



Cardinia Shire Council

# Annual Report 2023-24



### **Our inclusive statement**

Cardinia Shire Council encourages a sense of belonging within our shire. We support an inclusive community comprised of people from diverse backgrounds, including and not limited to Aboriginal and Torres Strait Islander people, people from cultural and linguistically diverse (CALD) backgrounds, those identifying as LGBTIQ+, people of faith, and people of all ages, genders and abilities.

### **Prepared by:**

Cardinia Shire Council

### **Acknowledgment**

Council wishes to acknowledge all who contributed to this annual report.

Published September 2024

© Cardinia Shire Council 2024

ABN: 32 210 906 807

20 Siding Avenue, Officer

PO Box 7, Pakenham Vic 3810

(DX 81006)

**Phone:** 1300 787 624

**Email:** [mail@cardinia.vic.gov.au](mailto:mail@cardinia.vic.gov.au)

**Web:** [www.cardinia.vic.gov.au](http://www.cardinia.vic.gov.au)

## Report of operations

### Introduction

Acknowledgment of Country	4
Welcome to our Report of Operations	6
Council snapshot	6
Fast facts	8
How revenue is spent	9
Highlights of the year	10
Challenges and future outlook	15

### Year in review

CEO's report	18
Financial summary	20
Description of operations	22

### Our Council

Cardinia Shire profile	30
Council Wards	33
Councillors	34
Council offices	34

### Our people

Organisation structure	36
Council employees	37
Equal employment opportunity statement	42

### Governance, management and other information

Governance	44
Management	46
Governance and management checklist	49
Certification of governance and management	52
Statutory information	53
Infrastructure and development contributions	56

## Our performance

Planning and accountability framework	64
Our Council Plan	65
Strong communities	65
Liveable places	65
Thriving environments	66
Prosperous economies	66
Responsible leaders	66

## Performance statement

Description of municipality
Sustainable capacity indicators
Service performance indicators
Financial performance indicators
Certification of performance statement
Independent auditor's report

## Financial statements

Comprehensive income statement
Balance sheet
Statement of changes in equity
Statement of cash flows
Statement of capital works
Certification of financial statements
Independent auditor's report
Notes to financial statements





## Acknowledgement of Country

Cardinia Shire Council acknowledges the Bunurong and Wurundjeri people as the traditional custodians of the lands of Cardinia Shire. Council pays its respects to elders past and present, recognising their role in continuing traditions, knowledge, language and culture for over 65,000 years.

Cardinia Shire's name is derived from the Kulin word 'Kar-din-yarr', meaning 'look to the rising sun' or 'sunrise'. Council's logo, which includes a motif of the rising sun, reflects this meaning.

Council continually works to strengthen relationships and progress reconciliation through the delivery of actions developed in partnership with our Traditional Owners and First Nations community.



# Introduction





# Welcome to our Report of Operations 2023–24

Cardinia Shire Council is committed to transparent reporting and accountability.

The Report of Operations component of our *Annual Report 2023–24* highlights our key achievements and informs our community of our operations and performance throughout the financial year.

We're proud to present our complete *Annual Report 2023–24* to our community as a record of our operating and financial activities over the past year.

## Council snapshot

### What we do

Cardinia Shire Council provides a range of community services, programs and activities, as well as infrastructure renewal and development to promote, develop and improve the wellbeing and prosperity of our growing community. We work with all members of the community – from newborn babies and families, to seniors and culturally diverse residents – and across business, industry, and non-profit organisations.

We are committed to building a strong and sustainable shire for present and future generations to enjoy. We work with the community and continue to balance the demands of meeting our financial responsibilities and addressing challenges, such as managing growth while maintaining our diverse and rural communities.

Council delivers a broad range of activities and initiatives, each of which contributes to achieving Council's vision as set out in our Council Plan. The plan identifies 5 strategic objective areas: strong communities, liveable places, thriving environments, prosperous economies and responsible leaders. The outcomes for 2023–24 in each of these areas is reported in the 'Our performance' section of this annual report on page 63.

### Council Plan key challenges

Council has identified the following major challenges for the coming years:

- Tackling climate change and its impact on our environment, economy, and people.
- Meeting the changing needs and expectations of a growing and diverse community.
- Addressing the safety, health and wellbeing challenges facing our community.
- Developing a prosperous local economy that is the right fit for Cardinia Shire.





## Our vision

Council’s vision to 2025 is that the unique identity of our urban, hills and rural areas is strengthened, and we will meet the challenges we face together as a community. How we respond will balance the needs of our people, businesses, our productive land and natural environments.

## Our commitment






Council will provide leadership, including community engagement with stakeholders, to ensure the long-term sustainability of our communities and townships. We will be mindful of the social, environmental and economic impacts of our decisions and ensure future generations benefit from our decisions. We will practise good governance and meet recognised standards of excellence. Council will work diligently to achieve excellence in every aspect of our activities.

## Feedback

Council offers this annual report to the community as an open record of our activities and achievements in 2023–24. We welcome feedback to support us in effectively reporting to our community in future years. To provide feedback, please contact our customer support team on 1300 787 624 or mail@cardinia.vic.gov.au

## Council plan key objectives

Council has 5 key strategic objectives.

<p><b>Strong communities</b></p> 	<p>We empower our communities to be healthy, connected and resilient</p>
<p><b>Liveable places</b></p> 	<p>We support the creation of liveable spaces and places</p>
<p><b>Thriving environments</b></p> 	<p>We value our natural assets and support our biodiversity to thrive</p>
<p><b>Prosperous economies</b></p> 	<p>We support our productive land and employment land to grow local industries</p>
<p><b>Responsible leaders</b></p> 	<p>We practise responsible leadership</p>





**Birth notices**  
**1,804**



**Bridges and major culverts maintained**  
**257**



**Building permits issued**  
**1,900**



**Council kindergarten enrolments processed**  
**2,772**



**Footpaths maintained (km)**  
**890**



**Garbage collected (tonnes)**  
**22,964**



**Immunisations administered**  
**3,705**



**Library items borrowed**  
**356,649**



**Maternal and child health consultations**  
**16,567**



**Increase in number of rateable properties**  
(percentage based on previous year)  
**2.91%**



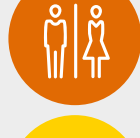
**Current animal registrations**  
**17,586**



**Parks and reserves maintained (ha)**  
**1,592**



**Planning applications lodged**  
**639**



**Public toilets managed**  
**42**



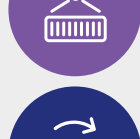
**Recycling collected (tonnes)**  
**9,689**



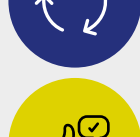
**Sealed roads maintained (km)**  
**821**



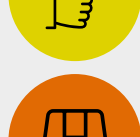
**Unsealed roads maintained (km)**  
**826**



**Underground drains maintained (km)**  
**1,005**



**Waste diverted from landfill**  
**48.09%**



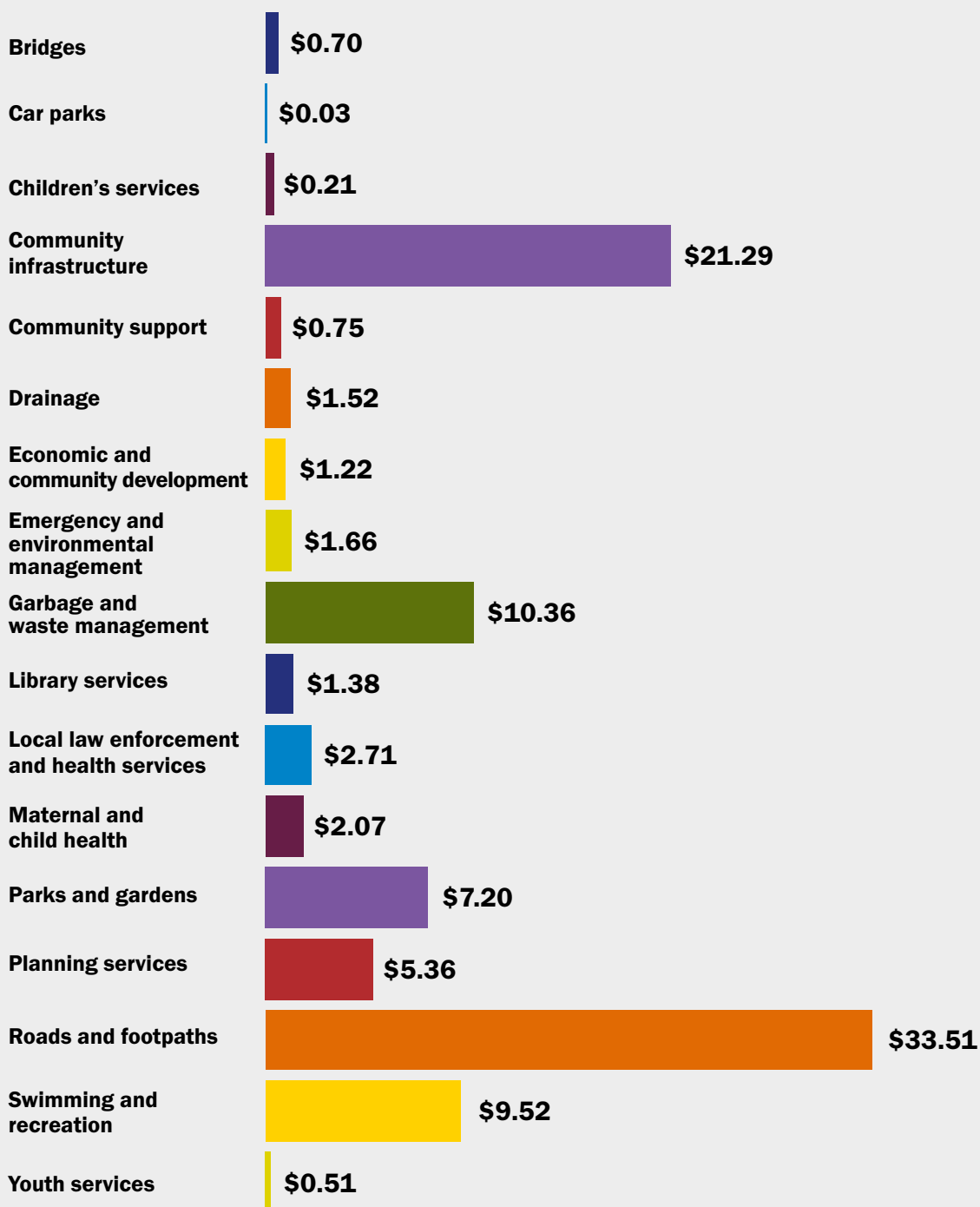
**Youth contacts with Council**  
**21,447**



**Playgrounds maintained**  
**195**



Dollar amounts below represent the breakdown of every \$100 of revenue used by Council to deliver facilities, programs and services in 2023–24.



## Strategic objective: Strong communities

We empower our communities to be healthy, connected and resilient.



### Achievements:

- We continue to collaborate with key partners as part of the Liveability Partnership Steering Group which oversees our Liveability Plan 2017–29. The implementation of the Liveability Plan Action Agenda 2021–25 remains on track, which strives to enhance the health and wellbeing of Cardinia Shire residents.
- We continued to advocate for increased services and funding to support our growing community, to help ease cost of living pressures and to ensure services can continue to meet the needs of our community into the future. We contributed towards multiple submissions this year relating to food security, social housing and improved funding models to enhance access to financial and material aid support services in Cardinia Shire.
- We launched our Cardinia Support website, which is a local service directory connecting residents to more than 160 services across the shire.
- We celebrated our diverse community along with its rich arts and culture with a number of exciting events at Cardinia Cultural Centre, including school holiday programs, exhibitions and events. The Hills Hub at Emerald also showcased a number of exhibitions and events. Council awarded 6 Cardinia Arts Grants for the 2024 round and launched the year’s Music Residency program with 3 artists.
- Our Community Safety Framework was endorsed and provides a comprehensive evidence-based framework for the way in which Council approaches community safety to maximise impact. The framework complements the Safety Action Agenda (action plan) that has been developed by the Safer Communities Partnership to improve safety and perceptions of safety in the shire.





## Strategic objective: Liveable places

We support the creation of liveable spaces and places.



### Achievements:

- Accessibility upgrades were undertaken at a number of Council's recreation and community facilities across the shire to improve access and participation for community members. These improvements included installation of accessible toilets, lighting upgrades, accessible car parks, accessible play equipment and facility upgrades.
- We continued to advocate to the State and Federal governments for increased investment in crucial transport infrastructure, including the expedited delivery of Thompsons Road to activate the Officer South Industrial Precinct. We also continue to call for a comprehensive review of the bus network service, along with advocating for significant road safety enhancements and increased investment in transport and road projects.
- Shared pathways and walking tracks across the shire were developed and upgraded, including completion of the Eastern Dandenong Ranges walking trail.
- We continued to work with the Victorian Government and key stakeholders to encourage sustainable supply of social and affordable housing across the shire. We refurbished 5 seniors housing units in Cockatoo and continued to lease 5 seniors housing units in Pakenham. In 2023-24, 24 social and affordable houses were built in Cardinia Shire, funded by Homes Victoria. Council has committed 5 lots and one dwelling through developer negotiation via section 173 agreements. Furthermore, as a member of the Regional Local Government Homelessness and Social Housing Group, Council participated in a joint submission to the National Housing and Homelessness Plan.
- Council continues to advocate for more direct and affordable bus services. We put forward 10 recommendations to the Victorian Government calling for increased frequency, faster and more direct routes, extended operating hours, reduced bus fares, funding certainty for growth areas and other improvements. Funding was announced through the Growth Areas Infrastructure Contributions (GAIC) for increased services.
- Council successfully engaged with the community to develop the Public Realm Strategy and Wayfinding Strategy for the Pakenham Activity Centre. Concept designs are complete and the Public Realm Strategy was approved by Council in November 2023.
- Growth Areas Infrastructure Contribution (GAIC) funding was announced in May 2024, including \$12.7 million for the reconfiguration of Drake Place and the John Street extension as part of the Pakenham Revitalisation project, Council's long-term plan to revitalise Pakenham. Drake Place reconfiguration represents stage 4 of the overall Pakenham Revitalisation project and John Street extension will be undertaken as part of stages 6 and 9 of the program.
- We delivered infrastructure upgrades to the road network with all major road infrastructure delivered through 3 major roads programs under the umbrella of the Better Local Roads Program – Sealing the Hills, Strategic Roads, and Princes Highway Intersection Upgrades. For the Sealing the Hills program, construction continues with \$41m in Federal funding to be fully spent by the end of the 2024-25 financial year. For the Strategic Roads program, Dore Road was completed in June 2024, and construction has commenced for Mt Lyall Road. As part of the Princes Highway Intersection Upgrade program, works continue on both the Princes Highway/Bayview Road and Princes Highway/Tivendale Road intersections which are scheduled to be completed in the first quarter of 2024-25. Growth Areas Infrastructure Contribution (GAIC) funding has been announced for Arena Parade and McGregor Road/Henty Way intersection.

## Strategic objective: Thriving environments

We value our natural assets and support our biodiversity to thrive.



### Achievements:

- As part of our Aspirational Energy Transition Plan, we partnered with the South East Councils Climate Change Alliance on various emission reduction and climate change adaptation projects. Some of the initiatives in 2023–24 included procurement of renewable energy for Council electricity use, construction of the new Toun-Nun Integrated Child and Family Centre in Officer in line with Council's enhanced standard for sustainable buildings, home energy and water efficiency kits available to the community through local libraries and purchasing carbon offsets to offset a portion of emissions attributed to Council's vehicle fleet.
- The 5-year action plan for our Waste and Resource Recovery Strategy is on track, with a number of initiatives completed or underway in 2023–24. The red lid garbage bin change over program is complete, the State Government's Container Deposit Scheme was supported in its implementation and has seen good uptake, and a number of green waste drop off events were held to support reductions in burning off and recycling of green waste material. Council also worked with State and Local Government counterparts and made significant progress towards alternatives to landfill solutions.
- We continued to implement initiatives of the Biodiversity Conservation Strategy, including supporting the Westernport Catchment Landcare Network with revegetation initiatives to support the Southern Brown Bandicoot habitat, supporting the Cannibal Creek Landcare Group to deliver biodiversity improvements in fire-affected communities, progressing development of the Growling Grass Frog Conservation Management Plan for Cardinia Road Employment Precinct, conducting fauna surveys (microbats) along Cardinia Creek at Beaconsfield Flora and Fauna Reserve with members of the Friends of Cardinia Creek, commencing the Biodiversity Monitoring project to survey for Powerful Owl and Yellow-bellied Glider, delivering two Garden for Wildlife workshops, funding 8 community Biodiversity Incentive grants, and providing funding to support 8 community friends groups and 3 wildlife shelters.
- Initiatives implemented as part of the Integrated Water Management Plan included working with South East Water and the Victorian Planning Authority to advocate for an integrated water management approach in Officer South Employment precinct, reducing reliance on potable water, installing two 5,000-litre rainwater storage tanks at Beaconsfield Community Complex connected to toilets and outdoor taps, and supporting development and adoption of the Western Port Catchment Integrated Water Management Action Plan.



## Strategic objective: Prosperous economies

We support our productive land and employment land to grow local industries.



### Achievements:

- We continued to implement the Community Food Strategy 2018–26. In late 2023, Council worked in partnership with Deakin University to undertake the Local Food Environment Policy Index Assessment with a panel of experts assessing Cardinia Shire’s policy against best practice standards for food systems. In 2023, Council joined the VicHealth Local Government Partnership to support the delivery of key actions in the Cardinia Community Food Strategy. We received grant funding to deliver co-design sessions with young people, schools and the agricultural sector to design solutions which engage young people in agricultural careers. A video series was created with local farms highlighting the opportunities and rewards of farming careers. Council continues to facilitate the South East Food Movement Network.
- Advocacy for the South East Melbourne Airport (SEMA) has continued steadily over the past 12 months. Led by Greater South East Melbourne Councils (GSEM) in partnership with Council, this advocacy priority has been shared at various forums such as a briefing with the Victorian Liberal Party Shadow Cabinet, the GSEM Delegation to Parliament House, and the National General Assembly at Canberra in July. Council continues to grow the evidence-base and support for the SEMA and is preparing a submission to ‘A Plan for Victoria’ which will highlight the call to action for the future SEMA to remain in its current proposed location.
- Facilitating investment in the shire’s townships to support businesses remained a priority. Development of the Township Economic Profiles continued, with work underway to identify potential barriers to investment, highlight opportunities for fostering and attracting investment, and explore additional opportunities for sustainable economic growth and prosperity. Council is also developing a new Business Group Support Grants Program to provide funding for local business groups.
- Council has continued to advocate for a Centre of Excellence to be included in the Officer South Employment Precinct Structure Plan to support local further education and employment pathway opportunities for our community.
- Council actively explored avenues for crafting a Business Innovation Strategy that aims to strengthen the local economy by fostering a culture of innovation, reimagining business models and processes, and leveraging partnerships.
- Our commitment to actively protecting key heritage sites within the shire was evident through our annual Heritage Grants program which supported 4 projects, supporting the Nobelius Heritage Park and Emerald Museum Community Asset Committee to continue to improve museum practices, and celebrating the Australian Heritage Festival.
- Several key initiatives have been delivered over the last 12 months as part of our Economic Development Strategy, including completion of Council’s first ‘Business Landscape Survey’, which has been used to inform business development activities. We also delivered 8 workshops and training events to more than 145 businesses, relaunched the Casey Cardinia Jobs Portal in partnership with the City of Casey, and delivered 12 editions of the Cardinia Business Newsletter. We supported the SELLEN Try-A-Trade event, delivered our first Cardinia Jobs and Skills Showcase and launched the Business Mentoring Program.



## Strategic objective: **Responsible leaders**

We practise responsible leadership.



### **Achievements:**

- Council continued to invite community feedback on a range of projects and initiatives throughout the year, in line with our Community Engagement Policy and the Local Government Act. Efforts to enhance community involvement have included distributing personalised letters, utilising QR code posters to direct residents to the Creating Cardinia online engagement platform, organising a series of in-person pop-ups, launching Creating Cardinia on the Move to seek regular input on how the community would like to be engaged, and direct engagement with local businesses and key stakeholders.
- Council demonstrated transparency through the quarterly performance reporting, including customer service outcomes.
- We continued to work with strategic partners to progress shared advocacy initiatives. Council delivered a full program of advocacy activities over the past 12 months and continues to work in partnership with Greater South East Melbourne (GSEM) for priorities that impact Cardinia Shire and the broader south east region. Council has also made several submissions to State and Federal policy, including a 2024–25 Australian Government Federal Budget submission. Council had the opportunity to present Cardinia Shire’s priorities to the Victorian Government Shadow Cabinet at the Cardinia Cultural Centre in March. Along with delivery of key advocacy campaigns, Council is working to develop an Advocacy Framework to support decision-making and resource allocation for Council’s advocacy efforts from 2025. The framework will include a range of tools, including resources to support the community to lead their own advocacy efforts.



