration of expressions of interest), unless circumstances exist that justify an alternative method of sale, for example the sale or exchange of Council Land by private treaty. Council should explain to the community the circumstances which led to its decision to use an alternative method of sale in the interest of probity, public accountability and transparency.
- The sale of Council Land should be in the best interest of the community and provide the best result, both financial and non-financial, for Council and the community.

- Generally, all sales of Council Land should occur at not less than market value assessed by a valuer engaged by Council. However, if Council Land is sold for less than the market value, Council should explain the circumstances, reasons or factors which led to the decision to accept a sale price that is less than market value.
- Prior to being offered for sale, Council Land should be appropriately zoned. This will ensure that the ultimate use of the Council Land is determined by that zone and the highest possible sale price is achieved.

Council has made a deliberate decision to diversify its income sources through investment in property assets that have the capacity to provide a return on investment. This includes investment in both commercial and residential properties.

5.5 Operational Efficiency

The concept of operational efficiency encompasses the practice of improving all your processes (all your organisations activities that lead to your final community service). All these processes help the organisation achieve a target, which may be in terms of improved and cost-effective services and greater capital works delivery.

Care needs to be taken to not confuse efficiency with cutting costs, because it has other objectives besides savings, such as improving our productivity and delivering an improved service with the customer at the centre.

There are several ways Council is approaching operational efficiency to achieve Banyule's strategic goals. This includes a continued focus on

- reducing expenditure on external agency and consultancies;
- business-oriented initiatives that reduce Council reliance on property rates to fund services and infrastructure; and
- environmental sustainability initiatives, such as solar panels and water harvesting that also deliver financial savings to Council.

In this Financial Plan, several strategies have been considered to meet the service needs of the community as well as remain financially sustainable. As a result, the increase in operational expenditure has been set to be CPI-0.25%, after including the below strategies.

- Continuous improvement – Council develops and implements a Continuous Improvement program to deliver operational efficiency.
- Service reviews – Council continues to conduct service reviews to ensure operations meet quality, cost and service standards in line with community expectations.
- Digital Transformation – Council maintains its capital works investment in the maintenance and renewal of existing systems and infrastructure and provides additional funding for new systems to build customer capability and operational efficiency.
- Collaborative procurement – Council continues to actively participate in collaborative opportunities with the Northern Region councils in an effort to maximise procurement and purchasing power.

The following is an outline of these programs.

5.5.1 Continuous Improvement

Continuous improvement means to consistently strive to improve services according to the highest standards. It is a process which, in the long term, achieves:

- Customer focus

- Enhanced quality of service delivery
- Simplified processes and procedures
- Attitudinal change
- Recognition of customers, both internal and external.

The continuous improvement process consists of strategies, systems and processes which drive incremental and sustainable change to increase operational efficiency by improving service quality and reducing costs.

Council currently conduct business improvement reviews that may be generated from the service review process or from incremental process changes.

Council is currently reviewing its quality systems to assess the effectiveness of the current program. This is expected to result in a stronger focus on continuous improvement program based on proven methodologies such as Lean. This will require a need to skill up staff to successfully implement a program.

5.5.2 Service Reviews

Service reviews are undertaken across Council each year and recommendations for improvements are implemented to ensure the best quality and cost of service delivery. Current review impacts are included in the Strategic Resource Plan. The purpose of the service review program is best described by the following goals:

- Stronger framework to enhance strategic performance.
- In-depth, evidence-based decision making to enhance service
- Adherence to Strategic Objectives
- Right service at the right price (to the right users/community)
- Leadership input/ownership through Director and Managers
- Sustainable Service Provision (incl. cost assessment)
- A more thorough Service assessment and enquiry for improved value and informed delivery.

There are a number of drivers for service reviews that contribute to the achievement of our Council Plan objectives.

- Strategic business improvement focus
- Issues / Imperatives facing service (timely, generally external)
- Collated evidence / knowledge base for service delivery and capability
- Service Delivery needs (incl. service provision to community)
- Ongoing sustainability (incl. revenue, budget magnitude, delivery model, etc.).

5.5.3 Digital Transformation

Investment in technology has proven to deliver operational efficiency by eliminating or reducing manual processes. The goal is to provide staff and the community with access to digital tools to conduct business and transact with Council. Digital Transformation is high on the agenda at all levels of government with the aim of eliminating outdated manual processes, cope with the volumes of data and information and to provide access to information on demand.

Council has historically invested in business systems to ensure facilitate efficient business operations and enhanced customer interaction. This includes maintenance and renewal of existing systems and investment in new systems as required. Digital technology is now refocusing on the need for more adaptable, online and mobile technology which is reflected in the change in community demand to transact with Council online 24/7.

Council needs to ensure that it is keeping pace with community demands and efficient business systems to run Council operations. This requires a focus on ongoing investment in IT systems and infrastructure with additional investment required to digitise manual process and provide online capability to the community.

Council is focussed on improving existing IT infrastructure and applications with a goal of removing aged solutions and utilising existing unused functionality in our current applications. We want our community, customers and staff to be empowered and enriched by digital capabilities that enable positive interactions and service delivery outcomes. Council has an Digital Transformation Strategy and Plan to move Council to become a more customer centric organisation.

5.5.4 Collaborative Procurement

Council is a member of the Northern Alliance of Council's and utilises Procurement Australia and MAV Procurement for the procurement of goods, services and works undertaking a single competitive process. Each of the members of this group can enter into a contract with the preferred service provider identified through this competitive process. Alternatively, the members of the group may choose to enter into a contract with the council which conducted the public tender.

There are significant advantages participating in collaborative procurement opportunities where the buying power can be providing greater benefits.

Banyule is actively involved in collaborative procurement particularly with the Northern Region. A significant amount of data analysis and documentation review has been undertaken by the group with the objective of identifying collaborative procurement opportunities across the region in an effort to achieve greater value for money.

Revised Revenue and Rating Plan

2022-2026



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1 Introduction

Council has a number of revenue streams that are used to fund the assets and services that are provided to the community.

The most significant of these streams are rates revenue, fees & charges and grants income which combined make up over 90% of Council income each year:

- Rates (approx. 62-63% of total revenue),
- Fees, charges & fines (approx. 18-20%) and
- Grants (approx. 10-11%).

Other streams of revenue that are not specifically covered as part of this plan include (but is not limited to); Interest income, Contributions income, Rental income and Fair value adjustments.

These items are not included as part of this plan as they are either;

Covered under other Council plans and/or strategies (see Investment Policy, Public Open Space Plan, Lease & License framework and Developer Contribution Plan),

Comparatively minor in nature, or

Council is unable to impact the revenue received.

To ensure the Local Government Act 2020 rating objectives of stability and predictability are achieved, it is important that Banyule City Council has a Revenue and Rating Plan in place that is transparent to the community and reviewed annually as part of the budget process.

The important matters to be considered in relation to the Revenue and Rating Plan include:

- The legislative framework
- What rates and charges can be declared
- The rate base
- Uniform or Differential rates
- Cultural and Recreational Lands
- Impact of Council revaluations and supplementary valuations
- The municipal charge
- Service rates and charges
- Special rates
- Rebates and concessions
- Exempt Properties
- Collections
- Fire Services Property Levy

1.1 What is a Revenue and Rating Plan ?

The Local Government Act 2020 states that councils must adopt a Revenue and Rating Plan by the next 30 June after a general election for a period of at least the next 4 financial years. Council adopted the first Revenue and Rating Plan under the Act 2020 in June 2021 and has determined that the Revenue and Rating Plan will be reviewed and updated each year with the annual 4-year Budget.

This Revenue and Rating Plan covers the period 1 July 2022 to 30 June 2026.

A Revenue and Rating Plan is the policy by which council systematically considers factors of importance that informs its decisions about how Council raises revenue, including by the rating system Council uses. The rating system determines how Council will raise money from properties within the municipality. It does not influence the total amount to be raised, only the share of revenue contributed by each property. The rating system comprises the valuation base and actual rating instruments allowed under the Local Government Act 1989 to calculate property owners' liability for rates.

The Local Government Act 2020 requires Councils to exercise sound financial management. In particular, the Local Government Act 2020 states that the principles of sound financial management are:

- a) revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans;
- b) financial risks must be monitored and managed prudently having regard to economic circumstances;
- c) financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability
- d) accounts and records that explain the financial operations and financial position of the Council must be kept

Through Councils integrated planning framework Council ensures that all its activities and financial resources are aligned to meet the aspirations, needs and expectations of the Banyule community. Integrated planning documents include:

- Council Plan
- Financial Plan
- Asset Plan
- Council Budget.

1.2 Objectives of the Council Plan

When considering the Revenue and Rating Plan, Council needs to meet the objectives set out in the Council Plan, and as resourced through the Financial Plan. The Council Plan 2021-2025 was adopted in October 2021 and this plan is reviewed annually to reflect changes in Council's annual actions (Annual Action Plan).

Council's commitment to managing resources wisely will be achieved through:

- Providing exceptional customer service
- Delivering best value services and facilities
- Providing responsible financial management and business planning
- Providing good governance and be accountable

- Promoting an engaged and productive organisation
- Managing the systems and assets that support service delivery

The following table lists the Priority Themes as described in the adopted Banyule Council Plan 2021-2025.

Priority Themes	Strategic Objective
Our Inclusive and Connected Community	A safe, healthy, vibrant and connected community where people of all ages and life stages love to live, work and stay; diversity and inclusion are valued and encouraged.
Our Sustainable Environment	A progressive and innovative leader in protecting, enhancing and increasing the health and diversity of our natural environment, where we all commit to playing an active role in achieving environmental sustainability, waste and carbon emissions reduction.
Our Well-Built City	A well planned, sustainable and liveable place that caters for all our current and emerging communities, where our local character and environment is protected and enhanced.
Our Valued Community Assets and Facilities	As custodians of our community, assets, facilities and services, we work to ensure that they are affordable, sustainable, evenly distributed, safe and accessible for all ages and abilities and designed to provide meaningful experiences and connections.
Our Thriving Local Economy	A thriving, resilient, socially responsible local and integrated economy that encourages, supports and advocates for a diverse range of businesses and entrepreneurship, providing local investment and employment opportunities.
Our Trusted and Responsive Leadership	A responsive, innovative and engaged Council that has the trust of our community through demonstrated best practice governance, is financially sustainable, and advocates on community priorities and aspirations.

2. Rates

2.1 Rating – the Legislative Framework

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

The relevant legislation guiding councils in terms of levying property owners are the following acts:

- *Local Government Act 1989*
- *Local Government Act 2020*
- *Valuation of Land Act 1960*
- *Cultural and Recreational Lands Act 1963*

A rating review was undertaken by the Victorian government in 2019. The government's response to the review was that there will be no fundamental changes at present to the way rates are levied in Victoria, with minor changes intended to improve community understanding of the rating process, to improve the way council's budget and declare rates and to review possible changes to "smooth out" significant changes to rates as a result of atypical changes in valuations.

2.1.1 Objectives

The legislation specifies several major objectives for the rating system:

- the equitable imposition of rates and charges
- a reasonable degree of stability in the level of the rates effort
- contribute to the equitable and efficient carrying out of its functions
- apply principles of financial management, simplicity and transparency.

The two objectives which the rating system must have the greatest regard to are the achievement of equity and efficiency.

2.1.2 Equity

Having determined that Council must review its Revenue and Rating Plan in terms of the equitable imposition of rates and charges, it is a much more vexed question in terms of how to define and determine what is in fact equitable in the view of the Council.

Horizontal equity refers to justice or fairness in the treatment of like properties - in other words, that similar rates are paid by similar properties. There is a fundamental importance on which characteristics define similarity. On the assumption that property valuations fairly reflect the true valuation of like properties, horizontal equity will be achieved.

Vertical equity refers to justice or fairness in the treatment of properties in different circumstances (e.g. different property types – residential/commercial/ vacant land). It implies a "relativity" dimension to the fairness of the tax burden.

The three main ways in which positions can vary are:

- the benefit or user pays principle – some groups have more access to, make more use of, and benefit from more, specific council services;
- the capacity to pay principle – some ratepayers have more ability to pay rates than do others with similarly valued properties;
- the incentive or encouragement principle – some ratepayers may be doing more towards achieving council goals than others in areas such as environmental or heritage protection.

2.1.3 The Benefit Principle

A popular complaint levelled at councils is that “the rates I pay have no correlation with the services I consume or the benefits I receive”. This argument is based on the benefit principle (the opposite of the wealth tax principle) that argues there should be a nexus between consumption/benefit and the rate effort.

Application of the benefit principle is difficult in practice because of the complexity and, in some cases, impossibility, of measuring the relative levels of access and consumption across the full range of council services. In some ways the arguing of the benefit principle with respect to council rates is like trying to do the same for the income tax that is used to fund a wide range of universally accessed services.

It is likely to be quite costly to regularly undertake in-depth analyses on service access, consumption patterns and costs in order to attempt to review the level of benefit, unless the service is widely used and measured, and the costs are understood. In any event many subjective assumptions will have to be introduced. Other pricing instruments such as user charges, special rates and charges and service rates and charges better lend themselves to dealing with the issue of benefit.

2.1.4 Capacity to Pay

Notwithstanding the practical limitations, council can make choices about the tax treatment of classes of real property in so much as they believe that a class of property will reflect the financial position of a household or business and its capacity to pay. However, the most vexed issue related to capacity to pay is assessing it across different classes of property.

While personal income tax is more reflective of the capacity to pay, it is not possible to expect a property tax system to deal practically with all aspects of capacity to pay based on individual households and businesses. It is also not practical or acceptable to shift, modify or manipulate the existing system to the benefit of one group of ratepayers at the expense of another unless such shift is widely accepted and for a proper purpose.

Council has the option of introducing a Council rebate to certain groups to reduce that property's rate effort. Presently pensioners within the municipality can access the State Government Rebate.

Consideration of capacity to pay does become relevant when determining any flat or fixed charge as these charges are regressive in nature.

2.1.5 Efficiency

Efficiency can be defined as the ratio of ends produced (output) to means used (inputs). In other words, it can be considered directly related to the cost of administering the rates system. Administration costs include the issuing of assessments, collection of rates, including maintaining and improving collection systems, monitoring outcomes, educating and informing ratepayers, and enforcement and debt recovery. It also includes the maximization of additional rate income through supplementary valuations by ensuring the timeliness and accuracy of amended rate notices.

A simple rating system is more transparent, meaning that the purpose and principles behind the design of a rate are clearer - who is liable for a particular rate and how rate liability is calculated. However, it is also possible for a simple rate system to be costly if it is unpopular and results in increased appeals and higher collection costs.

2.1.6 Anomalies with Property Taxation

Property taxes do not recognise the situation where ratepayers are “asset rich” and “income poor”. In these cases, ratepayers may have considerable wealth reflected in the property they own but have a low level of income. Examples include pensioners, businesses subject to cyclical downturn, and households with large families and property owners with little equity. In a commercial sense the argument has also been expressed in terms of the ability of property to generate a reasonable return.

2.1.7 Fair Go Rates System

The State Government's Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. The prescribed rates caps were set at:

Financial Year	Rate Cap
2022/2023	1.75%
2021/2022	1.50%
2020/2021	2.00%
2019/2020	2.50%
2018/2019	2.25%
2017/2018	2.00%
2016/2017	2.50%

The cap applies to general rates and is calculated based on council's average rates and charges.

Financial Year	Estimated Rate Cap
2023/2024	2.25%
2025-2032	2.50%

These assumptions are based on forecast CPI changes.

Under the Fair Go Rate Cap, the Cap is calculated by a formula provided by the Essential Services Commission (ESC) and agreed to by the State Government is:

<p>Adopted General Rate and Municipal Charge Income + Annualised Supplementary Rate and Municipal Charge Income</p> <p>Number of Assessments as at 30 June = Base Average Rate</p> <p>Base Average Rate x (1 + Prescribed Rate Cap) = Maximum allowable Capped Average Rate</p>

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

In situations where the rate cap is not enough for Council's needs, Council can apply to the Essential Services Commission for a higher cap; this is known as a variation.

Banyule City Council does not intend to apply for a variation to the rate cap for the duration of the Revenue and Rating Plan 2022-2026.

2.1.8 What Rates and Charges may a Council declare?

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

Rating option	Description	Banyule structure
General rate	A general rate is applied to all	Banyule applies the differential

Rating option	Description	Banyule structure
	properties and can be set as either a uniform rate or several differential rates	rates listed below.
Uniform rate	A uniform rate is a single rate in the dollar that is applied to the value of all properties in the municipality.	Banyule does not apply a uniform rate.
Differential Rates	<p>Differential rates are different rates in the dollar that are applied to different classes of properties and are permitted if the Council uses Capital Improved Value as the rating valuation base.</p> <p>The <i>Local Government Act 1989</i> allows the use of differential rates if the Council considers that this will contribute to the equitable and efficient carrying out of its functions.</p>	<p>The following differential rates are levied:</p> <ul style="list-style-type: none"> • Residential Improved • Commercial/Industrial Improved (set at 1.25 times the residential improved rate) • Residential Vacant Land (set at 1.5 times the residential improved rate) • Commercial/Industrial Vacant Land (set at 2 times the residential improved rate)
Municipal Charge	A municipal charge to cover some of the administrative costs of the Council. This is a flat-rate charge applied to all properties excluding cultural and recreational properties.	Banyule does not levy a municipal charge.
Service rates	Service rates can be levied for provision of a water supply, collection and disposal or waste, and sewerage services as outlined in the <i>Local Government Act 1989</i> .	<p>Banyule levies two different service rates which are designed to recover the costs of waste collection, processing and disposal, while aiming to reduce waste being generated and going to landfill.</p> <p>The two different rates are a:</p> <ul style="list-style-type: none"> • Public waste rate; and • Kerbside waste rate
Service rates and charges	Service rates or annual service charges (or a combination of both) can be levied for provision of a water supply, collection and disposal or waste, and sewerage services as outlined in the <i>Local Government Act 1989</i> .	Banyule does charge for the collection and disposal of refuse from non-rateable properties and for the collection of non-standard refuse from rateable properties. These charges are declared in the Schedule of Fees and Charges.
Rebates and Concessions	The <i>Local Government Act 1989</i> allows Councils to grant a rebate or concession in relation to any rate or charge to assist the proper development of all or part of the municipal district, preserve buildings or places that are of historical or environmental interest, or to restore or maintain buildings or places of historical, environmental, architectural or scientific importance.	Banyule does not offer any general council rebates.

Rating option	Description	Banyule structure
Special Rates and charges	<p>A special rate or charge may be declared for purposes of:</p> <ul style="list-style-type: none"> • Defraying any expenses, or • Repaying with interest any advance made or debt incurred, or loan raised by Council. 	Banyule levies special rates and charges for promotional and marketing activities to assist retail associations, for street and drainage construction and to install solar panels for older ratepayers.
Cultural and Recreational Lands	In accordance with the <i>Cultural and Recreational Lands Act 1963</i> Council may levy an amount in lieu of rates on properties that meet the definition of cultural and recreational lands.	<p>Banyule does levy an amount in lieu of rates for cultural & recreational using the following methodology:</p> <p>In Use Value × (Residential Improved rate × Questionnaire Weighting) × the percentage of net cost of council services available to the entity.</p>
Electricity Generation Lands	An amount payable in lieu of rates may be levied under the <i>Electricity Industry Act 2000</i> . This amount is agreed upon between the generator and the council	There are no lands where electricity is generated in a manner and volume where this provision currently applies in Banyule.
Cladding rectification charge	A Council may enter into a cladding rectification agreement in respect of rateable land with an existing building on it, to fund works that rectify fire-prone cladding. The costs are then recovered through a charge on the property	Council has not received any requests for a cladding rectification agreement.
Environmental Upgrade Agreement	A Council may enter into an environmental upgrade agreement in respect of rateable land with an existing building on it to fund works that improve the energy, water or environmental efficiency or sustainability of the building on that rateable land, including climate change adaptation works on the building	Council has not entered into any environmental upgrade agreement.
Rebates and Concessions	The <i>Local Government Act 1989</i> allows Councils to grant a rebate or concession in relation to any rate or charge to assist the proper development of all or part of the municipal district, preserve buildings or places that are of historical or environmental interest, or to restore or maintain buildings or places of historical, environmental, architectural or scientific importance.	Banyule does not offer any general council rebates.

2.2 Determining which valuation base to use

The purpose of this section is to outline the different methods that Council can utilise to value land and the issues that Council must consider in making its decision on the valuation method.

2.2.1 Introduction

Three methods of valuing land are allowed under the Local Government Act 1989:

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

Banyule uses CIV for rating valuation purposes.

2.2.2 Site Value (SV)

This method places a value on the land only and does not consider any value of any buildings constructed on the land. It is not considered to result in the most equitable distribution of the rate effort.

With valuations based simply on the valuation of the land and with only very limited ability to apply differential rates, the implementation of site value in Banyule would cause a significant shift in rate effort from the business sector into the residential sector. In addition, there would be further rating movements away from modern townhouse style developments on relatively small land parcels to older established homes on the more typical quarter acre residential block.

There is no Victorian Council that currently uses this valuation base.

2.2.3 Net Annual Value (NAV)

NAV, in concept, represents the annual rental value of a property. However, in practice, NAV is closely linked to capital improved value. For residential properties Valuers derive the NAV directly as 5 per cent of the CIV.

In contrast to the treatment of residential, NAV for business properties are assessed with regard to the actual market rental. This differing treatment of business versus residential has led to some suggestions that all properties should be valued on a rental basis. There is currently no legislation that supports this suggestion.

Where a Council utilises NAV, it may only apply three differential rates. For example, City of Melbourne utilise NAV, applying a differential rate for residential and non-residential land only.

2.2.4 Capital Improved Value (CIV)

CIV is the most commonly used valuation method by Victorian Local Government with most Councils applying this methodology. Based on the value of both land and all improvements on the land, it is relatively easy to understand by ratepayers as it equates to the market value of the property.

For CIV, business properties are valued primarily by the capitalisation method of valuation. This method of valuation is the industry standard for assessing the value of business properties and has as its base sale price and market rent of the property. For this reason, rental details are sought by Valuers every 2 years. When analysed on a per square metre basis, rents provide a means of establishing the rental market in a location.

The advantages of using CIV include:

- CIV includes all improvements and hence is often supported on the basis that it more closely reflects 'capacity to pay'. The CIV rating method takes into account the full development value of the property, and hence better meets the equity criteria than site value or NAV.

- The concept of the market value of property is far more easily understood with CIV rather than NAV or Site Value.
- The use of CIV allows Council to apply differential rates which greatly adds to Council's ability to equitably distribute the rating effort based on ability to afford Council rates.

The major disadvantage with CIV, and indeed all the other rating methods, is that rates are based on the property value which may not necessarily reflect the income level of the property owner as with pensioners and low-income earners.

2.3 Determining the Rating System – Uniform or differential

The purpose of this section is to outline the two rating systems (uniform or differential) that Council can utilise to apply rates and the issues that Council must consider in making its decision on the rating system.

2.3.1 Uniform rate

If a Council declares that general rates will be raised by application of a uniform rate, the Council must specify a percentage as a uniform rate. A uniform rate will apply to the value of every rateable property within the municipality.

Rates will be determined by multiplying the percentage (the rate in the dollar) by the value of the land.

Banyule believes that a uniform rate should not be applied to all properties because it is not equitable. Such a rate does not reflect the use of Council services and infrastructure nor does it create incentive for best use of property in the municipality.

Banyule has adopted differential rating as it considers that differential rating contributes to the equitable distribution of the rating effort. Differential rating allows classes of properties to be assessed at different levels from the general rate set for the municipality. Differential rating allows Council to shift part of the rate effort from some groups of ratepayers to others, through different 'rates in the dollar' for each class of property.

Council is entitled to apply many differential rates provided it used CIV as its base for rating.

Section 161 of the Local Government Act 1989 outlines the regulations relating to differential rates. This section is outlined below:

- 1) A Council must raise any general rates by application of a differential rate, if it uses the CIV system of valuing rates,
 - a) Council considers that the differential rate will contribute to the equitable and efficient carrying out of its functions.
- 2) If a Council declares a differential rate for any land, the Council must:
 - a) Specify the objectives of the differential rate, which must be consistent with the equitable and efficient carrying out of the Councils functions and must include the following:
 - i. A definition of the types of classes of land which are subject to the rate and a statement of the reasons for the use of that rate.
 - ii. An identification of the type or classes of land which are subject to the rate in respect of the uses, geographical location (other than location based on whether the land is within a specific ward in Councils district) and planning scheme zoning of the land, and

iii. If there has been a change in the valuation system, any provision for relief from a rate to ease the transition for that land, and

b) Specify the characteristics of the land which are the criteria for declaring the differential rate.

The maximum differential allowed is no more than 4 times the lowest differential rate. For Banyule, the lowest rate is the Residential Improved rate.

Council has the option of increasing each respective differential rate in order to influence the behaviour of landowners.

There is no theoretical limit on the number or type of differentials which can be levied.

2.3.2 Differential Rates

Advantages of a differential rating system

The perceived advantages of utilising a differential rating system are:

- There is a greater flexibility to distribute the rate effort between all classes of property and therefore link rates with the ability to pay and reflecting the tax deductibility of rates for businesses;
- Differential rates allow Council to better reflect the investment required by Council to establish infrastructure to meet the needs to the commercial and industrial sector; and
- Enables Council to encourage developments through its' rating approach e.g. encourage building on vacant land.

Disadvantages of a differential rating system

The perceived disadvantages of utilising a differential rating system are:

- The justification of the differential rate can at times be difficult for the various rating groups to understand, giving rise to queries, objections and complaints.
- Differential rating involves a degree of administrative complexity, as properties can change from one classification to another (e.g. vacant land to residential) requiring Council to process supplementary valuations.

Objectives of the rate and characteristics

Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions.

Details of the objectives of each differential rate are set out below.

Residential/Commercial/Industrial Vacant Land

Objective:

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

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and

5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

Types and Classes

Any rateable land on which no dwelling is erected.

Use and Level of Differential Rate:

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

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

The differential is designed as an incentive to develop vacant land and to reflect the typically-higher burden on Council of servicing and monitoring vacant land.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Banyule Planning Scheme.

Planning Scheme Zoning:

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

Commercial/Industrial Improved Land

Objective:

To ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure.

Those functions include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

Types and Classes:

Any rateable land which is used, or designed or adapted to be used, primarily for commercial or industrial purposes.

Use and Level of Differential Rate:

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

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

The differential is designed to reflect the nature of the services delivered in maintaining amenity in non-residential areas.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Banyule Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

The types of buildings on the land within a differential rate are all buildings that are now constructed on the land.

Residential Improved Land***Objective:***

To ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, having regard to the relative benefits derived from the carrying out of such functions.

Those functions include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

Types and Classes:

Any rateable land which is not Vacant Land, Commercial / Industrial Vacant Land or Commercial / Industrial Improved Land.

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Banyule Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

The types of buildings on the land within a differential rate are all buildings that are now constructed on the land.

2.4 Cultural and Recreational Lands

Objective:

To ensure that the promotion of cultural, heritage and recreational activity occurs within Council's municipal district and that this is supported in a way that encourages appropriate activity and development.

Council has considered the service utilised by the lands and the benefit these lands provide to the community by consideration of their cultural or recreational land use, as required under the *Cultural and Recreational Land Act 1963*.

Types and Classes:

Under the provisions of the *Cultural and Recreational Land Act 1963*, the Council levies an amount in lieu of rates payable in respect of recreational lands that have the following characteristics:

Any land which is not Residential Vacant Land, Commercial / Industrial Vacant Land or Commercial / Industrial Improved Land, which is specifically set aside for the use of cultural and recreational pursuits whereby the members do not derive a financial benefit or profit from the activities.

The Cultural and Recreational Land Act 1963 effectively provides for properties used for outdoor activities to be differentially rated unless it involves land that is being leased from a private landowner. The discretion of whether to provide a cultural and recreational lands rate rests with Council

The amount in lieu of rates payable in respect of each rateable land to which the Cultural and Recreations Land rate applies is determined by the following methodology:

In Use Value X (Residential Improved rate X Questionnaire Weighting) X 36% (net cost of council services available to the entity).

In Use Value has been determined as being 70% of the Capital Improved Value.

The Questionnaire weighting determines the level of benefit these lands provide to the community.

Currently Council has five properties that are currently defined as Cultural and Recreational properties in accordance with the *Cultural and Recreational Land Act 1963*.

2.5 The Impacts of Revaluations and Supplementary Valuations

The purpose of this section is to provide an overview of the rate revaluation and supplementary valuation processes.

2.5.1 Introduction

Under the *Valuations of Land Act 1960*, the Valuer-General revalues properties annually.

Property values are determined by qualified Valuers comparing each property to the recent sales figures of similar properties in the neighbourhood. The key factors are location, land size, type of house and condition.

Valuations are conducted using Best Practice Guidelines formulated and published by the Valuer General Victoria.

2.5.2 No Windfall Gain

There is a common misconception that if a property's valuation rises then Council receives a "windfall gain" with additional income. This is not so as the revaluation process results in a redistribution of the rate effort across all properties in the municipality. Any increase to total valuations of the municipality is offset by a reduction to the

rate in dollar (ad valorem rate) used to calculate the rate for each property. Total income is fixed each year as part of the budget process

The general revaluation process enables Council to re-apportion the rate income across the municipality in accordance with movements in property values. Properties which have increased in value by more than the average will receive a rate increase of more than the headline rate. Properties with an increase in value less than the average will receive a rate increase less than the headline rate.

2.5.3 Supplementary Valuations

In accordance with the Valuation of Land Act 1960 further Valuations are required to be carried out between General revaluations, these are known as Supplementary Valuations.

Supplementary Valuations are completed when properties are physically changed by buildings being erected, demolished or altered, when properties are amalgamated, subdivided, portions sold off, rezoned or roads constructed.

Supplementary Valuations are adopted to bring the value of properties into line with values assigned to other properties in the municipality. This is to ensure that as near as practicable the rating valuation reflects the current property condition at the date prescribed for the General revaluation.

Supplementary valuations are conducted by contractors appointed by the Valuer-General and are subject to the timing specified by the Valuer-General.

2.6 Municipal Charge

The purpose of this section is to outline the municipal charge that Council may utilise to apply rates and the issues that Council consider when applying a municipal charge.

2.6.1 Introduction

In addition to differential rates, Council may declare a municipal charge to cover some of the administrative costs of Council. Currently the total revenue from a municipal charge must not exceed 20% of the sum of the general rates and municipal charge combined in a financial year.

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

Banyule does not levy a Municipal Charge.

2.6.2 Advantages of a municipal charge

The arguments in favour of a municipal charge are they apply equally to all properties and are based upon the recovery of fixed costs of providing administrative services irrespective of valuation. The same contribution amount per assessment to cover a portion of Councils administrative costs can be seen as a practical method of recovering these costs.

2.6.3 Disadvantages of a municipal charge

The argument against a municipal charge is that this charge is regressive in nature and would result in lower valued properties paying higher overall rates and charges than they do at present. The equity objective in levying rates against property values is lost in a municipal charge as it is levied uniformly across all assessments.

2.7 Service Charges / Service Rates

The purpose of this section is to outline the service charges that Council currently applies and new charges that could be utilised and the issues that Council must consider in making its decision when reviewing these service charges.

Section 162 of the *Local Government Act 1989* allows Council to declare a service rate or charge for specified services.

A waste service charge follows a user-pays approach, which is regressive in nature. Unlike a service rate, the service charge approach has a clear correlation with the individual ratepayer's consumption of services. In other words, ratepayers pay the same charge for the same service received, independently of the property valuation.

A waste service rate based on property valuation follows a wealth-tax approach in the same way general rates are determined by multiplying the percentage (the rate in the dollar) by the value of the land. This approach is progressive in nature.

A waste service rate has no correlation with the individual ratepayer consumption of services.

2.7.1 Advantages of a Service Charge or Service Rate

If a Service Charge or Service Rate is levied for collection and disposal of refuse it is easily understood by the residents as a user-pays system. There is also the ability to identify and apportion the costs of this service.

Service Rates or Service Charges are also able to be levied on only those properties that receive a service, meaning that relief is provided to ratepayers who aren't able to use a particular service.

Service Rates or Service Charges are also not subject to the Fair Go Rate Cap, other than in the year of their introduction. This means that as costs of a service move outside of inflation, these costs can be effectively quarantined from within the Rate Cap.

Service rates apply proportionally in the same way general rates are applied proportionally, in that properties with lower values pay lower rates.

They are a form of taxation aimed at accumulating revenue so that broad range of facilities and services can be provided for the benefit of the community.

2.7.2 Disadvantages of a Service Charge or Service Rate

A Service Charge is regressive in nature and would result in lower valued properties paying relatively higher rates and charges in the year of introduction, compared to higher valued properties. The equity objective in levying rates against property values is lost in a service charge as it is levied uniformly across all assessments.

A Service Rate will result in ratepayers using the same service paying different amounts dependent on their property's values. This service rate needs to be considered as a way to raise revenue to fund relevant waste management services for the community as a whole and should not be considered as a fee for service.

The introduction of a service rate or charge in the first year is offset by a corresponding proportional reduction in General Rates levied.

2.7.3 Current use of Service Rates

Banyule levies Service Rates in two different forms, both relating to waste collection, processing and disposal. The two Rates are:

- Public Waste Rate
- Kerbside Waste Rate

Both rates are calculated on the Capital Improved Value of properties to which the rate applies.

2.7.4 Application of Service Rates

Banyule levies the Municipality-wide Litter and Waste Collection Rate to all properties within Banyule and is in place to fund the provision of infrastructure and services to support:

- Street-sweeping
- Dumped rubbish collections
- Laneway clearance
- Litter and public realm refuse collection and disposal
- Park litter collection and disposal

Banyule levies the Kerbside Waste Rate on Residential Improved properties that receive a standard kerbside waste collection and also levies it on Commercial Improved or Non-Rateable properties that are deemed by Council to have a residential component requiring a standard kerbside waste service.

The Kerbside Waste Rate is not levied on properties that do not receive a kerbside waste service due to conditions imposed under the *Planning and Environment Act 1987*, through locational constraints or other factors that make kerbside waste collection impractical.

The Kerbside Waste Rate is levied each year and is subject to addition or removal via a supplementary adjustment process on a monthly basis from July through to May the following year. Adjustments are not performed in June as these impact Council's ability to transparently budget for waste-related income and expenses.

2.7.5 Current use of Service Charges

A service charge for non-standard refuse (e.g. larger bins) from rateable properties is charged in addition to the Kerbside Waste Rate. These charges are declared in Council's Schedule of Fees and Charges each year and are designed to recoup the additional costs of disposing of additional waste and providing a non-standard waste service. These Service Charges are only levied on ratepayers who have elected to have a non-standard waste service.

2.7.6 Monitoring of General Rates, Service Rates and Service Charges

All rates, fees and charges are declared as part of Council's budgeting process. The Essential Services Commission monitors, analyses and determines any application from councils for a variation of the Fair Go Rate Cap. While Services Rates and Services Charges sit outside the Cap, the Commission requires councils to supply information relating to Services Rates and Services Charges and reports on any significant breaches of the income generated from Services Rates and Services Charges exceeding costs of supplying the relevant service.

2.8 Special Rate or Charge

The purpose of this section is to outline the special rates and charges that Council currently applies and new charges that could be utilised.

2.8.1 Introduction

Section 163 of the *Local Government Act 1989* permits councils to declare a special rate in relation to the performance of a function where Council considers that the function is or will be of special benefit to the persons required to pay the special rate.

2.8.2 Special Rates Schemes

Council currently has 12 Special Rate and or Charge schemes in operation, 11 are Promotional Schemes and one is an Aged Services Solar Program

Scheme Name	Finish Date
Rosanna Special Charge	June-2025
Heidelberg Central Special Charge Scheme	June-2026
The Mall and Bell Street Mall Special Rate	June-2025
Montmorency Shopping Village Special Charge	June-2024
Watsonia Special Charge	June-2022
Macleod Village Special Charge Scheme	June-2022
Greensborough Town Centre Special Rate and Charge	June-2022
Eaglemont Village S/C Special Charge	June-2022
Ivanhoe Shopping Centre Special Rate	June-2023
East Ivanhoe Special Charge	June-2023
Lower Plenty Special Charge	June-2025
Aged Services Solar Program Special Charge	December-2027

2.8.3 Promotional Schemes

These schemes are declared for strip shopping centres within the City. They are primarily for the encouragement of commerce, retail activity and employment opportunities in and around the scheme area.

Council considers that there would be a special benefit to the area as the viability of the Precinct as a business, commercial, retail and professional area the value and the use, occupation and enjoyment of the properties and the businesses included in the scheme area will be maintained or enhanced through increased economic activity.

The amount collected from the scheme is matched by council (to declared capped amounts) and payments are made to the traders on a quarterly basis.

A decision to review Special Rates and or Charge Schemes occurs at the expiry of the current scheme, not during the budget discussions and is subject to extensive consultation with stakeholders and separate Council discussion and approval.

2.8.4 Construction Schemes

These schemes are declared when there is something constructed that would be of special benefit to the persons required to pay it. For example road, drain and car parking construction

These schemes are declared as required following extensive consultation with stakeholders and do not form part of the budget process.

2.8.5 Aged Services Solar Scheme

This scheme is declared for the purposes of assisting older ratepayers to purchase roof-top solar panels. The Aged Services Solar Program runs for 10 years however there is no financing surcharge applied.

These schemes do not form part of the budget process.

2.9 Rebates and Concessions

The purpose of this section is to outline the rebates and concessions that could be utilised and the issues that Council must consider in making its decision when reviewing these rebates and concessions.

2.9.1 Introduction

Under the *Local Government Act 1989*, Council has the power to grant a rebate or concession in relation to any rate or charge to assist 'proper' development and the preservation of buildings or places of historical, environmental, architectural or scientific importance within the municipality.

While the original intent of the term 'proper' development has a land use perspective, Councils have been known to use the provision to assist economic development. Rebates and concessions should be used with respect to individual properties within a property class. The legislation intended that differential rates be used to achieve an outcome for a class of properties.

The granting of rebates and concessions results in a higher rating effort being applied to other properties to raise the same level of rate revenue.

2.10 Pensioner Rebate

2.10.1 State Government Pensioner Rebate

Pensioners may qualify for a maximum 50% State Government rate rebate (to a gazetted maximum) for the home in which they are living. A rebate will apply for the Fire Services Property Levy. To be eligible, a ratepayer must hold one of the following concession cards:

- Pensioner Concession Card from Centrelink or Veterans' Affairs
- Gold Card from Department of Veterans Affairs specifying War Widow (WW) or Totally and Permanently Incapacitated (TPI).

Other than administrative costs this State Government Rebate scheme is cost neutral to Council as this is fully funded by the State Government.

2.10.2 Council Pensioner Rebate

Council has the option of introducing a pensioner rebate to complement the existing State Government rebate. A Council Pensioner rate rebate redistributes the rate effort with other ratepayers bearing the cost by way of higher rates and charges. The rate effort for non-pensioners is likely to be greater as the number of pensioners increases.

Council does not grant any further rebates or concessions than those afforded by the State Government Pensioner Rebate scheme.

2.11 Properties Exempt from Rates

The purpose of this section is to raise awareness of non-rateable properties.

2.11.1 Introduction

The *Local Government Act 1989* provides for properties where the use is charitable, to be non-rateable.

Legal precedent has determined that charitable uses include those providing health services, education, religion and services to the needy.

Application for exemption from rating may be made at any time during the financial year and will be assessed based on the usage of the property. Council does not generally allow for any retrospective claims.

2.11.2 Department of Families, Fairness and Housing (formerly Department of Health and Human Services)

In relation to the Department of Families, Fairness and Housing (DFFH) owned housing, properties are rated if occupied. Properties are not rated if unoccupied or not habitable.

There are a number of organisations providing housing for people with low-income, on a voluntary and not for profit basis. The provisions of The Act preclude such residential housing from being non-rateable, even though their use may be regarded as charitable, in the everyday sense of the word.

The *Local Government Act 1989* allows Council to grant a rebate or concession in relation to any rate or charge, to support the provision of affordable housing, to a registered agency.

Council does not provide a rate rebate to support the provision of affordable housing by registered agencies. Assistance for low income households is provided through the State Government pensioner rebate.

A pre-existing agreement is in place for the provision of a 50% rate rebate in relation to certain DFFH elderly persons units. This agreement has no sunset clause subject to the units remaining as housing for the elderly. This agreement is not open to other parties or to other properties.

2.12 Collections

The purpose of this section is to outline the rate payment options and processes that are in place in relation to payment of rates. It also includes the support provided to ratepayers facing hardship. Council must consider fairness, compassion, confidentiality and compliance with statutory requirements when reviewing these arrangements.

2.12.1 Liability to Pay Rates

The owner of the land is liable to pay the rates and charges on that land. In certain cases, the occupier, mortgagee or licensee holder is liable to pay the rates.

The *Local Government Act 1989* declares the unpaid rate or charge, interest and costs to be the first charge upon the land, when the land is sold; ensuring Council receives the outstanding monies prior to the discharge of any mortgage and or charges on the land.

2.12.1 Payment Dates for Rates

Council, in accordance with the *Local Government Act 1989* must allow for the payment of rates by four instalments per annum. The mandatory instalment payments are required at the end of September, November, February and May each year in accordance with the Gazette dates. Council may allow a person to pay a rate or charge in a single lump sum payment.

Banyule City Council offers payment by instalments only.

2.12.2 Payment Methods

Council offers a range of payment options including

- Weekly Direct Debit
- Fortnightly Direct Debit
- Monthly Direct Debit
- Direct Debit (Instalment)
- BPay
- BPayView
- Council's website for MasterCard and Visa payments
- Australia Post billpay (phone & internet)
- Mail
- over the counter services at Council Service Centres or Australia Post agencies.

As an incentive to encourage payments made by weekly, fortnightly or monthly Direct Debit, interest will not be charged on rates and charges paid by weekly, fortnightly or monthly direct debit until 30 June each financial year.

2.12.3 Incentives for Prompt Payment

Section 168 of the *Local Government Act 1989* provides that incentives may be offered by Council for payment of rates and charges before the due dates.

No incentives are offered by Council for the payment of rates and charges before the dates.

2.12.4 Late Payment of Rates

Council has determined that the application of penalty interest will be applied on the sixth business day from the gazette due date. The grace period was adopted by Council July 2014 and will remain in place unless revoked and this will be declared as part of the annual Declaration of Rates and Charges.

Interest penalties will be in accordance with Section 172 (2) of the *Local Government Act 1989*, which allows interest to be imposed on unpaid rates at the rate fixed under Section 2 of the *Penalty Interest Rates Act 1983*.

