



City of
Melville

2020 2021



COMMUNITY
ANNUAL REPORT
2020-2021 PART A

Acknowledgement of Country

We acknowledge the Bibbulmun people as the Traditional Owners of the land on which our City stands today and pay our respects to the Whadjuk people and Elders both past and present.

Nyungar Statement

City of Melville nagolik Bibbulmen
Nyungar ally-maga milgebar gardukung
naga boordjar-il narnga allidja yugow
yeye wer ali kaanya Whadjack Nyungar
wer netingar quadja wer burdik.

Marie Taylor Whaduck Balardong Nyungar Birdiyia

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Part B

The 2020-2021 Community Annual Report Part B (Financial Report) is available online at www.melvillecity.com.au/annualreport



Event-goers at our
2021 Kidchella festival.



Cover: Community members at our National Reconciliation Week event listening to Dreamtime stories told by Noongar Leader Shaun Nannup.

Message from the Mayor

With the COVID-19 pandemic hitting the world in early 2020, the start to the 2020-2021 financial year was unlike any other, with economic, social and health challenges at the forefront of our work and service delivery to the community.

A unique stimulus budget, set against the backdrop of the pandemic, was adopted for 2020-2021, delivering our ratepayers a flat rates concession of \$200 for every residential household. Fees and charges were also frozen, to broaden our support for sporting and community groups, businesses and not-for-profit organisations in our City.

In September 2020, Council adopted a new *Corporate Business Plan 2020-2024*, responding to a major review and adoption of the *Strategic Community Plan 2020-2030* earlier in the year. The Corporate Business Plan outlines our strategic direction for the next four years and introduced a new vision, mission and values, which together guide our decisions and interactions with the community.

Following through on our new organisational vision to engage with our diverse community, we quickly established our first ever Community Feedback Panel, made up of residents and ratepayers from across the community. The panel meets regularly, allowing us to test ideas and approaches, and to benefit from members' feedback on a range of projects, strategies and issues.

In June 2021, Council declared a climate emergency and committed to developing a draft climate action plan within the next two years. Council also committed to achieving net zero carbon emissions from City operations by December 2030. These significant targets will undoubtedly contribute significantly to our vision of a sustainable future.

Despite the backdrop of COVID-19, many other key achievements and progress were made this year across every key outcome area. I mention only a few here.

In 2020-2021, we continued to increase our tree planting numbers, which we will do each year until 2036. We planted more than 11,200

seedlings, 1,000 mature stock and 3,200 trees in our public spaces. This commitment recognises the significant value of trees and other vegetation in contributing towards a Clean and Green City.

Council endorsed a \$6.3 million project to replace the City's 8,598 streetlights with Smart LED lights over a two-year period. The program has the potential to reduce our current annual carbon emissions by 65% and achieve an energy saving of 40% to 50%.

With a key focus on the Growth and Prosperity of our community and City, an important review of the Canning Bridge Activity Centre Plan continued this year. Council also adopted a new planning policy for the activity centre, providing greater clarity regarding bonus heights. A third-party prepared activity centre plan for the Kardinya District Centre was reviewed and revised by staff, in consultation with the community, and endorsed by Council and is now with the Western Australian Planning Commission for their approval. We also reviewed and updated a number of policies and plans to align with State Government changes to planning legislation, regulations and Residential Design Codes (R-Codes).

The small business community represents over 98% of registered businesses in Melville, and was a strong focus this year. A shop local campaign and initiative was launched to encourage residents to shop for local products or services. We participated in the State Government's Small Business Friendly Approvals Program to reduce red tape for small businesses and we also began work on a Economic Development Strategy, which will be important in guiding our economic direction over the next five years.

A number of key sporting infrastructure upgrades occurred in 2020-2021, ensuring our community has access to fit-for-purpose, accessible and inclusive sports and recreation facilities to support Healthy Lifestyles. A major \$1.48 million upgrade at Webber Reserve clubrooms and construction of a new amenity building at Bert Jeffrey Reserve were both completed. An \$8 million redevelopment of Shirley Strickland Reserve began, and Stages 1 to 3 of a \$3.6 million redevelopment of Tompkins Park were also delivered.

We were recognised with a Best Playspace Award at the 2020 Parks and Leisure Australia National Awards of Excellence for a new playground at Deep Water Point and continued our work to deliver quality playgrounds across our suburbs. As well as outdoor play for children and families, we further supported Healthy Lifestyles with our ever-popular outdoor Active in the Park outdoor fitness classes, with various programs aimed at all ages, from toddlers to seniors.

Feeling Safe and Secure has always been a top priority for our community, and this year we again worked with a range of key partners to keep our community safe. Our diverse and vital ranger services continued, taking care of animal, parking and bushfire control and responding to littering and reports of illegal signs, dumping and off-road vehicles. Our Safer Melville Advisory Committee also carried on with its work of providing advice and sharing information with us to improve and promote safety, and help reduce injury in the community.

We were successful in securing approximately \$12,000 funding for a youth outreach project and have this year also committed to becoming a child safe organisation, a long term approach towards promoting child wellbeing and preventing harm to children and young people. Work will progress on these projects throughout the 2021-2022 financial year as we continue to play an active role in helping reduce crime, preventable injuries and road crashes within our community, and ensuring our places and spaces are safe for everyone.

Recognising the impact COVID-19 had on people's Sense of Community, which helps to connect people and give us a sense of belonging, the diversity, quality and quantity of our arts, culture and events program was even richer than in previous years, setting the scene for Melville to become known as a cultural hub. Thousands of people visited and enjoyed our galleries and museums, and approximately 1,300 people attended our annual Arts Awards and Exhibition, which displayed 252 works by professional and hobby artists. No doubt many of these artists were impacted by the pandemic.

We also continued to deliver our Public Arts Strategy and Masterplan, including the completion of 12 mural projects across the City, and our libraries reviewed and updated their services, converting Canning Bridge Library into the State's first ever self-serve express library in response to the community's needs and feedback.

We provided \$40,000 in funding to businesses and organisations through our Night Time Activations Grants and we launched our fifth round of Project Robin Hood, which provided \$95,000 for the community to design, develop, vote and deliver on projects independently of the City.

Work continued on optimising key road networks, providing better public transport, cycling and walking infrastructure, and showcasing alternative transport to cars to ensure our City offers Sustainable and Connected Transport for everyone who lives in, travels in and visits our City.

A parking management plan for Deep Water Point was progressed, and construction began on our first ever Safe Active Street, which will provide a safe and comfortable route for people walking or riding bikes between Westfield Booragoon Shopping Centre right through to the Riseley Street Activity Centre. We began preparations for a new pedestrian and bike plan, and importantly, we also began a \$1 million multi-year stormwater project to help ensure our drainage systems are fit-for-purpose and can handle excess storm water run-off.

Despite continuing to be challenged by the COVID-19 pandemic, I congratulate our Council, CEO and staff for all they have achieved this year. There is much to be positive about and the resilience shown by all has demonstrated what can be done when we are clear about our purpose and when we work with our residents, ratepayers and businesses and other key agencies to get the job done.

Hon. George Gear JP
City of Melville Mayor



City of Melville Mayor the Hon. George Gear JP

Message from the CEO

In 2020-2021, Council set a new strategic direction for our City, delivering a new Corporate Business Plan in alignment with our community's aspirations, introducing a new vision, mission and values and setting six clear priority areas for the organisation.

Over the last year, we worked very closely with our Council and developed the City's 2021-2022 budget in line with our long term priorities and community needs.

The 2021-2022 budget focuses strongly on sustainability and key community projects, embracing the direction set by Council. It carries over some COVID-19 measures valued at nearly \$1 million as part of the Melville Community Stimulus Package in 2020-2021, and includes \$41.7 million committed to capital works, which will see the City continue the rapid pace of works fast-tracked in the last financial year to provide an economic boost in response to the pandemic.

Balancing our community's diverse needs and often competing priorities is always a challenge in local government; however, we have learnt greatly from our experience with the pandemic about our resilience and ability to adapt. We have also taken the opportunity provided by the new Corporate Business Plan to review and challenge the way we do business while also ensuring we are sustainable and future proofed as an organisation.

Our commitment to business excellence continues, and we have given particular focus to understanding how we can reduce red tape for our businesses, improve the customer experience at all touch points and improve our working and information systems so they can take us into the next decade.

We'll be working with Council in the 2021-2022 financial year to review our long term financial plan, which will allow us to align

current community and business requirements in consideration of the environmental, social, cultural and economic needs we anticipate for the future.

The climate emergency declaration made by Council in June 2021 and the setting of carbon neutral targets will require fundamental changes in the way we conduct our operations and closer collaboration with our community and stakeholders.

Finding the best solutions and our achievements and successes are only made possible by working with many partners. I acknowledge our state and federal governments, our local state and federal members, our many community, sporting, cultural, environmental and not-for-profit partners and agencies and our incredible volunteers. Thank you of course to our residents, ratepayers and businesses who make the Melville community what it is. Our direction for the future is stronger than ever and we want to ensure it is an inclusive, vibrant, and above all, sustainable one.

Marten Tieleman
Chief Executive Officer



































City of Melville Chief Executive Officer Marten Tieleman



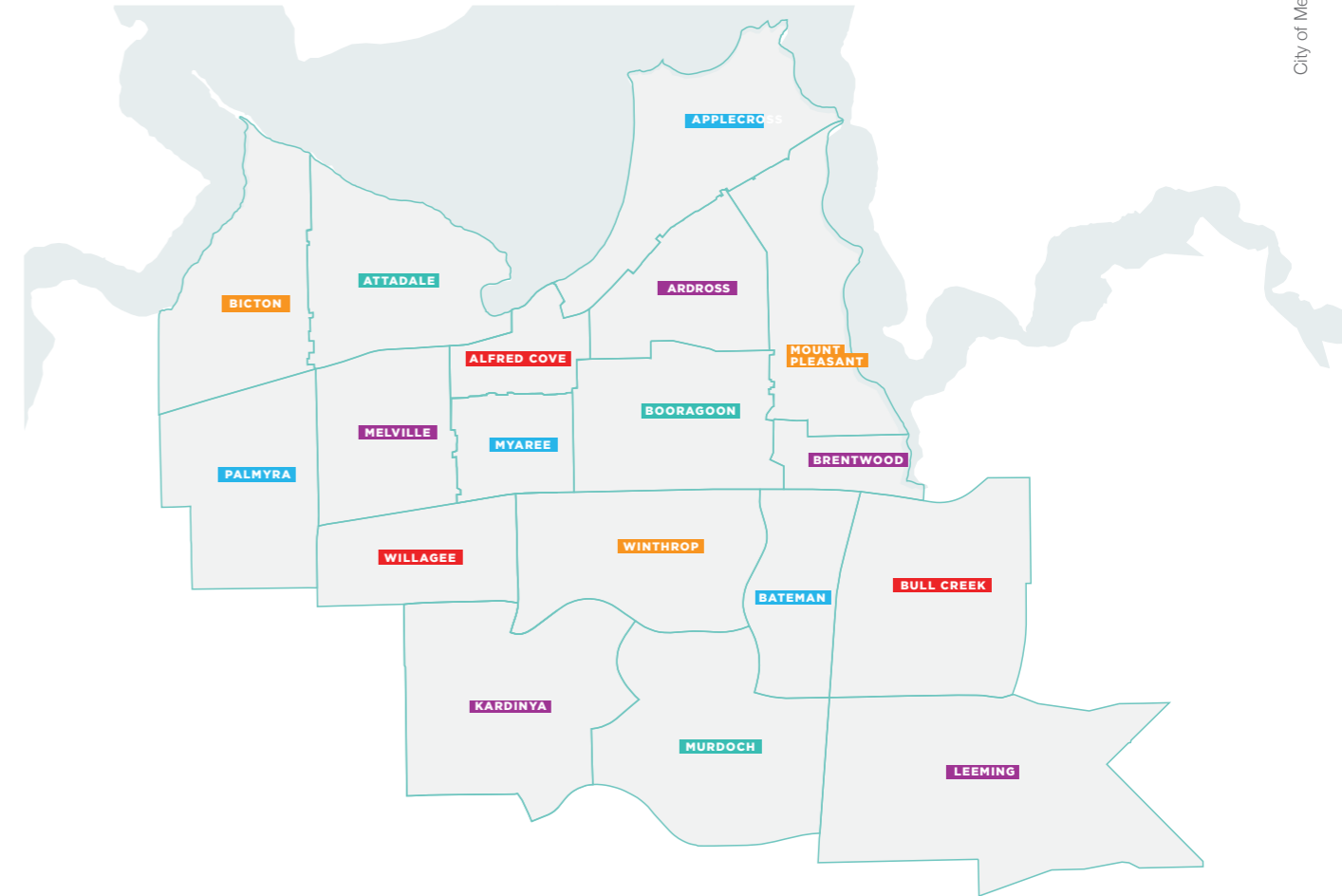
Young Sienna enjoying reading at our AH Bracks Library + Creative Space.

Fast Facts

 Land area 53km²	 Mortgage 32%	 Local jobs 45,420
 Foreshore 18km	 Renting 21%	 Unemployment 6.8%
 Bushland 281ha	 Residents (as at 30 June 2021) 103,581	 Primary schools 24
 Public open space 837ha	 Population density 19.53 ppha	 Preschools 21
 Parks and reserves 205	 Median age 41	 Secondary schools 9
 Street trees 40,000	 Residents with a university qualification 33%	 1 TAFE and 1 university
 Footpaths 497km	 Residents born overseas 34%	 Aged persons' housing estates 15
 Roads 545km	 Residents identifying as First Nations Peoples 0.7%	 Waste diverted from landfill 66%
 Residential properties 42,336	 Residents working locally 28%	 Detached housing 74.3%
 Median house valuation \$767,868	 Registered businesses 10,608	 Medium and high density housing 25%
 No mortgage 42%	 Gross Regional Product \$6.36 billion	

City Suburbs

There are 18 suburbs in the City of Melville: Alfred Cove, Applecross, Ardross, Attadale, Bateman, Bicton, Booragoon, Brentwood, Bull Creek, Kardinya, Leeming, Melville, Mount Pleasant, Murdoch, Myaree, Palmyra, Willagee and Winthrop.



Organisation History

The City of Melville was established as a Roads Board on 5 June 1901 and became a Shire in 1961, a Town in 1962, and a City in 1968. In 1913, the Melville Roads Board's Council Chambers were built on the corner of Stock Road and Canning Highway, Palmyra. The City of Melville Civic Centre on Almondbury Road in Booragoon was officially opened on 1 May 1968.



Our Vision

Engaging with our diverse community to achieve an inclusive, vibrant and sustainable future

The City of Melville's purpose is set out in Section 1.3(3) of the *Local Government Act 1995* (WA):

'In carrying out its functions, a local government is to use its best endeavours to meet the needs of current and future generations [in its district] through an integration of environmental protection, social advancement and economic prosperity.'

Our Mission

To provide good governance and quality services for the City of Melville community

Our Values

In everything we do, we seek to adhere to our values that guide our behaviours.

Excellence

- Striving for the best possible outcomes

Participation

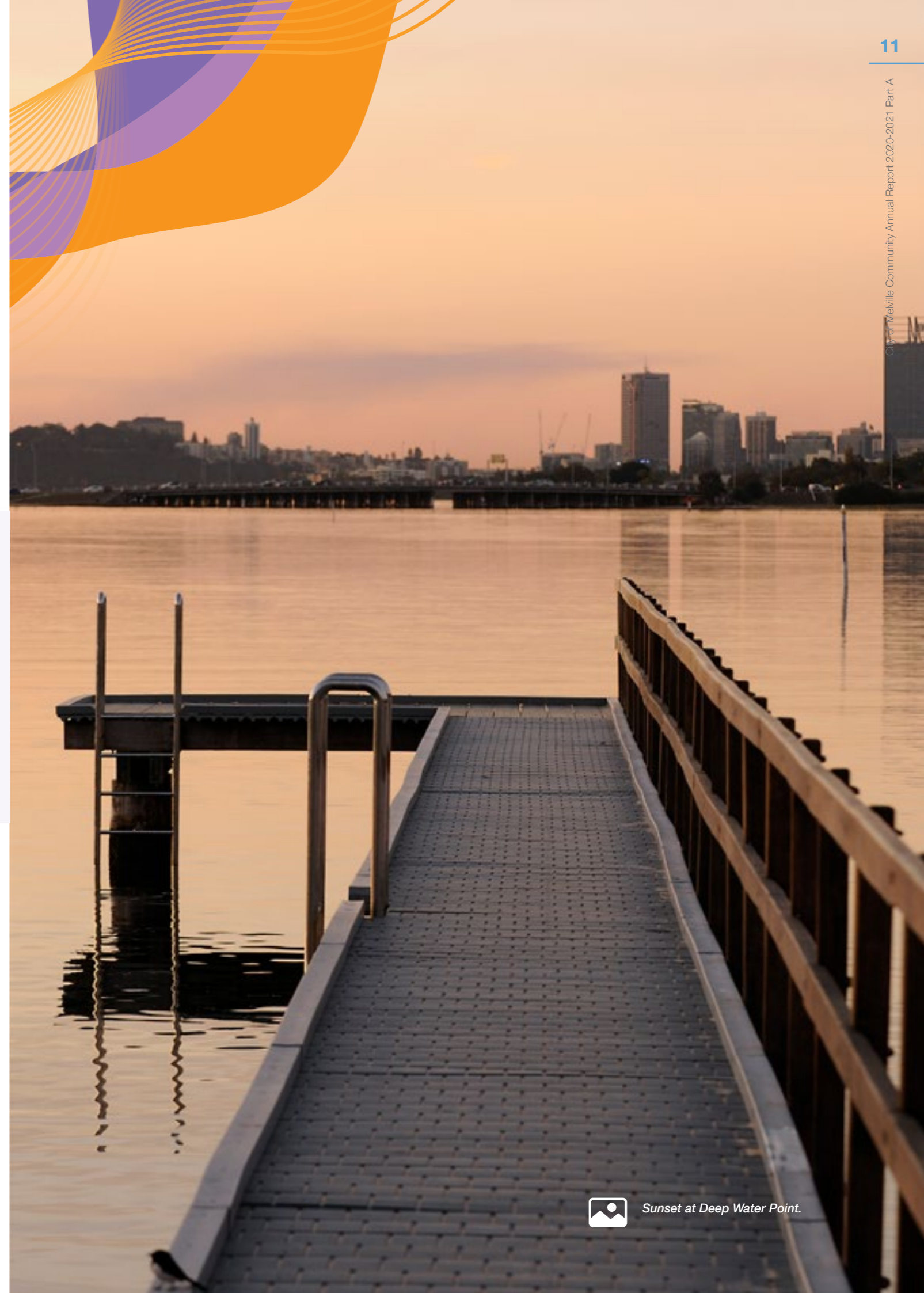
- Involving, collaborating and partnering

Integrity

- Acting with honesty, openness and with good intent

Caring

- Demonstrating empathy, kindness and genuine concern



Sunset at Deep Water Point.

Our Leadership Team



Marten Tieleman
Chief Executive Officer

Louis Hitchcock
Executive Manager Governance and Legal Services

Kylie Johnson
Executive Manager Organisational Development

Bruce Taylor
Manager Governance and Property



Christine Young
Director Community Development

Todd Cahoon
Manager Healthy Melville

Leeann Reid
Manager Cultural Services

Leanne Hartill
Manager Neighbourhood Development

Brodie Dawkins
Manager Neighbourhood Amenity



Mick McCarthy
Director Technical Services

Jeff Bird
Manager Natural Areas and Parks

Kimberly Brosztl
Manager Engineering

Paul Molony
Manager Resource Recovery and Waste

Mario Murphy
Manager City Buildings



Alan Ferris
Director Corporate Services

Debbie Whyte
Manager Financial Services

Malcolm Duncan
Manager Information, Communication and Technology

Dean McAuliffe
Manager People Services



Steve Cope
Director Urban Planning

Gavin Ponton
Manager Strategic Urban Planning

Peter Prendergast
Manager Statutory Planning

Gerard Russell
Manager Building and Environmental Health Services

Our People

Employees (total number of employees on the payroll system as at 30 June 2021)



Employee remuneration details

Number of employees of the Council entitled to an annual salary of \$130,000 or more in 2020-2021

Salary range	Number of employees
\$130,000-\$139,999	0
\$140,000-\$149,999	1
\$150,000-\$159,999	0
\$160,000-\$169,999	0
\$170,000-\$179,999	2
\$180,000-\$189,999	14
\$190,000-\$199,999	0
\$200,000-\$209,999	4
\$210,000-\$219,999	0
\$220,000-\$229,999	4
\$230,000-\$239,999	0
\$240,000-\$249,999	0
\$250,000-\$259,999	0
\$260,000-\$269,999	0
\$270,000-\$279,999	0
\$280,000-\$289,999	0
\$290,000-\$299,999	0
\$300,000-\$309,999	0
\$310,000-\$319,999	1
\$320,000-\$329,999	0
\$330,000-\$339,999	0
\$340,000-\$349,999	0
\$350,000-\$359,999	0



Arif from our friendly customer relations team.

The Chief Executive Officer was paid \$312,696 in 2020-2021

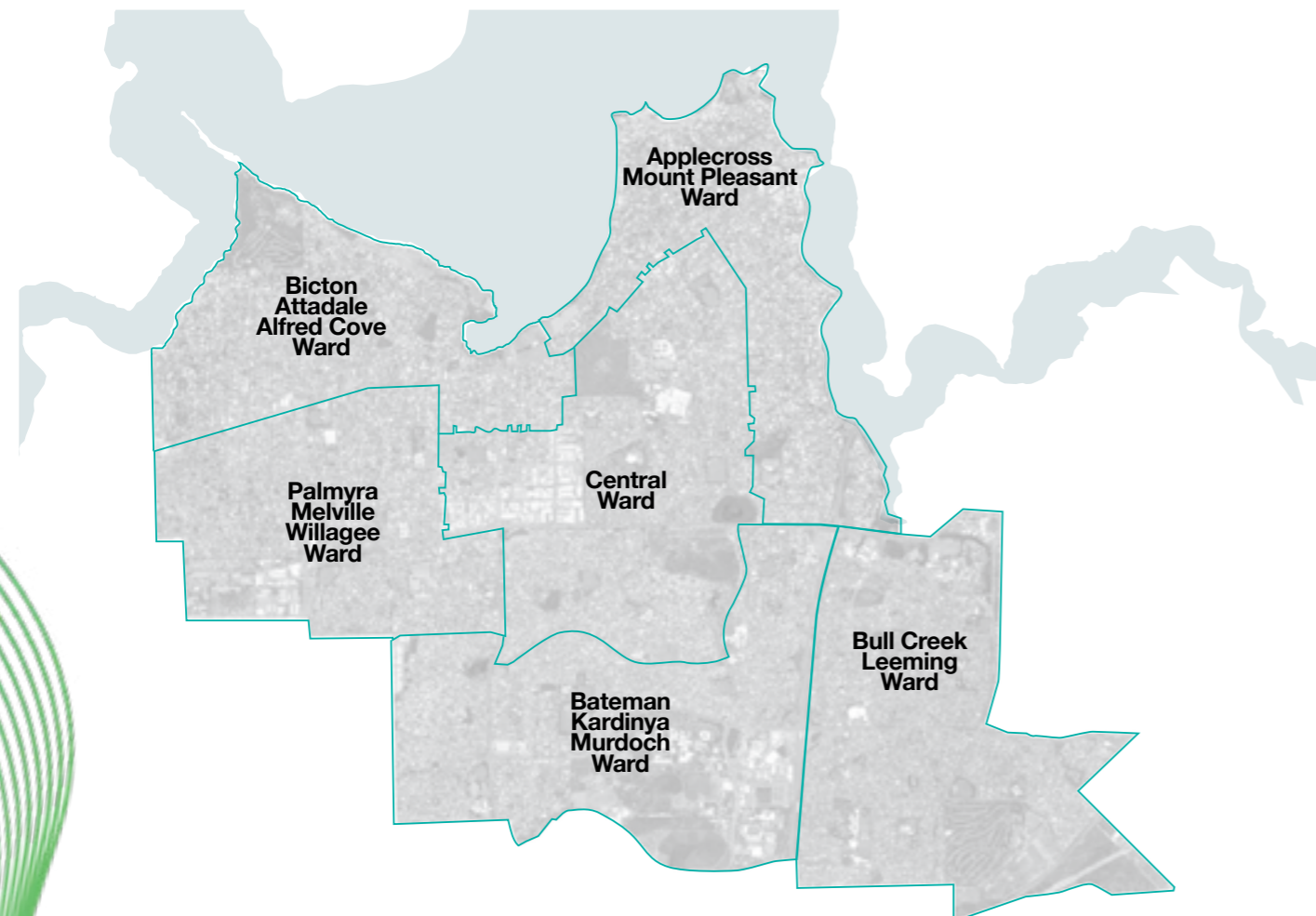
About Council

The City of Melville Council consists of a Mayor and 12 Councillors/Elected Members, including a Deputy Mayor, who represent the community in one of the six wards shown below. The community elects the Mayor and Councillors every four years and Elected Members elect the Deputy Mayor each year. The Mayor speaks on behalf of the City and liaises with the Chief Executive Officer on the affairs and performance of the organisation.

The Council operates on an Agenda Briefing Forum/Ordinary Meeting of Council structure to conduct its meetings. The Agenda Briefing Forum is for Elected Members and interested residents to become more informed on matters prior to formal consideration and decision at the Ordinary Meeting of Council. The forums encourage dialogue between Elected Members, officers and members of the public and allow Elected Members to gain insight and understanding of issues prior to presentation at the Ordinary Meetings of the Council.

Agenda Briefing Forums are generally held on the second Tuesday of each month and the Ordinary Meetings of the Council are generally held on the third Tuesday of each month. Please note, no meeting was held in January 2021.

Elected Members are also involved in the Financial Management, Audit, Risk and Compliance Committee (FMARCC), and the Governance Committee.



About the Governance Committee and FMARCC

The Governance Committee is a non-statutory committee that provides guidance and assistance to the Council on matters of corporate governance in order to promote excellence in governance within our City. The Governance Committee meets on an as-needs basis, and met six times in 2020-2021 to consider the following matters:

- Chief Executive Officer performance review
- Complaint management
- Elected Member reimbursement request
- Independent review
- Organisational review
- Policy creation and amendment.

The FMARCC is an audit committee that assists Council in carrying out its responsibilities with regard to risk management, internal control, legislative compliance and internal and external audit reporting. The FMARCC met four times during 2020-2021 and discussed and received the following reports:

- Annual Financial Report 2019-2020
- Asset Valuation Manual update
- Building approvals
- Community Annual Report 2019-2020 Part A
- Compliance audit return
- Consumer food safety – internal audit report
- Contract extensions and variations – internal audit report
- Freedom of Information activities
- ICT cyber security
- Insurance and risk management
- Legal status
- Pool and spa inspection charges – internal audit report
- Review of internal audit charter – internal audit report
- Safety, health, environment and quality management system – external audit
- Status of Council resolutions implemented – internal audit report
- Statutory planning – internal audit report
- Supplier master files – internal audit report
- Waste services – internal audit report.

Elected Members

Applecross–Mount Pleasant Ward



Cr Nicholas Pazolli
Term of office expires October 2023



Cr Steve Kepert
Term of office expires October 2021

Bicton–Attadale–Alfred Cove Ward



Cr Glynis Barber
Term of office expires October 2023



Cr June Barton, OAM JP
Term of office expires October 2021

Bull Creek–Leeming Ward



Cr Matthew Woodall
Term of office expires October 2023



Cr Clive Robartson AM
Term of office expires October 2021

Central Ward (Ardross–Booragoon–Myaree–Winthrop)



Cr Margaret Sandford
Term of office expires October 2023

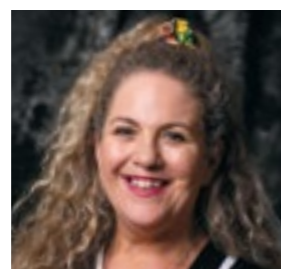


Cr Katy Mair
Term of office expires October 2021

Palmyra–Melville–Willagee Ward



Cr Tomas Fitzgerald
Term of office expires October 2023



Cr Karen Wheatland
Term of office expires October 2021

Bateman–Kardinya–Murdoch Ward



Cr Duncan Macphail
Term of office expires October 2023



Cr Nicole Robins
Term of office expires October 2021

Elected Members Attendance

	Ordinary Meeting of Council	Special Meeting of Council	Agenda Briefing Forum	Annual General Meeting of Electors	FMARCC Committee*	Governance Committee**
Total meetings held	12 (2 in December)	7	11	1	4	6
Mayor Gear	10	6	11	1	2	6
Cr Barber	11	7	11	1	4	N/A
Cr Barton***	12	7	11	1	2	6
Cr Fitzgerald	12	7	11	1	N/A	4
Cr Kepert	11	6	10	1	N/A (1)	6
Cr Macphail	10	6	11	1	3	N/A
Cr Mair	12	7	10	1	4	N/A
Cr Pazolli***	12	7	11	1	4	6
Cr Robartson	12	6	9	1	N/A (1)	3
Cr Robins	10	6	10	1	1 (Deputy)	5
Cr Sandford	12	6	8	1	N/A	5
Cr Wheatland	11	4	8	0	3	N/A
Cr Woodall	10	5	8	0	3	N/A

N/A – where an Elected Member was not a member of a committee. Where a number is shown in brackets after an N/A, that Elected Member attended as an observer.

*** Financial Management, Audit, Risk and Compliance Committee Members (FMARCC)**
External Member Mr Lindsay Hay (since December 2018)

Mayor the Hon. George Gear JP, Cr Glynis Barber, Cr Duncan Macphail, Cr Katy Mair, Cr Nicholas Pazolli, Cr Karen Wheatland and Cr Matthew Woodall

**** Governance Committee Members**
Mayor the Hon. George Gear JP, Cr June Barton, Cr Tomas Fitzgerald, Cr Steve Kepert, Cr Nicholas Pazolli, Cr Clive Robartson, Cr Nicole Robins and Cr Margaret Sandford

***** Deputy Mayor**
Cr Nicholas Pazolli – Deputy Mayor from November 2019 to October 2020
Cr June Barton – Deputy Mayor from November 2020 to October 2021



For more information and contact details of Elected Members, visit www.melvillecity.com.au/electedmembers

Achieving our Vision

Strategic Community Plan and Corporate Business Plan

Our Strategic Community Plan and Corporate Business Plan together form a plan for the future of our City.

Our Strategic Community Plan is our highest-level strategic document, and sets out our community's aspirations, priorities and vision for the future. It helps us understand what matters most to our community and guides the way we plan for the future and deliver services and facilities. To see our community's aspirations, go to page 20.

The Strategic Community Plan is a living document and is regularly reviewed and updated to reflect changing community priorities, with a major review every four years. The last major review took place in June 2020 and resulted in the development of our new *Strategic Community Plan 2020-2030*. There were no changes to the community's aspirations from our last major review in 2016.

Our Corporate Business Plan is Council's response to the Strategic Community Plan and outlines our strategic direction for the next four years. It is designed to align with the community's aspirations, as documented in the Strategic Community Plan, by identifying key priorities critical to achieving the aspirations. It also integrates with a range of other key plans to inform our annual budget. To see our key priorities, go to page 22.

The Corporate Business Plan is broadly reviewed every year with a major review every two years. The last major review took place in June 2020, at the same time as the review of the Strategic Community Plan, and resulted in the development of our new *Corporate Business Plan 2020-2024* and six new key priorities. Our new Corporate Business Plan also introduces our new vision, mission and values, which guide our and Council's decisions and how we interact with the community. To see our vision, mission and values, go to page 10.