# Challenges and future outlook

## Challenges

- Cardinia Shire is one of the state's most prosperous and fast-growing municipalities, with demand on our community infrastructure and services continuing to grow along with our population. This places greater importance on planning and sustainability.
- Managing the natural and built environments of the shire is an ongoing challenge for Council. This includes balancing our conservation efforts and preservation of the natural environment with the need for further development to meet the needs of our ever-growing community.
- There are a number of challenges that face our culturally diverse communities when settling in Cardinia Shire, including language and communication barriers as well as a lack of access to key services and support. Attracting culturally specific services and programs to the shire that are close to transport and retail hubs is crucial.
- Attracting services for our Aboriginal and Torres Strait Islander communities continues to be a focus for Council. We recognise that these services are best placed to support our Aboriginal and Torres Strait Islander residents as they are likely to be more effective in designing and delivering culturally appropriate community services.
- Tackling climate change and its impact on our environment, economy and citizens is one of the greatest challenges of our time. Australians are already seeing more warm spells, frequent and intense downpours, and longer fire seasons. Climate change impacts our biodiversity, water supplies, energy demand, and our health – particularly that of our more vulnerable community members.
- When it comes to supporting local industry development and creating local jobs, we need a clear direction for leveraging our productive land and employment land to grow local industries, increase jobs in the area, and keep our skilled workforce. These actions will contribute to improving Cardinia Shire's attractiveness as an employment hub.
- A number of health, safety and wellbeing risks face our community. Cardinia Shire is reporting high rates of family violence incidents, and we have higher than average rates of poor mental wellbeing, higher rates of food insecurity and a lower intake of nutritious food. Working collectively across government, with local service providers and community leaders, we will continue to prioritise addressing the social determinants and risk factors of poor health and wellbeing.
- Council continues to face a number of cost pressures, including higher construction and material costs for projects, unexpected costs associated with recovery activities, reduced funding support from other levels of government, and limited alternative revenue sources. Council's focus is to continue to deliver valued services, projects and infrastructure for the community while ensuring Council remains financially sustainable in the long term.





## The future

- Council is committed to working towards providing equitable access to important services and facilities. This includes attracting new services to Cardinia Shire to help fill critical gaps, in addition to exploring innovative service models.
- Ensuring our community can connect with Council and provide their input and feedback on projects and initiatives is a priority for Council. Through our community engagement activities, we aim to connect with a broad range of community members and give everyone the opportunity to provide valuable feedback on a range of projects and policies, which in turn helps inform Council decisions and maintain transparency. We will utilise our Creating Cardinia online engagement platform, meetings, workshops, pop-up activities, websites, social media platforms, community newsletters and surveys to consult with our community and seek feedback on important matters. We will also develop community engagement guidelines to support Council staff to continue to build on existing engagement practices.
- The cost of living is presenting a number of challenges for our community. We endeavour to identify creative solutions to help businesses flourish, we will manage our financial resources responsibly and we will continue to support community members facing financial hardship to apply for a rates payment plan or financial hardship.
- Our Sustainable Environment Policy 2018–28 recognises that every action we take influences our environment. Cardinia Shire Council strives to ensure that influence is as positive as possible. How we adapt to and mitigate climate change impacts will require a holistic approach, from how we drive sustainable development to how we grow our local industries.
- Through our Liveability Plan 2017–29, Council aims to keep our people healthy and thriving, preventing disease, illness, injury, disability or premature death where possible. We will build our community's capacity to do so, use evidence-based decision-making, and focus on Cardinia Shire's liveability to create environments that enhance our community's wellbeing.
- Council will continue to take action and advocate to all levels of government regarding the impact of the cost of living, including housing pressures. As part of our Social and Affordable Housing Strategy 2018–25 we encourage diversity of housing across Cardinia Shire. We will continue to work with developers and deliver social housing projects with registered housing providers and relevant stakeholders.
- We're committed to responding effectively to population growth while continuing to meet community expectations and needs, as well as attracting further services to the shire.





# Year in review







I am proud to present Cardinia Shire Council's Annual Report 2023–24.

There have been many highlights and achievements over the past year, as well as a number of challenges. Our focus has remained the same – to support our community, deliver essential services and to achieve results across all 5 key areas of our Council Plan.

The Annual Report 2023–24 outlines Council's achievements in fulfilling the objectives and commitments of our Council Plan and budget.

We have worked hard over the past year to deliver essential services and projects, to support our community and to plan for how we can best meet the needs of our growing community, now and into the future.

## Supporting our community

In 2023–24, we continued to advocate for increased services and funding to support our growing community, to help ease cost of living pressures and to ensure services can continue to meet the needs of our community into the future.

We worked with key partners as part of the Liveability Partnership Steering Group, which oversees our Liveability Plan 2017–29, to enhance the health and wellbeing of our community. We also made a number of submissions relating to food security, social housing and improved funding models to enhance access to financial and material aid support services in Cardinia Shire.

Cardinia Shire is fortunate to have a vibrant and diverse community and as a Council, we want our shire to be a liveable place where everyone feels valued and accepted. We continued to work with key partners and stakeholders to support our diverse communities, build connections and promote participation.

Accessibility upgrades were undertaken at a number of community and recreation facilities across the shire to improve access and participation, and we continued to work with the Victorian Government and key stakeholders to encourage sustainable supply of social and affordable housing across the shire.

## Facilities and infrastructure for our growing shire

Cardinia Shire Council delivered or progressed a number of significant projects in 2023–24.

Highlights included:

- Construction of the new Garfield netball pavilion.
- Completion of the soccer and cricket field redevelopment at Bunyip Recreation Reserve.
- Development of the 10-hectare Officer District Park well underway.
- The extension of the Pakenham Tennis Club.
- Playground upgrades at Waterford Rise Playground and Village Green playground.

- Installation of new footpaths at 11 locations across the shire.

Furthermore, we delivered infrastructure upgrades to the road network with all major road infrastructure delivered through 3 major roads programs under the umbrella of the Better Local Roads Program – Sealing the Hills, Strategic Roads, and Princes Highway Intersection Upgrades.

- Sealing the Hills – construction continues with \$41m in Federal funding to be fully spent by the end of the 2024–25 financial year.
- Strategic Roads program – Dore Road is complete and construction has commenced for Mt Lyall Road.
- Princes Highway Intersection Upgrade program – works continue on both the Princes Highway/Bayview Road and Princes Highway/Tivendale Road intersections. Growth Areas Infrastructure Contribution (GAIC) funding has been announced for Arena Parade and McGregor Road/Henty Way intersections.

### Advocacy

Council remains committed to working with all levels of government to advocate for action on important local issues and to influence government priorities for the benefit of our community.

We have delivered a full program of advocacy activities over the past 12 months, and we continue to work in partnership with Greater South East Melbourne (GSEM) on priorities that impact Cardinia Shire and the broader south east region.

Council has made several submissions to State and Federal policy, including a 2024–25 Australian Government Federal Budget submission. We also welcomed the opportunity to present Cardinia Shire’s priorities to Victorian Shadow Cabinet when it visited the shire in March.

We continued to actively seek grant funds from a variety of Victorian and Australian government funding programs. We welcomed the announcement of \$21.5 million in funding from the Victorian Government’s Growth Areas Infrastructure Contribution (GAIC) fund to support the delivery of essential infrastructure and road projects in Cardinia Shire’s growth corridor.

### Responsible financial management

Council adopted its 2024–25 budget in June 2024, which strives to balance Council’s response to financial challenges while prioritising existing services and infrastructure and delivering a range of projects to help achieve the community’s vision.

This budget is the final annual budget of this Council’s four-year term, and it aligns with Cardinia Shire’s Council Plan 2021–25 and Community Vision to deliver on the community’s aspirations.

The overarching objective of the budget is to keep rates and charges as affordable as possible, while continuing to deliver a wide range of valued services, programs and infrastructure to our community.

This year, like in previous years, we’ve seen an increase in the cost of living affecting our community. Therefore, we worked hard to develop a budget that meets the needs of our community, while working within the constraints of limited revenue sources and the rate cap.

This annual report offers a comprehensive overview of the past 12 months and the many services, programs and initiatives that we have delivered for the benefit of our community. I am proud to bring you more about our achievements on the following pages.

**Carol Jeffs**  
Chief Executive Officer






Cardinia Shire Council's financial position remained stable in 2023–24. Despite Council continuing to experience several cost pressures, we concluded the year with a surplus that was higher than originally budgeted.

Council's budget strives to balance Council's response to financial challenges while prioritising existing services and infrastructure and delivering a range of projects to help achieve the community's vision.

In 2023–24, a number of financial pressures faced Council, including the unexpected costs associated with recovery activities following recent storm events. This was further impacted by reduced support from the State Government.

This year, we also saw an increase in the cost of living pressures affecting our community. Council has also continued to support community members struggling with cost of living pressures, with the number of hardships and ratepayers on payment plans increasing over the past 12 months.

In 2023–24, we delivered a record program of capital works valued at more than \$83 million, a 48% increase on the previous year. Our capital works program ensures residents across the shire have access to an expanding range of new recreational and leisure facilities and renewed and upgraded infrastructure, as the community continues to grow.

Council's focus is to continue to deliver valued services, projects and infrastructure for the community while ensuring Council remains financially sustainable in the long term.

## Income statement

The comprehensive income statement identifies income and expenses for the 2023–24 financial year. The operating surplus reported in the 2023–24 Annual Financial Statements is \$105.3 million, which is more than the budgeted surplus of \$100.1 million.

The main reasons for this favourable variance are:

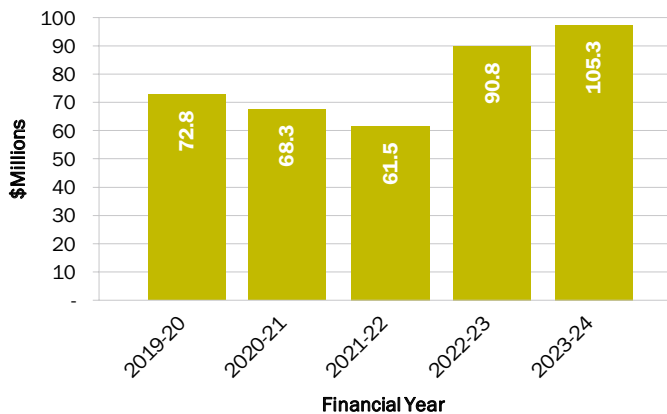
- Increased development levies, due to higher than anticipated receipts, particularly relating to Officer DCP.
- Higher income from other sources, including increased interest income as a result of higher interest rates and increased availability of cash reserves due to unspent grants.
- Lower depreciation expense, resulting from a combination of lower asset values due to capital delivery not occurring as originally budgeted, along with the impacts following the comprehensive revaluation conducted in March 2023 which was not reflected in the budget.

This is being offset by:

- Lower operating grant income due to the timing of Financial Assistance Grant payments for both 2023–24 and 2024–25.
- Lower capital grant income, primarily due to planned works in the 2023–24 Capital Works program not being completed as per the adopted budget.



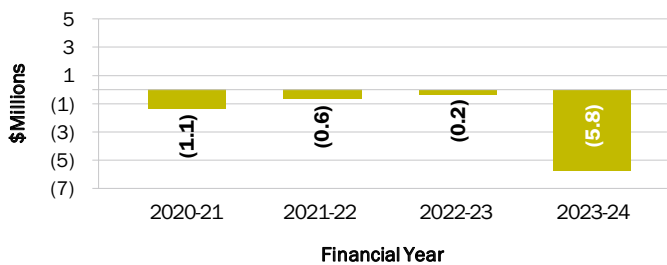
**Figure 1. Operating result \$ million**



It is important to note that the reported operating surplus is not a cash surplus. The operating results are presented under the accrual basis of accounting and includes a mix of cash and non-cash items within both the income and expense categories.

The adjusted underlying result of \$5.8 million deficit is favourable to the adopted budget by \$3.9 million.

**Figure 2. Adjusted underlying result \$**



**Balance sheet**

Council ended the year with net assets of \$3.1 billion, an increase of \$706 million from the previous year (\$2.4 billion).

This has been influenced by the increase in the value of our Property, Infrastructure, Plant and Equipment assets, resulting from the capital works activity completed during the year combined with the revaluations undertaken to see a net increase of \$696.4 million.

Council’s borrowings total was \$11.6 million at the end of the 2023–24 financial year which, as a percentage of rates revenue, is less than 10% and can be seen in the Performance Statement. This demonstrates that Council is only borrowing what it needs as it needs it, and we will continue to manage borrowings responsibly.

**Cash position**

The closing cash and cash equivalents balance at 30 June 2024 was \$29.9 million, a \$4.1 million increase from 2022–23.

This is due to two key factors:

- The reduction in payments for materials and services and subsequent increase in trade and other payables from the previous year is due to all outstanding creditor payments having to be settled prior to the migration to the new CiA Finance System on 1 July 2023, which was a one-off instance.
- The above was offset by the reduction in grants received during the year, particularly the timing of the Financial Assistance Grants payments for both 2022–23 and 2023–24, as well as increased capital works expenditure.



A broad range of services and activities are provided by Cardinia Shire Council each year. These include everything from family and children's services, to maintaining good community infrastructure such as parks, reserves, open spaces, community facilities and waste management. Other areas of responsibility include business development, ensuring accountability for Council's Budget and planning for new developments.

Our initiatives are always diverse and contribute to achieving Cardinia Shire Council's vision as outlined in the Council Plan. You can refer to the 'Our Performance' section on page 63 of this report for further information.

### Economic factors

Like all councils in Victoria, Cardinia Shire Council is facing significant financial sustainability challenges from rising cost pressures, rate capping and a reduction in grants. This situation is exacerbated for councils with diverse geographical areas on the outer edge of metropolitan Melbourne, with increasing pressure and demand for

services and infrastructure to keep pace with our growing population. Delivering the large volume of infrastructure required to service a major growth area means significant exposure to the building and construction sector where costs have been increasing significantly.

### Major achievements

Council continued to implement its short and long-term strategies through its Capital Works Program, including one-year, 5-year and 10-year plans aligned to the Council Plan's actions and budgets. As a result, the goal of financial sustainability was supported, and framework was provided to help monitor Council's financial performance while delivering projects.

### Major capital works

Cardinia Shire Council undertakes capital works to provide new community assets and improve existing assets. We have developed and delivered many projects throughout the 2023–24 financial year to improve community infrastructure. They will enable Council to deliver better services, amenities, improved access, and quality facilities to the wider community. The following tables outline these projects.



### Better Local Roads Program – Princes Highway intersection project

<b>Description</b>	Several priority intersections along the Princes Highway will be upgraded over 3 years as part of our Better Local Roads Program. The Princes Highway intersection project will provide safer travel for road users while reducing congestion and catering to future increases in traffic.
<b>Update</b>	<ul style="list-style-type: none"> <li>• <b>Bayview Road and Princes Highway intersection, Officer:</b> major civil works are complete. Traffic signals are expected to be switched on in mid-September.</li> <li>• <b>Tivendale Road-Station Street and Princes Highway intersection, Officer:</b> is now operating with works continuing to finalise an additional lane and bus lane.</li> </ul> <p>Other Princes Highway intersections being considered for upgrade include: Brunt Road/Whiteside Road in Officer, and Arena Parade in Officer.</p> <p>The Princes Highway intersections at Beaconsfield – O’Neil Road intersection and Glismann Road/Beaconsfield Avenue intersection – have been completed.</p>
<b>Start</b>	2020
<b>End</b>	2024
<b>Project budget</b>	\$29.184 million funded by Council and the Australian Government’s Urban Congestion Fund (\$21.55 million)

### Better Local Roads Program – Sealing the Hills project

<b>Description</b>	The Sealing the Hills project will involve sealing 38 roads in the Dandenong Ranges and surrounds over 3 years.
<b>Update</b>	<p>Works underway this year:</p> <ul style="list-style-type: none"> <li>• <b>First-Grenville package stage 1</b> (construction of First Avenue, Grenville Road, Spring Street and Hazel Street, Cockatoo): works are nearing completion and expected to be completed by August 2024.</li> <li>• <b>First-Grenville package stage 3</b> (construction of Neville Street, Steane Street and Marcelle Street, Cockatoo): construction is underway and is expected to be completed by late 2024.</li> </ul> <p>Works due to commence in 2024–25 include First-Grenville package stage 2 (expected to commence once stage 3 is complete); Old Gembrook Road package, Emerald; and Stoney Creek package, Beaconsfield Upper.</p> <p>Works that have been completed in previous years include Armstrong Road (Beaconsfield), Station Road, Anzac Street, and Heroes Road (Gembrook), Beenak East Road (Gembrook), Innes Road (Gembrook), Baker Street-Glen Road package (Cockatoo), Caroline Avenue package (Cockatoo) Naughton package (Cockatoo), and Russell-Blackwood package (Gembrook).</p>
<b>Start</b>	2021
<b>End</b>	2025
<b>Project budget</b>	\$44.994 million funded by \$41 million in Australian Government funding and the remaining co-funded by Council and landowners via a special charge scheme.

### Better Local Roads Program – Strategic road sealing program

<b>Description</b>	Council is upgrading several strategic roads across the shire to improve transport connections. Approximately 25 km of roads across the shire have been identified as part of the program, which forms part of our Better Local Roads Program.
<b>Update</b>	Works undertaken this year have included McGregor-Soldiers-Hobson roads, Pakenham (works complete except for the desalination pipeline area) and Dore Road, Nar Nar Goon (bulk of works complete). Works due to commence in 2024–25 include Mt Lyall Road, Heath Hill and Huxtable Road, Pakenham Upper.
<b>Start</b>	2019
<b>End</b>	2025
<b>Project budget</b>	\$25.958 million

### Intersection upgrade – Pioneer Way and Brunt Road, Officer, intersection upgrade

<b>Description</b>	To support the development and growth around the Princes Highway in Officer, Brunt Road has been duplicated from the entrance of Blue Gum Park to the railway crossing, and Pioneer Way has been extended to connect with Brunt Road. A new roundabout has also been installed at the Brunt Road, Pioneer Way, and Edinburgh Drive intersection to support increasing traffic and provide access to the new Kurmile Primary School located on Fairweather Parade.
<b>Update</b>	Upgrade works on Brunt Road and Pioneer Way in Officer are now complete. The remaining footpath on the Princess Highway has been completed.
<b>Start</b>	May 2023
<b>End</b>	Feb 2024
<b>Project budget</b>	\$3.547 million jointly funded by Council and Developer Contribution Plan (DCP) funds.



## Road resurfacing and renewal program

<b>Description</b>	Council has resurfaced over 130 sections of local roads across the shire as part of the 2023–24 road resurfacing program. Resurfacing works are proactive works to help prevent damage to the road pavement.
<b>Update</b>	Under the resurfacing program, more than 130 road segments were resealed, or asphalt overlaid, covering more than 35kms of Council sealed road network. Rehabilitation projects undertaken in 2023–24 included: <ul style="list-style-type: none"> <li>• Nine Mile Road, Tynong</li> <li>• Seven Mile Road, Nar Nar Goon/Koo Wee Rup North</li> <li>• Bald Hill Road, Pakenham</li> </ul>
<b>Start</b>	October 2023
<b>End</b>	June 2024
<b>Project budget</b>	\$6.319 million jointly funded by Council and the Australian Government’s Roads to Recovery Program (\$1.7 million).

## Footpath program

<b>Description</b>	The footpath program focusses on building new footpaths to connect missing footpath links in established townships.
<b>Update</b>	In 2023–24, 11 new footpaths have been installed at the following locations: <ul style="list-style-type: none"> <li>• Henry Road, Pakenham (north side opposite IYU)</li> <li>• Heritage Boulevard, Pakenham (corner Henry Road)</li> <li>• Princes Highway, Pakenham (north side – behind 76 Ebony Drive)</li> <li>• Army Road, Pakenham (corner of Baltaser Drive continuing to number 40 south along the reserve and connecting into the existing footpath)</li> <li>• Bailey Road, Cockatoo (corner Garden Road to Third Avenue)</li> <li>• Belgrave-Gembrook Road, Avonsleigh (opposite Avonsleigh General Store and connecting into the existing bus stop)</li> <li>• Fairway Road, Avonsleigh (corner Macclesfield Road)</li> <li>• Wellington Road, Clematis (outside of Clematis Hall)</li> <li>• Brunt Road, Beaconsfield</li> <li>• Main Street, Garfield (opposite post office)</li> <li>• McDonalds Track, Lang Lang (corner Cullen Drive)</li> </ul>
<b>Start</b>	July 2023
<b>End</b>	June 2024
<b>Project budget</b>	\$1.2 million fully funded by Council.