Council cannot apply an alternative rate but has the power to exempt any person from paying the whole or part of any interest amount generally or specifically payable.

2.12.5 Debt Recovery - Collection of Overdue Rates

Council makes every effort to contact ratepayers at their correct address, but it is the ratepayers' responsibility to properly advise Council of their contact details. Section 122 of the *Local Government Act 2020* requires the purchaser of property, or their agents to notify Council by way of notices of acquisition.

If an account becomes overdue, Council has established procedures and guidelines for the collection of the debt. This creates a consistent approach to debt collection and ensures that all ratepayers are treated equally and fairly.

The purpose of the Collection guidelines is to act as a genuine deterrent to ratepayers who might otherwise fail to pay rates on time, to allow Council to recover the administrative cost of following up unpaid rates and to recover any interest cost the Council may incur due to lost investment opportunities. The principle in providing for such penalty is that ratepayers who pay within the required timeframe should not have to subsidise or bear any cost of ratepayers who default in payment. Details of Council's collection framework is contained in Council's Rates Collection Policy.

2.15.6 Waiver/Deferment of Interest, Rates and Charges under Financial Hardship

Council acknowledges that some ratepayers will have trouble from time to time in meeting rate payments due to any number of reasons. Council further understands that relief measures have a cost to Council which must be borne by other ratepayers in either the short or long term.

Waivers are not generally granted. However, in cases such as those associated with severe hardship, Council may grant waivers through the Hardship Assistance Policy, which is updated annually, taking in to account the economic conditions at the time and other assistance measures in place across state and commonwealth government agencies.

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. In accordance with the *Local Government Act 1989*, Council has established a Rates Hardship Assistance Policy which includes provisions for the waiver of rates, interest or deferment of rates and charges;

2.12.7 Special Circumstances Waiver

Council acknowledges that ratepayers will experience circumstances where they may fail to make payment of their instalment and that this failure to pay on time is a departure from their usual pattern. In these circumstances, upon receipt of a written request from the ratepayer Council may waive interest or associated charges as a "one-off" special circumstance's waiver, once the overdue amount has been paid.

2.13 Fire Services Property Levy

The Victorian Government introduced a property-based levy to fund the Metropolitan Fire Brigade (MFB) and the Country Fire Authority (CFA) from 1 July 2013.

The Fire Services Property Levy replaced the insurance-based funding model as recommended by the Victorian Bushfires Royal Commission.

Under the property-based levy:

- councils collect the levy through rates notices;
- the levy is calculated based on the capital improved value of a property;
- the levy consists of a fixed component plus a variable component calculated as a percentage of capital improved property values;
- the fixed component varies for residential properties and non-residential properties; and
- the levy rate varies for different property types such as residential, industrial, commercial and primary production.

The fire services property levy is shown separately on rate notices.

It is important to note that Council is not raising any additional revenue from the levy; it is merely acting as a collection agency on behalf of the State Government.

3. Government Grants

Council pursues all avenues to obtain external grant funds for prioritised works. Government Grants make up approximately 10% of Council's yearly revenue and the largest proportion (20%) of government grants is made up of the Financial Assistance grant provided by the Commonwealth Government under the *Local Government (Financial Assistance) Act 1995* (Commonwealth) Grants Commission Scheme and distributed annually to 79 local governing bodies within Victoria via the Victorian Local Government Grants Commission.

The Financial Assistance Grant (VLGGC) program consists of two components:

- A general-purpose component, which is distributed between the states and territories according to

population (i.e. on a per capita basis), and

- An identified local road component, which is distributed between the states and territories according to fixed historical shares.

Both components of the grant are untied in the hands of local government, allowing councils to spend the grants according to local priorities. Council applies the local roads component to road rehabilitation projects in its Capital Works Program and utilises the general-purpose component to fund Council operations and Capital works.

In addition to financial assistance grants, each year Council receives several other grants from the State & Federal Government. Grants received may be to help fund capital works and short-term initiative projects or to help fund the provision of regular Council services. These grants are split into two categories based on whether they are of a recurrent (received each year) or non-recurrent (once-off) nature.

The volume of non-recurrent grants fluctuates from year to year and typically represent grants received towards the funding of capital projects or small ad-hoc initiatives. Government departments generally designate a total pool of funding available and eligibility criteria to access the funding. Council is responsible for identifying funding that it may be eligible for and then making appropriate applications.

Recurrent grants are relatively consistent from year to year and are typically granted to Council to help fund the provision of specific services (Home Care, Child Care, Maternal & Child Health, School Crossings, etc.). The grants may designate specific obligations tied to the funding such as the requirement for Council to delivering a minimum amount of service levels. If these obligations are not fully met, a portion of the funding may be forfeited and need to be returned.

Council has no control over the available funding put forward by State and Federal Government. However, Council is able to exercise an element of control over grant funding by; ensuring that applications are made for all applicable grant funding pools, all funding obligations are met and the prioritization of capital works takes into account each projects eligibility for grant funding.

4. Fees and Charges

Council provides a wide mix of goods and services to the community. All council services can be reviewed to assess whether they are appropriate to attract user fees and charges. Council services which are deemed public infrastructure are generally provided free of charge and associated expenditure is fully funded by rates and/or grants. This includes the provision of roads, parks, footpaths, drainage, trees, etc.

Where a service is provided on an individual basis, they may often attract a fee or charge. The ability for Council to set the fees and charges for these services may be impacted by state and/or federal government legislation of funding conditions that either prohibit or sets ceilings for pricing. Some of these, such as planning fees, are set by state government statute and are commonly known as 'statutory fees'. In these cases, councils usually have no control over the setting of the fee price.

For fees & charges other than 'statutory fees', each service is analysed as to whether it is of a commercial or community-benefit nature. Services are deemed to be of a community-benefit nature if the provision of the service delivers benefits to the wider community, and if the most at-risk members of our community would be unfairly disadvantaged if they could not access the service. There are also some fees and charges charged by Council not explicitly for the provision of a service, but of a punitive nature (e.g. fines) with the explicit purpose of discouraging and deterring certain behaviours.

Each year as part of the budget process, Council reviews all fees and charges and adjusts the levels as appropriate. Community-benefit fees are kept low, such that the cost of the service is not fully recovered but is instead subsidised by Councils other revenue streams. Other commercial fees & charges are set consistent with

application of the user pays principle – that is, so far as is possible, the cost of providing a direct service will be offset by the fees charged.

A schedule of the current user fees and charges is presented for public consultation and feedback as part of Council's annual budget process.

4.1 Cost recovery

Setting fees and charges is often determined by a notion that the fee charged for a service should correspond with the cost of providing the service – that is the costs borne by Council in providing the service are fully recovered by the fees & charges. However this notion is balanced with Council's wish for some essential services to be accessible by the most disadvantaged members of our Community as well as the commercial reality, that our fees need to be consistent with other providers in the market to remain competitive, as well as the supply and demand realities that if the costs are set too high, the usage of the service will drop, reducing our overall income.

The full cost of delivering a service or providing a facility includes both:

- Direct Costs – those costs that can be readily and unequivocally attributed to the delivery of a service or activity because they are incurred exclusively for that particular product/activity.
- Indirect Costs (often referred to as overheads) – those costs that are not directly attributable to a single activity but support a range of activities across Council (e.g. Information Technology costs).

4.1.1 Direct Costs

In line with sound financial management principles Council's systems are set up to allocate direct costs straight to the business unit providing the service. These costs include:

1. Labour – the wages and salaries of all staff directly working on that service.
2. Materials and supplies – supplies used in providing the service. This may include utilities, contractor costs and car operating expenses.
3. Administrative expenses – the office support for a service. Typically, an operational unit provides a number of services, so the administrative costs of that unit will need to be allocated across the different services.
4. Equipment used in providing the service – this may include the purchase of equipment, plant hire, leasing of equipment, etc.

These costs include staff on-costs, such as allowing for annual leave, sick leave, workers' compensation payments and long service leave.

4.1.2 Indirect Costs (Overheads)

Council has a range of "back office" operations that are not directly tied to any service delivery (e.g. IT, Customer Service and HR). Nonetheless, these involve real costs that are incurred in supporting the delivery of Council's services.

Council allocates indirect costs to the services it provides using a pro-rata approach. That is to say, Council allocates indirect costs on a proportionate basis by using measures that are easily available, such as staff involved in the activity as a percentage of total staff, total number of computers or the service unit's share of total office floor space.

There are alternative ways to allocate indirect costs such as using Activity based costing, however this process can be very labour intensive and costly, while a pro rata approach delivers similar results with less effort.

4.2 Fee setting

The responsibility for setting of fees & charges resides with the managerial unit responsible for delivering the service. The fee setting is done as part of the budget process, where the impact of changing fees can be seen against the unit's bottom line.

When setting the fees & charges for the new year, the following questions must be asked.

- Do any external constraints apply? Possibilities include:
 - Other levels of Government setting a statutory price for that service, or
 - Does Council need to take into account competitive neutrality adjustments
- Would setting a price based on recovering the full cost of the service be competitive with other supplies (nearby councils and/or private competitors)?
- How will a change in price impact volume of usage of that service?
- Does Council have a strategy to either:
 - Subsidise the cost of this service (setting prices below full costs)?
 - Use the service as a taxation mechanism (setting prices above the full cost level)?

4.3 Competitive Neutrality

Compared to the private sector, government departments have a number of competitive advantages and disadvantages when providing services in a competitive market. Competitive benefits may arise due to Council's taxation status or ability to subsidise a service with rates. Conversely Council may be disadvantaged due to increased red tape (additional reporting costs and legislation to comply with), limited flexibility in restructuring or comparative employment awards between the private and public sectors.

If Council deems that in the provision of any of its significant business activities it has a significant competitive advantage (or disadvantage) over the market due to its public sector ownership, then a competitive neutrality assessment may be required to be undertaken.

To undertake this assessment, the following steps are recommended by the Victorian Government's Competitive Neutrality Policy:

- Determine whether the operation is a "significant business activity" and whether Council has a net competitive advantage compared to the private sector.
- Weigh up the expected benefits and costs of introducing competitive neutrality policy measures.
- Determine if the public interest is served by implementing competitive neutrality policy measures.

If this analysis shows that a significant business activity of Council does enjoy a net competitive benefit, Council is expected to set prices that include competitive neutral adjustments.

However, under the policy, this is not required if:

The costs of applying competitive neutrality outweigh the benefits, or

Council conducts and documents a "public interest test", which involves public consultation on costed options, and identifies clear public policy objectives for providing the service at below competitive neutral prices.

Council will conduct a competitive neutrality assessment of its services on a rolling basis. To date, no services have been identified as being a significant business activity where Council has a significant net competitive advantage over the private sector. As such no competitive neutrality adjustments have been required to be implemented to increase user fees.

4.4 Fee & Charge Principles

Council has developed a range of principles to determine the level of fees and charges to be applied to each service. Fees and charges will be reviewed on an annual basis in line with these principles:

- Fees are charged in line with State and Federal government legislation or Local Laws.
- Fees and charges are set at a level that is deemed to be fair and equitable to enable the majority of residents to access the services.
- Fees and charges are set to remain competitive with other 'like-services' available in the market.
- No fees (or low fees) are charged for some services with an aim to encourage community participation and positive health and wellbeing outcomes.
- Fees and charges that are punitive in nature, are set at a level significant enough to deter the targeted behaviour without being overly burdensome.

5. Review Period

This Revenue and Rating Plan covers the four-year period July 2022- June 2026. It will be reviewed and amended during this 4-year period annually.

6. Related Documents

Public Open Space Plan 2016-2031 (D16/126502)

Development Contributions Plan (D18/200154)

Lease and Licence Framework (CD17128)

Rates Hardship Assistance Policy (CD17663)

7. Related Legislation

Local Government Act 2020

Local Government Act 1989

Penalty Interest Rates Act 1983

Cultural and Recreational Lands Act 1963

Valuation of Land Act 1960

Victorian Competitive Neutrality Policy

Council Plan 2021-2025

Draft Year 2 Annual Action Plan 2022/2023



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Annual Action Plan 2022 / 2023

Purpose of this document

The Council Plan 2021-2025 was adopted by Council on 25 October 2021 after a comprehensive review process. This included a deliberative community engagement program, incorporating extensive community engagement and planning sessions and workshops with Councillors, Community and Staff.

The Council Plan is reviewed on an annual basis to ensure that it continues to meet the needs of the community. It is implemented through annual action plans, which reflect Council's decisions on the initiatives and priority services to be funded through the Budget each year.

The Council Plan 2021-2025 - Draft Year 2 Annual Action Plan 2022/2023 is an initial draft and outlines initiatives and priority services Council will deliver to achieve strategies of the Council Plan (and Banyule Community Vision 2041)





The draft Year 2 action plan responds to the strategic objectives (Community Priority Themes) and has been developed based on a range of considerations, including:




- Integration with Banyule's Health and Wellbeing Priorities for 2021-2025 and Banyule's Climate Action Response
- Organisational and service area strategic planning discussions during October 2021 – March 2022 which are closely linked to annual review of the Budget, Capital Works & Initiatives Programs, and key plans.
- Incorporating elements from key supporting plans and policies adopted by Council (and captures key plans and policies under review or development).
- Actions are aligned with and resourced through the budgeting process.
- Monitoring progress of the Year 1 (2021/2022) action plan, especially given the impacts of COVID-19, and challenges presented by a range of unforeseen circumstances.






Our Inclusive and Connected Community




A safe, healthy, vibrant and connected community where people of all ages and life stages love to live, work and stay; diversity and inclusion are valued and encouraged.





Table 1 | Our Inclusive and Connected Community







Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
1.1 Promote active and connected living through a range of accessible and inclusive opportunities for all people of all ages through sport and recreation	1.1.1	Deliver activities featuring a diverse range of accessible and inclusive wellbeing and recreational opportunities.	Minimum of six activities delivered at the end of each school holiday term.	Youth Services 
	1.1.2	Create a timetable and program of activities for older adults and pilot a project for health practitioners to provide support on using equipment at Ivanhoe Park's Seniors Exercise Park.	Project pilot for health practitioners to provide support on using equipment at Ivanhoe Park's Seniors Exercise Park delivered and evaluated by June 2023.	Community Connections 
	1.1.3	Implement the new Sporting Reserve User Guide and Allocation Policy that supports fair and equitable access and use of our sports facilities and infrastructure.	Guide successfully introduced to sports clubs by December 2022 and there is evidence of clubs actively utilising it as a reference guide and tool.	Sports, Recreation and Community Infrastructure 
	1.1.4	Review the Recreation Plan 2017 - 2021 and develop a new Recreation and Sports Plan.	New Sports and Recreation Plan considered for adoption by Council by June 2023.	Sports, Recreation and Community Infrastructure
	1.1.5	Conduct an audit of Banyule sporting facilities focussing on canteens, kitchens, social rooms and amenities.	Banyule sporting facilities audit completed by June 2023 and integrated into Community Infrastructure Plan.	Sports, Recreation and Community Infrastructure 


Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	1.1.6	Implement a range of initiatives and programs that support participation in sports, recreation and leisure, and build and strengthen the capacity of sporting clubs.	<ul style="list-style-type: none"> Five club development workshops delivered Sport and recreation web page developed Inclusive abilities toolkit launched with at least three new all abilities activities implemented New sporting grants program launched Evidence of clubs developing inclusion action plans. 	Sports, Recreation and Community Infrastructure 
1.2 Provide a range of services and programs, and work with relevant partners to enhance health and wellbeing outcomes and social cohesion	1.2.1	Undertake an evaluation of the developed Bellfield Outcomes Framework.	Key measures developed and evaluated with Social Return on Investment methodology.	Community Partnerships
	1.2.2	Consider the findings and recommendations of the Shop 48 review to inform the strategic direction for the model of operation.	Future model determined by June 2023.	Community Partnerships
	1.2.3	Implement the Neighbourhood Houses Strategic Partnership Framework.	Key outputs from the framework are met.	Community Partnerships 
	1.2.4	Continue partnership with the Orange Door organisation.	Four partnership meetings held by June 2023.	Community Partnerships 
	1.2.5	Deliver the Banyule Community Grants Program.	Banyule Grants Program is delivered in line with the Policy and Guidelines by June 2023.	Community Connections
	1.2.6	Develop new funding agreements (formerly Service Level Agreements) to be used for funded community organisations across Banyule.	New funding agreements established by June 2023.	Aged Services


Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	1.2.7	Transition the Social Support Programs to the Bellfield Community Hub, providing a welcoming venue to support older people in the local area.	Social Support Programs transitioned to the Bellfield Community Hub by June 2023	Community Connections 
	1.2.8	Undertake public awareness and promotional activities and advocacy to address ageism and elder abuse.	Deliver Elder Abuse Awareness Day events.	Community Impact 
	1.2.9	Lead social research to inform and support actions on Banyule's health priorities in partnership with the Inclusive Banyule Advisory Committee.	Social research undertaken on Social inclusion; Increasing active living; and Increasing healthy eating.	Early Childhood Services 
	1.2.10	Support the Banyule Child Youth and Family Committee to improve outcomes for children and young people, as outlined in the Child and Youth Framework.	Six committee meetings held by June 2023.	Youth Services 
	1.2.11	Provide development opportunities to local sector professionals and parents through the Banyule Nillumbik Youth Services network.	Minimum of five development opportunities delivered by June 2023.	Youth Services
	1.2.12	Deliver a series of school and community workshops to support the mental health and wellbeing of young people.	Minimum of ten in school/community workshops focused on mental health and wellbeing of young people delivered annually.	Community Connections
	1.2.13	Deliver Seniors Festival Week events and activities.	Annual Seniors Festival activities delivered in accordance with Seniors Victoria programming.	Community Impact
	1.2.14	Co-convene the Banyule Nillumbik Family Violence Network for workers in the community sector to provide information sharing, capacity building and emerging opportunities.	Five network meetings convened by June 2023.	MCH and Immunisation Services 





Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
1.3 Provide and promote arts and cultural experiences to enhance community connectedness, engagement and a sense of wellbeing	1.3.1	Deliver a range of community festivals and events including Malahang Festival, Carols by Candlelight, Twilight Sounds, Eco Festival, Chillin' in Banyule.	<ul style="list-style-type: none"> Eco Festival by November 2022 Carols by Candlelight by December 2022 Twilight Sounds by March 2023 Malahang Lantern Festival by April 2023 Chillin' in Banyule by June 2023. 	Arts and Culture
	1.3.2	Review the Arts and Culture Strategic Plan and Art Collection Policy.	Revised Arts and Culture Strategic Plan and Art Collection Policy considered for adoption by Council by December 2022.	Arts and Culture
	1.3.3	Engage a diverse range of local artists and community groups in the creation and delivery of an annual program of high-quality arts and cultural experiences.	<ul style="list-style-type: none"> Arts program developed and implemented by June 2023 Year-round utilisation of arts spaces at the Ivanhoe Library and Cultural Hub 	Arts and Culture 
	1.3.4	Build capacity and support professional development of the local creative sector to enhance cultural outcomes for the community.	<ul style="list-style-type: none"> 230 participants in Pinpoint Artists Network Minimum of six networking and professional development programs Distribution of \$60,000 to Arts and Culture Project Grant Pool. 	Arts and Culture 
	1.3.5	Deliver Jets Creative Arts programs that foster social connection, skill development and creative expression for young people.	A minimum of six activities, workshops or sessions delivered each term.	Youth Services
1.4 Actively support and facilitate infrastructure, services and programs that address community safety	1.4.1	Deliver improved pedestrian access at priority locations.	Capital works projects completed by June 2023 at nominated sites, including: Rattray Road, Montmorency, Martins Lane, Yallambie, Henry Street, Greensborough and St Helena Road, St Helena.	Transport Engineering
	1.4.2	Implement traffic speed and volume measures at nominated locations.	Speed and volume treatments constructed in Mountain View Road, Montmorency.	Transport Engineering 


Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	1.4.3	Implement the Banyule Resilient and Safe Framework	Key outputs from the framework are met by June 2023.	Community Impact
	1.4.4	Develop and implement year 3 of the Banyule Graffiti Strategy 2020-2023.	Year 3 action plan completed by June 2023.	Community Impact
1.5 Enhance our relationship and work in respectful partnership with the Traditional Custodians of Banyule, the Wurundjeri people, identified Elders and other Aboriginal and Torres Strait Islanders	1.5.1	In partnership with our Aboriginal and Torres Strait Islander communities, support the activation of the Barrbunin Beek Aboriginal Gathering Place.	Barrbunin Beek Aboriginal Gathering Place Strategic Plan and activation actions implemented.	First Nations
	1.5.2	Improve opportunities and reduce disadvantage for Aboriginal and Torres Strait Islander communities.	Banyule's Reconciliation Action Plan implemented.	First Nations 
	1.5.3	Undertake ecological, cultural, land and water management at Banyule Flats and Banyule Billabong with the Narrap team.	<ul style="list-style-type: none"> Ecological, cultural, land and water management undertaken at Banyule Flats and Banyule Billabong with the Narrap team. Indigenous food garden maintained and improved on the banks of Banyule Billabong by June 2023. Margins of the wetland and the southeast of the Billabong revegetated by June 2023. 	Bushland Management 
1.6 Promote community awareness and support a diverse, connected, and inclusive community that respects and celebrates different cultures, beliefs, abilities, bodies, ages,	1.6.1	Deliver a series of culturally appropriate activities, workshop and events as part of the Diverse Communities Project, with the aim of uplifting and supporting our diverse community.	Minimum of six culturally appropriate activities, workshop and events delivered by June 2023.	Youth Services 
	1.6.2	Deliver a weekly program during term time for LGBTIQ+ young people (14-22 years) to provide safe and supportive social and advocacy opportunities.	Deliver weekly sessions during school term.	Youth Services 

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
sexualities, genders and identities	1.6.3	Deliver a short term supported referral process to young people within the community to link them into an appropriate service.	A minimum of thirty referrals and/or support sessions completed annually.	Youth Services 
	1.6.4	Deliver an outreach program in Banyule using an assertive outreach model.	Outreach program established and delivered into areas where young people gather within Banyule.	Youth Services 
	1.6.5	Participate in the delivery of relevant community awareness campaigns and activities about gender equity and gender based violence.	Community awareness campaigns delivered at the following events: <ul style="list-style-type: none"> • Chillin' in Banyule by August 2021 • Malahang Wellbeing Festival by October 2021 • Carols by Candlelight by December 2021 • Twilight Sounds by February 2022 • Eco-Friendly Fest and Pet Expo by June 2022 	Community Impact 
	1.6.6	Collate and share a toolkit of resources to support organisations to embed social justice principles into core business.	Toolkit introduced to service units and survey undertaken to measure visibility and useability.	Community Impact 
	1.6.7	Ensure LGBTI needs are considered and embedded in all service planning for older adults and maintain Rainbow Tick accreditation.	Rainbow Tick for Age-friendly Programs maintained.	Aged Services 
1.7 Provide a range of services and programs that support the development of children, young people and families	1.7.1	Deliver responsive Maternal and Child Health (MCH) services and programs in line with current standards of practice.	Meet service delivery targets indicated by the Department of Health, and the Department of Families, Fairness and Housing.	MCH and Immunisation Services 
	1.7.2	Implement actions of the Child and Youth Framework.	Child and Youth Framework year 2 actions completed by June 2023.	Early Childhood Services

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
1.8 Strengthen community preparedness and resilience for emergency events	1.7.3	Deliver quality improvement plans for all five Council early childhood services as per National Quality Standards (NQS).	Department of Education and Training quality rating and assessment criteria met.	Early Childhood Services
	1.7.4	Deliver the Banyule Youth Summit and Summit report card biannually.	The Banyule Youth Summit or Summit report card delivered biannually.	Youth Services
	1.8.1	Participate in the North West Metro (NWM) Regional Emergency Management Planning Committee (REMPC) and the Municipal Emergency Management Planning Committee (MEMPC) activities and subcommittees.	Chair and lead the Banyule MEMPC and NWMR EM Collaboration, Deputy Chair for the REMPC. Four meetings per year for REMPC and MEMPC and participate in the Collaboration Working Groups monthly.	Emergency Management and Public Health Protection 
	1.8.2	Complete the reviews of all emergency management plans and sub-plans.	Lead the completion of scheduled reviews in collaboration with MEMPC members and in accordance with the EM Forward Schedule.	Emergency Management and Public Health Protection
	1.8.3	Undertake preparedness activities in line with emergency management plans and legislation.	<ul style="list-style-type: none"> Online Emergency Management Induction Module for staff in place in learning management system One recruitment session held per year Council Emergency Operations Centre requirements reviewed annually Attendance at annual pre-season briefings and post-season reviews. 	Emergency Management and Public Health Protection

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
1.9 Provide for and facilitate specific programs and respond to current and emerging preventable disease, outbreaks and public health risks	1.9.1	Undertake Council's public health legislative obligations to protect the health of the community.	Legislative obligations are met: <ul style="list-style-type: none"> 100% food business assessments/inspections completed in registration period (calendar year) 100% anaphylaxis reports investigated 100% health premises inspections completed in registration period 100% infectious disease outbreaks investigated (gastro) 100% nuisance complaints investigated 100% registered pools inspected. 	Emergency Management and Public Health Protection
	1.9.2	Deliver a range of educational and enforcement activities to reduce the health impact of tobacco on the community.	<ul style="list-style-type: none"> 100% tobacco related complaints investigated All works completed in line with Municipal Association of Victoria (MAV) agreement Smoke free requirements incorporated into the Footpath Trading Permit. 	Emergency Management and Public Health Protection 
	1.9.3	Coordinate and deliver immunisation services to protect children from vaccine preventable diseases.	Immunisation targets >95% per cohort.	MCH and Immunisation Services
	1.9.4	Promote public health matters and respond to changes in the public health needs of the community including food safety, allergens, hygiene and potential nuisances.	Emerging public health matters shared with the appropriate communities.	Emergency Management and Public Health Protection
1.10 Deliver a range of accessible services and programs for older people that support social	1.10.1	Provide support to older people navigating the Commonwealth aged care system through implementation of Older Adult Support and Information Services.	Increase in number of people supported through the Older Adult Support and Information Services program.	Community Connections

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
connections and independent living	1.10.2	Deliver the Older Adults Commonwealth Home Support Community Connection Program (with Social Support Individual Funding) to reduce social isolation and loneliness for older people.	Flexible program delivered which meets needs of older people as part of CHSP funded services for community connection (in line with the funding agreement and outlined deliverables).	Aged Services 
	1.10.3	Review and update the Age-friendly Strategy.	Age-friendly Strategy considered for adoption by Council by December 2022 which continues to strengthen and support Banyule's Age Friendly City programs in line with World Health Organisation parameters.	Community Connections 
	1.10.4	Offer a range of supports for people who are caring for older people in their homes.	Carer support program delivers a range of innovative and supportive programs, activities and social supports to carers of all ages within Banyule.	Aged Services 
	1.10.5	Support older people's independence, wellbeing and community participation through planning and delivering sustainable aged and disability services and programs which reflect community need.	Commence a Community Meals pilot program in tandem with Community Garden and local agency collaboration.	Aged Services
	1.10.6	Support community participation for older people through clear communication and dissemination of relevant information.	Project undertaken to analyse and update publications - Age in Focus, Older Adults Recreation Program newsletter to ensure future sustainability and decrease duplication (targeted readership).	Community Connections
	1.10.7	Advance a Community Bus Service pilot project.	Community Bus Service pilot project commenced and an initial evaluation report prepared by June 2023.	Community Connections
	1.11.1	Support the organisation to uphold legislation, embed inclusive practice and measure inclusion.	Report on progress of Gender & Equalities Impact Assessments presented to Council.	Community Impact 

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
supporting and empowering people with disabilities	1.11.2	Implement the Inclusive Banyule Framework 2022-2026.	<ul style="list-style-type: none"> Implementation plan for year 1 delivered Implementation plan for year 2 developed in consultation with Banyule advisory committees. 	Community Impact 
1.12 Enable and empower philanthropic and business partners to support our community through the establishment of the Banyule Community Fund	1.12.1	Appoint a Banyule Community Foundation Officer to establish foundation guidelines, policy and protocols.	Banyule Community Foundation Officer appointed and foundation guidelines established by August 2022.	Community Connections






= Action supports the Municipal Public Health and Wellbeing Plan.



Our Sustainable Environment


A progressive and innovative leader in protecting, enhancing and increasing the health and diversity of our natural environment, where we all commit to playing an active role in achieving environmental sustainability, waste and carbon emissions reduction.


Table 2 | Our Sustainable Environment

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
2.1 Protect and enhance our natural environment, providing connected habitat for diverse flora and fauna	2.1.1	Establish a baseline of biodiversity health in Banyule.	Annual report on key metrics identified through the Biodiversity Monitoring Program delivered by June 2023.	Environmental Sustainability
	2.1.2	Finalise preparation of the Eltham Copper Butterfly masterplan for Banyule bush reserves, including Mayona Road Reserve.	Eltham Copper Butterfly masterplan for Banyule bush reserves considered for adoption by Council by March 2023.	Bushland Management
	2.1.3	Control the environmental weeds throughout priority Bushland reserves.	Weed Management Strategy year 2 actions implemented by June 2023, with a focus on priority environmental weeds within bushland reserves.	Bushland Management
	2.1.4	Control the pest animals that have a negative impact on biodiversity.	Annual fox and rabbit control activities delivered throughout priority conservation sites, including: Banyule Flats Reserve, Darebin Creek northern grasslands, and Plenty River.	Bushland Management
	2.1.5	Advocate for habitat retention within North East Link (NEL) and other major projects, retaining offset plantings in Banyule and focusing on wildlife corridor connections.	Input is provided to NEL recommending environmental improvement opportunities.	Environmental Sustainability
2.2 Minimise stormwater pollution and the impacts of flooding, and maximise Council's water conservation	2.2.1	Operate, monitor and optimise capabilities of the existing stormwater harvesting sites and Water Sensitive Urban Design (WSUD) assets.	<ul style="list-style-type: none"> Constrain annual Council potable water use to below 330 million litres Annually remove the following pollutants: 50 tonnes of litter, 130 tonnes of sediment 	Environmental Operations

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
to transition to a water sensitive City	2.2.2	Deliver a pool blanket trial at the warm water pool at WaterMarc as part of the energy efficiency work program.	Pool blanket installed and operational in the warm water pool at WaterMarc by December 2022.	Major Facilities 
	2.2.3	Finalise design, plan and construct a new irrigation system at Glenauburn Reserve in Lower Plenty.	New irrigation system for Glenauburn Reserve completed by June 2023.	Sportsfields & Open Space Assets
2.3 Demonstrate leadership in addressing climate change and take action to become a carbon neutral Council by 2028 and City by 2040	2.3.1	Pilot new technologies to inform the investigation of electrification opportunities at Council owned leisure centres.	Installation of heat pumps at the Greensborough Council offices by June 2023.	Environmental Sustainability
	2.3.2	Work with preschools, sporting clubs and other community users to upgrade energy performance and the installation of solar PV on Council leased facilities.	<ul style="list-style-type: none"> Solar PV installed at suitable preschool sites by June 2023 Prefeasibility and design report delivered for sporting clubs by June 2023. 	Environmental Sustainability
	2.3.3	Embed climate action as a core responsibility within all roles across the Council.	Education campaign delivered by June 2023, including for senior management, highlighting department specific climate action opportunities.	Environmental Sustainability 
	2.3.4	Reduce internal combustion engine (ICE) fleet	<ul style="list-style-type: none"> Trialling of new green fleet technology Expansion of the electrical car fleet. 	Fleet Management
2.4 Empower and educate the community and businesses to take actions to achieve positive environmental and climate change outcomes	2.4.1	Deliver a series of capacity building workshops to support environmental volunteers to lead and support positive climate action initiatives.	Four capacity building workshops delivered by June 2023.	Environmental Sustainability 
	2.4.2	Deliver the Gardens for Wildlife Program creating habitat 'stepping stones' through private property.	Minimum of forty households participate in the Gardens for Wildlife Program by June 2023	Environmental Sustainability

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
	2.4.3	Deliver environmental workshops to the community through the Spring Outdoors Program.	Five Banyule community workshops delivered by June 2023.	Environmental Sustainability 
	2.4.4	Encourage and support community-led energy solutions, including via facilitation of networking opportunities with experts.	Community Energy Innovation Grant Program delivered by June 2023.	Environmental Sustainability 
	2.4.5	Encourage solar uptake by Banyule businesses through participation in the Solar Savers program.	Five businesses to install solar through the Solar Savers program by June 2023.	Environmental Sustainability
	2.4.6	Deliver a community-focused energy efficiency program to promote electrification and energy efficiency actions.	Electrification campaign to support a transition to energy efficient electric homes delivered by June 2023.	Environmental Sustainability
2.5 Avoid waste generation and encourage and support the community to achieve zero waste to landfill by 2030	2.5.1	Roll out a FOGO (food organics and garden organics) kerbside collection system to residents.	Service commences in July 2022.	Operations Management
	2.5.2	Commence a trial of environmentally friendly nappies at Morobe Street Children's Centre.	Trial completed by June 2023.	Early Childhood Services
2.6 Engage and work with the community and partners to protect, enhance and experience the environment	2.6.1	Support and implement friends group activities through environmental conservation projects within waterway corridors and bush reserves.	Support 90 working bees for weed control activities and planting of 10,000 Indigenous tree stock.	Bushland Management
	2.6.2	Work with CERES to complete the two remaining modules to achieve 5-star accreditation in environmental sustainability for Council's five early childhood services.	5-star accreditation achieved for core, biodiversity, energy, waste and water modules.	Early Childhood Services
	2.6.3	Provide environmental grants that support local environment initiatives.	Full allocation of the environmental grants program by June 2023.	Environmental Sustainability

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
	2.6.4	Support and implement annual nature play activities across selected Bush Reserves.	Activities conducted throughout different reserves focusing on a range of nature themes.	Bushland Management 
2.7 Protect, increase and maintain Banyule's urban forest population to provide a greener City for enhanced liveability	2.7.1	Undertake the review of planning permit outcomes to ensure tree planting requirements are implemented and maintained.	<ul style="list-style-type: none"> 100% of multi-dwelling development outcomes reviewed where submitted as completed Contact tree permit holders as outlined in the Planning and Building Enforcement Framework. 	Development Planning
	2.7.2	Finalise and implement the Urban Forest Strategy.	<ul style="list-style-type: none"> Urban Forest Strategy is considered for adoption by Council by November 2022 Implement year one actions by June 2023. 	Urban Forestry
	2.7.3	Deliver the annual advanced tree planting program.	Minimum of 2000 new trees planted by 2023.	Urban Forestry
2.8 Explore and support opportunities for urban farming and community gardens	2.8.1	Develop an urban food strategy and framework.	Initial draft urban food strategy and framework developed by June 2023.	Community Impact

 = Action supports the Municipal Public Health and Wellbeing Plan.

Our Well-Built City





A well planned, sustainable and liveable place that caters for all our current and emerging communities; where our local character and environment is protected and enhanced.


Table 3 | Our Well-Built City

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
3.1 Deliver well designed places and spaces that enable stronger connections and liveability to meet the diverse needs of our current and future community	3.1.1	Continue to explore property projects that deliver strategic outcomes for Council ensuring that assets are managed in the community's diverse, long-term interests.	<ul style="list-style-type: none"> Explore and review strategic property projects, including feasibility and benefit Continue to report back to Council on progress of investigations Ensure financial returns are reported and made available for reinvestment back into the community. 	Strategic Property Projects
	3.1.2	Continue to progress the Rosanna Library redevelopment project which will deliver a contemporary library facility for the community.	<ul style="list-style-type: none"> Construction to commence (subject to planning approvals) Contribute to the governance planning for new library development Documentation of way finding strategy (connection to Rosanna Village) Completed the fit-out design documentation for the proposed new library, MCH and Toy Library. 	Strategic Property Projects
	3.1.3	Complete the Were Street, Montmorency Streetscape upgrade project.	New streetscape and pocket park completed by December 2022.	Strategic Property Projects Strategic Planning and Urban Design
	3.1.4	Deliver a major Public Art installation at Olympic Park as part of Council's public art program.	Public art installed by June 2023.	Arts and Culture

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
	3.1.5	Implement the final project stage (stage 4) of the Olympic Park Masterplan.	Stage 4 works including 2 new soccer fields, a cricket oval, new pavilion and refurbishment of the Barrbunin Beek Aboriginal Gathering Place completed by June 2023.	Strategic Property Projects Sports, Recreation and Community Infrastructure
3.2 Develop and maintain best practice integrated strategic plans that impact positively on the quality and design of our places and built environment	3.2.1	Continue preparation of a new Banyule Housing Strategy in conjunction with neighbourhood character review.	Complete consultation for input into draft Housing Strategy by June 2023.	Strategic Planning and Urban Design
	3.2.2	Develop a Public Realm Manual to inform the technical specifications for public realm assets and their maintenance requirements.	Public Realm Manual prepared and considered for adoption by Council by June 2023.	Strategic Planning and Urban Design
	3.2.3	Finalise planning for the East Ivanhoe Streetscape upgrade and pursue external grant funding sources to support project.	Deliver temporary public realm activation, monitor outcomes and put the final plan for the streetscape up for Council consideration by June 2023.	Strategic Planning and Urban Design
3.3 Prioritise a series of localised plans for twenty-minute neighbourhoods across Banyule that are well connected and meet community needs closer to home	3.3.1	Develop a Place-based Framework for Banyule.	Banyule's Place-based Framework considered for adoption by Council by June 2023.	Strategic Planning and Urban Design
3.4 Plan for greater diversity of housing and commercial activity in the most accessible locations to balance sustainable growth and enable ageing in place	3.4.1	Progress the Cartmell Street development application, including public car park.	Planning permit (to be lodged by the developer) considered for approval by Council.	Strategic Property Projects
	3.4.2	Undertake a review of planning permit outcomes to ensure age in place (liveability) requirements are implemented.	Verification of liveability requirements of 20% of completed multi-dwelling developments inspected.	Development Planning

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
3.5 Provide and facilitate for achieving environmentally sustainable designs and outcomes and deliver urban centres that are resilient to the impacts of climate change	3.5.1	Continue to implement Sustainable Building Guidelines, embedding best practice environmentally sustainable design specifications into capital works and maintenance programs.	100% compliance with the Sustainable Building Guidelines for all new and upgraded buildings.	Delivery and Assets Management
	3.5.2	Undertake a review of planning permit outcomes to ensure Environmentally Sustainable Design requirements are implemented and maintained and develop a business case for ongoing resourcing.	10% of completed multi-dwelling developments undergo certification or verification of Environmentally Sustainable Design requirements.	Development Planning
3.6 Preserve and enhance Banyule's valued heritage, local character, and its significant trees	3.6.1	Commence a place-based neighbourhood character review in conjunction with preparation of the Banyule Housing Strategy.	Commenced place-based analysis of neighbourhood character conditions and values.	Strategic Planning and Urban Design
	3.6.2	Commence preparation of a revised Banyule Heritage Strategy.	Draft principles for Banyule's new Heritage Strategy developed by June 2023.	Strategic Planning and Urban Design
3.7 Provide and maintain public parks and open spaces for a range of uses for all ages and abilities	3.7.1	Continue to design and deliver the program of play space upgrades including the integration of nature play and soft landscaping where possible.	Play space programmed improvement works completed.	Open Space Planning and Design
	3.7.2	Integrate any Youth Spaces Plan Feasibility outcomes and opportunities for Play Space Upgrades into the design of James Reserve.	Completed design of James Reserve ready for construction in 2023/24.	Open Space Planning and Design
	3.7.3	Undertake a comprehensive review of the Banyule Open Space Strategy (2016-2031) to develop open space hierarchies and priorities.	Updated Banyule Open Space Strategy (2016-2031) completed by June 2023.	Open Space Planning and Design
3.8 Lead on the use of sustainable modes of transport, and encourage	3.8.1	Review the Banyule Integrated Transport Plan 2015-2035 (BITP) and develop an updated action plan.	Updated Banyule Integrated Transport Action Plan considered for adoption by Council by June 2023.	Transport, Planning and Advocacy

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
walking, cycling and use of public transport	3.8.2	Implement Banyule Bicycle Strategy and Walking Strategy action plans.	Priority actions implemented by June 2023.	Transport, Planning and Advocacy 
	3.8.3	Complete Safe Access Audits for pedestrians, cyclists, and mobility scooters in activity centres and around schools.	Safe access audits completed at four locations including shopping centres and schools by June 2023.	Transport, Planning and Advocacy 
	3.8.4	Improve school crossing infrastructure.	Two upgraded school crossings delivered by June 2022, in Stanley Street Ivanhoe and Lorimer Street Greensborough.	Transport Engineering 
	3.8.5	Deliver community behaviour change programs that support sustainable and safe transport initiatives.	Two community programs including older adults safe travel presentations and festival activities and events delivered by June 2023.	Transport, Planning and Advocacy 

 = Action supports the Municipal Public Health and Wellbeing Plan.