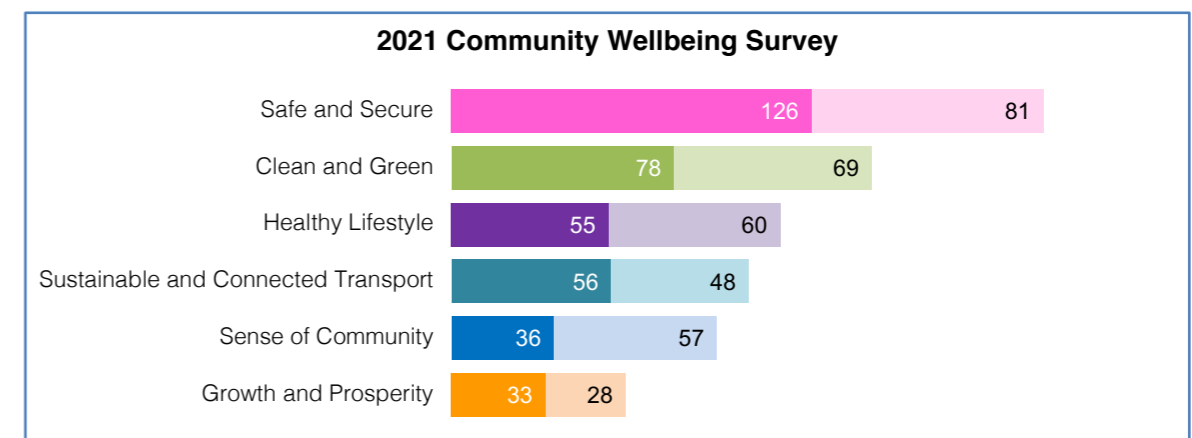
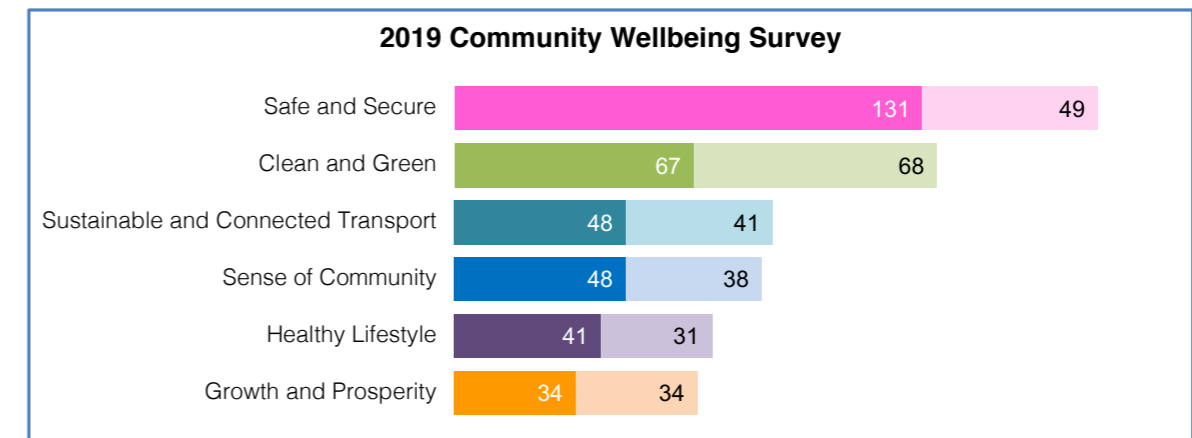
Both plans are informed and influenced by external factors, such as megatrends and state and federal government legislation, policies, plans and projects. They are also aligned to the UN Sustainable Development Goals (SDGs).

We report back to the community on our progress against the Strategic Community Plan and Corporate Business Plan in this annual report.



Community Wellbeing Survey

Our Strategic Community Plan also informs our biennial Community Wellbeing Survey, which measures our community's perception of their quality of life (wellbeing). Our last community wellbeing survey took place in March 2021, with 93% of residents reporting having a positive quality of life. In this survey, we also ask residents to rank the aspirations in order of priority. In 2021, our community ranked Safe and Secure as the top priority, followed by Clean and Green, Healthy Lifestyles, Sustainable and Connected Transport, Sense of Community and then Growth and Prosperity. This represents a minor shift since the last survey in 2019.



To access the full survey results, visit www.melvillecity.com.au/wellbeingsurveys

Our Community's Aspirations

Clean and Green



Clean and well-maintained parks, reserves, natural areas and public open spaces where everyone can socialise, be active and be safe.

Goals

- Greening the City
- Reduce carbon emissions
- Sustainable energy management
- Sustainable waste management
- Sustainable water management
- Promoting sustainable environment.

Growth and Prosperity



Encourage development of small businesses in our suburbs and local communities.

Goals

- Achieve economic resilience
- Local job opportunities for locals
- Location of choice for a diverse range of businesses.

Healthy Lifestyles



Opportunities for healthy activities both indoors and out and about in local parks and suburbs walking, running, cycling and exercising individually or in groups.

Goals

- A safe and healthy urban environment
- Healthy eating
- Increase physical activity
- Mentally healthy community
- Reduce alcohol and other drug use.

Safe and Secure



People feel safe and secure at all times wherever they are and whatever they are doing.

Goals

- Being prepared for an emergency
- People feel safe and secure in all places at all times
- Reduce business crime
- Reduce household crime
- Reduce preventable injuries
- Reduce transport crashes
- Safe and secure places and environments.

Sense of Community



A range of local community services, events and cultural activities throughout the year for people to get to know one another and do things together.

Goals

- Lifelong learning and creativity
- Participation and inclusion
- Place activation and liveability
- Sense of identity through collective memory
- Social connectedness and belonging.

Sustainable and Connected Transport



Better public transport, cycling and walking infrastructure and responsive traffic management.

Goals

- Appropriate infrastructure
- Balancing transport priorities
- Choice and use of transport options
- Prioritising urban development near transport nodes and in activity centres
- Ease of movement.

For further information on the community's aspirations, read our *Strategic Community Plan 2020-2030* on our website: www.melvillecity.com.au/strategiccommunityplan

You can also track our progress in achieving the community's aspirations through our outcomes dashboards on our website: www.melvillecity.com.au/outcomereporting

Our Key Priorities and Strategies

Priority 1 Ensure the improvement and sustainability of our environment

Key Strategies to Address

Protect and improve our natural assets to enhance our environment.

Utilise technological opportunities to efficiently enhance the sustainability of the environment through monitoring and reporting.

Advocate and utilise the National and State level policies to protect and enhance the biodiversity of our environment and natural assets.

Priority 2 Improve the approach for diverse and sustainable urban development and infrastructure

Key Strategies to Address

Implement innovative, efficient and appropriate initiatives that support community centred infrastructure with integrated transport solutions.

Enhance amenity and vibrancy through placemaking and creating well designed and attractive public spaces.

Optimise the capability and liveability of activity centres with consideration to the expectations of our community.

Enhance regulatory and approval frameworks to ensure sustainable building infrastructure.

Priority 3 Empower the voices of our diverse community by strengthening engagement

Key Strategies to Address

Increase co-design approaches that engage stakeholders in upfront designs and support issue resolution activities.

Improve the mechanisms to make information flow easier to access and share, including optimising digital communications.

Improve engagement with the business community.

Enhance opportunities for civic engagement and building community capacity.

Strengthen online service delivery and respond to the digital divide by supporting improvements in digital literacy.

Priority 4 Support healthy lifestyles and wellbeing

Key Strategies to Address

Invest strategically in local infrastructure and built environments that support physical activity and healthy lifestyles.

Increase advocacy and partnerships for identified needs relating to community health, safety and security.

Empower inclusive participation and support for sports and community groups.

Support National, State and community efforts to assist people in need.

Priority 5 Ensure long term financial sustainability

Key Strategies to Address

Undertake efficiency improvements to maximise cost effectiveness.

Advocate at National and State levels to maximise funding.

Identify opportunities for appropriate alternative revenue streams.

Priority 6 Encourage local economic development

Key Strategies to Address

Encourage opportunities for increased private sector commercial and residential development in strategic locations.

Support opportunities for not-for-profit and social enterprise.

For further information on our key priorities, read our *Corporate Business Plan 2020-2024* on our website: www.melvillecity.com.au/corporatebusinessplan

Our Role in Achieving our Community's Aspirations

As a local government we play a key role in achieving our community's aspirations and our vision of an inclusive, vibrant and sustainable future.

Although we are ideally placed to understand and respond to the changing needs of our community, we understand that some areas are outside our direct control or expertise and we need to work with and have the commitment and actions of others, such as state and federal governments, business, community organisations and residents.

We aim to be agile and regularly track our progress in achieving our community's aspirations to see if we need to refocus and realign the roles we play and services and facilities we provide.

Different roles we play



Regulator

we have a statutory obligation to regulate a specific area of activity.



Monitor

we gather information and check progress over time.



Facilitator

we bring together and encourage others to achieve goals.



Advocate

we promote the interests of our community to other decision-making organisations, such as state and federal governments.



Funder

we provide funding to others to provide services and facilities.



Partner

we work collaboratively with others to deliver services and facilities.



Provider

we are responsible for service and facility delivery.



Members of the public enjoying our 2020 Art Awards Exhibition.



Our Services and Facilities

The services and facilities we provide help achieve our community's aspirations as outlined in our *Strategic Community Plan 2020-2030* and are informed by our key priorities in our *Corporate Business Plan 2020-2024*.

To ensure our services and facilities continue to meet community needs and expectations, we review and benchmark them on a regular basis through our biennial Community and Business Scorecard surveys, and through program-specific evaluation and consultation.

We also conduct regular public benefit testing, value for money auditing and look for efficiencies and cost savings to ensure our services and facilities are an economic, efficient and effective use of ratepayer money. We try not to inappropriately duplicate any state, federal or private services or facilities.

Although what we provide responds to the needs of our community, we are also required to provide certain services or facilities under state legislation.



Clean & Green

- Air quality monitoring
- Environmental subsidies and rebates
- E-waste, recycling and hazardous household waste drop-off days
- Foreshore management and restoration
- Landscape design and construction
- Litter and illegal dumping management
- Maintenance of natural areas and parks
- Piney Lakes Environmental Education Centre programs
- Priority bin service and bin hire options
- Public bin collections
- Stormwater construction, maintenance and management
- Streetscape design and maintenance
- Urban forest management
- Verge collections
- Waste, recycling and FOGO collection and management



Growth & Prosperity

- Activity centre planning
- Building renewal projects
- Business events, activities and online business hub
- Business Foundations
- Commercial recreation applications and permits
- Facility and venue hire
- Friendship programs / Sister Cities
- Grants and funding
- Library education programs
- Local development plans
- Major projects
- Melville Cockburn Chamber of Commerce
- Planning and building services
- Project Robin Hood
- Public art in developments
- Small Business Friendly Local Government Initiative
- Strategic urban planning
- Subdivision clearance requests and referrals
- Town team facilitation
- Underground power facilitation



Healthy Lifestyles

- Activelink
- Community centres
- Contaminated site monitoring
- Environmental health services
- Food safety inspections
- Free Active in the Park exercise classes
- Health services
- Kidsport
- LeisureFit Centres and programs
- Leisure planning
- Liquor licensing
- Mosquito management
- Noise control
- Playgrounds
- Rat bait program
- Youth Drop-In service
- Youth Sport Scholarships



Safe & Secure

- Animal and feral wildlife control
- Business safety resources
- Community safety education, programs and resources
- Community Safety Service (CSS)
- Constable Care performances for primary schools
- Crime prevention
- Cyber/online safety programs
- Dog and cat control
- Emergency management
- Fire breaks
- Graffiti removal
- Holiday watch patrols and home safety programs
- Parking management
- PHAZE urban art programs
- Pool applications and fencing requirements
- Ranger services
- State Emergency Service (SES)
- Street lighting
- Vandalism and abandoned vehicle response



Sense of Community

- Art Awards
- Art exhibitions
- Capacity development for community organisations and not-for-profits
- Citizenship ceremonies
- Communications and stakeholder engagement
- Community centres
- Disability access and inclusion planning and activity
- Events, grants and funding
- Financial counselling
- Kids and early years services
- Libraries
- Melville Age Friendly Accessible Businesses network
- Museums and local history
- Place activation and town team facilitation
- Pop-up community services
- Public art
- Reconciliation activity
- Programs and activities for younger and older people



Sustainable & Connected Transport

- Advocate for high-quality transport options at state and federal levels
- Advocate for Black Spot funding for priority areas
- Bus shelters
- Bike paths construction and maintenance
- Crossover construction
- Footpath construction and maintenance
- Parking management
- Road construction and maintenance including stormwater systems
- Road safety programs
- Public access way maintenance
- Traffic management upgrades
- Road safety upgrades
- TravelSmart programs

Community and Business Scorecards

To measure community and business satisfaction with the products and services we offer, we commission biennial Community and Business Scorecards. Our last scorecards were done in early 2020, with our community scoring us the highest for libraries, FOGO waste collections and our foreshore.

To access the scorecards, visit www.melvillecity.com.au/scorecards

A Year in Review 2020-2021



July 2020
Winners of Happiness Appears Community Art Trail announced

Winning artists were Jesus Ziegler, Ysabelle and Jack Morellini and Danielle Stewart for their artworks located in Winthrop, Willagee and Palmyra.

July 2020
2020-2021 budget confirmed

The budget included a flat rate concession of \$200 for every residential household as well as a freeze on all fees and charges for 2020-2021.

September 2020
Heathcote Cultural Precinct renamed Goolugatup Heathcote

The name change aligns with our Stretch Reconciliation Action Plan and was chosen in consultation with Aboriginal Elders.

September 2020
\$1.48 million upgrade at Webber Reserve clubrooms completed

Works included a refurbishment of the existing change rooms, clubrooms and public toilets, as well as the construction of a modular change room building with universal access.

September 2020
New Strategic Community Plan and Corporate Business Plan adopted

These documents set the strategic direction of the City and introduced our new vision, mission and values, which guide our decisions and interactions with the community.

November 2020
Alluvial Gold opens at Goolugatup Heathcote

Part of the Goolugatup Heathcote Gallery's annual Tilt program, this exhibition examined the changing ecology of the local Derbarl Yerrigan/Swan River.

November 2020
Redevelopment of Shirley Strickland Reserve begins

Works include a new two-storey sporting facility, new sports lighting, new nature play space, new landscaping and new outdoor exercise and sporting equipment.

January 2021
#YourLocalMelville campaign sees locals win \$1,000

The campaign encouraged residents to shop local to go into a draw to win \$1,000 for themselves and a business they supported.



January 2021
Australia Day celebrated at John Creaney Reserve

We hosted our annual community breakfast, special citizenship ceremony and announced the recipients of the 2021 Auspire Community Citizen of the Year Awards.

March 2021
Globes swapped for LEDs at Tompkins Park

Tompkins Park was the first active sporting reserve to be completely lit with LED lamps, reducing energy costs for sporting clubs.



March 2021
Songs for Freedom brings Pilbara to Dyoondalup

Delivered in collaboration with Ieramugadu (Roebourne) Community and Big hART, this free concert at Dyoondalup (Point Walter) featured an ensemble of prominent Ieramugadu and WA musicians.

May 2021
Consultation begins on Cat Management Plan

The plan will balance the needs and interests of cat owners while protecting native wildlife and amenity for the rest of the community.

May 2021
Short Term Accommodation Policy adopted

The policy aims to protect the amenity of the community by ensuring appropriate location and management of short term accommodation by providing a clear framework for the identification, assessment and determination of applications.

August 2020
Construction begins on first Safe Active Street

Supported by the Department of Transport, this project will make it safer and more comfortable for people to ride their bikes along Links Road, Collier Street, Millington Street and Hope Road in Ardross.

August 2020
Transmission launches at Wireless Hill Museum

Curated in partnership with the VHF Amateur Radio Club of WA, this exhibition journeyed through the evolution of amateur radio in WA and explored the unique history of Applecross Wireless Station.

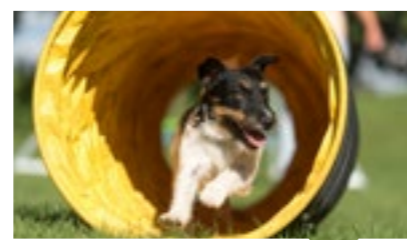
October 2020
Consultation begins on Canning Bridge Activity Centre Plan review

Independently facilitated by Hatch RobertsDay, the review will help ensure the plan meets the needs of the community now and into the future.



October 2020
50-year lease for Melville Bowling Club signed

The terms of the lease were agreed by Council at the September Ordinary Council Meeting and the lease was signed in October.



December 2020
Council approves first fenced dog play park at Piney Lakes

To be constructed in 2021-2022, this facility will offer a safe and secure place for dogs to exercise and socialise.

December 2020
City selected for Small Business Friendly Approvals Program

The program will help streamline approvals processes for small businesses.

February 2021
Council approves upgrades to Mount Pleasant Bowling Club

Proposed works include disability access improvements, asbestos removal and improvements to the function rooms.

February 2021
\$50,000 donated to Woolloo and Hills Bushfire Appeal

Funds were used to support bushfire-affected residents in Woolloo and the Perth Hills following the devastating bushfires that destroyed more than 80 homes.



April 2021
New Night Time Activation Grants launched

The grants help support businesses, creatives and not-for-profits to develop projects that support the local night time economy and activate community hubs.

April 2021
\$20,000 donated to Tropical Cyclone Seroja Appeal

Funds were used to financially support those affected by Tropical Cyclone Seroja in WA's Mid West region.

June 2021
Council commits to net zero carbon emissions by December 2030

At the June Ordinary Council Meeting, Council declared a climate emergency and approved commencing work on a draft climate action plan.



June 2021
Inaugural Melville Midwinter Event held

This free event invited the community to pause, stop and begin again with nine music, theatrical and spoken word performances at Dyoondalup (Point Walter).

Key Priorities Update

Our *Corporate Business Plan 2020-2024* outlines six key priorities that are crucial in achieving our community's aspirations

Priority	Key strategies	Status as at 30 June 2021
Priority 1 Ensure the improvement and sustainability of our environment	<p>Protect and improve our natural assets to enhance our environment.</p>	<ul style="list-style-type: none"> Continued to implement: <ul style="list-style-type: none"> » Urban Forest Strategy Part A. » Natural Areas Asset Management Plan. » Foreshore Restoration Strategy. » Water Quality Improvement Plan. » Parks asset management plans. » Weed, feral animal and dieback maintenance programs. Continued to deliver environmental education programs at Piney Lakes Environmental Education Centre. Continued to support and work collaboratively with 'Friends of' groups and local schools. For specific projects in 2020-2021, see our Clean and Green report on pages 38-43.
	<p>Utilise technological opportunities to efficiently enhance the sustainability of the environment through monitoring and reporting.</p>	<ul style="list-style-type: none"> Continued to partner with Murdoch University on a smart microgrid project. Signed a MOU with Murdoch University to increase opportunities to collaborate on smart city data collection. Continued to utilise electronic reporting across our reserve and streetscape teams. Continued to update our outcomes dashboards.
	<p>Advocate and utilise national and state level policies to protect and enhance the biodiversity of our environment and natural assets.</p>	<ul style="list-style-type: none"> Sought community feedback on a Cat Management Plan to help protect native wildlife. Partnered with five local governments and the South West Group to launch a community education program to encourage responsible cat ownership.

Priority	Key strategies	Status as at 30 June 2021
Priority 2 Improve the approach for diverse and sustainable urban development and infrastructure	<p>Implement innovative, efficient and appropriate initiatives that support community centred infrastructure with integrated transport solutions.</p>	<ul style="list-style-type: none"> Began construction of our first Safe Active Street along Links Road, Collier Street, Millington Street and Hope Road in Ardross.
	<p>Enhance amenity and vibrancy through placemaking and creating well-designed and attractive public spaces.</p>	<ul style="list-style-type: none"> Continued to work closely with the local communities in the Canning Bridge and the Riseley Centre areas to create attractive, well-designed places and spaces. Highlights this year include: <ul style="list-style-type: none"> » Working with the Rise Up Riseley town team and Applecross Senior High School to create colourful bollards along Teneriffe Lane. » Working with young people to create a bright new mural at the corner of Kearns Crescent and Chortis Lane. » Consulting with the local community and Applecross Town Team on a community development and place activation plan for Canning Bridge, as well as streetscape and accessibility improvements at Tivoli Theatre. Upgraded the façade of Willagee Library to provide external spaces for study, reading, Wi-Fi use and relaxation. Continued renovations at Willagee Community Centre, with reopening set for July 2021. Continued planning for the Bull Creek Community Centre renovations, with work scheduled to commence in July 2021. Completed renewal works at Roy Neal Reserve and Emily Main Park. Renewed 14 park benches in our parks, reserves and public open spaces with funding from the Local Roads and Community Infrastructure Program. Installed bespoke dog drinking facilities and carved seating at John Creaney Reserve.
	<p>Optimise the capability and liveability of activity centres with consideration to the expectations of our community.</p>	<ul style="list-style-type: none"> Continued to apply our activity centre plans, which help ensure our activity centres evolve into exciting, liveable and well-connected places. Continued our review of the Canning Bridge Activity Centre Plan in collaboration with the community. Assessed the proposed Kardinya Activity Centre Plan.

Priority	Key strategies	Status as at 30 June 2021
Priority 2	Enhance regulatory and approval frameworks to ensure sustainable building infrastructure.	<ul style="list-style-type: none"> Continued to apply our activity centre plans, which include provisions for enhancing sustainable development. Continued to roll out the new R-Codes, which help improve the sustainability of residential development.
Priority 3 Empower the voices of our diverse community by strengthening engagement	Increase co-design approaches that engage stakeholders in upfront designs and support issue resolution activities.	<ul style="list-style-type: none"> Continued to work with the Rise Up Riseley town team, a Local Whadjuk Elder and consultants to develop a brand identity and vision for Riseley Centre. Worked with young people and peer researchers to co-design the engagement and communications activities for our new Young People Strategy.
	Improve the mechanisms to make information flow easier to access and share, including optimising digital communications.	<ul style="list-style-type: none"> Consultation on major developments was streamlined and moved to our online engagement platform, Melville Talks. Began advertising all development applications on the website, as required by recent legislative changes. Introduced the option to provide feedback over the phone and in-person for all projects seeking community input. Continued to make improvements to our website to improve the user experience. Continued to improve the customer experience via digital channels, including through live chat which has become a popular way for customers to contact us for quick answers. Continued to seek feedback from customers and make it easier for the community to give us feedback so we can improve our services. Continued to enhance our social media content.
	Improve engagement with the business community.	<ul style="list-style-type: none"> Conducted one-on-one interviews with small businesses to inform improvements to the business approvals process. Convened an Economic Development Strategy Working Party to help inform our new Economic Development Strategy. Completed consultation for our Economic Development Strategy. Continued to hold business events in collaboration with key agencies. Continued to communicate with local businesses through our fortnightly business eNews.

Priority	Key strategies	Status as at 30 June 2021
Priority 3	Enhance opportunities for civic engagement and building community capacity.	<ul style="list-style-type: none"> Convened our first-ever Community Feedback Panel to provide feedback on strategies, plans, policies and projects. Completed round five of our Project Robin Hood participatory budgeting program, which saw the community create, vote and realise \$100,000 worth of community projects.
Priority 4 Support healthy lifestyles and wellbeing	Strengthen online service delivery and respond to the digital divide by supporting improvements in digital literacy.	<ul style="list-style-type: none"> Continued to enhance our digital channels so customers can self-serve online. Continued to enhance accessibility on our digital channels. Introduced a new mobile phone app that allows customers to access the library catalogue from their phone or tablet. Continued to offer free technology and digital literacy programs at our libraries. Majority of library staff have now completed training on online government services (e.g. myGov, My Health Record) to allow them to offer training to the public. Planning for community training sessions is currently underway.
	Invest strategically in local infrastructure and built environments that support physical activity and healthy lifestyles.	<ul style="list-style-type: none"> Commenced redevelopment of Shirley Strickland Reserve. Completed stages 1-3 of the redevelopment of Tompkins Park. Completed construction of a new amenities building at Bert Jeffery Park. Completed upgrade of Webber Reserve change rooms. Completed the schematic design and continued work on the detailed design for the refurbishment of the pools at LeisureFit Booragoon.
	Increase advocacy and partnerships for identified needs relating to community health, safety and security.	<ul style="list-style-type: none"> Established a Child Safe Organisation working group. Continued to facilitate bi-monthly meetings of the Safer Melville Advisory Committee. Continued to meet weekly with the local police to discuss and share information about community safety and crime.
Empower inclusive participation and support for sports and community groups.	<ul style="list-style-type: none"> Continued to implement our Active Reserves Infrastructure Strategy. For specific projects in 2020-2021, see our Healthy Lifestyles report on pages 50-54. 	

Priority	Key strategies	Status as at 30 June 2021
Priority 4	Support National, State and community efforts to assist people in need.	<ul style="list-style-type: none"> Secured funding from the Department of Communities to produce a series of community education videos about the experiences of people living with dementia. Secured funding from the Western Australia Police Force to hold a series of events and activities for young people at risk of engaging in antisocial behaviour.
Priority 5 Ensure long term financial sustainability	Undertake efficiency improvements to maximise cost effectiveness.	<ul style="list-style-type: none"> Continue work on an organisational review that will provide recommendations on the effectiveness of the City's structure to deliver against our outcomes. Develop and deploy a digital strategy that will improve the customer experience and deliver operational savings from reduced staff time. Continued to focus on continuous improvement approaches such as Lean Six Sigma.
	Advocate at national and state levels to maximise funding.	<ul style="list-style-type: none"> Continued to apply for funding at both national and state levels. In 2020-2021, we received: <ul style="list-style-type: none"> Federal funding for roads maintenance through the Roads to Recovery program. Federal funding for roads and community infrastructure through the Local Roads and Community Infrastructure Program (In 2020-2021, total funding was approximately \$2.3 million). State funding for local infrastructure projects from the Department of Local Government, Sport and Cultural Industries. Secured three Riverbank Grants from the Department of Biodiversity, Conservation and Attractions to help fund foreshore projects.
	Identify opportunities for appropriate alternative revenue streams.	<ul style="list-style-type: none"> Commenced a review of our Long Term Financial Plan, which will inform the extent to which alternative revenue sources are required for financial sustainability.

Priority	Key strategies	Status as at 30 June 2021
Priority 6 Encourage local economic development	Encourage opportunities for increased private sector commercial and residential development in strategic locations.	<ul style="list-style-type: none"> Continued work on the development of our Economic Development Strategy, which includes a focus on growth and opportunities in our strategic centres. Continued to implement our Local Planning Strategy which encourages strategically located development in activity centres and along transport corridors.
	Support opportunities for not-for-profit and social enterprise.	<ul style="list-style-type: none"> Launched our new My Community Grants program, providing 47 applicants with funding or in-kind support. Launched a one-off Night Time Activation Grants funding round, with nine applicants provided with funding. Continued to work and support local champions, community groups and town teams with place making projects and grant applications. Continued to support grant recipients to implement their programs, activities and events. Continued to liaise with not-for-profit user groups on accessibility upgrades for City-owned buildings. Collaborated with Cockburn Integrated Health to deliver a healthy outreach program in Willagee and our LeisureFit Centre. Provided two capacity building workshops for community groups and not-for-profit groups

Our Future Priorities

The six key priorities outlined above will remain our focus for the 2021-2022 financial year.

Key Items of Capital Expenditure

In 2020-2021, \$33.9m was incurred as capital expenditure and included stimulus projects that were brought forward or fast-tracked as part of our response to the COVID-19 pandemic. Key items of capital expenditure included:

- **\$9m** for works on City-owned buildings, including \$1.7m for the Tompkins Park redevelopment, \$1.8m for change room upgrades and renewals, \$682k for internal upgrades at Willagee Community Centre, and \$509k for the Bert Jeffery amenities building.
- **\$5.3m** for streetscape and precinct improvements, including \$3m for Shirley Strickland Reserve and \$311k for John Creaney Reserve.
- **\$1.8m** for parks, foreshores and bushland, including \$697k for jetty renewals.
- **\$1.9m** for drainage, including \$438k for a gross pollutant trap on Blackwall Reach Parade.
- **\$9m** for roads, including \$1.3m for renewal work on Stock Road (Canning Highway to Leach Highway), \$491k for Le Souef Drive and \$488k for Links Road (Alexander Road to Almondbury Road).
- **\$172k** for lighting.
- **\$2m** for paths, including \$319k for Beach Street.
- **\$430k** for irrigation.
- **\$2.6m** for replacement plant and equipment.
- **\$1.2m** for furniture and equipment, including IT hardware and software.

Our 2020-2021 capital works program was partly funded by state and federal governments, including through the Local Roads and Community Infrastructure Program, Roads to Recovery Program and Main Roads Regional Grants Program.



Members of the Willagee Bears Rugby Club with Councillor Karen Wheatland.

Clean and Green

Clean and well-maintained parks, reserves, natural areas and public open spaces where everyone can socialise, be active and be safe.



Goals

- Greening the City
- Reduce carbon emissions
- Sustainable energy management
- Sustainable waste management
- Sustainable water management
- Promoting sustainable environment

Highlights

- Planted more than **11,200** seedlings, **1,000** mature stock and **3,200** trees in our public spaces.
- Gave away **5,770** free native plants to residents and **2,100** to local schools in our annual native plant giveaway.
- Held more than **56** sustainability workshops for **1,421** participants at our Piney Lakes Environmental Education Centre.
- Diverted **66%** of waste from landfill across all our waste streams, including residential and commercial waste collections, bulk verge collections and public drop-off days.
- Collected a total of **40,423** tonnes of residential waste and recycling, comprising **20,524** tonnes of food organics, garden organics (FOGO) waste, **9,901** tonnes of general waste and **9,998** tonnes of recycling.
- Collected **1,730** tonnes of commercial waste and **424** tonnes of commercial recycling.
- Collected **2,406** tonnes of bulk verge waste, with **955** tonnes diverted from landfill. Also collected **15** tonnes of whitegoods, **3,37** tonnes of e-waste, **2,760** tonnes of garden organics, and **4,349** (109 tonnes) of mattresses during bulk verge collections.
- Collected **380** tonnes of waste from **60,000** street and park bins, and supplied more than **3.12** million doggie waste bags.
- Responded to **11,617** waste-related requests, a decrease of **51%** from the previous year.
- Recycled **19.72** tonnes of e-waste through our e-waste and recycling drop-off days.
- Conducted **960** general waste bin audits, with **779** successful and **181** unsuccessful.
- Avoided **33,605** tonnes of greenhouse gas emissions through landfill diversion rates.
- Reduced our emissions by **450** tonnes through solar panels on our facilities.
- Celebrated our **11th** year as a Waterwise Council.
- Continued to support and work collaboratively with more than **20** 'Friends of' groups and **21** local schools.
- Responded to **110** complaints regarding dust, smoke and odours.
- Responded to **725** calls about illegal dumping.
- More than **3,340** residents participated in the 2020 Garage Sale Trail.

Key achievements/projects

The preservation and enhancement of our natural areas, parks, reserves and public open spaces is extremely important to us and our community. It is our responsibility to help protect these natural areas for the benefit of our community now and for future generations.

In demonstrating our environmental and sustainability leadership we are continually looking at international best practice methods and solutions to help reduce greenhouse gas emissions, deliver sustainable waste management and reduce energy and water consumption, so we can reduce our carbon footprint.

This year we continued our multi-year partnership with Murdoch University and signed a Memorandum of Understanding (MOU) with them to provide continued collaboration opportunities around smart city data gathering.

We also continued to work with Murdoch University on our smart microgrid project, which allows us to monitor real-time energy and water consumption patterns across some of our sites. This project allows us to better identify irregularities in consumption and provide smarter and truer invoices for tenants of these facilities, as well as estimates for how many solar panels are needed for these facilities to run only on solar power.

Our smart microgrid project was nominated for an Innovation in Energy Efficiency Award at the National Climate Awards, and was highly commended by the Smart Cities Council ANZ for alignment with the United Nations Sustainable Development Goals.



We continued to implement our Urban Forest Strategy Part A and increased tree planting numbers across the City.

We continued to implement our Water Quality Improvement program and completed water quality checks at 14 sites across the City.



In recognition of the significant value of trees, we continued to progress work on our Urban Forest Strategy Part A, which focuses on maintaining and increasing our urban forest canopy on City-controlled land. This year, we continued to increase tree planting numbers and will do so until 2036, with a particular focus on residential verges that don't have a tree.

We continued work on a street tree database so we can track the location, profile and condition of all our street trees. This project has been ongoing over the last four years as it requires a significant amount of data capture on more than 40,000 street trees across the City. Once the database is complete and we've finessed the process for data capture and management, we will look at a similar database for trees in all our parks, with the goal of inspecting every tree in the City once every five years.

We continued our tree succession program, which aims to ensure we replace mature trees that have come to the end of their life span, and our tree expansion program, which may eventually result in trees being planted on all residential verges. We also continued to offer our free street trees to our residents, and received 207 requests for a verge tree this year.

Our urban forest engagement officer, who helps educate the community on our urban forest strategy, ran a number of community workshops on climate change adaptation gardening, as well as on practical building alternatives

that incorporate green space, tree retention, sustainable materials and passive solar design. She also organised events to celebrate National Tree Day and continued to participate in the WALGA-led Urban Forest Working Group.