## Bridge renewal program

<b>Description</b>	Replacement of bridges and major culverts for 2023–24 included: <ul style="list-style-type: none"> <li>Alexander Road pedestrian bridge, Cockatoo</li> <li>Beaconsfield wetlands boardwalk.</li> <li>Lakeview Terrace boardwalk renewal.</li> <li>Timber bridge assessments for Little Road bridge, Iona, and South Bank Road bridge, Bunyip</li> </ul>
<b>Update</b>	<p>Browns Road Bridge guardrail renewal works (required following storm damage) were completed in February 2024 to improve road safety.</p> <p>Alexander Road pedestrian bridge is complete, including additional works for fencing to improve pedestrian safety adjacent to the stream embankment.</p> <p>Work is progressing on the Beaconsfield boardwalk. Installation commenced in June and is expected to be complete by mid-October.</p> <p>Abutment works have been completed at Emerald-Beaconsfield Road. New deck and handrail from Vista Place/ Sanctuary Way paths were completed by the end of June.</p> <p>The Gembrook Road Bridge structure and handrails have been installed. Decking installation is expected to be completed by mid- October, providing a safe pedestrian link to Harewood Park Road and the Gembrook Park walking trail loop.</p> <p>Lakeview Terrace Boardwalk replacement works were completed with a granitic path and adjacent footpath connection.</p>
<b>Start</b>	July 2023
<b>End</b>	October 2024
<b>Project budget</b>	\$838,000 fully funded by Council.

## Drainage program

<b>Description</b>	The upgrade and maintenance of Council’s drainage network.
<b>Update</b>	<p>The 2023–24 drainage program included:</p> <ul style="list-style-type: none"> <li>New drainage pipe and pits installed in O’Sullivan Street, Pakenham as a part of the Peet Street special charge scheme project.</li> <li>Culvert replacement in Tynong-Bayles Road (Murray Road intersection).</li> <li>Replacement of existing pipes in Joffre Parade and Birdwood Avenue, Cockatoo</li> <li>200m open outfall drain to be piped in Beswick Street, Garfield.</li> </ul>
<b>Start</b>	August 2023
<b>End</b>	June 2024
<b>Project budget</b>	\$704,000 fully funded by Council.





## Cardinia Youth Hub

<b>Description</b>	Relocation and expansion of the My Place Youth facility to a parcel of Council-owned land in James Street, Pakenham. The new Cardinia Youth Hub was designed to engage and support young people aged 12–25 years and include counselling rooms, a hangout space, internet café, recording booth, classrooms and a rooftop recreation space with basketball hoop.
<b>Update</b>	Construction of the Cardinia Youth Hub was put on hold following builder liquidation. Council commenced a thorough process to evaluate the future of the youth hub project and to determine the best way forward.
<b>Start</b>	March 2022
<b>End</b>	On hold while investigations are underway.
<b>Project budget</b>	\$3.307 million (cost to date). This project is on hold while investigations are underway.

## Officer District Park

<b>Description</b>	Officer District Park will be a regional 10-hectare adventure and nature park. The park is being delivered in stages, with exciting features currently being constructed as part of the stage 1 works including a multi-level playground, Cardinia Shire's first purpose-built Parkour Zone, fitness stairs and equipment, a lookout and dedicated dog off leash area.
<b>Update</b>	Stage one construction is well underway.
<b>Start</b>	October 2023
<b>End</b>	Stage one completion: November 2024
<b>Project budget</b>	\$9.072 million funded by Council, the Victorian Government's Growing Suburbs Fund (\$2.2 million), the Victorian Government's New and Upgraded Dog Parks Program (\$400,000) and the Federal Government's Local Roads and Community Infrastructure program (\$435,000).

## Thewlis Road Integrated Child and Family Centre

<b>Description</b>	This new centre will include 3 kindergarten program rooms, a community room that can be converted into an additional kindergarten room in future, 3 consult rooms to cater for Maternal and Child Health and other allied health services, staff room with kitchen space and planning room, community amenities, outdoor play space, public art and off-street car parking.
<b>Update</b>	Construction is underway.
<b>Start</b>	Construction commenced December 2023
<b>End</b>	The centre is expected to be operational in 2025.
<b>Project budget</b>	\$11.288 million, jointly funded by Council, the Victorian Government (\$9 million), and developer contributions.

## Garfield North Community Centre (Cannibal Creek Reserve), Garfield North

<b>Description</b>	Development of a new community centre in Garfield North to accommodate approximately 100 people. This modular building will include a social room, a meeting room, storage area, kitchen, accessible toilet, and unisex toilets.
<b>Update</b>	Project planning continues.
<b>Start</b>	January 2022
<b>End</b>	June 2025
<b>Project budget</b>	\$2.4 million jointly funded by Council and the Victorian Government Growing Suburbs Fund (\$1.3 million).



### IYU Recreation Reserve athletics track, Pakenham

<b>Description</b>	Construction of a new 400 metre running track with a 10-lane synthetic track as well as facilities for long/triple jump, pole vault, high jump, javelin, shot put, hammer/discus and steeplechase.
<b>Update</b>	The running track is completed and is now open to the public.
<b>Start</b>	January 2022
<b>End</b>	September 2023
<b>Project budget</b>	\$3.9 million fully funded by Council

### Koo Wee Rup Bowling and Community Hub

<b>Description</b>	Construction of new modular building with facilities for club members and general community including 2 social rooms, a bistro area, 3 community meeting rooms, kitchen, bar servery, 2 change room areas, office area, toilet facilities, storage area, first aid room, and car parking.
<b>Update</b>	The existing building has been demolished and civil works have commenced.
<b>Start</b>	Construction commenced April 2024
<b>End</b>	November 2024
<b>Project budget</b>	\$5.665 million jointly funded by Council, the Victorian Government's Growing Suburbs Fund (\$1.65 million) and the Australian Government's Building Better Regions Fund (\$1.65 million).

### Pakenham Regional Tennis Centre pavilion extension

<b>Description</b>	The extension for the Pakenham Tennis Club included a small kitchen, unisex toilet and social space.
<b>Update</b>	This project is complete.
<b>Start</b>	August 2023
<b>End</b>	December 2023
<b>Project budget</b>	\$1.074 million fully funded by Council

### Worrell Reserve, Emerald – skate park

<b>Description</b>	Construction of skate park and youth plaza
<b>Update</b>	Site works have started ready for the construction of stage one of the skate park and youth plaza later in 2024. The youth plaza and skate park will be a family-friendly multi-use recreation space for skateboarding, BMX, scooter and mountain bike riding.
<b>Start</b>	July 2022
<b>End</b>	December 2024
<b>Project budget</b>	\$1.27 million jointly funded by Council and the Victorian Government (\$1 million).

### Worrell Reserve, Emerald – tennis court lighting

<b>Description</b>	Tennis court upgrade works include replacing lighting on courts 1 to 5, including poles and upgrading the lights to LED.
<b>Update</b>	Project completed.
<b>Start</b>	August 2023
<b>End</b>	May 2024
<b>Project budget</b>	\$303,000, jointly funded by Council and the Victorian Government.

### Garfield netball pavilion

<b>Description</b>	Construction of a new pavilion that includes changerooms with operable wall/roller door, unisex amenities, strapping/massage rooms, unisex accessible change room with amenities, umpires change with amenities and operable wall, first aid room, public toilets (female/male/unisex) with external access, external viewing area, meeting/office room, canteen/kitchen, cleaners store, utility service area, internal and external storage.
<b>Update</b>	This project has been completed.
<b>Start</b>	June 2023
<b>End</b>	June 2024
<b>Project budget</b>	\$2.952 million funded by Council and the Victorian Government (\$800,000).



**Bunyip Recreation Reserve – soccer and cricket field redevelopment**

<b>Description</b>	Construction of junior and senior soccer field overlayer with a cricket field, new LED 100 Lux lighting, perimeter fencing and supporting infrastructure.
<b>Update</b>	Lighting towers have been erected, pavilion interface works and turf redevelopment are now complete. The field was handed over in January 2024.
<b>Start</b>	September 2022
<b>End</b>	August 2023
<b>Project budget</b>	\$1.616 million jointly funded by Council and the Victorian Government’s Community Support Fund (\$500,000)

**Playground Renewal Program**

<b>Description</b>	The Playground Renewal Program is an annual capital works program aimed at renewing and upgrading Council’s existing playgrounds across the shire. Council undertakes community engagement, design and the delivery of play spaces that cater for children of all ages. Two play spaces were renewed during the 2023–24 financial year including Waterford Rise playground and Village Green playground.
<b>Update</b>	Construction of the play spaces is now complete.
<b>Start</b>	July 2023
<b>End</b>	June 2024
<b>Project budget</b>	\$384,000





# Our Council





## Location

An area of 1,280km<sup>2</sup> is known as Cardinia Shire, located 55 kilometres south-east of Melbourne's central business district. As one of 10 'Interface Councils' on the outskirts of metropolitan Melbourne, Cardinia is where urban and rural areas meet.

Key road and rail links between Melbourne and West Gippsland operate via the Princes Highway and Gippsland railway corridor that run east-west through the centre of Cardinia Shire. The western end of this corridor comprises about 10% of Cardinia Shire's land area. It is also the main area of growth, encompassing Beaconsfield, Officer and Pakenham.

The municipality's large rural population resides outside of this growth area in 27 townships, providing unique service provision challenges for Council at times. The northern part of the shire is in the foothills of the Dandenong Ranges, which includes Bunyip State Park and Cardinia Reservoir. The southern part of Cardinia Shire plays home to the Koo Wee Rup swamp and Western Port Bay.

## History

Places of both local and state significance are included in the shire's diverse blend of natural and cultural sites. These heritage spots reflect the Cardinia Shire's evolving periods and the people who have shaped them including Aboriginal Australians – the first people to use the rugged landscape – as well as loggers and gold miners of the foothills who helped to drain the former Koo Wee Rup Swamp and the pastoral settlement. The municipality continues to evolve as new developments and residents move into the area each week.

Four main development periods have formed Cardinia Shire, and they are:

- Aboriginal cultural landscape at first contact (c1835–c1860);
- pastoral era and land settlement (c1838–c1870);
- selection era and establishment of service communities (c1860–c1940); and
- post-war residential expansion (c1945 to present day).

Local governing bodies were established in 1862 after the Berwick District Roads Board launched, followed by the establishment of the Shire of Berwick in 1868.

The Shire of Berwick evolved into the Shire of Pakenham and then Cardinia Shire.

## Population

Cardinia Shire is one of Victoria's fastest-growing local government areas.

- An average of 3 new households move into the shire every day.
- The estimated population is 135,147 as of 2024.
- Cardinia Shire's population is predicted to rise by approximately 39,658 over the next 10 years until 2034.
- The median age of residents is 34, which is 3 years younger than that of Greater Melbourne.
- The largest percentage of Cardinia Shire's population are parents and homebuilders aged 35-49 (21%), followed by young people aged 12-24 (16%), and finally the young workforce aged 25-34 (16%).
- Cardinia Shire has a higher proportion of young children aged 14 years and under (23%) compared with Greater Melbourne (18%) and a lower proportion of people aged 60+ (17%) than Greater Melbourne (20%).

The Victorian Government nominated the combined Casey-Cardinia area as one of five regions around the fringe of metropolitan Melbourne where new housing and population growth will be concentrated. In light of this, dramatic population growth within Cardinia Shire is expected over the next 20 years.



**Table 1: Estimated 2024 population and projected 2034 and 2044 population by service age group**

Age group (years)	2024		2034		2044		Change 2024 to 2044
	Number	%	Number	%	Number	%	Number (% change)
Babies and preschoolers (0 to 4)	9,653	7%	10,782	7%	11,281	7%	1,628 (+16.8%)
Primary schoolers (5 to 11)	10,725	8%	12,160	8%	12,160	7%	1,435 (+13.3%)
Secondary schoolers (12 to 17)	11,501	9%	15,092	10%	14,443	9%	2,942 (+25.5%)
Tertiary education and independence (18 to 24)	19,615	15%	23,628	15%	23,129	14%	3,514 (+17.9%)
Young workforce (25 to 34)	28,077	22%	35,427	22%	35,151	21%	7,074 (+25.1%)
Parents and homebuilders (35 to 49)	13,423	10%	14,593	9%	14,735	9%	1,312 (+9.7%)
Older workers and pre-retirees (50 to 59)	13,952	11%	17,634	11%	20,645	12%	6,693 (+47.97%)
Empty nesters and retirees (60 to 69)	10,769	8%	12,600	8%	14,156	9%	3,387 (+31.4%)
Seniors (70 to 84)	9,843	8%	13,535	9%	15,550	9%	5,707 (+57.9%)
Elderly aged (85 and over)	1,710	1%	3,403	2%	5,187	3%	3,477 (+203.3%)
<b>Total people</b>	<b>129,268*</b>		<b>158,854</b>		<b>166,437</b>		

Percentage figures and totals may not equate exactly due to rounding. Current forecasts extend to 2041.

\*The variance in population figures for 2024 reflects available data at the time of publication.

Cardinia Shire has a higher proportion of young families than the Greater Melbourne average. In contrast, the proportion within the 60+ age group is lower than the Melbourne average. It's important to note this pattern is typical of growth areas located on the fringe of large cities as young couples often relocate from rental accommodation in inner suburbs as they hunt down more affordable housing and larger dwellings in outer suburbs.

An estimated 22,322 residents aged 60 and over continue to reside in the shire and this figure represents 17% of Cardinia's total population. This figure is predicted to increase to approximately 34,800 over the next 20 years until 2044 (increase of 12,500 people). With this increase will come a greater demand for community and aged services, health services, local infrastructure upgrades and public transport.

The 2021 Census found that 38.4% of Cardinia Shire's population identified as being of a Christian faith, with Catholic the most dominant denomination chosen by residents. A growing number of residents (44%) indicated

they had no religion, which is a higher proportion compared with Greater Melbourne (37%). The figure is also a 7.6% increase from the 2016 Census.

Only a small proportion of culturally and linguistically diverse (CALD) communities reside within Cardinia Shire, which is in line with current population growth, and this number is increasing. In the 2021 Census, residents who spoke a language other than English represented 18% of the Cardinia Shire population, a significant increase from 11% reported in 2016.

In the 2021 Census the most common birth countries of non-Australian born residents were India, United Kingdom, Sri Lanka, New Zealand, and the Philippines.

Cardinia Shire has an Aboriginal and Torres Strait Islander population of 1,145 residents representing 1% of the population and remaining in line with Victorian trends. This figure has risen from 780 in 2016.



## Households and housing

As of the 2021 Census, there were approximately 41,390 households in Cardinia Shire.

- Around 38% of households comprise couples with children, a figure greater than the Melbourne average of 33%.
- Other households are comprised of couples without children (approximately 26%), one-parent families (11%) and single residents (19%).
- Of Cardinia Shire households, 22% own their home, 48% have a mortgage, and 22% rent. The proportion of households with a mortgage is higher than the metropolitan Melbourne average of 36%.

## Education

Cardinia Shire residents are generally attaining lower levels of education and training than other areas in metropolitan Melbourne. The 2021 Census found that 52% of residents had completed Year 12 or equivalent, in comparison to the metropolitan Melbourne average of 64%.

At present, the lack of a university campus and limited TAFE courses available within Cardinia Shire puts a ceiling on the availability of post-secondary education opportunities locally for residents.

## Industry and economy

The 2021 Census results found that 18,840 residents were employed in jobs within Cardinia Shire, while more than half of the working population travelled outside the area to work (62%).

- 95% of those able to work are employed and 4.3% of the population is unemployed, a figure that is slightly lower than metropolitan Melbourne (5.3%).
- Of those employed, 61% work full time and 32% work part time.
- Construction (14%), health care and social assistance (13%), retail (10%), and manufacturing (9%) are the top four industries of employment among Cardinia Shire residents.
- The most dominant occupations within Cardinia Shire are technicians and trade workers (17%). The 2021 Census also indicated that the average median weekly incomes are higher in Cardinia Shire than wider Victoria (see Income and Work in Cardinia – 2021, all persons, QuickStats).



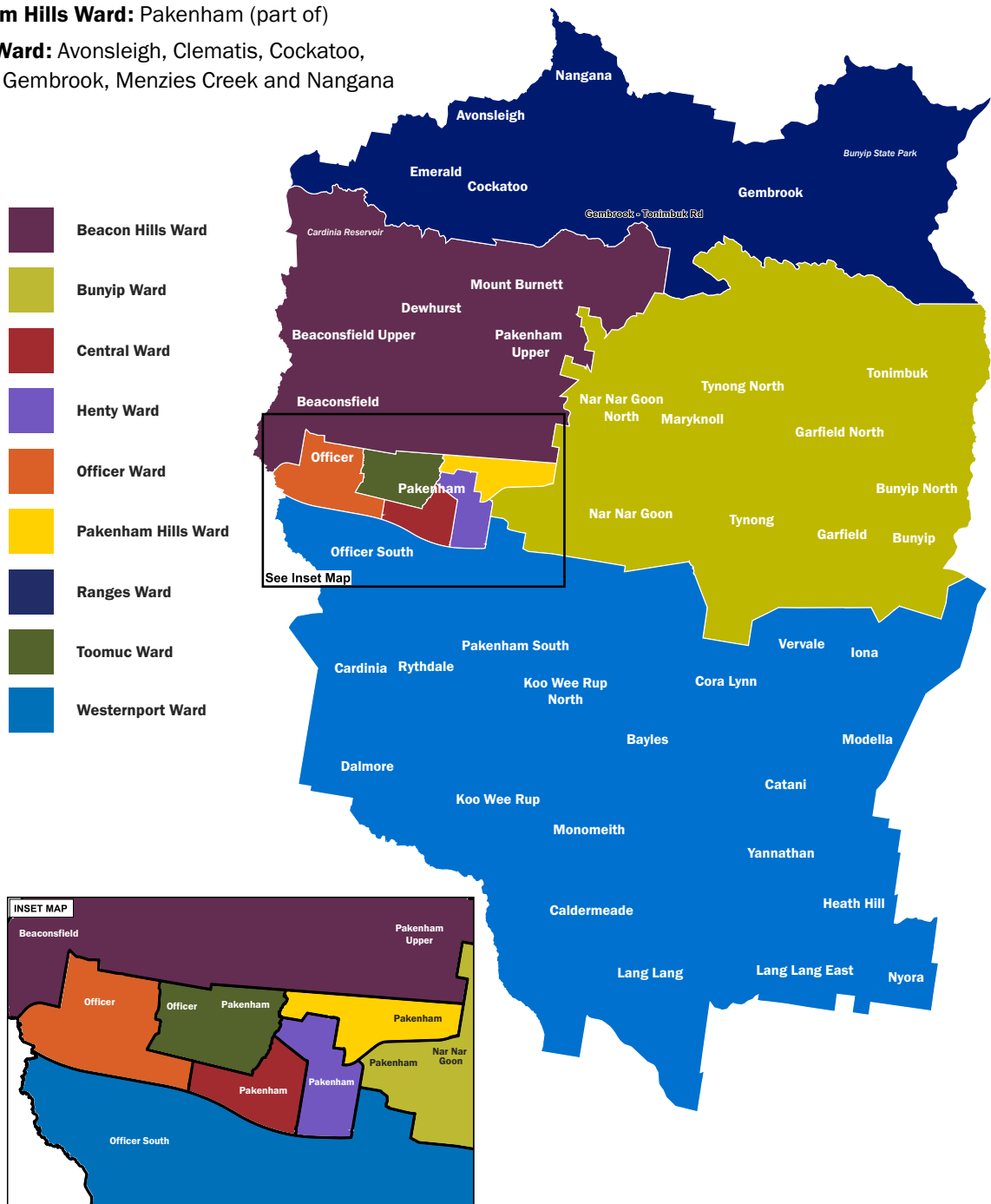
## 2020–24 Council term

For the election held on 24 October 2020, the shire was subdivided into 9 single-member wards (each represented by one councillor).