Our Valued Community Assets and Facilities

As custodians of our community, assets, facilities and services, we work to ensure that they are affordable, sustainable, evenly distributed, safe and accessible for all ages and abilities and designed to provide meaningful experiences and connections


Table 4 | Our Valued Community Assets and Facilities

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
4.1 Strategically plan, build and renew community assets and facilities that meet current and future service needs and instil a sense of civic pride	4.1.1	Install sports field lighting at Shelly Reserve.	Installation of lighting at Shelly Reserve completed by March 2023.	Capital Works 
	4.1.2	Develop Council's 10-year capital works program.	10-year capital works program considered for adoption by Council by June 2023.	City Assets
	4.1.3	Continue construction of a pocket park and a shared pedestrian/vehicle zone along Waterdale Road.	Construction of pocket park and a shared pedestrian/vehicle zone along Waterdale Road completed by December 2022.	Capital Works
	4.1.4	Develop a Sports Capital Works Policy that provides a consistent, equitable and transparent approach to funding sports facilities and infrastructure.	Sports Capital Works Policy considered for adoption by Council by December 2022.	Sports, Recreation and Community Infrastructure
	4.1.5	Complete the surface renovation of Beverley Road Oval, Heidelberg.	Surface renovation (oval reconstruction) of Beverley Road Oval, Heidelberg completed by June 2023.	Sportsfields and Open Space Assets
	4.1.6	Refurbish Montmorency Park North Oval toilet facilities.	Construction of Montmorency Park North Oval toilet facilities completed by June 2023.	Capital Works
	4.1.7	Complete the design of Anthony Beale Reserve and Seddon Reserve change rooms.	Design of Anthony Beale Reserve and Seddon Reserve change rooms complete by June 2023.	Capital Works 
	4.1.8	Complete construction of the Macleod Park sporting pavilion.	Macleod Park sporting pavilion construction completed by June 2023.	Capital Works 

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
4.2 Develop community assets and facilities that are environmentally sustainable, innovative, safe and continue to be of appropriate standard	4.2.1	Continue roll-out of solar panel program on Council owned buildings.	Solar panel program completed by June 2023.	Capital Works
	4.2.2	Implement a public buildings energy efficiency enhancement program.	Public buildings energy efficiency enhancement program completed by June 2023.	Capital Works
	4.2.3	Install gross pollutant traps (GPT)/water sensitive urban design (WSUD) solution for Site 2 Gresswell Forest.	Construction works completed by June 2023.	Environmental Operations
	4.2.4	Finalise the Banyule Aquatics Strategy that guides the future planning and development of Council's aquatics services and facilities.	Banyule Aquatics Strategy considered for adoption by Council by February 2023.	Sports, Recreation and Community Infrastructure
	4.2.5	Upgrade WaterMarc's Pool Plant Management System, including metering optimisation.	Upgrade of the Pool Plant Management System, including metering optimisation, completed by June 2023.	Capital Works
4.3 Design and build facilities that are multipurpose and encourage community connections	4.3.1	Complete the detailed design for the Stage 2 redevelopment of the Ivanhoe Aquatic leisure facility.	<ul style="list-style-type: none"> Revision of masterplan and schematic design completed (including consultation). Planning permits obtained and tender documentation prepared. 	Strategic Property Projects
	4.3.2	Complete works to progress the opportunity for a mixed use development adjacent to Bell St Mall which includes a purpose built community facility.	<ul style="list-style-type: none"> Request for Proposal to secure developer completed Contract documentation executed Commenced engagement for fit out of community facility. 	Strategic Property Projects
	4.3.3	Explore opportunities for community access to sporting clubs' facilities outside of allocated club hours.	Investigations completed and actions integrated with the community infrastructure plan by June 2023.	Sports, Recreation and Community Infrastructure



Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
4.4 Promote, design and deliver assets that provide spaces for the community to connect	4.4.1	Complete the construction of Montmorency Village precinct streetscape and lighting works.	Construction works completed by October 2022	Capital Works
	4.4.2	Complete reconstruction of Redmond Court Wetland and creation of new parkland.	Reconstruction of Redmond Court Wetland and creation of new parkland completed by June 2023.	Capital Works
4.5 Manage Council's commercial assets, leases and contracts to deliver sustainable, accessible and inclusive outcomes for the community	4.5.1	Oversee the performance of Council's current suite of commercial leases for return on investment and drive increased efficiency and activities.	Alignment of agreements with Council's Lease and Licence Framework and annually report on return on investment for commercial properties.	Property Services
	4.5.2	Manage, transact and guide Council's land use to ensure the best outcome for Council and the community, both financial and non-financial.	Undertake open and transparent property transactions in accordance with our statutory obligations.	Property Services
	4.5.3	Develop new licence agreements for Shop 48 tenants.	All tenants in Shop 48 who are scheduled to renew their licence and new tenants are moved on to the new licence agreements by June 2023.	Community Partnerships
	4.5.4	Undertake annual essential safety measures reports for Council buildings.	Compliance with annual essential safety measures reports completed by June 2022.	Building Maintenance
	4.5.5	Manage the service delivery contracts for Council's major outsourced leisure and functions facilities, including: WaterMarc, Ivanhoe Golf Course, Chelsworth Park, Community Halls, and Macleod Recreation and Fitness Centre.	Service delivery contracts are current and managed as per terms and conditions.	Major Facilities
	4.5.6	In conjunction with the Banyule Art Collection Working Group, research, document, and acquire new works for the Banyule Art Collection	Art works acquisition program completed by June 2023.	Arts and Culture
	4.5.7	Develop and implement a Public Art Framework to guide Council's resource allocation for the Public Art Program.	Framework implemented by December 2022.	Arts and Culture

Strategy	Action number	Annual Action for 2022/23	Annual Target/Measure	Responsible Service
4.6 Actively seek partnerships and collaborate with other organisations to build and utilise community infrastructure	4.6.1	Continue to engage with the North East Link Project on land dealings to drive the best outcome for Council and the community.	Agreements are in place for occupation and acquisition activities for works up to June 2023.	Transport, Planning and Advocacy 
	4.6.2	Implement a 2nd Development Contributions Plan (DCP) to support Council's long-term plans for capital works.	Planning Scheme Amendment endorsed for the 2nd DCP.	Finance and Procurement
	4.6.3	Undertake expansion and improvement works at East Ivanhoe Preschool.	Expansion and improvement work at East Ivanhoe Preschool completed by June 2023.	Capital Works
	4.6.4	Support the ongoing partnership with Launch Housing during the development of the new social housing build in Bellfield.	Regular meetings and contact with Launch Housing to ensure access for housing residents.	Community Partnerships
	4.6.5	Complete the construction of Old Eltham Road Stage 3 as per requirements of Roads to Recovery funding.	Construction of Old Eltham Road Stage 3 completed by December 2022.	Capital Works



= Action supports the Municipal Public Health and Wellbeing Plan.

Our Thriving Local Economy

A thriving, resilient, socially responsible local and integrated economy that encourages, supports and advocates for a diverse range of businesses and entrepreneurship, providing local investment and employment opportunities

Table 5 | Our Thriving Local Economy

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
5.1 Stimulate and support a vibrant and resilient local economy to encourage business, employment and investment opportunities	5.1.1	Complete the Economic Development Strategy, inclusive of a Retail Review.	Economic Development Strategy prepared and considered for adoption by Council by March 2023.	Economic Development
	5.1.2	Continue the Small Business Permit Assist program.	Support 10 applications per quarter.	Economic Development
5.2 Encourage, assist and connect businesses with the tools, information and opportunities to succeed and be sustainable	5.2.1	Deliver training and development that supports businesses with networking opportunities, business development and one-on-one mentoring.	Provide twenty-five networking opportunities by June 2023.	Economic Development
5.3 Support innovation, business start-ups and the development of micro, disability, Aboriginal and creative enterprises across Banyule	5.3.1	Secure funding or strategic partnerships to expand start-up and development support for social enterprises, microenterprise, disability enterprise, Aboriginal enterprise and creative enterprise.	Resources secured to support program development by June 2023.	Inclusive Enterprise and Local Jobs
	5.3.2	Deliver the Youth Marketspace and Creatives for Hire programs to provide entrepreneurial opportunities for young people.	Minimum of 10 young people supported via youth entrepreneurial opportunities and workshops	Youth Services
5.4 Build strong regional partnerships to leverage growth corridors and stimulate ongoing economic prosperity	5.4.1	Promote Banyule businesses by participating in a range of activities through North Link.	Deliver Phase 3 of the Visit Melbourne's North Campaign by June 2023.	Economic Development

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
5.5 Partner with local employers, agencies and other organisations to create inclusive jobs	5.5.1	Deliver Banyule's Inclusive Jobs Service program that supports employers to create inclusive workplaces.	Twenty-two employment opportunities created with partnering employers by June 2023.	Inclusive Enterprise and Local Jobs
	5.5.2	Secure funding to expand Banyule's Inclusive Employment Program across Local Governments in the Northern Region.	Twenty-five inclusive employment opportunities created within partnering councils by June 2023.	Inclusive Enterprise and Local Jobs
	5.5.3	Deliver the Jobs Victoria Advocate program.	Total of 3650 job seekers supported by Jobs Victoria Advocates by June 2023.	Inclusive Enterprise and Local Jobs
5.6 Provide and facilitate job readiness programs and pathways to employment	5.6.1	Deliver a range of activities, programs or workshops that support young people's skill building, creative and employment pathways.	Minimum of one activity, program, or workshop delivered per term.	Youth Services
	5.6.2	Provide work experience and tertiary placements at Banyule Council.	Ten pathways to employment opportunities supported within Banyule Council by June 2023.	People and Culture
5.7 Encourage and support volunteerism within Banyule as an important contributor to the local economy and involvement in community life	5.7.1	Commence a phased implementation plan to address recommendations outlined in the draft Banyule Volunteer Engagement Framework.	Phased implementation plan developed by June 2023.	Community Connections
	5.7.2	Promote, support and celebrate the work of Banyule volunteers.	Provide an activity or event celebrating Banyule volunteers by June 2023.	Community Connections
5.8 Create distinctive, appealing and thriving shopping centres and industrial precincts that have a local identity and contribute to a strong sense of place	5.8.1	Review Special Rate and Charge schemes for local shopping centres	Special Rate and Charge schemes managed for Ivanhoe and East Ivanhoe.	Economic Development
	5.8.2	Continue to advocate to the State Government for the LaTrobe National Employment and Innovation Cluster (NEIC) Plan to be finalised and implemented.	<ul style="list-style-type: none"> LaTrobe NEIC Plan approved by State Government State Government investment in the LaTrobe NEIC Precinct achieved. 	Economic Development
5.9 Create inclusive employment opportunities within Banyule Council	5.9.1	Deliver the Banyule Inclusive Employment Program to support targeted community groups experiencing significant barriers to employment	Thirty employment opportunities created within Banyule by June 2023	Inclusive Enterprise and Local Jobs

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
workforce for people facing barriers to employment	5.9.2	Deliver traineeships and identified roles to support targeted community groups that are underrepresented in Council's workforce.	Ten employment opportunities created by June 2023.	People and Culture 
	5.9.3	Implement and embed the Diversity and Inclusion Plan.	Diversity and Inclusion Plan Year 1 actions completed by June 2023.	People and Culture 
	5.9.4	Embed mandatory diversity and inclusion training and cultural awareness training for all Banyule Council staff.	Diversity and inclusion training embedded by June 2023.	People and Culture 
5.10 Lead as a social enterprise capital of Victoria by encouraging innovative social enterprises to set-up their operations and offices within the City of Banyule	5.10.1	Deliver Banyule's Social Enterprise Partnership Program.	Total of thirty-two inclusive local job outcomes created by June 2023.	Inclusive Enterprise and Local Jobs
	5.10.2	Support a community-led Banyule Social Enterprise Network.	Banyule Social Enterprise Network launched by June 2023.	Inclusive Enterprise and Local Jobs
	5.10.3	Deliver Banyule's Social Enterprise Support Service.	Thirty existing or emerging Social Enterprises accessing the social enterprise support service by June 2023.	Inclusive Enterprise and Local Jobs



= Action supports the Municipal Public Health and Wellbeing Plan.


Our Trusted and Responsive Leadership

A responsive, innovative and engaged Council that has the trust of our community through demonstrated best practice governance, is sustainable, and advocates on community priorities and aspirations

Table 6 | Our Trusted and Responsive Leadership

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
6.1 Provide good governance, be accountable and make informed decisions based on sound evidence	6.1.1	Continue to develop a governance and compliance framework that ensures policies and legislative compliance requirements are up to date and reviewed and in line with relevant legislation and council objectives.	Draft governance and compliance framework developed by June 2023.	Governance
	6.1.2	Develop a corporate training and development program that aims to continue to educate and build the capacity of members of Council staff and Councillors on good governance, transparency and their respective obligations.	Draft corporate training and development program designed and delivered by June 2023.	Governance
	6.1.3	Commence review of Council's General Local Law No. 1 (2015).	Project plan developed by June 2023 to review the General Local Law No. 1 (2015) prior to its sunset in 2025.	Municipal Laws
	6.1.4	Upgrade Council's Electronic Document Management System (EDRMS) and move to a cloud hosted solution.	Content Manager 10 upgrade completed by November 2022.	Information Management
	6.1.5	Update Council's Records Management Policy	Council's Records Management Policy updated and endorsed by the Executive Management Team by May 2023.	Information Management
	6.1.6	Review the Dogs and Cats in Public Places Council Order 1998.	<ul style="list-style-type: none"> Review completed by December 2022. Required changes implemented by June 2023. 	Municipal Laws

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	6.1.7	Review report findings provided by industry integrity agencies (VAGO, Ombudsman, LG inspectorate, IBAC), conduct self assessment and implement process improvement opportunities as identified.	Reports provided to the Audit & Risk Advisory Committee as required, outlining Banyule's compliance with the best practice recommendations.	Governance
	6.1.8	Review the smoking reform and footpath trading requirements to achieve an integrated approach.	Review completed by October 2022.	Municipal Laws
6.2 Provide outstanding customer service and a great customer experience for all	6.2.1	Embed the Banyule Service Promise to improve customer satisfaction.	<ul style="list-style-type: none"> Revised Customer Experience (CX) training module developed by December 2022 Improve customer satisfaction score by 2% compared to 2021. 	CX Strategy CX Operations
	6.2.2	Implement the Voice of Customer (VoC) Framework.	Pilot 'post call' survey to capture customer feedback implemented by October 2022.	CX Strategy
	6.2.3	Implement system improvements in relation to pre-applications, application submissions and public engagement identified through the Better Planning Approvals project to streamline and enhance the planning process for customers.	Implementation of improvements identified by June 2023.	Development Planning
	6.2.4	Implement new payment options available to the community for Building and Planning permits and services.	Deliver the new payment options by June 2023.	IT Applications and Digital Team
	6.2.5	Implement online lodgement options for construction related permit applications.	Implementation of online portal by June 2023.	Municipal Laws
6.3 Provide responsible management of resources to ensure the financial sustainability of Banyule Council	6.3.1	Deliver Integrated Financial Management planning, monitoring and reporting that support Banyule's financial sustainability into 2032.	Budget, Revenue and Rating Plan, Financial Plan, and Annual Report considered for adoption by Council in accordance with legislation.	Finance and Procurement

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
6.4 Provide an integrated approach to planning and community reporting aligned to the Banyule Community Vision 2041	6.4.1	Implement the Integrated Strategic Planning and Reporting Framework through delivery of the Community Vision 2041 and Council Plan 2021-2025.	<ul style="list-style-type: none"> Relevant reporting included in Council's Annual Report Progress and achievement of the Council Plan annual action plan through progress reporting to the community, and community engagement on the annual review of the Council Plan Key plans and policies are aligned with Council Plan strategic objectives (as they are developed or reviewed). 	Corporate and Integrated Planning
	6.4.2	Review and implement a range of internal and external performance reports, community dashboards and systems that enhance organisational performance, transparency and public trust.	<ul style="list-style-type: none"> Reporting Framework for internal and external reporting requirements updated by October 2022 Improvement opportunities identified for organisational and Community Performance reporting. 	Corporate and Integrated Planning
	6.4.3	Develop a matrix of indicators to measure the diversity and social inclusion in Council services, programs and events	Social inclusion and diversity indicators developed.	Community Impact 
6.5 Build an empowered, engaged and diverse workforce with a values-based culture	6.5.1	Embed the Leadership Capability Framework (LCF) by aligning all leadership development activities to the framework.	Leadership Capability Framework (LCF) Year 2 actions completed by June 2023.	People and Culture
	6.5.2	Implement the Gender Equality Action Plan (GEAP) to better protect against gendered discrimination and improve gender equality.	Gender Equality Action Plan (GEAP) Year 1 actions completed by June 2023.	People and Culture
	6.5.3	Implement a Banyule Workforce Plan.	Workforce Plan Year 1 actions completed by June 2023.	People and Culture
	6.5.4	Implement an Induction Framework to ensure all staff are inducted safely into the workplace.	Induction Compliance Matrix implemented by December 2022.	People and Culture

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	6.5.5	Deliver timely and engaging internal communications.	Establish a baseline employee satisfaction measure for internal communications.	Communications, Advocacy and Engagement
6.6 Proactively manage Council's risks and provide a safe workplace	6.6.1	Implement a Safety Management Framework.	Safety Management Framework (SMF) Year 2 actions completed by June 2023.	People and Culture
	6.6.2	Embed a Zero Tolerance to Sexual Harassment to enable a workplace free from Sexual Harassment.	Undertake a Sexual Harassment Survey for Councillors and Staff by June 2023	People and Culture
	6.6.3	Implement the 'Essential Eight' of cyber security mitigation strategies to enhance Council's security posture.	Phase two of mitigation strategies completed by June 2023.	IT Infrastructure and Operations Team
6.7 Invest in new technology and innovative digital solutions to deliver seamless and responsive services	6.7.1	Optimise the new Contact Centre platform to benefit staff and the community	<ul style="list-style-type: none"> Review effectiveness of new Contact Centre platform and assess suitability for expansion into other work areas by December 2022 Reduce or maintain average call wait times within target of less than 1 minute. 	CX Operations
	6.7.2	Continue phase 1 implementation of a new Customer Experience Platform (CXP).	Implement the next phase of online services to the community by June 2023	Digital Transformation Team CX Strategy
	6.7.3	Implement an integrated venue booking system and event management solution.	Facilities and events are managed centrally and this online service is available to the community by December 2022	IT Applications and Digital Team
	6.7.4	Deliver a Smart Buildings and Security project to consolidate and provide enhanced features to access controls and CCTV.	Migrate more Council sites to the new system by June 2023.	IT Infrastructure and Operations Team

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	6.7.5	Undertake Banyule Seniors Link UP project to facilitate digital literacy for seniors' club members and older residents.	<ul style="list-style-type: none"> Banyule Seniors Link UP project completed by December 2022. Ongoing support to seniors' clubs to maintain digital literacy within clubs. 	Community Connections
	6.7.6	Deliver modern online services for patrons of Banyule Leisure and implement new membership software for staff.	New software is implemented for staff and patrons by December 2022.	IT Infrastructure and Operations Team
6.8 Engage meaningfully with our diverse community, encourage participation, and be proactive and responsive to current and emerging needs	6.8.1	Identify new and emerging trends in 2021 Census data and share with relevant stakeholders.	2021 Census data is mined and analysed for trends.	Community Impact
	6.8.2	Implement Council's Community Engagement Policy to strengthen community engagement practice.	<ul style="list-style-type: none"> Deliver Community Engagement (CE) training to build internal capability Establish internal community of practice to strengthen CE skills Increase in confidence and capability of Council staff over 12 month period. 	Communications, Advocacy and Engagement
	6.8.3	Increase the number of Shaping Banyule followers and the proportion who have a positive digital engagement experience.	<ul style="list-style-type: none"> Proportion of Shaping Banyule project followers who agree or strongly agree that their experience of community engagement has been positive Increase in number of Shaping Banyule project followers by 10%. 	Communications, Advocacy and Engagement
	6.8.4	Work with Advisory Committees to support and collaborate on key social justice advocacy matters.	Key social justice matters of availability of support services, affordable housing, integrated-place based planning, inclusion and resilience are addressed.	Community Impact
6.9 Improve the reach, transparency, impact and	6.9.1	Increase engagement and average audience across all Council social media channels.	<ul style="list-style-type: none"> More than 10% audience increase overall More than 10% increase on average engagement compared to previous year. 	Communications, Advocacy and Engagement

Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
responsiveness of our communications	6.9.2	Continue to grow the number of subscribers and readership of Council-wide digital newsletter.	<ul style="list-style-type: none"> 10% growth of subscribers by 30 June 2023 Click through rate increased by 10% by 30 June 2023. 	Communications, Advocacy and Engagement
	6.9.3	Increase customer satisfaction and number of visits to Council's corporate website.	<ul style="list-style-type: none"> Achieve a minimum 80% positive satisfaction rate for top 10 most visited pages on banyule.vic.gov.au Site visitation numbers more than 750,000. 	Communications, Advocacy and Engagement
	6.9.4	Undertake a community survey to measure the overall satisfaction and effectiveness of Council communications.	<ul style="list-style-type: none"> Survey conducted by March 2023 Overall awareness and readership of the Banyule Banner maintained. Overall awareness and readership of the News From Our Neighbourhood increased. 	Communications, Advocacy and Engagement
6.10 Advocate for community priorities and aspirations to improve service, infrastructure, land use, environmental and social outcomes	6.10.1	Implement Council's Advocacy Framework and Action Plan, and report on progress to the community.	<ul style="list-style-type: none"> List of advocacy priorities developed for endorsement by Council in August 2022 Provide progress update to the community by December 2022. 	Communications, Advocacy and Engagement
	6.10.2	Undertake advocacy with the Victorian Government for improved community outcomes for major transport projects.	Secure improved community infrastructure and service outcomes.	Transport, Planning and Advocacy
6.11 Continually improve, innovate and review our services to ensure they are effective, efficient and represent value for money	6.11.1	Continue to embed the Continuous Improvement Framework into Council's systems and processes.	<ul style="list-style-type: none"> Embed Benefits Realisation Framework in CI projects/initiatives Continue to build capability and skills via delivery of CI training program Provide CI subject matter expertise in support of the Customer Experience Platform (CXP) project. 	Continuous Improvement
	6.11.2	Continue to embed the Customer Complaints Process.	Undertake a post implementation review of the Customer Complaints Process by December 2022.	CX Operations

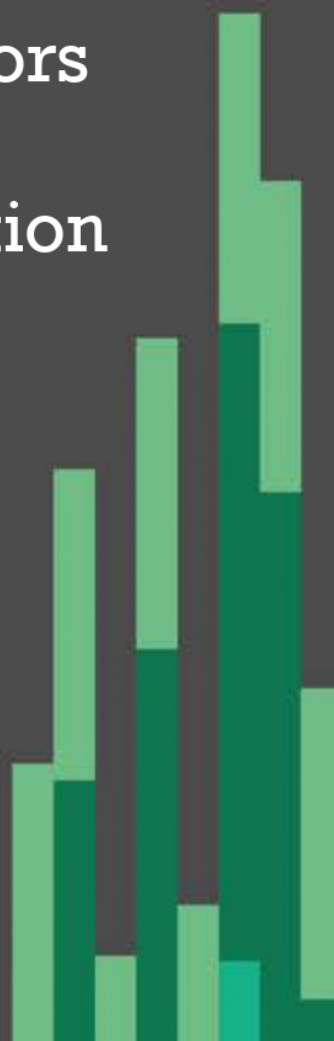
Strategy	Action number	Annual Action for 2022/2023	Annual Target/Measure	Responsible Service
	6.11.3	Deliver Council's targeted Service Development Review Program.	Two services reviewed by June 2023.	Strategic Development and Performance
	6.11.4	Continue to implement the Smart Cities program by deploying additional sensors and collecting data to support informed decision making.	New sensors deployed and data sharing with service areas commenced by June 2023.	IT Infrastructure and Operations Team
6.12 Provide responsible management of procurement activity in a way that enhances social, economic and environmental outcomes	6.12.1	Work together with other Northern Region councils to actively pursue opportunities for aggregated collaborative procurement activities to minimise cost shifting, obtain efficiencies, lead on environmental and social outcomes, and create greater value for money opportunities.	<ul style="list-style-type: none"> Procurement Tenders over \$1 million considered for collaboration with other Councils Annual procurement plan 2022/2023 prepared by August 2022. 	Strategic Procurement
	6.12.2	Embed the Sustainable Procurement Framework into Council policy and guidelines.	Measurement and reporting framework developed by June 2023.	Strategic Procurement



= Action supports the Municipal Public Health and Wellbeing Plan.

Victorian
Independent
Remuneration
Tribunal

Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022





DETERMINATION

[2022] DCM 01

Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)

Part 3—Determination of the allowance payable to Mayors, Deputy Mayors and Councillors.

Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria)

Determination No. 01/2022

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Part 1 – Legal matters and definitions

1. **Title:** This Determination is the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022 and is made under Part 3 of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic) by the Victorian Independent Remuneration Tribunal.

2. **Effective date:** This Determination takes effect on 18 December 2021.

3. Definitions

3.1 Terms not defined in this Determination have the same meaning as in the *Local Government Act 2020* (Vic), unless the contrary intention appears.

3.2 In this Determination, unless the contrary intention appears:

Council member means a Mayor, Deputy Mayor or Councillor of a Council;

Eligible Local Governing Body means a Council whose Council members are employees for the purposes of *Superannuation Guarantee (Administration) Act 1992* (Cth) (as amended or replaced from time to time) and are entitled to Superannuation Guarantee Contributions under that Act, by virtue of the Council having made a resolution under section 446-5 of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (as amended or replaced from time to time);

Superannuation Guarantee Contribution means the minimum superannuation payments that an employer is required to make to a superannuation fund on an employee's behalf so as to avoid the superannuation guarantee charge under the *Superannuation Guarantee (Administration) Act 1992* (Cth) (as amended or replaced from time to time);

VIRTIPS Act means the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic).

4. Coverage and application

4.1 This Determination sets the value of the amount of the allowance payable to Council members.

4.2 The value of the amount of the allowance payable to a Council member is comprised of two parts:

- (a) a base allowance, which varies according to Council allowance categories, set in Part 3 of this Determination
- (b) subject to eligibility requirements, a Remote Area Travel Allowance set in Part 4 of this Determination.

Part 2 – Council allowance categories

5. Council allowance categories

- 5.1 In accordance with section 23A of the VIRTIPS Act, Schedule A of this Determination provides for a Council allowance category for each Council.
- 5.2 The value of the base allowance that a Council member is entitled to, set in Part 3 of this Determination, varies depending on the Council allowance category of their Council.

Part 3 – Base allowance for Council members

6. Council members entitled to a base allowance

- 6.1 Each Council member is entitled to a base allowance. A Council member is only entitled to receive one base allowance for any particular period of service.

7. Value of the base allowance for Mayors

- 7.1 The values of the base allowances for Mayors are:
 - (a) from 18 December 2021 until 17 December 2022, the values set out in Table 1
 - (b) from 18 December 2022 until 17 December 2023, the values set out in Table 2
 - (c) from 18 December 2023 until 17 December 2024, the values set out in Table 3
 - (d) from 18 December 2024 until 17 December 2025, the values set out in Table 4

(e) from 18 December 2025, the value set out in Table 5.

**Table 1: value of the base allowance for Mayors, by Council allowance category,
18 December 2021 until 17 December 2022**

Council allowance category	Value of allowance (\$ per annum)
Category 1	74,706
Category 2	96,470
Category 3	119,316
Category 4 – Melbourne City Council	238,634

**Table 2: value of the base allowance for Mayors, by Council allowance category,
18 December 2022 until 17 December 2023**

Council allowance category	Value of allowance (\$ per annum)
Category 1	76,781
Category 2	99,150
Category 3	122,630
Category 4 – Melbourne City Council	245,262

**Table 3: value of the base allowance for Mayors, by Council allowance category,
18 December 2023 until 17 December 2024**

Council allowance category	Value of allowance (\$ per annum)
Category 1	78,857
Category 2	101,830
Category 3	125,944
Category 4 – Melbourne City Council	251,891

**Table 4: value of the base allowance for Mayors, by Council allowance category,
18 December 2024 until 17 December 2025**

Council allowance category	Value of allowance (\$ per annum)
Category 1	80,932
Category 2	104,510
Category 3	129,259
Category 4 – Melbourne City Council	258,520

**Table 5: value of the base allowance for Mayors, by Council allowance category,
from 18 December 2025**

Council allowance category	Value of allowance (\$ per annum)
Category 1	83,007
Category 2	107,189
Category 3	132,573
Category 4 – Melbourne City Council	265,148

8. Value of the base allowance for Deputy Mayors

8.1 The values of the base allowances for Deputy Mayors are:

(a) from 18 December 2021 until 17 December 2022, the values set out in Table 6

- (b) from 18 December 2022 until 17 December 2023, the values set out in Table 7
- (c) from 18 December 2023 until 17 December 2024, the values set out in Table 8
- (d) from 18 December 2024 until 17 December 2025, the values set out in Table 9
- (e) from 18 December 2025, the value set out in Table 10.

Table 6: value of the base allowance for Deputy Mayors, by Council allowance category, 18 December 2021 until 17 December 2022

Council allowance category	Value of allowance (\$ per annum)
Category 1	37,353
Category 2	48,235
Category 3	59,658
Category 4 – Melbourne City Council	119,317

Table 7: value of the base allowance for Deputy Mayors, by Council allowance category, 18 December 2022 until 17 December 2023

Council allowance category	Value of allowance (\$ per annum)
Category 1	38,391
Category 2	49,575
Category 3	61,315
Category 4 – Melbourne City Council	122,631

Table 8: value of the base allowance for Deputy Mayors, by Council allowance category, 18 December 2023 until 17 December 2024

Council allowance category	Value of allowance (\$ per annum)
Category 1	39,428
Category 2	50,915
Category 3	62,972
Category 4 – Melbourne City Council	125,945

Table 9: value of the base allowance for Deputy Mayors, by Council allowance category, 18 December 2024 until 17 December 2025

Council allowance category	Value of allowance (\$ per annum)
Category 1	40,466
Category 2	52,255
Category 3	64,629
Category 4 – Melbourne City Council	129,260

Table 10: value of the base allowance for Deputy Mayors, by Council allowance category, from 18 December 2025

Council allowance category	Value of allowance (\$ per annum)
Category 1	41,503
Category 2	53,595
Category 3	66,286
Category 4 – Melbourne City Council	132,574

9. Value of the base allowance for Councillors

9.1 The values of the base allowances for Councillors are:

- (a) from 18 December 2021 until 17 December 2022, the values set out in Table 11
- (b) from 18 December 2022 until 17 December 2023, the values set out in Table 12
- (c) from 18 December 2023, the values set out in Table 13.

Table 11: value of the base allowance for Councillors, by Council allowance category, 18 December 2021 until 17 December 2022

Council allowance category	Value of allowance (\$ per annum)
Category 1	24,080
Category 2	30,024
Category 3	35,972
Category 4 – Melbourne City Council	53,957

Table 12: value of the base allowance for Councillors, by Council allowance category, 18 December 2022 until 17 December 2023

Council allowance category	Value of allowance (\$ per annum)
Category 1	24,775
Category 2	30,890
Category 3	37,010
Category 4 – Melbourne City Council	55,513

Table 13: value of the base allowance for Councillors, by Council allowance category, from 18 December 2023

Council allowance category	Value of allowance (\$ per annum)
Category 1	25,469
Category 2	31,756
Category 3	38,047
Category 4 – Melbourne City Council	57,070

Part 4 – Remote Area Travel Allowance

10. Remote Area Travel Allowance

10.1 If a Council member normally resides more than 50 kilometres by the shortest possible practicable road distance from the location or locations specified for the conduct of ordinary, special or committee meetings of the Council, or any municipal or community functions which have been authorised by Council resolution for the Council member to attend, the Council member is entitled to be paid an allowance of \$44 for each day on which one or more meetings or authorised functions were attended by the Council member, up to a maximum of \$5,500 per annum.

Part 5 – Other matters

11. Allowance inclusive of superannuation entitlements

11.1 The value of the allowance payable to a Council member is inclusive of any Superannuation Guarantee Contribution amount, or equivalent, that may be payable under Commonwealth law to the Council member with respect to their service in that office (for example, due to the Council member's Council being an Eligible Local Governing Body).

12. Annual indexation of allowances

12.1 For the purpose of s. 23A(5)(b) of the VIRTIPS Act, the values of allowances set in this Determination will be annually adjusted by the Determinations made by the Tribunal under s. 23B of the VIRTIPS Act.



Warren McCann

Chair

Victorian Independent
Remuneration Tribunal



The Honourable Jennifer Acton

Member

Victorian Independent
Remuneration Tribunal

Date: 07/03/2022

Schedule A — Council allowance category for each Council

Category 1

Category 1	
Alpine Shire Council	Mansfield Shire Council
Ararat Rural City Council	Mount Alexander Shire Council
Benalla Rural City Council	Murrindindi Shire Council
Buloke Shire Council	Northern Grampians Shire Council
Central Goldfields Shire Council	Pyrenees Shire Council
Corangamite Shire Council	Borough of Queenscliffe
Gannawarra Shire Council	Southern Grampians Shire Council
Hepburn Shire Council	Strathbogie Shire Council
Hindmarsh Shire Council	Towong Shire Council
Indigo Shire Council	West Wimmera Shire Council
Loddon Shire Council	Yarriambiack Shire Council

Category 2

Category 2	
Bass Coast Shire Council	Maroondah City Council
Baw Baw Shire Council	Mildura Rural City Council
Bayside City Council	Mitchell Shire Council
Campaspe Shire Council	Moiria Shire Council
Colac Otway Shire Council	Moorabool Shire Council
East Gippsland Shire Council	Moyne Shire Council
Glenelg Shire Council	Nilumbik Shire Council
Golden Plains Shire Council	South Gippsland Shire Council
Greater Shepparton City Council	Surf Coast Shire Council
Hobsons Bay City Council	Swan Hill Rural City Council
Horsham Rural City Council	Wangaratta Rural City Council
Latrobe City Council	Warrnambool City Council
Macedon Ranges Shire Council	Wellington Shire Council
Maribyrnong City Council	Wodonga City Council

Category 3

Category 3	
Ballarat City Council	Knox City Council
Banyule City Council	Manningham City Council
Boroondara City Council	Melton Shire Council
Brimbank City Council	Monash City Council
Cardinia Shire Council	Moreland City Council
Casey City Council	Moonee Valley City Council
Darebin City Council	Mornington Peninsula Shire Council
Glen Eira City Council	Port Phillip City Council
Frankston City Council	Stonnington City Council
Greater Bendigo City Council	Whitehorse City Council
Greater Dandenong City Council	Whittlesea City Council
Greater Geelong City Council	Wyndham City Council
Hume City Council	Yarra City Council
Kingston City Council	Yarra Ranges Shire Council

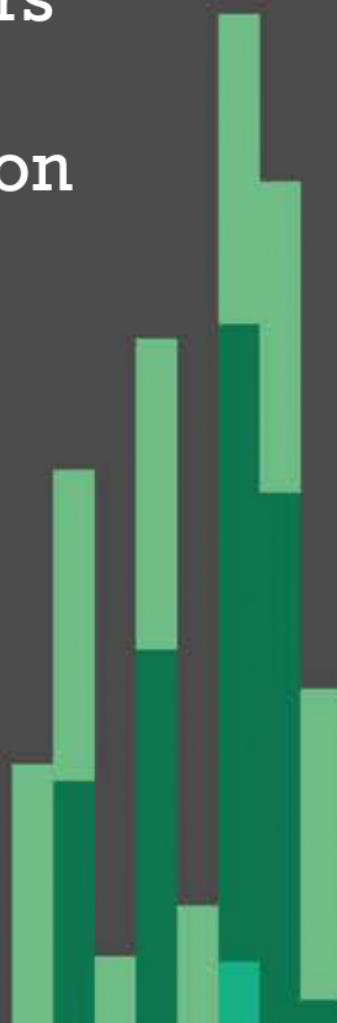
Category 4 – Melbourne City Council

Category 4 – Melbourne City Council
Melbourne City Council

Victorian
Independent
Remuneration
Tribunal

Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022

Statement of Reasons



11



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Abbreviations and glossary



Term or abbreviation	Definition
2008 Policy Statement	<i>Recognition and Support, the Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances and Resources</i>
ABS	Australian Bureau of Statistics
annual adjustment guideline rate	A mechanism set by the Premier to adjust remuneration for executives in the public sector
AWOTE	Average Weekly Ordinary Time Earnings
Budget Update 2021/22	<i>Victorian Budget 2021/22 – 2021/22 Budget Update</i>
Casual NMW	National Minimum Wage with casual loading
Category points	A calculation (based on each Council's population and revenue) used to assign Councils (except for Melbourne City Council) to allowance categories since 2001.
CBD	Central Business District
CEO	Chief Executive Officer
Council member	A Mayor, a Deputy Mayor or a Councillor
CPI	Consumer Price Index
DPC	Department of Premier and Cabinet
DTF	Department of Treasury and Finance
ELGB	Eligible Local Governing Body
ESC	Essential Services Commission
GBE	Government Business Enterprise
GDP	Gross Domestic Product
GRP	Gross Regional Product
GSP	Gross State Product
Guidelines	<i>Appointment and Remuneration Guidelines</i>
LGA	Local government area

Term or abbreviation	Definition
LG Act 2020	<i>Local Government Act 2020 (Vic)</i>
LGBTQIA+	Lesbian, gay, bisexual, transgender, queer (or questioning), intersex, and asexual (or allies) plus
LGV	Local Government Victoria
MAV	Municipal Association of Victoria
Melbourne CPI	All Groups Consumer Price Index for Melbourne
MP	Member of the Parliament of Victoria
Municipal district	District for which a Council provides local government services
NMW	National Minimum Wage
p.a.	per annum
RATA	Remote area travel allowance
RBA	Reserve Bank of Australia
SG Act	<i>Superannuation Guarantee (Administration) Act 1992 (Cth)</i>
Tribunal	Victorian Independent Remuneration Tribunal
VAGO	Victorian Auditor-General's Office
Victorian Budget	Victorian Budget 2021/22
Victorian Financial Report	<i>Victorian Budget 2020/21 – 2020-21 Financial Report</i>
VIRTIPS Act	<i>Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)</i>
VLGA	Victorian Local Governance Association
VPSC	Victorian Public Sector Commission
Ward	A subdivision of a municipal district. Council members are elected to represent a ward. The entire municipal district is considered one ward if the municipal district is not subdivided.
WPI	Wage Price Index

1 Introduction



The Victorian Independent Remuneration Tribunal was established in 2019 by the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (VIRTIPS Act) to support transparent, accountable and evidence-based decision-making in relation to the remuneration of elected officials and public sector executives in Victoria.

The VIRTIPS Act requires the Tribunal to inquire into and make Determinations in relation to:

- salaries and allowances for Members of the Parliament of Victoria
- remuneration bands for executives employed in public service bodies
- remuneration bands for executives employed in prescribed public entities
- allowances provided to Mayors, Deputy Mayors and Councillors in local government (Council members).

In performing its functions and in exercising its powers, the Tribunal must act independently and impartially and is not subject to the control or direction of any person, including the Minister.¹

On 17 June 2021, the Minister for Local Government, in consultation with the Minister for Government Services, formally requested the Tribunal to make its first Determination relating to the allowances of Council members. This request was made under section 23A(4) of the VIRTIPS Act (Appendix A).

In its Determination, the Tribunal is required to include a Statement of Reasons for the making of the Determination. This Statement of Reasons relates to the Tribunal's first Determination of the allowances for Council members.

¹ VIRTIPS Act, s. 5.

1.1 Scope of this Determination

Section 23A(1) of the VIRTIPS Act requires the Tribunal to make a Determination setting the value of the amount of the allowance payable to Council members. The Determination must provide for Council allowance categories (which may be specified for a single Council or a group of Councils).²

The *Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022* is the first Determination to be made under this section of the VIRTIPS Act.

In making this Determination, the Tribunal was required to:³

- include a comprehensive review of the existing allowance categories and Councillor allowances and Mayoral allowances under the *Local Government Act 1989* (Vic), taking into account similar allowances for elected members of local government bodies in other states and allowances for persons elected to other 'voluntary part-time community bodies'
- provide for the annual indexation of allowances
- set the value of allowances at not less than the existing equivalent allowances under the *Local Government Act 1989* (Vic)
- provide for any other matter the Tribunal considered relevant.

In making any of its Determinations, the Tribunal must also consider:⁴

- any statement or policy issued by the Government of Victoria which is in force with respect to its wages policy (or equivalent) and the remuneration and allowances of any specified occupational group
- the financial position and fiscal strategy of the State of Victoria
- current and projected economic conditions and trends
- submissions received in relation to the proposed Determination
- any other prescribed matter.

The *Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022* applies to every Council member in all 79 Councils in Victoria. Approximately 620 Council members were elected to Councils at the most recent local government general elections held in 2020.⁵

² VIRTIPS Act, ss. 23A(2), 23A(3).

³ VIRTIPS Act, s. 23(5).

⁴ VIRTIPS Act, s. 24(2).

⁵ Victorian Electoral Commission (2021), p. 27.

For the purposes of clarity, in this Statement of Reasons, the term ‘Councils’ refers to the whole Council organisation (including both the elected representatives and the staff of a Council) and the terms ‘Mayor’, ‘Deputy Mayor’, and ‘Councillors’ or ‘Council members’ refer to the elected representatives of a Council.

The Determination does not apply to:

- administrators and Municipal Monitors appointed to a Council — remuneration for these roles is fixed by the Minister for Local Government⁶
- Council staff, including the Chief Executive Officer (CEO) of each Council⁷
- a member of a delegated committee,⁸ unless the member is also a Council member.

The Determination does not deal with Council expenses policies, which govern reimbursement of the out-of-pocket expenses of Council members, or the resources and facilities that Councils provide to Council members to perform their roles. Under the *Local Government Act 2020* (Vic) (LG Act 2020), individual Councils are responsible for policies governing expenses and for providing resources and facilities to Council members.⁹

1.2 Consultation

Pursuant to section 24(1) of the VIRTIPS Act, and before making this Determination, the Tribunal:

- published a notice of intention to make a Determination on its website, including details about the proposed Determination
- gave any affected person or a class of affected persons a reasonable opportunity to make a submission in relation to the proposed Determination.

To support parties to make a submission, the Tribunal also published a Consultation Paper alongside the notice of intention.

The Tribunal received 48 submissions.

In addition, to inform the making of this Determination, the Tribunal:

⁶ LG Act 2020, ss. 179, 220.

⁷ LG Act 2020, s. 45.

⁸ Under s. 11 of the LG Act 2020, a Council may delegate certain powers, duties or functions to a delegated committee. A delegated committee must include at least two Councillors and ‘may include any other persons appointed to the delegated committee by the Council who are entitled to vote’ (s. 63 of the LG Act 2020).

⁹ LG Act 2020, ss. 40-42.

- distributed a questionnaire to each currently-serving Council member seeking information about Council member roles, views on allowance values and other matters the Tribunal should consider in setting the value of allowances — the Tribunal received 258 responses
- received oral submissions from representatives of eight different organisations
- distributed a data request to each Council seeking information about the value of allowances paid to currently serving Council members.

Details of consultation processes used by the Tribunal are summarised in Appendix B.

The Tribunal would like to express its appreciation to all those who made submissions or who otherwise participated in the processes above and assisted the Tribunal to perform its functions.

1.3 Acknowledgement

The Tribunal would like to express its appreciation to Barbara Belcher AM, who stepped down from her role as Tribunal Member in February 2022. Barbara was an inaugural member of the Tribunal, having been appointed to the role in June 2019 following a distinguished career in the Australian Public Service. The Tribunal thanks Barbara for her many contributions as a Tribunal Member, including to this Determination, and wishes her all the best in her future endeavours.

1.4 Structure of this Statement of Reasons

Chapter 2 of this Statement of Reasons provides an overview of the role and responsibilities of Councils in Victoria, while Chapter 3 focuses more specifically on the changing roles and responsibilities of Council members. An overview of the allowance framework that applied prior to the making of this Determination is provided in Chapter 4.