To ensure we integrate the protection of our urban forest into our planning approvals process, we continued to assess all development applications that impact an existing verge tree, and through this process retained a number of trees through negotiations with property owners and developers on the property design, in particular the location of crossovers.

We also began reviewing a number of our tree policies as a result of changes to the Residential Design Codes (R-Codes), which will require all single developments to plant a minimum of one tree on the site, with each tree required to have a 2m x 2m planting zone, free from any roof cover.

To help protect our natural environment and improve water quality in our wetlands, we continued to implement our Water Quality Improvement Program and completed ongoing water quality monitoring at 14 sites in the Bull Creek catchment. We also completed ongoing revegetation of our wetlands areas and continued work on our Fred Baldwin Smart Wetland Project in partnership with Murdoch University.

We continued to implement our Natural Areas Asset Management Plan, and this year updated both our Bull Creek and Ken Hurst management plans,

and continued our feral animal control, weeds and dieback management programs. We also completed significant re-levelling of John Creaney Reserve to make it more appropriate for future sporting activities, and completed renewal works at Roy Neal Park and Emily Main Park.

We continued to implement our Foreshore Restoration Strategy, and completed foreshore restoration projects at Attadale Dog Beach, Melville Beach Road, Bicton and Bateman foreshores, and completed designs for Point Heathcote and Bicton foreshore projects. This year we successfully applied for three Department of Biodiversity, Conservation and Attractions Riverbank Grants for works at Point Heathcote and Attadale.

We recognise we do not operate in isolation and an important part of improving environmental sustainability is community education. Our Piney Lakes Environmental Education Centre plays a key role in this endeavour, providing regular workshops for both the community and local schools. We also completed stage 1 of a new Climate Watch Trail at Piney Lakes, which helps inform scientists about climate change.

We could not achieve as much as we do in our natural areas without the help of our 'Friends of' groups. We currently have around 20 of these groups working in our bushland and foreshore areas carrying out weeding, planting, monitoring and other important activities that assist in keeping these areas in good condition.

Following the successful roll out of the FOGO 3-bin system last year, which has now been delivered to 98% of residents, we were successful in receiving additional funding of \$623,805 from the Waste Authority's Better Bins Plus: GO FOGO program for events and programs to help embed the behaviour change needed for the success of the FOGO 3-bin system.

We continued to exceed the State's Government's target of 65% of waste diverted from landfill by 2020, and this year achieved 66% diversion across all waste streams including residential, commercial, bulk verge collections and public drop-off days, an increase of 11% from last year.

We also developed, and Council endorsed, our new Waste Plan 2021-2025, which details how we will achieve the objectives and targets set out in the State Government's Waste Avoidance and Resource Recovery Strategy 2030, and were recognised by the Auditor General in a report to Parliament as one of only three metropolitan local governments on track to meet the objectives of the State's waste strategy.

Our commitment to innovative waste management continues to be recognised year-on-year, and this year the South Metropolitan Regional Council (SMRC), of which we are a member, was recognised with the WA Waste Authority's 2021 WA Waste Award for outstanding commitment to community waste reduction, recycling and reuse over two decades.



This year we diverted 66 percent of waste from landfill, an 11% increase from last year.

We were also a finalist in the WA Waste Authority's 2020 Infinity Awards for our community recycling hubs, delivered in partnership with the SMRC, the Cities of Kwinana and Fremantle, the Town of East Fremantle, the Fremantle Men's Shed, and the Waste Recycling Education Network.

Finally, in June 2021 Council declared a climate emergency and approved the commencement of work on a draft climate action plan, to be finalised within the next two years. The plan will identify actions we can take to mitigate climate change,

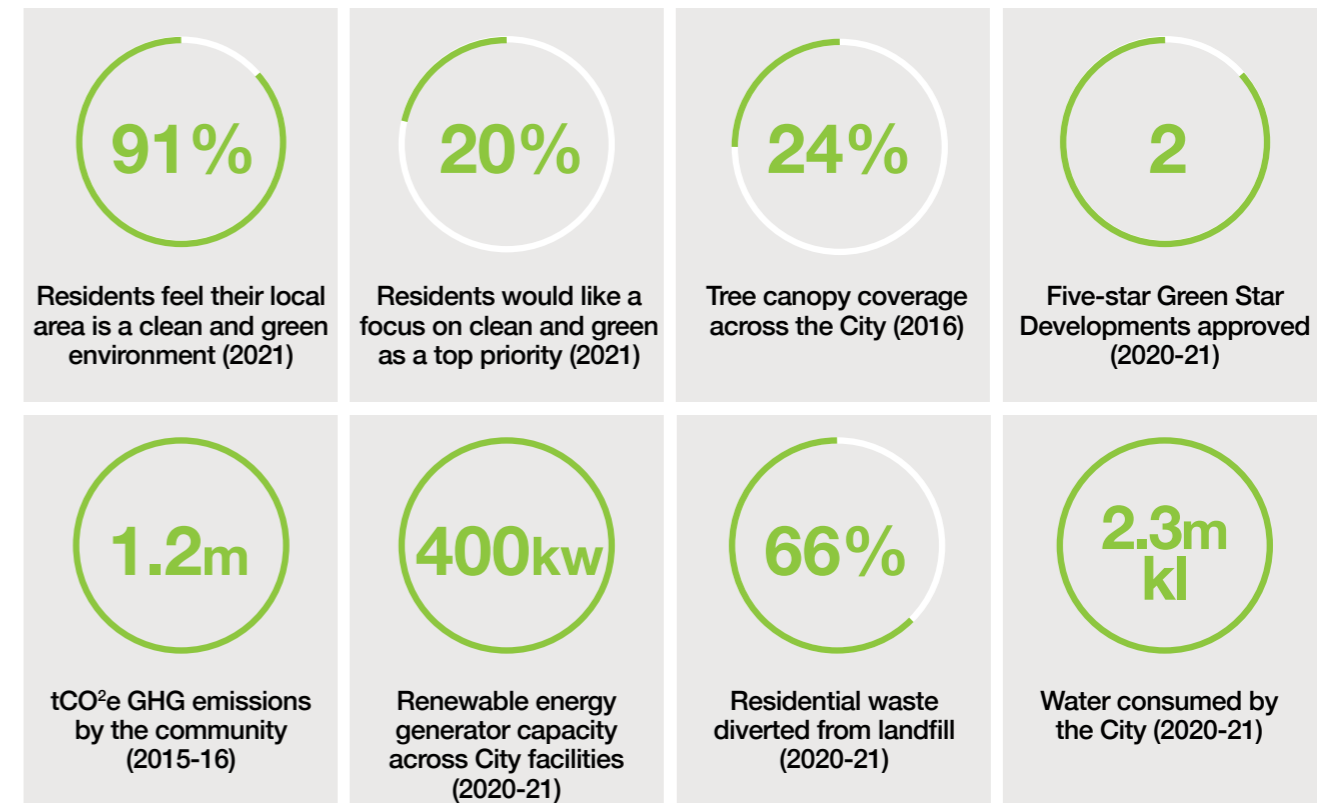
as well as the resourcing needed to implement the actions and opportunities to advocate at state and federal government levels for policies consistent with a climate emergency.

Council also committed to net zero carbon emissions from City operations by December 2030, and endorsed a \$6.3 million project to replace our existing 8,598 streetlights with Smart LED luminaries over a two-year period. Once completed, this will reduce our emissions by 1,500 tonnes of CO²-e annually.

Year ahead – key initiatives

- Begin developing a draft climate action plan.
- Begin replacing all existing streetlights with smart LED luminaries.
- Install solar panels at a number of locations around the City, with a capacity of approximately 350kW.
- Roll out the FOGO 3-bin system to remaining City facilities, retirement villages and high-density properties, and offer the system to commercial properties.
- Complete foreshore projects at Heathcote, Blackwall Reach Parade and Melville Beach Road.
- Complete stage 2 of the Climate Watch Trail and create an interactive education area at Piney Lakes.
- Install a new irrigation system at Point Walter Golf Course and continue to incorporate hydro zone principles in irrigation designs to further improve water efficiency and management.
- Develop and implement new waste education events and activities.
- Increase alternatives to landfill for residents to recycle and dispose of unwanted items and materials.
- Complete a review of our verge collections and our Parks Asset Management Plan.
- Undertake water quality improvement projects at Fredrick Baldwin Lake.
- Launch pilots and new programs through our Smart Sustainable Communities program.

Key performance indicators



Growth and Prosperity

Encourage development of small businesses in our suburbs and local communities.



Goals

Achieve economic resilience

Local job opportunities for locals

Location of choice for a diverse range of businesses

Highlights

- Dealt with **1,374** development applications, with a total construction value of approximately **\$290** million.
- Referred **9** development applications to the Metro Inner-South Joint Development Panel, with a total construction value of approximately **\$44.5** million.
- Completed **2** underground power projects.
- Issued **2,590** building permits.
- Progressed **110** capital projects.
- Hosted **4** business events and webinars.
- Processed **64** stallholder, trader and alfresco dining permits.
- Issued **13** commercial recreation permits.

Key achievements/projects

We continued to place a strong focus on attracting and encouraging local businesses to grow and prosper within our City, as we recognise how important they are for creating local jobs, providing essential goods and services and helping create attractive, liveable communities.

This year our focus was on supporting our community, especially local businesses, through the COVID-19 pandemic. To this end we provided a 10% discount on commercial rates for the 2020-2021 financial year, reduced interest charges to 2% for all outstanding payments to the City, and froze fees and charges at 2019-2020 rates. We also continued to offer first-hour-free parking in all City-managed bays.

To provide an additional boost to our local economy, we also completed \$40.6 million of capital works projects, and received \$2,328,375 in Local Roads and Community Infrastructure Program funding.

We also continued to host events specifically for local businesses, and in partnership with the Melville Cockburn Chamber of Commerce hosted three webinars and one networking event through our Your Business, Our Future Program. These events equipped business owners with the skills they need to succeed in business.

In the lead-up to Christmas, we further supported local businesses by running a #YourLocalMelville campaign to encourage the community to shop local.



Bateman resident Anita Yelash and staff from Crescendo Music, the winners of our #YourLocalMelville campaign.

Residents who spent \$10 or more at a local business were eligible to enter a draw to win \$1,000 for themselves and \$1,000 for the business they purchased from. We received more than 200 entries for 88 local businesses, with Bateman resident Anita winning \$1,000 for herself and \$1,000 for Crescendo Music in Myaree.

Following the campaign, we continued to promote the #YourLocalMelville message through profiling businesses on our social media channels and through our Business eNews and City-wide eNews. We now actively encourage local businesses to share their stories with us via a form on our website and consider all submissions for promotion on our digital channels. We will continue to explore additional ways to promote the #YourLocalMelville message in the 2021-2022 financial year.

As part of a larger project to improve the customer experience for people seeking information on approvals needed for residential building and renovation works, we convened a cross-functional working group that reviewed and rewrote all relevant planning, building and environmental health website content to make it clearer, simpler and easier to understand.

At the same time, we were also successful in our application for Small Business Friendly Approvals Program funding, which aims to support local governments to cut red tape by providing funding and support to streamline the processes for obtaining business licences and trading permits. As part of this program, a consultant conducted one-on-one interviews with local small businesses about their experiences with our various approvals processes.

In June 2021, the final report and action plan were finalised and a cross-functional team will work to implement this plan in the upcoming financial year. We anticipate that this program will completely transform our planning, building and environmental health approvals processes, not only saving time for local businesses but also generating significant internal efficiencies.

To further encourage economic growth in our City, we commenced work on an Economic Development Strategy to help guide our economic direction and growth over the next five years. The strategy will set out a whole-of-City approach and focus on key economic themes, each supported by a number of strategies and actions.

This year we completed initial engagement with the community and local businesses, with more than 70 people providing feedback on their current challenges and aspirations, and how we might best support local business. We also established a working group comprised of local businesses who will continue to provide feedback and advice to help shape the strategy.

Work also continued on the review of the Canning Bridge Activity Centre Plan, with external consultants Hatch RobertsDay appointed to work with the community to ensure the plan meets their needs now and into the future. As part of the engagement process, we surveyed the community and held a number of workshops including a Place Design Forum and an Open House where options were further developed and refined. In June 2021 we finalised the report, which will inform the development of a new Canning Bridge Activity Centre Plan, with work to commence in the new financial year.

Separate to the above process, Council adopted a new planning policy that provides additional clarity on the process for awarding bonus heights under the current Canning Bridge Activity Centre Plan. The policy was developed by an external consultant following extensive community engagement and workshops with Elected Members. Council also resolved to make an amendment to the southern boundary of the Canning Bridge Activity Centre Plan so that it follows the carriageways of Helm Street, Sleat Road and Wren Street to Ullapool Road, in response to community concerns about the boundary's current location.

We also assessed a third-party prepared activity centre plan for Kardinya District Centre, which was submitted by the owners of the Kardinya Park Shopping Centre subsequent to a development application for the proposed redevelopment of the centre. As part of the assessment, we engaged with the community on the proposed modifications to the plan, which were endorsed by Council. We have now referred the plan to the Western Australian Planning Commission for final determination, which is expected in the upcoming financial year.

As part of our ongoing focus on placemaking and working together with our community to create public spaces that foster health, happiness and wellbeing, we continued development of a place brand for the Riseley Activity Centre and co-designed two concepts in collaboration with the local town team and a local Whadjuk Elder, Marie Taylor.

The designs were then put to the community, who were given the opportunity to vote for their preferred design. More than 700 votes were received and we are now working on a plan to roll out the design around Riseley Activity Centre in the upcoming financial year.

This year the State Government made a number of changes to planning legislation, regulations and the Residential Design Codes (R-Codes), and as a result we reviewed and updated a number of policies and activity centre plans to ensure they align with these changes.

We also developed a new short term accommodation planning policy in response to a growing number of community concerns about residential properties being used for this purpose. The policy aims to protect the amenity of the community by ensuring appropriate location and management of short term accommodation and by providing a clear framework for the identification, assessment and determination of short term accommodation applications.

The State Government has set us an infill target of 18,500 new dwellings between 2010 and 2050. Since 2010, approximately 1,700 new dwellings have been constructed, representing 9% progress towards the 2050 target. Opportunities for more housing in our activity centres and along key transport corridors will see additional dwellings completed as we move towards 2050.

Year ahead – key initiatives

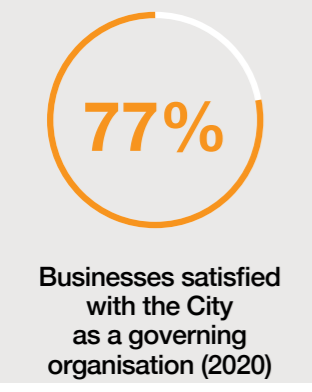
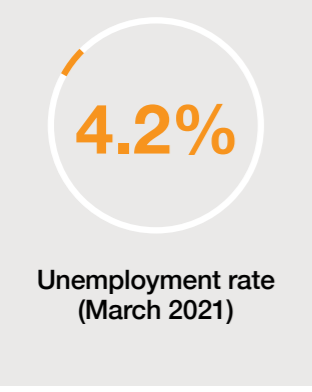
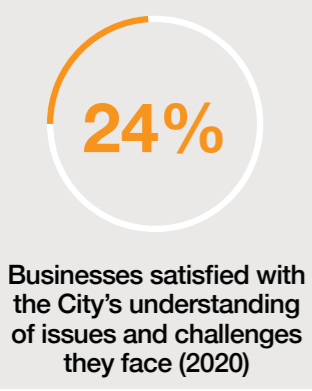
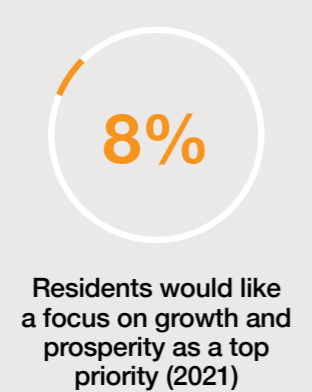
- Continue our review of the Canning Bridge Activity Centre Plan.
- Finalise our Economic Development Strategy.
- Commence a review of our Local Planning Scheme 6.
- Implement the actions from our Small Business Friendly Approvals project.
- Continue to deliver events, workshops and network opportunities in partnership with the Melville Cockburn Chamber of Commerce and Business Foundations Network.
- Expand our #YourLocalMelville shop local approach.
- Continue the roll-out of our activity centre plans pending Council prioritisation.
- Further investigate opportunities for our strategic landholdings.

Our 2020-2021 budget included a 50% discount on health application annual fees for local businesses.



Health Freak Café assistant, Mirinal Banerjee, and owner of Health Freak Café, Dimple Banerjee, helping encourage the community to vote on a new place brand for Riseley Activity Centre.

Key performance indicators



Healthy Lifestyles

Opportunities for healthy activities both indoors and out and about in local parks and suburbs walking, running, cycling and exercising individually or in groups.



Goals

A safe and healthy urban environment

Healthy eating

Increase physical activity

Mentally healthy community

Reduce alcohol and other drug use

Highlights

- 9,865 registered team players played sport in our parks and reserves.
- Our LeisureFit Centres had **3,587** members (excluding juniors).
- Our LeisureFit Centres recorded approximately **703,000** attendances.
- Held **124** free fitness classes through our Active in the Park program.
- Completed **19** playground renewals throughout the year.
- Conducted **38** audits of light industrial premises to check for potential groundwater contamination.
- Completed **908** food premises inspections, and scored **97%** of Scores on the Doors participants as three stars or more for food safety.
- Inspected **107** beauty and hairdressing businesses to check they are clean, well-maintained and comply with relevant legislation.
- Completed **145** inspections of public buildings, to ensure they are safe for our community to use.
- Responded to **743** complaints about noise.
- Completed **25** audits of public swimming pools, with **460** samples taken and **99%** being satisfactory.
- 46,598** rounds of golf were played at Point Walter Golf Course.
- Awarded **19** Youth Sports Scholarships, providing recipients with a free one-year membership to our LeisureFit Centres.
- Provided **18** Youth Sport Grants throughout the year.
- Opened a new mini golf course at Point Walter Golf Course.
- Our Active Reserves Infrastructure Strategy (ARIS) was a state finalist in the Strategic Planning Category at the Parks and Leisure Australia Awards.

Key achievements/projects

As a local government we play a key role in keeping our community mentally and physically healthy, through providing places and spaces for our community to exercise and keep active, and by helping raise awareness within our community of the importance of keeping active, eating well, good mental health, and reducing drug, tobacco and alcohol consumption.

Following on from completion of our Active Reserves Infrastructure Strategy (ARIS) last year, we progressed a number of sporting infrastructure upgrades to ensure we have fit-for-purpose, accessible and inclusive sports and recreation facilities for our community.

This year we started and completed construction of a new amenity building at Bert Jeffery Reserve, featuring two change rooms, a kitchenette, universally accessible toilet and an awning out the front. This building will be available to the community for bookings in the upcoming financial year.

We commenced redevelopment of Shirley Strickland Reserve, an \$8 million project that will deliver a new two-storey community pavilion and various other open space improvements, including a new nature play space, a significant amount of landscaping, outdoor exercise equipment, refreshed memorial plaque and new memorial tree, barbecues, seating, a half-court basketball area, path network and verge treatments.

This project is supported by funding from the Department of Local Government, Sport and Cultural Industries' Community Sport and Recreation Facility Fund (\$800,000) and Lotterywest (\$710,000), and is expected to be completed in early 2022.

We completed stages 1-3 of a \$3.6 million redevelopment of Tompkins Park, including maintenance and upgrade works of the river room and kitchen, installing new energy-efficient LED sports floodlighting, and upgrades to the change rooms and installing new air-conditioning. Further upgrades are planned for the next financial year.

We also completed a \$1.48 million upgrade of the change rooms at Webber Reserve, bringing the facility up to today's standards and ensuring it is fit-for-purpose and caters for the growing number of sports teams, particularly female teams; and completed detailed designs for change room upgrades at Winthrop Park, Marmion Reserve and Melville Reserve.

To ensure we protect our parks and reserves for future generations, our planning team conducted a review of what parks/reserves in our City are zoned as Residential to identify whether any should be rezoned as Public Open Space, as directed by Council. Following this review and community consultation, 21 parks/reserves were rezoned in March 2021.



Shirley de la Hunty's (née Strickland) daughter Barbara de la Hunty, CEO Marten Tieleman, Mayor the Hon. George Gear JP, Councillor Margaret Sandford and Shirley de la Hunty's (née Strickland) son Matthew de la Hunty at the turning of the sod ceremony for the Shirley Strickland Reserve redevelopment.



This year we started and completed construction of a new amenity building at Bert Jeffrey Reserve.

We also commenced a review of dog exercise areas across the City, in response to informal feedback from the community and observations from our rangers about dog access at some parks and reserves. Following engagement with the community, recommendations for a handful of changes to dog access will be going to Council in the new financial year.

Acknowledging that a large number of our residents have dogs and are concerned for their safety when exercising them in our parks and reserves, we continued research into a suitable location for a fenced dog exercise area in the City. Following extensive engagement with the community, Piney Lakes was identified and endorsed by Council as the most appropriate location, with construction of the facility anticipated in the upcoming financial year.

Although the COVID-19 pandemic had an impact on membership at our LeisureFit Centres this financial year, we are pleased to report that membership numbers have bounced back and are only 2% lower than our peak prior to the pandemic. We also saw low cancellation rates and an increase in senior participation in programs.

To help encourage physical activity in our community, we continued our free Active in the Park fitness classes, extending them through autumn and winter by bringing them under floodlighting or indoors. We also conducted an Active Ageing survey to understand what motivates or stops people aged 45 and older exercising, so we can plan programs and activities to support them to stay healthy and independent for as long as possible.

As part of our focus on raising awareness about the importance of talking about mental health, we ran a Blue Trees in the Burbs campaign during Mental Health Week in October where we asked the community to create their own blue tree and upload their images to our website. We also held a yoga class adjacent to our blue tree at Point Walter.

We are always striving to deliver great quality playgrounds for families in our community, and were pleased to receive the Best Playspace Award (less than \$500,000) at the 2020 Parks and Leisure Australia National Awards of Excellence for our new playground at Deep Water Point, the same award we won in 2018 for our Piney Lakes Sensory Playground.

As part of our approach to ensuring our key recreational water sites are safe for our community, our environmental health team continued our water sampling program at Bicton Baths, Point Walter, Cunningham Street, Waylen Bay and Deep Water Point during the warmer months, where we check bacteria levels in the water. They also continued to audit industrial premises, to check they have adequate precautions in place to prevent groundwater contamination.

We continued to operate our opt-in Scores on the Doors program, which awards businesses that meet and exceed food safety requirements with a rating from one to five stars. This year, 97% of participants achieved a score of three stars or more, meaning they demonstrate very good or excellent food safety practices.

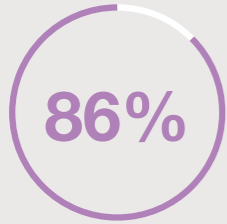
Year ahead – key initiatives

- Complete redevelopment and hold a grand opening for Shirley Strickland Reserve.
- Complete stages 4 and 5 of the Tompkins Park redevelopment.
- Commence change room upgrades at Winthrop Park, Marmion Reserve and Melville Reserve.
- Complete major refurbishment of the pools at LeisureFit Booragoon.
- Complete construction of a fenced dog play park at Bob Gordon Reserve.
- Begin construction of a premier play space at Bob Gordon Reserve.
- Create master plans for Webber and John Connell Reserves.
- Commence detailed designs for change room upgrades at John Connell, Len Shearer and Morris Buzacott Reserves.
- Develop a Tennis Strategy.
- Investigate additional health and fitness programs for seniors.
- Continue to remove asbestos from numerous buildings across the City.

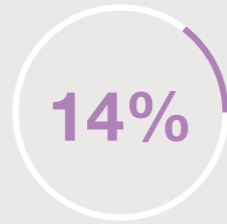


Landscape Architect Coordinator Janine Ahola, Landscape Architect Nikki Stringer and Director Technical Services Mick McCarthy at the award-winning Deep Water Point playground.

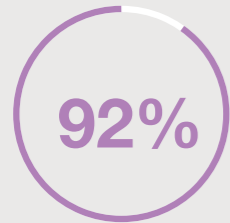
Key performance indicators



Residents believe they have a healthy lifestyle (2021)



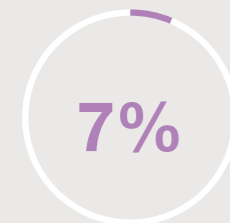
Residents would like a focus on healthy lifestyles as a top priority (2021)



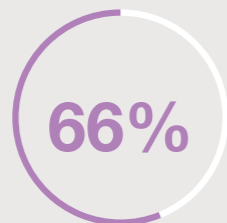
Residents feel there is a sufficient range of open spaces for leisure activities (2021)



Residents eat two serves of fruit daily (2015-16)



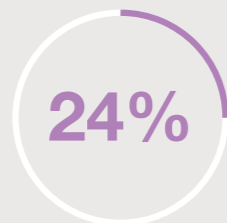
Residents eat five serves of vegetables daily (2015-16)



Residents are sufficiently physically active (2015-16)



Residents experience mental health issues (2015-16)



Residents drink alcohol at risky/high-risk level (2015-16)



Participants at our free Active in the Park yoga classes.



Safe and Secure

People feel safe and secure at all times wherever they are and whatever they are doing.



SAFE AND SECURE

Goals

Being prepared for an emergency

People feel safe and secure in all places at all times

Reduce business crime

Reduce household crime

Reduce preventable injuries

Reduce transport crashes

Safe and secure places and environments

Highlights

Completed **1,253** graffiti removals, **3,789** swimming pool compliance inspections and dealt with **90** building compliance matters.

Our Community Safety Service (CSS) conducted **59,033** targeted patrols based on information from the community or police.

CSS also conducted **20,829** checks of **560** properties through holiday watch patrols, and dealt with **8** issues found during these patrols.

CSS responded to **12** calls from police for assistance. They also provided police with **398** intelligence reports, dealt with **38** calls pertaining to vandalism and assisted with **13** jobs regarding missing persons.

Rangers responded to **3,330** requests throughout the year. This included **1,743** for illegally parked vehicles, **438** for abandoned vehicles, **725** for illegal dumping and **394** for barking dogs.

Provided funding for **41** Constable Care performances at local primary schools.

We reunited **92** lost dogs and cats with their owners.

Key achievements/projects

As indicated in our recent Community Wellbeing Survey, safety and security is a top priority for our community and we play an active role in helping reduce crime, preventable injuries and road crashes within our community, and ensuring our places and spaces are safe for everyone.

We also recognise that other authorities, such as the police, play a significant role and it is only by working closely with them that we can create a community that is safe and secure.

This year, as we do every year, we worked closely with the Murdoch and Palmyra police stations, exchanging information on a daily basis. Our CSS plays a key role in this endeavour, and supplied 398 intelligence reports to police to help with their investigations. They also responded to 12 direct calls from the police for assistance.

Using intelligence from the police and our own community, our CSS also conducted 27,993 hot spot patrols of problem areas, and deployed our mobile CCTV trailer to 22 locations throughout the community. They also continued to offer holiday watch patrols, and this year conducted 20,829 patrols of 560 houses. This is a decrease from last year however is not unexpected due to a reduction in travel due to COVID-19.

We also continued to work closely with and support our local Neighbourhood Watch Committee, which hosted 14 information stalls at various events and shopping centres throughout the year.

Our rangers continued to play a vital role in keeping our community safe and secure through their normal duties of animal control, parking and bushfire control, and responding to reports of littering, illegal signs, dumping and off-road vehicles.

What was evident this year was that the COVID-19 pandemic impacted the community in a variety of ways, including in regard to community safety and crime. Following on from engagement with our community on their safety, crime and injury priorities we developed a 12-month action plan which was circulated and subsequently supported by the Safer Melville Advisory Committee.

The Safer Melville Advisory Committee is made up of representatives from various state government agencies, community-based organisations, local police stations and community and business groups and meets bi-monthly to provide advice and work with us on improving and promoting safety and injury reduction in the community.

One trend identified through the review was the increase, not just locally, of reported incidents of family and domestic violence. In response, we supported the WA Government's 16 Days in WA to Stop Violence Against Women campaign and

This year our CSS deployed our mobile CCTV trailer to 22 locations throughout the City.



installed a purple bench in Canning Bridge to raise awareness and show support for the victims of domestic and sexual violence.

We also identified an opportunity to raise awareness of our CSS and the work they do, and ran a successful marketing and communications campaign on social media and updated our CSS page on the website to include interactive statistics on the type and number of jobs they have completed.

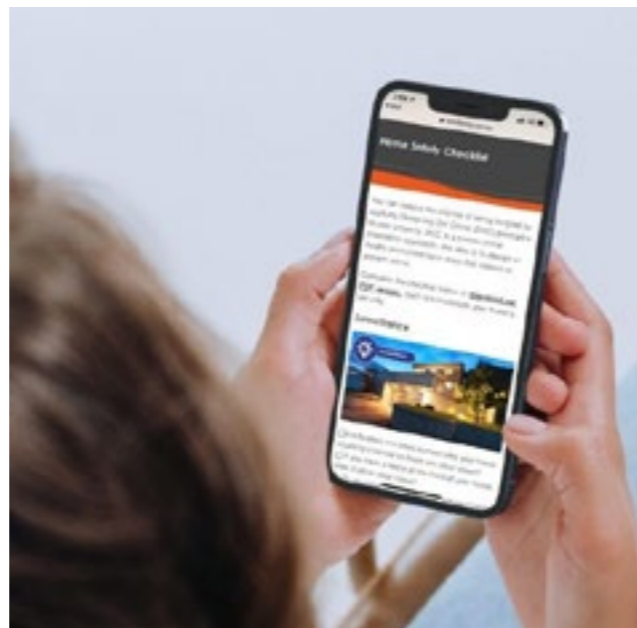
Acknowledging the importance of engaging positively with young people, we continued our PHAZE Urban Art program, and held painting sessions in Leeming, Melville, Myaree and Bull Creek for 92 participants. Through PHAZE, young people aged 12-25 develop their spray painting skills with a professional urban artist.

We also continued to provide funding and support to the Department of Education for a student support officer at Caralee Community School. This role works with 'at risk' young people and hosts a homework club after school in the Willagee Library and has been successful in supporting these students and improving school attendance strategies.

Pleasingly, this year we were also successful in securing approximately \$12,000 for a youth outreach project, and will begin planning and implementing this project next financial year.

We recognise a key aspect of improving community safety is educating the community on what they can do to improve their safety and security, and the behaviours they can adopt to help reduce their risk of being a victim of crime. With this in mind we reviewed and relaunched our home safety checklist, which can be completed online from a desktop, tablet or mobile device or

This year we developed an online home safety checklist to help our community assess how secure their house is.



a hard copy downloaded from our website.

We also continued to use social media to rapidly communicate safety and crime trends to our community and continued to send out our bi-monthly Safer Melville eNews (electronic newsletter).

Finally, we committed to becoming a child safe organisation, and convened a working group made up of representatives from across the organisation to help us put this into action. A child safe organisation is one that creates a culture, adopts strategies and takes action to promote child wellbeing and prevent harm to children and young people. Work will continue on this project throughout the next financial year.

Year ahead – key initiatives

- Develop a Cat Management Plan.
- Complete a review of where dogs can be on-lead, off-lead or are prohibited.
- Implement the remaining actions from the minor review of our Safer Melville priorities.
- Implement initiatives to prevent and respond to family and domestic violence.
- Continue funding and support for the Neighbourhood Watch Committee, Constable Care Child Safety Foundation Program and the student support officer.
- Plan and implement the youth outreach project.
- Continue planning and implementation of the child safe organisation project.

One of our PHAZE murals completed this year. This one is located at Riseley Activity Centre.



Key performance indicators



Sense of Community

A range of local community services, events and cultural activities throughout the year for people to get to know one another and do things together.