- **Beacon Hills Ward:** Beaconsfield (part of), Beaconsfield Upper, Dewhurst, Guys Hill, Mount Burnett and Pakenham Upper
- **Bunyip Ward:** Bunyip, Bunyip North, Garfield, Garfield North, Nar Nar Goon, Nar Nar Goon North, Pakenham (part of), Tynong and Tynong North
- **Central Ward:** Pakenham (part of)
- **Henty Ward:** Pakenham (part of)
- **Officer Ward:** Beaconsfield (part of) and Officer (part of)
- **Pakenham Hills Ward:** Pakenham (part of)
- **Ranges Ward:** Avonsleigh, Clematis, Cockatoo, Emerald, Gembrook, Menzies Creek and Nangana

- **Toomuc Ward:** Officer (part of) and Pakenham (part of)
- **Westernport Ward:** Bayles, Caldermeade, Cardinia, Catani, Cora Lynn, Dalmore, Heath Hill, Iona, Koo Wee Rup, Koo Wee Rup North, Lang Lang, Lang Lang East, Longwarry, Maryknoll, Modella, Monomeith, Nyora (part of), Officer South, Pakenham South, Rythdale, Tooradin, Vervale and Yannathan.

For the election to be held on 26 October 2024, the shire will remain as 9 single-member wards. The current ward boundaries were reviewed by the Victorian Electoral Commission and the Minister for Local Government approved new boundaries on 28 May 2024.





## Councillors

Nine councillors were elected in October 2020 to serve for a 4-year period until October 2024.

### Beacon Hills Ward



**Cr Brett Owen**  
First elected 2005  
Mayor 2012–13  
Deputy Mayor 2013–14  
Mayor 2016–17  
Deputy Mayor 2017–18  
Mayor 2020–21

### Pakenham Hills Ward



**Cr Jack Kowarzik**  
First elected 2020  
Deputy Mayor 2022–23  
Mayor 2023–24

### Bunyip Ward



**Cr Graeme Moore**  
First elected 2011  
Mayor 2013–14  
Deputy Mayor 2014–15  
Mayor 2018–19  
Deputy Mayor 2019–20  
Deputy Mayor 2023–24

### Ranges Ward



**Cr Jeff Springfield**  
First elected 2016  
Mayor 2019–20  
Deputy Mayor 2020–21  
Mayor 2021–22

### Central Ward



**Cr Collin Ross**  
First elected 2008  
Mayor 2017–18  
Deputy Mayor 2018–19

### Toomuc Ward



**Cr Stephanie Davies**  
First elected 2020

### Henty Ward



**Cr Carol Ryan**  
First elected 2016

### Westernport Ward



**Cr Kaye Cameron**  
First elected 2021

### Officer Ward



**Cr Tammy Radford**  
First elected 2020  
Deputy Mayor 2021–22  
Mayor 2022–23

### Council offices

#### Civic Centre

20 Siding Avenue, Officer  
Postal address PO Box 7  
Pakenham Victoria 3810

Phone: 1300 787 624

Email: [mail@cardinia.vic.gov.au](mailto:mail@cardinia.vic.gov.au)

Web: [www.cardinia.vic.gov.au](http://www.cardinia.vic.gov.au)



# Our people





Cardinia Shire Council is the governing body that appoints the Chief Executive Officer (CEO) to be responsible for the organisation’s day-to-day operations in accordance with the strategic directions of the Council Plan. Our Senior Leadership Team consists of the CEO and 4 General Managers who lead the organisation.

Below is the Cardinia Shire Council organisation structure in 2023–2024.



## Employee overview

In 2023–24, Council continued to support the development and engagement of the workforce through a range of programs and initiatives for employees, which were identified through the employee engagement survey program 'Our Voice'.

## Employee engagement

The annual 'Our Voice' engagement survey resulted in a 79% participation rate and an overall engagement score of 7.4 out of 10 (0.1 above industry benchmark), as at September 2023. Overall results identified 3 key priorities for 2023–24:

- Employee wellbeing
- Communicating organisational strategy
- Inspired by purpose and mission

Survey results were shared with employees across the organisation and updates to the organisation-wide action plan are provided quarterly. Leaders are able to access engagement dashboards with data specific to their teams to enable them to share results with their team members and plan actions.

Quarterly 'Our Voice' pulse checks were introduced in 2023–24, and the results were used as a guide in developing or reviewing employee programs and initiatives throughout the year to ensure they were kept relevant to the workforce and the work Council undertakes and delivers.

The next annual Our Voice engagement survey will occur in August 2024.

## Wellbeing

Employee wellbeing is a key priority for Cardinia Shire Council. A number of resources, tools, events and support services are offered to employees, including the Employee Assistance Program (EAP), skin checks, flu shots, and the introduction of an onsite wellbeing consultant. Council remains committed to supporting our employees with their mental and physical wellbeing, now and into the future.

In addition to the initiatives in place, further opportunities to enhance our employee wellbeing offerings were identified in the 'Our Voice' survey. Initiatives implemented in 2023–24 included:

- An increase in the number of employee mental health first aiders from 8 to 36, covering all business units and employee hours.
- Roll out of the Resilience Toolkit and Safe Conversations training for all employees.
- Introduction of an onsite wellbeing consultant, in addition to the Employee Assistance Program (EAP).
- Roll out of Protecting and Promoting Mental Wellbeing to senior leaders and managers, in addition to Managing for Team Wellbeing to all leaders across the organisation.



## Organisational culture

Working **together**, doing things **differently** and preparing for the **future** are the cornerstones of Council's culture and helping to achieve Council's vision and strategic objectives. It's not just what employees do, but how they do it that's important.

Cardinia Shire Council's culture is embedded in the organisation's processes, procedures, leadership and day-to-day employee experiences. Council employees have these values at the heart of everything they do:

- Teamwork
- Respect
- Accountability
- Customer Focus
- Communication

## Inspired leadership

The Cardinia Leadership Academy was launched in 2023, with almost 30 leaders participating in the pilot program. There were 2 cohorts: strategic leaders and operational leaders. The Cardinia Leadership Academy was relaunched in 2024, with another operational leader cohort, as well as the introduction of an emerging leader cohort. There are 40 employees undertaking the program this year.

The Cardinia Leadership Academy is built around Cardinia's leadership capability framework, strategic workforce plan and other strategic imperatives, and aims to nurture and develop current and emerging leaders' skills to support current and future needs.

## Continuing to learn

A range of learning and development programs are on offer to all employees from Council, as aligned to the Leadership Capability Framework and Council's organisational needs.

These programs include:

- The Cardinia Leadership Academy, in partnership with DeakinCo., where employees are able to undertake professional development to become stronger leaders.
- LGPro program sponsorships including as Emerging and Executive Leaders Programs.
- Senior Leadership Team (SLT) Participation program, allowing 6 employees per year to be mentored by SLT and participate in meetings.
- Face to face and online training workshops – for both technical and soft skills development.
- Support to undertake formal education – from certificate level courses to postgraduate qualifications – as part of Council's Education Support program.





### **Employee value proposition**

To support Council's efforts in attracting talent in an increasingly competitive environment, Council's first employee value proposition (EVP) was launched in 2023. We have continued to build on this across our careers website and LinkedIn platform to showcase our great employees and the work they do. 'Great people, meaningful work, extraordinary opportunities' underpins the EVP and what prospective candidates can expect when working at Cardinia Shire Council.

### **Staff recognition**

Every year Council acknowledges employee service milestones from 10 years of service in 5-year increments.

Council also recognises employee achievements throughout the year via our reward and recognition framework. This includes an annual Excellence Awards event for employees to come together to celebrate the recognition they have received from their peers, as well as acknowledging any formal education achievements.



## Employee information as at 30 June 2024

- 63.2% of Council employees were female, including casuals.
- 36.8% of Council employees were male, including casuals.
- An unknown number of Council employees were non-binary/intersex/unspecified, including casuals 48.86% of full-time positions were held by females.
- 15.32% of part time positions were held by males.
- 30.7% of Council employees worked part-time.

**Table 2. Staffing numbers**

Classification	Males	Females	Indeterminate/ intersex/unspecified	TOTAL
Full time	182	190	0	372
Part time	29	167	0	196
Casual	24	49	0	73
<b>Total</b>	<b>235</b>	<b>406</b>	<b>0</b>	<b>641</b>

**Table 3. Detailed staff breakdown**

Employee type/ gender	CEO	Customer, People and Performance	Infrastructure and Environment	Liveable Communities	Governance, Facilities and Economy	TOTALS
Full time female	2	42	32	66	48	189
Full time male		21	119	18	24	182
Part time female		23	7	71	66	167
Part time male		4	2	0	23	29
Casual female		2	0	14	33	49
Casual male		1	1	4	18	24
<b>Totals</b>	<b>2</b>	<b>93</b>	<b>161</b>	<b>173</b>	<b>212</b>	<b>641</b>

**Table 4. Staff demographics by age**

Age	Percentage
15-19	0.44
20-24	5.11
25-34	18.25
35-44	28.17
45-54	20.73
55-64	16.50
65 and over	7.74

**Table 5. Staff by employment classification and gender**

Employment classification	Female FTE	Male FTE	Indeterminate/ intersex/ unspecified FTE	Total FTE
Band 1	8.08	3.06	0	11.14
Band 2	0	0	0	0
Band 3	1	34	0	35
Band 4	31.09	18.59	0	49.68
Band 5	75.87	27.00	0	102.87
Band 6	54.30	43.79	0	98.09
Band 7	25.66	24.85	0	50.51
Band 8	20.07	13	0	33.07
Band not applicable	39.52	11.63	0	51.15
<b>Totals</b>	<b>255.59</b>	<b>175.92</b>	<b>0</b>	<b>431.51</b>

*Note: Council's payroll system provides the above data, which includes employees on extended leave without pay and parental leave. Where this is the case, employee numbers may be exaggerated due to extended position coverage. The data does not include contractors employed by other parties.*





## Equal employment opportunity statement

Cardinia Shire Council is an equal opportunity employer committed to providing a safe and supportive work environment free from unlawful discrimination, bullying, harassment, sexual harassment, and vilification, and where all individuals associated with the organisation treat each other with respect.

Cardinia Shire Council is an equal opportunity employer committed to an equitable, diverse, and socially inclusive work environment and a positive, barrier-free recruitment process. We welcome applicants from an Aboriginal and Torres Strait Islander heritage, people living with a disability, LGBTIQ+ and people from culturally diverse backgrounds to explore career opportunities with Cardinia Shire Council.

Cardinia Shire Council has zero-tolerance towards abuse and neglect of children and young people. We are committed to the rights of all children to feel safe and be safe when participating in Council activities, services and programs. Engagement of a child can happen incidentally and need not be planned or coordinated. Being a child safe organisation is therefore everyone's responsibility at Council.

All our employees are expected to behave in a professional manner and to treat each other with dignity and respect while at work. Council will take reasonable and proportionate measures to prevent and eliminate unlawful discrimination, bullying, harassment, sexual harassment and vilification.

Council's Managing Workplace Complaints and Grievances Procedures are in place to ensure reports

relating to experiencing or witnessing inappropriate workplace behaviours such as unlawful discrimination, bullying, harassment, sexual harassment and vilification are treated seriously, and are investigated thoroughly and confidentially.

Victimisation is not tolerated and employees who feel they are being treated poorly or victimised because of reporting a concern or for being involved in the investigation process are encouraged to report this treatment immediately.

Council aims to ensure the most efficient and equitable use and development of the skills and talents of all employees. To achieve this, Council has, in consultation with employees, developed strategies to ensure equality at all stages of employment, including recruitment, selection and appointment, promotion, training and all other terms and conditions of employment.

All new Council employees completed induction training that included workplace behaviours, including equal opportunity, sexual harassment and bullying. Refresher training is coordinated for all employees and Councillors.



# Welcome to Cardinia







# Governance, management and other information



Under the provisions of Section 8 of the Local Government Act 2020, the role of council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

Council's key roles include:

- considering diverse community needs when making decisions.
- Managing strategic objectives and monitoring achievements.
- Being held accountable for management of resources.
- Advocating on behalf of the local community.
- Nurturing community cohesion and encouraging active participation.

On an ongoing basis, the community is invited to provide input into Council's decision-making via consultation, public forums, and submissions to Special Committees of Council. A formal decision-making process takes place during Council meetings.

### Council meetings

Council meets on the third Monday of every month and the Town Planning Committee meets on the first Monday.

These meetings are conducted in the Council Chamber commencing at 7pm; any members of the public are welcome to attend. The meetings are also streamed live for any interested residents to view.



As at 30 June 2024, Council's committees were as follows:

#### Audit Committee

- Council members: Cr Jack Kowarzik and Cr Stephanie Davies
- Independent members: Michael Said, Vincent Philpott (Chairperson) and Leanna La Combte

#### Town Planning Committee

- Consisting of the whole of Council.

#### Code of conduct

As required by the Local Government Act 2020, Council reviewed the Code of Conduct and adopted a new Code of Conduct at the Council Meeting on 15 February 2021. This Code was amended in September 2023 to include reference to the 'Developer Contact Register'.

#### Conflict of interest

Councillors are elected by community members to act in the best interests of their community. When a council delegates its powers to a council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. Cardinia Shire Council has in place comprehensive details included in its Governance Rules regarding the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings at Cardinia Shire. Council maintains a register of all disclosed conflict of interests.

## Resources, training and compensation

It is important that Council's elected representatives are empowered to undertake their roles and responsibilities and are provided with the opportunity to acquire new skills and upgrade their existing capabilities. Council has adopted a Councillor Expenses Policy which was amended and updated on 20 May 2024.

### Councillor allowances

The Victorian Independent Remuneration Tribunal sets and reviews the allowances payable to Mayors, Deputy Mayors and Councillors.

Allowances payable from July 2023 were as follows:

- Mayor \$122,630
- Deputy Mayor \$61,315
- Councillors \$37,010

These allowances are reviewed annually by the Tribunal.

### Councillor expense entitlements

The Councillor Expenses Policy provides for payment of travel allowances, childcare expenses and communication expenses. Councillors are supplied with a computer and internet connection, and a mobile phone to be used for Council business.

The policy also provides that where the Mayor uses their private vehicle during their term of office, they received a vehicle allowance of \$15,000 per annum.

### Councillor professional development

The policy supports Councillors to upgrade their skills during their term of office with an amount of \$3,000 per Councillor per annum, or \$12,000 over their 4-year term.

Programs qualifying for expenditure include:

- Seminars and conferences.
- Undergraduate and postgraduate studies.
- Short courses and study tours.

Programs must relate to the areas of local government activity, leadership and governance in the context of the role of Councillor, or enhance the personal skills of the individual to undertake the role.

**Table 6a. Councillor expenses 2023–24**

Councillor	Travel expenses	General expenses (includes childcare)	Professional development
Brett Owen	-	\$900	-
Carol Ryan	-	\$900	-
Collin Ross	\$10,692.55	\$900	-
Graeme Moore	\$4,409.97	\$900	-
Jack Kowarzik	-	\$1151	-
Jeff Springfield	\$810.83	\$900	-
Kaye Cameron	-	\$900	\$1,125
Stephanie Davies	-	\$900	\$2,744
Tammy Radford	-	\$900	\$575

**Table 6b. Councillor attendance at meetings 2023–24**

Councillor	Briefings (41 meetings)		Council meetings (11 meetings)		Town planning meetings (9 meetings)	
	Attended	Apologised	Attended	Apologised	Attended	Apologised
Cr Brett Owen	34	7	9	2	7	2
Cr Carol Ryan	38	3	10	1	7	2
Cr Collin Ross	38	3	10	1	9	0
Cr Graeme Moore	41	0	11	0	9	0
Cr Jack Kowarzik	41	0	11	0	9	0
Cr Jeff Springfield	38	3	9	2	9	0
Cr Kaye Cameron	39	2	11	0	9	0
Cr Stephanie Davies	33	8	11	0	8	1
Cr Tammy Radford	33	8	10	1	5	4



### Audit and Risk Committee

The role of the Audit and Risk Committee is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management, and fostering an ethical and inclusive environment.

This Committee consists of 2 councillors, Cr Jack Kowarzik and Cr Stephanie Davies, and 3 independent members, Michael Said, Vincent Philpott (Chairperson) and Leanna La Combre. Independent members are appointed for a 2-year term, with a maximum of 3 terms. The Chair is elected from the independent members.

The Committee meets regularly throughout the year. The Internal Auditor, Chief Finance Officer, Chief Executive Officer and Executive Manager Office of the CEO attend all Audit and Risk Committee meetings. Other management representatives attend to present reports as required, while external auditors attend twice per year. Recommendations from each Audit and Risk Committee meeting are subsequently reported to Council.

### Internal audit

This function provides independent and objective assurance that the appropriate processes are in place across Council. This area is jointly resourced by an Internal Auditor and an external provider.

A risk-based 3-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework; Council Plan; the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes; as well as management input. The SIAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends each Audit and Risk Committee meeting to report on the status of the SIAP, provide an update on the implementation of audit recommendations and present findings. The responsible general manager and manager for each area reviewed are required to attend the Audit and Risk Committee meeting to respond to any questions. All audit issues identified are risk rated. Recommendations are assigned to the responsible manager and tracked in Council's performance management system. Managers provide quarterly status updates reviewed by the Internal Auditor and reported to the Senior Leadership Team and the Audit and Risk Committee.

The SIAP for 2023-24 was completed with the following reviews conducted:

- Asset Management – Infrastructure
- Complaints Management
- Cyber – Essential 8 Maturity Assessment
- Gender Equity Action Plan
- Leases and Licences (Property Portfolio Management)

### External audit

The Victorian Auditor-General is the external auditor for Council. For the 2023–24 financial year, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. They attend the May and August Audit and Risk Committee meetings to present the Annual Audit Plan and Independent Audit Report. The external auditor's final management letter and responses are also provided to the Audit and Risk Committee.

## Risk management

Responsibility for risk is allocated to the appropriate managers through Council's Risk Management framework. It provides a comprehensive approach to better integrate risk management into strategic decision-making, while also allowing Council to develop an overall approach to managing risk, remaining committed to an innovative, strategic direction. The policy ensures Council can appropriately deal with risk, protect its assets, including people and property, and create an environment where all employees assume responsibility for managing risk. The Corporate Risk Register is subject to ongoing updates and reviews to ensure it is current and reflective of the corporate risk profile.

## Business continuity

The Business Continuity Plan was updated in 2022–23 and assists Council in providing services to the community based on the service's criticality, should Council business be interrupted by an event. Council places much importance on minimising the impact on service delivery to the community in the event of a business interruption.

## Workplace safety

Council has maintained a strong focus on continuing its positive safety culture in 2023–24 with a focus on psychosocial safety. Through structured education and awareness sessions with management and employees, Council has increased its psychosocial awareness and safety has remained a priority. Council provides a proactive, early-intervention injury-management program to its workforce to assist in effectively managing workplace injuries and WorkCover claims.





## Local Government Community Satisfaction Survey

This year, the Local Government Community Satisfaction Survey was undertaken in-person by doorknock, by an independent agency. Council uses the survey results to better understand the needs, wants and expectations of the community. This helps Council to shape numerous strategic decisions, directions, and the delivery of services.

The following table shows Cardinia Shire Council's results for the core survey measures from the 2024 survey.

Table 7. Snapshot of Council's performance

	2020	2021	2022	2023	2024	Trend
<b>Overall performance</b>	57	61	68	66	65	↓
<b>Community consultation</b>	52	54	68	67	67	↔
<b>Advocacy</b>	48	49	66	66	65	↓
<b>Making community decisions</b>	51	55	65	64	64	↔
<b>Sealed local roads</b>	52	56	64	61	59	↓
<b>Customer service</b>	63	65	69	70	73	↑

\* A horizontal two-headed arrow (↔) indicates no statistically significant change from the result of previous year.