In Chapter 5, comparisons are made between the value of allowance payable to Council members in Victoria and those for elected members of local government bodies in other Australian jurisdictions, allowances for 'persons elected to other voluntary part-time community bodies', payments made to the Chairs and directors of some public entity boards in Victoria and salaries payable to Members

of Parliament in Victoria. Chapter 6 details relevant macroeconomic and financial considerations considered by the Tribunal. The Tribunal's overall considerations and conclusions on the value of the allowance payable to Council members, Council allowance categories and the new allowance framework are set out in Chapter 7.

2 Role and responsibilities of Councils



Local government has wide-ranging responsibilities under more than 120 pieces of Victorian legislation, including land use planning and building control, public health services, domestic animal control and environmental protection legislation.¹⁰ There are 79 Councils across Victoria that make up the local government sector.

The primary role of each Council is to provide good governance for the benefit and wellbeing of its municipal community, which includes residents, ratepayers, traditional landowners and those who conduct activities in the municipal district.¹¹

Each elected Council represents a municipal district. Each municipal district is represented by between five and 12 Council members who are elected by residents of the district and ratepayers.¹² Council elections are held in Victoria every four years and the voting system is set by the Minister for Local Government.¹³

Elected Council members are collectively responsible for appointing the Council's CEO for up to five years. The CEO is responsible for overseeing the day-to-day management of Council services and activities, Council staffing matters and supporting Council members in the performance of their roles.¹⁴

Figure 2.1 illustrates the relationship between the elected representatives of a Council — Mayors, Deputy Mayors and Councillors — and the administration — the CEO and other staff.

¹⁰ State Government of Victoria (n.d.).

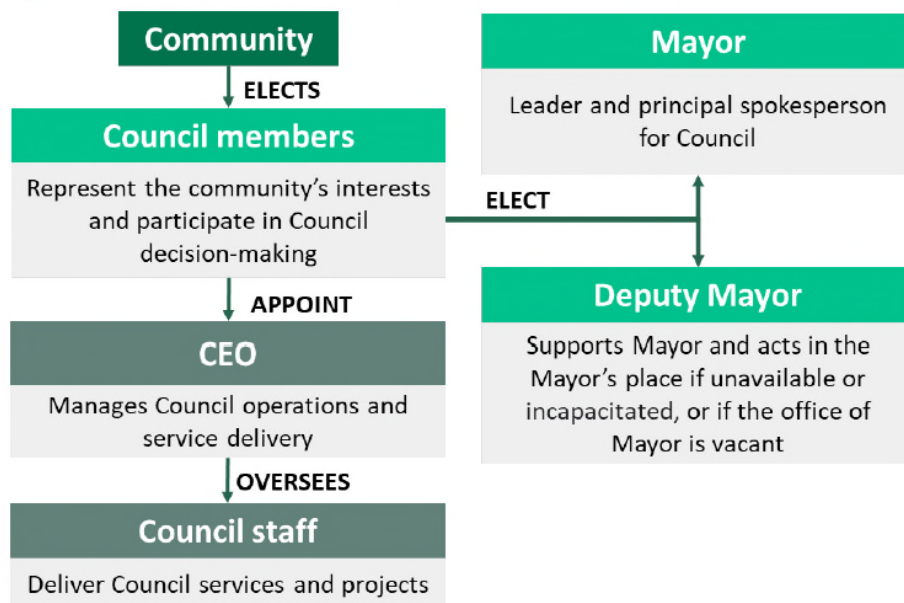
¹¹ LG Act 2020, ss. 3, 8(1).

¹² LG Act 2020, ss. 12-13.

¹³ LG Act 2020, ss. 257(1)(b), 262.

¹⁴ LG Act 2020, ss. 44, 46.

Figure 2.1: Roles of Council members and Council administration



Note: In Melbourne City Council, the Lord Mayor and Deputy Lord Mayor are directly elected.
Sources: Adapted from MAV (n.d.c); PwC (2021), p. 8.

Councils are a significant part of the Victorian economy, spending more than \$7 billion on service delivery and \$2 billion on infrastructure annually, and managing over \$70 billion in public assets. Councils also employ over 50,000 people.¹⁵ Core services delivered by all Councils include waste management and parking services, while other Council services are delivered according to particular local circumstances (e.g. aged care).¹⁶

Councils may also make and enforce local laws which complement their responsibilities and powers under State and Commonwealth legislation, provided they are made in accordance with the Council's community engagement policy and local law requirements.¹⁷

¹⁵ State Government of Victoria (n.d.e).

¹⁶ MAV (n.d.b).

¹⁷ LG Act 2020, ss. 71-73.

2.1 Legislative and policy framework

Victoria's Constitution states that:

*Local government is a distinct and essential tier of government, consisting of democratically elected Councils having the functions and powers that the Parliament considers are necessary to ensure the peace, order and good government of each municipal district.*¹⁸

The LG Act 2020 and related Acts, regulations and policies provide a framework for the establishment and operation of Victoria's 79 Councils. The introduction of the LG Act 2020 followed a review of the *Local Government Act 1989* (Vic), parts of which remain in force.¹⁹ The LG Act 2020 is aimed at improving democracy, accountability and service delivery in local government. The second reading speech for the Local Government Bill 2019 noted that:

The Local Government Act [1989] has become outdated, incoherent and enmeshed in prescriptive detail ...

*[The Bill] enshrines in law a contemporary, principles-based framework that determines how councils are created and elected; empowers councils to innovate and operate to the best of their ability; significantly improves how councils are governed; and sets out clear processes and planning tools to support and guide councils as they deliver responsive services and represent their communities.*²⁰

While subject to the LG Act 2020, Melbourne City Council is also subject to the *City of Melbourne Act 2001* (Vic).²¹ The *City of Melbourne Act 2001* (Vic) governs electoral arrangements for the Melbourne City Council and provides for greater co-ordination between the Victorian Government and the Council in relation to matters of significance to the State of Victoria.²²

¹⁸ *Constitution Act 1975* (Vic), s. 74A(1).

¹⁹ State Government of Victoria (n.d.d).

²⁰ Victoria, *Parliamentary Debates*, Legislative Assembly, 14 November 2019, p. 4322 (Marlene Kairouz).

²¹ State Government of Victoria (n.d.d).

²² *City of Melbourne Act 2001* (Vic), s. 1.

The LG Act 2020 introduced a principles-based legislative framework²³ aimed at delivering:²⁴

- improved Councillor conduct — for example, by replacing pre-existing varied internal resolution procedures for managing Councillor conduct issues with a hierarchy for the management of councillor conduct issues, centrally managed by the Principal Councillor Conduct Registrar
- improved service delivery — for example, through higher standards for planning and reporting, increased transparency and accessibility of Council information, and placing the Council Plan and Budget at the centre of strategic decision-making and service delivery
- increased community confidence — through changes including the imposition of a uniform voting method under the Victorian Electoral Commission (instead of leaving the method to the discretion of Council members) to enable all communities to be equally represented when voting
- strengthened local democracy — for example, by increasing Council accountability to communities by requiring Councils to have a complaints handling policy, and introducing a requirement for Council CEOs to set out gender equity, diversity and inclusiveness measures for Council staff
- new relationships between the Victorian Government, local government and the community — for example, by granting Councils the power to work together and investigate joint business opportunities with other Councils, different levels of government and private sector bodies.

At the time of making this Determination, implementation of the LG Act 2020 was not complete. Councils have been required to progressively implement changes — starting with high-level governance policies — with all changes to be made by 30 June 2022.²⁵

Council governance principles

In undertaking their functions, Councils are required to give effect to ‘overarching governance principles’ and ‘supporting principles’.²⁶ These principles include ensuring decisions are made lawfully, take into account the best outcomes for the community and involve community engagement (Box 2.1).

²³ DJPR (n.d.a).

²⁴ DJPR (n.d.c); Victoria, *Parliamentary Debates*, Legislative Assembly, 14 November 2019, p. 4322 (Marlene Kairouz).

²⁵ DJPR (n.d.d).

²⁶ LG Act 2020, s. 9.

Box 2.1: Overarching governance principles and supporting principles

A Council must, in the performance of its role, give effect to the following **overarching governance principles**:

- decisions are to be made and actions taken in accordance with the relevant law
- priority is to be given to achieving the best outcomes for the municipal community, including future generations
- the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted
- the municipal community is to be engaged in strategic planning and strategic decision-making
- innovation and continuous improvement are to be pursued
- collaboration with other Councils, governments and statutory bodies is to be sought
- the ongoing financial viability of the Council is to be ensured
- regional, state and national plans and policies are to be taken into account in strategic planning and decision-making
- the transparency of Council decisions, actions and information is to be ensured.

When giving effect to the overarching governance principles, a Council must take into account the following **supporting principles**:

- community engagement
- public transparency
- strategic planning
- financial management
- service performance.

Source: LG Act 2020, s. 9.

Performance reporting and monitoring

Under the LG Act 2020, a Council's annual report must include information about its service and financial performance.²⁷ The *Local Government (Planning and Reporting) Regulations 2020* (Vic) include the following specific performance reporting requirements:²⁸

- a governance and management checklist, including adoption of a community engagement policy and a financial plan
- service performance indicators covering areas such as governance, statutory planning, roads, libraries and waste collection
- financial reporting indicators, including operating position and liquidity.

Local Government Victoria (LGV), a division of the Department of Jobs, Precincts and Regions, also administers a *Local Government Community Satisfaction Survey*. The latest survey found that Councils in Victoria provide services that broadly meet

²⁷ LG Act 2020, s. 98.

²⁸ *Local Government (Planning and Reporting) Regulations 2020* (Vic), Schedule 1, Schedule 2.

the public's expectations. Public perceptions of Council performance improved for most service areas in 2021, after declines in 2020. For overall performance, Metropolitan Councils scored higher in satisfaction levels than other Councils.²⁹

Victorian Government policy priorities for Councils

In addition to legislative and performance reporting requirements, the Victorian Government has set out priorities for the local government sector, including:³⁰

- the importance of Councils in supporting Victoria's pathway through social and economic recovery from the outbreak of COVID-19, noting the work undertaken by Councils with their communities during the pandemic
- implementation of a fairer rating system for those experiencing hardship
- support for local businesses
- starting a conversation on cultural change
- building on the LG Act 2020 reforms to continue to strengthen the sector.

In May 2021, the Victorian Government commissioned a review to examine cultural issues in local government.³¹ The review will include consideration of ways to make local government more welcoming and a safer environment for women. A discussion paper, released in December 2021 as part of the review, summarised culture and conduct issues, and invited public feedback on the themes of leadership and capability, the Councillor experience and early intervention and effective dispute resolution.³²

2.2 Council finances

Key funding sources for Councils in Victoria are:³³

- municipal rates and charges
- grants and contributions (e.g. from the Victorian Government)
- user fees and charges
- statutory fees and fines
- interest and investment revenue.

²⁹ JWS Research (2021).

³⁰ Minister for Local Government (2020).

³¹ Minister for Local Government (2021).

³² PwC (2021).

³³ VAGO (2021), pp. 22-23.

The Victorian Government limits the amount by which Councils can increase rates in a year without seeking additional approval, by setting a rate cap.³⁴ For example, the rate cap set by the Minister for Local Government for the 2022-23 financial year is 1.75 per cent, while the rate cap for the 2021-22 financial year was 1.5 per cent.³⁵

According to the Victorian Auditor-General's Office (VAGO), the sector's financial performance during 2020-21 improved from the previous year, and Councils' balance sheets remained relatively strong.³⁶ This was partly due to state and federal government pandemic-related grants received by Councils, notwithstanding COVID-19 related Council revenue reductions from a range of sources including:³⁷

- leisure centres and other recreation and cultural services
- user fees
- statutory fees and fines.

The Essential Services Commission's 2021 *Local Council Outcomes Report* concluded that:

*In general, the sector was in a healthy financial position before the pandemic. This meant that most councils were able to absorb the initial impacts of a decrease in revenue.*³⁸

2.3 Variation in Council characteristics

Councils vary significantly in terms of population, total recurrent revenue³⁹ and geographical size.

The largest populations are found in Casey City Council (around 365,000 people) and Wyndham City Council (around 285,000 people). In comparison, several rural councils have populations under 10,000 people, and the Borough of Queenscliffe

³⁴ ESC (2017), p. 1.

³⁵ ESC (n.d.).

³⁶ VAGO (2021b), p. 5.

³⁷ VAGO (2021b).

³⁸ ESC (2021), p. xvii.

³⁹ Total recurrent revenue is defined as the total revenue of the Council reported in the financial statements of the Council for the previous financial year after adjusting for any items that are extraordinary, abnormal or non-recurring. This includes rates, charges and some grants, but excludes one-off payments (*Local Government Act 1989* (Vic), s. 73A(5)).

(around 3,000 people) has the smallest population of all Victorian Councils. The average population of each Council is around 85,000.⁴⁰

In terms of revenue, in 2020-21, Wyndham City Council (approximately \$610 million) and Casey City Council (approximately \$570 million) also recorded the highest total recurrent revenues. In comparison, six Councils recorded total recurrent revenue of less than \$25 million. Average total recurrent revenue was around \$140 million in 2020-21.⁴¹

The largest Councils by geographic size are Mildura Rural City Council and East Gippsland Shire Council, and each cover over 20,000 km². In contrast, the smallest Council by geographic size is the Borough of Queenscliffe, representing a municipal district of just under 9 km².⁴² The average geographic size is about 3,000 km².⁴³

Melbourne City Council is unique as it is home to the seat of the Victorian Government and to many local, national and international companies, peak bodies, and government and non-government agencies. It is made up of the city centre and a number of inner suburbs. Melbourne City Council covers around 38 km² and has a residential population of almost 184,000.⁴⁴ A significant amount of economic activity has traditionally occurred within its boundaries. For example, prior to the outbreak of COVID-19, Gross Regional Product (GRP)⁴⁵ for the Melbourne City Council's Central Business District (CBD) was estimated at around \$74 billion. However, GRP for the CBD area decreased by around 50 per cent to approximately \$35 billion in 2020 due to the impact of COVID-19.⁴⁶

To undertake comparative analyses of Council performance, LGV divides Councils into five categories: Metropolitan, Interface, Regional City, Large Shire and Small Shire.⁴⁷ However, even within these categories Councils are found to vary widely in terms of population, geographical size and recurrent revenue (Table 2.1).

⁴⁰ ABS (2021d).

⁴¹ Data supplied to the Tribunal by Local Government Victoria, (2021).

⁴² ABS (2020).

⁴³ ABS (2020).

⁴⁴ City of Melbourne (n.d.).

⁴⁵ GRP is defined as the market value of all final goods and services produced in a region or subdivision of a country in a period (quarterly or yearly) of time. City of Melbourne (2021), p. 2.

⁴⁶ City of Melbourne (2021), p. 2.

⁴⁷ State Government of Victoria (n.d.f).

Table 2.1: Population, area and total recurrent revenue by LGV Council category

Category		Resident population (estimated)	Area (km ²)	Total recurrent revenue for 2020-21 (\$ million)
Metropolitan	maximum	208,247	130	470
	average	148,600	66	195
	minimum	94,982	20	135
Interface	maximum	364,600	2,468	606
	average	200,928	820	353
	minimum	65,219	409	85
Regional City	maximum	264,866	22,082	513
	average	82,254	3,938	164
	minimum	20,018	121	48
Large Shire	maximum	54,884	20,940	118
	average	31,964	4,912	72
	minimum	15,929	866	40
Small Shire	maximum	16,885	9,108	34
	average	9,914	4,509	27
	minimum	3,008	9	11
All	maximum	364,600	22,082	606
	average	84,757	2,876	139
	minimum	3,008	9	11

Sources: ABS (2020); ABS (2021d); data provided to the Tribunal by LGV in 2021.

2.4 Summary

The Victorian local government sector is made up of 79 Councils that provide a range of services to their communities. Elected Council members form the governing body of a Council, with the administration of Council business led by a CEO.

Councils vary significantly in terms of their population, revenue and their geographic size. While COVID-19 has affected Council revenue sources, Council finances appear to have reportedly remained sound.

The local government community satisfaction survey in 2021 shows that overall, Councils provide services that broadly meet the public's expectations.

The LG Act 2020 introduced major changes to the legislative framework governing Council operations, including higher standards for planning and delivering services. The impact of these changes, and other factors affecting the role and responsibilities of Council members, is explored in the next chapter.

3 Roles and responsibilities of Council members



Mayors, Deputy Mayors and Councillors, being the elected governing body of a Council,⁴⁸ play a key part in enabling a Council to provide good governance for its municipal district.⁴⁹

There are some roles and responsibilities common to all Council members, and some that are specific to the positions of Mayor and Deputy Mayor. The roles and responsibilities, and the main accountability and integrity measures, that apply to all Council members are discussed below.

Standing for Council gives people the opportunity to influence and effect change in their municipality.⁵⁰ As noted by Moonee Valley City Council in its submission, Councillors represent 'the closest level of Government to our Victorian communities' (p. 2).

To be able to nominate as a candidate for a Council election, a person must:⁵¹

- be an Australian citizen
- be at least 18 years of age on election day
- be enrolled as a voter in the municipal district in which they are standing for election
- have completed mandatory Local Government Candidate Training
- not be disqualified from being a Councillor — for example, may not be a current Council staff member.

⁴⁸ *Constitution Act 1975* (Vic), s. 74A(1A).

⁴⁹ *LG Act 2020* (Vic), s. 8.

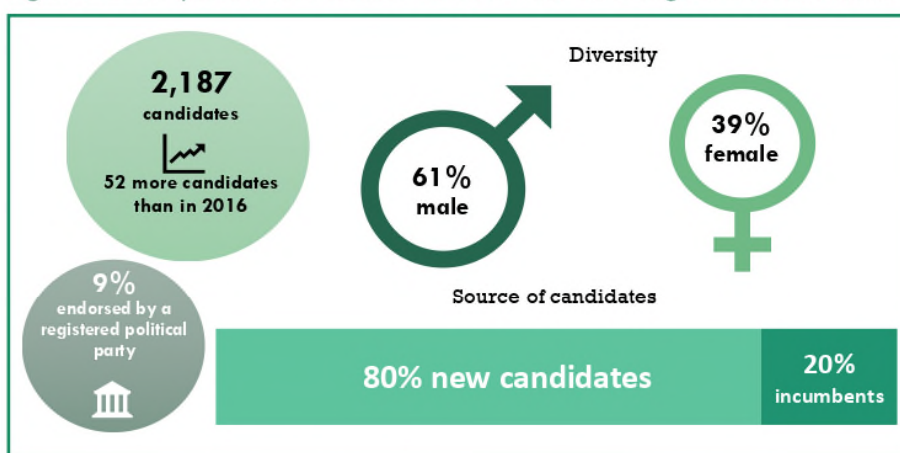
⁵⁰ MAV (n.d.d).

⁵¹ *LG Act 2020*, s. 34.

While there are no specific educational standards or job qualifications required to be a Council member, the LG Act 2020 introduced a new requirement for prospective Council election candidates to complete a training session to help them understand the roles and responsibilities of being a Council member.⁵² Once elected, Council members are also required to undertake any training or professional development activities deemed necessary by the Council.⁵³

At the October 2020 local government elections, 76 of Victoria's 79 Councils held elections and over 2,000 people stood for election. A snapshot of some demographic characteristics of these candidates is at Figure 3.1.

Figure 3.1: A snapshot of candidates at the 2020 Victorian local government elections



Note: Percentages calculated based on 2,187 candidates, with the exception of 'male' and 'female' (which excluded candidates who identified as 'other'). Gender data based on LGV analysis of candidates' names.

Sources: Data provided to the Tribunal by LGV in 2021; Spence Consulting Group (2020).

Of those elected in 2020, around 56 per cent identified as male, around 44 per cent identified as female and 0.2 per cent identified as 'other'. According to the Municipal Association of Victoria (MAV), this saw the highest proportion of female Council members in Victoria's history, and in any Australian jurisdiction.⁵⁴ Six Councillors who identified as having Aboriginal or Torres Strait Islander background were elected in 2020.⁵⁵ The average age of Council members was around 51 years (Figure 3.2).

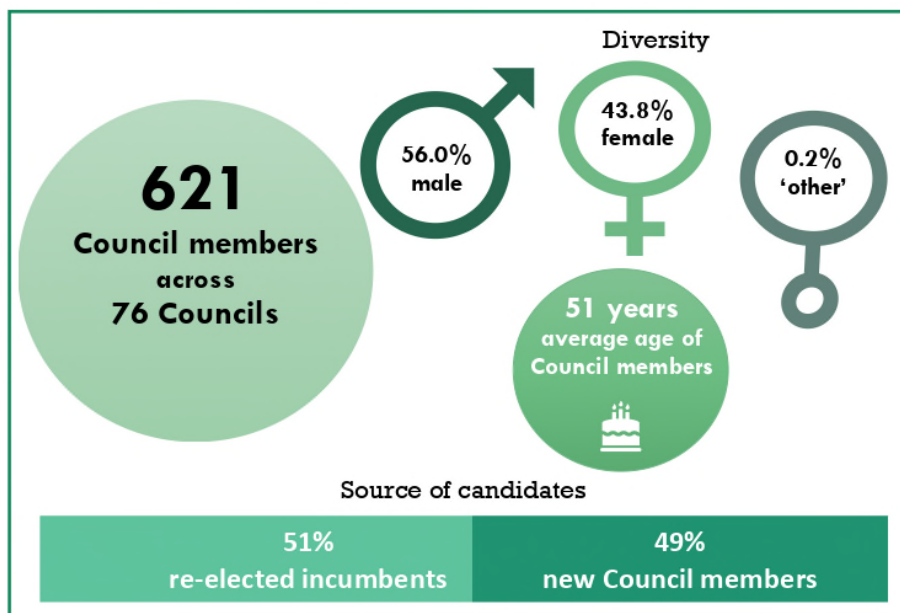
⁵² LG Act 2020, s. 256(7).

⁵³ *Local Government (Governance and Integrity) Regulations 2020* (Vic), Schedule 1.

⁵⁴ MAV (2020).

⁵⁵ MAV (2020).

Figure 3.2: A snapshot of Council members elected at the 2020 Victorian local government elections



Note: Percentages calculated based on 621 Council members.

Sources: Data provided to the Tribunal by LGV in 2021; Spence Consulting Group (2020).

Of the 76 leadership teams, comprising 76 Mayors and 69 Deputy Mayors:⁵⁶

- the average age for Mayors was around 55 years, and around 52 for Deputy Mayors
- seven individuals were under the age of 30 years (one female Mayor, two female Deputy Mayors and four male Deputy Mayors)
- 14 of the 76 Councils that held elections had all-female leadership teams
- regional city Councils had the highest proportion of female Mayors (around 60 per cent) compared to other LGV Council categories, while small shires had the lowest (around 20 per cent).

⁵⁶ Data supplied to the Tribunal by LGV (2021).

3.1 Common roles and responsibilities

Under the LG Act 2020, Council members are required to:⁵⁷

- participate in the decision-making of the Council
- represent the interests of the 'municipal community'⁵⁸ in that decision-making
- contribute to the Council's strategic direction through the development and review of key Council strategic documents, including the Council Plan.

In performing their roles, Council members are required to:⁵⁹

- consider the diversity of interests and needs of the municipal community
- support the role of the Council
- acknowledge and support the role of the Mayor
- act lawfully and in accordance with the oath or affirmation of office
- act in accordance with the prescribed standards of conduct included in a Councillor Code of Conduct
- comply with the Council's procedures required for good governance.

Participating in Council decision-making

A fundamental role of Council members is to collectively serve as the key decision-making body of the Council. All Council decisions are made through resolutions of the Council, either by Council members at Council meetings or under delegated authority (for example, at a meeting of a delegated committee).⁶⁰

Questions for decision at a Council meeting are determined in the affirmative by a majority vote of the Council members present, provided there is a quorum at the meeting.⁶¹ Every Council member present at a Council meeting may vote on each motion, unless they have a conflict of interest.⁶²

⁵⁷ LG Act 2020, s. 28(1).

⁵⁸ Municipal community is defined in s. 3(1) of the LG Act 2020 to include people who live in the municipal district of the Council, ratepayers of the Council, traditional owners of land in the municipal district of the Council, and people and bodies who conduct activities in the municipal district of the Council.

⁵⁹ LG Act 2020, s. 28(2); *Local Government (Governance and Integrity) Regulations 2020* (Vic), Schedule 1.

⁶⁰ LG Act 2020, s. 59.

⁶¹ LG Act 2020, s. 61.

⁶² State Government of Victoria (n.d.a).

Generally speaking, the range of issues on which Council members make decisions reflects the broad scope of Council responsibilities. One submission from a Councillor noted that there:

... is an extraordinary amount of diverse and complex information to be across for any individual. (De-identified submission 2, p. 1)

Council members rely on Council staff to provide relevant and accurate information and recommendations in order to support their decision-making at Council meetings.⁶³ All Council members are required to diligently use Council processes to become informed about matters which are subject to Council decisions.⁶⁴

The frequency of formal Council meetings differs between Councils, but they are usually held at least once every month.⁶⁵ For example, East Gippsland Shire Council noted in its submission that it holds 'approximately 16 Council meetings and 48 Councillor briefing sessions per year' (p. 1).

Participation in delegated committees and other forums, which feed into Council decision-making, can also be a major aspect of a Councillor's role. One Councillor commented in their submission:

I have, at times, sat on as many as 9 council committees and external groups in my role as Councillor. At one stage I was Chair of 3 of these. (De-identified submission 2, p. 1)

Council members also play an important part in setting and administering planning schemes in the municipal area, in some cases assuming a 'quasi-judicial' function when participating in Council decision-making.⁶⁶

When asked to comment in the Tribunal's questionnaire on how the roles and responsibilities of Council members have changed over the last five years (if at all), several respondents said that the range and complexity of issues they are expected to deal with has increased significantly (Box 3.1).

⁶³ State Government of Victoria (n.d.a).

⁶⁴ LG Act 2020, s. 139(3)(a); *Local Government (Governance and Integrity) Regulations 2020* (Vic), Schedule 1.

⁶⁵ MAV (n.d.f).

⁶⁶ MAV, VLGA et al (2012), p. 22.

Box 3.1: Council member views – increased workload and complexity

'It feels like the workload is growing as we are being asked to make more and more major decisions about a range of things, community expectations are rising as are expectations of other levels of govt.' (Councillor, Category 3 Council)

'The scope and complexity of decision making has dramatically increased.' (Councillor, Category 3 Council)

'The challenge to address issues in the community is far greater due to the multiple crises we are facing. The community is suffering far more now, in everyway - health, economics, worrying about the environment...' (Councillor, Category 3 Council)

'Councillors ... also have to have an understanding of the more complex role that Councils have to manage OHS, Risk Management, Financial oversight and Environmental matters.' (Mayor, Category 2 Council)

'More responsibility for all - dealing with bigger issues such as Climate Change, Procurement, Deliberative Engagement, writing of more policies, strategies and plans and high expectations from communities for us to do more than Rates, Rubbish and Roads.' (Councillor, Category 3 Council)

'These roles are ever-expanding, with more responsibilities placed on local government. There are more decisions to be made and increasing expectations from the community. We also need to lead the COVID recovery now, which we didn't before.' (Councillor, Category 2 Council)

Source: Tribunal questionnaire distributed to Council members.

Representing the interests of the community

Council members provide a critical link between the local community and Council administration.

The Tribunal's questionnaire invited Council members to identify their most important duties and responsibilities. Over 50 per cent of respondents specifically mentioned representing and advocating for the best interests of their constituents, including to other levels of government.

In addition, almost 60 per cent of respondents listed community engagement (and related responsibilities such as responding to correspondence and being accessible to the community) as one of their most important duties.

Several Council members noted that, as a result of an increase in the use of technology and social media, expectations of the public in relation to community engagement, accessibility and responsiveness of Council members had changed. Comments included:

Councillors have become and are expected to be accessible 24 h. (Councillor, Category 2 Council)

There is a widely held community expectation for councillors to be accessible and in constant public communication via social media and email. (Mayor, Category 2 Council)

... the expectations of residents particularly in smaller Shires that Councillors are [available] at all times has increased. (Councillor, Category 1 Council)

Council members also submitted that the level of demand for presence and engagement on social media platforms, as well as correspondence from constituents, was difficult to manage. This was particularly the case where sufficient administrative support from Council staff was not available.

In considering how Council member roles and responsibilities have changed over the last five years, the impacts of population growth and social media were highlighted. For example, some Council members said:

Social media and the lack of local papers has changed how we communicate, but not the message. (Deputy Mayor, Category 3 Council)

The increase in population has lead to more residents requiring responses, support, advocacy, etc. (Councillor, Category 3 Council)

As a growth council, the demands on your time continue to grow each year with more and more residents in the city. (Councillor, Category 3 Council)

Contributing to strategic planning

Council members set the overall direction for the municipality through long-term planning and decision-making.⁶⁷ This requires participation in the development of a range of key Council strategic and financial planning and reporting documents, including:⁶⁸

- the annual Council budget
- the Council Plan
- the Council's Annual Report
- a Community Vision
- a Financial Plan
- an Asset Plan
- a Revenue and Rating Plan.

⁶⁷ State Government of Victoria (n.d.c).

⁶⁸ LG Act 2020, Part 4; MAV (n.d.e).

Through their contributions to these documents, Council members play a central role in setting the strategic agenda for Council, determining the municipality's immediate and future priorities and managing Council finances and assets. Indeed, several respondents to the questionnaire considered these activities (including oversight and scrutiny of the Council's financial management) to be some of their most important duties. Respondents characterised these activities as:

*Oversight of the organisation - financial and policy accountability.
Setting policy and strategic direction for the organisation in line with community expectations. (Councillor, Category 3 Council)*

*Ensuring Value for money and Shire financial sustainability
Strategic planning and thinking
Community Consultation. (Councillor, Category 1 Council)*

*Setting the strategic agenda of Council
Fiscal management and ethical spending of rates/monies entrusted to us ...
(Councillor, Category 3 Council)*

The MAV noted in its submission:

*The duties and responsibilities of Councillors require they govern for today across the social, economic, environmental and cultural domains in the knowledge their decisions are made in stewardship for future generations ...
The decisions Councillors make are often long term and strategically focused across many areas including asset management, financial and corporate planning. (pp. 1-2)*

Planning for the municipal community's future needs was also specifically mentioned by respondents to the questionnaire when asked to identify their most important duties and responsibilities:

... Laying the strategic framework for a better future. (Councillor, Category 3 Council)

Decision making in relation to city strategies and policies and the long term direction for the organisation and the community/city. (Councillor, Category 3 Council)

Some Council members noted, in their submissions and responses to the Tribunal's questionnaire, that their roles were becoming increasingly

professionalised. Moreover, several respondents to the Tribunal's questionnaire observed that over recent years, their roles had become more focused on strategy than operational issues. For example, it was said that:

I'ts no longer rates, road and rubbish. It's more strategic, governance and administration orientated. (Councillor, Category 3 Council)

Councillors have to be more like Directors in this era and stay out of operational matters. (Mayor, Category 2 Council)

There is ... a much greater governance, audit and risk focus in the roles. (Mayor, Category 3 Council)

The potential advantages for a prospective Council member of having worked in a professional setting were also noted in the recent Local Government Culture Project Discussion Paper:

... having prior experience in a professional, executive and/or governance setting, are advantageous in working in a strategic environment requiring responsible decision-making, forward planning and, essentially, conducting a multimillion-dollar business. ⁶⁹

Some respondents to the questionnaire also noted that governance requirements for Council members had increased in recent years, including as a result of changes under the LG Act 2020. For example, it was said that:

The Governance requirements have, understandably, become more time consuming in the last four years or more ... the regulatory regime has become more time consuming. (Councillor, Category 2 Council)

Time commitment

Many submitted that the time commitment or reported hours worked should be a relevant consideration for the Tribunal in determining Council member allowances.⁷⁰

Estimates of the required time commitment of a Council member vary. The VLGA advised the Tribunal that an average week for a Councillor would require 23 hours to undertake various activities and duties (Table 3.1).⁷¹ The MAV has estimated

⁶⁹ PwC (2021), p. 9

⁷⁰ For example, submission from Moonee Valley City Council, p. 7; submission from Theo Zographos, p. 1.

⁷¹ Data provided to the Tribunal by VLGA in 2021.

that Councillors generally spend between 10 and 20 hours per week on their role.⁷²

Table 3.1: Average weekly time commitment for a Councillor, VLGA

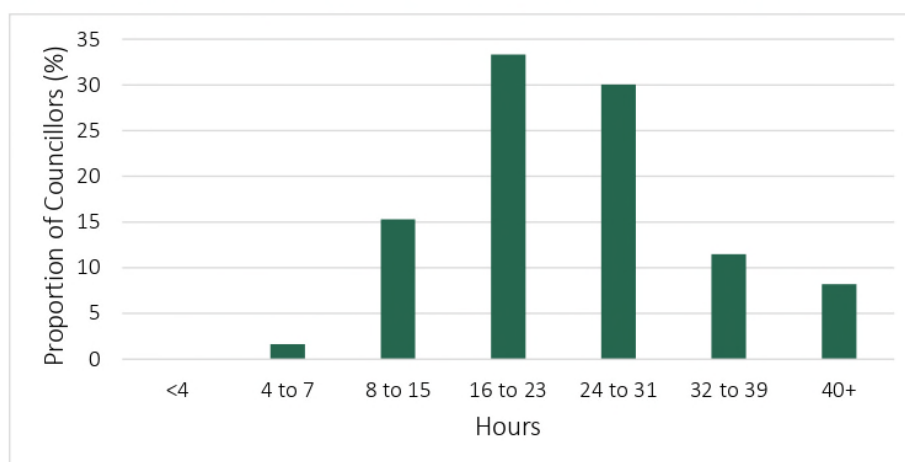
Activity	Time commitment per week
Council meetings and committees	4 hours
Reading	4 hours
Reviewing/replying to correspondence	4 hours
Meeting with residents and community groups	2 hours
Community events	2 hours
Council events	2 hours
Networking and professional development	2 hours
Council briefings	1 hour
Meeting with state and federal Members of Parliament	1 hour
Social media	1 hour
Total	23 hours

Source: Data provided to the Tribunal by VLGA in 2021.

In their responses to the questionnaire, around 80 per cent of respondents who were Councillors reported dedicating 16 or more hours (not including travel time) to their role per week (Figure 3.3). Around 80 per cent of Councillors also reported spending up to 5 hours in travel per week to fulfil their duties.

⁷² MAV (n.d.f).

Figure 3.3: Typical hours per week — Councillor role, questionnaire responses



Note: 183 Councillors responded to this question.

Source: Tribunal questionnaire distributed to Council members.

Several submissions and questionnaire responses indicated that the role of Council member was akin to a full-time professional commitment (Box 3.2).

Box 3.2: Stakeholder views — Council member role akin to a full-time commitment

'Being a councillor is a 7-day job, where usually up to 3 hours per day is spent handling ratepayer enquiries and general ward advocacy, with the exclusion of public and social events, social media and meetings.

I suggest that the role, despite not having fixed hours, factoring in the latter is comparable to a full-time position ...' (De-identified submission 6, p. 1)

'... for the majority of councillors, the time invested is commensurate to a professional position.' (Theo Zographos, p. 1)

'The role of a Councillor may be voluntary, but the level of commitment is upward of a full-time executive.' (East Gippsland Shire Council, p. 1)

'Serving as a Councillor is a full time job stretched over 24/7. The depth and breadth of responsibility is huge ...' (Councillor, Category 3 Council)

'Being a Cr is constant, 24/7, no escaping it, you wake with it, constantly thinking about it, you are on the phone, answering emails, reading, engaging, the list goes on. It's a Full time job for a fraction of the allowance. the community expect so much from you for so little financial return.' (Councillor, Category 3 Council)

'All my non working time is spent on council duties. Responding to emails and phoned calls etc takes a lot of time as does reading council reports and attending meetings. It is a second full time role.' (Councillor, Category 1 Council)

Sources: Tribunal questionnaire distributed to Council members; submissions received by the Tribunal.

Some Council members submitted that the workload and time commitment required to adequately perform their Council duties in practice is often far greater than they were told to expect:

Fulfilling the role has placed an unexpected demand upon my time - much more than the 10-15 hours per week some suggest ... (Councillor, Category 2 Council)

Council is advertised as part time employment, my municipality however contains nearly 300k constituents, has a \$600m annual budget and \$3b of assets under management. This is not a job for part time, underpaid Cr's, Mayor or Dep Mayor. (Deputy Mayor, Category 3 Council)

I would not have stood had I realised that the remuneration did not much the workload. (Councillor, Category 1 Council)

The role is an incredible opportunity - but to do it well, I need to spend time investing in the work. I could make it full time if I wanted to ... (Councillor, Category 3 Council)

The Tribunal also heard that administrative support provided to Councillors by the Council administration is often inadequate. For example, while Moonee Valley City Council provides Council Support Officers and a Council Liaison Officer, it observed that this is not the case in every Council:

At Moonee Valley, Councillors are resourced with support from Councillor Support Officers together with a Council Liaison Officer, who assist to respond to enquiries from the community. However, we note that this is not the case at every Council. Councillors are still responsible for responding to all of their own mobile telephone calls, responding to emails directly, and triaging any enquiries through Councillor Support and Councillor Liaison. These tasks are in addition to Councillors' governance and public-facing roles ... (p. 5)

Many Council members also drew attention to the out-of-business hours nature of the time commitment involved (Box 3.3).

Box 3.3: Council member views — after-hours demands on Council members

'I've had people call me after 10pm, on Christmas Day, every weekend – the phone never stops ...
I regularly have multiple nights a week dedicated to Council meetings, often running from 5 or 6pm until 10 or 11pm.' (De-identified submission 2, p. 1)

'... as many meetings and engagements are in the evening, and run late at night, it leaves little time for friends, family, or other social engagements that are outside of working hours. Also, due to the late night nature of the meetings, it means that having a job during the day is challenging.' (Councillor, Category 2 Council)

'It is not possible to have a normal family life as many council meetings are scheduled to commence after 4:30pm with end times anywhere from 8pm to 11pm. I really try not to work on weekends as I need that time for my family and myself.' (Councillor, Category 3 Council)

'Council's late night meetings up to 11:15pm along with other briefings along with briefing agendas for Monday typically coming out late on Friday resulting in weekend reading and meetings with councilors to discuss items often over running impact my ability to spend time with family and limited my ability to see friends after being elected.' (Councillor, Category 1 Council)

'Council takes up a lot of hours not only during the work day, but also during evenings and on weekends ... I will often be in Council meetings during dinner time ...' (Councillor, Category 3 Council)

'I spend every weeknight in a Council meeting, briefing, community meeting (online mostly at the moment), reading agenda papers and/or Council documents, researching best practice across Council. On weekends I spend time in community meetings, reading, attending events.' (Councillor, Category 2 Council)

Sources: Tribunal questionnaire distributed to Council members; submissions received by the Tribunal.

A Council member's time commitment may also be influenced by the geographic size of a Council area. For example, East Gippsland Shire Council's submission noted:

The East Gippsland Shire Council is an unsubdivided electorate and Councillors represent the whole municipal community across 20,940 square kilometres. The tyranny of distance provides Councillors the added challenge of allocating time for engaging with the community across the Shire. Not to mention the safety of travelling on rural and regional roads. (p. 2)

3.2 Role and responsibilities of Mayors

The Mayor is a Councillor elected by other Councillors to lead the Council for a one or two-year term. The Melbourne City Council is the exception to this rule, where all eligible voters directly elect the Lord Mayor and Deputy Lord Mayor for a four-year term.⁷³

Mayors play an important representative and leadership role with regard to:⁷⁴

- other Council members
- the municipal community
- the relationship between Council members and Council administration (i.e. the Council CEO and other staff).

Some respondents to the Tribunal's questionnaire, when asked to comment on how Council member roles and responsibilities may have changed over the last five years, said that the scope and workload of the role of Mayor had increased. For example:

It's 12 years since I was previously Mayor and I can say that the role has become so much more intense. The media scrutiny including social media, live streaming, virtual meetings have added to the workload. (Mayor, Category 1 Council)

The role of Mayor has become much bigger because of Covid and community changes. (Councillor, Category 2 Council)

I believe the role of the Mayor has expanded to be across many more areas of focus within LG [local government]. (Mayor, Category 3 Council)

Council members also said that the role of Mayor had become much larger and more challenging, particularly with regard to the need to balance their governance and community representation responsibilities.

⁷³ State Government of Victoria (n.d.c).

⁷⁴ LG Act 2020, s. 18.

Providing leadership to the group of Council members

A Mayor's role as the leader and principal spokesperson for the group of elected Council members includes:⁷⁵

- chairing Council meetings and casting a second vote if votes are tied
- appointing a Council member to be the chair of a delegated committee
- providing guidance to other Council members regarding their role
- promoting appropriate behaviour by other Council members, including the option to use a specific power to direct a Council member to leave a Council meeting if their behaviour is preventing Council from conducting its business (subject to the Council's Governance Rules).

Several respondents to the questionnaire considered that the 'people management' aspect of the Mayor's role had increased in recent years. For example:

For Mayors there is currently far greater people management required than ever before, taking up significantly more time than previously spent in bring everyone together and working collaboratively. (Mayor, Category 2 Council)

Mayors and Deputy Mayors are expected more than ever to have to deal with and manage difficult/poor behaving Councillors who are destroying certain councils. (Councillor, Category 3 Council)

Mayors ... [are] more responsible for managing the conduct of Councillors. (Mayor, Category 2 Council)

Providing leadership to the municipal community

Mayors are expected to:

- act as the principal spokesperson for the Council organisation⁷⁶
- lead engagement with the municipal community in relation to the development of the Council Plan⁷⁷
- report to the municipal community on the implementation of the Council Plan at an open Council meeting at least once each year⁷⁸

⁷⁵ LG Act 2020, ss. 18(1), 19(1)(a), 19(1)(b), 61(5)(d).

⁷⁶ LG Act 2020, s. 18(1)(b).

⁷⁷ LG Act 2020, s. 18(1)(c).

⁷⁸ LG Act 2020, s. 18(1)(d).

- perform 'an important social and ceremonial role as leader of the community',⁷⁹ including at citizenship ceremonies
- advocate on behalf of the municipal community in external forums, including to other tiers of government.

For example, in its submission the MAV said that:

... the demise of traditional media outlets in communities, such as local newspapers, has resulted in Mayors having to take a greater role in filling the communication vacuum. This has been demonstrated during the COVID pandemic and recent bushfires where Mayors have often been central to communication messages by providing information and support directly to their communities through Council and other communication channels. (p. 2)

Mayors were asked to identify the most important duties and responsibilities of the role in the questionnaire. Some Mayors mentioned representing the whole municipal community at external events and forums by, for example:

... advocating to a variety of different stake holders in relation to the municipality ... (Mayor, Category 3 Council)

Attending community events, delivering public speeches. Advocating to other levels of government. (Mayor, Category 2 Council)

In response to the same question, some Mayors also highlighted duties as a principal spokesperson for their municipality by, for example, representing the Council at civic ceremonies, community events and in the media.