Goals

Lifelong learning and creativity

Participation and inclusion

Place activation and liveability

Sense of identity through collective memory

Social connectedness and belonging

Highlights

- Installed **12** new public artworks, all funded through our Percent for Art Scheme.
- Acquired **22** new artworks for our public art collection.
- Completed approximately **61** upgrade and renewal projects and **2,921** maintenance requests across City-owned properties.
- Held **11** citizenship ceremonies for **730** conferees.
- Provided support to more than **83** older residents through our Age Friendly Assistance Fund.
- Held **15** events for older people, with around **547** people attending across all events.
- Partnered with Melville Cares to provide a community bus service, which provided transport to **1,296** people during the year.
- Provided financial support to **87** members of the community through Activelink grants.
- Saw **348** attendances at our Youth Drop-In service.
- Presented **4** Auspire Community Citizen of the Year Awards, which recognise individuals and organisations who make a positive difference through volunteering.
- The Melville Volunteer Resource Centre connected **4,891** people to volunteer positions and organisations, supported **186** volunteers within our City and supported **168** volunteer organisations with volunteer recruitment.
- Our customer relations team answered an average of **5,783** calls, **1,400** emails, **546** live chat enquiries and **814** online requests each month.
- Approved **47** applications for My Community Grants.
- Launched community engagement on **44** projects, and sent **60,951** direct email invitations to community members inviting them to participate. A total of **12,672** people participated in community engagement activities this year.

92,279 people visited our online engagement platform, Melville Talks, an increase of **125%** from the previous year.

Our libraries loaned **950,026** physical items and **146,893** digital items to more than **35,000** members.

Our libraries had more than **482,680** visits, with **3,537** children attending Storytime, **4,150** babies attending Baby Rhyme Time, and **2,250** people attending adult events and programs.

Our financial counselling service helped **377** residents throughout the year.

Donated **\$50,000** to the Lord Mayor's Disaster Relief Fund to support victims of the Woorooloo and Hills bushfires and **\$20,000** to support victims of Tropical Cyclone Seroja.

Peer researchers from the WA Youth Affairs Council who are helping us develop our new Young People Strategy.



Key achievements/projects

A sense of community is extremely important as it unites us, helps us feel connected to each other, and gives us a sense of belonging. We play a key role in helping build a sense of community in our City, by offering a diverse range of services and organising events and activities that bring people together.

Following the appointment last year of Pete Stone as our new Creative Producer, our arts, culture and events team was restructured so we could increase the diversity, quality and quantity of arts, culture and events programming throughout the City. This year our new team delivered several new programs and events to help position Melville as a cultural hub that attracts audiences from the wider Perth area.

The first was our Melville Contemporary Architecture and Sounds Sessions in October and November 2020, which showcased our City's rich and diverse architecture story. Five houses were selected and each session included a house tour, guest talk and discussion and live acoustic music.

We also held two new free family events at our stunning Dyoondalup (Point Walter) foreshore. The first event, Songs for Freedom, was delivered in collaboration with Big hART and the Ieramugadu (Roebourne) Community. It captured the joy of living on Country and featured an ensemble of prominent Ieramugadu and Western Australian musical artists. The second event, Melville Midwinter, was an evening of connection and reflection and featured nine musical, theatrical and spoken word performances by talented poets, artists, musicians and local Aboriginal Elders, followed by a dip in the river for those brave enough to partake.

As well as new programming, we continued to hold our annual Limestone Concert Series, which this year was expanded to five performances, and held our much-loved Kidchella children's festival, which this year was postponed until January due to COVID-19 restrictions.

We also continued to support a number of other events held in our City, including Perth Festival's Witness Stand on the banks of the Swan River at Deep Water Point, Applecross Rotary's Jacaranda Festival on Ardross Street in the heart of Applecross Village, and the Perth Makers Market at Goolugatup Heathcote.

Our galleries and museums continued to offer diverse and exciting programming for

our community, with more than 7,000 people visiting Goolugatup Heathcote Gallery (formerly Heathcote Cultural Precinct) over the past year to see innovative, high-quality works from 90 artists across 12 exhibitions, and more than 9,000 children and adults attending art classes run by a number of our talented creatives on site.

We also launched a new cutting-edge contemporary music program, Goolugatup Sounds, which appears alongside each exhibition opening at the Goolugatup Heathcote Gallery. Curated by Lyndon Blue, the program supports artistic and experimental music performance and our first session featured a new ambient collaboration of Dominic Simper from Tame Impala and Nick Allbrook from Pond.

We also launched two new art prizes at Goolugatup Heathcote. The first, our Digital Art Prize, provided for \$15,000 across multiple categories for contemporary visual art that was wholly digital and viewable in a web browser. Our second new prize, Melville Contemporary, is a biennial, acquisitive art prize and this year attracted 188 entries with a selection of works to be exhibited in July 2021.

Following major site works to improve accessibility we re-opened Wireless Hill Museum in May 2021 with our 2021 exhibition, Signals, Cyphers and Stories: A Stitched History of Telecommunications. This embroidery exhibition, delivered in partnership with Innovative Stitches, responds to the site history of Wireless Hill and the history of telecommunications.

The 2020 exhibition, Transmission, finished in November 2020 following an extensive program of public talks. We also held a number of other standalone events at Wireless Hill, including our popular Vinylpalooza, a vintage film night and a number of other public talks.

To help improve the accessibility of exhibitions at Wireless Hill, both Transmission and Signals, Cyphers and Stories are available online as a virtual tour, which we plan to continue for all future exhibitions. We also uploaded five of our museum collections to the Collections WA website so the public can access the images and information at any time.

To ensure our libraries continue to meet the needs of our community now and into the future, we completed a review of opening hours and usage across our five libraries. As a result of the review

Event-goers at Goolugatup Sounds, our new cutting-edge contemporary music program at Goolugatup Heathcote.



and feedback from the community, we converted Canning Bridge Library into the State's first self-serve express library, where members can access a boutique collection of popular titles, return their items, pick up holds, and access free Wi-Fi and spaces to study, read or relax. This change meant we could direct funding to more programs and events at our busier branches while still offering services that respond to the needs of our community.

We also completed an upgrade of the Willagee Library façade to provide external library spaces for library programs and for customers to study, read or relax. Works included new front windows, external lighting, furniture and external power points, as well as resurfacing the pavement area at the front of the building. As part of the project we commissioned artists Kambarni and Matthew McVeigh to create a vibrant, contemporary mural artwork on the east and west facing walls and canopy, which was completed in late 2020.

These upgrades have revitalised Willagee Library, creating a modern and inviting space for our community, which has led to an increase in visitation and exceedingly positive feedback.

Next door to Willagee Library, we began an internal upgrade of Willagee Community Centre, which will include a refreshed basketball court and meeting rooms, sound dampening, a new floor mural and new carpet. These works are anticipated to be complete by July 2021 and in the interim, we have relocated community groups to our other facilities so they can continue to meet.

In recognition of the importance art plays in helping create a sense of place, and how it can help enhance public spaces and celebrate our cultural identity, we continued to deliver our strong arts program. This year, approximately 1,300 people attended our annual Arts Awards and Exhibition, which displayed 252 works by professional and hobby artists. Our Open Studios weekend also saw 31 local art studios open to the public, featuring the work of 100 artists.

We continued to deliver on our Public Arts Strategy and Masterplan, and this year installed 12 public artworks across Applecross, Palmyra, Bicton, Bull Creek, Mount Pleasant, Ardross, Melville, Murdoch and Willagee. Works ranged in value from \$18,000 to \$120,000, with all funds coming from the City's Percent for Art Schedule, which asks developers to contribute to the cost of design and installation of works as part of particular developments.

We also purchased 22 artworks for our art collection from entries to our Art Awards and Exhibition and Goolugatup Heathcote's Digital Art Prize, along with a piece from our 2020 TILT exhibition by Erin Coates, and pieces from local artist Katie Glasking and WA artist Judy Rogers. Our collection is growing in significance and a selection of works can be seen on display in the Collections Gallery at Goolugatup Heathcote.

We also completed 12 mural projects across the City in the suburbs of Kardinya, Willagee, Palmyra, Bull Creek, Booragoon, Melville, Attadale, Ardross and Mount Pleasant.

We undertook a five-year review of the Age Friendly Melville Plan, and engaged directly with people aged over 55, family members, carers, service providers and the wider community to determine the top four priority goals to guide the plan. We also reviewed and re-launched our Age Friendly Melville Fund, and brought administration of the fund back in-house.

We also continued to hold well-attended activities and events for older people, including sessions about transport and independence, seniors safety, navigating the aged care system, and downsizing as part of our South of the River series. More than 200 people attended our Man Cave event, hosted during Seniors Week, which showcased opportunities for men to get involved in their communities.

Thanks to funding from the Department of Communities, we produced a series of short videos to raise awareness and highlight the experiences of people living with dementia. Produced by RT Films and featuring actors from the Melville Theatre Company, these videos will be launched in 2021-2022.

Understanding that young people are the future of our City, we commenced a review of our Young People Strategy, and recruited eight peer researchers from the Youth Affairs Council

of WA to design the engagement process and provide advice on communicating with younger people. Work on the strategy will continue into the upcoming financial year.

We also engaged extensively with young people on a proposed new mountain bike facility for Point Walter Reserve, holding a community design event in April 2021 and a pop-up event at Webber Reserve in May 2021.

To help support local not-for-profits, community groups, creatives and small businesses, we launched our new community grants program, My Community Grants, in October 2020. This program replaced our previous Community Partnership Funding program, and this year we provided 47 grants for events, programs and activities that activate places and encourage participation in community life.

A sub-set of this grants program was our one-off Night Time Activations Grants funding round, which provided \$40,000 in funding to businesses and organisations for night time events and activities to support our local night time economy and activate our communities.

We also launched our fifth round of Project Robin Hood, which provided \$95,000 in funding for six projects that are designed, developed and delivered by the community, including a new sensory playground and sound garden, new nature play space, interactive signage for Blue Gum Lakes Reserve, rejuvenation of bushland and a nature circuit.

Our Melville Volunteer Resource Centre, which is partially funded by the Department of Communities, continued to promote local volunteer opportunities, provide training and help link potential volunteers with community groups needing assistance. They also worked with other local governments to host events that celebrate volunteering.

As part of our focus on strengthening community engagement, we established our first Community Feedback Panel, which will help us test new ideas and give feedback on strategies, plans, policies and projects. This year members met five times to discuss topics such as cat management, economic development, sustainability and the City's brand narrative.

As part of our approach to working together with our community to improve our places, we continued to support a number of town teams in our City, including Rise up Riseley, Applecross Town Team, Pally 6157, and Brentwood Village Town Team.

Our *Disability Access and Inclusion Plan 2017-2021* and *Stretch Reconciliation Action Plan 2017-2021* continued to see some great projects come to fruition. Read more on pages 72-75.

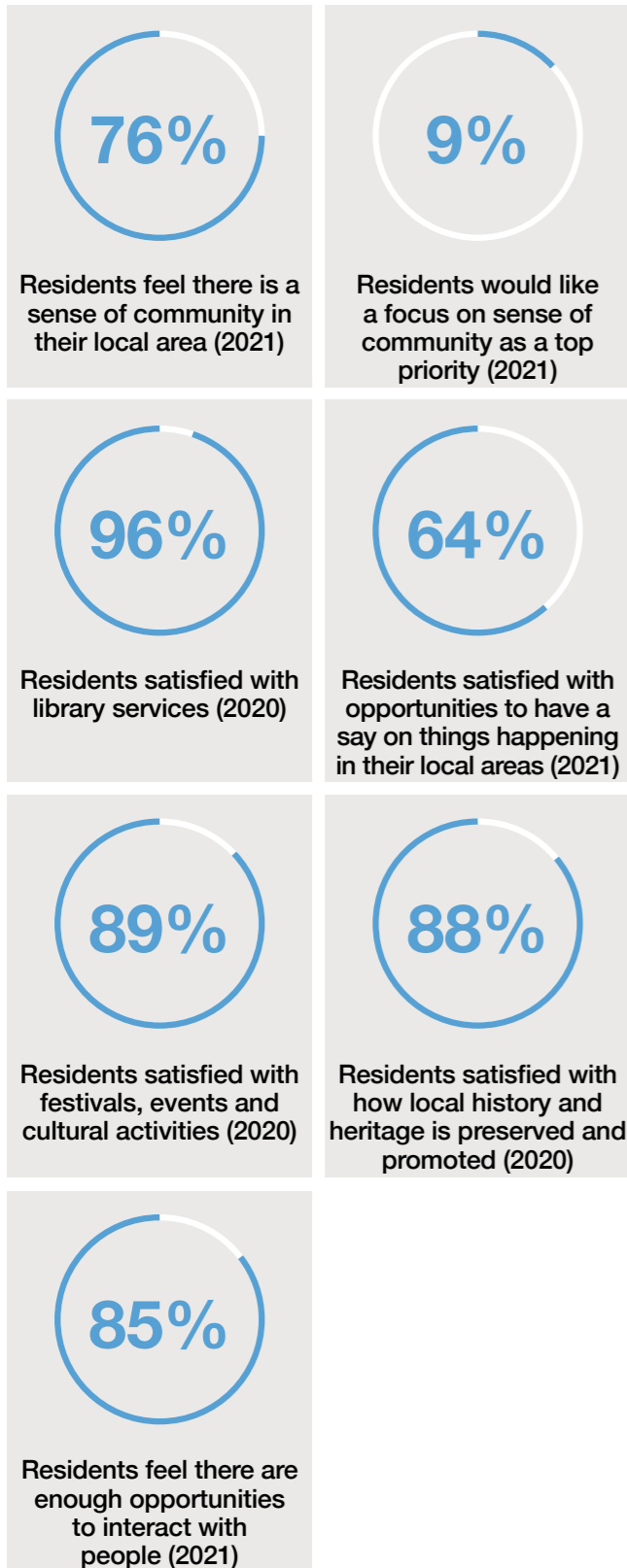
Year ahead – key initiatives


- Commence refurbishment of Bull Creek Community Centre and the interior of Willagee Library, and upgrade the RFID technology at our libraries.
- Begin construction of the Karlup Ceramics Studio (Atwell House) and a major extension of the Melville Woodturners facility at Kardinya Hall.
- Continue to improve accessibility of City-owned buildings.
- Relocate our annual Art Awards and Exhibition to Wireless Hill Museum and introduce a major, original exhibition for Wireless Hill in Summer 2021-2022.
- Re-brand our Limestone Concert Series as Free Summer Music and launch two new music series and a writers festival.
- Deliver a major public art road mural in Riseley Activity Centre.
- Collaborate with Fremantle Biennale to deliver public arts and events in the City.
- Develop a new Cultural Infrastructure Strategy and finalise the Wireless Hill Vision and Activation Plan.
- Develop a Stakeholder Engagement Framework and review our Stakeholder Engagement Policy and Strategy.
- Continue to increase engagement outreach opportunities at events, farmers markets and shopping centres.
- Finalise and launch our new Young People Strategy.
- Develop a Vision from the Heart and corresponding Aboriginal Cultural Learning Strategy (delayed from last year).
- Conduct engagement and review our *Disability Action Inclusion Plan 2017-2021* and *Stretch Reconciliation Action Plan 2017-2021*.
- Deploy our new digital and customer first strategies.

Members of the Embroiderers' Guild of WA who worked with us on our *Signals, Cyphers and Stories* exhibition at Wireless Hill Museum.



Key performance indicators



 Members of the public enjoying our 2020 Open Studios.

Sustainable and Connected Transport

Better public transport, cycling and walking infrastructure and responsive traffic management.



Goals

- Appropriate infrastructure
- Balancing transport priorities
- Choice and use of transport options
- Prioritising urban development near transport nodes and in activity centres
- Ease of movement

Highlights

- Inspected and cleaned **3,590** stormwater drainage pits and pipes.
- Swept and maintained **545km** of road, and **497km** of footpaths.
- Maintained **13** jetties and boardwalks, and **3** boat ramps.
- Resurfaced more than **15.64km** of road.
- Completed **5.49km** of new and renewed footpaths.

Key achievements/projects

Working towards sustainable and connected transport, we are focused on optimising key road networks, providing better public transport and cycling and walking infrastructure, and showcasing alternative transport to cars.

This year work continued on the preparation of a parking management plan for Deep Water Point, and we engaged an external consultant to undertake a number of parking surveys and conduct research into parking challenges in the area. As part of this process we engaged heavily with the community, and a draft report and recommendations were prepared by the consultant and went back out to the community for comment in June 2021.

Key recommendations in the plan include the increase in 'trailer only' bays from 15 to 22, the transition of the loading zone to both a loading zone and pick-up/drop-off bay, modification of the car park flow to one way, paid parking with two hours free at the Deep Water Point car park and along The Esplanade for all vehicles including boat trailers, and improvements to accessibility for people living with a disability.

We also commenced construction of our first ever Safe Active Street, which will provide a safe and comfortable route for people walking or riding bikes between Westfield Booragoon Shopping Centre and Riseley Street Activity Centre. Work took place on Links Road, Collier Street, Millington Street and Hope Road, with construction anticipated to be finished by the end of 2021. This project is partially funded by an \$850,000 grant from the Department of Transport's Safe Active Streets Pilot Project.



This year we continued work on a parking management plan for Deep Water Point.

We continued to implement our Bike Plan 2012, and this year completed the design for a new shared path along Jeff Joseph Reserve and the design for a new shared path along Murdoch Drive between South Street and Farrington Road. Both projects received WA Bicycle Network Grants Program funding, and construction is anticipated to begin next financial year.

As our Bike Plan 2012 is now 10 years old, we also began preparations for a new pedestrian and bike plan, and work will continue on this over the 2021-2022 financial year.

We commenced or completed 32 footpath projects throughout the year, which included renewals of existing footpaths and installing new footpaths. We also continued our annual road

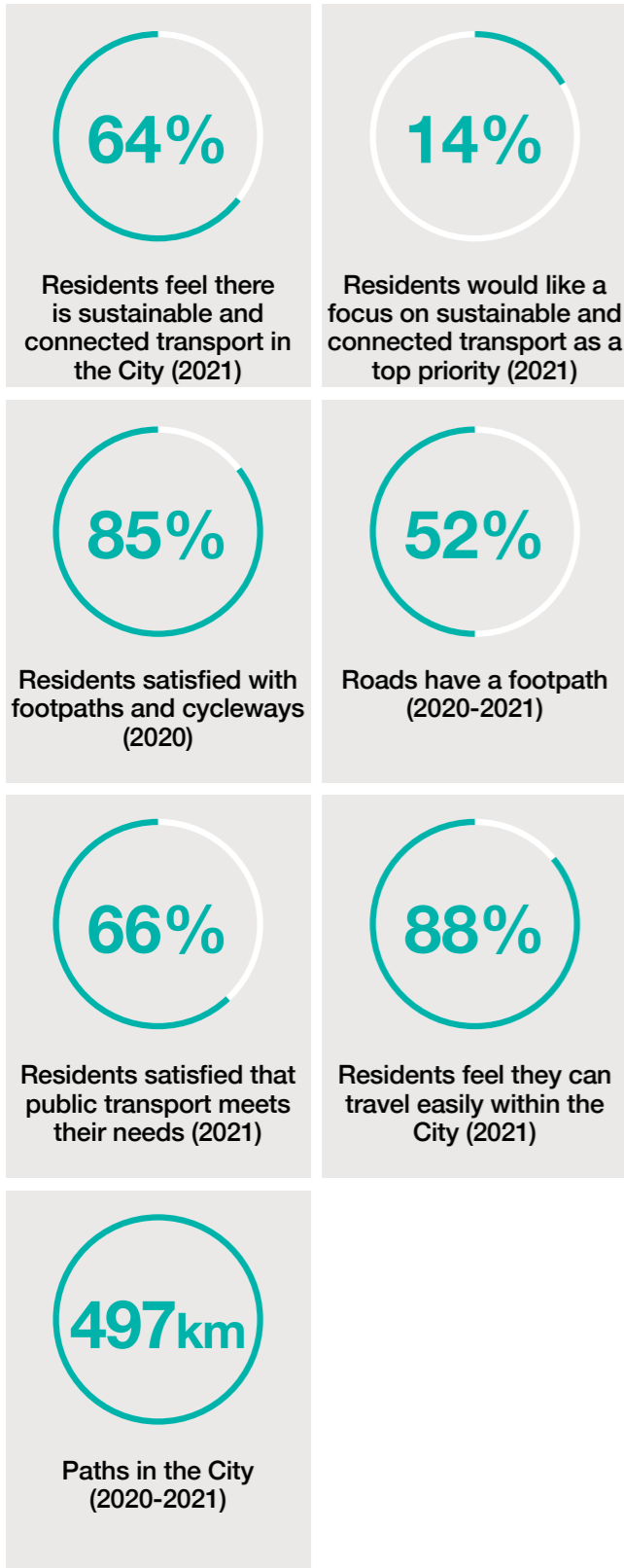
resurfacing program and resurfaced 23 roads, equivalent to 15.64 km, and completed two road rehabilitation projects on Farrington Road and Stock Road throughout the year.

We also commenced a \$1 million multi-year stormwater drain condition inspection and renewal project to help ensure our stormwater drainage systems are fit-for-purpose and can handle excess stormwater run-off. As part of this we use a new method, pipe relining, where instead of replacing broken stormwater pipes, we reline the pipe with a strong resin. No digging is required, helping save ratepayer money while also protecting the environment.

Year ahead – key initiatives

- Complete construction and activate our first Safe Active Street.
- Complete a Black Spot project at the intersection of Canning Highway, Dunkley Road and Norma Road.
- Through our My Community Grants program, launch a one-off funding round for projects and programs that encourage active transport.

Key performance indicators



This year we completed a road rehabilitation project along Stock Road between Canning Highway and Leach Highway to provide a safer environment for road users.

Disability Access and Inclusion Plan (DAIP)

Our *Disability Access and Inclusion Plan 2017-2022* outlines a series of actions to ensure people with a disability have the same access to our services, events, facilities and information as other people, and that they are able to participate in community engagement and decision-making.

A Disability Access and Inclusion Plan is a requirement under the *Disability Services Act 1993 (WA)* and each year we report back to the Department of Communities – Disability Services on how our plan is progressing.

Key achievements

The following is a summary of some of the key achievements and initiatives this year from our *Disability Access and Inclusion Plan 2017-2022*:

- Completed an audit of all City-owned buildings that require access upgrades, identifying 51 buildings that require changes to meet legislative standards. As a result, we committed \$4 million over the next five years to complete these upgrades and commissioned an architectural firm specialising in access and heritage refurbishments to start works on priority buildings. These priority buildings were selected due to use and include:
 - » the heritage-listed Tivoli Theatre
 - » various halls used by Scouting and Girl Guide groups
 - » Mount Pleasant Bowling Club
 - » Blue Gum Community Centre.
- Completed a number of accessibility upgrades throughout the year, including at Yagan Mia (Wireless Hill), Bull Creek Library, Bull Creek Community Centre, Willagee Community Centre and Bert Jeffrey Reserve. Upgrades included new unisex accessible toilets (UAT), new paths and ramps, additional ACROD parking, and internal and external upgrades to allow better access to facilities and UATs.
- Along with 25 other local governments, we took part in the National Disability Service's This Bay is Someone's Day campaign, which aims to encourage the appropriate use of ACROD parking bays. As part of this campaign, our rangers and Community Safety Service officers were provided training and now carry information regarding fines for the misuse of ACROD bays. We also commenced a program to upgrade the City's ACROD bays to the new national standard as carparks are refurbished. All new bays will be recorded and mapped to help communicate the locations to ACROD users.
- Motivated by the shutdown of the Department of Communities' Access WA You're Welcome website, we started a project to map all our UATs, changing places and ACROD parking bays. This information will eventually be available on our website so residents and visitors can plan their journeys and check for accessible services and venues.



This year we were proud to support the National Disability Service's This Bay is Someone's Day campaign.

- Refreshed our approach to our Access Advisory Panel to ensure quality proposals and plans are made available to the panel in a timely manner for review and discussion. The panel is made up of community representatives who are living with a disability, seniors and representatives from the disability and aged care sectors. The panel provides feedback on development projects to ensure all accessibility requirements are considered and a universal design approach is taken. This panel continues to be recognised by other WA local governments as leading the way in stakeholder engagement on this topic.
- Offered work experience to two people living with a disability as part of our continued focus on creating an inclusive and diverse workforce. They completed placements in our community development administrative team, with simplified job descriptions developed to enable satisfying roles to be rolled out.
- Our rangers, Community Safety Service team and customer relations teams commenced planning for training with our Social Justice Advocate on communication options for customers with hearing, sight, verbal and cognitive differences. Training is scheduled for the next financial year.
- Started developing an Easy Read (Easy English) brochure to help people with lower levels of English comprehension or reading skills to understand our different customer service channels and how they can contact us. The brochure will be available in 2021-2022.
- Organised disability awareness training for 20 community centre volunteers, provided by Rocky Bay. The training aimed to provide volunteers with a sense of confidence in their abilities and was inspired by the need for a shared understanding of inclusive language and practices. Feedback from the volunteers showed they appreciated being upskilled and felt more empowered and confident when working with people with disability.
- Organised certified Mental Health First Aid Training for 20 front-facing staff to enable them to recognise and better serve customers who may be experiencing poor mental health.
- Our customer relations team updated their Translating and Interpreting Service (TIS) membership to ensure it remains accessible to their staff.
- Continued to offer our publications to residents in alternative formats upon request.



For more information and to view a copy of our *Disability Access and Inclusion Plan 2017-2022*, visit www.melvillecity.com.au/DAIP

Stretch Reconciliation Action Plan (RAP)

We are proud to have been on the journey to reconciliation for a number of years, having developed our first Reconciliation Action Plan (RAP) in 2013 and having been the first local government in Western Australia to embark on a Stretch RAP in 2017 with our *Stretch Reconciliation Action Plan 2017-2021*.

Key achievements

The following is a summary of some of the key achievements and initiatives this year from our *Stretch Reconciliation Action Plan 2017-2021*:

- Continued our partnership with the Department of Education and Career Training, providing 17 First Nations students the opportunity to complete their Certificate II in Civil Construction, with four completing the full course and nine receiving credits for partial completion.
- Increased the number of First Nations staff from 11 to 16, and placed three Aboriginal students in school-based traineeships at Willagee Library, our Operations Centre and our Civic Centre.
- Continued to work on dual-naming sites of Aboriginal heritage significance, and started work on a collaboration with Community Arts Network (CAN) WA and Moodjar Consulting on this project.
- Received Landgate approval to rename the Heathcote Lowerlands to Goolugatup Lowerlands. The name 'Goolugatup' features prominently at the Heathcote site with Heathcote Cultural Precinct also renamed Goolugatup Heathcote this year.
- Formally adopted the name 'Karlup' for Karlup Ceramic Studio following engagement with heritage site informants and Aboriginal Elders at Atwell House.
- Partnered with Big hART and the Roebourne Community to hold Songs for Freedom, a free family concert at Point Walter foreshore celebrating peace and country.
- Commissioned two Aboriginal artists, Melissa Spillman and Dannielle Arnold, to develop artworks to be permanently displayed on our waste trucks. Melissa's artwork is also now displayed on our Community Safety Service (CSS) vehicles.
- Finished our new mural at Willagee Library created by artists Kambarni and Matthew McVeigh. The mural celebrates local Willagee identity George Humes, with key themes of the artwork including strength, reconciliation and family.
- Celebrated NAIDOC Week with a number of events, including a special performance from Gina Williams and Guy Ghouse during our Limestone Concert Series, a community film night showing the documentary *In*



A sand mural created by the community at our Songs for Freedom event.



My Blood It Runs at George Hume Park in Willagee, and a community BBQ and artist talk with Melissa Spillman at Willagee Library.

- Celebrated National Reconciliation Week with our Nyin, Ni, Koorliny – Sit, Listen and Walk event. More than 100 people joined us at Dyoondalup (Point Walter) to hear Dreamtime stories from Whadjuk Elder Aunty Marie Taylor and Noongar Leader Shaun Nannup and to take a walk along the Jenna Bidji Yorga Trail from Jennalup (Bicton Baths) to Dyoondalup, listening to Noongar stories via the Geotourist app.
- Welcomed new tenants, the Western Australian Indigenous Tourism Operators Council (WAITOC) and Wisdom in Your Life, at Goolugatup Heathcote.
- Held a turning of the sod ceremony at Shirley Strickland Reserve to mark the beginning of construction of the new pavilion, which includes a textual narrative and translation of a poetic text created for this project by Whadjuk Elder Aunty Marie Taylor.
- Commissioned Aboriginal artist Seantelle Walsh to create a mural at John Creaney Reserve.
- Purchased two artworks by First Nations artists for the City's art collection. The first artwork, *Kungka Kunpu (Strong Women)* by the Iwantja Young Women's Film Project was submitted to the Digital Art Prize at Goolugatup Heathcote. The second, *Adam Goodes* by Greg Barrs was submitted to the City's 2020 Art Awards and Exhibition.
- Held hip hop workshops at Willagee Library with Noongar artist, Joshua Eggington.
- Recorded one new oral history, taking the total number of Aboriginal stories to 10.
- Installed an additional flag pole at the City of Melville Civic Centre to fly the Torres Strait Islander flag alongside the Aboriginal flag. Both flags are also now in the City of Melville Civic Centre conference room.
- Installed an Acknowledgement of Country plaque and Aboriginal flag at the Point Walter Golf Course.
- Updated the panoramic sign at the top of the anchor block at Wireless Hill to include the First Nations names from the Yagan's Genunny walk at the site.
- Collaborated with the City of Cockburn to deliver a series of workshops for staff to help them develop a greater understanding of the impact of racism, and to show staff how they can become allies to First Nations staff in the workplace.
- Reclassified and renamed the job titles of our two Community Development Officers – Aboriginal Engagement to First Nations Engagement Advisor and First Nations Community Development Officer, to better reflect the focus of the positions and tangibly recognise cultural load.
- Began planning for the review of our Stretch RAP in 2022.
- Hosted numerous internal and external presentations on the City's RAP journey.
- Continued to convene our RAP Continuous Improvement Team meetings, which brings together staff from across the organisation to action items from our Stretch RAP.
- Continued to work alongside WALGA to coordinate networking meetings for people working in Aboriginal engagement within Perth metropolitan area local governments.



For more information and to read our *Stretch Reconciliation Action Plan 2017-2021*, visit www.melvillecity.com.au/RAP

Business Excellence

We have applied the principles of business excellence in our organisation for more than 20 years and it underpins everything we do. Business excellence is centred on improving community outcomes and organisational performance through continuous improvement, sustainable performance and our systems.



This year we continued to strengthen our approach towards evidence-based decision making and performance reporting using our community outcome dashboards. These dashboards are regularly updated with the latest data and provide a holistic, organisational view of what we are doing to achieve our community's aspirations, and track our performance against our outcome areas and goals using key performance indicators.

We continued to strengthen our use of data by using advanced analytics to streamline business performance management and improvement. Work continued on investigating ways we can use smart technology to improve our operations to create better outcomes for our community and City.

To keep our finger on the pulse and ensure we understand what our community values, we commissioned our biennial Community Wellbeing Survey to measure our community's perception of their wellbeing as well as how they prioritise their aspirations. For more information, see page 19.

To ensure we have a clear direction and mutually agreed plans, we completed reviews of our Strategic Community Plan and Corporate Business Plan, new versions of which were adopted by Council in September 2020. For more information on these documents, see page 18. As part of this process, we also worked with Elected Members to redefine our vision, mission and values, which can be found on page 10.

Another way we continue to focus on business excellence is through improvement and transformation projects driven by cross-functional teams. These teams bring together staff from across the organisation to allow us to harness people's enthusiasm and diverse backgrounds and experiences to help solve organisational challenges or improve existing processes or systems.

An improvement team continued to review and improve the contractor induction process by transforming the manual contractor induction process into a streamlined online process. Our arboriculture team continued work on improvements to the end-to-end processes for the maintenance, planting and watering of trees, and have started piloting using tablets to record tree maintenance data in our systems. Our planning, building and environmental health transformation project continued and this year we delivered new website content that better explains the approvals processes for small, residential building and renovating projects.

We also received funding from the Small Business Friendly Approval Program for a project to transform the user experience and reduce red tape for local businesses.

We also ran performance measurement workshops throughout the year to review operational measures for effectiveness and efficiency of our services.

The above are just some of the many continuous improvement projects we undertake each year. We also operate an 'opportunities for improvement' system that encourages staff to innovate and suggest ways we can improve our processes, services and facilities throughout the year.

Since October 2010, we have maintained an externally certified safety, health, environment and quality management system. In 2018, we were recertified to AS/NZS 4801:2001 Occupational Health and Safety Management Systems, ISO 9001:2015 Quality Management Systems (revised), and ISO 14001:2015 Environmental Management Systems (revised). This external review of the appropriateness and effectiveness of our systems and procedures in regard to risk management, internal control and legislative compliance aligns with requirements of the Local Government (Audit) Regulations (WA) 1996.