## Governance and management checklist

Item	Assessment	Yes /no	Date of operation (where applicable)	Reported date (where applicable)
<b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act	Yes	15/02/2021	
<b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	Yes	15/02/2021	
<b>Financial Plan</b> (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act	Yes	21/06/2021	
<b>Asset Plan</b> (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act	Yes	20/06/2022	
<b>Revenue and Rating Plan</b> (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act	Yes	21/06/2021	
<b>Annual budget</b> (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 94 of the Act	Yes	17/06/2024	
<b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	Yes	24/05/2022	
<b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	Yes	9/11/2022	
<b>Municipal emergency management planning</b> (participation in meetings of the Municipal Emergency Management Planning committee)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year.	Yes	10/10/2022	



Item	Assessment	Yes/no	Date of operation (where applicable)	Reported date (where applicable)
<b>Procurement policy</b> (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act	Yes	18/10/2021	
<b>Business continuity plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation	Yes	27/02/2023	
<b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation	Yes	9/05/2022	
<b>Complaint policy</b> (policy under section 107 of the Act outlining Council's commitment and approach to managing complaints)	Policy developed in accordance with section 107 of the Act	Yes	15/05/2023	
<b>Workforce plan</b> (plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	Plan developed in accordance with section 46 of the Act	Yes	27/07/2022	
<b>Payment of rates and charges hardship policy</b> (policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	Current policy in operation	Yes	21/11/2022	
<b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	Yes	28/10/2020	
<b>Audit and Risk Committee</b> (advisory committee of Council under section 53 of the Act whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide advice on risk management, and provide oversight on internal and external audit functions)	Established in accordance with section 53 of the Act	Yes	17/08/2020	
<b>Internal audit</b> (independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged	Yes	1/06/2020	

Item	Assessment	Yes/no	Date of operation (where applicable)	Reported date (where applicable)
<b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Current framework in operation	Yes		21/08/2023, 20/11/2023, 19/02/2024, 20/05/2024
<b>Council Plan report</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first 6 months of the financial year)	Current report	Yes		21/8/2023 20/11/2023 19/2/2024 20/5/2024
<b>Quarterly budget reports</b> (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Quarterly reports presented to Council in accordance with section 97(1) of the Act	Yes		18/9/2023 20/11/2023 19/2/2024 20/5/2024
<b>Risk reporting</b> (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented	Yes		7/8/2023 16/10/2023 28/2/2024 16/5/2024
<b>Annual report</b> (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Annual report presented at the meeting of Council in accordance with section 100 of the Act	Yes	16/10/2023	
<b>Councillor Code of Conduct</b> (code setting out the standards of conduct to be followed by Councillors and other matters)	Code of conduct reviewed and adopted in accordance with section 139 of the Act  Code of Conduct amended in September 2023 to include reference to the 'Developer Contact Register'.	Yes	15/02/2021  18/09/2023	
<b>Delegations</b> (document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act	Yes	20/05/2024	
<b>Meeting procedures</b> (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act	Yes	17/06/2024	



**Certification of governance and management checklist**

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



**Carol Jeffs**  
Chief Executive Officer



**Cr Jack Kowarzik**  
Mayor 2023-24

**Dated:** 24 September 2024

### Information available for the public

In accordance with section 57 and 58 of the Local Government Act 2020, documents and information available to the public will be managed as set out in Council's Public Transparency Policy.

The policy supports Council in its ongoing drive for good governance and the importance of open and accountable conduct, and how Council information is to be made publicly available. The policy gives effect to the Public Transparency Principles outlined in the Local Government Act.

A list of documents available for inspection under the various Acts that Council is subject to can be found in Council's Part II Statement in accordance with section 7 of the Freedom of Information Act 1982.

### Contracts

During the 2023–24 financial year, no contracts were entered into over the tender threshold without giving public notice of the contract and inviting tenders.

Council adopted its Procurement Policy on 18 October 2021; the Policy is consistent with section 108 of the Local Government Act 2020 (the Act). This Policy has a contract value of \$300,000 (incl. GST) for Invitation to Tender or Expression of Interest.

Below is a list of contracts entered into with a value above Council's Procurement Policy for 2023–24:

- Road resealing of various roads 2023–24
  - Turf mowing for sports playing surfaces 2024–27
  - Open space mowing and horticultural service 2024–27
  - Construction of Thewlis Road Child and Family Centre
  - Management and operation of Deep Creek Reserve and Golf Course
  - Road line and pavement marking services 2023–26
  - Recruitment services
  - Pavement renewal works 2023–24
  - Construction of First Avenue and Grenville Avenue group of streets – Phase 3
  - Construction of James Steet carpark, Pakenham
  - Construction of First Avenue and Grenville Avenue group of streets – Phase 2
  - Construction of Officer District Park – Stage One
  - Install Mercury Vapour Street Lighting Replacement Program
  - Supply Mercury Vapour Street Lighting Replacement Program
  - Garfield North Cannibal Creek Reserve Community Centre design and construction
  - Asphalt and asphalt paving services 2023–26
  - Emerald Tennis Lighting – Worrell Reserve
  - Construction of Dore Road, Nar Nar Goon
  - Bill payment services
  - Incident Management System – Datalink
  - Construction of Pakenham Regional Tennis Centre
  - Youth and Family Outreach program
  - Replacement sweeper truck
- Infringement Management System
  - Construction of Mt Lyall Road, Heath Hill
  - Cora Lynn Recreation Reserve Football Pavilion
  - Alma Treloar Reserve carpark upgrade
  - Bonette Reserve streetscape
  - Multiple sports field lighting package
  - Koo Wee Rup Bowling Club Pavilion – modular build
  - Supply and delivery of quarry and civil products 2024–27
  - Record storage and imaging services



## Access and Inclusion Policy and Action Plan

Council, in conjunction with the Cardinia Access and Inclusion Advisory Committee, continued to monitor and implement the Disability, Access and Inclusion Action Plan. Council's Access and Inclusion Disability Strategy and Action Plan 2021–26 is underway, such as the development and implementation of the new Disability Action Plan. Extensive community engagement was undertaken to develop this new plan, which sets out what Council will do to make our workplaces, services, programs and community more accessible to people with disability.

## Domestic Animal Management Plan

In accordance with the Domestic Animals Act 1994, Council is required to prepare a Domestic Animal Management Plan at 4-year intervals.

The Domestic Animal Management Plan 2022–25 was developed in consultation with local veterinary clinics, domestic animal business permit holders, peak industry bodies and animal interest groups. This revised plan was adopted by Council on 20 June 2022.

## Food Act Ministerial Directions

In accordance with Section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial directions received during the financial year. No such Ministerial directions were received by Council during the 2023–24 financial year.

## Freedom of Information (FOI) Report

In accordance with the Freedom of Information Act 1982 reporting requirements, the following information is supplied for the period 1 July 2023 to 30 June 2024:

- a. 38 FOI requests were made to Cardinia Shire Council.
- b. FOI & Privacy Officer, Julia Donaldson, is the designated officer with authority to make a decision in relation to a request.
- c. 3 applications for review were made to the Freedom of Information Commissioner.
- d. No application was made to the Victorian Civil and Administrative Tribunal (VCAT) during the above period.
- e. No notices were served on the agency under Section 12 (1).
- f. No disciplinary action was taken out against any officer in respect of the administration of the Act.
- g. \$1,448.60 charges were levied on the applicants.

## Public Interest Disclosure Act

The Public Interest Disclosure Act 2012 aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on Council's website. During 2022–23, no disclosures were notified to Council officers appointed to receive disclosures or to the Independent Broad-based Anti-corruption Commission (IBAC).

## Road Management Act Ministerial Direction

In accordance with Section 22 of the Road Management Act 2004, Council is required to publish a copy, or a summary, of any Ministerial directions received during the financial year. No such Ministerial directions were received by Council during the 2023–24 financial year.

## Current Local Laws

As at 30 June 2024, Council had 2 Local Laws in operation.

### Local Law No 17 Environment, amenity and asset protection local law

The purpose and general purport of this Local Law is to:

- Provide for the peace, order and good governance of Cardinia Shire Council.
- Promote a physical and social environment in the municipal district free from hazards to health and safety, and to prevent and suppress nuisances that may adversely affect persons.
- Prohibit, regulate, and control activities that may be dangerous or unsafe or detrimental to the quality of life, the environment, and the amenity of the municipality.
- Prohibit, regulate, and control access to, and behaviour in, municipal places, buildings, recreation centres and reserves, and to protect public assets vested in Council.
- Define the standards to which persons engaged in building work should adhere, which aims to minimise the impact of building activities in respect of hazards to health and safety, the presence and disposal of builders' refuse, rubbish and soil, stormwater, and other pollution.
- Provide for the consistent application and enforcement of this Local Law.

### Local Law No 20 Open Air Fires Local Law

The main objectives of this Local Law are to:

- Provide for the peace order and good governance of Cardinia Shire Council;
- Promote a physical and social environment free from hazards to health, in which the residents of the municipal district can enjoy a quality of life that meets the general expectations of the community;
- Protect the amenity of the municipal district;
- Prevent and suppress nuisances connected with openair fires and smoke in the environment, which may adversely affect the enjoyment of life or the health, safety and welfare of persons;
- Prohibit, regulate and control open-air fires (and related behaviours) which may be dangerous or unsafe or detrimental to the quality of life and the environment; and
- Provide for the consistent application and enforcement of this Local Law.





# Infrastructure and development contributions

Urban development generates demand for a range of costly infrastructure. Infrastructure and development contributions and associated requirements enable Council to recover a significant portion of those costs from the beneficiaries of growth.

Infrastructure and development contributions are divided into 4 groups:

1. major roads and traffic control infrastructure
2. other development infrastructure (preschools, playgrounds and basic sporting open space)
3. community infrastructure (community centres, libraries and indoor sporting facilities)
4. limited land items to facilitate the delivery of the above (DCP only).

Although the collected contributions do not meet the full cost of the growth area infrastructure, the contributions are vital to Cardinia Shire Council's capacity to deliver critical infrastructure to service its new communities as development surges.

## Development Contribution Plans (DCPs)

Table 8. Total DCP levies received in 2023–24 financial year

DCP name (Year approved)	Levies received in 2023-24 FY (\$)
Pakenham DCP (1997)	\$325,110
Cardinia Road DCP (2008)	\$7,747,510
Cardinia Road Employment Precinct (2010)	\$3,897,347
Officer DCP (2011)	\$20,161,908
<b>Total</b>	<b>\$32,131,875</b>



Table 9. DCP land, works, services or facilities accepted as works-in-kind in 2023–24 financial year

Project ID	Project description	Item purpose	Project value (\$)
<b>Pakenham DCP (1997)</b>			
<b>Sub Total</b>			<b>\$0</b>
<b>Officer DCP (2011)</b>			
DI_TN_01	Construction of trail network from O'Neill Road to Gum Scrub Creek.	Trail network	\$104,033.91
DI_OS_06c	Construction of local park improvements (Stage 3).	Open space	\$194,305.32
DI_RO_06c	Construction of Bayview Road upgrade to a connector street - constrained Type 1 (Section 4a).	Road construction	\$206,712.51
DI_RO_16b	Construction of Rix Road upgrade to a connector street boulevard standard (Section 3).	Road construction	\$1,255,339.68
DI_TM_LA31	Purchase of land for signalised intersection at north-south arterial/Rix Road/Officer South Road.	Traffic management	\$74,340.00
DI_RO_LA35a	Purchase of land for Rix Road upgrade to a connector street boulevard standard (Section 3).	Road construction	\$416,615.10
DI_RO_15b	Construction of Rix Road upgrade to a connector street boulevard standard (Section 3).	Road construction	\$6,157.09
DI_OS_06b	Construction of local park improvements (Stage 2).	Open space	\$198,797.01
<b>Sub Total</b>			<b>\$2,456,300.62</b>
<b>Cardinia Road DCP (2008)</b>			
DI_TR_14	Shared path alongside the Pakenham Bypass, between Gum Scrub Creek and Toomuc Creek.	Trail network	\$127,998.86
DI_LA_06	Land acquisition – northern east west road (west of Cardinia Road extension).	Land acquisition	\$146,914.20
DI_RO_10	Road construction – northern east west road (west of Cardinia Road extension) includes culvert across Gum Scrub and Quirks Creek.	Road construction	\$486,010.93
<b>Sub Total</b>			<b>\$760,923.99</b>
<b>Cardinia Road Employment Precinct (2010)</b>			
<b>Sub Total</b>			<b>\$0</b>
<b>Total</b>			<b>\$3,217,224.61</b>



**Table 10. Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)**

DCP name and year approved	Total levies received (\$)	Total levies expended	Total works-in-kind accepted	Total DCP contributions received (levies and works-in-kind) (\$)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Council has no DCPs approved after 1 June 2016.

**Table 11. Land, works, services or facilities delivered in 2023–24 financial year from DCP levies collected**

Project ID	Project description	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contributions (\$)	Other contributions (Grants) (\$)	Total project expenditure (\$)	% of item delivered
<b>Cardinia Road DCP (2008)</b>							
CI-OS-3	Open space – district sports reserve – Henry Road (west)/Gum Scrub Creek.	\$95,000.00				\$95,000.00	100%
DI_CF_1	Community centre (children's services) – Thewlis Road.	\$2,098,420.42		\$9,508.18	\$990,000.00	\$3,097,928.60	50%
DI_OS_8a	Open space - district parkland – rehabilitation and conservation (Stage 1) – north of Princes Highway.	\$1,262,724.52		\$132,994.96	\$121,198.26	\$1,516,917.73	5%
DI_OS_8b	Open space – district parkland – rehabilitation and conservation (Stage 2) – north of Princes Highway.	\$691,403.83		\$72,821.28	\$66,362.01	\$830,587.13	5%
DI_OS_8c	Open space – district parkland – rehabilitation and conservation (Stage 3) – north of Princes Highway.	\$1,171,472.34		\$123,383.93	\$112,439.73	\$1,407,296.00	5%
<b>Cardinia Road Employment Precinct (2010)</b>							
DI_LA_01	Land acquisition for Cardinia Road duplication (from southern freeway interchange to intersection with eastern and western arterial).	\$132,823.60		\$964,166.63		\$1,096,990.23	100%
DI_LA_02	Land acquisition for Cardinia Road interim works (delivery of interim southern approach to intersection with eastern and western arterial).	\$324,885.60		\$964,166.63		\$1,289,052.23	100%
DI_LA_05	Land acquisition for eastern arterial duplication (from Cardinia Road to activity centre ring road).	\$115,700.00		\$964,166.63		\$1,079,866.63	100%
<b>Officer DCP (2011)</b>							
DI_CF_02	Construction of a community facility – children's services – MCH and double kindergarten – within proximity of East-West Road A and North-South Road A.	\$383,313.26		\$4,425.04		\$387,738.30	100%
DI_CF_04	Construction of a Community Facility - Children's Services - MCH & Double Kindergarten - East-West Road C (Brunt Road area).	\$4,437,374.29			\$938,427.59	\$5,375,801.88	75%

Project ID	Project description	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contributions (\$)	Other contributions (Grants) (\$)	Total LTD project expenditure (\$)	% of item delivered
DI_RO_LA29a	Purchase of land for East-West Road A to a connector street boulevard standard (section 3).	\$7,363,712.00		\$4,693.70		\$7,368,405.70	100%
DI_RO_LA30b	Purchase of land for East-West Road B to a connector street boulevard standard (section 3).	\$503,636.36				\$503,636.36	100%
DI_TM_01	Construction of signalised intersection at Old Princes Highway and O'Neill Road.	\$6,636.34				\$6,636.34	100%
DI_TM_02	Construction of signalised intersection at Princes Highway/Brunt Road/Whiteside Road.	\$67,043.97		\$1,027.37		\$68,071.34	10%
DI_TM_04	Construction of signalised intersection at Princes Highway/Bayview Road/north-south arterial.	\$3,998,806.76		\$512,021.00		\$4,510,827.76	75%
DI_TM_05	Construction of signalised intersection at Princes Highway/Tivendale Road/Station Street.	\$2,341,991.05		\$1,086,295.16		\$3,428,286.21	30%
DI_TN_02	Construction of trail network from Brunt Road to Gum Scrub Creek.	\$25,291.40		\$447,045.29		\$472,336.69	100%
DI_RO_14	Construction of East-West Road C to an access street – level 2 (section 5).	\$1,455,845.58		\$26,880.87		\$1,482,726.45	95%
DI_RO_10b	Construction of Brunt Road upgrade to a connector street boulevard standard (section 3).	\$847,446.26		\$15,647.33		\$863,093.59	95%
DI_TM_15	Construction of roundabout at Brunt Road/East-West Road C.	\$826,806.84		\$15,266.24		\$842,073.08	95%
DI_TM_10	Construction of signalised intersection at East-West Road A/North-South Road A.	\$237,037.34				\$237,037.34	100%
DI_RO_10c	Construction of Brunt Road upgrade to a connector street boulevard standard (section 3).	\$7,090.95		\$3,065.77		\$10,156.72	10%
DI_RO_15b	Construction of Rix Road upgrade to a connector street boulevard standard (section 3).	\$8,075.53	\$6,157.09	\$3,491.44		\$17,724.06	10%
<b>Total</b>		<b>\$28,402,538.24</b>	<b>\$6,157.09</b>	<b>\$5,351,067.45</b>	<b>\$2,228,427.59</b>	<b>\$35,988,190.37</b>	



## Infrastructure Contribution Plan (ICPs)

Table 12. Total ICP monetary component received in 2023–24 financial year

Name of collecting agency	Name of ICP	Monetary component in levies received in 2023–24 financial year (\$)	Value of works in kind received in satisfaction of monetary component in 2023-24 financial year (\$)	Total monetary contribution received in 2023-24 financial year (\$)
		\$0	\$0	\$0
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Council received no ICP monetary component in the 2023–24 financial year.

Table 13. Inner public purpose land received in 2023–24 financial year

Name of collecting agency	Name of ICP	Land (or project ID)	Land (or project) description
Cardinia Shire Council	Pakenham East	LP-03	Purchase of land for a local park.
Cardinia Shire Council	Pakenham East	IN-03	Purchase of land for an intersection.
Cardinia Shire Council	Pakenham East	LP-05	Purchase of land for a local park.
Cardinia Shire Council	Pakenham East	IN-05	Purchase of land for an intersection.

Table 14. Total Land Equalisation Amount (LEA) received and Land Credit Amount (LCA) paid in 2023–24 financial year

Name of collecting agency	Name of ICP	Total of any LEAs received in 2023-24 financial year (\$)	Total of any LCAs paid in 2023-24 financial year (\$)
Cardinia Shire Council	Pakenham East	\$2,246,790.35	\$0.00
<b>Total</b>		<b>\$2,246,790.35</b>	<b>\$0.00</b>

Table 15. ICP works, services or facilities accepted as works-in-kind in 2023–24 financial year

Name of collecting agency	Name of ICP	Project ID	Project description	Item purpose	Project value (\$)
Cardinia Shire Council	Pakenham East	IN-03	Construction of primary arterial to connector road 4-way signalised intersection (interim treatment).	Construction of intersection.	\$7,068,547.00
<b>Total</b>					<b>\$7,068,547.00</b>

**Table 16. Total ICP monetary contributions expended by development agency in 2023–24 financial year**

Name of development agency	Name of ICP	Project ID	Project description	ICP money expended	Percentage of project delivered
<b>Total</b>				<b>\$0</b>	

*\*No ICP monetary contributions expended by development agency in 2023–24 financial year*

**Table 17. Use and development of inner public purpose land or outer public purpose land which has vested in, been acquired by or been transferred to, the development agency in 2023–24 financial year**

Name of development agency	Name of ICP	Project ID	Project description	Use and development of land

*\*No use and development of inner public purpose land or outer public purpose land which has vested in, been acquired by, or been transferred to, the development agency in 2023–24 financial year*

**Table 18. Use of works, services or facilities accepted as works-in-kind in 2023–24 financial year**

Name of development agency	Name of ICP	Project ID	Project description	Use of land
Cardinia Shire Council	Pakenham East	IN-03	Construction of primary arterial to connector road 4-way signalised intersection (interim treatment).	Traffic item

**Table 19. Expenditure of ICP land equalisation amounts in 2023–24 financial year**

Name of development agency	Name of ICP	Project ID	Project description	Land equalisation amounts expended (\$)
Cardinia Shire Council	Pakenham East	LP-05	Purchase of land for a Local Park	\$323,798.47
Cardinia Shire Council	Pakenham East	IN-05	Purchase of land for an Intersection	\$2,571,080.00
<b>Total</b>				<b>\$2,894,878.47</b>





# Our performance



The *Local Government Act 2020* requires that councils develop an integrated and transparent approach to planning, organised around a 10-year community vision.

Councils must apply the strategic planning principles listed in section 89 of the Act to develop the following documents.

- Community Vision (10 years)
- Council Plan (4 years)
- Financial Plan (10 years)
- Asset Plan (10 years)
- Revenue and Rating Plan (4 years)

When applying the strategic planning principles, councils should also consider the other principles within the Act. For example, strategic planning documents are developed through community engagement and with regard to financial management, public transparency and service delivery.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government.