Council members submitted that this aspect of the Mayor's role has increased in recent times:

The Mayors have definitely become more a focal representative for community during pandemic and lockdown periods. (Councillor, Category 3 Council)

The Mayor (role), as the face of the organisation is encountering a greater need to keep the community informed. (Councillor, Category 1 Council)

⁷⁹ State Government of Victoria (n.d.c).

Leadership role in relation to Council staff and the CEO

The Mayor is responsible for leading regular reviews of the performance of the CEO, who is the only Council staff member appointed by the elected Council members. The Mayor also has specific powers under the LG Act 2020 to require the CEO to report to the Council on the implementation of a Council decision.⁸⁰

Some Mayors who responded to the Tribunal questionnaire identified that maintaining the relationship between elected Council members and Council administration is a key aspect of the role. For example, some Mayors highlighted:

Ensuring the relationship of the Mayor and CEO are maintained to enable strategies and directions of the Council can run smoothly. (Mayor, Category 2 Council)

Ensuring a healthy relationship between Councillors and Executive. Collaborating with the CEO to set the agenda and ensure Council decisions are followed through. (Mayor, Category 3 Council)

Other respondents reflected on the Mayor's coordination role in relation to Council business, for example:

The leadership role performed by the mayor for other councillors and in liaising with the organisation also do not apply to councillors. The mayor needs to be available to other councillors and to the CEO when needed. The mayor also needs to act as a coordinator of councillor business and relationships with the organisation. (Councillor, Category 2 Council)

A Mayor who does the job well is very hands on, available and communicates widely with CEO, Councillors, Community other Mayors and Councillors and state and federal government as required. Also keeps well informed on current and emerging issues. This is significantly more than the other Councillors. (Deputy Mayor, Category 1 Council)

The mayor's relationship with the CEO is critical and needs significant investment to ensure a strong working relationship. (Councillor, Category 2 Council)

⁸⁰ LG Act 2020, ss. 18(1)(g), 19(1), 44.

The potentially sensitive relationship between Mayors and CEOs was noted in the recent *Local Government Culture Project* Discussion Paper:⁸¹

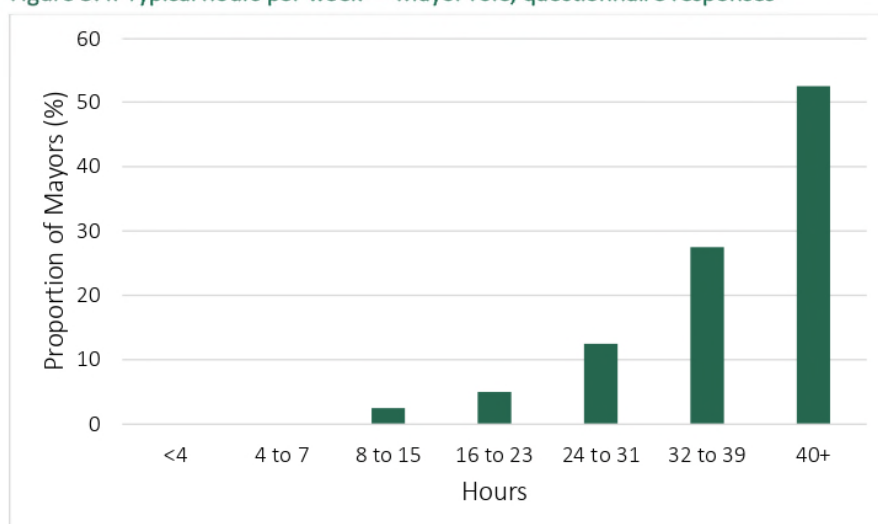
In electing the Mayor and appointing the CEO, the nature of the relationships [between Councillors, Mayors and CEOs] can be sensitive, particularly, for example, for a CEO anticipating reappointment or a Mayor anticipating being re-elected for another term.

Time commitment

Over 80 per cent of Mayors who responded to the Tribunal's questionnaire indicated that they spent 32 hours or more on the role in a typical week, with over half indicating that they spent 40 or more hours (Figure 3.4).

In a separate question on travel time in the Tribunal's questionnaire, around half of Mayor respondents reported spending an average of six hours per week travelling to perform their duties.

Figure 3.4: Typical hours per week — Mayor role, questionnaire responses



Note: 40 Mayors responded to this question.

Source: Tribunal questionnaire distributed to Council members.

The role of Mayor was described as a full-time commitment in a previous review undertaken in 2008,⁸² and over a third of respondents to the Tribunal's questionnaire commented that this is currently (or should be) the case (Box 3.4).

⁸¹ PwC (2021), p. 7.

⁸² Local Government (Councillor Remuneration Review) Panel (2008), p. 15.

Box 3.4: Council member views – full-time nature of the role of Mayor

'The role of Mayor is a full time position as you must be available at a moment's notice.'
(Mayor, Category 1 Council)

'The expectations of a Mayor is that they are available 24/7 for 12 months.'
(Mayor, Category 3 Council)

'The Mayor needs to be available each day - couldn't do it in part time capacity.'
(Councillor, Category 3 Council)

'As Mayor at my Council it is understood to be a full time job and generally involves 3-4 evenings a week of commitments, between 1-5 events on a weekend ...'
(Mayor, Category 3 Council)

'The role of mayor is effectively a full time job. While there are quiet times, there are also very demanding busy times with plenty of emotional stress. Weekends tend to be full of community functions where the mayor is expected to show up and say a few words.'
(Councillor, Category 1 Council)

'The Mayor's role is more than a full time job. There is almost an expectation that you are available 7 days a week, when Mayor.'
(Councillor, Category 2 Council)

'Mayor - more than full time to actually carry it out effectively and to meet the expectations of community.'
(Mayor, Category 2 Council)

'Mayor = Full time position plus. I suggest plus as there are often out of hours events the Mayor is expected to attend.'
(Councillor, Category 2 Council)

'Our Mayor works more than fulltime in the role of mayor. They are very dedicated to the role and want to ensure the best for the community and our Council. There are many evening and weekend commitments.'
(Deputy Mayor, Category 2 Council)

'The Mayor's role is 24/7 - no doubt about it. You must be accessible to residents at all times of the day and night.'
(Councillor, Category 3 Council)

Source: Tribunal questionnaire distributed to Council members.

Lord Mayor of Melbourne City Council

As the leader of the Council which contains the capital city of Victoria, the Lord Mayor of Melbourne City Council plays an important leadership and representative role in a range of forums. For example, the Lord Mayor:

- is required (along with the Deputy Lord Mayor) to represent Melbourne City Council at any meeting convened between the Victorian Premier and the Council under the *City of Melbourne Act 2001* (Vic)
- represents Melbourne City Council on the Council of Capital City Lord Mayors to coordinate and represent the special interests of Australia's capital cities, especially in their relations with other spheres of government.⁸³

⁸³ Council of Capital City Lord Mayors (n.d.).

3.3 Role and responsibilities of Deputy Mayors

All Councils are able to establish an office of Deputy Mayor.⁸⁴ As at 1 July 2021, 70 of the 79 Councils in Victoria had elected Deputy Mayors.⁸⁵

For Councils other than Melbourne City Council, if a Council chooses to establish an office of Deputy Mayor, the Deputy Mayor must be elected by an absolute majority of Council members at a meeting that is open to the public. Deputy Mayors are appointed for a term of one or two years, after which a new election for Deputy Mayor must be held.⁸⁶

In comparison, the Deputy Lord Mayor of Melbourne City Council is directly elected for a four-year term.⁸⁷

Where a Council has established an office of Deputy Mayor, Deputy Mayors must perform the role of the Mayor, and may exercise the Mayor's powers, in any of the following circumstances:⁸⁸

- when the Mayor is unable for any reason to attend a Council meeting, or part of a Council meeting
- when the Mayor is incapable of performing the duties of the office of Mayor for any reason, including illness
- when the office of Mayor is vacant.

If a Council has not established an office of the Deputy Mayor, it may appoint a Councillor to be the Acting Mayor in the same circumstances where a Deputy Mayor would perform the role of Mayor.⁸⁹

The Tribunal received differing accounts from questionnaire respondents and submissions regarding the workload and responsibilities of Deputy Mayors. Some indicated that the role was substantially greater than that of a Councillor, while others considered the difference between a Deputy Mayor and Councillor to be negligible or non-existent (Box 3.5). However, these responses need to be

⁸⁴ LG Act 2020, s. 20A.

⁸⁵ Data requested from Councils by the Tribunal in 2021.

⁸⁶ LG Act 2020, s. 27.

⁸⁷ *City of Melbourne Act 2001* (Vic), ss. 12, 14.

⁸⁸ LG Act 2020, s. 21.

⁸⁹ LG Act 2020, ss. 20A(3), 20B.

considered in context, with some reflecting the situation prior to the LG Act 2020 providing for a Council to establish an office of Deputy Mayor.

Box 3.5: Council member views — role and responsibilities of Deputy Mayors

'The deputy mayors role can not be understated. In the case of our LGA, the deputy mayor attends every public function, opening and ceremony as the mayor. They need to prepare to speak at most events and be on standby for events the mayor can not do. They attend most meetings across the city too and act as the third opinion along side the Mayor and the ward councillor for the given issue. If it was possible it could be a full time role as well but not as much dedicated time as the mayor.' (Deputy Mayor, Category 3 Council)

'Deputy mayor does a lot more including all events along side me. A lot more than just a fill in for the mayor if not present.' (Mayor, Category 2 Council)

'Deputy role is no different than a normal Councillors. They might have to do minimal tasks if the Mayor was unavailable.' (Mayor, Category 1 Council)

'The Deputy Mayor role is indistinguishable from that of other Councillors in terms of time commitment, but for the 'on call' nature of needing to step up to Mayoral duties as circumstances demand.' (Councillor, Category 1 Council)

'As a Deputy, my workload didn't increase very much at all - maybe one extra activity per month to attend an event. My Deputy, pre-Covid, was rarely required to substitute for me unless I was double booked. Similarly during this COVID affected term, I have needed to use the Deputy twice ...' (Mayor, Category 2 Council)

'[Serving as] Deputy Mayor didn't add much additional duties to my role as a councillor.' (Councillor, Category 3 Council)

Sources: Tribunal questionnaire distributed to Council members.

Some respondents to the Tribunal questionnaire noted the recent changes affecting the role of Deputy Mayor. Comments included:

Deputy mayors have become more common ... and the formalisation of the role of Mayor and DM has ensured that duties increase. (Councillor, Category 3 Council)

Public expect a full time mayor and deputy and all aspects of council are discussed from the public with us and not just our portfolios. (Mayor, Category 2 Council)

There seems to be more requests from the community for Mayors or deputy Mayors to attend. (Mayor, Category 2 Council)

... there is certainly a lot more pressure on the Mayor and Deputy with rate capping and financial/planning commitments becoming more critical. (Councillor, Category 2 Council)

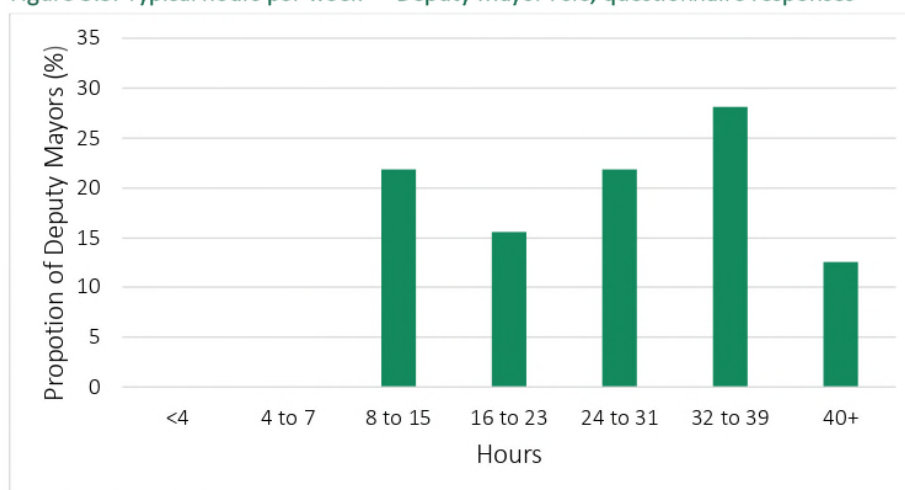
Time commitment

Responses to the questionnaire showed that around 80 per cent of Deputy Mayor respondents dedicated 16 or more hours (not including travel time) to their role. Figure 3.5 shows that around:

- 30 per cent spent between 32 and 40 hours
- 20 per cent spent 24 to 31 hours
- 10 per cent spent over 40 hours.

As was the case for Councillors, most Deputy Mayors (74 per cent) reported travel for their role at up to five hours in a typical week.

Figure 3.5: Typical hours per week — Deputy Mayor role, questionnaire responses



Note: 32 Deputy Mayors responded to this question.

Source: Tribunal questionnaire distributed to Council members.

3.4 Accountability and integrity

In performing their role as the governing body of a Council, Council members are accountable for their decisions and actions, and are responsible for ensuring good governance in the municipality.⁹⁰

The cycle of four-yearly local government elections is a key accountability mechanism, given that voters generally have the opportunity⁹¹ not to re-elect

⁹⁰ *Constitution Act 1975* (Vic), s. 74A(1A)(b).

⁹¹ There may be circumstances where voters are unable to elect a Councillor for their ward — for example, if the Council has been dismissed or if the number of candidates is equal to the number of vacancies to be filled at an election in the ward, (LG Act 2020, s. 264(2)).

Council members if they are dissatisfied with the performance of their Council or Council members.

Council members are also subject to laws made by the Victorian Parliament, which determine the functions, powers and duties of Councils.⁹² For example, the Victorian Parliament has made laws with respect to:⁹³

- the constitution of Councils
- the powers, duties and responsibilities of Council members
- the suspension or administration of a Council
- enrolment, conduct and voting at Council elections.

Other Victorian Government mechanisms designed to hold Council members accountable (both individually and collectively) to fellow Council members, ward constituents and the broader municipal community are outlined below.

The Minister for Local Government is empowered by the LG Act 2020 with various oversight functions including suspension of Council members. For example, the Minister has the power to dismiss all Council members on a Council and to appoint an administrator to perform the Council's functions, or to appoint a Municipal Monitor to a Council to monitor governance processes and practices.⁹⁴

These Ministerial oversight powers are complemented by a range of accountability mechanisms that apply to Councils and Council members, overseen by independent integrity bodies established by the Victorian Government including:

- the Independent Broad-based Anti-corruption Commission, which is responsible for investigating (and can bring potential criminal proceedings for) corrupt conduct⁹⁵
- the Local Government Inspectorate, which investigates matters relating to council operations and possible offences under the LG Act 2020⁹⁶
- the Victorian Ombudsman, which can consider complaints about Council actions and decisions⁹⁷
- VAGO, which undertakes financial and performance audits of Councils, along with other ad hoc reviews.⁹⁸

⁹² *Constitution Act 1975* (Vic), s. 74B.

⁹³ For example, LG Act 2020, ss. 12-13, 28, 232, 240-241 and 257.

⁹⁴ LG Act 2020, Part 7.

⁹⁵ IBAC (n.d.b).

⁹⁶ Local Government Inspectorate (n.d.).

⁹⁷ Victorian Ombudsman, (n.d.).

⁹⁸ VAGO (n.d.).

While Councils are required to indemnify a Council member in respect of anything necessarily or reasonably done by them in good faith in the performance of their duties or functions,⁹⁹ there are a number of potential offences which can be brought against a Council member for any misconduct relating to their role on Council. For example, a Council member found to have intentionally misused their position on Council could face a financial penalty or imprisonment.¹⁰⁰

Council member conduct issues are governed by the Council member conduct framework established by the LG Act 2020.¹⁰¹

Councils also have a range of internal policies and processes that support appropriate Council member conduct and good governance.¹⁰² These include Councillor and staff codes of conduct, Council member and staff interaction policies, Governance Rules outlining the conduct of Council meetings and social media policies.¹⁰³

3.5 Summary

The role of a Council member is multi-faceted, encompassing participation in the decision-making of Council, representing the interests of the community and contributing to Council's strategic direction. Additional important duties apply to the roles of Mayor and Deputy Mayor in leading the municipal community and other Council members and managing the relationship between Council members and the Council's CEO.

The scope and complexity of a Council member's role has increased significantly in recent years. The role of Mayor is characterised as a full-time commitment. The role of Deputy Mayor is also expected to grow, while for Councillors a typical week's time commitment has been estimated at around 23 hours (and more for some Councillors).

The cycle of four-yearly elections provides a mechanism for voters to hold Council members to account for their performance. In performing their roles, Council members are also subject to a range of legal accountability and integrity frameworks and requirements.

⁹⁹ LG Act 2020 (Vic), s. 43.

¹⁰⁰ LG Act 2020, s. 123(1).

¹⁰¹ DJPR (n.d.b).

¹⁰² LGV (2021).

¹⁰³ LGV (2021).

4 Allowance framework



In making this Determination, the VIRTIPS Act (s. 23A(5)(a)) requires the Tribunal to include a comprehensive review of the existing allowance categories and existing Councillor and Mayoral allowances under the *Local Government Act 1989* (Vic), taking into account similar allowances for elected members of local government bodies in other states and allowances for persons elected to other voluntary part-time community bodies.

This chapter provides an overview of how allowances for Council members have evolved in Victoria, explores their purpose and outlines the allowances system in place prior to the making of the Tribunal's Determination.

4.1 Selected key historical events

Initially, allowances were provided only to Mayors (or equivalent) in Victoria, and each Council had discretion over whether to pay an allowance at all. It was not until the 1980s that the payment of allowances was made mandatory and extended to all Council members. A separate 'remote area travel allowance' was introduced in 1998, and the concept of 'allowance categories' was introduced in 2001 (Table 4.1).

Table 4.1: Selected key events — history of Council member allowances, Victoria

Year	Event
Pre-1900	Towns of Melbourne and Geelong incorporated through Acts passed by NSW. Melbourne Town Council given the power to set an allowance for the Mayor. Additional municipalities — with governing Councils — created following Victoria's establishment as a separate colony in 1851. Councils permitted to pay an annual allowance to the Mayor — up to 3 per cent of gross revenue.
1982	Councils given discretion to pay all Council members an annual allowance of up to \$1,500 to cover expenses incurred in carrying out their duties.
1989-90	Councils required to set allowances subject to prescribed limits — initially \$3,000 p.a. for Councillors and \$100,000 p.a. for Mayors.
1994-95	As part of broader reforms to the local government sector, the number of Councils in Victoria was reduced from 210 to 78. Councils were required to set allowances for Council members as follows: <ul style="list-style-type: none"> • \$5,000 – \$12,000 p.a. for Councillors • \$5,000 – \$100,000 p.a. for Mayors. For Melbourne City Council, allowances were set at \$18,000 p.a. for Councillors and \$100,000 p.a. for the Lord Mayor.
1997-98	Allowance for Mayors (other than the Lord Mayor of Melbourne) fixed at three times the Councillor allowance set by each Council — effectively reducing the maximum allowance from \$100,000 p.a. to \$36,000 p.a. A 'remote area travel allowance' was introduced for Council members (subject to eligibility requirements) — \$20 per day, up to a cap of \$2,000 p.a.
2001	Introduction of three allowance categories to cover all Councils apart from Melbourne City Council. Each Council assigned to an allowance category using a 'category points system', reflecting each Council's population and total recurrent revenue. Maximum value of allowance payable to Mayors and Councillors varied by allowance category. Remote area travel allowance increased to \$40 per day, subject to a cap of \$5,000 p.a. Allowances for Melbourne City Council were increased, and separate allowance for Deputy Lord Mayor was introduced.
2007-08	Allowance values payable to all Council members increased by at least 34 per cent to offset a decline in real value since 2001. From 2009, allowances increased in line with the annual adjustment guideline rate set by the Premier. Additional payment introduced for Council members not entitled to superannuation.
2020-21	LG Act 2020 introduced a suite of reforms to the local government sector, including that the Tribunal set the value of allowances for Council members in a Determination. In June 2021, the Minister for Local Government requested that the Tribunal make its first Determination.

Sources: Various legislation.

4.2 Purpose of allowances

While the purpose of allowances for Council members in Victoria is not set out in legislation, the Victorian Government did release *Recognition and Support, the Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances and Resources* in 2008 (2008 Policy Statement). The Statement indicated that:¹⁰⁴

The Government views Councillor allowances not as a form of salary but as some recognition of the contributions made by those elected to voluntary, part time roles in the community.

In his letter requesting the Tribunal to make a Determination, the Minister for Local Government said:

... the Tribunal may wish to consider whether this view supports a contemporary local government sector that attracts diverse community perspectives to civic life.

The Tribunal's questionnaire also sought views on what the purpose of the allowance is or should be. Around 80 per cent of respondents indicated that the allowance 'accounts for the time commitment of Council service', while almost 60 per cent considered the allowance to be 'a form of salary or wages'. Respondents could choose more than one option (Appendix B).

Several submissions made to the Tribunal also revealed differences in the way the purpose of allowances is perceived. For example, the MAV said that:

Providing an allowance to Councillors is a recognition of the contribution they make as they perform their roles. The allowance is not the equivalent to remuneration for a salaried position. (p. 2)

On the other hand, Moonee Valley City Council expressed support for 'revising and redefining' the purpose of allowances outlined in the 2008 Policy Statement:

Councillor allowances should ideally act as a form of remuneration or compensation for the work done by Councillors, taking into account the community's expectations of Councillors, the average hours Councillors report working, and the seniority of their public role in the community. (p. 7)

¹⁰⁴ State Government of Victoria (2008), p. 1.

4.3 Existing allowances system

The allowances 'system' for Council members in Victoria is composed of three key components:

- an annual allowance — value varies according to role (e.g. Councillor or Mayor) and the allowance category that applies to the Council (Melbourne City Council is a special case, as outlined below)
- a payment in lieu of superannuation — made to Council members who are not entitled to superannuation
- a remote area travel allowance — available to all Council members (subject to eligibility requirements).

The components of the existing allowances system are summarised in Table 4.2.

Table 4.2: Overview of allowances system in place before the Tribunal's Determination

Type of payment	Description	Value
Annual allowance	Provided to all Council members	Varies by role (e.g. Councillor or Mayor) and allowance category
Payment in lieu of superannuation	Provided to Council members who are not entitled to superannuation	Equivalent in value to the Superannuation Guarantee Contribution (as at 1 July 2021, 10% of the value of the allowance)
Remote area travel allowance	Provided to Council members who normally reside more than 50km from the location specified for Council meetings or authorised functions	\$40 per day per meeting, up to an annual cap of \$5,000 per Council member

In addition to the payments above, Council members are entitled to be reimbursed for bona fide out-of-pocket expenses that are reasonably incurred in performing their role. Councils are also required to provide Council members with the facilities and resources necessary for them to perform their role. The Tribunal does not have the power to make Determinations in relation to these matters, which are instead determined by individual Councils in accordance with the LG Act 2020.¹⁰⁵

The allowances system in place prior to the making of this Determination was largely the outcome of two reviews undertaken by government-appointed panels in 2000 and 2007-08, which are discussed below.

¹⁰⁵ LG Act 2020, ss. 40-42.

Existing allowance categories

As discussed earlier, allowance categories were first introduced in Victoria in 2001, following a recommendation of the Councillor Allowances Review Panel. The Panel was asked to review the allowances payable to Councillors and Mayors, and to consider:

... the potential for refinement of the current [single category] structure by introducing a classification of Councils according to different levels of complexity.¹⁰⁶

Prior to the introduction of allowance categories, all Councils (apart from Melbourne City Council) were required to set the values of Councillor and Mayoral allowances within prescribed ranges — one range for all Councillors and a separate range for all Mayors. Allowances for Council members in the Melbourne City Council were fixed by the Minister for Local Government.

As a result of the Panel's recommendations, all Councils (except for Melbourne City Council) have been assigned to one of three allowance categories since 2001, according to a 'category points system'.

Under this system, a number of 'category points' is calculated for each Council on the basis of the Council's total recurrent revenue and estimated resident population (Box 4.1). Councils are assigned to an allowance category based primarily on the category points calculation (Table 4.3).

¹⁰⁶ Councillor Allowances Review Panel (2000), p. 2.

Box 4.1: Allowance categories — formula used to calculate Council category points

$$\text{Category points} = \frac{(R \times D) + P}{1,000}$$

Where:

- *R* is the Council's total recurrent **revenue** (in \$'000s) for the most recent financial year^(a)
- *D* is an index, calculated annually, for discounting total recurrent revenue using 'average weekly earnings'^(b) data published by the ABS (discounting is used to avoid increases in category points resulting purely from inflation)
- *P* is the estimated resident **population** of the Council, based on the latest data published by the ABS as at 30 June in the most recently completed financial year.

The Councillor Allowances Review Panel considered that:

In the absence of more robust measures of complexity, population size is a reasonable indicator of [a Councillor's] representational workload ... [and] total revenue is an indicator of the size and complexity of the governance role.

Notes: (a) Total recurrent revenue figure is obtained from each Council's audited financial statements. (b) Data series used is 'average weekly total earnings for full-time Australian adults' (seasonally adjusted).

Sources: Councillor Allowances Review Panel (2000); State Government of Victoria (2008); Correspondence from LGV.

Table 4.3: Category points ranges and corresponding allowance categories

Allowance category	Category points
Category 1	0 – 40
Category 2	41 – 190
Category 3	191+

Source: State Government of Victoria (2008).

A Council that is not otherwise eligible (i.e. according to the category points calculation) can apply to a Local Government Panel to be moved to a higher allowance category if exceptional circumstances apply.¹⁰⁷

Table 4.4 shows the allowance category which applied to each Council prior to the making of the Tribunal's Determination. Overall, Councils are distributed more or less evenly across the three categories — 22 Councils are in Category 1, 29 are in Category 2 and 27 are in Category 3.

¹⁰⁷ State Government of Victoria (2008), p. 11.

Table 4.4: Allowance categories prior to the making of this Determination

Category 1	Category 2	Category 3
Alpine Shire Council	Bass Coast Shire Council	Ballarat City Council
Ararat Rural City Council	Baw Baw Shire Council	Banyule City Council
Benalla Rural City Council	Bayside City Council	Boroondara City Council
Buloke Shire Council	Campaspe Shire Council	Brimbank City Council
Central Goldfields Shire Council	Colac Otway Shire Council	Cardinia Shire Council
Corangamite Shire Council	East Gippsland Shire Council	Casey City Council
Gannawarra Shire Council	Glenelg Shire Council	Darebin City Council
Hepburn Shire Council	Golden Plains Shire Council	Glen Eira City Council
Hindmarsh Shire Council	Greater Shepparton City Council	Frankston City Council
Indigo Shire Council	Hobsons Bay City Council	Greater Bendigo City Council
Loddon Shire Council	Horsham Rural City Council	Greater Dandenong City Council
Mansfield Shire Council	Latrobe City Council	Greater Geelong City Council
Mount Alexander Shire Council	Macedon Ranges Shire Council	Hume City Council
Murrindindi Shire Council	Maribyrnong City Council	Kingston City Council
Northern Grampians Shire Council	Maroondah City Council	Knox City Council
Pyrenees Shire Council	Mildura Rural City Council	Manningham City Council
Borough of Queenscliffe	Mitchell Shire Council	Melton Shire Council
Southern Grampians Shire Council	Moira Shire Council	Monash City Council
Strathbogie Shire Council	Moorabool Shire Council	Moreland City Council
Towong Shire Council	Moyne Shire Council	Moonee Valley City Council
West Wimmera Shire Council	Nillumbik Shire Council	Mornington Peninsula Shire Council
Yarriambiack Shire Council	South Gippsland Shire Council	Port Phillip City Council
	Surf Coast Shire Council	Stonnington City Council
	Swan Hill Rural City Council	Whitehorse City Council
	Wangaratta Rural City Council	Whittlesea City Council
	Warrnambool City Council	Wyndham City Council
	Wellington Shire Council	Yarra Ranges Shire Council
	Wodonga City Council	
	Yarra City Council	
22 Councils	29 Councils	27 Councils

Note: Melbourne City Council is not assigned to an allowance category.

Source: State Government of Victoria (n.d.b).

Existing annual allowance values

Each allowance category is associated with:

- minimum and maximum values of annual allowance that may be paid to Councillors and the Deputy Mayor in all Councils in that category
- a maximum value of annual allowance that may be paid to the Mayor of each Council in that category.

Table 4.5 shows the minimum and maximum annual allowance values which applied prior to the making of the Tribunal's Determination. The latest values (updated annually by Ministerial Notices published in the Government Gazette) were set in an Order made by the Governor in Council on 5 July 2012 under the *Local Government Act 1989* (Vic).

The minimum and maximum values are highest for Category 3 Councils, and lowest for Category 1 Councils. In all three allowance categories, Mayors are entitled to a higher maximum annual allowance (approximately three times higher) than Councillors.

Table 4.5: Annual allowance values prior to the making of the Tribunal's Determination

Allowance category	Annual Councillor allowance ^(a) \$	Annual Mayoral allowance \$
Category 1	8,833 to 21,049	Up to 62,884
Category 2	10,914 to 26,245	Up to 81,204
Category 3	13,123 to 31,444	Up to 100,434

Note: (a) A Deputy Mayor is entitled to the same annual allowance as Councillors in the same allowance category.
Source: *Victorian Government Gazette*, No. S 459, 13 November 2019, p. 1.

Prior to the Determination, each Council was required to set the value of its annual allowances (within the ranges corresponding to its allowance category) within six months of a general local government election, or by 30 June following the election (whichever is later). Under s. 74(1) of the *Local Government Act 1989* (Vic), a Council may adjust the value of annual allowances payable if the allowance category that applies to it is changed.

By providing for a range of values for each allowance category, rather than a single value, the Councillor Allowances Review Panel stated that it intended to:

*... allow Councils to determine rates that reflect their relative complexity ...
not for all Councils to immediately move to the maximum [value].¹⁰⁸*

To this end, the Panel suggested several factors Councils could take into account in selecting specific annual allowance values:¹⁰⁹

- whether the Council has a greater regional focus than others in the same allowance category
- socio-economic or demographic differences that result in ‘higher than usual’ demands on Council services, relative to other Councils in the same allowance category
- expectations placed on the Mayor by the community.

Through consultations completed as part of making this Determination, the Tribunal found that, in practice, most Councils set their annual allowances at (or near) the top of the ranges applicable to them — 85 per cent of all Councils had set their annual Councillor and Mayoral allowances at the maximum levels as at 1 July 2021, including around 90 per cent of Category 3 Councils.¹¹⁰

The Tribunal also found that total annual expenditure on allowances for Council members is low relative to Council annual revenue (revenue is often in the hundreds of millions of dollars). In 2020-21, for example, payment of allowances represented an average 0.4 per cent of a Council’s total recurrent revenue. This figure was slightly higher (0.7 per cent) when considering only Category 1 Councils, which typically have lower total recurrent revenues. The only Council where the cost of paying allowances exceeded one per cent of total recurrent revenue in 2020-21 was the Borough of Queenscliffe.¹¹¹

Under s. 39(5) of the LG Act 2020, Council members may elect to receive the entire annual allowance to which they are entitled, a specified part of the annual allowance, or no annual allowance. According to data provided to the Tribunal by 77 Councils, the vast majority of serving Council members have elected to receive the entire annual allowance to which they are entitled (as at 1 July 2021).

¹⁰⁸ Councillor Allowances Review Panel (2000), p. 21.

¹⁰⁹ Councillor Allowances Review Panel (2000), p. 4.

¹¹⁰ Includes three Councils under administration as at 1 July 2021 — for these Councils, maximum values were the amounts payable immediately prior to the date of administration. Around 86 per cent of Category 2 Councils and 77 per cent of Category 1 Councils had set their allowances at the maximum levels. Data requested from Councils by the Tribunal in 2021.

¹¹¹ Tribunal analysis using data provided to the Tribunal by LGV in 2021.

Only two of the 77 Councils reported that at least one Council member had elected to receive a partial annual allowance, and none of the Councils that provided data to the Tribunal reported that any Council member had elected not to receive an annual allowance.

Annual allowances for Greater Geelong City Council

Greater Geelong City Council has been a Category 3 Council since allowance categories were first introduced in 2001. However, since October 2012, annual allowances for the Mayor and Deputy Mayor have been set in an Order made by the Governor in Council under the *City of Greater Geelong Act 1993* (Vic).

In 2017, annual allowances for the Mayor and Deputy Mayor aligned with maximum annual allowances payable to Council members in Category 3 Councils. As a result, prior to the making of the Tribunal's Determination, the:¹¹²

- Mayor's annual allowance of \$100,434 was equal to the maximum annual allowance for the Mayor of a Category 3 Council
- Deputy Mayor's annual allowance of \$31,444 was equal to the maximum annual allowance of a Councillor in a Category 3 Council.

Annual allowances for Melbourne City Council

Existing annual allowances for Melbourne City Council are set in an Order made by the Governor in Council under the *City of Melbourne Act 2001* (Vic). Prior to the making of the Tribunal's Determination:¹¹³

- a Councillor's annual allowance was \$47,165
- the Lord Mayor's annual allowance was \$200,870
- the Deputy Lord Mayor's annual allowance was \$100,434.

Payment in lieu of superannuation

In line with the *Superannuation Guarantee (Administration) Act 1992* (Cth) (SG Act), Council members are generally not entitled to compulsory superannuation contributions as they are not considered to be 'employees' (Box 4.2). In addition, the LG Act 2020 does not address the matter of superannuation for Council members.

¹¹² *Victorian Government Gazette*, No. G 37, 14 September 2017, p. 2040.

¹¹³ *Victorian Government Gazette*, No. S 459, 13 November 2019, p. 1.

Box 4.2: Council members and superannuation

The SG Act provides that employers must contribute a minimum amount to a complying superannuation fund on behalf of each eligible employee. The SG contribution is expressed as a percentage of ordinary time earnings and is set at 10 per cent for 2021-22.

The SG Act excludes Council members across Australia from the definition of 'employee', so Councils are not ordinarily required to make SG contributions to Council members:

a person who holds office as a member of a local government council is not an employee of the council (s. 12(9A)).

Source: SG Act.

The Australian Taxation Office does allow Council members to re-direct all, or some, of their annual allowance into a complying superannuation fund, where it is not treated as assessable income.¹¹⁴

In addition, a Council may choose to unanimously resolve to become an 'Eligible Local Governing Body' (ELGB) under the *Taxation Administration Act 1953* (Cth).¹¹⁵ Where a Council makes such a resolution, Council members are considered employees for superannuation (and a variety of other tax-related) purposes, and therefore become entitled to compulsory superannuation contributions.¹¹⁶

Only Council members in Councils that are not ELGBs are eligible to receive the payment in lieu of superannuation.¹¹⁷ Of the 77 Councils that responded to the Tribunal's data request, 11 (around 15 per cent) indicated they were ELGBs as at 1 July 2021.

Since 2008, an additional payment has been provided to all Council members (including those in Greater Geelong City Council and Melbourne City Council) who are not entitled to compulsory superannuation contributions.¹¹⁸

The value of the payment is set in the same Order which sets the minimum and maximum annual allowance values for each allowance category, and is equivalent in value to the SG contribution (10 per cent as at 1 July 2021). As there is no requirement for it to be paid into a complying superannuation fund, for eligible Council members, the payment has the effect of increasing the annual allowance paid by the equivalent of the SG contribution.

¹¹⁴ Australian Taxation Office (2007).

¹¹⁵ *Taxation Administration Act 1953* (Cth), s. 446-5(1)(a) and Schedule 1, 12-45(1)(e).

¹¹⁶ Local Government (Councillor Remuneration Review) Panel (2008), p. 20.

¹¹⁷ *Victorian Government Gazette*, No. G 48, 27 November 2008, p. 2788.

¹¹⁸ State Government of Victoria (2008), p. 3.

The payment was introduced following a recommendation of the Local Government (Councillor Remuneration Review) Panel in 2008. The Panel noted that:

Mayors and Councillors are not employees and are therefore not subject to superannuation law. For those who forgo income and/or employment to participate in local government the loss of superannuation has been identified as a significant issue. This can become a barrier to participation for both existing and potential Councillors.

... as most Councillors are not paid superannuation, any new arrangements should include a 9% payment equivalent to application of the Superannuation Guarantee ...

... individual Councillors in Councils that are not ELGBs will be able to choose to salary sacrifice this amount, along with any or all of the allowance into a recognised superannuation fund and thereby benefit from the equivalent of an employer superannuation guarantee contribution that is currently only available to ELGBs.¹¹⁹

Table 4.6 demonstrates the impact of the payment in lieu of superannuation for eligible Council members in allowance categories 1–3.

Table 4.6: Effect of payment in lieu of superannuation for eligible Council members,^(a) allowance categories 1–3

Allowance category	Maximum annual allowance payable (A) \$ p.a.	Payment in lieu of superannuation (B) \$ p.a.	Total payment (A+B) \$ p.a.
Councillors			
Category 1	21,049	2,105	23,154
Category 2	26,245	2,625	28,870
Category 3	31,444	3,144	34,588
Mayor			
Category 1	62,884	6,288	69,172
Category 2	81,204	8,120	89,324
Category 3	100,434	10,043	110,477

Note: (a) Eligible Council members are those in a Council which is not an ELGB.

¹¹⁹ Local Government (Councillor Remuneration Review) Panel (2008), pp. 14, 21.

Remote area travel allowance

Since 1998, a remote area travel allowance (RATA) — paid as compensation for time spent on long-distance travel — has been provided to eligible Council members.¹²⁰

To be eligible, a Council member must normally reside more than 50km by the shortest practicable road distance from the location specified for Council meetings, or for municipal or community functions which the Council member has been authorised to attend.

Since 2001, the RATA has been equal to \$40 per day, subject to an annual cap of \$5,000 per Council member.¹²¹ In practice, this means that an eligible Council member can claim the RATA for at most 125 days in a given year.

Of the 77 Councils that responded to the Tribunal's data request, 17 indicated they had paid the RATA to at least one Council member during the 2019-20 financial year (approximately 50 Council members in total). A total of 14 Councils indicated they had paid the RATA from the start of the current Council term (following local government elections on 24 October 2020) up to 30 June 2021 (approximately 40 Council members in total).

For the Council members who received the RATA in 2019-20, the average total amount received by each person was \$800 — equivalent to claiming the allowance for 20 days over the financial year.¹²²

Trends in annual allowance values

Between 2001 and 2007, there was no change to the minimum and maximum values of annual allowance payable to Council members in Category 1 and Category 2 Councils. Councils assessed as falling within Category 3 at the time the category points system was introduced in 2001 were subject to the same minimum and maximum values as Category 2 Councils until 2003, when higher maximum annual allowances came into effect for Category 3 Councils.¹²³ However, minimum and maximum allowance values for Category 3 also remained unchanged between 2004 and 2007.

¹²⁰ *Victorian Government Gazette*, No. G 10, 12 March 1998, 548-549.

¹²¹ State Government of Victoria (2000), p. 4; *Victorian Government Gazette*, No. G 27, 5 July 2012, 1489-1492.

¹²² Data requested from Councils by the Tribunal in 2021.

¹²³ State Government of Victoria (2000). The new maximum allowances for Councillors and Mayors were 20 per cent and 24 per cent higher, respectively, than those for Category 2 Councils.

In 2008, following a recommendation of the Local Government (Councillor Remuneration Review) Panel, the minimum and maximum annual allowances payable to Councillors and Mayors in all allowance categories were increased by more than 30 per cent.

This increase was made to reflect increases that had been applied to the remuneration of Victorian statutory and executive officers since 2000 (which had not been applied to Council members as outlined above) and to reflect the Panel's finding that annual allowance levels:

*... present[ed] a barrier to candidacy for those women, young people and mid career professionals both standing for election for the first time and those standing for re-election.*¹²⁴

In addition to this once-off increase, the *Local Government Act 1989* (Vic) was amended in 2008 to provide for annual adjustments to annual allowances for Council members.¹²⁵ Previously, the Act did not expressly provide for annual adjustments to annual allowances. As a result, since 2008, minimum and maximum annual allowance values payable across all three categories have been adjusted annually in line with the 'annual adjustment guideline rate' set by the Premier for public sector executives and board members in Victoria.¹²⁶ In 2021-22, the rate was set at 1.5 per cent. At the time of making this Determination, this increase had not been applied to annual allowances for Council members.

Since 2008, the annual adjustment rate has also been applied to annual allowances for Melbourne City Council and the Mayor and Deputy Mayor of Greater Geelong City Council (with the exception of 2021-22). In addition to annual adjustments, the following once-off adjustments have been made:

- in October 2012, annual allowances for the Lord Mayor, Deputy Lord Mayor and Councillors in Melbourne City Council were increased by 7 per cent, 31 per cent and 11 per cent, respectively¹²⁷
- in October 2012, higher annual allowances were introduced for the Mayor and Deputy Mayor of Greater Geelong City Council, although in October 2017

¹²⁴ Local Government (Councillor Remuneration Review) Panel (2008), p. 1.

¹²⁵ *Local Government Amendment (Councillor Conduct and Other Matters) Act 2008* (Vic), s. 4.

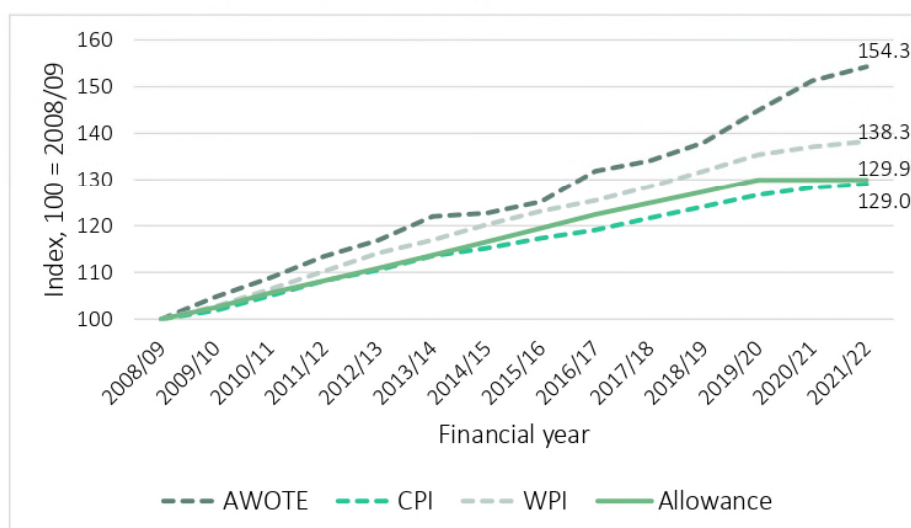
¹²⁶ Tribunal analysis of Ministerial notices published in the *Government Gazette* which specified the rate of adjustment.