We continued to focus on enhancing customer service and this year Council approved a new customer feedback council policy. To help embed this new policy and deliver great customer service, we are planning to launch a new Customer First Strategy next year.

To help measure satisfaction with customer service, we continued to survey customers after they interacted with our Civic Centre customer relations team, whether through phone, email or live chat. Overall, our Civic Centre customer relations team continued to perform well, with an average score of 1.81 out of 7 (lower is better). We put our mystery shopper program on hold due to the continuing uncertainty of COVID-19.

So we can better serve our customers, we introduced a new customer liaison position, who welcomes, helps and directs customers on entry to our Civic Centre, and we upgraded our phone system and our internal knowledge system (or 'wiki').

Unfortunately, complaints slightly increased in 2020-2021 from 330 to 355 (a 7% increase) from the 2019-2020 financial year.

The nine principles of business excellence

Clear direction and mutually agreed plans

Understanding what customers and other stakeholders value

Outcomes are improved when you work on the system and its processes

Engage people's enthusiasm

Innovation and learning influences agility and responsiveness

Effective use of facts, data and knowledge for informed decision making

Variation impacts predictability, profitability and performance

Sustainable performance should deliver value for all stakeholders

Leaders determine the culture and value system of the organisation

Our Measures

Key Effectiveness and Efficiency Indicators

The key effectiveness and efficiency indicators outlined below are measures we put in place to ensure we are continually improving and working towards our outcomes.

Outcome Key effectiveness indicator

Clean and Green

91% of residents feel their local area is clean and green
20% of residents would like a focus on clean and green as top priority
24% tree canopy coverage
2 five-star Green Star Developments
1.2M tCO₂e GHG emissions by the community
400kW of renewable energy generation capacity across City facilities
66% of residential waste diverted from landfill
2.3M kL water consumed by the City

Growth and Prosperity

81% of residents feel the City is a place of growth and prosperity
8% of residents would like a focus on growth and prosperity in the City as top priority in 2020
24% of businesses satisfied with the City's understanding of issues and challenges they face
50% of businesses satisfied with how they are consulted about local issues
4.2% unemployment rate
89% of businesses satisfied with the City as a place to operate a business
77% of businesses satisfied with the City as a governing organisation

Healthy Lifestyles

86% of residents believe they have a healthy lifestyle
14% of residents would like a focus on healthy lifestyles as a top priority
92% of residents feel there is access to sufficient range of open spaces for leisure activities
55% of residents eat two serves of fruit daily
7% of residents eat five serves of vegetables daily
66% of residents are sufficiently physically active
11% of residents experience mental health issues
24% of residents drank alcohol at risky/high risk level

Safe and Secure

92% of residents feel safe being out in public in their local community
32% of residents would like a focus on community safety and security as a top priority
70% of residents feel prepared in the event of an emergency
87% of residents and businesses satisfied with safety and security
42 falls resulting in deaths
5,440 people injured from a fall
32 people killed or seriously injured in transport crashes
94% of residents satisfied with graffiti removal services

Sense of Community

76% of residents feel there is a sense of community in their local area
9% of residents would like a focus on sense of community as a top priority
96% of residents satisfied with library services
64% of residents satisfied with opportunities to have a say on things happening in their local areas
89% of residents satisfied with festivals, events and cultural activities
88% of residents satisfied with how local history and heritage is preserved and promoted
85% of residents feel there are enough opportunities to interact with people

Sustainable and Connected Transport

64% of residents feel there is sustainable and connected transport
14% of residents would like a focus on sustainable and connected transport as a top priority
85% of residents satisfied with footpaths and cycleways
52% of roads in the City have a footpath
66% of residents satisfied with public transport meeting needs
88% of residents feel they can travel around easily within the City
497km of paths in the City

Key Performance Indicators

The key organisational performance indicators outlined below are an additional level of measurement at a more operational level, ensuring we are benchmarking our performance against previous performance and industry standards.

Operational KPI	Means of measurement	Target	Actual	Comments
How our community perceives their wellbeing (quality of life)	Community Wellbeing Survey	N/A	93% report a positive quality of life (wellbeing) 91% are optimistic about their future 91% agree their area is clean and green 92% feel safe being out in public 86% believe they have a healthy lifestyle 81% agree that Melville is a place of growth and prosperity 64% agree there is sustainable and connected transport 76% agree there is a sense of community View the full survey report: www.melvillecity.com.au/wellbeingsurveys	Every two years we conduct community wellbeing survey to learn how our residents perceive their wellbeing and which outcome areas are important to their sense of wellbeing.
Operational KPI	Means of Measurement	Target	Actual	Comments
Area: Asset Management				
Asset Sustainability Ratio (ASR)	Formula: Capital renewal and replacement expenditure Depreciation expense	1.1	1.48	We are investing in asset renewal/replacement to a degree that offsets current consumption and provides for the effect of inflation.
Asset Consumption Ratio (ACR)	Formula: Depreciated replacement cost of assets Current replacement cost of depreciable assets	0.6	0.51	We are investing in asset renewal/replacement to a level where we are in danger of slipping into a level where we will have difficulty maintaining the 'aged' condition of our assets.
Asset Renewal Funding Renewal (ARFR)	Formula: Net present value of planned capital renewals over 10 years Net present value of required capital expenditure over 10 years	0.95	1.00	We are investing in asset renewal/replacement to a level that offsets current consumption and provides for the effect of inflation.

Operational KPI	Means of Measurement	Target	Actual	Comments
Area: Financial Management				
Financial Health Score	MyCouncil Financial Health Indicator (FHI)	70	76	Our FHI for 2020-2021 scored lower than previous years, due to the rates concession applied to residential households as part of our COVID-19 Community Stimulus Package. Without the rates concession our FHI would have been 96.
Rates Coverage Ratio (RCR) (%)	Formula: $\frac{\text{Net rate revenue}}{\text{Operating revenue}}$	N/A	0.75	The RCR assesses Council's dependence on revenue from rates to fund its annual budgets. Revenue from rates was 75% for 2020-2021.
Current Ratio (%) (Liquidity Ratio)*	Formula: $\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$	1.0	1.20	We are in a solvent position and have the ability to meet our liabilities (obligations) as and when they fall due out of unrestricted funds.
Debt to Equity Ratio (%)	Formula: $\frac{\text{Total liabilities}}{\text{Total equity}}$	N/A	0.04	Measures the relative proportion of our equity and debt used to finance our assets. A very small proportion of our assets are funded by debt.
Outstanding Rates (%)	Formula: $\frac{\text{Rates outstanding}}{\text{Rates collectible}}$	94.6%	94.4%	We collected 94.4% of all residential rates, resulting in a 5.6% remaining unpaid for the 2020-2021 financial year.
Debt Service Cover Ratio (DCR)*	Formula: $\frac{\text{Annual operating surplus before interest and depreciation}}{\text{Principal and interest}}$	5.0	45.25	We have the ability to pay our debts when they are due.
Operating Surplus Ratio*	Formula: $\frac{\text{Operating revenue minus operating expenses}}{\text{Own source operating revenue}}$	0.15	0.03	We are below our target for operating surplus ratio and are in danger of slipping into a level where we will have difficulty maintaining both operational costs and asset capital funding.
Own Source Revenue Coverage Ratio*	Formula: $\frac{\text{Own source operating revenue}}{\text{Operating expense}}$	0.9	0.96	We have the ability to cover our own operating expenses from our own source revenue.

* These ratios were affected by the rates concession applied to residential households as part of our COVID-19 Community Stimulus Package, which reduced operating revenue (reduced rates revenue) and increased operating expenses (increased penalty and interest charge waivers).

Operational KPI	Means of Measurement	Target	Actual	Comments
Area: People Management				
Staff Turnover	Formula: $\frac{\text{Total number of resignations for the period (ex contracts)}}{\text{Total number of employees at the beginning} \times 100}$	12.74	12.27	While the slightly higher than the previous financial year, turnover is within a healthy range.
Staff Satisfaction	Survey results	85% (2018)	80% (2018)	The staff satisfaction survey was deferred until 2021-2022.
Lost Time Injury Frequency Rate (LTIFR)	Formula: $\frac{\text{Number of lost time incidents for period} \times 1,000,000}{\text{Number of total hours worked for the period}}$	2.37	8.05	We continue to work on reducing lost time injuries through proactive education and reporting.
Staff Non-Availability	Formula: $\frac{\text{Work hours}}{\text{Number of total hours worked for the period}}$	15	8.24	Staff non-availability remains in a healthy range.
Area: Environmental Management				
Diversion of Waste from Landfill	Percentage of total waste diverted from landfill	N/A	66.11%	Improvement from last financial year which was 55.26%.
Energy Efficiency	The City's total energy consumption (GWh)	N/A	5.63GWh	Energy consumption has increased from last year, which was 5.48GWh.
Water Efficiency	The City's total scheme water consumption (kL)	N/A	96,756kL	Water consumption has decreased from last year, which was 104,000kL.
Area: Governance				
Department of Local Government Compliance Audit Score	Audit results	100%	95%	
Business Excellence Score	Audit results	630 (2015)	812 (2015)	
Audit Plan Implemented	Number of audits	7	7	
Accreditation to International and National Standards	- ISO 9001:2015 Quality Management Systems - ISO 14001:2015 Environmental Management Systems - AS/NZS 4801:2001 Occupational Health & Safety Management Systems	Achieve accreditation	Achieve accreditation/certification	Since October 2010 we have maintained externally certified safety, health, environment and quality management systems.

Enabling Legislation and Regulatory Reporting Requirements

Local government authorities operate in a complex legislative environment. We must adhere to more than 300 acts and regulations, in addition to numerous standards and legislative guidelines.

Local Government Act 1995 (WA)

As a local government authority, we are required to conduct business in accordance with the *Local Government Act 1995 (WA)*.

This Community Annual Report Part A, together with the Community Annual Report Part B, complies with the requirements of Section 5.53(1) of the Act to prepare an annual report for each financial year.

Both annual reports can be accessed online at www.melvillecity.com.au/annualreport

Elected Members' conduct

In the financial year ended 30 June 2021, one complaint regarding an Elected Member's conduct under Section 5.121 of the *Local Government Act 1995 (WA)* was upheld. The complaint was determined by the Local Government Standards Panel and reviewed by the State Administrative Tribunal. The Elected Member was required to undertake training.

In the 2020-2021 financial year, \$18,395.98 was paid to the Local Government Standards Panel to hear complaints against our Elected Members.

Local Government (Financial Management) Regulations 1996 (WA)

We are required to review the appropriateness and effectiveness of our financial management systems and procedures not less than once in every three financial years.

The last review was finalised in July 2019 and the report was tabled at the Financial Management, Audit, Risk and Compliance Committee meeting in August 2019. The next review will be undertaken in March 2022.

State Records Act 2000 (WA)

The *State Records Act 2000 (WA)* requires us to produce an annual report, as outlined in our Record Keeping Plan.

Our Record Keeping Plan was first approved by the State Records Commission in July 2004 and a comprehensive five-yearly review was undertaken and completed in April 2020, when it was approved by the State Records Commission. We continuously review and develop our record-keeping systems to improve efficiency and reliability and meet new requirements. The core system centralises all corporate documents and increases our efficiency in document retrieval, storage and retention.

As part of the staff induction program, staff are informed of and trained in their record keeping obligations. Training sessions for our electronic document management system are scheduled regularly, and are complemented by work instructions and guidelines. The effectiveness and efficiency of the record keeping program is reviewed and audited annually with evaluation forms completed at the end of each training session by all participants.

Elected Members receive training in their record keeping obligations and the associated process when they commence their term of office. Regular updates are provided to Elected Members through their normal communication channels.

Freedom of Information Act 1992 (WA)

The objectives under Section 3(2) of the *Freedom of Information Act 1992 (WA)* create, among other things, a general right of access for residents to state and local government documents. This is a legally enforceable right to access records (which are not otherwise exempt) held by state and local government agencies.

We assist customers in the FOI application process and customers can apply using a pre-formatted PDF form, or an online form. Where the online form is used, the required payment is included.

Further information can be found at www.melvillecity.com.au/FOI

Freedom of Information activity report

	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
FOI requests received*	59	42	63	53	47
Average processing time (days)	51	46	38.7	26.2	18
Outcome					
Access in full	6	7	15	23	16
Edited access	41	30	30	19	22
Application withdrawn	4	1	2	2	2
Access deferred	0	0	1	0	0
Access refused**	6	2	6	8	5
Requests in Progress at 30 June	12	13	11	0	0
Total	59	54	54	53	45

* All applications were for release of non-personal information. No requests were made for release of personal information.

** If information does not exist, it is deemed to be a refusal in accordance with the Freedom of Information Act 1992 (WA). Legislation requires that all requests are responded to within 45 days.

Food Act 2008 (WA)

The *Food Act 2008 (WA)* became effective on 23 September 2009 and applies to all food premises within the City. This legislation is based on the Australian and New Zealand Food Standards Code and includes a risk assessment approach to food safety. All registered food businesses are given risk classifications (high, medium, and low). The frequency of inspections varies depending on the individual business risk classification and compliance standards.

Aquatic Facilities Standards

All public swimming pools and spas within the City are inspected regularly. To ensure an adequate safety level for the prevention of infections and disease, water samples are taken to determine water treatment and microbiological quality. Results for the past year indicate a very good standard of water quality at these facilities.

Health (Miscellaneous Provisions) Act 1911 (WA) and Public Health Act 2016 (WA)

The *Public Health Act 2016 (WA)* passed through Parliament in 2016 and is being introduced in stages. Regulations under the *Health (Miscellaneous Provisions) Act 1911 (WA)* are under review and new regulations under the *Public Health Act 2016 (WA)* will be introduced during stage five of implementation of the Act.

Equal Opportunity Act 1984 (WA)

Our equal opportunity management plan and procedures are compliant and support and adhere to the *Equal Opportunity Act 1984 (WA)* to eliminate discrimination, sexual and racial harassment, and to promote equality. There is also an extensive contact and grievance officer network in place throughout the organisation.

Occupational Safety and Health Act 1984 (WA)

Our comprehensive safety system has been accredited against AS/NZS 4801:2001 and meets the requirements of the *Occupational Safety and Health Act 1984 (WA)*. We pride ourselves on promoting a positive and safe workplace that is free of hazards and bullying, discrimination and harassment. We also have an extensive safety and health representative network across the organisation.

Review of local laws

Section 3.16 of the *Local Government Act 1995 (WA)* requires that local laws of a local government must be reviewed within an eight-year period after their commencement to determine if they should remain unchanged or be repealed (revoked) or amended. We continue to review local laws and recommend amendments as required.

During 2020-2021 we:

- Repealed the City of Melville Local Law relating to Firebreaks
- Repealed the City of Melville (Eating Houses) Local Law 2001
- Amended the City of Melville Local Law relating to Street Numbering.

During 2020-2021 we also commenced comprehensive reviews of the:

- City of Melville Meeting Procedures Local Law
- City of Melville Local Law relating to Dogs.

In the coming year, we will continue to consider the amendments to the *Local Government Act 1995 (WA)* and continue to review and refine our local laws to ensure they address contemporary business and community needs.

Appendix

Glossary

THE COUNCIL

In this document, 'the Council' refers to the Mayor and Councillors.

THE ORGANISATION

In this document, 'the organisation' refers to the Chief Executive Officer and staff.

THE CITY OF MELVILLE

In this document, 'the City of Melville' generally refers to the Council and organisation as a whole i.e. the corporate entity. It may also describe the geographical area of the City.

THE CITY

In this document, 'the City' refers to the district, our geographical boundaries or our municipality.



Applecross Village.

**Street Address**

10 Almondbury Road
Booragoon WA 6154

**PO Box**

Locked Bag 1,
Booragoon WA 6954

**Telephone**

1300 635 845 | 9364 0666

**Website**

www.melvillecity.com.au

National Relay Service

(hearing/speech impaired)

Telephone

133 677 (TTY)

1300 555 727 (speech relay)

Website

www.relayservice.com.au

**Copies of this document
are available in alternative formats upon
request.**

Please call **1300 635 845 | 9364 0666**
and quote the publication name.



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Our Vision:

'Working together, to achieve community wellbeing, for today and tomorrow'

Principal Place of Business:

10 Almondbury Road
BOORAGOON WA 6154

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**STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Revenue				
Rates	20	81,392,990	80,655,524	90,792,911
Operating Grants, Subsidies and Contributions	2(a)	5,193,364	4,284,884	4,811,165
Fees And Charges	2(b)	15,850,280	12,259,039	14,782,651
Service Charges	2(c)	1,941,262	2,031,024	5,719,697
Interest Earnings	2(d)	1,881,395	1,834,028	4,456,949
Other Revenue		3,284,544	781,472	3,352,466
		109,543,835	101,845,971	123,915,839
Expenses				
Employee Costs		(49,402,261)	(48,749,242)	(49,335,799)
Materials & Contracts		(31,329,640)	(32,287,919)	(33,255,455)
Utilities		(3,873,074)	(3,902,752)	(3,927,646)
Insurance		(1,079,983)	(1,059,600)	(1,028,851)
Depreciation	15(d)	(22,519,136)	(22,095,647)	(22,244,753)
Interest Expenses	2(e)	(108,267)	(102,947)	(127,076)
Other Expenditure		(906,643)	(1,431,488)	(5,528,849)
		(109,219,004)	(109,629,595)	(115,448,429)
Non-Operating Grants, Subsidies and Contributions	2(a)	3,868,138	2,703,751	2,405,809
Profit/(Loss) On Asset Disposals	15(c)	(16,354)	3,249	(1,208,224)
Revaluation Of Investment Properties	16	103,263	-	-
Share of Net Profit/(Loss) of Equity Accounted Investment In Associates	25(a)	4,175,162	-	1,095,976
Share of Net Profit/(Loss) of Equity Accounted Joint Arrangements	25(b)	879,115	-	(146,464)
		9,009,324	2,707,000	2,147,097
Net Result For The Year		9,334,156	(5,076,624)	10,614,508
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes On Revaluation Of Non-Current Assets	18(a)	10,113,383	-	-
Revaluation Of Local Government House Unit Trust Holding	18(a)	9,346	-	-
Share In Investment in Associate on Revaluation Of Non Current Assets	18(a)	142,038	-	1,949,571
Total Comprehensive Income		10,264,767	-	1,949,571
Total Comprehensive Income For The Year		19,598,923	(5,076,624)	12,564,079

This statement is to be read in conjunction with the accompanying notes.

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Revenue				
Governance		15,884	-	31,849
General Purpose Funding		86,562,068	85,718,866	98,837,652
Law, Order, Public Safety		2,443,694	2,142,974	2,781,373
Health		226,650	220,705	292,473
Education & Welfare		231,013	261,483	254,532
Housing		106,276	118,297	109,270
Community Amenities		5,775,871	3,044,191	4,759,916
Recreation and Culture		9,301,551	6,099,924	7,206,861
Transport		1,383,313	1,274,490	1,659,429
Economic Services		3,651,550	2,698,866	7,210,042
Other Property and Services		(154,035)	266,175	772,442
		109,543,835	101,845,971	123,915,839
Expenses				
Governance		(5,309,534)	(5,432,408)	(5,223,408)
General Purpose Funding		(1,188,006)	(1,058,198)	(936,328)
Law, Order, Public Safety		(3,927,927)	(4,054,759)	(4,054,344)
Health		(1,020,247)	(1,110,563)	(1,045,857)
Education & Welfare		(1,738,443)	(2,044,462)	(2,883,194)
Housing		(120,560)	(96,636)	(92,250)
Community Amenities		(25,371,021)	(27,612,913)	(27,817,583)
Recreation and Culture		(35,591,234)	(35,434,481)	(35,933,213)
Transport		(19,163,767)	(18,911,822)	(18,716,889)
Economic Services		(3,367,423)	(2,260,434)	(6,433,479)
Other Property and Services		(12,312,574)	(11,509,972)	(12,184,807)
		(109,110,736)	(109,526,648)	(115,321,352)
Finance Costs				
Recreation and Culture	2(e)	(108,267)	(102,947)	(127,076)
		(108,267)	(102,947)	(127,076)

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Non-Operating Grants, Subsidies and Contributions	2(a)	3,868,138	2,703,751	2,405,809
Profit/(Loss) On Asset Disposals	15(c)	(16,354)	3,249	(1,208,224)
Revaluation Of Investment Properties	16	103,263	-	-
Share of Net Profit/(Loss) of Equity Accounted Investment In Associates	25(a)	4,175,162	-	1,095,976
Share of Net Profit/(Loss) of Equity Accounted Joint Arrangements	25(b)	879,115	-	(146,464)
		9,009,324	2,707,000	2,147,097
Net Result For The Year		9,334,156	(5,076,624)	10,614,508
Other Comprehensive Income <i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes On Revaluation Of Non-Current Assets	18(a)	10,113,383	-	-
Revaluation Of Local Government House Unit Trust Holding	18(a)	9,346	-	-
Share In Investment in Associate on Revaluation Of Non Current Assets	18(a)	142,038	-	1,949,571
Total Other Comprehensive Income		10,264,767	-	1,949,571
Total Comprehensive Income For The Year		19,598,923	(5,076,624)	12,564,079

This statement is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current Assets			
Cash & Cash Equivalents	3	179,800,455	179,275,996
Trade And Other Receivables	7	11,618,683	14,823,143
Other Financial Assets	8	221,160	398,612
Inventories	9	133,352	128,627
Contract Assets	10	-	562,500
Other Assets	11	696,584	994,283
Total Current Assets		192,470,234	196,183,161
Non Current Assets			
Trade And Other Receivables	7	2,211,633	2,301,814
Other Financial Assets	8	27,191,362	23,509,325
Property, Plant & Equipment	15(a)	409,699,293	398,052,139
Infrastructure	15(b)	412,629,451	403,800,155
Investment Property	16	62,751,581	62,634,219
Total Non Current Assets		914,483,320	890,297,652
TOTAL ASSETS	6	1,106,953,554	1,086,480,813
Current Liabilities			
Trade And Other Payables	12	16,028,330	15,232,306
Other Financial Liability	17	1,360,540	2,320,941
Contract Liabilities	13	3,173,033	1,326,969
Borrowings	17	221,160	398,612
Employee Related Provisions	14(a)	9,149,920	8,627,118
Total Current Liabilities		29,932,983	27,905,946
Non Current Liabilities			
Trade And Other Payables	12	509,091	453,903
Other Financial Liability	17	2,281,505	2,673,553
Borrowings	17	1,518,729	1,739,889
Employee Related Provisions	14(a)	766,900	799,600
Other Provision	14(b)	4,213,000	4,213,000
Total Non Current Liabilities		9,289,225	9,879,946
TOTAL LIABILITIES		39,222,208	37,785,892
NET ASSETS		1,067,731,346	1,048,694,921
Equity			
Retained Surplus		334,699,519	317,352,530
Reserves - Cash Backed	18	160,028,169	168,603,501
Revaluation Surplus	18(a)	573,003,658	562,738,890
TOTAL EQUITY		1,067,731,346	1,048,694,921

This statement is to be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual</i>	<i>2019-2020 Actual</i>
		\$	\$
RESERVES CASH BACKED	18		
Balance at beginning of year		168,603,501	157,885,446
Transfer from accumulated surplus		(49,582,775)	(37,449,454)
Transfer to accumulated surplus		41,007,443	48,167,509
Balance at end of reporting period		160,028,169	168,603,501
REVALUATION SURPLUS	18(a)		
Balance at beginning of year		562,738,891	563,854,320
Prior Year Adjustment		-	3,185,000
Restated balance at beginning of the year		562,738,891	567,039,320
Change in Accounting Policies		-	(6,250,000)
Other comprehensive income		10,264,767	1,949,571
Balance at end of reporting period		573,003,658	562,738,891
RETAINED SURPLUS			
Balance at beginning of year		317,352,530	319,510,299
Prior year restatement			-
Restated balance at beginning of year		317,352,530	319,510,299
Effects of changes in accounting policy			(2,054,223)
Reclassification adjustment		(562,500)	-
Comprehensive income:			
Net result for the period		9,334,156	10,614,508
Other comprehensive income		-	-
Total comprehensive income		8,771,656	10,614,508
Transfer from reserves		49,582,776	37,449,455
Transfer to reserves		(41,007,443)	(48,167,509)
Balance at end of reporting period		334,699,519	317,352,530
TOTAL EQUITY		1,067,731,346	1,048,694,922

This statement for the year is to be read in conjunction with the accompanying notes.

STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Note</i>	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Cash Flows from Operating Activities				
Receipts				
Rates		84,113,788	80,655,524	85,602,870
Fees and Charges		16,248,184	15,562,818	14,172,170
Service Charges		1,941,262	2,031,024	5,719,697
Interest Received		1,881,395	1,792,541	4,456,949
Operating Grants, Subsidies and Contributions		5,193,364	4,284,884	4,811,165
Goods and Services Tax Received		6,668,303	350,000	5,409,709
Other Revenue		6,015,941	741,472	3,102,550
		122,062,237	105,418,263	123,275,110
Payments				
Employee Costs		(49,275,488)	(48,395,817)	(47,806,216)
Materials and Contracts		(29,840,735)	(31,699,341)	(31,387,590)
Utility Charges		(3,873,074)	(3,902,753)	(3,927,646)
Insurance Paid		(1,079,983)	(1,059,600)	(1,028,851)
Interest Expenses		(108,267)	(102,947)	(127,076)
Goods and Services Tax Paid		(6,420,773)	(350,000)	(5,793,938)
Other Expenditure		(508,031)	(1,431,488)	(5,204,325)
		(91,106,351)	(86,941,946)	(95,275,642)
Net Cash Provided By (Used In) Operating Activities	4	30,955,886	18,476,317	27,999,469
Cash Flows from Investing Activities				
Proceeds From Sale Of Property, Plant & Equipment	15(c)	439,406	783,319	320,949
Non-Operating Grants, Subsidies and Contributions	2(a)	3,868,138	2,703,751	2,405,809
Payments for Purchase of Property, Plant and Equipment	15(a) & 16	(13,663,004)	(18,513,163)	(5,738,411)
Payments for Construction of Infrastructure Assets	15(b)	(15,846,499)	(22,095,061)	(9,464,121)
Payments for Work In Progress	15(b)	(3,842,559)	-	(6,942,688)
Net Cash Provided By (Used In) Investing Activities		(29,044,518)	(37,121,154)	(19,418,462)
Cash Flows from Financing Activities				
Repayment of Self-Supporting Loans	17	(398,612)	(398,613)	(324,523)
Repayment of SMRC Loan		(1,352,449)	-	-
Recoup from Self-Supporting Loans		364,153	278,140	242,900
Net Cash Provided By (Used In) Financing Activities		(1,386,908)	(120,473)	(81,623)
Net Increase / (Decrease) in Cash Held		524,460	(18,765,310)	8,499,384
Cash and Cash Equivalents at Beginning of Year		179,275,995	152,007,617	170,776,611
Cash and Cash Equivalents at the End of Year	3	179,800,455	133,242,307	179,275,995

This statement for the year is to be read in conjunction with the accompanying notes.

**RATE SETTING STATEMENT
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
OPERATING ACTIVITIES				
Net Current Assets At Start Of Financial Year - Surplus/(Deficit)	5(b)	1,994,655	-	1,913,097
Revenue From Operating Activities (Excluding Rates)				
Operating Grants, Subsidies and Contributions	2(a)	5,193,364	4,284,884	4,811,165
Fees And Charges	2(b)	15,850,280	12,259,039	14,782,651
Service Charges	2(c)	1,941,262	2,031,024	5,719,697
Interest Earnings	2(d)	1,881,395	1,834,028	4,456,949
Other Revenue		4,307,327	784,721	3,109,566
		29,173,628	21,193,696	32,880,028
Expenditure From Operating Activities				
Employee Costs		(49,402,261)	(48,749,242)	(49,335,799)
Materials and Contracts		(32,124,183)	(33,471,126)	(34,671,993)
Utility Charges		(3,873,074)	(3,902,753)	(3,927,646)
Depreciation on Non-Current Assets	15(d)	(22,519,136)	(21,602,201)	(22,244,753)
Interest Expenses	2(e)	(108,267)	(102,947)	(127,076)
Insurance Expenses		(1,079,983)	(1,059,600)	(1,028,851)
Other Expenditure		(524,351)	(1,431,488)	(5,960,303)
		(109,631,255)	(110,319,357)	(117,296,421)
Operating Activities Excluded				
Non-Cash Amounts Excluded from Operating Activities	5(a)	23,334,406	22,288,713	23,923,182
Amount Attributable To Operating Activities		(55,128,566)	(66,836,948)	(58,580,114)

**RATE SETTING STATEMENT
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
INVESTING ACTIVITIES				
Non-Operating Grants, Subsidies And Contributions	2(a)	3,868,138	2,703,751	2,405,809
Proceeds From Disposal Of Assets	15(c)	439,406	783,319	320,949
Purchase Of Property, Plant & Equipment	15(a) & 16	(13,663,004)	(18,513,163)	(5,738,411)
Purchase Of Infrastructure Assets Excluding Work In Progress	15(b)	(15,846,499)	(22,095,061)	(9,464,121)
Movement In Work In Progress	15(b)	(3,842,559)	-	(6,942,688)
Investing Activities Excluded				
Non-Cash Amounts Excluded from Investing Activities		-	-	-
Amount Attributable To Investing Activities		(29,044,518)	(37,121,154)	(19,418,462)
FINANCING ACTIVITIES				
Repayment of Self-Supporting Loans	17	(398,612)	(398,613)	(324,523)
Repayment of SMRC Loan		(1,352,449)	-	-
Recoup from Self-Supporting Loans		364,508	278,140	242,900
Funds To Be Set Aside	18	(39,637,183)	(30,463,446)	(44,681,033)
Funds To Be Set Aside Investment Earnings	18	(1,370,260)	(712,500)	(3,486,478)
Funds To Be Used	18	49,582,776	54,598,996	37,449,454
Amount Attributable To Financing Activities		7,188,780	23,302,577	(10,799,680)
Surplus/(Deficit) Before Imposition Of General Rates		(76,984,304)	(80,655,524)	(88,798,256)
Total Amount Raised From General Rates	20	81,392,990	80,655,524	90,792,911
Surplus/(Deficit) After Imposition Of General Rates	5(b)	4,408,686	-	1,994,655

**RATE SETTING STATEMENT
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
OPERATING ACTIVITIES				
Net Current Assets At Start Of Financial Year - Surplus/(Deficit)	5(b)	1,994,655	-	1,913,097
Revenue From Operating Activities (Excluding Rates)				
Governance		15,884	-	31,849
General Purpose Funding		5,169,078	5,063,342	8,044,741
Law, Order, Public Safety		2,443,694	2,142,974	2,781,373
Health		226,650	220,705	292,473
Education & Welfare		231,014	261,483	254,532
Housing		106,276	118,297	109,270
Community Amenities		6,180,783	3,044,191	5,855,892
Recreation and Culture		8,975,832	6,099,924	7,007,533
Transport		1,383,313	1,274,490	1,659,429
Economic Services		3,651,550	2,698,866	7,210,042
Other Property and Services		789,554	269,424	(367,106)
		29,173,628	21,193,696	32,880,028
Expenditure From Operating Activities				
Governance		(5,309,534)	(5,432,408)	(5,223,408)
General Purpose Funding		(1,188,006)	(1,058,198)	(936,328)
Law, Order, Public Safety		(3,927,927)	(4,054,759)	(4,054,344)
Health		(1,020,247)	(1,110,563)	(1,045,857)
Education & Welfare		(1,738,443)	(2,044,462)	(2,883,194)
Housing		(120,560)	(96,636)	(92,250)
Community Amenities		(25,371,021)	(27,612,913)	(27,817,583)
Recreation and Culture		(35,300,889)	(35,537,428)	(35,882,230)
Transport		(19,163,767)	(18,911,822)	(18,716,888)
Economic Services		(3,367,423)	(2,260,434)	(6,433,479)
Other Property and Services		(13,123,438)	(12,199,733)	(14,210,860)
		(109,631,255)	(110,319,356)	(117,296,421)
Operating Activities Excluded				
Non-Cash Amounts Excluded from Operating Activities	5(a)	23,334,406	22,288,713	23,923,182
Amount Attributable To Operating Activities		(55,128,566)	(66,836,947)	(58,580,114)

**RATE SETTING STATEMENT
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Note</i>	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
INVESTING ACTIVITIES				
Non-Operating Grants, Subsidies And Contributions	2(a)	3,868,138	2,703,751	2,405,809
Proceeds From Disposal Of Assets	15(c)	439,406	783,319	320,949
Purchase Of Property, Plant & Equipment	15(a) & 16	(13,663,004)	(18,513,163)	(5,738,411)
Purchase Of Infrastructure Assets Excluding Work In Progress	15(b)	(15,846,499)	(22,095,061)	(9,464,121)
Movement In Work In Progress	15(b)	(3,842,559)	-	(6,942,688)
Investing Activities Excluded				
Non-Cash Amounts Excluded from Investing Activities		-	-	-
Amount Attributable To Investing Activities		(29,044,518)	(37,121,154)	(19,418,462)
FINANCING ACTIVITIES				
Repayment of Self-Supporting Loans	17	(398,612)	(398,614)	(324,523)
Repayment of SMRC Loan		(1,352,449)	-	-
Recoup from Self-Supporting Loans		364,508	278,140	242,899
Funds To Be Set Aside	18	(39,637,183)	(30,463,445)	(44,681,033)
Funds To Be Set Aside Investment Earnings	18	(1,370,260)	(712,500)	(3,486,477)
Funds To Be Used	18	49,582,776	54,598,996	37,449,454
Amount Attributable To Financing Activities		7,188,780	23,302,577	(10,799,680)
Surplus/(Deficit) Before Imposition Of General Rates		(76,984,304)	(80,655,524)	(88,798,256)
Total Amount Raised From General Rates	20	81,392,990	80,655,524	90,792,911
Surplus/(Deficit) After Imposition Of General Rates	5(b)	4,408,686	-	1,994,655

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: BASIS OF PREPARATION

Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the at fair value of selected non-current assets, financial assets and liabilities.