Time horizon	Planning	Reporting
<b>Long term (10 years)</b>	<p><b>Community Vision</b></p> <ul style="list-style-type: none"> <li>• Needs</li> </ul> <p><b>Financial Plan</b></p> <ul style="list-style-type: none"> <li>• Assumptions</li> <li>• Resources</li> <li>• Financial Statements</li> </ul> <p><b>Asset Plan</b></p> <ul style="list-style-type: none"> <li>• Maintenance</li> <li>• Renewal</li> </ul>	
<b>Medium term (4 years)</b>	<p><b>Council Plan</b></p> <ul style="list-style-type: none"> <li>• Direction</li> <li>• Objectives</li> <li>• Strategies</li> <li>• Indicators</li> <li>• Initiatives</li> </ul> <p><b>Workforce Plan</b></p> <ul style="list-style-type: none"> <li>• Structure</li> <li>• Staffing</li> </ul> <p><b>Rating Plan</b></p> <ul style="list-style-type: none"> <li>• Principals</li> <li>• Structure</li> </ul>	
<b>Short term (1 year)</b>	<p><b>Budget</b></p> <ul style="list-style-type: none"> <li>• Services</li> <li>• Infrastructure</li> <li>• Initiatives</li> <li>• Rates</li> <li>• Financial statements</li> </ul>	<p><b>Quarterly Budget Report</b></p> <ul style="list-style-type: none"> <li>• Financial statements</li> </ul> <p><b>Annual Report</b></p> <ul style="list-style-type: none"> <li>• Report of operations</li> <li>• Performance statements</li> <li>• Financial statements</li> </ul>

Cardinia Shire Council's performance for the past year has been reported against the strategic objectives of our Council Plan. This annual report provides the overall view of Council's activities for the 2023–24 financial year.

Our quarterly performance reports provide detailed progress on actions undertaken to deliver the Council Plan, major projects, improvement activities and key service provision and growth indicators. These reports can be accessed via Council's website at [www.cardinia.vic.gov.au](http://www.cardinia.vic.gov.au)

Our quarterly *Connect* magazine continues to provide residents with updates on Council's activities in a narrative style, complementing the data provided in the quarterly performance reports. Examples of articles published in *Connect* magazine this year have included; updates on major works, announcements relating grant programs, and sharing information on upcoming projects.

## Council Plan key objectives

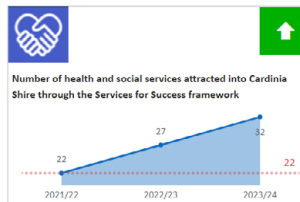
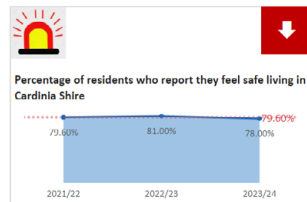
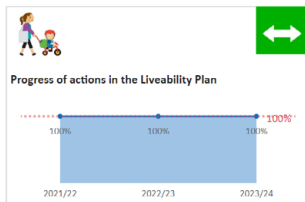
In the following pages, our performance is reported against the 5 key strategic objectives of the Council Plan. Performance is measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the initiatives identified in the budget and Council Plan.
- Services funded in the budget and the persons or sections of the community provided with those services.
- Results against the prescribed service performance indicators and measures.



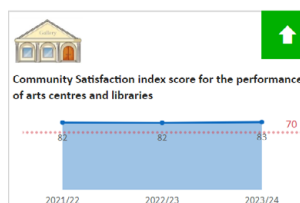
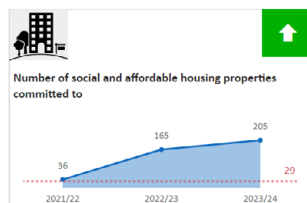
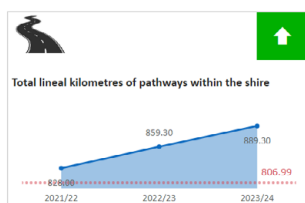
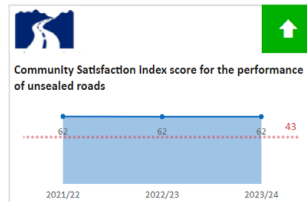
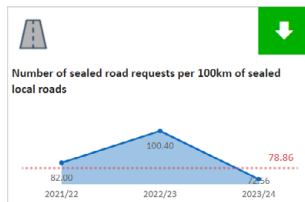
### Strong communities

We empower our communities to be healthy, connected and resilient. We work together to support everyone to be healthy, active and connected. Individuals feel included, safe and are valued for who they are. We have zero tolerance for all forms of discrimination. Our community services and facilities meet the diverse needs of our communities.



### Liveable places

We support the creation of liveable spaces and places. Cardinia Shire is a great place to live, work and play. How we plan and grow creates places that enhance our community's health and wellbeing and protects what we love.

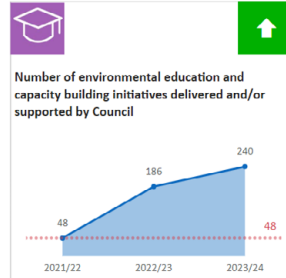
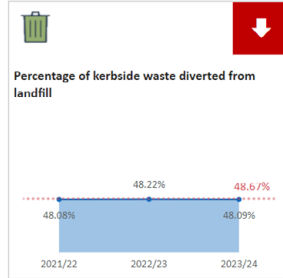






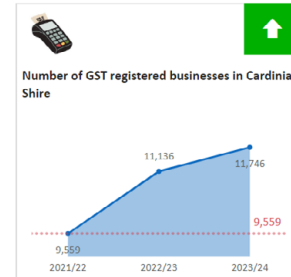
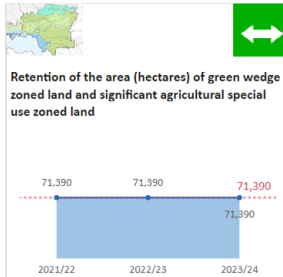
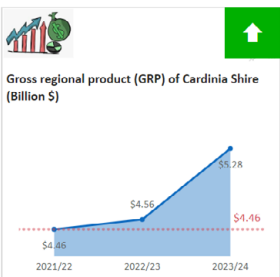
### Thriving environments

We value our natural assets and support our biodiversity to thrive. We place a high value on our natural assets and biodiversity. We take action to help our natural assets and biodiversity thrive and build their resilience to climate change and natural hazards. We enhance green spaces and habitat links, support our communities to live sustainably, and champion sustainable development and waste management practices.



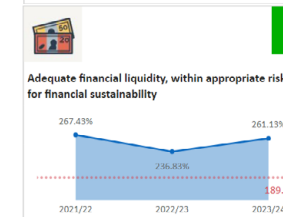
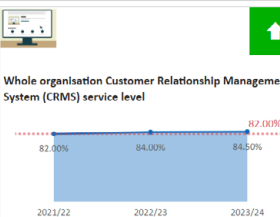
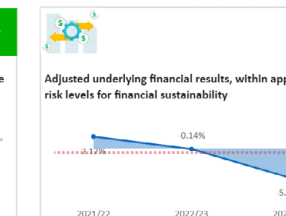
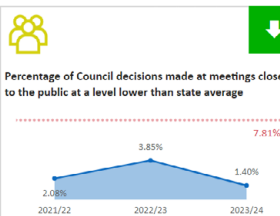
### Prosperous economies

We support our productive land and employment land to grow local industries. Our rich supply of productive land, employment land, distance to markets, and education opportunities enhance Cardinia Shire as south east Melbourne’s jobs capital. We work closely with farmers, businesses and industry to enhance our municipality as a place to invest in the long-term, attract new industries, innovations, skill development and local job creation.



### Responsible leaders

We practise responsible leadership and good governance, meeting recognised standards of excellence and ensuring future generations benefit from our decisions. We are accountable and make informed and responsive decisions that balance our current and future community’s needs.




## 1 Strong Communities

### 1.1 We empower our communities to be healthy, connected and resilient.


#### 1.1.1 Plan for, and support the delivery of, accessible health and social services that address critical gaps in provision.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
<p>1.1.1.73 CPI - Implement the endorsed Liveability Plan Action Agenda 2021-25</p> <p>Progress Comments: Implementation of the Liveability Plan Action Agenda is on track. The Partnership Steering Group and 4 action teams continue to meet bi-monthly, consisting of representatives from the 70-plus organisations in the Liveability Partnership. Council has continued to participate in regional partnership networks for other outcome areas, including the South East Public Health Unit (SEPHU) tobacco and vaping Regional Expert Advisory Group (REAG) and the South East Food and Nutrition Network. Council is working with partners to review Action Agenda actions for the 2024-25 financial year. Council's Household Liveability Survey 2023 Report was endorsed, with fact sheets being developed to summarise key findings. This initiative is ongoing into 2025-26.</p>	Community and Family Services	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>1.1.1.74 CPI - Continue to drive the Services for Success initiative to attract health and social services, including mental health services</p> <p>Progress Comments: Council continues to advocate for increased services and funding to support the growing community and increasing socio economic complexity. Our community relies on a whole of government approach to support cost of living pressures and to ensure services can meet the needs of our growing community. Council has contributed towards multiple submissions this year relating to food security, social housing and a State Government submission for improved funding models for the Department of Social Services Financial Wellbeing Capability (FWC) programs, to enhance access to financial and material aid support services in Cardinia Shire. Councillors and Council officers met with State Shadow Cabinet Ministers to highlight mental health service priorities for Cardinia Shire. Representatives from the Federal Department of Social Services travelled from Canberra to meet with the Mayor and Council officers to discuss urgent funding required for food and material aid services to ease the cost-of-living pressures facing residents. Council met with representative from the National Co-ordination Alliance that provides advice to the Federal Government regarding food and financial relief. Data and case studies were provided to highlight the current cost of living crisis in the shire. Council also met with Federal and State government representatives to discuss increased funding. Council's Cardinia Support website was launched this financial year and continues to be enhanced as a local service directory listing more than 160 services, with over 12,000 views between April 2023 and April 2024. This provides residents in need access to real time information. Council continues to convene local networks with service providers to collaboratively work towards improved access for community including the Liveability Partnership, Community Workers in Cardinia Shire (CWICS) Network, Family Violence Prevention Roundtable (Together we Can) and the Mental Health and Wellbeing Action Team. Our partnerships continue to grow stronger with agencies and not-for-profit groups who continue to support residents with growing needs. In 2023-24 three new providers were attracted to Cardinia Shire. Services offered are psychosocial mental health and support, a mental health referral support service and refugee services. In addition, one existing provider has increased its service provision by a novel leasing arrangement at the Civic Centre, a great location along the trainline for commuters and workforce.</p>	Community and Family Services	01-07-2023	30-06-2024	Completed	100	 GREEN

### 1.1.2 Enrich local identity and opportunities for the community to connect through art, history and cultural expression.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
1.1.2.3 CPI - Support the delivery of an annual calendar of events and programs that celebrate our diverse community, its arts and culture  Progress Comments: Cardinia Cultural Centre concluded the delivery of the Summer-Autumn 2024 season and launched not just the Winter-Spring 2024 season program but also the highly anticipated Winterfest 2024 program. A season highlight from the closing program was the Beauty and the Beast, presented by the Victorian Ballet. Scheduled in the April school holiday Sip and See, the first show sold out and a second show was offered, much to the delight of the centre's audiences of all ages. In the exhibition program, the A Wearable Canvas exhibition presented by the interstate Australian Wearable Art Festival was received with overwhelming support by audiences and the local creative community. Meanwhile at the Hills Hub, the Reconciliation Week exhibition, Dancing Between the Echoes by Emmy Webbers, was a program highlight. The team awarded 6 Cardinia Arts Grants for the 2024 round and launched the year's Music Residency program with three artists.	Arts, Advocacy and Economy	01-07-2023	30-06-2024	Completed	100	 GREEN

### 1.1.4 Facilitate a partnership approach to create safer communities.


Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
1.1.4.9 CPI - Implement and monitor the Safer Communities Strategy  Progress Comments: The Community Safety Framework was completed and endorsed at the March 2024 Council Meeting. It provides a comprehensive evidence-based framework for the way in which Council approaches community safety to maximise impact. The framework complements the Safety Action Agenda (action plan) that has been developed by the Safer Communities Partnership to improve safety and perceptions of safety in the shire.	Community and Family Services	01-07-2023	30-06-2024	Completed	100	 GREEN




## 2 Liveable Places

### 2.1 We support the creation of liveable spaces and places.


#### 2.1.1 Advocate, plan for and deliver accessible community infrastructure and services that address community needs.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.1.8 CPI - Plan and deliver accessible and inclusive recreation and community facilities	Active and Connected Communities	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Accessibility improvement works are delivered through a number of different funding opportunities including Council's Access and Inclusion funding program, Community Capital Works grants program, Council's 2023-24 Capital Works Program, as well as other external funding opportunities. Projects completed or underway include the following:</p> <ul style="list-style-type: none"> <li>Alma Treloar Reserve new accessible public toilet - completed.</li> <li>PB Ronald Reserve new accessible public toilet - completed.</li> <li>Officer Scout Hall accessible car parking - completed.</li> <li>IYU Recreation Reserve Athletics accessible athletics track - completed.</li> <li>Koo Wee Rup outdoor pool new accessible ramp and change room – completed.</li> <li>Emerald Tennis Court lighting upgrade – completed.</li> <li>Pakenham Regional Tennis Centre Pavilion – completed.</li> <li>Bunyip Recreation Reserve soccer upgrade and lighting – completed.</li> <li>Cockatoo Tennis Court resurface and lighting upgrade – completed.</li> <li>Garfield Recreation Reserve Netball Club Pavilion – completed.</li> <li>Garfield Recreation Reserve Bowls Pavilion accessible toilet – completed.</li> <li>Village Green playground – completed.</li> <li>Waterford Rise playground – completed.</li> <li>Garfield Skate Park upgrade – completed.</li> <li>Pepi's Land BMX upgrade – completed.</li> <li>Officer District Park – in progress.</li> <li>Garfield North Community Centre – in progress.</li> <li>Alma Treloar Amphitheatre – in progress.</li> <li>Koo Wee Rup Bowls Pavilion will improve access and inclusion – in progress.</li> <li>Worrell Recreation Reserve skate park and youth plaza – in progress.</li> <li>Cora Lynn Recreation Reserve Pavilion – in progress.</li> <li>Upper Beaconsfield Recreation Reserve Pavilion – in progress.</li> <li>Lang Lang Community Recreation Reserve cricket nets – in progress.</li> <li>Gembrook Recreation Reserve cricket nets – in progress.</li> <li>Bunyip Recreation Reserve universal facility upgrade design – in progress.</li> <li>Recreation reserve lighting upgrades (Mountain Road Recreation Reserve, Upper Beaconsfield Recreation Reserve, Nar Nar Goon Recreation Reserve, Toomuc Recreation Reserve, Lang Lang Tennis Club, Perc Allison Recreation Reserve) – in progress.</li> </ul> <p>Four Community Capital Works Grant projects have been delivered since 1 July 2023. Funding is used to support community groups to upgrade and enhance facilities, improving accessibility and participation.</p>						


### 2.1.1 Advocate, plan for and deliver accessible community infrastructure and services that address community needs.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.1.17 CPI - Advocate to the State and Federal Governments for increased investment for all transport modes, including road safety treatments	Community Infrastructure Delivery	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: The council maintains a proactive stance in advocating for crucial transport infrastructure, particularly The Council maintains a proactive stance in advocating for crucial transport infrastructure, including the expedited delivery of Thompsons Road to activate the Officer South Industrial Precinct. In response to a Council-initiated Notice of Motion, officers have launched an effective advocacy campaign, garnering attention and support from multiple media outlets. Council remains dedicated to promoting the “Better, Safer Roads” and “Better Public Transport” advocacy packs it has adopted. These initiatives encompass a call for a comprehensive review of the bus network service, along with advocating for significant road safety enhancements. Projects included in this advocacy include the M1 Princess Highway project, Lang Lang truck bypass project, Racecourse Road duplication, and additional upgrades to intersections along the Princes Highway. Council’s submission to the Federal Budget featured several road upgrade projects. Council continues to advocate for increased investment in transport and road projects, and identify external funding opportunities.</p>						


### 2.1.2 Plan and maintain safe, inclusive and connected open spaces, places and active travel routes.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.2.3 CPI - Develop and upgrade shared pathways and walking tracks across the shire	Community Infrastructure Delivery	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Works on the Eastern Dandenong Ranges Walking Trail within Cardinia have been completed. The 1.3km section from Edenmont Road west to Belgrave–Gembrook Rd past the historical Clematis railway station and siding area was finalised in the last year to complete the 19km of the Eastern Dandenong Ranges Walking Trail within Cardinia. This concludes the multi-year collective efforts of Council and staff to provide a continuous trail from Clematis to Gembrook including the redecking of the 75m pedestrian bridge in Wrights Rd, Avonsleigh.</p>						



### 2.1.3 Plan for housing diversity that meets community need, is affordable and delivers environmental sustainability, safety and healthy living outcomes.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.3.2 CPI - Work with the Victorian Government and relevant stakeholders to encourage sustainable supply of social and affordable housing across the shire	Community and Family Services	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Council continues to meet regularly with Homes Victoria to support local delivery of future housing projects. Council has completed a refurbishment, including access improvements, to 5 seniors housing units in Cockatoo. Council continues to manage the tenancy with 2 new tenants moving into the Cockatoo address. Five seniors housing units in Pakenham continue to be leased. All 10 seniors housing units are managed and maintained by Council. In February 2023, an Expression of Interest process was undertaken for a registered housing provider to manage Council’s 2 seniors housing sites. The EOI process did not result in an application, however organisations that engaged with the EOI are providing feedback to Council on EOI barriers including process, timing and content. Officers will prepare an options paper for consideration. This work will continue into 2025-26. The Haven Foundation purchased 25 Cumberland Drive, Pakenham from Council with a Section 173 agreement to deliver social and affordable housing. Sixteen integrated social housing units were opened in August 2023, providing long-term housing with support for people with significant mental health and wellbeing concerns. As a member of the Regional Local Government Homelessness and Social Housing Group, Council participated in a joint submission to the National Housing and Homelessness Plan. A summary of the consultation phase is complete, and we await completion of the plan. In 2023-24, 24 social and affordable houses were built in Cardinia Shire, funded by Homes Victoria. Council has committed 5 lots and one dwelling through developer negotiation via section 173 agreements. Council will continue to advocate for Cardinia Shire’s housing needs as the State Government rolls out further housing reforms.</p>						

#### 2.1.4 Advocate for increased and more connected public transport options.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.4.2 CPI - Advocate for increased public transport services, frequency and multi-modal connectivity within the shire and greater south east region	Community Infrastructure Delivery	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Council continues to advocate for more direct and affordable bus services. Ten recommendations put forward to the Victorian Government were: 1. Increase the frequency of bus services beginning with outer and growth area suburbs. 2. Optimise the bus network through fast and direct routes. 3. Extend operating hours to match passenger demand and improve timetable integration. 4. Strengthen the role of community transport across the network. 5. Speed up buses through on-road priority and smarter technology. 6. Plan and deliver bus rapid transit across Melbourne. 7. Improve the bus stop and interchange experience. 8. Substantially reduce bus fares relative to other models. 9. Update the Principal Public Transport Network to align it with existing and future mass transit bus routes to be delivered through Victoria's bus plan. 10. Provide funding certainty for growth area buses. Funding was successfully obtained for increased services through the Growth Areas Infrastructure Contributions (GAIC). Council will continue to advocate for projects in future years.</p>						

#### 2.1.5 Upgrade Council's road network to improve safety and connectivity while considering traffic demand and freight transport needs.


Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
2.1.5.3 CPI - Progress Pakenham town centre streetscape upgrades	Major Projects	01-07-2023	30-06-2024	In Progress	80	 RED
<p>Progress Comments: Council's grant application to the Victorian Government's Growing Suburbs Fund to revitalise Main Street Pakenham was successful in June 2022 and will assist Council to upgrade road infrastructure in Pakenham. Grant milestone dates have been recalibrated, with approvals pending from the State. Council has approved Public Realm Strategy and Wayfinding Strategy for the Pakenham Activity Centre with concept designs completed. Community consultation has been completed.</p>						
2.1.5.4 CPI - Plan and deliver infrastructure upgrades to our road network to meet the needs of the current and future population	Community Infrastructure Delivery	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Under the umbrella of the Better Local Roads Program, all major road infrastructure is planned for and delivered through 3 major roads programs: Sealing the Hills, Strategic Roads, and Princes Highway Intersection Upgrades. For the Sealing the Hills program, construction continues with \$41m in Federal funding to be fully spent by the end of the 2024-25 financial year. For the Strategic Roads program, Dore Road was completed in June 2024, and construction has commenced for Mt Lyall Road, leaving only 4 roads to be constructed as part of the program. Huxtable Road is programmed for construction in 2024-25. As part of the Princes Highway intersection Upgrade program, works continue on both the Princes Highway/Bayview Road and Princes Highway/Tivendale Road intersections which are scheduled to be completed in the first quarter of 2024-25. Growth Areas Infrastructure Contribution (GAIC) funding has been received for Arena Parade and McGregor Road/Henty Way intersection.</p>						




### 3 Thriving Environments

3.1 We value our natural assets and support our biodiversity to thrive.


3.1.1 Partner with community, business and industry to take action on, and adapt to, climate change.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
3.1.1.3 CPI - Implement initiatives in the Aspirational Energy Strategy	Environment and Heritage	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: • Partnered with the South East Councils Climate Change Alliance on various emission reduction and climate change adaptation projects.</p> <ul style="list-style-type: none"> <li>• The new Toun-Nun Integrated Child and Family Centre in Officer was built following Council’s enhanced standard for sustainable buildings and was rated using the Built Environment Sustainability Scorecard.</li> <li>• Delivered the community Indigenous Plant Giveaway.</li> <li>• 100% renewable energy being procured for Council electricity use.</li> <li>• Created home energy and water efficiency kits, available through the library service, containing practical tools and resources to empower the community to improve energy efficiency, reduce their carbon footprint, and make sustainable choices within their homes.</li> <li>• Purchased carbon emissions offset to offset Council's fleet and building emissions.</li> <li>• Delivered household energy efficiency information at community events.</li> <li>• Delivered energy solutions at 3 Council facilities in the hills, which will provide community access to recharging electronic devices and use of kitchen facilities during prolonged power outages.</li> <li>• Delivered household energy sessions through ageing well groups, aiming to support residents with information to reduce energy costs at home while maintaining a comfortable environment.</li> </ul>						


3.1.2 Actively move towards zero waste through increasing waste recovery and reuse.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
3.1.2.8 CPI - Implement the five-year action plan for the Waste and Resource Recovery Strategy	Infrastructure Services	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: The strategy action plan delivery is ongoing and on track for 2023-24. The red lid change over program is complete. The Container Deposit Scheme is functioning well with Cardinia Shire well represented with sites for residents and visitors to deposit. Council continues to work with the system operator to advocate for more sites in the rural areas. Multiple green waste management events were run to support reductions in burning off. Council is working with State and Local Government counterparts on alternatives to landfill solutions.</p>						

### 3.1.3 Work with community to improve and manage our natural assets, biodiversity and cultural heritage.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
<p>3.1.3.6 CPI - Implement initiatives in the Biodiversity Conservation Strategy</p> <p>Progress Comments: • Coordinated delivery of the Cardinia Creek Deer Partnership Project, including securing one new project partner. • Provided funding to the Westernport Catchment Landcare Network to undertake plantings to support the Southern Brown Bandicoot on public and private land. • Supported the Cannibal Creek Landcare Group to deliver biodiversity improvements in fire effected communities as part of the Long-Term Recovery Fund. • Coordinated the Trust for Nature Rebate Program supporting 61 properties. • Conducted biodiversity monitoring at 29 private properties and provided land management advice. • Coordinated the Environmental Friends End of Year Recognition Event. • Delivered a responsible cat ownership program in areas supporting the Southern Brown Bandicoot. • Supported the Eastern Region Pest Animal Network Leadership Forum. • Supported the Cardinia Deer Management Coalition with officer attendance at two public forums on deer management. • Progressed development of the Growing Grass Frog Conservation Management Plan for Cardinia Road Employment Precinct. • Coordinated delivery of the Cardinia Creek Deer Partnership Project, including securing funding for the 2024-25 financial year. • Conducted fauna surveys (microbats) along Cardinia Creek at Beaconsfield Flora and Fauna Reserve with members from the Friends of Cardinia Creek. • Removed willows at Pepis Land, Emerald. • Commenced a Pest Animal Local Action Plan to manage impacts associated with fox, deer and feral cats. • Commenced the Biodiversity Monitoring project surveying for Powerful Owl and Yellow-bellied Glider. • Commenced an audit of Council and Crown Land Committees of Management responsible for open space that contain indigenous vegetation to identify the need for environmental education program. • Delivered two Garden for Wildlife workshops. • Engaged with Bunurong Land Council Aboriginal Corporation through the Peri Urban Weed Management Partnership to lead a cultural restoration project. • Funded 8 community Biodiversity Incentive grants. • Facilitated and supported Friends of Cardinia Creek planting of 600 plants at Beaconsfield Flora and Fauna Reserves through Peri Urban Weed Management Partnership. • Provided funding to support 8 community Friends groups and 3 wildlife shelters. • Coordinated delivery of Council's corporate tree planting activities at Toomuc Valley, planting 2,100 native plants.</p>	Environment and Heritage	01-07-2023	30-06-2024	Completed	100	 GREEN


### 3.1.4 Plan and advocate for better water cycle planning and management to reduce environmental impacts.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
<p>3.1.4.3 CPI - Implement initiatives in the Integrated Water Management Plan</p> <p>Progress Comments: • Worked with South East Water and the Victorian Planning Authority to advocate for an integrated water management approach in Officer South Employment precinct, reducing reliance on potable water. • Installed two 5,000-litre rainwater storage tanks at Beaconsfield Community Complex, connected to toilets and outdoor taps. • Supported development and adoption of the Western Port Catchment Integrated Water Management Action Plan.</p>	Environment and Heritage	01-07-2023	30-06-2024	Completed	100	 GREEN



## 4 Prosperous Economies

### 4.1 We support our productive land and employment land to grow local industries.

#### 4.1.1 Facilitate better planning for our agricultural land to support industry, innovation, local food economy and local job growth.


Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
4.1.1.1 CPI - Implement the Cardinia Community Food Strategy and Action Plan	Community and Family Services	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Implementation of the Community Food Strategy Action Plan 2018-26 continues with 66 individual actions, of which 15 have been completed, 7 are ongoing, 34 are in progress and 10 have not yet started. In late 2023, Council worked in partnership with Deakin University to undertake the Local Food Environment Policy Index Assessment with a panel of experts assessing Cardinia Shire's policy against best practice standards for food systems. In 2023, Council joined the VicHealth Local Government Partnership, under the Building Better Food Systems Module, to support the delivery of key actions in the Cardinia Community Food Strategy. Council was successful in receiving grant funding in late 2023, and has delivered co-design sessions with young people, schools and the agricultural sector to design solutions which engage young people in agricultural careers. Council has created a video series with local farms highlighting the opportunities and rewards of farming careers. This will be uploaded to Council's media platforms and shared publicly. From 2 August to 22 September, Council will showcase the Grow Exhibition at the Cardinia Cultural Centre, featuring photos of farmers, alongside imaginative artworks about the future of farming and food created by young people. In April, Council made a submission to the Legislative Assembly Environment and Planning Committee into the Victorian Government's inquiry into securing Victoria's food supply. Council continues to facilitate the South East Food Movement Network, which includes key representatives from Yarra Ranges Shire, Mornington Peninsula Shire, The Community Plate, Yarra Ranges Food Connect, and Food For All Latrobe Valley.</p>						

#### 4.1.2 Plan for sustainable employment precincts to entice new industries to the region and support new business.


Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
4.1.2.8 CPI - Advocate for a South East Melbourne Airport	Arts, Advocacy and Economy	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Advocacy for the South East Melbourne Airport has continued steadily over the past 12 months. Led by GSEM (Greater South East Melbourne Councils) in partnership with Council, this advocacy priority has been shared at various forums such as a briefing with the Victorian Liberal Party Shadow Cabinet, the GSEM Delegation to Parliament House, and the National General Assembly at Canberra in July. Council continues to grow the evidence-base and support for the SEMA and is currently preparing a submission to 'A Plan for Victoria' which will highlight the call to action for the future SEMA to remain in its current proposed location.</p>						
4.1.2.9 CPI - Facilitate investment in our townships to support businesses and vibrant communities	Arts, Advocacy and Economy	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Development of the Township Economic Profiles has continued, with work underway to identify potential barriers to investment, highlight opportunities for fostering and attracting investment, and explore additional economic-focused considerations essential for promoting sustainable economic growth and prosperity within our communities. Council is also creating a new Business Group Support Grants Program to provide funding for local business groups in Cardinia Shire who are working to support vibrant local economies. The program will be available to access in 2024-25. With over 1,300 subscribers, the monthly 'Cardinia Business' newsletter continues to provide important information for local businesses, including training and networking opportunities, State and Federal government updates and grant opportunities.</p>						





#### 4.1.3 Improve local learning and employment pathway opportunities through strategic partnerships.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
4.1.3.2 CPI - Advocate for the growth of local education opportunities that improve skills and employment pathways	Planning and Design	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>Progress Comments: Council endorsed a submission to the Victorian Planning Authority for the Officer South Employment Precinct Structure Plan, to demonstrate the Centre of Excellence in the Precinct Structure Plan. The VPA supported demonstrating the Centre of Excellence on a concept plan that formed a component of the exhibited material and is being considered by the Standing Advisory Committee. Council has entered a Memorandum of Understanding with a landowner to advocate for the Centre of Excellence and commence a working group to instigate its implementation. Council is continuing discussions with the Victorian Planning Authority and education providers regarding the Centre of Excellence to facilitate innovative streams of employment that will support the local economy.</p>						

#### 4.1.4 Drive local innovation in technology to better support and attract businesses and industries.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
4.1.4.2 CPI - Implement the Business Innovation Strategy	Arts, Advocacy and Economy	01-07-2023	30-06-2024	In Progress	75	 RED
<p>Progress Comments: Council actively explored avenues for crafting a Business Innovation Strategy, aiming to fortify and invigorate the local economy through cutting-edge principles such as fostering a culture of innovation, reimagining business models and processes, and leveraging partnerships. In pursuit of this goal, a suite of initiatives designed to stimulate economic innovation was conceived, including creating a supportive environment for core-driven innovation, innovating beyond products to include services and internal processes, and analysing the competitive and technological environment. Given the impending adoption of the Economic Development Strategy, these principles were strategically integrated into the broader Economic Development Strategy to ensure a cohesive, integrated and streamlined alignment with Councils overarching vision of economic advancement and sustainability.</p>						


4.1.5 Strengthen and promote our shire’s unique identity and visitor attractions.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
<p>4.1.5.3 CPI - Actively protect key heritage sites within the shire</p> <p>Progress Comments: • Coordinated the annual Heritage Grants program, supporting 4 community projects including building works, remedial works to a significant hedge and improving access to historical records.                      • Supported the Nobellius Heritage Park and Emerald Museum Community Asset Committee, improving records management.                      • Celebrated the Australian Heritage Festival with the Nobellius Heritage Park and Emerald Museum Community Asset Committee.</p>	Environment and Heritage	01-07-2023	30-06-2024	Completed	100	 GREEN
<p>4.1.5.3 CPI - Develop and deliver initiatives within the Economic Development Strategy, including the visitor economy and tourism</p> <p>Progress Comments: Several key initiatives have been delivered over the last 12 months including completion of Council's first 'Business Landscape Survey', which was been used to inform the program of business development activities. Council has delivered 8 workshops and training events, with more than 145 businesses participating. The Casey Cardinia Jobs Portal has been re-launched with 287 registered employers and 8,120 registered job seekers as of June 2024. Twelve editions of the Cardinia Business Newsletter have been published, with more than 1,300 subscribers. Cardinia Supported the SELLEN Try-A-Trade event in May which saw more than 7,500 young people across the Casey Cardinia region attend. A business breakfast, followed by the first Cardinia Jobs and Skills Showcase, was held in June with more than 220 attendees. The EOI for the Business Mentoring Program has now closed and applicants are currently being assessed for roll-out in August 2024. The Tourism Advisory Committee re-convened in April and continues to await further information from the Victorian Government regarding timing of the Visitor Economy Partnerships. The 'What's On Cardinia' website continues to promote local events, activities and operators. In June 2024 there were 2,884 events posted, 764 of which were held that month. There are 630 active users of the site with approximately 2,300 views a month.</p>	Arts, Advocacy and Economy	01-07-2023	30-06-2024	Completed	100	 GREEN



## 5 Responsible Leaders

### 5.1 We practise responsible leadership.

#### 5.1.1 Build trust through meaningful community engagement and transparent decision-making.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
5.1.1.5 CPI - Implement the Community Engagement Policy, exceeding legislative requirements for community engagement  Progress Comments: Community engagement plans continue to be actively implemented across various projects and initiatives, aligning with the requirements of the Community Engagement Policy. To keep the Council informed and promote active participation, monthly reports highlighting current and forthcoming engagement opportunities are presented at Council meetings. Efforts to enhance community involvement have included distributing personalised letters, utilising QR-coded posters for surveys on the 'Creating Cardinia' online platform, and organising a series of in-person pop-ups. Additionally, meetings with local businesses and stakeholders have been instrumental in bolstering support for projects.	Communications and Engagement	01-07-2023	30-06-2024	Completed	100	 GREEN

#### 5.1.2 Manage our finances responsibly and leave a positive legacy for future generations.



Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
5.1.2.24 CPI - Develop a long-term financial plan that ensures financial sustainability  Progress Comments: The long-term financial plan model was developed as part of 2024-25 budget process.	Finance	01-07-2023	30-06-2024	Completed	100	 GREEN
5.1.2.25 CPI - Review the 10-year Financial Plan to further drive efficiency and cost control  Progress Comments: Review of the 10 year Financial Plan was incorporated into the 2024-25 budget timetable and was subject to review as part of this process. Assumptions were agreed upon as part of the budget development, and will form part of the future development of the next Financial Plan.	Finance	01-07-2023	30-06-2024	Completed	100	 GREEN

#### 5.1.3 Strive to be a customer-focused organisation and be a great place to work.


Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
5.1.3.3 CPI - Publicly report the organisation's performance on a quarterly basis, including customer service outcomes  Progress Comments: Quarterly Performance Reporting, including customer service outcomes, for all quarters in the financial year, were completed on schedule. Reporting for the fourth quarter is on track for completion and presentation according to the annual schedule.	Business Transformation and Customer	01-07-2023	30-06-2024	Completed	100	 GREEN



#### 5.1.4 Maximise value for our community through efficient service delivery, innovation, strategic partnerships and advocacy.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
5.1.4.5 CPI - Implement the Cardinia Shire Advocacy Plan and work with strategic partners on shared advocacy initiatives  Progress Comments: Council has delivered a full program of advocacy activities over the past 12 months. Council continues to work in partnership with GSEM (Greater South East Melbourne Councils) for priorities which not only impact Cardinia Shire residents, but the broader south east region. The Mayor attended the GSEM delegation to Parliament House, along with the launch of the GSEM Jobs and Skills Roadmap in June. Council has also made several submissions to State and Federal policy, including a 2024-2025 Australian Government Federal Budget submission. Council had the opportunity to present Cardinia Shire's priorities to the Victorian Government Shadow Cabinet at the Cardinia Cultural Centre in March. Along with delivery of key advocacy campaigns, Council is working to develop an Advocacy Framework to support decision-making and resource allocation for Council's advocacy efforts from 2025. The framework will include a range of tools, including resources to support the community to lead their own advocacy efforts.	Arts, Advocacy and Economy	01-07-2023	30-06-2024	Completed	100	 GREEN
5.1.4.9 CPI - Implement the strategy aimed at alternative revenue streams  Progress Comments: Alternative revenue stream strategy implementation for 2023-24 has been completed. Further implementation work will continue in the 2024-25 financial year.	Finance	01-07-2023	30-06-2024	Completed	100	 GREEN

#### 5.1.5 Champion the collective values of the community through the councillors' governance of the shire.

Initiative	Business Unit	Start Date	End Date	Status	% Complete	Performance
5.1.5.18 CPI - Publicly report on Council decisions made and their implementation to demonstrate transparent decision making  Progress Comments: To ensure that Council's decisions are delivered in a transparent manner, quarterly reporting, known as the Quarterly Resolution Report, is prepared and included in Ordinary Council Meeting agendas, providing a comprehensive overview of all fulfilled actions and requirements during that specific quarter.	Governance, Safety and Property	01-07-2023	30-06-2024	Completed	100	 GREEN

# Performance indicators

## Aquatic facilities

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Service standard</b> <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities/Number of Council aquatic facilities]	1.40	2.20	2.20	2.40	
<b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities/Municipal population]	2.46	3.29	5.50	5.13	
<b>Service cost</b> <i>Cost of aquatic facilities</i> [Direct cost of aquatic facilities less income received/Number of visits to aquatic facilities]	\$3.42	-\$0.87	\$0.64	\$0.87	Increase in contract costs impacted this measure.

## Animal management

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Timeliness</b> <i>Time taken to action animal management requests</i> [Number of days between receipt and first response for all animal management requests/Number of animal management requests]	3.45	4.53	4.90	4.87	
<b>Service standard</b> <i>Animals reclaimed</i> [Number of animals reclaimed/Number of animals collected] x100	35.97%	46.63%	38.20%	42.24%	A slight increase due to a reduced reclaim fee for a period during the year due to the pound being at capacity.
<b>Service standard</b> <i>Animals rehomed</i> [Number of unclaimed collected animals rehomed / Number of unclaimed collected animals collected] x100	11.51%	11.06%	15.57%	33.47%	Cats and dogs are now rehomed from a new pound creating higher adoption rates.
<b>Service cost</b> <i>Cost of animal management service</i> [Direct cost of the animal management service/Municipal population	\$3.38	\$4.04	\$4.45	\$4.22	
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Number of animal management prosecutions] x100	100.00%	100.00%	100.00%	100.00%	



## Food safety

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Timeliness</b> <i>Time taken to action food complaints</i> [Number of days between receipt and first response for all food complaints/Number of food complaints]	1.37	1.52	1.58	1.46	
<b>Service standard</b> <i>Food safety assessments</i> [Number of registered Class 1 food premises and Class 2 food premises that received an annual food safety assessment in accordance with the Food Act 1984/Number of registered Class 1 food premises and Class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Service standard</b> <i>Food safety samples</i> [Number of food samples obtained/Required number of food samples] x100	New	New	New	106.15%	
<b>Service cost</b> <i>Cost of food safety service</i> [Direct cost of the food safety service/Number of food premises registered or notified in accordance with the Food Act 1984]	\$368.74	\$310.78	\$359.05	\$358.71	

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	100.00%	

## Governance

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<p><b>Transparency</b>  <i>Council decisions made at meetings closed to the public</i>                      [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public/Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors]</p>	2.92%	3.54%	3.85%	1.40%	Council actively attempts as far as possible to minimise the number of such decisions made during the year which is less than the previous year.
<p><b>Consultation and engagement</b>  <i>Satisfaction with community consultation and engagement</i>                      [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p>	54.00	68.00	67.00	67.00	
<p><b>Attendance</b>  <i>Councillor attendance at Council meetings</i>                      [The sum of the number of Councillors who attended each ordinary and special Council meeting/(Number of ordinary and special Council meetings)x(Number of Councillors elected at the last Council general election)] x100</p>	82.22%	91.11%	92.86%	92.93%	



Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Service cost</b>					
<i>Cost of governance</i> [Direct cost of governance service/Number of Councillors elected at the last Council general meeting]	\$46,079.89	\$56,036.33	\$60,879.00	\$61,892.22	
<b>Satisfaction</b>					
<i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	55.00	65.00	64.00	64.00	

## Libraries

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Resource standard</b> <i>Recently purchased library collection</i> [Number of library collection items purchased in the last five years/Number of library collection items] x100	72.24%	74.93%	86.98%	68.84%	Myli utilises a floating collection system which means that if items from other Myli libraries are requested by Cardinia patrons, those items relocate to Cardinia inflating the total collection size. The total collection is approximately 17000 items larger than last year.
<b>Service cost</b> <i>Cost of library service per population</i> [Direct cost of library service/ Municipal population]	\$15.12	\$15.19	\$14.63	\$16.44	Service cost this year reflects expected ongoing costs following change in service provider in 2022/23.
<b>Utilisation</b> <i>Loans per head of population</i> [Number of collection item loans/ Population]	New	New	New	2.81	
<b>Participation</b> <i>Library membership</i> [The number of registered library members/ Population] x100	New	New	New	21.53%	
<b>Participation</b> <i>Library visits per head of population</i> [Number of library visits/ Population]	New	New	New	2.27	

## Maternal and child health (MCH)

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Service standard</b> <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received)/Number of birth notifications received] x100	101.06%	101.16%	101.17%	101.24%	
<b>Service cost</b> <i>Cost of MCH service</i> [Direct cost of MCH service/Hours worked by MCH nurses]	\$70.97	\$75.07	\$70.34	\$63.13	This has been impacted by an increase in staff resources and extended consultation timeframes required to meet funding obligations.
<b>Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x100	68.73%	67.41%	71.97%	72.75%	
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service] x100	73.26%	67.62%	75.43%	77.63%	
<b>Satisfaction</b> <i>Participation in four-week Key Age and Stage visit</i> [Number four-week Key Age and Stage visits/Number of birth notifications received] x100	97.27%	96.53%	95.83%	97.08%	



## Roads

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Satisfaction of use</b> <i>Sealed local road requests</i> [Number of sealed local road requests/Kilometres of sealed local roads]	78.86	82.05	100.38	72.56	Favourable weather conditions and a focus by maintenance crews to proactively identify and repair defects before they are reported by the public impacted this measure.
<b>Condition</b> <i>Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads] x100	98.67%	98.83%	99.13%	99.39%	
<b>Service cost</b> <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed]	\$41.17	\$33.23	\$32.48	\$41.87	This measure is impacted by increases in construction costs and the complexity of the road reconstruction projects undertaken this year.
<b>Service cost</b> <i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing/Square metres of sealed local roads resealed]	\$8.07	\$12.97	\$11.22	\$15.96	This measure is impacted by increases in construction costs and the complexity of the road resealing projects undertaken this year.
<b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	56.00	64.00	61.00	59.00	

## Statutory planning

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Timeliness</b> <i>Time taken to decide planning applications</i> [The median number of days between receipt of the planning application and a decision on the application]	100.00	112.00	169.00	168.00	
<b>Service standard</b> <i>Planning applications decided within required time frames</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	69.18%	41.62%	31.31%	63.00%	The improvement to this measure follows additional resourcing to improve timeliness and older applications.
<b>Service cost</b> <i>Cost of statutory planning service</i> [Direct cost of statutory planning service/Number of planning applications received]	\$1,506.82	\$1,559.89	\$3,126.13	\$3,654.79	The higher cost of the planning service reflects the additional resourcing provided to Council's Planning Department and increasing number of applications for review at VCAT.
<b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100	40.00%	57.14%	50.00%	87.50%	This result is always highly variable given the small number of cases that proceed to VCAT and the specific nature of each case.