¹²⁷ *Victorian Government Gazette*, No. G 27, 5 July 2012, pp. 1489-1490.

annual allowances for these positions were reduced and realigned with those for other Category 3 Councils.¹²⁸

Figure 4.1 shows how the change in the maximum value of annual allowances for allowance categories 1-3 compares to the change in the value of selected economic indicators since 2008. Growth in annual allowances over this period (30 per cent) has kept pace with changes in the All Groups Consumer Price Index (CPI) for Melbourne (29 per cent), which is a proxy for price inflation in the Victorian economy. However, over this period, annual allowances grew at a slower rate than wages in the broader economy, as measured by changes in the Victorian Wage Price Index (WPI) (38 per cent) and average weekly ordinary time earnings for full-time Victorian adults (AWOTE) (54 per cent).

Figure 4.1: Maximum allowance values and selected economic indicators, 2008/09 – 2021/22, nominal change



Note: Change in allowance value based on change in the maximum value of annual allowances payable for allowance categories 1-3, excluding the payment in lieu of superannuation.

Sources: ABS (2021b); ABS (2021c); ABS (2021e); Tribunal's analysis.

¹²⁸ *Victorian Government Gazette*, No. G 27, 5 July 2012, pp. 1489-1492; *Victorian Government Gazette*, No. G 37, 14 September 2017, p. 2040.

4.4 Stakeholder views

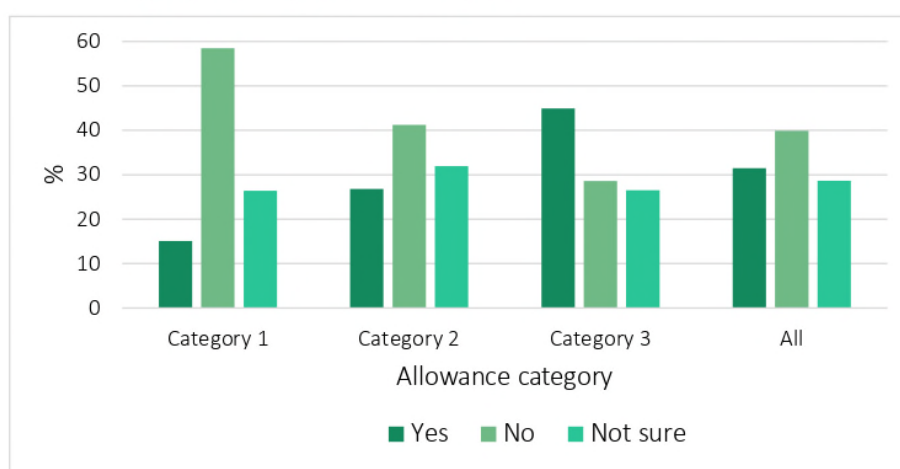
The Tribunal's questionnaire sought the views of currently serving Council members on the existing allowances system. In addition, the Tribunal invited submissions from interested or affected parties on the issues covered by the Determination. A summary of some of the key themes and views presented to the Tribunal is provided below.

Stakeholder views on existing allowance categories

When asked for their views on the category points system, 40 per cent of Council members who responded to the Tribunal's questionnaire indicated that it was 'not appropriate'. A further 29 per cent indicated that they were 'not sure' if it was appropriate.

In general, respondents from Category 1 Councils were least favourable (58 per cent indicated that the system was 'not appropriate'), while respondents from Category 3 Councils were most favourable (45 per cent indicated that the system was 'appropriate') (Figure 4.2).

Figure 4.2: Council members' views on whether the category points system is appropriate — questionnaire responses



Note: Based on 253 responses.

Source: Tribunal questionnaire distributed to Council members.

When asked to elaborate on the reasons for their response, around a fifth of respondents to the Tribunal's questionnaire noted that all Council members have the same duties and responsibilities under the LG Act 2020, and that the time

commitment of Council members is comparable, regardless of the size or location of the Council. For example, one Councillor from a Category 1 Council said:

Good decision making requires time, energy and effort. All Councillors make similar decisions and ought to be payed accordingly.

Similarly, the Deputy Mayor of a Category 3 Council said:

The amount of work required or expectations from residents does not depend on borders.

Around 15 per cent of respondents to the Tribunal's questionnaire indicated that the category points system disadvantaged Council members from rural or regional Councils, which typically have smaller populations and revenues than metropolitan Councils but cover larger geographical areas.

For example, another Councillor from a Category 1 Council said:

A rural council has just as much work to do as a city council, but cannot call on resources as readily. A rural council has a much wider area to cover and there is a lot more travelling.

Several respondents to the Tribunal's questionnaire from Category 2 and Category 3 Councils indicated that the category points system does not take into account all factors relevant to the setting of allowance categories. For example, the Mayor of a Category 3 Council said that:

The current method does not take into consideration the value of assets under management, the growth challenges faced by Councils and also that [the] demographic make up of some communities will result in a much higher level of Councillor-community engagement.

In addition to the views expressed in questionnaire responses, some interested parties also made comments on the existing allowance categories in their submissions to the Tribunal (Box 4.3).

Box 4.3: Stakeholder views — allowance categories

'Consideration should be given to broadening the basis for determining allowances as additional factors impact the Council's ability to deliver services and maintain a sustainable financial situation ... The current factors are relatively easy to apply, but do not necessarily reflect the social, economic or environmental fabric of the municipality.'

(East Gippsland Shire Council submission, p. 3)

'Residents don't believe that the current system of allocating allowances based on population and revenue is adequate ... [and] strongly feel that additional criteria needs to be incorporated to consider the demographic and wealth profile of the municipality ...'

(Brimbank Ratepayers & Residents Association, Inc., p. 4)

'Given that Mayors, Deputy Mayors and Councillors ultimately all perform the same legislated role, it is challenging to identify an appropriate system of categorisation which allocates greater allowances to some Victorian Councillors and Mayors, than it does others. Each Council has its own unique set of challenges and opportunities which must be acknowledged.' (Moonee Valley City Council submission, p. 7)

'The current methodology provides a consistent and transparent approach. However, it is noted additional factors (eg. geography) are considered by some other jurisdictions when determining the allowance categories.' (MAV submission, p. 3)

Sources: Submissions received by the Tribunal.

Stakeholder views on existing annual allowance values

The Tribunal's consultations heard mixed views presented on the appropriateness of the current value of allowances payable to Council members.

Many submissions from members of the public and community groups expressed the view that allowances should not be increased from existing levels, often citing the economic impact of COVID-19 as a key reason.

For example, Ratepayers Victoria argued that:

... allowances should be frozen at their current dollar value, until all pandemic restrictions are lifted, and all Victorians are free to live, work and travel and have some certainty about their financial future. (p. 3)

Similarly, the Brimbank Ratepayers & Residents Association, Inc. said:

Residents don't believe that an increase in allowances can be justified at this time and would strongly advocate against any increase. ... Brimbank has been disproportionately affected by Covid19, both in terms of the number of residents who have caught the disease and also from the numerous lockdowns and restrictions which have destroyed businesses, jobs and livelihoods. (p. 6)

Several other submissions focused on the impact of COVID-19 (Box 4.4).

Box 4.4: Stakeholder views — value of allowances in the context of COVID-19

'I ... request that you do not increase the councillor pay at this time, due to the current COVID restrictions. With so many small businesses shut and families hurting financially I believe this it is inappropriate for our councilors to receive an increase.' (Sharyn More, p. 1)

'In light of the present COVID-19 situation wrecking havoc with many employers and employees, I would ask you to critically appraise any pay rise for Mayors, Deputy-Mayors and Councillors. Our communities is suffering economic hardships caused by COVID lockdowns. Please do not invite taxpayer frustration by creating an even more unequal society.' (De-identified submission 5, p. 1)

'In these trying conditions, to award increases to Mayors and councillors allowances would send the wrong message. Those who continue to hold onto their jobs should be grateful. These are not normal times. The public is struggling and the fact that the public pay the allowances for Mayors and councillors should not be forgotten.' (Kelly Rossiter, p. 1)

'Victoria and it's ratepayers are going through extended periods of financial hardship brought about by the COVID-19 virus progressive outbreaks, especially this DELTA strain and the continued lock downs.' (Graham Jolly, p. 1)

Sources: Submissions received by the Tribunal.

While the impact of COVID-19 was often raised in submissions, several other factors were identified in submissions as relevant for setting the value of allowances (Box 4.5).

Box 4.5: Stakeholder views — factors relevant for setting the value of allowances

'We do not believe Mayors and Councillors should receive an increase in their remuneration. They are honorary positions in our community, and the increases would defeat these purposes.' (James Bae, p. 1)

'The Council is a business and the Councillors should have Key Performance Indicators (KPIs) which include Waste Management, Climate Change and Community wellbeing [KPIs]. ... [Allowances are not adequate] because they do not include any KPIs and hence probably do not attract the best candidates.' (Sustainable Action Network, pp. 7-8)

'As a resident of the City of Moreland, and having attempted to be involved in local council issues and consultations during the past few years, my opinion is that:

- Councillors allowances should be increased significantly
 - Mayors and Deputy Mayors allowances should be decreased significantly.'
- (Margaret Attwater, p. 1)

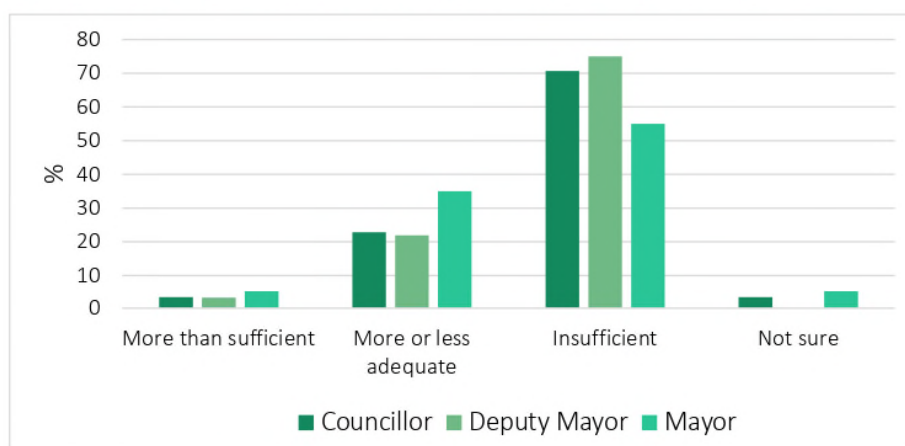
'The allowance for Councillors should be at a level that allows them to undertake the role full time and does not financially disadvantage somebody if they choose to undertake the role.' (Daniel Kade, p. 1)

Sources: Submissions received by the Tribunal.

Most Council members who responded to the Tribunal's questionnaire considered that existing annual allowance values are too low. Almost 70 per cent of respondents said that they consider the annual allowance they receive to be 'insufficient'. However, around 25 per cent indicated that the annual allowance is 'more or less adequate', and four per cent considered it 'more than sufficient'.

On the whole, responses to the Tribunal's questionnaire indicated that Mayors had a more favourable view of the value of the annual allowance received than other Council members — 40 per cent considered it 'more than sufficient' or 'more or less adequate' (Figure 4.3).

Figure 4.3: Council members' views on annual allowances — questionnaire results



Note: Based on 256 responses.

Source: Tribunal questionnaire distributed to Council members.

When asked to elaborate on the reasons for their response, around a third of Council members said that the value of the annual allowance does not reflect the hours dedicated to the role, and/or that it does not adequately reflect the responsibilities the role entails. For example, according to one Councillor from a Category 3 Council:

The amount of pressure, expectation and hours that comes from community and the stresses associated with the job is not equal to the pay.

A similar view was expressed by the MAV in its submission to the Tribunal:

The current allowance levels do not go anywhere near the time and effort invested by Councillors in their role. (p. 2)

Several Deputy Mayors who responded to the questionnaire indicated that they should receive a higher annual allowance than other Councillors. According to one Deputy Mayor from a Category 3 Council:

As Deputy Mayor my current allowance is the same as other councillors whist I undertake much more responsibility within my role.

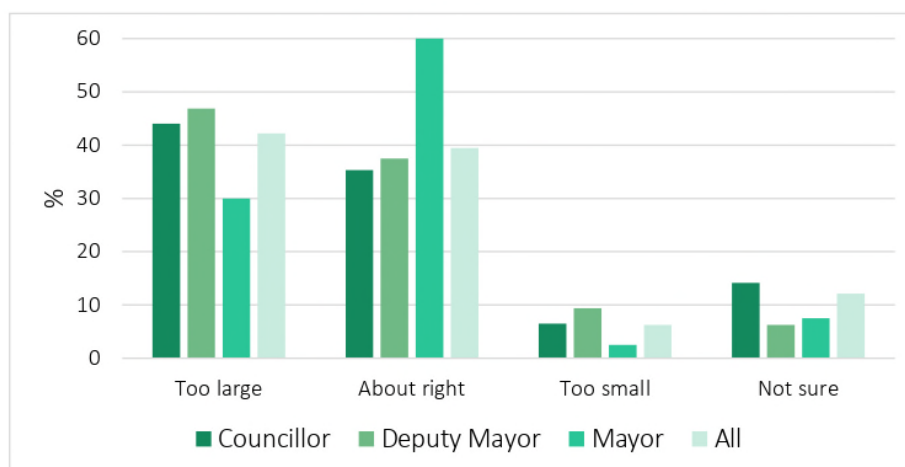
Several Councillors indicated, in their free text responses to the Tribunal's questionnaire, that the equivalent hourly rate of the annual allowance they receive would be less than the National Minimum Wage (\$20.33 per hour as at 1 July 2021).

For example, one Councillor from a Category 1 Council said:

My allowance gives me approximately \$500 a week. If I work 30 hours a week I calculate an hourly rate of about \$16 ... I wonder sometimes how the allowance can be so low.

The Tribunal's questionnaire asked Council members for their views on the difference, or 'relativity', between the annual allowances for Mayors and Councillors. Forty-two per cent of respondents indicated that the difference was 'too large'. A similar percentage (39 per cent) indicated that it was 'about right', while only three per cent thought it was 'too small' (Figure 4.4).

Figure 4.4: Council members' views on the difference in value between annual allowances for Mayors and Councillors — questionnaire results



Note: Based on 256 responses.

Source: Tribunal questionnaire distributed to Council members.

Another theme arising from responses to the Tribunal's questionnaire was that existing annual allowance values do not fully compensate Council members for the 'opportunity cost' of serving on Council, including the reduced hours spent in other paid employment. One Deputy Mayor from a Category 2 Council said:

I needed to drop down to 1 day paid work per week so I could do my role as Deputy properly.

Several respondents to the Tribunal's questionnaire indicated that the value of the annual allowance prevented them from dedicating as much time to the role as they would like, or as the community expects. One Councillor from a Category 3 Council said that:

It [the allowance] doesn't allow me to reduce hours of paid employment, which means I can't dedicate as much time during business hours to assisting the community, even though there is an expectation from many members of our community that we are available to them in the same way as a state or federal MP is available.

Of the Council members who indicated that the annual allowance was 'more or less adequate' in response to the Tribunal's questionnaire, several cited the voluntary and/or part-time nature of the role, and a handful of respondents said that they did not need to rely on the annual allowance due to their financial situation.

For example, one Councillor from a Category 2 Council noted:

I could make more money putting time into my business, but being a councillor let[s] me give back to the community.

Another theme arising from consultation was that existing annual allowance values pose a barrier to achieving greater diversity of representation on Councils. In its submission to the Determination, Moonee Valley City Council said:

The allowance provided to Councillors undoubtedly impacts on willingness to stand for Council, and on Councillor diversity. (p. 9)

A majority (almost 80 per cent) of Council members who responded to the Tribunal's questionnaire indicated that they did not think existing annual allowances supported a diverse pool of candidates, compared to 13 per cent who did (Box 4.6).

Box 4.6: Council members' views — impact of existing annual allowance levels on diversity of representation on Councils

'I am fortunate to not have to rely on my allowance . Not all councillors are in the same position. The allowance needs to be at a level where people are not precluded from being an elected representative. We want to aim to have elected representatives from all areas of our communities.' (Mayor, Category 2 Council)

'Only attractive to people who either have a fixed income or have money. Single parents, First Nations and CALD couldn't consider it if there sole source of income.' (Councillor, Category 1 Council)

'Current allowances are a disincentive for many who might need to either leave full time permanent employment, or reduce hours. Also a disincentive for those with casual or insecure employment, caring responsibilities, parenting duties etc.' (Councillor, Category 3 Council)

'It [the existing allowance] is a huge barrier and deterrent - probably why we have so much difficulty in getting more women, or people from lower socio-economic backgrounds in. At my Council, the role has traditionally been held by wealthy retired white men.' (Councillor, Category 3 Council)

'The low level of the allowance privileges those who are retired, independently wealthy, have a stay-at-home partner to take care of domestic responsibilities. It's a barrier to diversity.' (Councillor, Category 3 Council)

'It is set up for older, retirees to take on these roles which is such an old model. It does not allow for younger people with careers to run or for a diverse range of the population to be represented.' (Councillor, Category 1 Council)

Source: Tribunal questionnaire distributed to Council members.

Stakeholder views on the payment in lieu of superannuation

While the questionnaire for Council members distributed by the Tribunal did not expressly ask for views on the payment in lieu of superannuation, the Tribunal's Consultation Paper did ask stakeholders and interested parties to consider the following question in submissions:

How, if at all, should superannuation be considered in determining allowance values?

Few submissions commented on the payment in lieu of superannuation. In its submission, Moonee Valley City Council said that a 'superannuation equivalent should be paid to all Councillors'.¹²⁹ Similarly, MAV said that the payment in lieu

¹²⁹ Moonee Valley City Council submission, p. 10.

of superannuation should be retained in its existing form,¹³⁰ while the Victorian Local Governance Association (VLGA) said:

We submit that existing arrangements for payment of superannuation should not be diluted, for the reasons of supporting diversity ... (p. 6)

Stakeholders' views on the remote area travel allowance

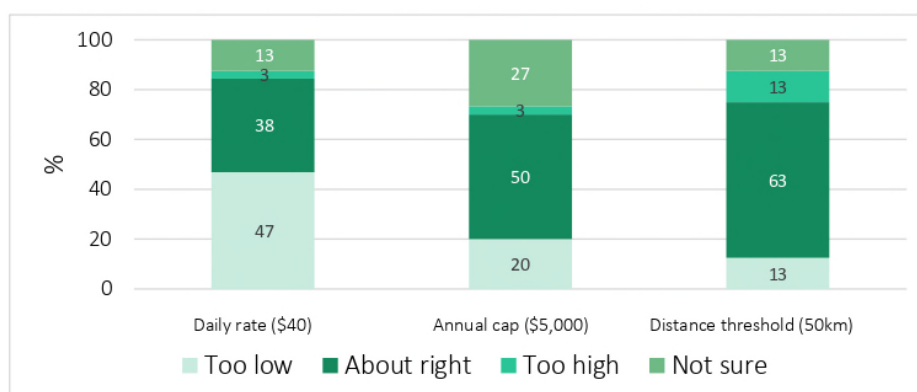
In its questionnaire distributed to Council members, the Tribunal sought views on the following aspects of the RATA:

- daily rate of \$40
- annual cap of \$5,000 per Council member
- distance requirement of 50km.

Figure 4.5 summarises the views of Council members who have ever received, or been eligible for, the RATA.

Almost half (47 per cent) of these respondents said that the daily rate was 'too low', compared to just under 40 per cent who said it was 'about right'. By comparison, a majority of respondents said that the annual cap and distance requirement were 'about right' (50 per cent and 63 per cent, respectively).

Figure 4.5: Summary of Council members' views on the RATA — questionnaire results



Note: Results exclude respondents who have not received (or been eligible for) the RATA, who did not answer the question, or who answered 'not applicable'.

Source: Tribunal questionnaire distributed to Council members.

¹³⁰ MAV submission, p. 2.

A few submissions commented on the RATA. MAV said that the RATA should be retained in its existing form,¹³¹ while East Gippsland Shire Council noted that the value of the RATA has not changed in some time and is:

... not reflective of the cost of travel in rural and remote communities. (p. 3)

4.5 Summary

Since 2001, all Councils other than Melbourne City Council have been assigned to one of three allowance categories according to a 'category points system', which groups Councils based on their total recurrent revenue and estimated resident population. Councils are required to set the values of the annual allowances payable to Council members within prescribed limits set for each category. These limits differ between allowance categories.

Allowances for Council members in Melbourne City Council and for the Mayor and Deputy Mayor of Greater Geelong City Council have been fixed by the Minister for Local Government.

In addition to the annual allowance, Council members who are not entitled to compulsory superannuation contributions receive an additional payment in lieu of superannuation, and Council members who meet certain eligibility requirements receive a remote area travel allowance.

The Tribunal's consultation processes found different stakeholder views on the purpose of the allowances system, the existing allowance categories and the value of allowances. Subsequent chapters further explore the Victorian allowances framework, including by comparing it to those in other Australian jurisdictions and remuneration for selected occupations.

¹³¹ MAV submission, p. 2.

5 Comparators



As indicated, in making this Determination, the VIRTIPS Act (s. 23A(5)(a)) requires the Tribunal to include a comprehensive review of the existing allowance categories and existing Councillor and Mayoral allowances under the *Local Government Act 1989* (Vic), taking into account:

- similar allowances for elected members of local government bodies in other states
- allowances for persons elected to other voluntary part-time community bodies.

The Tribunal also considered the following additional comparators and metrics:

- fees paid to non-executive directors, in particular board members of Victorian public entities
- salaries of Members of the Parliament of Victoria
- the national minimum wage in Australia.

5.1 Allowances for Council members in other Australian jurisdictions

The Tribunal considered allowances (and equivalent payments) for Council members in other states and the Northern Territory. The Australian Capital Territory does not have a separate system of local government.

In most Australian states, an independent tribunal or commission sets the values of allowances for Council members either directly (by setting an exact amount) or indirectly (by setting a range within which Councils must choose their own values). The exception is Tasmania, where the values are set in regulations.¹³²

In the Northern Territory, allowance ranges are currently set in guidelines issued by the Minister for Local Government.¹³³ However, legislative reforms made

¹³² *Local Government (General) Regulations 2015* (Tas).

¹³³ Minister for Local Government (NT) (2021).

in 2019 gave the Northern Territory Remuneration Tribunal the power to set the maximum values of allowances in the future.¹³⁴

Comparing allowances across jurisdictions

A degree of caution needs to be exercised when comparing the values of allowances in different jurisdictions, as the functions performed by Councils, and the characteristics of local government areas (LGAs),¹³⁵ vary across jurisdictions.

Council functions and services

In general, Councils derive their authority from state and territory legislation, which define the scope of their authority and delegate to them those functions that are deemed to be most effectively and efficiently implemented at the local level. Common functions include:¹³⁶

- authorisation of planning and building developments
- food and liquor safety laws
- animal control
- provision of local roads
- waste collection.

Councils in some jurisdictions deliver services that, in Victoria, are the responsibility of the state government. For example, Brisbane City Council provides a range of public transport services (e.g. buses and ferries),¹³⁷ and is also responsible for developing and delivering Brisbane Metro — a \$1.2 billion transport infrastructure project that it is jointly funding with the Commonwealth.¹³⁸ By contrast, public transport in the Melbourne City Council is administered by the Victorian Department of Transport.

Certain Councils in New South Wales, Queensland and Tasmania are also responsible for water and sewerage functions,¹³⁹ which are performed in Victoria by water corporations. In contrast to Victoria and other states, Councils in the Northern Territory provide a more limited range of (property-related) services.¹⁴⁰

¹³⁴ *Local Government Act 2019* (NT), s. 106.

¹³⁵ In this chapter the term LGA is used to describe the area administered by a Council, as this is the convention in other Australian jurisdictions. In Victoria, the area administered by a Council is referred to as a municipal district in the LG Act 2020.

¹³⁶ Productivity Commission (2017), pp. 3-5.

¹³⁷ Productivity Commission (2017), p. 5.

¹³⁸ Brisbane City Council (2021).

¹³⁹ Productivity Commission (2017), p. 5.

¹⁴⁰ Productivity Commission (2017), p. 5.

Characteristics of LGAs

There is significant variation in the geographical sizes and populations of LGAs across jurisdictions (Table 5.1). For example, the City of Brisbane is home to over 1.2 million people (more than double the population of Tasmania), while the Shire of East Pilbara in Western Australia covers an area (372,301 km²) which is larger than Victoria.

Victorian LGAs have the highest average estimated resident population (84,757), and the third lowest average geographical area (2,876 km²) after South Australia and Tasmania. Victoria also has the highest population density of any jurisdiction (approximately 29 residents per km²).

Table 5.1: Population and geographical area, Australian LGAs

Jurisdiction	Population (est.) – LGAs		Area (km ²) – LGAs	
	Range	Average	Range	Average
Victoria	3,008 – 364,600	84,757	9 – 22,083	2,876
New South Wales	1,553 – 382,831	63,801	6 – 53,492	5,528
Queensland^(a)	263 – 1,272,999	67,165	12 – 105,719	22,470
South Australia^(b)	844 – 174,575	25,945	4 – 8,833	2,305
Western Australia	78 – 223,743	19,442	1 – 372,308	18,442
Tasmania	1,004 – 68,813	18,648	78 – 9,584	2,345
Northern Territory	176 – 82,030	14,042	6 – 322,713	78,136

Notes: (a) Excludes the Weipa Town Authority, which administers the town of Weipa on behalf of Rio Tinto. (b)

Excludes the LGAs of Anangu Pitjantjatjara Yankunytjatjara and Maralinga Tjarutja, which are included as LGAs by the ABS but are not listed as Councils by the Government of South Australia.

Sources: ABS (2021d); State Government of South Australia (n.d.).

Roles and responsibilities of Council members

The statutory roles and responsibilities of Council members also vary between jurisdictions. Each jurisdiction (with the exception of the Australian Capital Territory) has a local government law which sets out, at a high level, the roles and responsibilities of Councillors, Mayors and Deputy Mayors (or equivalent).¹⁴¹ In Victoria, New South Wales and Queensland, the statutory roles and responsibilities of Councillors are broadly similar (Table 5.2).

¹⁴¹ *Local Government Act 1993* (NSW), ss. 226, 231-232; *LG Act 2020*, ss. 18, 20A, 21, 28; *Local Government Act 2009* (Qld), ss. 12, 175; *Local Government Act 1999* (SA), ss. 58-59; *Local Government Act 1995* (WA), ss. 2.8-2.10; *Local Government Act 1993* (Tas), ss. 27-28; *Local Government Act 2019* (NT), ss. 44, 59.

Table 5.2: High-level summary — statutory roles and responsibilities of Councillors, Victoria, New South Wales, Queensland

Aspect of role	Victoria	New South Wales	Queensland
Participation in Council decision-making	Participate in the Council's decision-making	Active and contributing member of the governing body, make considered and well-informed decisions	Participate in Council meetings, policy development and decision-making
Community representation	Municipal community ^(a)	Residents, ratepayers and the local community	Current and future interests of residents
Strategic planning	Yes	Yes	Yes
Compliance with other obligations	Act lawfully and comply with the standards of conduct and Council procedures required for good governance	Uphold the policies and decisions of the governing body	Ensure the Council discharges its responsibilities under the <i>Local Government Act 2009</i> (Qld) and complies with all laws applicable to Councils
Engagement with local community	Councils must adopt and maintain a community engagement policy	Facilitate communication between the local community and elected Council members	One of the local government principles is 'democratic representation, social inclusion and meaningful community engagement' ^(b)
Represent the Council	Support the role of the Council	Accurately represent policies and decisions of elected Council members	Provide high quality leadership to the Council and the community

Notes: (a) Defined in s. 3(1) of the LG Act 2020 to include people who live in the municipal district of the Council, ratepayers of the Council, traditional owners of land in the municipal district of the Council, and people and bodies who conduct activities in the municipal district of the Council. (b) Section 4 of the *Local Government Act 2009* (Qld) states that those performing responsibilities under that Act, including Council members, are required to do so in accordance with the local government principles.

Sources: LG Act 2020; *Local Government Act 1993* (NSW); *Local Government Act 2009* (Qld).

The roles and responsibilities of Mayors are also broadly similar in Victoria, New South Wales and Queensland. For example, the Mayor's leadership function in relation to elected Council members and at Council meetings, and the performance of civic and ceremonial duties on behalf of the Council, are shared across all three states.¹⁴²

In addition, local government legislation in Victoria, New South Wales and Queensland all provide for Councils to appoint a Deputy Mayor. The position is

¹⁴² LG Act 2020, s. 18; *Local Government Act 1993* (NSW), s. 226; *Local Government Act 2009* (Qld), s. 12(4).

optional in New South Wales and Victoria (except for Melbourne City Council), while it is mandatory in Queensland.¹⁴³ Across all three jurisdictions, the statutory duties of a Deputy Mayor are generally limited to acting for the Mayor under certain circumstances (e.g. in the case of illness or if the office of Mayor is vacant),¹⁴⁴ although the role may be broader in practice. Notably, the *Local Government Act 1993* (NSW) also states that the Deputy Mayor ‘may exercise any function of the Mayor at the request of the Mayor’ (s. 231(3)).

These high-level observations are based on a legislative comparison. The ways in which Council members undertake their roles in practice may differ both between and within these states. For example, the expectation in relation to time commitment for Councillors appears to vary between jurisdictions. The Local Government Remuneration Tribunal — the body responsible for setting allowance ranges in Queensland between 2007 and 2009 — observed that many Council members carried out their roles on a full-time basis.¹⁴⁵ It went on to say:

*The Tribunal is aware that even if their workload may not require them to work full time, performing the role of a Mayor, Deputy Mayor or Councillor requires a full-time commitment.*¹⁴⁶

Allowance categories

Each jurisdiction groups Councils into allowance categories for the purpose of setting different rates of allowance for different Councils. The criteria, or ‘factors’, used for assigning Councils to allowance categories vary between jurisdictions, and are often prescribed in legislation.

In Victoria and Tasmania, Councils are categorised based on population and revenue. In addition, New South Wales, Queensland, South Australia and Western Australia also consider a variety of other factors (Table 5.3). While some of the additional factors considered by these jurisdictions are quantifiable (e.g. geographical area, value of assets and infrastructure), others are more qualitative in nature.

¹⁴³ *Local Government Act 2009* (Qld), s. 175.

¹⁴⁴ *Local Government Act 1993* (NSW), s. 231; *LG Act 2020*, s. 21; *Local Government Act 2009* (Qld), s. 165.

¹⁴⁵ *Local Government Remuneration Tribunal* (Qld) (2009), p. 13.

¹⁴⁶ *Local Government Remuneration Tribunal* (Qld) (2009), p. 14.

For example, the New South Wales Local Government Remuneration Tribunal is required to determine allowance categories at least once every three years, and in doing so must consider the following quantitative and qualitative factors:¹⁴⁷

- size of areas
- physical terrain of areas
- population of areas and the distribution of the population
- nature and volume of business dealt with by each council
- nature and extent of the development of areas
- diversity of communities served
- regional, national and international significance of the council.

In its most recent Determination (made in April 2021), the New South Wales Local Government Remuneration Tribunal outlined the criteria for each of its categories, which include a range of quantitative and qualitative factors. Box 5.1 contains an extract with the criteria for 'Metropolitan Large' Councils, as an example of a more 'prescriptive' approach to categorising Councils.

Box 5.1: Criteria for New South Wales 'Metropolitan Large' category

Metropolitan Large
<p>Councils categorised as Metropolitan Large will typically have a minimum residential population of 200,000. Councils may also be categorised as Metropolitan Large if their residential population combined with their non-resident working population exceeds 200,000. To satisfy this criteria the non-resident working population must exceed 50,000.</p> <p>Other features may include:</p> <ul style="list-style-type: none"> • total operating revenue exceeding \$200m per annum • the provision of significant regional services to greater Sydney including, but not limited to, major education, health, retail, sports, other recreation and cultural facilities • significant industrial, commercial and residential centres and development corridors • high population growth. <p>Councils categorised as Metropolitan Large will have a sphere of economic influence and provide regional services considered to be greater than those of other metropolitan councils.</p>

Source: Local Government Remuneration Tribunal (NSW) (2021).

The number of allowance categories also varies across jurisdictions (Table 5.3). At the time of making this Determination, New South Wales has the most categories (11), while Victoria, Western Australia and the Northern Territory have the fewest (four).¹⁴⁸

¹⁴⁷ *Local Government Act 1993* (NSW), ss. 239-240.

¹⁴⁸ Victoria has four categories if Melbourne City Council is considered to be its own category.

Table 5.3: Factors used to determine allowance categories for Councils in Australian jurisdictions

Jurisdiction (no. of categories)	Population size	Revenue/ expenditure	Geography ^(a)	Extent of services provided	Infrastructure and assets	Growth potential/ extent of development	Other factors ^(b)
Victoria (4 ^(c))	✓	✓					
New South Wales (11)	✓	✓	✓	✓	✓	✓	✓
Queensland (9)	✓		✓	✓			✓
South Australia (7)	✓	✓	✓				✓
Western Australia (4)	✓	✓		✓	✓	✓	✓
Tasmania (7)	✓	✓					
Northern Territory (4)	✓						

Notes: (a) Includes the size of a local government area and the spread or distribution of its population. (b) Includes social, economic and environmental factors. (c) Victoria has four allowance categories if Melbourne City Council is treated as being its own category.

Sources: Department of Housing, Local Government and Regional Services (NT) (2009); Department of Premier and Cabinet (Tas) (n.d.); *Local Government Act 1993* (NSW), s. 240(1); *Local Government Act 1999* (SA), s. 76(3); *Local Government Regulation 2012* (Qld), s. 242; Salaries and Allowances Tribunal (WA) (2012), p. 8; State Government of Victoria (2008).

In most jurisdictions, the 'capital city Council' has a separate allowance category,¹⁴⁹ and may be subject to bespoke arrangements, as in the case of Victoria with Melbourne City Council. In placing the City of Sydney into its own category ('Principal CBD'), the New South Wales Local Government Remuneration Tribunal noted that:

*The City of Sydney is home to Sydney's primary commercial office district with the largest concentration of businesses and retailers in Sydney ... Sydney is recognised globally with its iconic harbour setting and the City of Sydney is host to the city's historical, cultural and ceremonial precincts.*¹⁵⁰

A notable exception is Tasmania, as Hobart City Council and Launceston City Council share an allowance category. While Hobart is the capital city, the City of Launceston has a greater population and covers a much larger area.¹⁵¹

Allowance values

Table 5.4 summarises the values of allowances in non-capital city Councils across Australian jurisdictions. The values for Victoria include the payment in lieu of superannuation, which is provided to Council members who are not entitled to compulsory superannuation. As the majority of Council members in Victoria currently receive this payment (Chapter 4), this provides the best basis for comparing allowances across jurisdictions.

As noted above, it is not a straightforward exercise to compare allowance values across jurisdictions due to differences in the roles of Councils and Council members and the characteristics of LGAs. Nonetheless, the following high-level observations can be made:

- allowances in Queensland are significantly higher than in all other jurisdictions and appear more akin to a salary, while South Australia currently provides the lowest allowances
- every jurisdiction with the exception of Victoria and New South Wales specifies a separate allowance for Deputy Mayors.

In addition, there are some differences in how jurisdictions structure their allowances. For example, in Queensland, Council members in Category 1 Councils

¹⁴⁹ While the City of Perth also does not have a separate allowance category, its Council members are entitled to a higher rate of allowance than their counterparts in other Councils in the same category. Salaries and Allowances Tribunal (WA) (2021).

¹⁵⁰ Local Government Remuneration Tribunal (NSW) (2021), p. 20.

¹⁵¹ ABS (2021d).

receive a base payment in addition to monthly payments for attendance at, and participation in, the 12 mandated Council meetings.¹⁵² Similarly, in Western Australia, Councils have the option to provide Council members with either a fee in respect of each Council meeting they attend, or an annual allowance (Mayors and Deputy Mayors are also entitled to an additional allowance).¹⁵³

In the Northern Territory, Council members are entitled to four separate allowances — base allowance, electoral allowance, professional development allowance and extra meeting allowance.¹⁵⁴

In South Australia, a 'travel time allowance' is payable to Council members in non-metropolitan Councils as compensation for long-distance travel. The payment ranges from \$441 p.a. to \$1,601 p.a., depending on the distance between the Council member's usual place of residence and the Council's principal office.¹⁵⁵

¹⁵² Local Government Remuneration Commission (Qld) (2020), p. 15.

¹⁵³ Salaries and Allowances Tribunal (WA) (2021), p. 18.

¹⁵⁴ Department of Chief Minister and Cabinet (NT), pp. 1-3.

¹⁵⁵ Local Government Association of South Australia (2021).

Table 5.4: Interjurisdictional comparison of Council allowances, non-capital city Councils, February 2022

Jurisdiction	Category	Values of allowances (\$ p.a.)		
		Councillors	Deputy Mayor (or equivalent)	Mayor (or equivalent)
Victoria ^(a)	Lowest	9,716 – 23,154	N/A	Up to 69,172
	Highest	14,435 – 34,588	N/A	Up to 110,477
New South Wales ^(b)	Lowest	9,370 – 12,400	N/A	19,350 – 39,460
	Highest	18,800 – 34,820	N/A	58,740 – 147,340
Queensland ^(c)	Lowest	54,110	62,435	108,222
	Highest	154,006	178,981	258,066
South Australia ^{(d)(e)}	Lowest	6,983	8,729	27,932
	Highest	25,083	31,354	100,332
Western Australia ^{(f)(g)}	Lowest	3,589 – 9,504	3,589 – 14,520	4,102 – 39,597
	Highest	24,604 – 31,678	24,604 – 54,116	75,862 – 137,269
Tasmania	Lowest	9,994	20,542	34,977
	Highest	38,943	64,093	136,302
Northern Territory ^(h)	Lowest	Up to 12,907	Up to 14,661	Up to 35,383
	Highest	Up to 35,791	Up to 41,926	Up to 114,455

Notes: (a) Values include the payment in lieu of superannuation. (b) Excludes County Councils established to perform specific functions. (c) Values for the lowest category (Category 1) comprise a base payment (two-thirds) and additional monthly payments (one-third) which are conditional on attendance at, and participation in, mandated Council meetings. Values in the table are inclusive of both types of payments. (d) Excludes a 'travel time allowance', which may be provided to a member of a non-metropolitan Council. (e) Presiding members of prescribed committees are entitled to an annual allowance of 1.5 times the Councillor allowance, while presiding members of committees which are not prescribed receive an additional amount of up to \$1,483 per annum. (f) Councils may elect to pay Councillors a fee in respect of every meeting they attend, or provide an annual allowance in lieu of meeting fees. Values are calculated on the basis of a Council opting for an annual allowance. Mayors and Deputy Mayors (or equivalent) are also entitled to an additional allowance on top of their attendance fees (whether paid annually or per meeting). (g) Values are inclusive of any superannuation entitlement. (h) Values include a Base Allowance, Electoral Allowance, Professional Development Allowance, and the maximum extra meeting allowance.

Sources: Department of Chief Minister and Cabinet (NT) (2021); Local Government Association of South Australia (2021); *Local Government (General) Regulations 2015* (Tas); Local Government Remuneration Commission (Qld) (2020); Local Government Remuneration Tribunal (NSW) (2021); Salaries and Allowances Tribunal (WA) (2021); Victorian Government Gazette.

Relativities between allowances for Councillors, Mayors and Deputy Mayors

Table 5.5 summarises the relativities between the maximum allowances payable to Councillors, Deputy Mayors and Mayors in non-capital city Councils in each jurisdiction. Broadly speaking, the maximum allowance payable to Mayors is around three to four times the maximum allowance payable to Councillors in the same jurisdiction. The exception is Queensland, where the maximum allowance payable to Mayors never exceeds twice the maximum allowance payable to Councillors in the same allowance category. However, as noted above, Councillors in Queensland are generally entitled to a higher allowance than Councillors in other jurisdictions.

In the jurisdictions which have a separate allowance for Deputy Mayors, the maximum allowance for this role ranges from 1.13 to 2.06 times the maximum allowance payable to Councillors.

Table 5.5: Ratio of maximum allowances for Mayors and Deputy Mayors to maximum allowance for Councillors, February 2022

Jurisdiction	Deputy Mayor (or equivalent)	Mayor (or equivalent)
Victoria	N/A	2.99 – 3.19
New South Wales	N/A	3.18 – 4.23
Queensland	1.13 – 1.20	1.65 – 2.00
South Australia	1.25	4.00
Western Australia	1.53 – 1.71	3.81 – 4.33
Tasmania	1.65 – 2.06	3.50
Northern Territory	1.14 – 1.18	2.74 – 3.27

Source: Tribunal's analysis.

Allowances for capital city Councils

Table 5.6 summarises the values of allowances payable to Council members in capital city Councils across Australian jurisdictions, as well as the size and population of the corresponding LGA.

Allowances for Brisbane City Council are significantly higher than for other capital city Councils, with the Lord Mayor and Deputy Lord Mayor of Brisbane receiving a salary in addition to their allowance. The City of Brisbane services a population almost seven times larger than that of the City of Melbourne, and covers an area more than 12 times larger than the City of Darwin. When payments in lieu of superannuation are included, the allowance for the Lord Mayor (\$220,957 p.a.) of Melbourne City Council is the third highest across all capital city Councils. The allowances for the Deputy Lord Mayor (\$110,477 p.a.) and Councillors (\$51,882 p.a.) in Melbourne City Council are the second highest for

their respective roles, taking into account that there is no separate allowance for the Deputy Lord Mayor of the City of Sydney.