The Local Government Reporting Entity

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 19 to these financial statements.

Initial Application of Accounting Standards

During the current year, the City adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These were:

- *AASB 1059 Service Concession Arrangements: Grantors*
- *AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Materiality*

New Accounting Standards For Application In Future Years

The following new accounting standards will have application to local government in future years:

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies or Definition of Accounting Estimates*

It is not expected these standards will have an impact on the financial report.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: BASIS OF PREPARATION

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

Revenue Recognition Policy

Recognition of revenue is dependant on the source of revenue and the associated term and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of Goods and Services	When Obligations Typically Satisfied	Payment Terms	Returns/Refunds/Warranties	Determination of Transaction Price	Allocating Transaction Price	Measuring Obligations for Returns	Timing of Revenue Recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	Not applicable	When rates are issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by Council annually	When taxable event occurs	Not applicable	When rates are issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the Local Government	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees and Charges - Licences/Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Fees and Charges - Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Fees and Charges - Other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and Charges - Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally across the collection period	Not applicable	Provision of collection service
Fees and Charges - Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusions of hire
Fees and Charges - Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by Council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method over 12 months matched to access right
Fees and charges for other goods and services	Library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Other Revenue - Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

(a) Grants, Subsidies and Contributions

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Operating Grants, Subsidies and Contributions			
Governance	30,426	-	1,597
General Purpose Funding	3,263,180	3,200,000	3,342,004
Law, Order, Public Safety	45,570	18,750	28,150
Health	2,273	20,000	-
Education & Welfare	176,136	183,820	175,252
Community Amenities	1,245,767	380,536	870,547
Recreation and Culture	221,349	231,518	200,627
Transport	191,665	228,760	172,989
Economic Services	-	-	-
Other Property and Services	17,000	21,500	20,000
	5,193,364	4,284,884	4,811,165
Non-Operating Grants, Subsidies and Contributions			
Community Amenities	469,537	-	-
Recreation and Culture	1,595,375	-	568,770
Transport	1,803,226	2,703,751	1,837,039
	3,868,138	2,703,751	2,405,809

SIGNIFICANT ACCOUNTING POLICIES

Grants, Subsidies And Contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the Local Government.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

(b) Fees and Charges

Program	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Governance	-	-	-
General Purpose Funding	72,829	28,882	428,174
Law, Order, Public Safety	332,092	93,100	293,928
Health	214,281	200,705	288,156
Education & Welfare	22,576	49,267	43,138
Housing	100,602	111,279	102,689
Community Amenities	3,524,833	2,601,389	3,375,795
Recreation and Culture	7,443,221	5,509,274	6,030,414
Transport	904,847	899,730	1,144,545
Economic Services	3,108,000	2,656,412	2,942,958
Other Property and Services	126,998	109,000	132,853
	15,850,280	12,259,039	14,782,651

SIGNIFICANT ACCOUNTING POLICIES

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

(c) Service Charges

SERVICE CHARGES	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Community Security	2,064,638	2,031,024	2,459,294
Underground Power Projects	(123,376)	-	3,260,403
	1,941,262	2,031,024	5,719,697
Community Security	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Operating Income			
Call Out/Alarm Response Fees	150	1,000	559
City of Melville Security Patrol Fees	2,064,488	2,030,024	2,458,735
Total Operating Income	2,064,638	2,031,024	2,459,294
Operating Expenditure			
Employee Costs	(1,744,405)	(1,849,748)	(1,804,826)
Materials & Contracts	(44,957)	(47,237)	(39,831)
Insurance	-	(2,000)	-
Other Expenditure	(27,334)	(2,543)	(12,749)
Internal Charges	(532,277)	(543,124)	(554,563)
Internal Recovery	31,004	23,145	49,801
Total Operating Expenditure	(2,317,970)	(2,421,507)	(2,362,168)
Net Community Security	(253,332)	(390,483)	97,127
Transfer From/(To) Community Security Reserve	253,332	390,483	(97,127)
Net - Surplus / (Deficit)	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

Underground Power Projects	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Operating Income			
Ardross East Underground Power	-	-	-
Attadale North North Underground Power	99	-	-
Melville South Underground Power	(44,848)	-	4,086
Bicton North Underground Power	(87,894)	-	-
Melville North Underground Power	(1,067)	-	(339)
Alfred Cove East Underground Power	10,334	-	3,256,656
Total Operating Income	(123,376)	-	3,260,403
Operating Expenditure			
Ratepayer Refunds - Attadale North Underground Power	(97,646)	-	-
Ratepayer Refunds - Ardross East Underground Power	(12,211)	-	-
Western Power - Melville South Underground Power Cash Calls	44,848	-	-
Western Power - Bicton North Underground Power Cash Calls	92,499	-	-
Western Power - Kardinya South Underground Power Cash Calls	(550,000)	-	-
Western Power - Melville North Underground Power Cash Calls	-	-	(1,740,851)
Western Power - Alfred Cove East Underground Power Cash Calls	-	-	(1,926,602)
Total Operating Expenditure	(522,510)	-	(3,667,453)
Net Underground Power Projects	(645,886)	-	(407,050)
Transfer From/(To) Underground Power Projects Reserve	659,857	-	427,619
Net - Surplus / (Deficit)	13,971	-	20,569

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	5,193,364	4,284,884	4,811,165
Fees and charges	15,850,280	12,259,039	14,782,651
Other revenue	2,337,007	781,472	3,157,331
Non-operating grants, subsidies and contributions	3,868,138	2,703,751	2,405,809
	27,248,789	20,029,146	25,156,956
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City is comprised of:			
Contracts with customers included as a contract liability at the start of the period	1,326,969	-	464,666
Performance obligations satisfied in the previous year	(664,172)	-	-
Other revenue from contracts with customers recognised during the year	16,860,318	12,259,039	17,475,316
Transfers intended for acquiring or constructing recognisable non financial assets included as a contract liability at the start of the period	2,167,983	-	1,114,109
Other revenue from performance obligations satisfied during the year	7,557,691	7,770,107	6,102,865
	27,248,789	20,029,146	25,156,956
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	13,816,754	-	17,124,957
Contract assets	-	-	562,500
Contract liabilities from contracts with customers	(1,978,541)	-	(1,326,969)
Financial assets held from transfers for recognisable financial assets	995,416	-	602,457
Contract liabilities from transfers for recognisable non financial assets	(995,416)	-	(602,457)

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

Contract assets primarily relate to the City's right to consideration for work completed but not billed at 30 June 2021.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Revenue from statutory requirements			
Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:			
General rates	81,392,990	80,655,524	90,792,911
Service Charges	1,941,262	2,031,024	5,719,697
	83,334,252	82,686,548	96,512,608
Assets and services acquired below fair value			
Recognised volunteer services	342,434	258,590	195,134

(d) Interest Earnings

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Interest Earnings			
Reserve Funds	1,370,260	1,425,000	3,486,477
Other Funds	148,954	75,000	196,879
Other Interest Revenue	362,181	334,028	773,592
	1,881,395	1,834,028	4,456,949

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 2: REVENUE AND EXPENSES

(e) Charged as Expenses

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Auditors Remuneration			
Audit of the Annual Financial Report	66,009	62,000	56,240
Other Services	10,600	840	5,023
	76,609	62,840	61,263
Finance costs			
Interest on Self Supporting Loans	108,267	102,947	127,076
	108,267	102,947	127,076

SIGNIFICANT ACCOUNTING POLICIES

Interest Earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

Volunteer Services

The City utilises volunteer services at the library and various community services.

Volunteer Services are generally not recognised as revenue as the fair value of the services cannot be reliably estimated. However, in the absence of volunteers, the City employs paid workers and therefore the fair value of the workers can be reliably measured and have been recognised within the financial report.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 3: CASH AND CASH EQUIVALENTS

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current Assets		
Cash on Hand	6,050	6,350
Cash at Bank (Includes 11am at call accounts)	17,695,938	6,899,964
Term Deposits	162,098,466	172,369,681
Total Cash and Cash Equivalents	179,800,455	179,275,996

Reconciliation of Cash

For the purpose of preparing the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Cash - Restricted Funds	159,755,103	167,906,208
Reserve Funds - Unspent Grants Restricted	273,066	697,293
Bonds and Deposits held - Restricted	8,365,470	7,506,041
Cash - Unrestricted Funds	11,406,816	3,166,454
Cash and Cash Equivalents at the End of Year	179,800,455	179,275,996

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

RESTRICTED CASH

Restricted cash and cash equivalents balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contractor, legislation or loan agreement.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 4: NOTES TO THE STATEMENT OF CASHFLOWS

Reconciliation of Net Cash Provided by Operating Activities to Net Result

	2020-2021 Actual \$	2019-2020 Actual \$
Net Result	9,334,156	10,614,508
Non-Cash Flows In Net Result:		
Depreciation on Non-current Assets	22,519,136	22,244,753
(Profit) / Loss on Sale of Assets	16,354	1,208,224
Grants & Contributions for the Development of Assets	(3,868,138)	(2,405,809)
Adjustments to fair value of investment property	(103,263)	-
(Increase) / Decrease in Equity - Investment in Associates	(4,175,162)	(1,095,976)
(Increase) / Decrease in Equity - Joint Arrangements	(879,115)	146,464
Changes in Assets & Liabilities		
(Increase)/Decrease in Accrued Income	(71,593)	347,179
Increase/(Decrease) in Accrued Expenses	(363,329)	306,989
Increase/(Decrease) in Accrued Income Payable	-	-
(Increase)/Decrease in Current Receivables	3,487,610	(5,438,315)
(Increase)/Decrease in Non-Current Receivables	2,959,979	(720,289)
(Increase)/Decrease in Contract Assets	-	-
Increase/(Decrease) in Current Creditors	(1,557,677)	4,137,716
Increase/(Decrease) in Non-Current Creditors	1,027,791	(901,531)
Increase/(Decrease) in Contract Liabilities	1,846,064	(1,289,754)
(Increase)/Decrease in Inventory	(4,725)	(23,089)
Increase/(Decrease) in Provision for Employee Entitlements	490,102	1,222,594
(Increase)/Decrease in Prepayments	297,699	(354,194)
Net Cash Provided by Operating Activities	30,955,886	27,999,469

The City has no significant non-cash transactions.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 5: RATE SETTING STATEMENT INFORMATION

	<i>Note</i>	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
(a) Non-Cash Amounts Excluded From Operating Activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments To Operating Activities				
Add (Profit)/Loss on asset disposals		16,354	(3,249)	1,208,224
Add Depreciation on Assets		22,519,136	21,602,201	22,244,753
Revaluation of Investment Properties		(103,263)	-	-
Add Plant Investment Provision		789,510	689,761	964,292
Net Movement of Deferred Pensioner Rates/ESL (non-current)		90,180	-	(749,957)
Net Current Movement in Other Debtors/Creditors		55,188	-	160,030
Movement in Employee Benefit Provisions (non-current)		(32,700)	-	95,839
Non-Cash Amounts Excluded from Operating Activities		23,334,406	22,288,713	23,923,182
(b) Surplus/(Deficit)After Imposition Of General Rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments To Net Current Assets				
Less: Reserves - Restricted Cash		(160,028,169)	(103,488,864)	(168,603,502)
Total Adjustments To Net Current Assets		(160,028,169)	(103,488,864)	(168,603,502)
Net Current Assets Used In the Rate Setting Statement				
Total Current Assets		192,470,234	171,144,984	196,183,161
Less: Total Current Liabilities		(29,932,983)	-	(27,905,946)
Add SMRC - Other Financial Liability		1,360,540	-	2,320,941
Less: Reserves - Restricted Cash		(160,028,169)	(103,488,864)	(168,603,502)
Less: Restricted Municipal		539,064	(67,656,120)	-
Net Current Assets Used In The Rate Setting Statement		4,408,686	-	1,994,655

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 6: TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Governance	539,508,527	536,469,521
Education & Welfare	70,798	-
Community Amenities	106,271,378	95,299,931
Health	171,896	-
Recreation and Culture	83,739,565	75,116,611
Economic Services	7,955,963	7,825,069
Other Property and Services	369,235,427	371,769,680
	1,106,953,554	1,086,480,813
Comprises:		
Total Current Assets	192,470,235	196,183,161
Total Non-Current Assets	914,483,320	890,297,652
	1,106,953,554	1,086,480,813

NOTE 7: TRADE RECEIVABLES

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Rates Outstanding		
Rates Debtors	5,096,796	6,912,476
UGP Debtors	293,564	764,617
Refuse Debtors	96,130	110,270
FESA Levy Debtors	1,005,372	1,355,123
Pensioner Rebates	2,822,097	2,802,090
Sundry Debtors	894,229	1,269,566
Allowance for Expected Credit Loss	(370,398)	(347,831)
GST Receivable	564,992	812,524
Accrued Income	1,215,901	1,144,308
	11,618,683	14,823,143
Non-Current		
Rates Outstanding - Pensioners	2,211,633	2,301,814
	2,211,633	2,301,814

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 7: TRADE RECEIVABLES

The provision for expected credit loss was measured using the historical data to estimate future expected collections. Historical data is likely to be far less reliable in the future economic environment and the City considered the impact in balances as at 30 June 2021 due to COVID-19 and other related risks in calculating credit loss.

In determining the recoverability of trade receivables, the City consider any changes in the credit quality of the trade receivable from the date credit was initially granted up until the reporting date. The concentration of credit risk is limited due to the customer base being large. Accordingly, management believes that there is no further credit provision required in excess of the expected credit loss of \$370,398 in 2020-2021 in accordance with AASB 9 *Financial Instruments*.

SIGNIFICANT ACCOUNTING POLICIES

TRADE RECEIVABLES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

IMPAIRMENT AND RISK EXPOSURE

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 28.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 8: OTHER FINANCIAL ASSETS

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current			
Loans - Clubs and Community Groups At Amortised Cost	17	221,160	398,612
Total Other Financial Assets - Current		221,160	398,613
Non-Current			
Loans - Clubs and Community Groups At Amortised Cost	17	1,518,729	1,739,889
Units (10) held in Local Government House At Fair Value Through Profit or Loss		184,517	175,171
Equity - Share in Investment in Associates (SMRC) At Fair Value Through Profit or Loss		20,505,466	15,240,728
Equity - Share in Joint Arrangement (Carawatha Development Project) At Fair Value Through Profit or Loss	25(b)	4,982,651	6,353,536
Total Other Financial Assets - Non-Current		27,191,362	23,509,325

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The City classifies financial assets at amortised cost if both of the following criteria are met:

- (a) The asset is held within a business model whose objective is to collect the contractual cashflows, and
- (b) The contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss

The City classifies the following financial assets at fair value through profit and loss:

- (a) Debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- (b) Equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 28.

NOTE 9: INVENTORIES

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Inventories		
Fuel and Materials at Cost	133,352	128,627
	133,352	128,627

SIGNIFICANT ACCOUNTING POLICIES

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 10: CONTRACT ASSETS

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Synthetic Playing Surfaces Project	-	562,500
Less: Allowance for Impairment of Contract Assets	-	-
	-	<u>562,500</u>

Contract assets relate to operating grants, subsidies and contributions to be received in relation to expenditure incurred for a future event hosted by the City. This amount has been recognised as revenue as the City has satisfied the relevant performance obligations in the contract.

The City has calculated the loss allowance to take into account the credit risk associated with the event being postponed or cancelled.

SIGNIFICANT ACCOUNTING POLICIES

Contract Assets

Contract assets represent the City's right to consideration in exchange for goods or services the City has transferred to a customer when that right is conditional on something other than the passage of time. Contract assets represent jobs not invoiced in 2019-2020 which were paid in 2020-2021.

Once all the contractual obligations have been met, an invoice is raised, as the City has an unconditional right to receive consideration (only the passage of time is required before payment is due).

The City's performance obligations are part of a contract with an expected duration of one year or less.

As a result, the City has not disclosed the following:

- (a) transaction price allocated to the remaining performance obligations; and
- (b) an explanation of when the City expects to recognise revenue from satisfying these performance obligations.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 11: OTHER ASSETS

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Other Assets - Prepayments	696,584	994,283
	696,584	994,283

NOTE 12: TRADE AND OTHER PAYABLES

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Restricted Funds Creditor		
- Footpaths	7,114,494	5,908,195
- Bonds and Deposits held	1,226,063	1,580,525
- Other	24,913	17,321
Non-Restricted Funds Creditor	6,574,358	6,797,137
Prepaid Rates	615,308	13,697
Amount Received in Advance	52,714	78,908
Accrued Salaries & Wages	420,480	836,523
	16,028,330	15,232,306
Non-Current		
Creditors	509,091	453,903
	509,091	453,903

SIGNIFICANT ACCOUNTING POLICIES

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid with 30 days of recognition.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates that have not been refunded.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 13: CONTRACT LIABILITIES

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Current		
Non-operating Grants, Subsidies and Contributions	2,717,983	697,294
Membership Fees - Leisure Fit Booragoon	455,050	629,675
	3,173,033	1,326,969

Reconciliation of Contract Liabilities

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Carrying Amount at 30 June	1,326,969	1,578,775
Add: Amounts received during the financial year	2,510,236	766,612
Less: Amounts recognised as revenue after satisfaction of performance obligations	(664,172)	(1,018,418)
Carrying Amount at 30 June 2021	3,173,033	1,326,969

SIGNIFICANT ACCOUNTING POLICIES

CONTRACT LIABILITIES

Contract Liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities are recognised as revenue after the performance obligations in the contract are satisfied.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 14: EMPLOYEE RELATED PROVISIONS AND OTHER PROVISIONS

(a) Employee Related Provisions

	2020-2021 Actual \$	2019-2020 Actual \$
Current		
Provision for Annual Leave	4,507,915	4,160,392
Provision for Long Service Leave	4,642,005	4,466,726
	9,149,920	8,627,118
Non-Current		
Provision for Long Service Leave	766,900	799,600
	766,900	799,600
Total Employee Related Provisions	9,916,820	9,426,718

Movement in Employee Related Provisions	Total 2020-2021 \$	Provision for Annual Leave \$	Provision for Long Service Leave \$
Opening balance at 1 July 2020			
Current Provisions	8,627,118	4,160,392	4,466,726
Non-Current provisions	799,600	-	799,600
	9,426,718	4,160,392	5,266,326
Additional Provision	1,923,330	1,076,182	847,148
Amounts Used	(1,441,536)	(738,580)	(702,956)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	8,307	9,920	(1,613)
Balance at 30 June 2021	9,916,820	4,507,915	5,408,905

	2021 \$	2020 \$
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	9,443,973	8,861,749
More than 12 months from reporting date	766,900	799,600
Expected reimbursements from other WA local governments	(294,053)	(234,631)
	9,916,820	9,426,718

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 14: EMPLOYEE RELATED PROVISIONS AND OTHER PROVISIONS

SIGNIFICANT ACCOUNTING POLICIES

EMPLOYEE BENEFITS

The City's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the Statement of Financial Position.

Short-Term Employee Benefits

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other Long-Term Employee Benefits

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The City's obligations for long-term employee benefits are presented as non-current provisions in its Statement of Financial Position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(b) Other Provisions

	2020-2021 Actual \$	2019-2020 Actual \$
Non-Current		
John Connell Reserve	4,213,000	4,213,000
	4,213,000	4,213,000

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 14: EMPLOYEE RELATED PROVISIONS AND OTHER PROVISIONS

Provision For Remediation Costs

The provision relates to the indicative costs for remediation of John Connell Reserve, a previous landfill site, of which the City has a legal obligation to restore the site. The amount is based on an assessment performed by an independent consultant of the indicative costs of the scope of works to satisfy the Department of Health and Department of Water and Environmental Regulation requirements. The assessment provided an indicative amount of \$3.83 million and a further 10% charge has been included to reflect the costs of contingency items, given the stage of the project.

A provision for remediation is recognised when:

- (a) There is a present obligation as a result of waste activities undertaken;
- (b) It is probable that an outflow of economic benefits will be required to settle that obligation;
and
- (c) The amount of the provision can be measured reliably.

The provision of future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of the payment of non-current obligation is unable to be reliably estimated as it is dependent as at the reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

(a) PROPERTY, PLANT AND EQUIPMENT

Movements in Carrying Amounts

	Land - Freehold Land	Land - Vested	Buildings	Total Land and Buildings	Plant and Equipment	Electronic Equipment	Furniture and Fixtures	Computer Equipment	Property Improvement	Fleet and Mobile Plant	Total Plant and Equipment	Artworks	Total Property, Plant and Equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019 (Restated)	237,325,943	6,250,000	134,323,696	377,899,639	13,127,373	116,090	1,103,129	870,614	5,023,000	9,264,497	29,504,703	3,707,255	411,111,598
Changes in accounting policies	-	(6,250,000)	-	(6,250,000)	-	-	-	-	-	-	-	-	(6,250,000)
Additions	-	-	2,282,536	2,282,536	1,493,710	-	68,542	439,289	1,882	1,348,452	3,351,875	104,000	5,738,411
(Disposals)	-	-	446,912	(446,912)	-	-	(16,283)	(5,300)	-	(579,342)	(600,925)	9,000	(1,056,837)
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation (expense)	-	-	(6,919,536)	(6,919,536)	(2,027,752)	(64,288)	(201,576)	(483,596)	(437,129)	(1,357,155)	(4,571,496)	-	(11,491,032)
Carrying amount at 30 June 2020	237,325,943	-	129,239,784	366,565,727	12,593,331	51,802	953,812	821,007	4,587,753	8,676,452	27,684,157	3,802,255	398,052,139
Comprises:													
Gross carrying amount at 30 June 2020	237,325,943	-	249,317,330	486,643,273	34,711,281	434,390	3,189,565	4,679,903	6,633,122	12,631,654	62,278,915	3,802,255	552,724,443
Accumulated Depreciation at 30 June 2020	-	-	(120,077,546)	(120,077,546)	(22,117,950)	(382,588)	(2,234,753)	(3,858,897)	(2,045,369)	(3,955,202)	(34,594,759)	-	(154,672,303)
Carrying amount at 30 June 2020	237,325,943	-	129,239,784	366,565,727	12,593,331	51,802	953,812	821,007	4,587,753	8,676,452	27,684,157	3,802,255	398,052,139
Additions	-	-	7,344,613	7,344,613.08	3,266,334	77,138	35,010	675,349	0	2,197,595	6,251,427	52,865	13,648,904
(Disposals)	-	-	-	-	-	-	(4,595)	(400)	-	(440,765)	(445,760)	(10,000)	(455,760)
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	10,113,384	10,113,383.62	(2,080,812)	(35,708)	(181,210)	(578,972)	(416,935)	(1,407,104)	(4,700,740)	-	10,113,384
Depreciation (expense)	-	-	(6,958,633)	(6,958,633)	(2,080,812)	(35,708)	(181,210)	(578,972)	(416,935)	(1,407,104)	(4,700,740)	(10,000)	(11,659,373)
Carrying amount at 30 June 2021	237,325,943	0	139,739,148	377,065,091	13,778,853	93,232	803,018	916,985	4,170,818	9,026,178	28,789,084	3,845,120	409,699,293
Comprises:													
Gross carrying amount at 30 June 2021	237,325,943	0	255,554,250	492,880,193	37,977,615	511,528	3,190,775	5,285,566	6,633,122	14,026,258	67,624,863	3,845,119	564,350,175
Accumulated depreciation at 30 June 2021	-	-	(115,815,102)	(115,815,102)	(24,198,762)	(418,296)	(2,387,757)	(4,368,581)	(2,462,304)	(5,000,080)	(38,835,760)	-	(154,650,882)
Carrying amount at 30 June 2021	237,325,943	0	139,739,148	377,065,091	13,778,853	93,232	803,018	916,985	4,170,818	9,026,178	28,789,083	3,845,119	409,699,293

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

(b) INFRASTRUCTURE

Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - Roads	Infrastructure - Drains	Infrastructure - Footpaths	Infrastructure - Parks	Infrastructure - Street Furniture	Infrastructure Irrigation System	Total Infrastructure Excluding Work in Progress	Work in Progress	Total Infrastructure Including Work in Progress
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	189,880,005	135,794,203	47,219,135	7,116,153	1,087,644	4,315,747	385,412,888	12,619,025	398,031,912
Additions	6,528,911	667,574	820,902	646,746	103,756.00	696,232	9,464,121	6,942,688	16,406,809
(Disposals)	-	-	-	-	-	-	-	-	-
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	-	-	-	-	-	-	-
Depreciation (expense)	(5,407,331)	(2,175,252)	(1,401,069)	(731,502)	(45,373)	(878,040)	(10,638,567)	-	(10,638,567)
Carrying amount at 30 June 2020	191,001,585	134,286,525	46,638,968	7,031,397	1,146,027	4,133,939	384,238,442	19,561,713	403,800,155
Comprises:									
Gross carrying amount at 30 June 2020	347,341,398	284,420,792	79,453,131	12,796,460	2,431,117	21,190,600	747,633,498	19,561,713	767,195,211
Accumulated Depreciation at 30 June 2020	(156,339,813)	(150,134,267)	(32,814,163)	(5,765,063)	(1,285,090)	(17,056,661)	(363,395,057)	-	(363,395,057)
Carrying amount at 30 June 2020	191,001,585	134,286,525	46,638,968	7,031,397	1,146,027	4,133,939	384,238,442	19,561,713	403,800,155
Additions	9,112,237	975,008	2,136,507	1,454,326	1,803,100	365,322	15,846,499	3,842,559	19,689,058
(Disposals)	-	-	-	-	-	-	-	-	-
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	-	-	-	-	-	-	-
Depreciation (expense)	(5,527,050)	(2,180,805)	(1,426,557)	(770,945)	(47,486)	(906,918)	(10,859,762)	-	(10,859,762)
Carrying amount at 30 June 2021	194,586,772	133,080,727	47,348,918	7,714,778	2,901,641	3,592,342	389,225,179	23,404,272	412,629,451
Comprises:									
Gross carrying amount at 30 June 2021	356,453,635	285,395,800	81,589,638	14,250,787	4,234,217	21,555,922	763,479,998	23,404,272	786,884,270
Accumulated depreciation at 30 June 2021	(161,866,863)	(152,315,072)	(34,240,720)	(6,536,008)	(1,332,576)	(17,963,579)	(374,254,819)	-	(374,254,819)
Carrying amount at 30 June 2021	194,586,772	133,080,727	47,348,918	7,714,779	2,901,641	3,592,343	389,225,179	23,404,272	412,629,451

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE INCLUDING INVESTMENT PROPERTY

(c) Disposal of Assets

	Net Book Value		Sales Proceeds		Profit / (Loss)		Net Book Value		Sales Proceeds		Profit / (Loss)	
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Artwork	10,000	-	-	-	(10,000)	-	9,000	-	-	-	(9,000)	-
Land & Building	-	-	-	-	-	-	789,484	-	-	-	(789,484)	-
Furniture & Fittings	4,595	-	500	3,249	(4,095)	3,249	16,283	-	4,300	4,250	(11,983)	4,250
Electronic Equipment	-	-	-	-	-	-	5,300	-	-	-	(5,300)	-
Computer Equipment	400	-	-	-	(400)	-	-	-	-	-	-	-
Plant & Equipment	440,765	780,070	438,906	780,070	(1,859)	-	-	431,250	-	431,250	-	-
Property	-	-	-	-	-	-	-	-	-	-	-	-
Fleet and Mobile Plant	-	-	-	-	-	-	503,366	-	316,649	-	(186,717)	-
Investment Land	-	-	-	-	-	-	6,705,740	-	6,500,000	-	(205,740)	-
Total	455,760	780,070	439,406	783,319	(16,354)	3,249	8,029,172	431,250	6,820,949	435,500	(1,208,224)	4,250

(d) Depreciation

	2020-2021	2020-2021	2019-2020
	Actual	Budget	Actual
Infrastructure	10,859,762	10,594,738	10,818,138
Building	6,958,633	7,037,625	6,919,536
Fleet and Mobile Plant	1,407,104	2,000,000	1,357,155
Plant & Equipment	2,497,747	1,852,949	2,464,752
Computer Equipment	578,972	424,057	483,596
Furniture & Fittings	216,918	186,279	201,576
Total	22,519,136	22,095,647	22,244,753

(e) Fully Depreciated Assets in Use

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2020-2021	2019-2020
Asset Class	Actual	Actual
Computers	2,855,882	2,848,140
Electronic	141,340	141,340
Furniture	1,066,588	1,066,588
Lighting	193,400	193,400
Other Improvements	6,238,066	7,175,066
Playground Equipment	273,470	239,814
Plant and Fleet	4,153,364	3,943,374
Total	14,922,110	15,607,722

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

SIGNIFICANT ACCOUNTING POLICIES

Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings and infrastructure acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings and infrastructure is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A(2) which requires land, buildings, infrastructure and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of these assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads from 1 July 2019

As a result of amendments to the Local Government (Financial Management) Regulations 1996, effective from 1 July 2019, vested land, including land under roads, are treated as ROU assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect on non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the balance sheet.