Table 5.6: Interjurisdictional comparison of Council allowances, capital city Councils, February 2022

Council	Value of allowances (\$ per annum)			Area (km ²)	Resident population (estimated)
	Councillors	Deputy Mayor (or equivalent)	Mayor (or equivalent)		
Melbourne City Council ^(a)	47,165 (excl. PILS) 51,882 (incl. PILS)	100,434 (excl. PILS) 110,477 (incl. PILS)	200,870 (excl. PILS) 220,957 (incl. PILS)	37	183,756
City of Sydney	28,190 – 41,340	N/A	200,670 – 268,300	27	248,736
Brisbane City Council ^(b)	160,938	229,538	365,316	1,343	1,272,999
City of Adelaide	27,854 ^(c)	41,781	190,135	16	26,177
City of Perth ^(d)	24,604 – 31,678	24,604 – 65,995	86,113 – 184,784	14	30,971
City of Hobart	38,943	64,093	136,302	78	55,250
City of Darwin ^(e)	Up to 49,517	Up to 58,284	Up to 161,897	111	82,030

Notes: (a) PILS = payment in lieu of superannuation. (b) The Lord Mayor and Deputy Lord Mayor of Brisbane City Council receive both a salary and an allowance, while Councillors only receive a salary. Values reflect both. (c) Presiding members of prescribed committees are entitled to an annual allowance of 1.5 times the Councillor allowance, while presiding members of committees which are not prescribed receive an additional amount of up to \$1,761 per annum. (d) Councils may elect to pay Councillors a fee in respect of every meeting they attend or provide an annual allowance in lieu of meeting fees. Values calculated on the basis of a Council opting for an annual allowance. Mayors and Deputy Mayors (or equivalent) are also entitled to an additional allowance on top of their attendance fees (whether paid annually or per meeting). (e) Figures are the maximum allowances payable, and include a Base Allowance, Electoral Allowance, Professional Development Allowance, and the maximum extra meeting allowance.

Sources: ABS (2021d); Brisbane City Council (2021); Department of Chief Minister and Cabinet (NT) (2021); *Local Government (General) Regulations 2015* (Tas); Local Government Remuneration Tribunal (NSW) (2021); Remuneration Tribunal of South Australia (2018); Salaries and Allowances Tribunal (WA) (2021); Victorian Government Gazette.

5.2 Elected members of voluntary part-time community bodies

In addition to similar allowances for elected members of local government bodies in other states, the Tribunal is required to consider allowances for ‘persons elected to other voluntary part-time community bodies’.¹⁵⁶

The allowances or remuneration for board members of the MAV and the VLGA are set out below (Box 5.2).

Box 5.2: Overview of allowances or remuneration provided to board members of the MAV and VLGA

Municipal Association of Victoria

As at September 2021, the following allowances were payable:

- Board members – \$10,163 p.a.
- Deputy President – \$14,926 p.a.
- President – \$72,401 p.a.

Victorian Local Governance Association

The VLGA’s 2020-21 Annual Report explains that the following sitting fees applied for board member attendance at board and sub-committee meetings during 2020-21:

- Board members – \$426 per day
- President/Chair – \$557 per day.

Sources: MAV (n.d.a); VLGA (2021).

Some stakeholders suggested a variety of other bodies and roles as being relevant in this regard, including, but not limited to:

- directors of not-for-profit organisations¹⁵⁷
- sporting organisations¹⁵⁸
- Council CEOs¹⁵⁹
- directors of certain public entities (e.g. water corporations, Crown land committees of management, hospitals)¹⁶⁰
- Members of the Parliament of Victoria (MPs).¹⁶¹

¹⁵⁶ VIRTIPS Act, s. 23A(5)(a).

¹⁵⁷ Victorian Local Governance Association submission, pp. 6-7; De-identified submission 2, p. 1.

¹⁵⁸ East Gippsland Shire Council submission, p. 4.

¹⁵⁹ De-identified submission 2, p. 1.

¹⁶⁰ Various public entities were suggested in responses to the Tribunal’s questionnaire distributed to Council members.

¹⁶¹ Theo Zographos submission, p. 1.

However, these bodies and roles do not generally fit all of the criteria implied by the phrase 'persons elected to other voluntary part-time community bodies'. For example:

- many of the roles are appointed, rather than elected, and/or are unremunerated
- while MPs are elected to serve their community, their role is ordinarily characterised as being full-time in nature.

Council members are also subject to higher levels of accountability and scrutiny than persons in many other voluntary, part-time roles in the community. As one Council member noted in response to the questionnaire:

... it [is] the level of decision making and the consequences for poor gover[n]ance that makes this role more [than] a voluntary role. Accountability is way greater.

In addition, many of the bodies suggested operate on a much smaller scale than Councils and provide a more limited range of services. Indeed, Councils provide a wide range of services across large geographical areas, employ hundreds of people, generate significant revenue and preside over assets worth hundreds of millions of dollars.

Nonetheless, two of the roles mentioned above — members of public entity boards and MPs — do share some characteristics with the roles undertaken by Council members. For example, MPs are required to represent the interests of their constituents, and directors of larger public entities oversee significant amounts of assets and/or revenue. These similarities are further explored below.

5.3 Board members of public entities

The Tribunal considers there are insights to be gained by considering the remuneration for directors, including Chairs, of public entities in Victoria. Public entities are bodies established outside the Victorian Public Service to perform a public function on behalf of the State of Victoria. Most public entities are governed by a board, which oversees the entity and is accountable to the relevant Minister for its performance. Directors are typically appointed by the relevant Minister.¹⁶²

In this comparison, the role of Mayor may be partly likened to that of a Chair, the Deputy Mayor to that of a Deputy Chair, and the role of Councillors to that of directors.

However, caution needs to be exercised as the roles of directors and Council members are not the same, although there are some commonalities (Table 5.7). For example, both are responsible for setting the strategic direction of their respective organisations, approving the annual budget and (in most cases) appointing a CEO.¹⁶³ However, Council members generally have a broader range of responsibilities (e.g. planning decisions and local laws). In addition, as elected representatives, Council members are more accessible to — and subject to scrutiny from — members of the public.

Another difference is that Council members are not required to have specific qualifications or experience, while the terms of reference or enabling legislation for a public entity may mandate specific requirements for directors (e.g. qualifications or experience).¹⁶⁴

¹⁶² VPSC (2015), p. 6; VPSC (2013), p. 16.

¹⁶³ VPSC (2015), pp. 11-12; LG Act 2020, ss. 28, 44, 94.

¹⁶⁴ DPC (2021), p. 9.

Table 5.7: Comparison of the roles of Council members and directors of public entities

Aspect of role	Council member	Director
Stakeholder management	Liaise with other levels of government, the private sector, individual constituents and community groups.	Manage relationships with external stakeholders (primarily the Chair's responsibility).
Decision-making	Participate in decision-making through attendance at meetings; may take part in Council committees.	Participate in decision-making at board meetings; may be required to participate in board committees.
Representation	Elected to represent the diverse interests of the municipal community.	Required to act with integrity and in the best interests of the entity.
Strategic planning and oversight	Contribute to the strategic direction of the Council.	Contribute to the overall strategic direction of the public entity and oversee senior management.
Financial management	With other Council members, determine the Council's financial strategy and budget and the allocation of resources.	As part of the Board, approve the budget and oversee financial performance.
Public accessibility	Expected to be accessible and engage with their constituents.	Not generally required to engage with members of the public. ^(a)
Scope of role/functions	Multifaceted role.	Public entities are established to perform a specific function.
Skills and experience	Not required to have specific qualifications or experience.	Consideration is typically given to the mix of skills and expertise on a board.
Appointment and management of CEO	Responsible for appointing the CEO and reviewing their performance	Generally required to appoint the CEO and review their performance.

Note: (a) In some cases, senior leaders of public entities may have a public-facing role and be invited to attend/address community events.

Sources: LG Act 2020; VPSC (2015).

There is limited information available on the amount of time directors of public entities dedicate to their roles, making it difficult to compare directors and Council members in terms of time commitment. The majority of directors and Chairs are appointed on a sessional/part-time basis, and position descriptions for the roles specify varied expectations regarding time commitments and/or meeting frequencies. For example, a position description may specify that a role requires approximately eight hours per month (e.g. for a director of a public hospital),¹⁶⁵ while another position description may refer to meeting frequency, such as 11 meetings per year (e.g. for a director of a water corporation).¹⁶⁶

¹⁶⁵ Department of Health (2021).

¹⁶⁶ Position description provided by the Department of Environment, Land, Water and Planning.

In contrast, the Tribunal heard that Councillors generally devote more than 20 hours to their role on average during a typical week, while the role of Mayor is generally considered a full-time commitment.

Remuneration for public entity board members

Members of many public entity boards, who are appointed on a sessional/part-time basis, are entitled to be remunerated in accordance with the *Appointment and Remuneration Guidelines* published by the Department of Premier and Cabinet. Under the Guidelines, entities are classified into one of four groups (A–D) according to their functions and responsibilities, although some entity types are distributed across more than one group. Ministers are responsible for classifying and reclassifying the entities within their portfolio.¹⁶⁷

The Tribunal considers Group A entities the most relevant comparators, as they operate on a similar financial scale to Councils and, like Councils, generally employ hundreds of staff and provide services. Group A entities — which include statutory authorities and Government Business Enterprises (GBEs) incorporated under the *Corporations Act 2001* (Cth) — are typically assigned to one of five remuneration bands (1–5) based primarily on assets, turnover and operating surplus/profit (Table 5.8). However, there is some scope for Ministers to assign entities to higher bands if certain criteria apply.¹⁶⁸

Generally speaking, the directors of ‘larger’ entities (in terms of assets, turnover and operating surplus/profit) are entitled to be remunerated at a higher rate than those of smaller entities. Chairs are entitled to higher rates of remuneration than other directors, in recognition of additional leadership and relationship management responsibilities. Deputy Chairs are paid the same as other directors except for periods when they assume the Chair’s role.¹⁶⁹ Directors may be remunerated outside of the relevant band (e.g. where they are asked to take on additional responsibilities), subject to Cabinet approval.¹⁷⁰

Ministers are generally responsible for setting remuneration levels within the relevant band. The discretion available in setting the remuneration of public entity directors needs to be borne in mind in considering the below table.

¹⁶⁷ DPC (2021), p. 8.

¹⁶⁸ DPC (2021), p. 33.

¹⁶⁹ DPC (2021), pp. 19–20.

¹⁷⁰ DPC (2021), p. 23.

Table 5.8: Maximum remuneration payable to directors and Chairs of Victorian Group A public entities (including superannuation), effective 1 July 2021

Band	Classification criteria	Examples of entities	Maximum Remuneration (\$ p.a.) ^{(a)(b)}	
			Director	Chair
1	<ul style="list-style-type: none"> Commercial boards which provide direction and control GBEs or corporatised businesses with a turnover of \$1 billion+ or assets of \$1 billion+ or profit of \$100 million+ Statutory Authorities determined to warrant inclusion in this group 	<ul style="list-style-type: none"> Transport Accident Commission Melbourne Water Corporation VicTrack 	69,450	158,518
2	<ul style="list-style-type: none"> GBEs or corporatised businesses with a turnover of \$500 million-\$1 billion or assets of \$500 million-\$1 billion or profit of \$50-100 million, or a combination of these factors Statutory Authorities with a turnover of \$1 billion+ or assets of \$1 billion+ or operating surplus of \$100 million+, or a combination of these factors 	<ul style="list-style-type: none"> Barwon Region Water Corporation Melbourne Health 	59,458	118,896
3	<ul style="list-style-type: none"> GBEs or corporatised businesses with a turnover of \$50-\$500 million or assets of \$50-\$500 million or profit of \$5-50 million or a combination of these factors Statutory Authorities with a turnover of between \$500 million and \$1 billion or assets between \$500 million and \$1 billion or an operating surplus between \$50 million and \$100 million, or a combination of these factors 	<ul style="list-style-type: none"> Country Fire Authority Ambulance Victoria VicForests 	41,671	89,169
4	<ul style="list-style-type: none"> GBEs or corporatised businesses with a turnover of below \$50 million or assets below \$50 million or profit below \$5 million, or a combination of these factors Statutory Authorities with a turnover of \$50-\$500 million or assets of \$50-\$500 million or an operating surplus of \$5-\$50 million, or a combination of these factors 	<ul style="list-style-type: none"> Cladding Safety Victoria Parks Victoria 	23,807	59,458
5	<ul style="list-style-type: none"> Statutory Authorities with a turnover of below \$50 million or assets below \$50 million or profit below \$5 million 	<ul style="list-style-type: none"> Melbourne Polytechnic Geelong Cemeteries Trust 	15,934	29,829

Notes: (a) Values have been calculated by the Tribunal and assume that superannuation is payable at a rate of 10 per cent. (b) On Ministerial approval, up to \$5,803 p.a. may be paid to directors who receive annual fees for additional committee work, in recognition of the extra commitment required.

Source: Tribunal calculation based on DPC (2021).

At 30 June 2020, approximately half of Victoria's 79 Councils reported at least \$1 billion in assets.¹⁷¹ If these Councils were Group A entities, this would be sufficient to classify them as Group A entities in bands 1 or 2.¹⁷² Further, all but one Council have at least \$50 million in assets, which is one of the criteria used to classify Group A entities to band 4 or above.¹⁷³

Between 1 July 2009 and 1 July 2021, the maximum values of the salary components of the remuneration bands have been adjusted in line with the annual adjustment guideline rate set by the Premier, resulting in a cumulative increase of around 30 per cent. This is approximately the same increase applied to Council member allowances over the same time period.

5.4 Members of the Parliament of Victoria

Several stakeholders suggested that the Tribunal consider the salaries of MPs when setting the value of Council member allowances.¹⁷⁴

There are some similarities between the role of an MP and the role of a Council member. For example, both are elected by their constituents and are expected to:¹⁷⁵

- represent the interests of the electorate/municipal community
- contribute to decision-making (or the legislative process, in the case of MPs)
- attend meetings of the rule-making body (i.e. parliamentary sittings or Council meetings).

In addition, neither role has a formal job description, mandatory qualifications, performance measures or assigned responsibilities, and yet those who hold these positions are required to satisfy high levels of accountability and scrutiny.¹⁷⁶ They all hold their positions at the will of electors.

However, in its review of Council member allowances completed in 2008, the Local Government (Councillor Remuneration Review) Panel observed that MPs have 'a significantly broader range of responsibilities' than Council members, and can

¹⁷¹ Victorian Local Government Grants Commission (2021).

¹⁷² Using the classification method in the Guidelines, half of all Councils would fit into either Band 1 (if applying the criteria for GBEs) or Band 2 (if applying the criteria for statutory authorities).

¹⁷³ Victorian Local Government Grants Commission (2021).

¹⁷⁴ Theo Zographos submission, p. 1; responses to the Tribunal's questionnaire distributed to Council members.

¹⁷⁵ LG Act 2020, s. 28; Victorian Independent Remuneration Tribunal (2019), chapter 2.

¹⁷⁶ Victorian Independent Remuneration Tribunal (2019), p. 39.

make decisions that ‘literally affect the life and liberty of all members of the State’.¹⁷⁷ The Panel did not accept that there should be a direct relationship between the remuneration of MPs and Council members.¹⁷⁸

The Tribunal notes that there are several other key differences between the roles of Council members and MPs. For example:

- while the role of a Councillor is a part-time commitment, the role of an MP is typically described as a full-time commitment
- unlike Council members, MPs are responsible for managing an electorate office and electorate officers employed on their behalf¹⁷⁹
- for MPs, the number of electors in each electoral district/region must be within 10 per cent of the average number of electors across all electoral districts/regions (as at January 2022, the average number of electors was around 49,000 for districts and 540,000 for regions),¹⁸⁰ while the number of electors can vary significantly between Council municipal districts (from around 4,000 to over 200,000).

As at 1 July 2021, the basic salary payable to an MP was \$186,973 p.a.¹⁸¹ MPs who hold a specified parliamentary office (e.g. Minister) also receive an additional salary — ranging from \$7,479 p.a. to \$208,631 p.a. — in recognition of their higher responsibilities.¹⁸² In addition, MPs are paid superannuation, with those elected after 2004 receiving 16 per cent superannuation based on their total salary.¹⁸³ MPs also receive a range of work-related parliamentary allowances and other entitlements.¹⁸⁴ Considering only the basic salary, this figure is around six times the maximum allowance payable to a Councillor in a Category 3 Council. It also needs to be borne in mind that MPs also receive a number of other allowances.

Between 1 July 2009 and 1 July 2021, the value of an MP’s basic salary has grown by around 40 per cent, compared to growth of around 30 per cent in Council member allowances over the same time period.¹⁸⁵

¹⁷⁷ Local Government (Councillor Remuneration Review) Panel (2008), p. 14.

¹⁷⁸ Local Government (Councillor Remuneration Review) Panel (2008), p. 14.

¹⁷⁹ Victorian Independent Remuneration Tribunal (2019), pp. 48-49.

¹⁸⁰ *Electoral Boundaries Commission Act 1982* (Vic), s. 5(4); Victorian Electoral Commission (2022a); Victorian Electoral Commission (2022b).

¹⁸¹ Victorian Independent Remuneration Tribunal (2021), p. 4.

¹⁸² The additional salary amount varies by type of office. Some specified parliamentary office holders also receive an expense allowance.

¹⁸³ *Parliamentary Salaries, Allowances and Superannuation Act 1968* (Vic), Part 4, Division 2.

¹⁸⁴ Victorian Independent Remuneration Tribunal (2019).

¹⁸⁵ This calculation excludes the roll-in of the expense allowance for MPs into the basic salary from 16 September 2019. Victorian Independent Remuneration Tribunal (2019).

5.5 National Minimum Wage

In addition to the information about specific occupational groups discussed above, the Tribunal compared Council member allowances to the National Minimum Wage (NMW).

The NMW is the minimum amount — determined by the Fair Work Commission — that can be paid to employees who are not covered by an industrial award or enterprise agreement.¹⁸⁶

At 1 July 2021, the NMW was \$20.33 per hour for persons aged 21 or older. A 25 per cent loading applies to casual employees, increasing the rate to \$25.41 per hour (Casual NMW).¹⁸⁷

The Tribunal notes that it has historically been government policy that the allowance payable to Council members is not to be considered a wage, and that the role of a Council member is voluntary. Nevertheless, the NMW can serve as a useful starting point for assessing Council member allowances, while noting that the NMW is typically paid to employees who are required to exercise considerably fewer skills and responsibilities than those required of a Council member.

The Tribunal considered the Casual NMW rate because, like casual employees, Council members:

- do not accrue leave entitlements
- may be required to work irregular hours
- are not guaranteed an ongoing position (e.g. a Council member may lose their position at the next general election).

It is possible to compare existing maximum annual allowances for Councillors to the Casual NMW by converting the former into an hourly rate. This can be done using the time commitment of a Councillor. The resulting hourly rate, which varies according to allowance category, is given as a guide only. This is because, as Councillors are paid a fixed annual allowance, the hourly rate an individual Councillor receives decreases/increases the more/fewer hours they dedicate to their role.

¹⁸⁶ Fair Work Commission (2021).

¹⁸⁷ Fair Work Commission (2021).

For example, if a Councillor worked an average of 23 hours per week and received the maximum allowance for their category, their hourly rate would be around:

- \$18 for Category 1 — or around 30 per cent lower than the Casual NMW
- \$22 for Category 2 — or around 14 per cent lower than the Casual NMW
- \$26 for Category 3 — or around 3 per cent higher than the Casual NMW
- \$40 for Melbourne City Council — or around 55 per cent higher than the Casual NMW.

5.6 Summary

There are some similarities between the role of Council members across Australian jurisdictions. However, caution is required in comparing allowances across jurisdictions, given the functions performed by Councils and the characteristics of local government areas (such as geographical size and population) vary across jurisdictions.

In addition to these comparators, the Tribunal considered the remuneration payable to directors, including Chairs, of public entities in Victoria and the salaries payable to MPs in Victoria, as suggested by many stakeholders. There are similarities, but also some key differences in the roles and responsibilities between these groups and Council members.

6 Economic factors



In accordance with the VIRTIPS Act, the Tribunal is required to consider:

- current and projected economic conditions and trends (s. 24(2)(c))
- the financial position and fiscal strategy of the State of Victoria (s. 24(2)(b))
- any statement or policy issued by the Government of Victoria which is in force with regard to its Wages Policy (or equivalent) and the remuneration and allowances of any specified occupational group (s. 24(2)(a)).

6.1 Current and projected economic conditions and trends

The Tribunal examined international, Australian and Victorian economic and financial conditions and trends. There is considerable uncertainty about future conditions, including due to the impact of outbreaks of COVID-19, recent geopolitical developments overseas and weather events in Australia. The Tribunal relied upon the latest data and forecasts available to it at the time of making this Determination.

International economic conditions

According to the Reserve Bank of Australia's (RBA) latest *Statement on Monetary Policy* (February 2022), international economic activity has been relatively resilient to the outbreak of the Omicron variant of COVID-19. The RBA noted that the Gross Domestic Product (GDP) forecast for Australia's major trading partners was broadly unchanged from the previous Monetary Statement, with limited near-term impact from the spread of Omicron.¹⁸⁸

¹⁸⁸ RBA (2022), pp. 5, 7.

Australian economic conditions

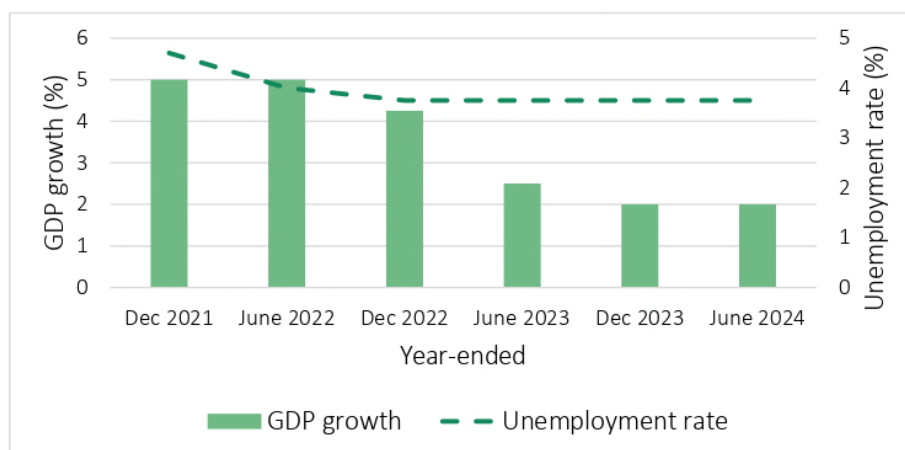
Data published by the Australian Bureau of Statistics (ABS) show that Australia's GDP decreased by 1.9 per cent over the September quarter 2021. Despite this, GDP increased by 3.9 per cent over the 12 months to September 2021.¹⁸⁹

ABS data also show that the seasonally-adjusted national unemployment rate in January 2022 was 4.2 per cent, down from 6.4 per cent in January 2021. The seasonally-adjusted participation rate was 66.2 per cent in January 2022.¹⁹⁰

According to the RBA's Monetary Statement (February 2022), initial indications are that the impact of the Omicron variant on economic activity has been much smaller than previous waves of COVID-19. Figure 6.1 sets out the RBA's central forecasts for GDP and the national unemployment rate. Under the RBA's central scenario:¹⁹¹

- GDP is expected to have grown by around 5 per cent over 2021, and to grow by 4.25 per cent over 2022 and 2 per cent over 2023
- the national unemployment rate is expected to decline to below 4 per cent by the end of 2023.

Figure 6.1: RBA forecasts for GDP and national unemployment rate^(a), February 2022



Note: (a) Average rate in the quarter.
Source: RBA (2022).

¹⁸⁹ ABS (2021a).

¹⁹⁰ ABS (2022).

¹⁹¹ RBA (2022), pp. 55-56, 64.

The RBA estimated that growth in the Wage Price Index (WPI) would be close to 2.5 per cent by the end of 2021, and 3.25 per cent by mid-2024. Underlying inflation is forecast to peak at around 3.25 per cent in the next few quarters, before returning to around 2.75 per cent.¹⁹²

Victorian economic conditions

The *Victorian Budget 2021/22* (Budget), released in May 2021, noted the 'significant impact' COVID-19 has had on the Victorian economy.¹⁹³

The *2021/22 Victorian Budget Update* (Budget Update 2021/22), released in December 2021, noted that the Victorian economy had been more resilient than during restrictions in 2020, with State Final Demand and employment remaining well above the lows recorded in September 2020.¹⁹⁴ By November 2021, employment had again risen to be above pre-pandemic levels, while in January 2022, the unemployment rate (4.1 per cent) was the equal lowest recorded since the start of the pandemic.¹⁹⁵

At the time of making this Determination, there was limited data available on the impact of the outbreak of the Omicron variant of COVID-19 on the Victorian economy.

In regard to price movements, ABS data show that the All Groups Consumer Price Index for Melbourne (Melbourne CPI) grew by 2.5 per cent between December 2020 and December 2021 — the lowest rate of all capital cities.¹⁹⁶

ABS data on wage movements show that the Victorian WPI increased by 2.5 per cent for the 12 months to September 2021 — the highest growth of all mainland states. This includes a 0.9 per cent increase in the September quarter 2021, which was the highest quarterly increase since 2013.¹⁹⁷ Another commonly used measure of wage movements, AWOTE for full-time Victorian adults, grew by 2.4 per cent between May 2020 and May 2021.¹⁹⁸

¹⁹² RBA (2022), pp. 2, 61.

¹⁹³ DTF (2021d), p. 1.

¹⁹⁴ DTF (2021c), p. 7.

¹⁹⁵ ABS (2022).

¹⁹⁶ ABS (2021c).

¹⁹⁷ ABS (2021e).

¹⁹⁸ ABS (2021b).

Table 6.1 sets out the forecasts for the Victorian economy contained in the Budget Update 2021/22. In summary:¹⁹⁹

- real Gross State Product (GSP) is forecast to grow by 2.25 per cent in 2021-22, and by 4.5 per cent in 2022-23
- the unemployment rate is expected to average 4.5 per cent in 2021-22 and 2022-23
- annual growth in the Victorian WPI is expected to exceed growth in the Melbourne CPI over the next few years — the former is expected to gradually increase to 3 per cent in 2024-25.

Table 6.1: Forecasts for the Victorian economy, Budget Update 2021/22

Indicator	2021-22	2022-23	2023-24	2024-25
Real GSP ^(a)	2.25	4.50	2.75	2.75
Melbourne CPI ^(a)	2.00	1.75	2.25	2.50
Victorian WPI ^(a)	2.25	2.50	2.75	3.00
Unemployment rate ^(b)	4.50	4.50	5.00	5.00

Notes: (a) Values represent the percentage change over the financial year. (b) Values represent the average rate across the financial year.

Source: DTF (2021c), p. 9.

The Budget Update 2021/22 stated that the risks to Victoria's economic outlook remain greater than normal due to COVID-19, and as such, these forecasts are subject to a high degree of uncertainty. In particular, it noted that an increase in COVID-19 infections would affect consumer confidence and spending, while further risks include the introduction of localised public health measures and diminishing vaccine effectiveness.²⁰⁰

6.2 Financial position and fiscal strategy of the State of Victoria

The Tribunal's analysis of financial factors draws on the latest VAGO *Report on the Annual Financial Report of the State of Victoria*, the *2020-21 Financial Report for the State of Victoria* and the Budget Update 2021/22.

Victorian Auditor-General Office's report

The latest VAGO *Report on the Annual Financial Report of the State of Victoria*, released in November 2021, stated that 'the COVID-19 pandemic continues to affect the financial performance and position of the state, with longer term

¹⁹⁹ DTF (2021c), p. 9.

²⁰⁰ DTF (2021c), p. 18.

consequences for its financial sustainability'.²⁰¹ The report noted that revenue remained below, and expenditure well above, pre-pandemic expectations, and highlighted emerging risks including operating expenditure growth in the general government sector.²⁰²

2020-21 Financial Report

According to the *2020-21 Financial Report for the State of Victoria*, the Victorian general government sector recorded an operating deficit of \$14.6 billion for 2020-21, which was \$2.9 billion lower than the Budget estimate. A contributing factor to this result was revenue being \$1.2 billion higher than expected.

The report stated that this was:

*... primarily due to higher than expected GST grants from the Commonwealth resulting from a stronger than expected recovery in economic activity in the June quarter ...*²⁰³

Employee expenses for the general government sector in 2020-21 were approximately \$30 billion, 10.4 per cent higher than for the previous year. The report explained that:

*.... this increase is primarily due to additional resources in the health sector for the COVID-19 response and additional staff required following the establishment of COVID-19 Quarantine Victoria. The increase in employee expenses also reflects increases in remuneration levels in enterprise bargaining agreements.*²⁰⁴

As at 30 September 2021, net debt for the general government sector was \$82.2 billion.²⁰⁵

Budget Update 2021/22

The Budget Update 2021/22 forecast an operating deficit (for the general government sector) of approximately \$19.5 billion for 2021-22, with smaller deficits expected in the following years. Net debt is forecast to be \$104.5 billion

²⁰¹ VAGO (2021a), p. 1.

²⁰² VAGO (2021a), p. 3.

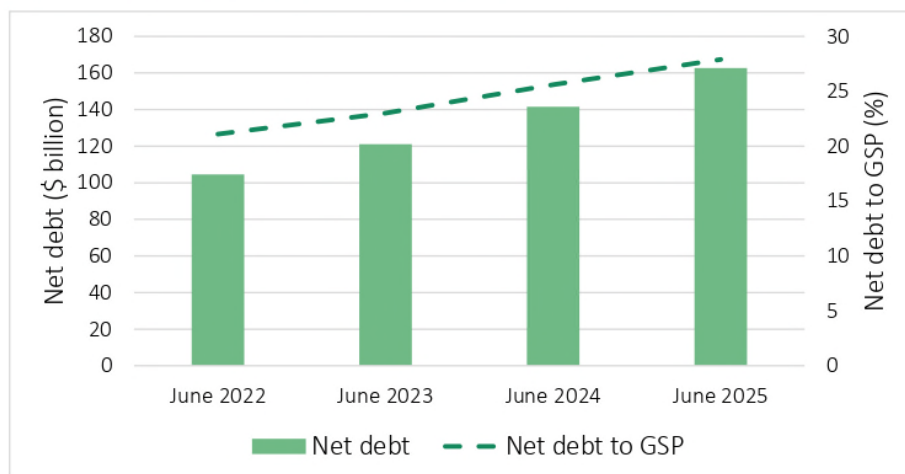
²⁰³ DTF (2021a), p. 5.

²⁰⁴ DTF (2021a), p. 10.

²⁰⁵ DTF (2021b), p. 6.

(21.1 per cent of GSP) at June 2021-22, and to increase to \$162.7 billion (27.9 per cent of GSP) by 2024-25 (Figure 6.2).²⁰⁶

Figure 6.2: Victorian forecast net debt and net debt to GSP



Source: DTF (2021c).

The Budget Update 2021/22 also reiterated the Victorian Government's commitment to the four-step fiscal strategy outlined in the Budget:²⁰⁷

- Step 1 – creating jobs, reducing unemployment and restoring economic growth
- Step 2 – returning to an operating cash surplus
- Step 3 – returning to operating surpluses
- Step 4 – stabilising debt levels.

The Budget included significant infrastructure spending to support economic recovery, with annual Government infrastructure investment expected to average \$22.2 billion over the budget and forward estimates.²⁰⁸

²⁰⁶ DTF (2021c), p. 22.

²⁰⁷ DTF (2021c), p. 3.

²⁰⁸ DTF (2021c), p.23.

6.3 Victorian Government remuneration policies

Box 6.1 reproduces the Victorian Government Wages Policy, which applies to departments and agencies in the Victorian public sector and is in force at the time of making this Determination.

Box 6.1: Victorian Government Wages Policy

The Victorian Government Wages Policy has three pillars:

- Pillar 1: Wages — increases in wages and conditions will be capped at a rate of growth of 1.5 per cent per annum over the life of the agreement. In practice this means employee wages and conditions will be allowed to grow at this rate.
- Pillar 2: Best Practice Employment Commitment — all public sector agencies will be required to make a Best Practice Employment Commitment which will outline measures to operationalise elements of the Government's Public Sector Priorities that reflect good practice within Government and can be implemented operationally or without significant costs.
- Pillar 3: Additional strategic changes — additional changes to allowances and other conditions (not general wages) will be capped at 0.5 per cent per annum of the salary base and will only be allowed if Government agrees that the changes will address key operational or strategic priorities for the agency, and/or one or more of the Public Sector Priorities.

A 'Secondary Pathway' is also available for public sector agencies whose current enterprise agreement reaches its nominal expiry date between 1 January 2022 and 31 December 2022 which permits one annual wage and allowance increase capped at 2 per cent (instead of at 1.5 per cent).

Source: Industrial Relations Victoria (2021).

6.4 Summary

Initial indications are that the impact of the Omicron variant on international, Australian and Victorian economic activity has been much smaller than previous waves of COVID-19. However, considerable uncertainty remains about future Australian and Victorian economic conditions, including due to COVID-19, geopolitical developments overseas and weather events.

7 Tribunal's considerations



The Tribunal turns to the Determination of the value of the amount of the allowance payable to Mayors, Deputy Mayors and Councillors, dealing firstly with Council allowance categories and then the types of allowance and the value of the allowance before concluding.

7.1 Council allowance categories

Under the VIRTIPS Act, the Determination setting the value of the amount of the allowance payable to Council members must provide for Council allowance categories.²⁰⁹ The Council allowance categories may be specified for a Council or a group of Councils.²¹⁰

There are currently three allowance categories (Categories 1, 2 and 3) with each Council in Victoria, other than Melbourne City Council, assigned to one of the categories according to a formula which takes into account the Council's revenue and the size of the population in the Council area. The value of the allowance payable to Council members in a Council in Category 1 is less than that paid to those in a Council in Category 2, and the value of the allowance payable to Council members in a Council in Category 2 is less than that paid to those in a Council in Category 3. The Tribunal decided there should be four Council allowance categories, with all Councils, except Melbourne City Council, assigned to Categories 1, 2 or 3 and with Melbourne City Council assigned to Category 4.

To date Melbourne City Council, the capital city of Victoria, has been treated separately from other councils with respect to allowances. Most other jurisdictions have a 'separate' Council allowance category for the state or territory's capital city reflecting the economic and social importance of the capital city to the jurisdiction.

²⁰⁹ VIRTIPS Act, s. 23A(2).

²¹⁰ VIRTIPS Act, s. 23A(3).

For similar reasons, the Tribunal considered there should also be a separate Council allowance category for Melbourne City Council.

With respect to the number of Council allowance categories, the Tribunal notes that most other jurisdictions have more allowance categories (e.g. New South Wales has 11). However, the Tribunal considers that for Victoria four Council allowance categories appropriately balances the wide variation in Council characteristics against the common fundamental requirements and duties of all Victorian Council members and the unique set of challenges faced by each Council.

With respect to the assignment of Councils to the Council allowance categories, the Tribunal also recognises that most other jurisdictions consider a wider range of factors (e.g. infrastructure and assets managed by the Council) for the purpose of assigning Councils to allowance categories. However, the Tribunal considers a Council's revenue and population size are sufficient bases for assigning Councils to Categories 1, 2 and 3. The Tribunal concurs with the findings in 2000 of the Councillor Allowances Review Panel that 'total revenue' is 'an approximate indicator of the size and complexity of the governance role' and 'population size' is a 'reasonable indicator of [a Council member's] representational workload'.²¹¹

The existing formula for assigning Councils to Categories 1, 2 or 3 based on their revenue and population size contains a 'discount factor' to preclude a Council moving to another allowance category simply because their revenue has increased in line with inflation. The 'discount factor' is calculated using annual movements in average weekly earnings since 1999-2000.²¹²

There are contemporary Council revenue and population size data available, enabling the formula and associated points for assigning Councils to Categories 1, 2 or 3 to be reset so as to avoid having to rely on a discount factor at this stage. Accordingly, the Tribunal decided to reset the formula and associated points for assigning Councils to Categories 1, 2 or 3 as set out in Box 7.1 and Table 7.1 below.

²¹¹ Councillor Allowances Review Panel (2000), p. 21.

²¹² Victorian Government (2008), p. 10.

Box 7.1: Formula to calculate Council allowance category points for this Determination

$$\text{Category points} = \frac{R + P}{1,000}$$

Where:

- *R* is the Council's total recurrent **revenue** (in \$'000s) for the 2020-21 financial year^(a)
- *P* is the estimated resident **population** of the Council, as at 30 June 2020, based on the latest available data published by the ABS at the time of this Determination.

Notes: (a) Total recurrent revenue figures have been provided by LGV, based on each Council's audited financial statements.

Table 7.1: Category points and Council allowance categories for this Determination

Allowance category	Category points
Category 1	0 – 65
Category 2	66 – 280
Category 3	281+

The application of the reset formula and associated points results in each Council remaining in a similar Council allowance category to the allowance category which applied to it prior to this Determination, except Yarra City Council which has moved to a higher category.

The number of Council allowance categories and the bases for assigning Councils to the allowance categories were supported by many who responded to the Tribunal's questionnaire and in submissions to the Tribunal. Some Council members in rurally located Councils, with more geographically dispersed populations, submitted the existing allowance categories do not adequately take into account the challenges involved in serving their communities. The Tribunal considers some of these concerns are best addressed in its consideration of the types and value of the amount of the allowance payable to Council members.

Overall, the Tribunal considered that generally the current three allowance categories, with the addition of a Category 4 Council allowance category for Melbourne City Council having regard to its particular circumstances, would adequately account for the complex economic, social and environmental variations between Councils that cause differences in Council members' governance responsibilities and workloads.

Therefore, the Tribunal determined to provide for a Council allowance category for each Council as follows:

Category 1	
Alpine Shire Council	Mansfield Shire Council
Ararat Rural City Council	Mount Alexander Shire Council
Benalla Rural City Council	Murrindindi Shire Council
Buloke Shire Council	Northern Grampians Shire Council
Central Goldfields Shire Council	Pyrenees Shire Council
Corangamite Shire Council	Borough of Queenscliffe
Gannawarra Shire Council	Southern Grampians Shire Council
Hepburn Shire Council	Strathbogie Shire Council
Hindmarsh Shire Council	Towong Shire Council
Indigo Shire Council	West Wimmera Shire Council
Loddon Shire Council	Yarriambiack Shire Council
Category 2	
Bass Coast Shire Council	Maroondah City Council
Baw Baw Shire Council	Mildura Rural City Council
Bayside City Council	Mitchell Shire Council
Campaspe Shire Council	Moir Shire Council
Colac Otway Shire Council	Moorabool Shire Council
East Gippsland Shire Council	Moyness Shire Council
Glenelg Shire Council	Nilumbik Shire Council
Golden Plains Shire Council	South Gippsland Shire Council
Greater Shepparton City Council	Surf Coast Shire Council
Hobsons Bay City Council	Swan Hill Rural City Council
Horsham Rural City Council	Wangaratta Rural City Council
Latrobe City Council	Warrnambool City Council
Macedon Ranges Shire Council	Wellington Shire Council
Maribyrnong City Council	Wodonga City Council
Category 3	
Ballarat City Council	Knox City Council
Banyule City Council	Manningham City Council
Boroondara City Council	Melton Shire Council
Brimbank City Council	Monash City Council
Cardinia Shire Council	Moreland City Council
Casey City Council	Moonee Valley City Council
Darebin City Council	Mornington Peninsula Shire Council
Glen Eira City Council	Port Phillip City Council
Frankston City Council	Stonnington City Council
Greater Bendigo City Council	Whitehorse City Council
Greater Dandenong City Council	Whittlesea City Council
Greater Geelong City Council	Wyndham City Council
Hume City Council	Yarra City Council
Kingston City Council	Yarra Ranges Shire Council
Category 4 – Melbourne City Council	
Melbourne City Council	

7.2 Types of allowances

Prior to this Determination, there were three types of allowances available for Council members pursuant to Orders made under the *Local Government Act 1989* (Vic), *City of Melbourne Act 2001* (Vic) and *City of Greater Geelong Act 1993* (Vic):

- an annual allowance provided to all Council members, which varied depending on the Council member's role and the Council's allowance category
- a payment in lieu of superannuation, provided to Council members not entitled to the Superannuation Guarantee under Commonwealth law, which was equivalent in value to the superannuation contributions they would have otherwise received under the Superannuation Guarantee (as of 1 July 2021, 10 per cent of the value of the annual allowance)
- a remote area travel allowance, provided subject to eligibility requirements, equal to \$40 per day (up to an annual cap of \$5,000 per Council member).

This Determination replaces these allowances.

The Tribunal decided to combine the annual allowance and payment in lieu of superannuation into a base allowance.

The Tribunal considers this will simplify arrangements, increase transparency and ensure the equal treatment of all Council members, irrespective of their status and treatment under Commonwealth superannuation law. Council members can continue to request that some or all of their base allowance is paid into a complying superannuation fund, subject to applicable requirements and limits under Commonwealth law.

For those Council members whose Councils have elected to become an ELGB, 1/11th of the value of their allowance will be paid as superannuation. The proportion of the allowance contributed to the Council member's nominated superannuation fund will change in line with future changes to the Superannuation Guarantee.

Consistent with existing arrangements, the Tribunal also decided to separately set a remote area travel allowance for Council members and to provide eligibility criteria for claiming it.

Under the LG Act 2020, Council members may refuse part, or all, of the allowance payable to them.

7.3 Value of the base allowance

Previously the value of the annual allowance for most Council members was a range. Each Council was required to set the value of the annual allowance for its Council members within the applicable range. In general, Councils set the value of the annual allowance at (or near) the maximum of the range.

With this in mind, the Tribunal decided to specify the value of the base allowance for Council members as a single value, rather than a range.

The values of the maximum annual allowance and payment in lieu of superannuation for Council members, prior to the making of this Determination are set out in Table 7.2.

Table 7.2: Values of the maximum annual allowance and payment in lieu of superannuation, prior to the making of this Determination

Council member and allowance category	Maximum annual allowance (A) \$ p.a.	Payment in lieu of superannuation (B) \$ p.a.	Total payment (A+B) \$ p.a.
Mayor			
Category 1	62,884	6,288	69,172
Category 2	81,204	8,120	89,324
Category 3	100,434	10,043	110,477
Melbourne City Council	200,870	20,087	220,957
Deputy Mayor^(a)			
Category 1	21,049	2,105	23,154
Category 2	26,245	2,625	28,870
Category 3	31,444	3,144	34,588
Melbourne City Council	100,434	10,043	110,477
Councillors			
Category 1	21,049	2,105	23,154
Category 2	26,245	2,625	28,870
Category 3	31,444	3,144	34,588
Melbourne City Council	47,165	4,717	51,882

Note: (a) Prior to the making of this Determination, Deputy Mayors were not entitled to a separate allowance and received the same allowance as other Councillors in the same Council, with the exception of the Deputy Lord Mayor of the Melbourne City Council.

Source: Victorian Government Gazette.

The Tribunal's consultations saw mixed views presented on the appropriateness of the current value of the amount of the allowance payable to Council members.

Most Council members who responded to the Tribunal's questionnaire considered that the existing allowance values were too low. On the other hand, submissions from community groups representing the interests of ratepayers and from members of the public commented strongly that the values of the allowance should not be increased.

The Tribunal considers that the significant contribution of Council members to local government is not being adequately recognised in the current value of the amount of the allowance payable to them. In particular, the Tribunal decided that an increase in the value of the allowance is justified given:

- increases in the scope and complexity of Council members' roles since the last comprehensive allowances review in 2007-08
- high levels of community expectations placed on Council members to represent, and respond to, the interests of members of their municipal community
- evidence presented by stakeholders that the role of a Council member is more akin to a 'job' than purely voluntary in nature, especially for the role of Mayor
- past increases in the value of the allowance have not kept pace with increases in wages in the broader economy
- comparisons with the allowance values for Council members in other Australian jurisdictions, especially given Victoria has the highest average LGA population of all jurisdictions
- comparisons with the remuneration for roles that have some similar responsibilities to those of Council members, including for persons elected to other voluntary part-time community bodies
- evidence from stakeholders that higher allowance values are likely to impact positively on Council member diversity, including the representation of women in local leadership roles.

The Tribunal then turned to determining the appropriate value of the base allowance payable for each of Mayors, Deputy Mayors and Councillors.

Value of the base allowance for Mayors

The Tribunal found that, with the increase in the roles, responsibilities and demands placed on all Council members in recent years, the role of Mayor has become even more critical to a Council's effective operation.

In part, this is because the Mayor is expected to manage relationships with other Councillors and with the CEO to ensure the Council achieves its wide range of objectives and meets its regulatory obligations. Further, communities often place very high demands upon Mayors, expecting them to personally attend numerous events as well as lead stakeholder consultation processes and advocate for their community.

The increase in the roles, responsibilities and demands placed on other Council members is compounded for Mayors.

The significant demands placed on Mayors means that, in general, the role needs to be carried out in a full-time capacity. As such, it may not be practicable for an individual to fulfil the role of Mayor and concurrently maintain gainful employment elsewhere.

The Tribunal decided to set the value of the amount of the base allowance payable to:

- a Mayor in a Category 1 Council at \$83,007 per annum
- a Mayor in a Category 2 Council at \$107,189 per annum
- a Mayor in a Category 3 Council at \$132,573 per annum
- a Mayor in a Category 4 Council (Melbourne City Council) at \$265,148 per annum

This brings the value of the amount of the base allowance payable to Category 1, 2 and 3 Mayors to the level it would have been had it been indexed by AWOTE since 2008 and broadly into line with the maximum fees payable to Chairs of large Victorian public entities with similar-sized assets and revenues.

The value of the base allowance is also reasonably comparable to the allowance for Mayors in other jurisdictions, bearing in mind the caution that needs to be exercised in making such comparisons. For the Lord Mayor of Melbourne City Council, the value of the base allowance payable for this role will continue to be ranked third amongst capital city Mayors.

Value of the base allowance for Deputy Mayors

Prior to the Determination, the value of the amount of the annual allowance payable to Deputy Mayors was the same as that for Councillors in all Councils, except Melbourne City Council.

The Tribunal heard about the increasing importance of, and responsibilities placed on, the Deputy Mayor role. Questionnaire responses suggested that Deputy Mayors generally spend more time on their role than Councillors, reflecting the additional responsibilities of the role. The Tribunal also heard that having a Deputy Mayor provides a valuable training pathway into the Mayor role and can assist in succession planning. These factors are reflected in the role of Deputy Mayor being enshrined in legislation for the first time in 2020.

The Tribunal accepts that the additional responsibilities and workloads of Deputy Mayors should be reflected in the value of their base allowance. In all jurisdictions other than New South Wales, the Deputy Mayor is paid between 1.13 to 2.06 times the maximum allowance payable to Councillors.

The Tribunal decided to set the value of the base allowance for a Deputy Mayor at 50 per cent of the value of the base allowance of the Mayor of their Council, consistent with many submissions.

As a result, the Tribunal decided to set the value of the amount of the base allowance payable to:

- a Deputy Mayor in a Category 1 Council at \$41,503 per annum
- a Deputy Mayor in a Category 2 Council at \$53,595 per annum
- a Deputy Mayor in a Category 3 Council at \$66,286 per annum
- a Deputy Mayor in a Category 4 Council (Melbourne City Council) at \$132,574 per annum.

Value of the base allowance for Councillors

The Tribunal accepts that the role of a Councillor has also increased in complexity and accountability but notes that the role is usually undertaken on a part-time basis — on average about 23 hours per week, spread across the full week including evenings and weekends.

The Tribunal decided to set the value of the amount of the base allowance payable to:

- a Councillor in a Category 1 Council at \$25,469 per annum
- a Councillor in a Category 2 Council at \$31,756 per annum
- a Councillor in a Category 3 Council at \$38,047 per annum
- a Councillor in a Category 4 Council (Melbourne City Council) at \$57,070 per annum.

The base allowance values set for Councillors are broadly consistent with the fees payable to directors of relevant public entities in Victoria, although the estimated time commitment of Councillors is likely to be higher than that of board directors. They are also reasonably comparable to the allowance for Councillors in other jurisdictions, again bearing in mind the caution that needs to be exercised in making such comparisons.

The values also take into account the minimum remuneration that a Victorian may expect to receive if they were to devote a similar amount of time to a job, based on the Australian NMW.

The Tribunal considers its decision is consistent with both encouraging a diverse range of candidates to serve on Council and more appropriately recognising the necessary work and time contribution of those elected to the role.

Phasing and annual indexation

Under the VIRTIPS Act, the Tribunal's Determination takes effect from 18 December 2021.

Compared to existing equivalent allowances, the value of the base allowance decided by the Tribunal is 20 per cent higher for Mayors and 10 per cent higher for Councillors. A new allowance for Deputy Mayors has also been set at 50 per cent of the allowance for Mayors.

The Tribunal acknowledges that these increases are significant. Having regard to current and projected economic trends, geopolitical developments and weather events, the financial position and fiscal strategy of the State of Victoria and the Victorian Government Wages Policy, as well as the financial position of Councils in Victoria, the Tribunal decided to phase-in the increases over several years. The last annual adjustment to Council member allowances (except in relation to superannuation) was effective from 1 December 2019.

The average annual expenditure on Council member allowances is expected to remain a very small percentage of annual Council revenue.

The Tribunal decided to phase-in the increases over five years for Mayors. An eight per cent increase will apply from 18 December 2021, with the remaining 12 per cent increase applied in four equal portions on 18 December 2022, 2023, 2024 and 2025.

As the Deputy Mayor base allowances were set to be equal to half of Mayor base allowances, the Tribunal also decided to phase in the amount set for the Deputy Mayor base allowances over five years.

As a result, the Tribunal determined to set the base allowance for Mayors as follows:

Council allowance category	Value of Mayor base allowance (\$ per annum) from 18 December:				
	2021	2022	2023	2024	2025
Category 1	74,706	76,781	78,857	80,932	83,007
Category 2	96,470	99,150	101,830	104,510	107,189
Category 3	119,316	122,630	125,944	129,259	132,573
Category 4 – Melbourne City Council	238,634	245,262	251,891	258,520	265,148

Further, the Tribunal determined to set the base allowance for Deputy Mayors as follows:

Council allowance category	Value of Deputy Mayor base allowance (\$ per annum) from 18 December:				
	2021	2022	2023	2024	2025
Category 1	37,353	38,391	39,428	40,466	41,503
Category 2	48,235	49,575	50,915	52,255	53,595
Category 3	59,658	61,315	62,972	64,629	66,286
Category 4 – Melbourne City Council	119,317	122,631	125,945	129,260	132,574

The Tribunal also decided to phase in the increases for Councillors over three years, with a four per cent increase to apply from 18 December 2021 and the remaining six per cent increase to be applied in two equal portions on 18 December 2022 and 18 December 2023.

As a result, the Tribunal determined to set the base allowance for Councillors as follows:

Council allowance category	Value of Councillor base allowance (\$ per annum) from 18 December:		
	2021	2022	2023
Category 1	24,080	24,775	25,469
Category 2	30,024	30,890	31,756
Category 3	35,972	37,010	38,047
Category 4 – Melbourne City Council	53,957	55,513	57,070

Under the VIRTIPS Act, the Tribunal is required to provide for the annual indexation of allowances.²¹³ To address this requirement, the Tribunal determined that allowances will be indexed in accordance with annual adjustment Determinations made by the Tribunal.²¹⁴ Such annual adjustments may afford the opportunity for Councils with significant movements in revenue and/or population to effectively move between Council allowance categories.

7.4 Remote area travel allowance

The existing allowances system provides a remote area travel allowance to eligible Council members. To be eligible, a Council member must normally reside more than 50km by the shortest practicable road distance from the location specified for Council meetings, or for municipal or community functions which the Council member has been authorised to attend.

The value of the remote area travel allowance was last set in 2001. It is equal to \$40 per day that the Council member attends an authorised event, subject to an annual cap of \$5,000 for each Council member.

The Tribunal's questionnaire asked Council members about the eligibility requirements for, and value of, the remote area travel allowance. Of those respondents who had ever received the remote area travel allowance, most thought that the distance requirement of 50km was appropriate, but around half considered the daily rate of \$40 to be too low. The Tribunal notes that the value of the remote area travel allowance has not been updated in over 20 years, meaning that its real worth has been eroded by inflation.

For these reasons the Tribunal decided to retain the remote area travel allowance for Council members and increase by 10 per cent both its value and the annual cap on the amount that can be claimed, consistent with the increase decided for the Councillor base allowance.

²¹³ VIRTIPS Act, s. 23A(5)(b).

²¹⁴ VIRTIPS Act, s. 23B.

Therefore, the Tribunal determined to:

- set a remote area travel allowance for a Council member who normally resides more than 50km by the shortest practicable road distance from the location or locations specified for the conduct of ordinary, special or committee meetings of the Council, or any municipal or community functions which have been authorised by Council resolution for the Council member to attend
- set the remote area travel allowance at \$44 for each day on which one or more meetings or authorised functions were attended by the Council member up to a maximum of \$5,500 per annum.

7.5 Conclusion

This Statement of Reasons deals with the Tribunal's first Determination of the value of the amount of the allowance payable to Mayors, Deputy Mayors and Councillors. The Tribunal has decided an increase in the value of the allowance compared to existing equivalent allowances is warranted and determined to phase in the new values over several years considering relevant economic, financial and wages policy matters. Under the VIRTIPS Act, the Tribunal can adjust the values of allowances annually.

In making the Determination, the Tribunal has taken into account the substantial change in the roles, responsibilities and workload of Council members since their allowances were last reviewed and considered the purpose of Council member allowances and the impact of altering their value, including on diversity of representation in local government.

The Tribunal has also comprehensively reviewed the existing allowances system for Council members taking into account similar allowances for elected members of local government in other states and in the Northern Territory and allowances for persons elected to voluntary part-time community bodies.

Further, the Tribunal has considered the remuneration of other relevant comparator positions, such as directors and Chairs of Victorian public entities.

The Tribunal has been greatly assisted by the many submissions and questionnaire responses it has received.

This Determination takes effect from 18 December 2021.

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Appendix A

Minister's letter of request





The Hon Shaun Leane MP

Minister for Local Government
Minister for Suburban Development
Minister for Veterans

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Ref: BMIN-2-21-11734

Warren McCann
Chair
Victorian Independent Remuneration Tribunal
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Dear Mr McCann

The *Local Government Act 2020* has transferred responsibility for determining Victorian mayoral, deputy mayoral and councillor allowances to the Victorian Independent Remuneration Tribunal.

Following consultation with the Minister for Government Services, I am writing to formally request that the Tribunal make its first determination for mayoral, deputy mayoral and councillor allowances. This request is made under section 23A(4) of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*.

Please find enclosed further information that may assist the Tribunal in relation to its forthcoming determination.

Tribunal secretariat officers may contact Julie Reid, Executive Director, Local Government Victoria on 0428 350 176 or at julie.reid@ecodev.vic.gov.au for further information.

Thank you for undertaking this important task for the Victorian local government sector. I look forward to the Tribunal's first determination of mayoral, deputy mayoral and councillor allowances.

Yours sincerely

The Hon Shaun Leane MP
Minister for Local Government
Minister for Suburban Development
Minister for Veterans

Date: 17/06/2021

cc The Hon Danny Pearson MP, Minister for Government Services



First Determination of mayoral, deputy mayoral and councillor allowances

Matters for possible consideration by the Victorian Independent Remuneration Tribunal

Current position on council allowances

[Recognition and Support: Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances and Resources \(April 2008\)](#): While this policy notes that the Government views councillor allowances not as a form of salary, but as recognition of the contributions made by those elected to voluntary, part time roles in the community, the Tribunal may wish to consider whether this view supports a contemporary local government sector that attracts diverse community perspectives to civic life.

Allowances and representation

The Victorian Government's Gender Equality Strategy, [Safe and Strong](#), sets a target of 50:50 gender representation for councillors and mayors by 2025. In giving effect to this strategy, the Government has undertaken a range of initiatives to encourage women's participation in local government, including the establishment of a new Gender Equality Advisory Committee (GEAC) to drive gender equality across Victoria's 79 councils.

Funding for a range of initiatives to promote and support women on councils has recently been provided, including:

- The [It's Our Time](#) campaign to promote and support women on councils.
- The Victorian Local Governance Association's (VLGA) [Local Women Leading Change program](#)
- The Australian Local Government Women's Association's (Vic Branch) mentoring program for new female councillors.
- The VLGA's [Your Community, Country and Council](#) program that supports aboriginal men and women to stand for council.

The Tribunal may wish to consider the impact that allowances may have on representation in local leadership roles, especially in terms of the representation of women.

Local government priorities

The [Ministerial Statement on local government](#) articulates the Government's future priorities for the local government sector, including the critical role of councils in Victoria's pathway through social and economic recovery from the COVID-19 pandemic. The Tribunal may wish to consider whether the priorities identified in this statement should be taken into account in determining councillor allowances.

Allowances paid to members of other community bodies

Section 23A(5)(a) of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* requires the Tribunal to take into account similar

allowances paid to members elected to voluntary part-time roles in community organisations.

The Tribunal's secretariat may wish to contact officers from my Department for assistance with identifying relevant examples of such community bodies that the Tribunal may wish to consider as a useful basis for comparison.

Appendix B

Consultation



The Tribunal used several approaches to encourage individuals and organisations to participate in the making of this Determination, including:

- inviting written and oral submissions in its notice of intention, and publishing a Consultation Paper to encourage and assist those making submissions
- directly emailing a link to an anonymous questionnaire to every currently serving Council member in every Council to obtain views and information on issues such as roles and responsibilities, value of the allowance payable and relevant considerations for setting the value of the allowance in the Tribunal's Determination
- asking Councils to complete a 'data request' seeking information such as the actual value of allowances paid to currently serving Council members.

This appendix summarises the results of these approaches. It also includes a copy of the content of the questionnaire sent to Council members, and a summary of responses received.

B.1 Written submissions

The Tribunal invited all interested persons to make a submission with respect to the proposed Determination.

The Tribunal received a total of 48 written submissions. Submissions (in alphabetical order) from the following individuals and organisations are available on the Tribunal's website:

- Anthony S
- Brimbank Ratepayers & Residents Association, Inc.
- Chris Mack
- Christine Maynard
- Daniel Kade

- East Gippsland Shire Council
- Frank Donato
- Graham Jolly
- James Bae
- Kelly Rossiter
- Margaret Quon
- Marion Attwater
- Mio Ihashi
- Moonee Valley City Council
- Municipal Association of Victoria
- Ratepayers Victoria
- Sandra Taylor
- Sharyn More
- Sharyn Saxon
- Sustainability Action Network
- Theo Zographos
- Victorian Local Governance Association.

A further 11 submissions were received from parties who requested that their submission be published in a de-identified form. These submissions are also available on the Tribunal's website.

In addition, the Tribunal received confidential submissions from several parties who did not give consent for their submissions, or names, to be published.

Submissions cited by the Tribunal in this Statement of Reasons, and/or published on the Tribunal's website, do not necessarily represent the views of the Tribunal.

B.2 Oral submissions

In November 2021, the Tribunal received oral submissions from members of the following organisations and groups:

- Gender Equality Advisory Committee
- Interface Councils
- Local Government Mayoral Advisory Panel
- Municipal Association of Victoria
- Peri Urban Group of Rural Councils
- Regional Cities Victoria
- Rural Councils Victoria

- Victorian Local Governance Association.

B.3 Questionnaire

In July 2021, the Tribunal sent an email to each of the 621 currently serving Council members across all Victorian Councils, inviting recipients to provide anonymous responses to the Tribunal's online questionnaire hosted on the Engage Victoria website.

The questionnaire contained 29 questions (some multi-part) grouped into five sections:

- background information — questions 1–3
- roles and responsibilities of Mayors, Deputy Mayors and Councillors — questions 4–10
- allowance categories and values — questions 11–19
- remote area travel allowance — questions 20 and 21
- demographic information — questions 23–29.

All questions except for question 1 were optional.

The Tribunal received 258 responses to the questionnaire, representing approximately 42 per cent of all Council members in Victoria.

A copy of the questions contained in the online questionnaire is provided immediately below.

A summary of responses to the questionnaire is provided at the end of this appendix. Additional information, or commentary, provided in response to some questions has been summarised in the chapters of this Statement of Reasons.

Copy of the questionnaire for Council members

Question (* denotes required question)		Options
<i>Background information</i>		
1.	(a) What is your current role on Council?*	<ul style="list-style-type: none"> • Mayor • Deputy Mayor • Councillor
	(b) [If respondent answered 'Mayor'] Have you served as Deputy Mayor in the past?*	<ul style="list-style-type: none"> • Yes • No
	[If respondent answered 'Deputy Mayor'] Previous to your current role, had you ever served/acted as Mayor?	<ul style="list-style-type: none"> • Yes • No
	[If respondent answered 'Councillor'] Have you served as Mayor or Deputy Mayor in the past (including in an acting capacity)?*	<ul style="list-style-type: none"> • Yes, I have previously served as Mayor • Yes, I have previously served as Deputy Mayor • All of the above • None of the above
2.	How many terms have you served on Council (including prior service on other Councils)?	<ul style="list-style-type: none"> • I am serving my first term • I am serving my second term • I am serving my third term • I am serving my fourth term • I am serving at least my fifth term

3.	Which of Local Government Victoria's (LGV) Council categories applies to your Council?	<ul style="list-style-type: none"> • Metropolitan • Interface • Regional City • Large Shire • Small Shire • Not sure
<i>Roles and responsibilities of Mayors, Deputy Mayors and Councillors</i>		
4.	What do you consider to be your most important duties and responsibilities?	Free text answer
5.	Which of the following activities do you spend the most time on? Please select your top five.	<ul style="list-style-type: none"> • Administration • Advocating on behalf of Council to State and Commonwealth governments • Attending community events and functions • Contact and engagement with constituents • Engaging in professional development • Engaging with Council staff • Managing the employment of the Council CEO • Preparing for and attending Council and committee meetings, Councillor briefings and official Council events • Providing leadership and guidance to other Councillors • Other (please specify)
6.	(a) During a typical week, how many hours (not including travel time) do you dedicate to your role?	<ul style="list-style-type: none"> • Less than 4 hours • 4 to 7 hours • 8 to 15 hours • 16 to 23 hours • 24 to 31 hours • 32 to 39 hours • 40 hours or more

	(b)	During a typical week, how many hours do you spend travelling to fulfil your Council duties and responsibilities?	<ul style="list-style-type: none"> • Less than 3 hours • 3 to 5 hours • 6 to 8 hours • 9 to 11 hours • 12 hours or more
7.	(a)	What adjustments have you made, if any, to your paid employment in order to fulfill your Council role? Please select all that apply.	<ul style="list-style-type: none"> • Reduced hours in paid employment (please specify the number of hours by which you reduced your paid employment) • Taken leave • Quit paid employment • Utilised flexible working arrangements • Not applicable • Other (please specify)
	(b)	Please comment on how your Council service has affected your non-Council commitments and responsibilities (e.g. family, personal life).	Free text answer
8.		Reflecting on your experiences, please comment (to the extent that you can) on the differences between the roles of Mayor, Deputy Mayor and Councillor (e.g. duties and responsibilities, workload/time commitment, impacts on paid employment and/or non-Council responsibilities).	Free text answer
9.		Please comment on the skills and/or other benefits you derive from your Council service.	Free text answer
10.	(a)	Please comment on how the roles and responsibilities of Mayors, Deputy Mayors and/or Councillors have changed over the last five years, if at all.	Free text answer
	(b)	Please comment on any trends which may affect the roles and responsibilities of Mayors, Deputy Mayors and/or Councillors over the next five years.	Free text answer

<i>Allowance categories and value of allowance</i>		
11.	Which 'allowance category' applies to your Council?	<ul style="list-style-type: none"> • Category 1 • Category 2 • Category 3 • Not applicable
12.	Which factors, if any, do you consider the most relevant for setting the value of allowances for Mayors, Deputy Mayors and Councillors? Please select up to three.	<ul style="list-style-type: none"> • Council expenditure • Council revenue • Location (e.g. metropolitan, rural) • Population demographics • Population size • Size of Council area • Value of assets and infrastructure under Council management • Ward structure (e.g. unsubdivided, multi-member wards) • Other (please specify)
	<i>Please elaborate if you wish.</i>	Free text answer
13.	Do you consider the existing method for categorising Councils – according to population and total recurrent revenue – to be appropriate?	<ul style="list-style-type: none"> • Yes • No • Not sure
	<i>Please elaborate if you wish.</i>	Free text answer
14.	What do you consider to be, or should be, the purpose(s) of your Council allowance? Please select all that apply.	<ul style="list-style-type: none"> • Accounts for the time commitment of Council service • Covers costs related to my role on Council • A form of recognition of my contribution as an elected representative • A form of salary/wages • Other (please specify)
	<i>Please elaborate if you wish.</i>	Free text answer

15.	Is your current allowance level ...	<ul style="list-style-type: none"> • More than sufficient • More or less adequate • Insufficient • Not sure
	<i>Please elaborate if you wish.</i>	Free text answer
16.	For your Council, is the current difference in value between the Mayoral allowance and Councillor allowance ...	<ul style="list-style-type: none"> • Too large • About right • Too small • Not sure
	<i>Please elaborate if you wish.</i>	Free text answer
17.	How important a factor do you think the value of the allowance will be in your decision to stand (or not stand) for Council at the next election?	<ul style="list-style-type: none"> • Most important • Very Important • Important • Somewhat important • Not at all important • Not sure
	<i>Please elaborate if you wish.</i>	Free text answer
18.	Do you consider that existing allowances are adequate to attract a diverse pool of candidates to stand for Council?	<ul style="list-style-type: none"> • Yes • No • Not sure
	<i>Please elaborate if you wish.</i>	Free text answer
19.	In making the Determination, the Tribunal is required to take into account allowances for persons elected to other 'voluntary part-time community bodies'. Which bodies should the Tribunal consider, if any?	Free text answer

Remote Area Travel Allowance		
20.	Are you eligible for, or have you ever received, the Remote Area Travel Allowance?	<ul style="list-style-type: none"> • Yes • No • Not sure
21.	What is your view on the following aspects of the Remote Area Travel Allowance— (a) daily rate of \$40 (b) annual cap of \$5,000 (c) distance requirement of at least 50kms	Options for each of (a), (b) and (c): <ul style="list-style-type: none"> • Too high • About right • Too low • Not sure • Not applicable
22.	Please provide any further comments regarding the Remote Area Travel Allowance.	Free text answer
Demographic questions		
23.	What gender do you identify as?	<ul style="list-style-type: none"> • Woman • Man • Prefer not to say • Self-described (please specify)
24.	What is your age?	<ul style="list-style-type: none"> • Under 25 years • 25 to 44 years • 45 to 64 years • 65 years or over • Prefer not to say
25.	Do you come from a culturally and/or linguistically diverse background?	<ul style="list-style-type: none"> • Yes • No • Prefer not to say
26.	Do you identify as having a disability?	<ul style="list-style-type: none"> • Yes • No • Prefer not to say

27.	What is the highest level of education you have completed?	<ul style="list-style-type: none"> • Did not complete high school • High school • TAFE qualification • Undergraduate degree (e.g. bachelor's degree) • Postgraduate degree (e.g. master's degree, PhD) • Prefer not to say
28.	<p>(a) Which of these best describes your current (or former) primary occupation (besides Councillor, Mayor or Deputy Mayor)?</p> <p>(b) Outside of your role as a Mayor, Deputy Mayor or Councillor, which of these describe your current employment status? Please select all that apply.</p>	<ul style="list-style-type: none"> • Clerical or administrative worker • Community or personal service worker (e.g. carer, police officer) • Labourer or machinery operator (e.g. driver) • Manager (e.g. CEO, farm manager, retail manager) • Professional (e.g. accountant, lawyer, doctor, teacher) • Sales worker • Technician or trade worker • Prefer not to say • Other (please specify) <ul style="list-style-type: none"> • Engaged in paid employment • Taking leave from paid employment (e.g. sabbatical) • Self-employed • Unemployed and looking for paid employment • Unemployed and not looking for paid employment • Retired • Caring for children and/or other dependants • Studying • Volunteering or other unpaid work • Other (please specify) or prefer not to say

(c)	On average, how many hours do you spend per week in paid employment (excluding your Council duties)?	<ul style="list-style-type: none"> • Not applicable • Less than 10 hours • 10 to 19 hours • 20 to 29 hours • 30 to 39 hours • 40 hours or more • Prefer not to say
29.	What is your gross annual income from all sources (excluding the Councillor/Mayoral allowance)?	<ul style="list-style-type: none"> • \$45,000 or less • \$45,001 to \$75,000 • \$75,001 to \$120,000 • \$120,001 to \$180,000 • \$180,001 or more • Prefer not to say
<i>Additional comments</i>		
Please provide any further comments or feedback you consider relevant to informing the Tribunal's deliberations.		Free text answer

Summary of responses to the questionnaire

Background information

Q1(a). What is your current role on Council? (% of 258 responses)

Mayor	Deputy Mayor	Councillor
15.5	13.2	71.3

Q1(b). Have you served as Mayor or Deputy Mayor in the past (including in an acting capacity)? (% of 184 responses)

Yes, I have previously served as Mayor (or been appointed Acting Mayor)	Yes, I have previously served as Deputy Mayor	All of the above	None of the above
13.0	7.6	9.2	70.1

Note: This question was posed only to those respondents who had answered 'Councillor' to Q1.

Q1(b). Previous to your current role, had you ever served/acted as Mayor? (% of 35 responses)

Yes	No
25.7	74.3

Note: This question was posed only to those respondents who had answered 'Deputy Mayor' to Q1.

Q1(b). Have you served as Deputy Mayor in the past? (% of 40 responses)

Yes	No
40.0	60.0

Note: This question was only asked to respondents who answered 'Mayor' to Q1.

Q2. How many terms have you served on Council (including prior service on other Councils)? (% of 257 responses)

I am serving my first term	I am serving my second term	I am serving my third term	I am serving my fourth term	I am serving at least my fifth term
51.4	24.9	11.3	7.8	4.7

Q3. Which of Local Government Victoria's (LGV) Council categories applies to your Council? (% of 256 responses)

Metropolitan	Interface	Regional City	Large Shire	Small Shire	Not sure
37.5	9.0	16.4	18.0	17.2	2.0

Roles and responsibilities of Mayors, Deputy Mayors and Councillors

Q5. Which of the following activities do you spend the most time on? Please select your top five.

Activity	% of 258 responses
Preparing for and attending Council/committee meetings, briefings and Council events	95.0
Contact and engagement with constituents	90.7
Attending community events and functions	80.6
Engaging with Council staff	54.3
Administration	50.0
Providing leadership and guidance to other Councillors	29.8
Advocating on behalf of Council to State and Commonwealth governments	29.1
Engaging in professional development	14.0
Managing the employment of the Council CEO	11.2
Other	4.3

Q6(a). During a typical week, how many hours (not including travel time) do you dedicate to your role? (% of 257 responses)

<4	4 – 7	8 – 15	16 – 23	24 – 31	32 – 39	40+
0.0	1.2	14.4	26.8	26.1	16.0	15.6

Q6(b). During a typical week, how many hours do you spend travelling to fulfil your Council duties and responsibilities? (% of 255 responses)

<3	3 – 5	6 – 8	9 – 11	12+
43.5	33.7	13.7	4.3	4.7

Q7(a). What adjustments have you made, if any, to your other paid employment in order to fulfill your Council role? Please select all that apply. (% of 257 responses)

Reduced hours in paid employment	Taken leave	Quit paid employment	Utilised flexible working arrangements	Not applicable	Other
49.0	19.1	21.8	38.5	12.1	11.3

Allowance categories and values

Q11. Which 'allowance category' applies to your Council? (% of 256 responses)

Category 1	Category 2	Category 3	Not applicable
21.5	37.9	38.7	2.0

Q12. Which factors, if any, do you consider the most relevant for setting the value of allowances for Mayors, Deputy Mayors and Councillors? Please select up to three.

Activity	% of 253 responses
Population	40.3
Size of Council area	37.2
Council revenue	34.8
Location (e.g., metropolitan, rural)	28.1
Value of assets and infrastructure under Council management	24.9

Activity	% of 253 responses
Population demographics	23.7
Council expenditure	22.5
Other	20.9
Ward structure	11.5
None	4.3

Q13. Do you consider the existing method for categorising Councils – according to population and revenue – to be appropriate? (% of 253 responses)

Yes	No	Not sure
31.6	39.5	28.9

Q14. What do you consider to be, or should be, the purpose of your Council allowance? Please select all that apply.

Activity	% of 256 responses
Accounts for the time commitment of Council service	79.7
A form of salary/wages	58.2
Covers costs related to my role on Council	52.7
A form of recognition of my contribution as an elected representative	49.2
Other	3.5

Q15. Is your current allowance level ... (% of 256 responses)

More than sufficient	More or less adequate	Insufficient	Not sure
3.5	24.6	68.8	3.1

Q16. For your Council, is the current difference in value between the Mayoral allowance and Councillor allowance ... (% of 256 responses)

Too large	About right	Too small	Not sure
42.2	39.5	6.3	12.1

Q17. How important a factor do you think the value of the allowances will be in your decision to stand (or not stand) for Council at the next election? (% of 252 responses)

Most important	Very important	Important	Somewhat important	Not at all important	Not sure
7.5	21.4	20.6	24.2	23.4	2.8

Q18. Do you consider that existing allowances are sufficient to attract a diverse pool of candidates to stand for Council? (% of 257 responses)

Yes	No	Not sure
12.5	78.2	9.3

Remote Area Travel Allowance

Q20. Are you eligible for, or have you ever received, the Remote Area Travel Allowance? (% of 245 responses)

Yes	No	Not sure
13.1	80.8	6.1

Q21. What is your view on the following aspects of the Remote Area Travel Allowance

	Too high	About right	Too low	Not sure	Not applicable
(a) daily rate of \$40? (% of 232 responses)	3.0	21.1	21.1	25.0	29.7
(b) annual cap of \$5,000? (% of 231 responses)	4.3	26.4	12.1	27.7	29.4
(c) distance requirement of 50km? (% of 231 responses)	13.0	23.8	9.1	27.7	26.4

Demographic information

Q23. What gender do you identify as? (% of 245 responses)

Woman	Man	Prefer not to say	Self-described
46.1	48.2	3.7	2.0

Q24. What is your age range? (% of 252 responses)

<25	25 – 44	45 – 64	65+	Prefer not to say
1.6	32.1	50.8	14.3	1.2

Q25. Do you come from a culturally and/or linguistically diverse background?
(% of 256 responses)

Yes	No	Prefer not to say
16.4	81.3	2.3

Q26. Do you identify as having a disability? (% of 254 responses)

Yes	No	Prefer not to say
6.7	91.7	1.6

Q27. What is the highest level of education you have completed? (% of 253 responses)

Did not complete high school	High school	TAFE qualification	Undergraduate degree	Postgraduate degree	Prefer not to say
2.4	14.6	10.3	34.8	32.8	5.1

Q28(a). Which of these best describes your current (or former) primary occupation (besides Mayor, Deputy Mayor or Councillor)?

Activity	% of 252 responses
Professional	37.3
Manager	23.4
Other	21.8
Community or personal service worker	6.0

Activity	% of 252 responses
Sales worker	3.6
Clerical or administrative worker	2.8
Prefer not to say	2.4
Technician or trade worker	1.6
Labourer or machinery operator	1.2

Q28(b). Outside of your role as a Mayor, Deputy Mayor or Councillor, which of these describe your current employment status? Please select all that apply.

Activity	% of 255 responses
Engaged in paid employment	42.7
Self-employed	34.9
Volunteering or other unpaid work	17.3
Caring for children and/or other dependants	14.9
Retired	12.2
Studying	6.3
Taking leave from paid employment	5.9
Unemployed and looking for paid employment	4.7
Unemployed and not looking for paid employment	3.1
Other	2.7
Prefer not to say	1.6

Q28(c). During a typical week, how many hours do you spend in paid employment (excluding your Council duties)? (% of 174 responses)

<10	10 – 19	20 – 29	30 – 39	40+
12.1	17.2	19.5	23.0	28.2

Note: This question was posed only to those respondents who had answered 'Engaged in paid employment' or 'Self-employed' to Q28(b).

Q29. What is your gross annual income from all sources (excluding your Councillor/Mayoral allowance)? (% of 236 responses)

≤\$45,000	\$45,001 – \$75,000	\$75,001 – \$120,000	\$120,001 – \$180,000	\$180,001+	Prefer not to say
33.5	19.9	18.2	8.9	4.7	14.8

Governance Local Law No.2

2021



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1 Part 1 | PRELIMINARIES

1.1 Title

This Local Law is known as the Governance Local Law No. 2 (2021).

1.2 Objectives

The objectives of this Local Law are to:

- 1) regulate the use of the Common Seal;
- 2) prohibit unauthorised use of the Common Seal or any device resembling the Common Seal;
- 3) regulate conduct at *Council Meetings*; and
- 4) revoke *Council's* Governance Local Law No. 2 (2015).

1.3 Authorising Provision

This Local Law is a Local Law made under Section 71 of the *Local Government Act 2020*.

1.4 Commencement

This Local Law commences operation on [##insert date].

1.5 Cessation Date

This Local Law ceases to operate on [##insert date] unless revoked sooner.

1.6 Revocation of Previous Local Law

On commencement of this Local Law, *Council's* Governance Local Law No. 2 (2015) is revoked.

1.7 Definitions

Words	Meaning
<i>Act</i>	means the <i>Local Government Act 2020</i> , as amended from time to time.
<i>Authorised Officer</i>	means any <i>person</i> appointed to be an <i>Authorised Officer</i> pursuant to Section 224 of the <i>Local Government Act 1989</i> .
<i>Chairperson</i>	means the <i>Councillor</i> chairing a <i>Council Meeting</i> or other meeting that is open to the public.
<i>Chief Executive Officer</i>	has the same meaning as in the <i>Act</i> .
<i>Council</i>	means Banyule City Council.
<i>Council Meeting</i>	has the same meaning as in the <i>Act</i> .
<i>Councillor</i>	has the same meaning as in the <i>Act</i> .
<i>Director</i>	means a person appointed to or acting in the position of Director or such other position reporting directly to the <i>Chief Executive Officer</i> .
<i>Penalty Unit</i>	has the same meaning as in Section 110 of the <i>Sentencing Act 1991</i> .

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Person

has the same meaning as in the *Interpretation of Legislation Act 1984*.

2 Part 2 | COMMON SEAL

2.1 Common Seal

- 1) The Common Seal of Council may only be used with the authority of Council or of the Chief Executive Officer in accordance with the Instrument of Delegation issued to the Chief Executive Officer.
- 2) The Chief Executive Officer must keep the Common Seal in safe custody.
- 3) Every document to which the Common Seal is affixed must be signed by:
 - a) a *Councillor* and the *Chief Executive Officer*; or
 - b) in the case of a document concerning the *Chief Executive Officer* or in which the *Chief Executive Officer* has an interest, a *Councillor* and a *Director*; or
 - c) in the case of a document on which the Common Seal is used with the authority of the *Chief Executive Officer* in accordance with the Instrument of Delegation issued to the *Chief Executive Officer*, by the *Chief Executive Officer* and a witness.
- 4) A *Person* must not use the Common Seal or any device resembling the Common Seal without the authority of *Council*.
- 5) Where the Common Seal is affixed to a document on the authority of *Council*, the sealing clause must contain the following words:

THE COMMON SEAL of BANYULE

CITY COUNCIL is affixed
in the presence of:

.....COUNCILLOR

.....CHIEF EXECUTIVE OFFICER / DIRECTOR

- 6) Where the Common Seal is affixed to a document on the authority of the Chief Executive Officer in accordance with the Instrument of Delegation issued to the Chief Executive Officer, the sealing clause must contain the following words:

THE COMMON SEAL of BANYULE

City Council is affixed on behalf of
Council by authority of the Chief
Executive Officer in the presence of:

.....WITNESS

.....CHIEF EXECUTIVE OFFICER

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3 Part 3 | ENFORCEMENT

3.1 Offences

1) Under this Local Law it is an offence for:

- a) a *Councillor* to not withdraw an expression which is considered by the *Chairperson* to be defamatory, indecent, abusive, offensive, disorderly or objectionable and to not satisfactorily apologise when called upon twice by the *Chairperson* to do so;
- b) any *Person*, not being a *Councillor*, who is guilty of any improper or disorderly conduct to not leave the *Council Meeting* or other meeting being held in a place that is open to the public when requested by the *Chairperson* to do so;
- c) any *Person* to fail to obey a direction of the *Chairperson* relating to the conduct of the *Council Meeting* or other meeting being held in a place that is open to the public and the maintenance of order;
- d) a *Councillor* to refuse to leave the room on suspension;
- e) a *Person* to use the Common Seal or a device resembling the Common Seal without the authority of *Council* or the *Chief Executive Officer* in accordance with the Instrument of Delegation issued to the *Chief Executive Officer*; and
- f) any *Person* to fraudulently sign a petition or joint letter which is presented to *Council*.

2) Any decision to prosecute a Councillor for committing an offence against sub-clause

1) or 1)c) shall be by resolution of *Council*.

3.2 Infringement Notices

As an alternative to a prosecution, an *Authorised Officer* may serve an infringement notice on any *Person* who is committing or has committed an offence against this Local Law.

The infringement notice penalty in respect of an offence against this Local Law is set out in Schedule 1.

3.3 General Penalty at Magistrates Court

Any *Person* who is guilty of an offence against this Local Law is liable to:

- 1) a penalty of not more than 20 *Penalty Units*; and
- 2) for a continuing offence, a penalty of not more than 2 *Penalty Units* for each day after the finding of guilt or conviction during which the contravention continues.

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4 SCHEDULE 1

Table 1 | Penalties

Clause	Description	Penalty Units
1)	<i>Councillor</i> fails to withdraw an expression or apologise when directed by the Chairperson.	5
1)a)	<i>Person</i> , not being a <i>Councillor</i> , fails to leave the meeting when requested by the Chairperson.	5
1)b)	<i>Person</i> fails to obey a direction of the Chairperson.	5
1)c)	<i>Councillor</i> fails to leave the room on suspension.	5
1)d)	<i>Person</i> uses the common seal or device resembling the common seal without authority of <i>Council</i> .	5
1)e)	<i>Person</i> fraudulently signs a petition or joint letter which is presented to <i>Council</i> .	5

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Solicitor's Certificate – Section 74(1) *Local Government Act 2020*
Banyule City Council
Governance Local Law No. 2 (2021)

The Banyule City Council (**Council**) is proposing to make the Governance Local Law No. 2 (2021) (**proposed Local Law**).

I have been asked to provide a certificate under s 74(1) of the *Local Government Act 2020* (**Act**) in respect of the proposed Local Law.

In accordance with s 74(1) of the Act, I have assessed the proposed Local Law for consistency with the local law requirements, as outlined in the following table.

Local Law Requirement	Consistent
A local law must not be inconsistent with any Act (including the <i>Charter of Human Rights and Responsibilities Act 2006</i>) or regulations.	Yes. The proposed Local Law does not overlap with existing legislation, rather it operates in conjunction with the requirements of the Act. State legislation permits Council to make Local Laws with respect to the use of its common seal and the orderly conduct of meetings. There is nothing in the proposed Local Law that seeks to address any issues which are best addressed at the State or Federal level. The proposed Local Law has been reviewed for compatibility with the Charter and is considered to be compatible with the Charter.
A local law must not duplicate or be inconsistent with a planning scheme that is in force in the municipal district.	Yes. Nothing in the proposed Local Law concerns or otherwise engages the Banyule Planning Scheme.
A local law for or with respect to the issuing of film permits must not be inconsistent with the film friendly principles.	Yes. Not applicable.
A local law must not exceed the power to make local laws conferred by this Act or any other authorising Act.	Yes. The proposed Local Law is consistent with, and does not exceed, the scope of Council's powers to make Local Laws under the Act.
A local law must be consistent with the objectives of this Act or any other authorising Act.	Yes. The proposed Local Law furthers the objects of accountable, transparent, collaborative and efficient operations of Council.
A local law must be expressed as clearly and unambiguously as is reasonably possible.	Yes. The proposed Local Law is clear and unambiguous.

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Local Law Requirement	Consistent
<p>Unless there is clear and express power to do so under this Act or any other authorising Act, a local law must not—</p> <p>(i) seek to have a retrospective effect; or</p> <p>(ii) impose any tax, fee, fine, imprisonment or other penalty; or</p> <p>(iii) authorise the sub-delegation of powers delegated under the local law.</p>	<p>Yes.</p> <p>The proposed Local Law:</p> <ul style="list-style-type: none"> • does not seek to have retrospective effect; • makes provision for the imposition of penalties in respect of offences that are created, which penalties are: <ul style="list-style-type: none"> ◦ consistent with s 79 of the Act; ◦ similar in nature when compared to like councils; and ◦ sufficient to act as a deterrent for most offences while also reflecting the seriousness of those offences; and • does not authorise the sub-delegation of any powers.
<p>A local law must comply with any details prescribed in the regulations relating to the preparation and content of local laws.</p>	<p>Yes.</p> <p>No regulations relating to the preparation and content of local laws have, at the time of preparing this certification, been made.</p>

I, Kate Emily Oliver, Partner at Maddocks, certify that I:

- am an Australian lawyer who has been admitted to the legal profession for at least 5 years;
- am not a Councillor of Council;
- have reviewed the proposed Local Law against the local law requirements; and
- am of the opinion that the proposed Local Law is consistent with the local law requirements set out in s 72 of the Act.

Signed by Kate Oliver
in Victoria on 16 March 2022

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