The City has accounted for the removal of the vested land values associated with Melville Glades and Point Water golf courses by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with Local Government (Financial Management) Regulation 17A(2)(iv) is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related ROU assets at zero cost.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, vested land and Artworks, are depreciated on a straight - line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

Depreciation rates

The depreciable amount of all fixed assets including buildings but excluding freehold land, vested land, and Artworks are depreciated on a straight - line basis over the estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings including Heritage Building	
- Sub Structure	60 - 100 years
- Sub Structure - Only for Heritage Building	60 - 400 years
- Super Structure	25 - 80 years
- Roof	20 - 60 years
- Floor Coverings	15 - 30 years
- Fitout & Fittings	15 - 40 years
- Services - Fire	10 - 40 years
- Services - Security	10 - 40 years
- Services - Electrical	10 - 40 years
- Services - Hydraulic	10 - 30 years
- Services - Mechanical	10 - 30 years
- Services - Transport	10 - 40 years
Plant and Equipment	1 - 10 years
Computer/CCTV equipment	3 - 5 years
Electronic equipment	3 - 5 years
Furniture & fittings	1 - 10 years
Fleet (All Vehicles and Plant)	1 - 10 years

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

Roads

- Formation	Not Depreciated
- Base	50 - 80 years
- Surface	10 - 30 years
- Kerbing and Pavement	60 - 70 years

Footpaths 10 - 60 years

Stormwater Drainage 40 - 80 years

Parks/POS 5 years

Irrigation 5 - 30 years

Jetties and Boardwalk 50 - 100 years

Lighting 10 - 15 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount of the asset after taking into account accumulated impairment losses, or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE

SIGNIFICANT ACCOUNTING POLICIES

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of last Valuation	Inputs used
Artworks Artworks	3	Market approach	Independent registered valuer	June 2018	Market valuation by Art Valuer
Land and Buildings Land - Freehold	2 & 3	Market approach using recent observable market data for similar properties /	Independent registered valuer	June 2018	Price per hectare / market borrowing rate and income approach using discounted cash flow methodology
Land Vested in & Under City's Control	3	Replacement Cost	Independent registered valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Buildings	2 & 3	Cost Approach	Independent registered valuer	June 2021	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Plant and Equipment Plant and Equipment	2 & 3	Cost Approach/Market approach	Independent registered valuer	June 2019	Make, size, year of manufacture, current condition , residual values and remaining useful life assessments. The amount that would be required to replace the service capacity of the assets
Electronic Equipment	2 & 3	Cost Approach/Market approach	Independent registered valuer	June 2019	Make, size, year of manufacture, current condition , residual values and remaining useful life assessments. The amount that would be required to replace the service capacity of the assets

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE

SIGNIFICANT ACCOUNTING POLICIES

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of last Valuation	Inputs used
Furniture and Equipment	2 & 3	Cost Approach/Market approach	Independent registered valuer	June 2019	Make, size, year of manufacture, costs and current condition , residual values and remaining useful life assessments inputs. The amount that would be required to replace the service capacity of the assets
Computer Equipment	2 & 3	Cost Approach/Market approach	Independent registered valuer	June 2019	Make, size, year of manufacture, costs and current condition , residual values and remaining useful life assessments inputs. The amount that would be required to replace the service capacity of the assets
Mobile Plant	2	Market approach	Independent registered valuer	June 2019	Make, size, year of manufacture, costs and current condition , residual values and remaining useful life assessments inputs. The amount that would be required to replace the service capacity of the assets
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Independent valuation	June 2019	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drains	3	Cost approach using depreciated replacement cost	Independent valuation	June 2019	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpath	3	Cost approach using depreciated replacement cost	Independent valuation	June 2019	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE

SIGNIFICANT ACCOUNTING POLICIES

<i>Asset Class</i>	<i>Fair Value Hierarchy</i>	<i>Valuation Technique</i>	<i>Basis of Valuation</i>	<i>Date of last Valuation</i>	<i>Inputs used</i>
Infrastructure - Other					
Infrastructure - Parks	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Street Furniture	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Irrigation Systems	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: INVESTMENT PROPERTY

Non-Current Assets At Fair Value

	<i>Investment Property -Land \$</i>	<i>Investment Property - Buildings \$</i>	<i>Total Investment Property \$</i>
Balance at 1 July 2019	67,379,855	2,341,853	69,721,708
Additions	-	-	-
(Disposals)	(6,705,740)	(266,595)	(6,972,335)
Revaluation increments / (decrements) transferred to profit/(loss)	-	-	-
Depreciation (expense)	-	(115,154)	(115,154)
Carrying Amount At 30 June 2020	60,674,115	1,960,104	62,634,219
Additions	-	14,099	14,099
(Disposals)	-	-	-
Revaluation increments / (decrements) transferred to profit/(loss)	-	103,263	103,263
Depreciation (expense)	-	-	-
Carrying amount at 30 June 2021	60,674,115	2,077,466	62,751,581

Amount Recognised In The Profit Or Loss For Investment Properties

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Rental Income	173,631	149,306
Direct Operating expenses from property that generated rental income	(10,567)	(21,955)
Fair Value gain recognised in other income	-	-
Net rental income	163,065	127,351
Leasing Arrangements		
Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:		
Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:		
Within one year	173,631	149,305
Later than one year but not later than 5 years	933,267	866,255
Later than 5 years	451,187	410,170
	1,558,085	1,425,730

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: INVESTMENT PROPERTY

SIGNIFICANT ACCOUNTING POLICIES

<i>Asset Class</i>	<i>Fair Value Hierarchy</i>	<i>Valuation Technique</i>	<i>Basis of Valuation</i>	<i>Date of last Valuation</i>	<i>Inputs used</i>
Investment Property Land - Freehold	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Internal Management Review	June 2018	Price per hectare / market borrowing rate
Buildings	2	Cost Approach	Independent registered valuer	June 2021	Observable Market Evidence, construction costs and current condition , residual values and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

SIGNIFICANT ACCOUNTING POLICIES

Investment properties are properties held for long-term rental yields and not occupied by the City and earn rentals and/or for capital appreciation, and are accounted for using the fair value model changes in the fair values are presented in profit or loss as a part of other revenue.

Investment properties are recorded at cost determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. They will be subject to revaluation in accordance with the mandatory measurement framework. Revaluation of investment properties are determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property. Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in the Statement of Comprehensive Income.

Rental income and operating expenses from investment property are reported within revenue and other expenses respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 17: INFORMATION ON BORROWINGS AND OTHER FINANCIAL LIABILITY

	2020-2021 <i>Actual</i> \$	2019-2020 <i>Actual</i> \$
Other Financial Liability		
Current		
Share of SMRC Loan Liability	1,360,540	2,320,941
	1,360,540	2,320,941
Non-Current		
Share of SMRC Loan Liability	2,281,505	2,673,553
	2,281,505	2,673,553
Total Share of SMRC Loan Liability	3,642,045	4,994,494
Borrowings		
Current		
Recreation and Culture Self Supporting Loans	221,160	398,612
	221,160	398,612
Non-Current		
Recreation and Culture Self Supporting Loans	1,518,729	1,739,889
	1,518,729	1,739,889
Total Borrowings in Self Supporting Loans	1,739,889	2,138,501

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 17: INFORMATION ON BORROWINGS AND OTHER FINANCIAL LIABILITY

Details of Borrowings

Program / Sporting Body	Loan No	Principal 1 July 2020 \$	(Loans Discharged) New Loans \$	Interest		Principal Repayments		Principal 30 June 2021 \$	Current \$	Non-Current \$
				Budget \$	Actual \$	Budget \$	Actual \$			
Recreation and Culture										
Melville Glades Golf Club	382	188,030	-	11,632	7,047	188,030	188,030	-	-	-
Leeming Sport Association	398	59,457	-	3,363	3,396	18,616	18,616	40,841	19,794	21,047
Tompkins Park Community and Recreational Ass	399	252,597	-	14,754	16,522	20,453	20,453	232,144	21,690	210,455
Bull Creek Tennis Club	406	34,897	-	1,859	2,091	5,570	5,570	29,327	5,892	23,435
Melville Glades Golf Club	411	938,149	-	54,995	58,995	87,514	87,514	850,635	92,844	757,791
Mt Pleasant Bowling Club	413	85,895	-	2,950	3,187	33,391	33,391	52,504	34,672	17,832
Bull Gum Tennis Club	414	37,221	-	1,278	1,381	14,470	14,469	22,752	15,025	7,727
Brentwood Karoonda Sporting Association	415	173,312	-	5,430	6,475	8,149	8,149	165,163	8,410	156,753
Windelya Sports Association Incorporation	416	368,943	-	6,686	9,174	22,420	22,420	346,523	22,834	323,689
		2,138,501	-	102,947	108,267	398,613	398,612	1,739,889	221,160	1,518,729

The City has borrowings that are entered into to support clubs and associations in the upgrade of their facilities. All loan repayments are negotiated by the City with the WA Treasury Corporation. The loan repayments are paid by the City and then recouped from the respective clubs and associations in accordance with the signed agreements and repayment schedules. As per council resolution CD20/8140, the requirement for the Mt Pleasant Bowling Club to repay the outstanding amount of the loan has been rescinded in full in lieu of the reduced leased area for the Club to facilitate a public park. A total amount of self supporting loans of \$38,889 has been waived for not for profits and sporting associations under the COVID-19 Melville Community Stimulus Package in the financial year 2020-2021.

The City's share of loan liability to the South Metropolitan Regional Council (SMRC) has been recognised as financial liability in 2019-2020 of \$4,994,494 and 2020-2021 of \$3,642,045. Refer to Note 25 Investment in Associates using Equity Method for more details.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 17: INFORMATION ON BORROWINGS AND OTHER FINANCIAL LIABILITY

New Borrowings

There are no new borrowings in 2020-2021.

Unspent Borrowings

The City has no unspent borrowings on self-supporting loans as at 30th June 2021.

SIGNIFICANT ACCOUNT POLICIES

Financial Liabilities

Financial liabilities are recognised at fair value when the City becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risks

Information regarding exposure to risk can be found at Note 28.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Ardross East UGP & Streetscape Enhancement Reserve			
<i>To be used for underground power projects and streetscape enhancements in the Ardross East Underground Power project area.</i>			
Opening Balance	12,212	-	11,950
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	-	262
Funds Used	(12,212)	-	-
Closing Balance	-	-	12,212
Attadale North Underground Power & Streetscape Enhancement Reserve			
<i>To be used for underground power projects and streetscape enhancements in the Attadale North Underground Power project area.</i>			
Opening Balance	97,646	-	95,554
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	-	2,092
Funds Used	(97,646)	-	-
Closing Balance	-	-	97,646
Melville North Underground Power & Streetscape Enhancement Reserve			
<i>To be used for underground power projects and streetscape enhancements in the Melville North Underground Power project area.</i>			
Opening Balance	55,325	64,616	1,776,344
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	-	19,832
Funds Used	-	-	(1,740,851)
Closing Balance	55,325	64,616	55,325
Melville South Underground Power & Streetscape Enhancement Reserve			
<i>To be used for underground power projects and streetscape enhancements in the Melville South Underground Power project area.</i>			
Opening Balance	2,959	2,896	2,896
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	-	63
Funds Used	-	-	-
Closing Balance	2,959	2,896	2,959

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Civic Centre Precinct Improvements Reserve			
<i>To be used for improvements to the buildings and associated landscaping and car parking located within the Civic Centre Precinct (Melville City Centre).</i>			
Opening Balance	6,314	6,334	6,179
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	33	135
Funds Used	-	-	-
Closing Balance	6,314	6,367	6,314
Commercial Refuse Reserve			
<i>To be used for the acquisition and replacement of commercial refuse bins, vehicles, and plant and equipment used for commercial waste operations and the development of commercial waste collection opportunities.</i>			
Opening Balance	4,110,499	3,797,371	3,752,705
Funds Set Aside	298,309	329,443	284,020
Funds Set Aside - Investment Earnings	-	21,519	85,139
Funds Used	-	-	(11,365)
Closing Balance	4,408,808	4,148,333	4,110,499
Community Facilities Reserve			
<i>To be used for the provision of new, renewed or upgraded community facilities/buildings.</i>			
Opening Balance	22,332,421	14,937,455	22,844,502
Funds Set Aside	5,589,800	3,474,043	3,273,952
Funds Set Aside - Investment Earnings	432,433	73,747	489,152
Funds Used	(6,041,121)	(6,192,741)	(4,275,185)
Closing Balance	22,313,533	12,292,504	22,332,421
Community Centre Fitout, Furniture and Equipment Reserve			
<i>To be used to fund the acquisition and replacement of the fitouts, furniture and specialised equipment requirements for Community Centres.</i>			
Opening Balance	5,674	5,164	-
Funds Set Aside	21,000	21,000	20,000
Funds Set Aside - Investment Earnings	-	37	61
Funds Used	(2,307)	(17,600)	(14,387)
Closing Balance	24,367	8,601	5,674

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Community Surveillance and Security Reserve			
<i>To temporarily retain any surpluses that may arise from the Property Surveillance and Security Service Charge to be used to offset future years Property Surveillance and Security Service Charges or for the purchase of plant and equipment used for community surveillance and security services.</i>			
Opening Balance	786,497	679,206	673,562
Funds Set Aside	-	-	108,945
Funds Set Aside - Investment Earnings	-	2,629	15,809
Funds Used	(253,332)	(390,483)	(11,819)
Closing Balance	533,165	291,352	786,497
Fleet Services Vehicles, Plant and Equipment Replacement Reserve			
<i>To be used to fund the purchase of replacement vehicles, plant and equipment.</i>			
Opening Balance	11,129,361	8,406,637	9,854,837
Funds Set Aside	2,000,000	1,500,000	2,000,000
Funds Set Aside - Investment Earnings	-	43,651	227,206
Funds Used	(1,737,491)	(2,239,324)	(952,682)
Closing Balance	11,391,870	7,710,964	11,129,361
Funds in lieu of Development on Public Open Space Reserve			
<i>Maintained for the purpose of retaining and using funds in accordance with section 154(2) of the Planning and Development Act 2005.</i>			
Opening Balance	-	-	-
Funds Set Aside	33,013	-	-
Funds Set Aside - Investment Earnings	-	-	-
Funds Used	-	-	-
Closing Balance	33,013	-	-
New / Upgrade Works Reserve (Previously Future Works Reserve)			
<i>To be used to fund the "New" and "Upgrade" components of the costs of Infrastructure Capital Works and Buildings as opposed to renewal of existing assets as per Asset Management Plans.</i>			
Opening Balance	11,369,518	5,698,662	3,124,212
Funds Set Aside	8,922,189	8,109,771	12,116,649
Funds Set Aside - Investment Earnings	170,885	24,444	156,931
Funds Used	(9,302,819)	(10,506,073)	(4,028,274)
Closing Balance	11,159,773	3,326,804	11,369,518

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Information Technology Reserve			
<i>To be used to fund the acquisition and replacement of computer software and information technology hardware.</i>			
Opening Balance	2,529,356	2,208,462	2,487,163
Funds Set Aside	1,405,820	1,405,820	724,295
Funds Set Aside - Investment Earnings	-	13,211	54,316
Funds Used	(974,683)	(958,048)	(736,418)
Closing Balance	2,960,493	2,669,445	2,529,356
Infrastructure Asset Management Reserve			
<i>To be used to fund infrastructure asset management projects including the construction, maintenance and renewal of the City of Melville's road, path, kerbing, street furniture, park structures, playground, irrigation/reticulation and drainage infrastructure assets.</i>			
Opening Balance	38,328,048	32,770,600	32,809,757
Funds Set Aside	12,934,284	12,707,611	13,801,600
Funds Set Aside - Investment Earnings	670,669	167,282	770,244
Funds Used	(13,581,478)	(16,649,808)	(9,053,553)
Closing Balance	38,351,523	28,995,685	38,328,048
Land and Property Reserve			
<i>To be used to:</i>			
<i>a) fund the acquisition or construction of commercial revenue earning land and or buildings, or</i>			
<i>b) fund the acquisition of land and buildings in structure plan areas to help encourage the redevelopment of those structure plan areas by assembling developable land parcels and fund with Council approval, infrastructure and other developments in line with structure plan principles; or</i>			
<i>c) internally fund the purchase or construction of City of Melville community facilities or infrastructure assets, on the basis that those funds will be returned to the Land and Property Reserve over a predetermined period of time with interest, with the interest rate being set at what would have been charged by the Western Australian Treasury Corporation for the term of the borrowing using the Semi Annual Annuity interest rate.</i>			
Opening Balance	38,994,718	38,355,023	35,590,075
Funds Set Aside	-	-	2,930,364
Funds Set Aside - Investment Earnings	-	205,352	807,566
Funds Used	(255,534)	(1,092,354)	(333,287)
Closing Balance	38,739,184	37,468,021	38,994,718

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Leave Entitlements Reserve			
<i>To be used to fund the non-current liability amount of annual, sick and long service leave entitlements accrued in previous financial years beyond the amount provided for in the Provision for Leave current liability account.</i>			
Opening Balance	2,798,153	2,795,775	2,738,208
Funds Set Aside	-	-	-
Funds Set Aside - Investment Earnings	-	15,185	59,945
Funds Used	-	-	-
Closing Balance	2,798,153	2,810,960	2,798,153
Library, Museums & Arts Equipment & Specialised Fitout Reserve			
<i>To be used to fund the acquisition and replacement of the fit outs, furniture and specialised equipment for art centres, museums and libraries.</i>			
Opening Balance	188,040	49,473	110,846
Funds Set Aside	130,000	130,000	101,300
Funds Set Aside - Investment Earnings	-	375	3,236
Funds Used	(47,754)	(91,000)	(27,342)
Closing Balance	270,286	88,848	188,040
Organisational Environment Sustainability Initiatives Reserve			
<i>To be used to fund environmental initiatives which are intended to reduce the energy usage and/or carbon footprint of the corporation of the City of Melville or for debt servicing costs associated with any loan borrowings taken out for such purposes.</i>			
Opening Balance	1,078,178	755,617	1,320,726
Funds Set Aside	250,000	250,000	250,000
Funds Set Aside - Investment Earnings	-	3,425	25,974
Funds Used	(134,636)	(500,000)	(518,522)
Closing Balance	1,193,542	509,042	1,078,178
Parking Facilities Reserve			
<i>To be used to fund the provision, refurbishment or improvement of parking facilities and equipment.</i>			
Opening Balance	444,108	445,393	370,290
Funds Set Aside	65,000	65,000	65,000
Funds Set Aside - Investment Earnings	-	2,596	8,818
Funds Used	(24,998)	-	-
Closing Balance	484,110	512,989	444,108

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Parking Management Reserve - Canning Bridge Activity Centre			
<i>To fund public transport, car parking, streetscape upgrades that improve opportunities for walking and cycling, footpaths and other pedestrian-related infrastructure, cycle paths and other cycling-related infrastructure, street trees, plants and landscaping that improves pedestrian amenity and/or Travelsmart programs and initiatives at the Canning Bridge Activity Centre, or as per the discretion of the Council under the advice of a Parking Fund Advisory Committee.</i>			
Opening Balance	-	-	-
Funds Set Aside	358,967	250,000	-
Funds Set Aside - Investment Earnings	-	679	-
Funds Used	-	-	-
Closing Balance	358,967	250,679	-
Parking Management Reserve - Riseley Activity Centre			
<i>To fund public transport, car parking, streetscape upgrades that improve opportunities for walking and cycling, footpaths and other pedestrian-related infrastructure, cycle paths and other cycling-related infrastructure, street trees, plants and landscaping that improves pedestrian amenity and/or Travelsmart programs and initiatives at the Riseley Activity Centre, or as per the discretion of the Council under the advice of a Parking Fund Advisory Committee.</i>			
Opening Balance	-	-	-
Funds Set Aside	27,120	13,750	-
Funds Set Aside - Investment Earnings	-	37	-
Funds Used	-	-	-
Closing Balance	27,120	13,787	-
Private Swimming Pool Inspection Fee Reserve			
<i>To temporarily retain any surpluses that may arise from the Swimming Pool Inspection fees to be used to offset any deficits that may occur in future years operations of the Private Swimming Pools Inspection Program.</i>			
Opening Balance	194,297	153,728	104,645
Funds Set Aside	-	-	86,415
Funds Set Aside - Investment Earnings	-	764	3,237
Funds Used	(70,347)	(26,372)	-
Closing Balance	123,950	128,120	194,297

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Public Open Space and Urban Forest Reserve			
<i>To be used to fund the purchase, development and re-development of public open spaces, including streetscapes, bushlands, parks and reserves and to fund initiatives to enhance and improve the urban forest or for debt servicing costs associated with any loan borrowing.</i>			
Opening Balance	5,825,401	4,484,096	5,019,414
Funds Set Aside	798,585	797,008	887,467
Funds Set Aside - Investment Earnings	96,273	21,813	117,422
Funds Used	(466,801)	(1,733,066)	(198,902)
Closing Balance	6,253,458	3,569,851	5,825,401
Rates Equalisation Reserve			
<i>To temporarily retain any surplus carried forward funds as shown in the audited Annual Financial Report Rate Setting Statement in excess of the estimated surplus funds brought forward amount identified in the following years Annual Budget Rate Setting Statement to subsequently be used to reduce the need to raise rates in future years or to meet any budget shortfalls identified during budget reviews.</i>			
Opening Balance	4,470,645	6,865,862	10,633,630
Funds Set Aside	1,994,655	-	4,063,265
Funds Set Aside - Investment Earnings	-	21,456	163,541
Funds Used	(6,459,429)	(5,830,862)	(10,389,791)
Closing Balance	5,871	1,056,456	4,470,645
Recreation Centres Specialised Plant, Equipment and Structures Reserve			
<i>To be used to fund the acquisition, repair, upgrade and replacement of Recreation Centres specialised plant, equipment and structures.</i>			
Opening Balance	1,750,525	1,218,057	1,663,106
Funds Set Aside	430,000	430,000	435,590
Funds Set Aside - Investment Earnings	-	6,552	36,961
Funds Used	(330,875)	(453,612)	(385,132)
Closing Balance	1,849,650	1,200,997	1,750,525
Refuse Bins Reserve			
<i>To be used for the purchase and replacement of domestic refuse and recycling bins or receptacles.</i>			
Opening Balance	735,231	544,264	1,311,359
Funds Set Aside	380,000	380,000	384,000
Funds Set Aside - Investment Earnings	-	3,498	22,159
Funds Used	(62,957)	(180,500)	(982,287)
Closing Balance	1,052,274	747,262	735,231

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Refuse Facilities Reserve			
<i>To be used for payments relating to the establishment and operation of waste management facilities, funding associated costs, and the cost of landscaping, environmental and rehabilitation works of former refuse tip sites operated by the City of Melville and for any additional waste collection and disposal costs of waste associated with storm or disaster events.</i>			
Opening Balance	10,590,441	10,621,884	10,591,984
Funds Set Aside	1,723,115	-	-
Funds Set Aside - Investment Earnings	-	56,876	229,352
Funds Used	(311,396)	(300,000)	(230,895)
Closing Balance	12,002,161	10,378,760	10,590,441
Risk Management Reserve			
<i>To be used to fund prior years insurance premium contingencies, the self insured element of insurance claims, risk reduction initiatives or projects, losses arising from investment activities and discretionary expenditure required as a consequence of unforeseen events beyond the control of the City.</i>			
Opening Balance	7,134,304	7,163,653	6,545,265
Funds Set Aside	153,984	-	461,681
Funds Set Aside - Investment Earnings	-	22,170	148,115
Funds Used	(6,309,157)	(6,163,653)	(20,757)
Closing Balance	979,131	1,022,170	7,134,304
Special Projects Reserve			
<i>To be used to fund costs associated with City of Melville Council Elections, infrastructure asset condition surveys, asset valuations and gross rental value revaluations and strategic planning projects.</i>			
Opening Balance	1,647,141	1,288,406	1,946,288
Funds Set Aside	700,000	600,000	700,000
Funds Set Aside - Investment Earnings	-	5,169	38,908
Funds Used	(1,119,315)	(1,273,500)	(1,038,055)
Closing Balance	1,227,827	620,075	1,647,141
Unexpended Works and Specific Purpose Grants Reserve			
<i>To be used to carry forward available funding for uncompleted projects and specific purpose grants that will be completed and expended in ensuing financial years.</i>			
Opening Balance	1,986,489	-	2,499,951
Funds Set Aside	1,421,342	-	1,986,489
Funds Set Aside - Investment Earnings	-	-	-
Funds Used	(1,986,489)	-	(2,499,951)
Closing Balance	1,421,342	-	1,986,489

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: RESERVES - CASH BACKED

	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Summary			
Opening Balance	168,603,502	143,318,634	157,885,448
Funds Set Aside	39,637,183	30,463,446	44,681,032
Funds Set Aside - Investment Earnings	1,370,260	712,500	3,486,476
Funds Used	(49,582,776)	(54,598,996)	(37,449,454)
Closing Balance	160,028,169	119,895,584	168,603,501

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 18(a): REVALUATION SURPLUS

	<i>Closing 30/06/2021</i>	<i>Increment / (Decrement)</i>	<i>Closing 30/06/2020</i>	<i>Increment / (Decrement)</i>	<i>Change in Accounting Policies</i>	<i>Opening 1/07/2020</i>
	\$	\$	\$	\$	\$	\$
Land	230,334,685	-	230,334,685	-	-	230,334,685
Building	104,834,391	10,113,383	94,721,008	-	-	94,721,008
Land Vested	-	-	-	-	(6,250,000)	6,250,000
Total Land and Buildings	335,169,076	10,113,383	325,055,693	-	(6,250,000)	331,305,693
Artworks						
Artworks	2,276,749	-	2,276,749	-	-	2,276,749
Total Artworks	2,276,749	-	2,276,749	-	-	2,276,749
Plant and Equipment						
Computer Equipment	554,433	-	554,433	-	-	554,433
Electronic Equipment	127,790	-	127,790	-	-	127,790
Furniture & Fittings	322,892	-	322,892	-	-	322,892
Plant & Equipment	23,490,999	-	23,490,999	-	-	23,490,999
Mobile Plant	1,611,729	-	1,611,729	-	-	1,611,729
Total Plant and Equipment	26,107,843	-	26,107,843	-	-	26,107,843
Infrastructure						
Drains	120,015,420	-	120,015,420	-	-	120,015,420
Footpaths	37,098,281	-	37,098,281	-	-	37,098,281
Roads	46,805,867	-	46,805,867	-	-	46,805,867
Total Infrastructure	203,919,567	-	203,919,567	-	-	203,919,567
Infrastructure - Other						
Parks	2,472,242	-	2,472,242	-	-	2,472,242
Irrigation	(579,827)	-	(579,827)	-	-	(579,827)
Street Furniture	1,493,694	-	1,493,694	-	-	1,493,694
Total Infrastructure - Other	3,386,109	-	3,386,109	-	-	3,386,109
Share of Revaluation of SMRC Non Current Assets	2,190,442	142,038	2,048,404	1,949,571	-	98,833
Local Government House Unit Trust Holding	(46,128)	9,346	(55,474)	-	-	(55,474)
Total Revaluation Surplus	573,003,658	10,264,767	562,738,890	1,949,571	(6,250,000)	567,039,320

NOTE 19: TRUST FUNDS

	<i>Balance 30/6/2021</i>	<i>Receipts</i>	<i>Payments</i>	<i>Transfers</i>	<i>Balance 1/07/2020</i>
Public Open Space (POS)					
Applecross	-	-		(13,441)	13,441
Melville	-	-		(19,572)	19,572
	-	-		(33,013)	33,013

Funds held in trust has been transferred to reserve account "Funds in lieu of development on Public Open Space reserve" under section 153 and Local Government Act 1995 section 6.11 for the purposes set out in subsection (2)(a) to (d).

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 20: STATEMENT OF RATING INFORMATION

<i>Current Year Actual 2020-2021</i>	<i>Number of Properties</i>	<i>Rateable value \$</i>	<i>Rate in \$ (cents)</i>	<i>Rate Revenue \$</i>	<i>Interim Rates \$</i>	<i>Back Rates \$</i>	<i>Total Revenue \$</i>
GENERAL RATE							
General Rate GRV							
Residential - Improved	29,705	770,738,072	7.347628	56,630,967	891,139	306,304	57,828,410
Residential - Unimproved	747	20,261,790	6.657573	1,348,943	99,685	33,150	1,481,778
	30,452	790,999,862		57,979,910	990,824	339,454	59,310,188
Commercial - Improved	1,483	233,415,450	7.738591	18,063,067	192,149	\$ 60,169	18,315,385
Commercial - Unimproved	16	1,411,328	7.738591	109,217	(35,678)	(12,395)	61,144
Strata Storage Units	-	-	7.738591	-	-	-	-
	1,499	234,826,778		18,172,284	156,471	47,774	18,376,529
Sub Total General Rate	31,951	1,025,826,640		76,152,194	1,147,296	387,227	77,686,717
MINIMUM RATE							
Minimum Rate							
Residential - Improved	10,610	157,076,478	1,283.43	13,617,192			13,617,192
Residential - Unimproved	300	2,896,580	818.63	245,589			245,589
	10,910	159,973,058		13,862,781	-	-	13,862,781
Commercial - Improved	190	1,586,816	995.61	189,166			189,166
Commercial - Unimproved	1	5,000	995.61	996			996
Strata Storage Units	57	102,112	995.61	56,750			56,750
	248	1,693,928		246,911	-	-	246,911
Sub Total Minimum Rate	11,158	161,666,986		14,109,693	-	-	14,109,693
Amount Raised from Rates				90,261,886	1,147,296	387,227	91,796,409
Storage Unit Concession				(28,375)			(28,375)
Residential Improved Stimulus Concession				(8,334,300)			(8,334,300)
Residential Unimproved Stimulus Concession				(186,830)			(186,830)
Commercial Improved Stimulus Concession				(1,836,655)			(1,836,655)
Commercial Unimproved Stimulus Concession				(7,078)			(7,078)
Melville Glades Rates Concession				(10,181)			(10,181)
Sub Total Concessions				(10,403,419)	-	-	(10,403,419)
Total Amount Raised from Rates				79,858,467	1,147,296	387,227	81,392,990
Plus:							
Instalment Administration Fee							18
Instalment Interest							174,963
Late Payment Interest							166,384
GRAND TOTAL	43,109	1,187,493,626		79,858,467	1,147,296	387,227	81,734,355

Summary

<i>Current Year Actual 2020-2021</i>	<i>Rate Assessments</i>		<i>Rateable Value</i>		<i>Rate Yield</i>		<i>Average Rate</i>
	<i>#</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>
Residential	41,362	95.95%	950,972,920	80.08%	71,842,691	79.59%	1,737
Commercial	1,747	4.05%	236,520,706	19.92%	18,419,195	20.41%	10,543
	43,109	100.00%	1,187,493,626	100.00%	90,261,886	100.00%	

Rates revenue has been recognised at a point in time in accordance with AASB 1058 - Income for not-for-profit entities.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 20: STATEMENT OF RATING INFORMATION

<i>Current Year Budget 2020-2021</i>	<i>Number of Properties</i>	<i>Rateable value \$</i>	<i>Rate in \$ (cents)</i>	<i>Rate Revenue \$</i>	<i>Interim Rates \$</i>	<i>Back Rates \$</i>	<i>Total Revenue \$</i>
GENERAL RATE							
General Rate GRV							
Residential - Improved	29,612	768,680,992	7.347628	56,479,820	100,000		56,579,820
Residential - Unimproved	747	20,030,850	6.657573	1,333,568	8,440		1,342,009
	30,359	788,711,842		57,813,388	108,440	-	57,921,829
Commercial - Improved	1,484	233,484,239	7.738591	18,068,390	39,586		18,107,976
Commercial - Unimproved	15	1,380,828	7.738591	106,856	4,954		111,810
Strata Storage Units	-	-	7.738591	-	-		-
	1,499	234,865,067		18,175,246	44,539	-	18,219,786
Sub Total General Rate	31,858	1,023,576,909		75,988,635	152,980	-	76,141,614
MINIMUM RATE							
Minimum Rate							
Residential - Improved	10,641	157,452,138	1,283.43	13,656,979	465,884		14,122,863
Residential - Unimproved	301	2,913,030	818.63	246,408	1,560		247,967
	10,942	160,365,168		13,903,386	467,444	-	14,370,830
Commercial - Improved	190	1,586,816	995.61	189,166	414		189,580
Commercial - Unimproved	1	5,000	995.61	996	46		1,042
Strata Storage Units	57	102,112	995.61	56,750	-		56,750
	248	1,693,928		246,911	461	-	247,372
Sub Total Minimum Rate	11,190	162,059,096		14,150,298	467,904	-	14,618,202
Amount Raised from Rates				90,138,932	620,884	-	90,759,816
Storage Unit Concession				(28,375)			(28,375)
Residential Improved Stimulus Concession				(8,050,600)			(8,050,600)
Residential Unimproved Stimulus Concession				(172,920)			(172,920)
Commercial Improved Stimulus Concession				(1,831,431)			(1,831,431)
Commercial Unimproved Stimulus Concession				(10,785)			(10,785)
Melville Glades Rates Concession				(10,181)			(10,181)
Sub Total Concessions				(10,104,292)	-	-	(10,104,292)
Total Amount Raised from Rates				80,034,640	620,884	-	80,655,524
Plus:							
Instalment Administration Fee							-
Instalment Interest							180,000
Late Payment Interest							111,528
GRAND TOTAL	43,048	1,185,636,005		80,034,640	620,884	-	80,947,052

Summary

<i>Current Year Budget 2020-2021</i>	<i>Rate Assessments</i>		<i>Rateable Value</i>		<i>Rate Yield</i>		<i>Average Rate</i>
	<i>#</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>
Residential	41,301	96%	949,077,010	81%	71,716,775	79%	1,736
Commercial	1,747	4%	236,558,995	19%	18,422,157	21%	10,545
	43,048	100%	1,185,636,005	100%	90,138,932	100%	

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 20: STATEMENT OF RATING INFORMATION

<i>Prior Year Actual 2019-2020</i>	<i>Number of Properties</i>	<i>Rateable value \$</i>	<i>Rate in \$ (cents)</i>	<i>Rate Revenue \$</i>	<i>Interim Rates \$</i>	<i>Back Rates \$</i>	<i>Total Revenue \$</i>
GENERAL RATE							
General Rate GRV							
Residential - Improved	29,553	860,312,155	6.507805	55,987,281	558,330	(22,150)	56,523,461
Residential - Unimproved	841	20,427,835	7.330606	1,497,480	(5,117)	(6,932)	1,485,430
	30,394	880,739,990		57,484,761	553,212	(29,082)	58,008,891
Commercial - Improved	1,488	243,585,275	7.358007	17,923,014	123,451	15,552	18,062,017
Commercial - Unimproved	25	1,506,087	7.358007	110,818	(27,201)	1,087	84,704
Strata Storage Units	-	-	7.358007	-	-	-	-
	1,513	245,091,362		18,033,832	96,250	16,638	18,146,721
Sub Total General Rate	31,907	1,125,831,352		75,518,593	649,463	(12,444)	76,155,612
MINIMUM RATE							
Minimum Rate							
Residential - Improved	10,358	171,120,222	1,283.43	13,293,768			13,293,768
Residential - Unimproved	220	1,995,050	818.63	180,099			180,099
	10,578	173,115,272		13,473,867	-	-	13,473,867
Commercial - Improved	176	1,538,368	995.61	175,227			175,227
Commercial - Unimproved	5	49,847	995.61	4,978			4,978
Strata Storage Units	57	108,007	995.61	56,750			56,750
	238	1,696,222		236,955	-	-	236,955
Sub Total Minimum Rate	10,816	174,811,494		13,710,822	-	-	13,710,822
Amount Raised from Rates				89,229,415	649,463	(12,444)	89,866,434
Storage Unit Concession				(27,877)			(27,877)
				89,201,537	649,463	(12,444)	89,838,556
Amount Recognised As Revenue From Prepaid Rates							954,355
Total Amount Raised from Rates							90,792,911
Plus:							
Instalment Administration Fee							220,722
Instalment Interest							308,901
Late Payment Interest							421,688
GRAND TOTAL	42,723	1,300,642,846		89,201,537	649,463	(12,444)	91,744,222
Summary							
<i>Prior Year Actual 2019-2020</i>	<i>Rate Assessments</i>		<i>Rateable Value</i>		<i>Rate Yield</i>		<i>Average Rate</i>
	<i>#</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>\$</i>
Residential	40,972	95.90%	1,053,855,262	81.03%	70,958,628	79.52%	1,732
Commercial	1,751	4.10%	246,787,584	18.97%	18,270,787	20.48%	10,434
	42,723	100%	1,300,642,846	100%	89,229,415	100%	

Rates revenue has been recognised at a point in time in accordance with AASB 1058 - Income for not-for-profit entities.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 20: STATEMENT OF RATING INFORMATION

DIFFERENTIAL RATING

A differential rate loading of 12.64 per cent above the residential improved land rate was applied to residential unimproved (vacant) land. A differential rate loading of 13.06 per cent above the residential improved land rate was applied to commercial and industrial land. If the differential rates were not imposed, the rate in the dollar would be approximately 6.507805 cents with a minimum rate of \$1,283.43. This rate is referred to as the standard rate.

The *Valuation of Land Act 1978* stipulates that for unimproved land the method by which the Gross Rental Value is calculated is to be 3% of the unimproved value of the land. When applied to residential land this results in the revenue generated from unimproved residential land being substantially less than if the same vacant land was improved to its highest and best use under the applicable Town Planning Scheme provisions. The resulting difference in rate revenue is not considered to result in a fair and equitable distribution of the revenue burden as between the two different classes of residential land. The purpose of imposing a differential rate is to obtain a fair income from unimproved land within the Municipal District.

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates that have not been refunded.

NOTE 21: INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE-OFFS

(a) Discounts

Eligible pensioners and Seniors receive various discounts on fees & charges for the City's recreation facilities.

(b) Payment Incentives

Ratepayers who registered to receive their rates by email and paid their rates in full or the first instalment by the due date of 10 September 2020 were automatically eligible to go into the draw to win one of four major sponsored prizes sponsored by Westpac:

Major Prize: Four (4) \$750.00 Bonus Saver Accounts from Westpac Bank

(c) Concessions

A concession was granted to strata titled storage units of 18m² or smaller, whereby the minimum rate charged was \$497.80. The value of this concession was \$28,376. This concession was granted due to the size and Gross Rental Value of the storage units. A 100% concession from General Rates was granted to the Melville Glades Golf Club. The value of this concession was \$10,181. The City grants a concession to the Club, as the club maintains the grounds and facilities at no cost to the City.

The Melville Community Stimulus package provided a flat rates concession of \$200.00 for all residential improved properties, \$165.00 all residential unimproved properties and a 10% rates reduction, based on 2019-2020 gross rental valuations, for all commercial properties.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 22: INFORMATION ABOUT INTEREST PAYMENTS AND ADDITIONAL CHARGES

	<i>Interest Rate %</i>	<i>2020-2021 Actual \$</i>	<i>2020-2021 Budget \$</i>	<i>2019-2020 Actual \$</i>
Late Payment Interest	2	162,974	111,528	421,688
Instalment Interest	2	177,488	180,000	308,901
Instalment Administration Fee	-	-	-	220,722

The interest was charged on the daily balance of all overdue rates and charges in accordance with the Local Government Act 1995. Where a ratepayer had not taken advantage of the instalment option given in the rate notice, interest is accrued on rates or charges that remained unpaid after 35 days from the issue date of original rate notice. Eligible pensioners are exempt.

Where a ratepayer elected the instalment option, interest accrued on any instalment that remained unpaid after the due date of the instalment and continued to accrue until the instalment was paid.

All penalty interest charges on outstanding rates to the City was set at 2% for 2020-2021 in recognition of the impact of COVID-19.

The following two payment options were provided to ratepayers:

Option 1 - Full amount of the rate notice payable by 10 September 2020.

Option 2 - Full amount of the rate notice payable in four equal instalments due on the

1st Instalment	Due	10 September 2020
2nd Instalment	Due	12 November 2020
3rd Instalment	Due	18 January 2021
4th Instalment	Due	19 March 2021

NOTE 23: LEASING COMMITMENTS

Capital commitments as at 30 June 2021 amounted to \$6.73 million (30 June 2020: \$Nil). The City had no other commitments as at 30 June 2021 (30 June 2020: \$Nil).

NOTE 24: CONTINGENT LIABILITIES

Workers' Compensation Premium

The City negotiates its Workers' Compensation Premium on a "burning cost" basis whereby a minimum and maximum premium are determined for workers' compensation and the City pays a deposit premium only with the actual premium being settled based on known and anticipated claims experience. Therefore, the City may be required to fund an additional premium if the actual premium (as yet to be determined) exceeds the deposit premium already paid. Accordingly, a contingent liability is recognised for the difference between the deposit premium paid and the maximum premium payable.

	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Contingent Liability For Additional Workers' Compensation	7,144,346	6,464,656

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 25: INVESTMENT IN ASSOCIATES AND JOINT ARRANGEMENTS

(a) Investment In Associates

Share in South Metropolitan Regional Council (SMRC)

The South Metropolitan Regional Council (SMRC) is a statutory local government authority established in 1991 by the local governments of Canning, Cockburn, East Fremantle, Fremantle, Kwinana, Melville, and Rockingham.

The SMRC is responsible for developing environmentally sustainable waste management solutions for the communities of the Participants.

The member local governments have jointly agreed to establish SMRC under an Establishment Agreement and each participant may participate in regional projects that are governed by a Participants' Project Agreement.

There are two core projects being:

1. The Regional Resource Recovery Centre (RRRC) Project and;
2. The Office Accommodation Project.

Both the projects were established through separate project participants' agreements. The City of Kwinana are not participants in the RRRC project. In addition to the above two projects, the support activities of SMRC such as Administrative activities, Education and Marketing and Research and Development, are referred to as Existing Undertakings.

Over the period the following local governments have since withdrawn from the Regional Council: City of Canning in June 2010, City of Rockingham in June 2012 and City of Cockburn in June 2019.

Existing Undertakings

The historical annual contributions made by Participants to the Existing Undertakings are used to determine the proportional contribution percentage of each Participant to the Existing Undertakings.

The City's share as on 30 June 2021:

SMRC Existing Undertakings Proportional Equity Share: **60.30%**

Regional Resource Recovery Centre (RRRC) Project

RRRC Project Participants shall make an annual contribution towards the acquisition of any asset of a capital nature required by the Project, plus pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs.

The annual contribution shall be an amount which bears the same proportion to the cost of the acquisition disclosed in the Project Budget for the financial year as the Population of the Project Participant bears to the total of the Populations of all Project Participants.

The capital costs for each participating Local Government member is based on the Australian Bureau of Statistics population statistics. Each project participant will develop equity in the project equal to the relevant proportion of the total capital loan repayments made by that project participant.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 25: INVESTMENT IN ASSOCIATES AND JOINT ARRANGEMENTS

The City's share as on 30 June 2021:
RRRC Project Proportional Equity Share: **73.91%**

RRRC - Lending Facility

The capital construction of the RRRC facility was funded by borrowings from Western Australian Treasury Corporation (WATC). The lending facility will be fully repaid on the 30 June 2023.

The SMRC administer the borrowing with the project participants making quarterly contributions equal to the repayment costs of these borrowings.

The City guaranteed by way of agreement to its share of the loan liability to the SMRC and the WATC. The City's estimated share of the project funding is based on population percentages as derived from the Australian Bureau of Statistics census. These are revised yearly over the life of the lending facility.

As at 30 June 2021, the balance outstanding against the lending facility stood at: **\$ 6,629,191**
With the City's share of this liability being: **\$ 2,653,665**
Using the current cost/profit sharing percentage of: **40.03%**

Office Accommodation Project

The Office Project pertains to SMRC's office located at 9 Aldous Place, Booragoon, Western Australia. The City's equity share of the project is based on their proportional populations.

The City's share as on 30 June 2021:
Office Accommodation Project Proportional Equity Share: **59.16%**

Office Accommodation Project

As a SMRC participant, the City has guaranteed by way of security to the Western Australian Treasury Corporation, a charge over its' general funds for its' share of any outstanding debenture borrowings provided for the SMRC administration building at 9 Aldous Place Booragoon. This facility has a limit of \$2 million.

As at 30 June 2021, the balance outstanding against the lending facility stood at: **\$ 1,800,000**
With the City's share of this liability being: **\$ 988,380**
Using the current cost/profit sharing percentage of: **54.91%**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 25: INVESTMENT IN ASSOCIATES AND JOINT ARRANGEMENTS

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Net Assets		20,505,466	16,188,265
Less: Share of SMRC Loan Liability	17	(3,642,045)	(4,994,494)
Share in the net assets of the SMRC (excluding equity)		16,863,420	11,193,771
Equity Ratios			
SMRC Existing Undertakings Proportional Equity Share:		60.30%	60.71%
Office Accommodation Project Proportional Equity Share:		59.16%	59.70%
RRRC Project Proportional Equity Share:		73.91%	73.99%
Represented by Share of Investment in Associates Entity's Financial Position:			
Current Assets		13,386,704	10,596,124
Non Current Assets		18,349,344	19,359,531
Total Assets		31,736,048	29,955,655
Current Liabilities		3,912,432	4,301,314
Non Current Liabilities		7,318,151	9,466,076
Total Liabilities		11,230,583	13,767,390
Net Assets		20,505,466	16,188,265
Statement of Comprehensive Income			
Share of Profit/(Loss) of Associate Accounted For Using The Equity Method		4,175,162	1,095,976
Other Comprehensive Income			
Share of Profit/(Loss) of Revaluation of SMRC Assets Using The Equity Method		142,038	1,949,571
Net Increase / (Decrease) in Equity - SMRC Investment in Associates		4,317,201	3,045,547
Borrowings			
Share of SMRC Loan Liability			
Current		1,360,540	2,320,941
Non-current		2,281,505	2,673,553
		3,642,045	4,994,494
Share of SMRC Loan Liability by Project			
Regional Resource Recovery Centre (RRRC) Project		40.03%	40.33%
Office Accommodation Project		54.91%	55.36%
Current			
Regional Resource Recovery Centre (RRRC) Project		1,360,540	1,324,461
Office Accommodation Project		-	996,480
		1,360,540	2,320,941
Non-current			
Regional Resource Recovery Centre (RRRC) Project		1,293,125	2,673,553
Office Accommodation Project		988,380	-
		2,281,505	2,673,553

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 25: INVESTMENT IN ASSOCIATES AND JOINT ARRANGEMENTS

SIGNIFICANT ACCOUNTING POLICIES

Investment In Associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate.

When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(b) Joint Arrangements

Share in Carawatha Redevelopment Project

	<i>Note</i>	<i>2020-2021 Actual \$</i>	<i>2019-2020 Actual \$</i>
Opening Share In Equity		6,353,536	6,500,000
Carawatha Redevelopment Distribution		(2,250,000)	-
Share In Profit/(Loss) In Net Results		879,115	(146,464)
Total	8	4,982,651	6,353,536
Equity Ratio		50.00%	50.00%

SIGNIFICANT ACCOUNTING POLICIES

INTERESTS IN JOINT ARRANGEMENTS

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

Joint operations represent arrangements whereby joint operator maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 26: RELATED PARTY TRANSACTIONS

Elected Members Remuneration

	2020-2021 Actual \$	2020-2021 Budget \$	2019-2020 Actual \$
Sitting Fees - Mayor	47,516	47,516	47,516
Sitting Fees - Councillors	380,136	380,136	380,136
Conference and Training	12,830	61,750	12,850
Allowance - Mayor	89,753	89,753	89,753
Allowance - Deputy Mayor	22,438	22,438	22,438
Allowance - Councillors	50,070	89,624	53,483
	602,742	691,216	606,177

Name of Councillor	Total	Sitting Fees	Mayoral Allowance	ICT	Conference	Travel
Mayor George Gear	142,720	47,516	89,753	3,500	1,901	50
Cr Glynis Barber	35,684	31,678	-	3,500	506	-
Cr June Barton	51,095	31,678	14,959	3,500	506	452
Cr Tomas Fitzgerald	35,639	31,678	-	3,500	461	-
Cr Steve Kepert	36,423	31,678	-	3,500	526	720
Cr Duncan Macphail	36,439	31,678	-	3,500	461	800
Cr Katy Mair	35,639	31,678	-	3,500	461	-
Cr Nicholas Pazolli	43,886	31,678	7,479	3,500	507	722
Cr Clive Robartson	35,640	31,678	-	3,500	462	-
Cr Nicole Robins	35,640	31,678	-	3,500	462	-
Cr Margaret Sandford	36,162	31,678	-	3,500	984	-
Cr Karen Wheatland	42,135	31,678	-	3,500	5,131	1,826
Cr Matthew Woodall	35,640	31,678	-	3,500	462	-
	602,742	427,651	112,191	45,500	12,830	4,570

Key Management Personnel (KMP) Compensation Disclosure

	2020-2021 Actual \$	2019-2020 Actual \$
The total of remuneration paid to KMP of the City during the year are as follows:		
Short-term employee benefits	1,782,568	1,679,559
Post-employment benefits	190,359	190,614
Other long-term benefits	44,526	27,089
	2,017,453	1,897,263

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 26: RELATED PARTY TRANSACTIONS

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

These amounts are the current-year's actual cost of providing for the City's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Related Parties

The City's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. Entities subject to significant influence by the City

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

iii. Joint venture entities accounted for under the equity method

The City has a 60.30% (2020: 60.71%) interest in the South Metropolitan Regional Council (SMRC) and 50% (2020: 50%) in the Carawatha Redevelopment Project. The interest in the joint venture entities are accounted for in these financial statements using the equity method of accounting. For details of interests held in joint venture entities, refer to Note 25.

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2020-2021	2019-2020
	Actual	Actual
	\$	\$
Associated companies/individuals:		
Sale of goods and services	26,000	25,417

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 27: MAJOR LAND TRANSACTIONS

There are no new major land transactions in the year 2020-2021.

Melville City Centre Land Exchange, Booragoon

The Melville City Centre Structure Plan was approved in 2015. The Plan responded to a proposal by the owners of the Garden City Shopping Centre (Westfield Booragoon) to expand the existing centre. The Structure Plan requires the creation of a vibrant "High Street" generally in the area between the shopping centre and the City of Melville Administration Centre. Achievement of the High Street would be enhanced through an adjustment of the boundary between the City's land and the shopping centre site. A conditional "like for like" land swap had been agreed between the City and AMP Capital Funds Management to achieve a rationalisation of this boundary. The land exchange agreement was approved by Council and executed in 2015. The City of Melville's agreements with AMP Capital Funds Management expired in July 2020 when the Sunset Date lapsed. As a result the agreements have come to an end,

Late in 2019, AMP Capital Funds Management sold 50% of its interest in Westfield Booragoon to Scentre Custodian Pty Ltd (Westfield) including management and development rights. Due to the restructured ownership of the Westfield Booragoon, Scentre Group has revised the redevelopment scheme and High Street. As a result the location of the High Street has changed slightly but the need for the land exchange was still apparent. In March 2021 AMP Capital Funds Management sold its remaining 50% interest in Westfield Booragoon to Dexus Wholesale Property Limited.

Council approved the advertising of the proposed new land exchange under Section 3.58 of the Local Government Act 1995 in December 2020. Public submissions were presented after the close of the Public Notice period and Council approved the preparation of the land exchange agreement between the City of Melville and Scentre Custodians Pty Ltd/ AMP Capital Funds Management Ltd. The *Agreement for Exchange of Land: Melville City Centre* has been drafted and will be signed and executed once Council has approved it.

Scentre Group is in the process of finalising the preparation of its documents for submission of its development application with the State Development Assessment Unit (DAU) seeking State Government approval for the redevelopment of Westfield Booragoon. If approved, redevelopment works are expected to commence late 2022 or early 2023.

Carawatha "Gallery" Residential Development Project, Willagee

As identified as part of the Land Asset Strategy review and Council decision in December 2013, the City undertook a Request for Proposal (RFP) process in April 2015 to explore options for the potential redevelopment of a portion of the former Carawatha Primary School site in Willagee, which the City acquired from the State Government in June 2006. Subsequently a proponent (Satterley Property Group) was selected from the RFP assessment process and the City has finalised the redevelopment concepts, development model and agreements which will see Satterley Property Group as Project Manager, Satterley Carawatha Pty Ltd as Developer and the City of Melville as Owner. The appointment of the proponent followed the relevant provisions (Section 3.59) of the Local Government Act 1995 which dealt with the Major Land Transactions. The City of Melville entered into a Development Agreement with Satterley Carawatha Pty Ltd and Project Management, Marketing and Sales Agreement with Satterley Property Group.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 27: MAJOR LAND TRANSACTIONS

The project received subdivision approval from the Western Australian Planning Commission in March 2019. Satterley Property Group commenced the civil subdivision works in August 2019 with Practical Completion in March 2020. New Titles were issued for all the subdivided lots in May 2020 and these Titles remain in the name of the City of Melville (Owner) until sold or redeveloped and sold. The project includes 23 Cottage Lots, 16 Terrace Homes and 4 Apartments complex totalling 98 Apartments. All 23 Cottage lots have now sold and settled and the project manager (Satterley) has tendered to the building industry for the construction of the 16 Terrace Homes and the first apartment stage being Apartment site A. Building construction is expected to commence in late 2021. The project is expected to be completed by 2026 with all 98 Apartments and 16 Terrace Homes having been constructed and sold by this date.

Melville District Centre - Stock Rd Palmyra Strategic Site Ground Lease Redevelopment Proposal

Council approved the ground lease redevelopment proposal by Hall & Prior Aged Care Group in December 2018. The ground lease development agreements were approved by Council in December 2020 and signed and executed. Hall & Prior are in the process of satisfying their conditions under the Agreement for Lease. Site handover is planned for early 2023 with construction and redevelopment of the site into a \$60M integrated aged care and community facility to commence shortly after Hall & Prior has development approval from the Joint Development Assessment Panel. The construction is expected to take 2 years with the ground lease income stream to commence flowing to the City at that time. The ground lease term including options is up to 90 years. The commencing annual lease value is \$350,000 p.a. resulting in a total present value of \$11.528 Million or cumulative notional ground lease value excluding market reviews of \$112 Million.

13 The Esplanade & 64 Kishorn Rd, Mt Pleasant – Strategic Site Ground Lease Redevelopment Proposal

In accordance with previous Council decision and directive aligned with the land asset strategy the City undertook a detail request for proposal (RFP) campaign in May 2019 to either purchase or ground lease the site from the City. Submissions were assessed and Oryx Communities was selected as preferred proponent to ground lease and redevelop the site for aged care. Due diligence and negotiations with the preferred proponent was undertaken and Council approved the advertising of the Major Land Transaction in accordance with Section 3.59 of the LGA 1995 in April 2020. The submissions report was presented to Council and the proposal was approved in November 2020. Council resolved that the draft ground lease development agreements be presented to Council for approval before execution. This is currently underway and expected to be considered by Council in December 2021. When approved, Oryx Communities will embark on satisfying its conditions precedent under the Agreement for Lease which includes lodging its development application with the Joint Development Assessment Panel. Assuming all conditions are satisfied, site handover is expected by early 2022 upon which Oryx will commence construction of the integrated aged care living facility which it will operate for the term of the ground lease. The ground lease term including options is up to 89 years. The commencing annual lease value is \$650,000 p.a. resulting in a total present value of \$18.2 Million or cumulative notional ground lease value excluding market reviews of \$137 Million.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 28: FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

Risk	Exposure Arising From	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables and financial assets	Aging analysis Credit analysis	Diversification of bank deposits, credit limits, investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Financial Services under policies approved by the Council. The Financial Services identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest Rate Risk

Cash and Cash Equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30th June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost and are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non interest Bearing \$
2021					
Cash And Cash Equivalents	0.03%	179,800,455	162,098,466	17,695,938	6,050
- Term Deposits	0.59%	162,098,466	162,098,466	-	-
2020					
Cash and cash equivalents	1.01%	179,275,996	172,369,681	6,899,964	6,350
- Term Deposits	1.41%	172,369,681	172,369,681	-	-

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest

	2021 \$	2020 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	1,798,005	1,792,760

*Holding all other variables constant

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 28: FINANCIAL RISK MANAGEMENT

(b) Credit Risk

Trade Receivables

The City's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be paid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the City to recover property rates and services charges debts as a secured charge over the land – that is, the land can be sold to recover the debt. Whilst the City was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment, the effect of COVID-19 has been considered. Financial assistance provided to ratepayers is expected to adversely affect the City's cash flows.

The level of outstanding receivables is reported to the Council monthly and benchmarks are set and monitored for acceptable collection performance.

The City applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss from rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss from rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment of rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. Re-negotiation of repayment terms is expected due to the COVID-19 pandemic.

The loss allowance as at 30 June 2021 for rates receivable was determined as follows and takes into account the waiver of penalty interest due to the impact of COVID-19.

	Current	More than 1 year past due	More than 2 year past due	More than 3 year past due	Total
30 June 2021					
Rates Receivable					
Expected Credit Loss	0.00%	0.00%	0.00%	0.00%	
Gross Carrying Amount	5,096,796	-	-	-	5,096,796
Loss Allowance	-	-	-	-	-
30 June 2020					
Rates Receivable					
Expected Credit Loss	0.00%	0.00%	0.00%	0.00%	
Gross Carrying Amount	6,912,476	-	-	-	6,912,476
Loss Allowance	-	-	-	-	-

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Sundry Receivable					
Expected Credit Loss	0.00%	0.00%	0.00%	67.94%	41.42%
Gross Carrying Amount	-	254,299	94,706	545,224	894,229
Loss Allowance	-	-	-	370,398	370,398
30 June 2020					
Sundry Receivable					
Expected Credit Loss	0.00%	0.00%	0.00%	42.26%	27.40%
Gross Carrying Amount	29,599	161,618	255,261	823,088	1,269,566
Loss Allowance	-	-	-	347,831	347,831

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 28: FINANCIAL RISK MANAGEMENT

Contract Assets

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(c) Liquidity Risk

Payables, Borrowings and Other Financial Liability

Payables, borrowings and other financial liability are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities arranged if required.

The contractual undiscounted cash flows of the City's payables, borrowings and other financial liability are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	<i>Due within 1 year \$</i>	<i>Due between 1 & 5 years \$</i>	<i>Due after 5 years \$</i>	<i>Total contractual cash flows \$</i>	<i>Carrying values \$</i>
<u>2021</u>					
Payables	16,028,330	509,091	-	16,537,421	16,537,421
Borrowings and Other Financial Liability	1,575,249	3,138,960	512,362	5,226,571	5,226,571
Contract Liabilities	3,173,033			3,173,033	3,173,033
	20,776,612	3,648,051	512,362	24,937,025	24,937,025
<u>2020</u>					
Payables	15,232,306	453,903	-	15,686,209	15,686,209
Borrowings and Other Financial Liability	2,716,107	3,597,211	722,831	7,036,149	7,036,149
Contract Liabilities	1,326,969			1,326,969	1,326,969
	19,275,382	4,051,114	722,831	24,049,327	24,049,327

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 29: INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the City adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

(a) AASB 1059: Service Concession Arrangements - Grantors

Service concessions assets are those assets where a third-party operator constructs assets for the City, upgrades existing assets of the City or uses existing assets of the City to operate and maintain the assets to provide a public service, for a specified period of time. Where, in these circumstances, the third-party operator provides a public service on behalf of the City and is deemed to manage at least some of the services under its own discretion, the assets are classified as service concession assets. Newly constructed or upgraded assets are measured at current replacement cost in accordance with the cost approach to fair value in *AASB 13 Fair Value Measurement*. In the case of existing assets, these are reclassified and treated in the same manner with any difference at the date of reclassification between the carrying amount of the assets and their fair value (current replacement cost) being treated as if it is a revaluation of the asset.

AASB 1059 Service Concession Arrangements - Grantors does not apply to the City, where there is no third-party operator to construct or upgrade existing assets or uses existing assets of the City to operate and maintain the assets to provide a public service, for a specified period of time.

NOTE 30: EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no significant events to report that occurred after the balance sheet date.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 31: OTHER SIGNIFICANT ACCOUNTING POLICIES

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

Current and Non-Current Classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the City's intentions to release for sale.

Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

Superannuation

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

Fair Value of Assets and Liabilities

Fair value is the price that the City would receive to sell the asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 31: OTHER SIGNIFICANT ACCOUNTING POLICIES

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by the level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows.

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3

Measurement based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the City are consistent with one or more of the following valuation approaches.

Market Approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income Approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost Approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 31: OTHER SIGNIFICANT ACCOUNTING POLICIES

Impairment of Assets

In accordance with Australian Accounting Standards the City's cash generating non-specialised assets, other than inventories are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model such as roads, drains, public buildings and he like, no annual assessment of impairment is required. Rather AASB116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

Leases

At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 32: PROGRAM / SUB-PROGRAM

In order to discharge its responsibilities to the community, the City has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities or programs. The City operations as disclosed to encompass the following service orientated activities/programs:

Program Titles	Sub-Program
Governance - To provide a decision making process for the efficient allocation of scarce resources	Members of Council Governance - general
General Purpose Funding - To collect revenue to allow for the provision of services that are not fully funded by specific fees and charges	Rates Other General Purpose Funding
Law, Order, Public Safety - To provide services to help ensure a safer and environmentally conscious community	Fire Prevention Animal Control Other Law, Order, Public Safety
Health - To provide an operational framework for environmental and community health	Maternal and Infant Health Preventive Services - Immunisation - Meat Inspection - Administration and Inspection - Pest Control - Other Other Health
Education and Welfare - To provide services to disadvantaged persons, the elderly, children and youth	Pre-School Other Education Care of Families and Children Aged and Disabled - Senior Citizens Centres - Meals on Wheels - Other Other Welfare
Housing - To provide and maintain housing	Staff housing Other housing
Community Amenities - To provide services required by the community	Sanitation - Household Refuse - Other Sewerage Urban Stormwater Drainage Protection of Environment Town Planning and Regional Development Other Community Amenities
Recreation and Culture - To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community	Public Halls, Civic Centres Swimming Areas & Beaches Other Recreation and Sport Libraries Heritage Other Culture
Transport - To provide safe, effective and efficient transport services to the community	Streets, Roads, Bridges, Depots Road Plant Purchase (not capitalised) Parking Facilities Traffic Control
Economic Services - To help promote the City and its economic wellbeing	Tourism and Area Promotion Building Control Saleyards and Markets Other Economic Services
Other Property and Services - To monitor and control the City's overheads	Private Works General Administration Overheads Public Works Overheads Plant Operation Salaries and Wages Business Unit Operations Unclassified Town Planning Schemes

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 33: FINANCIAL RATIOS

	<i>2020-2021</i>	<i>2019-2020</i>	<i>2018-2019</i>
Current Ratio	1.20	1.10	1.30
Asset Consumption Ratio	0.51	0.51	0.52
Asset Renewal Funding Ratio	1.00	1.00	1.00
Asset Sustainability Ratio	1.48	1.00	1.26
Debt Service Cover Ratio	45.25	65.61	66.96
Operating Surplus Ratio	0.003	0.061	0.088
Own Source Revenue Coverage Ratio	0.96	1.02	1.05

Current Ratio

Measures the short term (unrestricted) liquidity.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	1.0 Higher is better	1.20	The City is in a solvent position and has the ability to meet its liabilities (obligations) as and when they fall due out of unrestricted funds.

$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus restricted liabilities associated with restricted assets}}$

$\frac{\$192.470 - \$160.028}{\$29.933} = \frac{\$32.44 \text{ million}}{\$2.798} = 11.60$

[Numbers taken from the Statement of Financial Position and Reserves Note 18]

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 33: FINANCIAL RATIOS

Asset Consumption Ratio

Measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	0.6 Higher is better	0.51	The City is investing in asset renewal to a level where it is in danger of slipping into a level where it will have difficulty maintaining the "aged" condition of its assets.

Depreciated Replacement Cost of Depreciable Assets

Current Replacement Cost of Depreciable Assets

\$ 559.830 million

\$1,057.098 million

[Numbers taken from Note 15 -Property, Plant and Equipment and Infrastructure excluding non depreciable assets such as Land, Artwork and Work In Progress]

Asset Renewal Funding Ratio

Measures the extent of investment in asset renewal to the degree that offsets the current consumption of its assets (1.00) and provides for the effect of inflation.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	0.95 Higher is better	1.00	The City is investing in asset renewal that offsets the current consumption of its assets (1.00) and provides for the effect of inflation.

NPV of Planned Capital Renewals Over 10 years

NPV of Required Capital Expenditure Over 10 Years

\$180.933 million

\$180.933 million

[Numbers taken from the Long Term Financial Plan]

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 33: FINANCIAL RATIOS

Asset Sustainability Ratio

Measures whether assets are being replaced/renewed at the rate they are wearing out.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	1.1 Higher is better	1.48	The City is investing in asset renewal/replacement to the degree that offsets the current consumption of its assets and provides for the effect of inflation.

Capital renewal and replacement expenditure

Depreciation Expense

\$33.352 million

\$22.519 million

[Numbers taken from Note 15(a), (b) and (d) - Additions and Depreciation]

Debt Service Cover Ratio

Measures the ability to service debt out of its uncommitted or general purpose fund available for its operations.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	5.0 Higher is better	45.25	The City has the ability to pay for its debts when they are due.

Annual Operating Surplus before interest and depreciation

Principal and Interest

\$109.543 - \$109.235 + \$0.108 + \$22.519 = \$22.935 million

\$0.399 + \$0.108 = \$0.507 million

[Annual Operating Surplus- Revenue minus expenditure including loss on asset disposal expenses before interest and depreciation from Statement of Comprehensive Income by Nature & Type and Principal and Interest in Note 17]

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 33: FINANCIAL RATIOS

Operating Surplus Ratio

Measures the ability to cover its operational costs and have revenues available for capital funding or other purposes.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	0.15 Higher is better	0.003	The City is below the target for operating surplus ratio where it is in danger of slipping into a level where it will have difficulty maintaining both operational costs and asset capital funding.

Operating Revenue minus Operating Expense

Own Source Operating Revenue

\$109.543 - \$109.235= \$0.308 million
\$104.350 million

[Numbers taken from Statement of Comprehensive Income by Nature & Type]

Own Source Revenue Coverage Ratio

Measures the ability to cover operating expenses from own source revenue.

<i>Ratio</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Dept. of Local Government Advanced Benchmark	0.9 Higher is better	0.96	The City has the ability to cover its own operating expenses from its own source revenue.

Own Source Operating Revenue

Operating Expense

\$104.350 million
\$109.235 million

[Numbers taken from Statement of Comprehensive Income by Nature & Type]