## Waste Management

Service indicator	2020-21	2021-22	2022-23	2023-24	Material variation
<b>Service standard</b> <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	10.32	8.06	6.99	3.38	This measure has benefitted from a dedicated focus on improving this aspect of the service in partnership with our contractor.
<b>Service cost</b> <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins]	\$122.08	\$118.67	\$156.47	\$161.72	
<b>Service cost</b> <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins]	\$81.23	\$76.53	\$69.58	\$69.68	
<b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins] x100	48.67%	48.08%	48.22%	48.09%	



# Performance statement



Cardinia Shire is one of the fastest growing local government areas in Victoria with an average of three families moving into the area every day. As of 2024, Cardinia Shire's estimated population is 135,147 and is expected to increase by approximately 39,658 over the next 10 years.

Located 55 kilometres south-east of Melbourne's central business district, Cardinia Shire is one of 10 'interface councils' around the perimeter of metropolitan Melbourne, where urban and rural areas meet. The Victorian Government has nominated the Casey-Cardinia Region as one of five regions around the fringe of metropolitan Melbourne where new housing and population growth is to be concentrated. The main areas of growth in Cardinia Shire are Beaconsfield, Officer and Pakenham. Outside this growth area, Cardinia Shire's large rural population resides in 27 townships.

Cardinia Shire covers an area of 1,280km<sup>2</sup> and has a rich diversity of both natural and cultural sites, from the waters of Western Port Bay to the foothills of the Dandenong Ranges, comprising places of local and state significance. These heritage places reflect the different periods and people who have shaped the shire's landscape, from Aboriginal Australians, the first people to use the rugged landscape, to the logging and gold mining of the foothills, the draining of the former Koo Wee Rup Swamp, and pastoral settlement. The landscape is again under a period of change as new development and new people move into the area every week.



# Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



---

Allison Southwell  
Chief Finance Officer  
Dated: 24 September 2024

In our opinion, the accompanying performance statement of the Cardinia Shire Council for the year ended 30 June 2024 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

We have been authorised by the Council and the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



---

Cr Jack Kowarzik  
Councillor  
Dated: 24 September 2024



---

Cr Stephanie Davies  
Councillor  
Dated: 24 September 2024



---

Carol Jeffs  
Chief Executive Officer  
Dated: 24 September



# Independent Auditor's Report

## To the Councillors of Cardinia Shire Council

<p><b>Opinion</b></p>	<p>I have audited the accompanying performance statement of Cardinia Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2024</li> <li>• service performance indicators for the year ended 30 June 2024</li> <li>• financial performance indicators for the year ended 30 June 2024</li> <li>• sustainable capacity indicators for the year ended 30 June 2024</li> <li>• notes to the accounts</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Cardinia Shire Council in respect of the year ended 30 June 2024 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.</p>
<p><b>Basis for Opinion</b></p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p><b>Councillors' responsibilities for the performance statement</b></p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

---

**Auditor's responsibilities for the audit of the performance statement**

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

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

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

---

MELBOURNE  
26 September 2024



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## Service performance indicators

For the year ended 30 June 2024

Service	Indicator	2021	2022	2023	2024		Material variation
		Actual	Actual	Actual	Target as per budget	Actual	
<b>Aquatic facilities</b>	<b>Utilisation of aquatic facilities</b> [Number of visits to aquatic facilities / Municipal population]	2.46	3.29	5.50	Not Applicable	5.13	
<b>Animal management</b>	<b>Health and safety Animal management prosecutions</b> [Number of successful animal management prosecutions / Total number of animal management prosecutions] x100	100.00%	100.00%	100.00%	Not Applicable	100.00%	



Service	Indicator	2021	2022	2023	2024		Material variation
		Actual	Actual	Actual	Target as per budget	Actual	
<b>Food safety</b>	<b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i>  [Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises] x100	100.00%	100.00%	100.00%	Not Applicable	100.00%	
<b>Governance</b>	<b>Satisfaction</b> <i>Satisfaction with community consultation and engagement</i>  [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	54.00	68.00	67.00	57.00	67.00	

Service	Indicator	2021	2022	2023	2024		Material variation
		Actual	Actual	Actual	Target as per budget	Actual	
Libraries	<b>Participation</b> Library membership [Number of registered library members/ Population]x100	New in 2023	New in 2023	New in 2023	Not Applicable	21.53%	
Maternal and Child Health (MCH)	<b>Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in a year) / Number of children enrolled in the MCH service] x100	68.73%	67.41%	71.97%	Not Applicable	72.75%	
Maternal and Child Health (MCH)	<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in a year) / Number of Aboriginal children enrolled in the MCH service] x100	73.26%	67.62%	75.43%	Not Applicable	77.63%	

Service	Indicator	2021	2022	2023	2024		Material variation
		Actual	Actual	Actual	Target as per budget	Actual	
<b>Roads</b>	<p><b>Condition</b> Sealed local roads below the intervention level</p> <p>[Number of kilometres of sealed local roads below the renewal intervention level set by Council/ Kilometres of sealed local roads]x100</p>	98.67%	98.83%	99.13%	99.56%	99.39%	
<b>Statutory planning</b>	<p><b>Service Standard</b> <i>Planning applications decided within required timeframes</i></p> <p>[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days)/ Number of regular planning application decisions made within 60 days]x100</p>	69.18%	41.62%	31.31%	58.00%	63.00%	The improvement to this measure follows additional resourcing to improve timeliness and older applications.



Service	Indicator	2021	2022	2023	2024		Material variation
		Actual	Actual	Actual	Target as per budget	Actual	
Waste management	<p><b>Waste diversion</b> Kerbside collection waste diverted from landfill</p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	48.67%	48.08%	48.22%	48.80%	48.09%	

# Financial performance indicators

For the year ended 30 June 2024

Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
<b>Efficiency</b>										
<b>Expenditure level</b> <i>Expenses per property assessment</i>  [Total expenses / Number of property assessments]	\$2,793.73	\$2,970.11	\$3,032.76	\$3,213.00	\$2,993.28	\$3,115.53	\$3,133.99	\$3,157.67	\$3,162.72	Lower expenditure level compared to the budgeted amount due to the actual expenses were less than anticipated, despite the total number of assessments remaining consistent with the budget. Reduction in expenses was primarily due to employee costs and depreciation being below the budgeted figures
<b>Revenue level</b> <i>Average rate per property assessment</i>  [Sum of all general rates and municipal charges / Number of property assessments]	\$1,734.05	\$1,763.25	\$1,784.44	Not Applicable	\$1,844.94	\$1,880.24	\$1,969.93	\$2,104.16	\$2,161.71	

Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
	<b>Liquidity</b>									
<b>Working capital</b> Current assets compared to current liabilities [Current assets / Current liabilities] x100	189.21%	221.08%	236.83%	205.00%	278.02%	314.49%	321.90%	326.69%	359.10%	Reduction in current liabilities due to completion of a number of major projects (allowing recognition of unearned income) has resulted in the improvement in this measure.
<b>Unrestricted cash</b> Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	55.00%	60.00%	81.00%	Not Applicable	97.65%	43.03%	38.21%	36.52%	55.67%	As explained above, a reduction in current liabilities due to the completion of a number of large projects has resulted in the improvement in this measure.

Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
	<b>Obligations</b>									
<b>Loans and borrowings</b> Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate borrowings / Rate revenue] x100	28.15%	15.94%	12.76%	Not Applicable	9.89%	44.27%	48.87%	40.69%	34.36%	Borrowings have not yet been required to be drawn down for delivery of capital projects. Borrowings are forecast in Long Term Financial Plan.
<b>Loans and borrowings repayments</b> compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	14.03%	12.09%	3.62%	Not Applicable	2.66%	4.23%	5.82%	6.57%	6.26%	Borrowings have not yet been required to be drawn down for delivery of capital projects. Borrowings are forecast in Long Term Financial Plan.



Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
<b>Indebtedness</b> Non-current liabilities compared to own source revenue  [Non-current liabilities / Own source revenue] x100	31.11%	25.03%	16.11%	Not Applicable	13.09%	43.81%	46.10%	37.98%	32.22%	Borrowings have not yet been required to be drawn down for delivery of capital projects. Borrowings are forecast in Long Term Financial Plan.
<b>Asset renewal and upgrade</b> Asset renewal and upgrade compared to depreciation  [Asset renewal and asset upgrade expense / Asset depreciation] x100	106.09%	71.56%	128.02%	208.00%	169.30%	217.15%	137.93%	127.61%	99.44%	Council delivered \$87m in capital works during 2023/24, representing a strong increase on previous years.

Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
	<b>Operating position</b>									
<b>Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	-0.80%	-0.39%	-0.14%	Not Applicable	-4.14%	-2.60%	-0.60%	2.55%	3.77%	This was significantly impacted by the receipt of funds from the Victorian Grants Commission not occurring by June 30, 2024.
	<b>Stability</b>									
<b>Rates concentration</b> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	74.61%	72.15%	71.63%	77.00%	78.53%	77.10%	77.99%	79.10%	79.71%	This has been significantly impacted by the receipt of funds from the Victorian Grants Commission occurring after June 30 and also by increase in non-monetary contributions.

Indicator	2021	2022	2023	2024		2025	2026	2027	2028	Material variation
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
<b>Rates effort</b> <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.36%	0.35%	0.29%	Not Applicable	0.27%	0.28%	0.27%	0.28%	0.27%	

## Sustainable capacity indicators

For the year ended 30 June 2024

	Indicator	2021	2022	2023	2024	Material variation
		Actual	Actual	Actual	Actual	
<b>Population</b>	<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,166.37	\$1,242.63	\$1,254.45	\$1,234.63	
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,153.18	\$9,987.48	\$11,434.66	\$16,273.68	Council delivered \$87m in capital works and there was a major revaluation adjustment during 2023/24.
	<i>Population density per length of road</i> [Municipal population / kilometres of local roads]	72.48	73.44	75.39	77.13	
<b>Own-source revenue</b>	<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$950.86	\$996.49	\$1,040.87	\$1,111.64	



	Indicator	Material variation				
		2021	2022	2023	2024	
	Actual	Actual	Actual	Actual		
<b>Recurrent grants</b>	Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$155.65	\$178.58	\$185.99	\$66.99	This has been significantly impacted by the receipt of funds from the Victorian Grants Commission occurring after June 30, 2024.
<b>Disadvantage</b>	Relative socio-economic disadvantage [Index of relative socio-economic disadvantage by decile]	8.00	8.00	7.00	7.00	
<b>Workforce turnover</b>	Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	13.38%	14.92%	16.94%	16.67%	

## Other information

For the year ended 30 June 2024.

### *Basis of preparation*

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

Where applicable, the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council's information systems or from third parties.

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the Local Government (Planning and Reporting) Regulations 2020. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the council's financial plan.

The forecast figures included in the performance statement are those adopted by Council in its budget on 17 June 2024. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the Annual Financial Report. The financial plan can be obtained by contacting Council on 1300 787 624 or [mail@cardinia.vic.gov.au](mailto:mail@cardinia.vic.gov.au).

The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

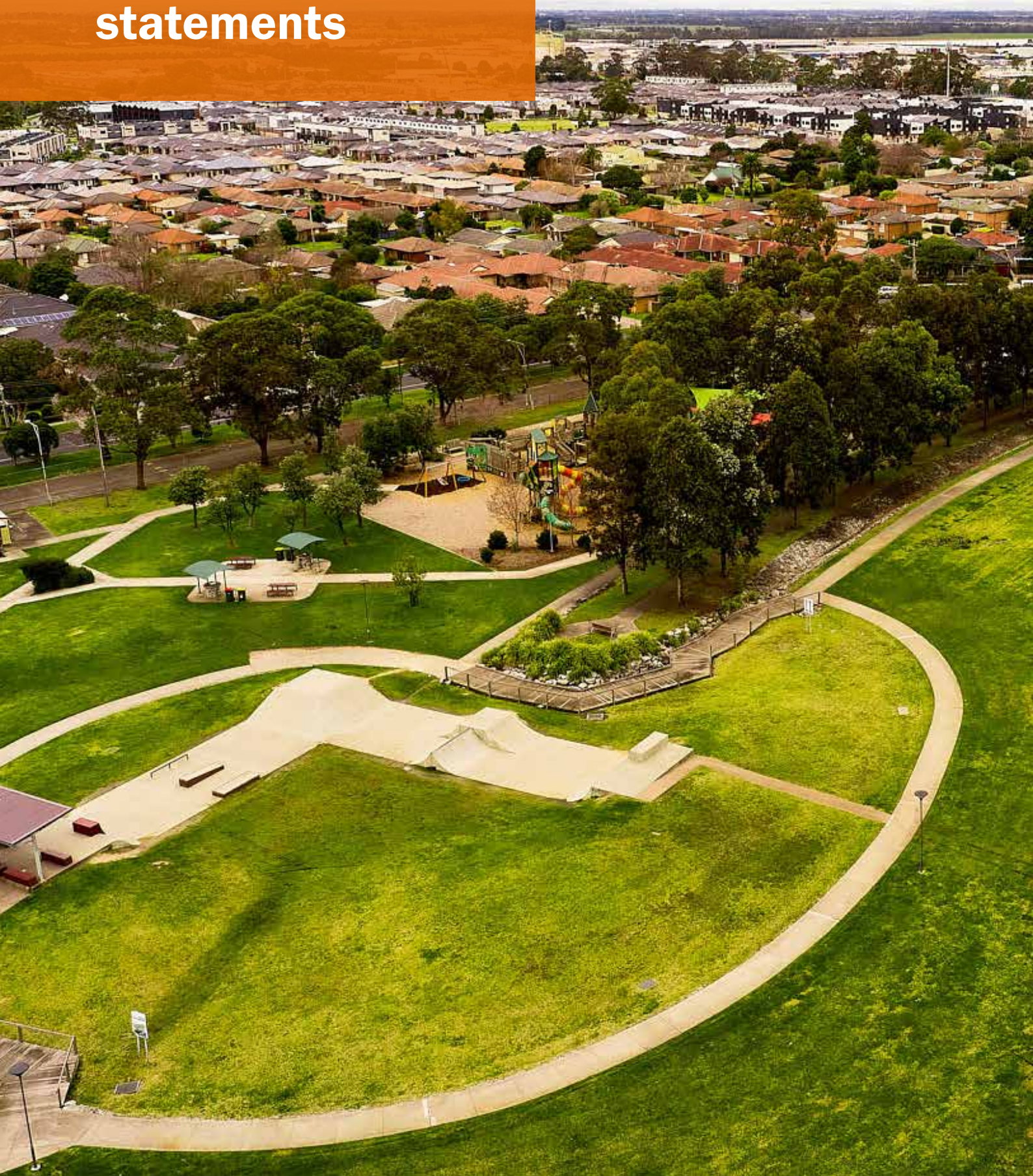
## Definitions

Key Term	Definition
Aboriginal child	means a child who is an Aboriginal person.
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ol style="list-style-type: none"> <li>a. non-recurrent grants used to fund capital expenditure; and</li> <li>b. non-monetary asset contributions; and</li> <li>c. contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b).</li> </ol>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure.
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expense	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability.
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health.
current assets	has the same meaning as in the Australian Accounting Standard (AAS).
current liabilities	has the same meaning as in the AAS.
food premises	has the same meaning as in the <i>Food Act 1984</i>
infrastructure	non-current property, plant and equipment excluding land.
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i> .
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken.
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age.

municipal population	means the resident population based on data published by the Australian Bureau of Statistics on its website.
non-current liabilities	means all liabilities other than current liabilities.
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants).
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile of 1 to 10 for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA.
restricted cash	means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted and includes cash to be used to fund capital works expenditure from the previous financial year.
SEIFA	means the Socio-Economic Indexes for Areas published from time-to-time by the Australian Bureau of Statistics on its website.
unrestricted cash	means all cash and cash equivalents other than restricted cash.



# Financial statements





# CARDINIA SHIRE COUNCIL

## Financial Report

### Table of Contents

<b>FINANCIAL REPORT</b>	<b>Page</b>
Certification of the Financial Statements	4
<b>Financial Statements</b>	
Comprehensive Income Statement	7
Balance Sheet	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Statement of Capital Works	11
<b>Notes to the Financial Statements</b>	
Note 1    Overview	12
Note 2    Analysis of our results	13
2.1. Performance against budget	13
2.2. Analysis of council results by program	17
Note 3    Funding for the delivery of our services	18
3.1. Rates and charges	18
3.2. Statutory fees and fines	18
3.3. User fees	18
3.4. Funding from other levels of government	19
3.5. Contributions	21
3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	21
3.7. Other income	21
Note 4    The cost of delivering services	22
4.1. Employee costs	22
4.2. Materials and services	22
4.3. Depreciation	22
4.4. Amortisation - Intangible assets	23
4.5. Depreciation - Right of use assets	23
4.6. Allowance for impairment losses	23
4.7. Borrowing costs	23
4.8. Finance Costs - Leases	23
4.9. Other expenses	23

**CARDINIA SHIRE COUNCIL**  
**Financial Report**  
**Table of Contents**

<b>FINANCIAL REPORT</b>		<b>Page</b>
<b>Note 5</b>	Investing in and financing our operations	24
	5.1. Financial assets	24
	5.2. Non-financial assets	26
	5.3. Payables, trust funds and deposits and contract and other liabilities	27
	5.4. Interest-bearing liabilities	27
	5.5. Provisions	28
	5.6. Financing arrangements	29
	5.7. Commitments	30
	5.8. Leases	31
<b>Note 6</b>	Assets we manage	33
	6.1. Property, infrastructure plant and equipment	33
	6.2. Investments in associates, joint arrangements and subsidiaries	39
<b>Note 7</b>	People and relationships	40
	7.1. Council and key management remuneration	40
<b>Note 8</b>	Managing uncertainties	42
	8.1. Contingent assets and liabilities	42
	8.2. Change in accounting standards	42
	8.3. Financial instruments	43
	8.4. Fair value measurement	44
	8.5. Events occurring after balance date	44
<b>Note 9</b>	Other matters	45
	9.1. Reserves	45
	9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	48
	9.3. Superannuation	48
<b>Note 10</b>	Change in accounting policy	51

## **Certification of the Financial Statements**

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



*Allison Southwell*  
**Principal Accounting Officer**

**Dated :** 24 September 2024  
20 Siding Avenue, Officer

In our opinion, the accompanying financial statements present fairly the financial transactions of the Cardinia Shire Council for the year ended 30 June 2024 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



*Cr Jack Kowarzik*  
**Mayor**  
**Dated :** 24 September 2024  
20 Siding Avenue, Officer



*Cr Stephanie Davies*  
**Councillor**  
**Dated :** 24 September 2024  
20 Siding Avenue, Officer



*Carol Jeffs*  
**Chief Executive Officer**  
**Dated :** 24 September 2024  
20 Siding Avenue, Officer



# Independent Auditor's Report

## To the Councillors of Cardinia Shire Council

<b>Opinion</b>	<p>I have audited the financial report of Cardinia Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2024</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cash flows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including material accounting policy information</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

---

**Auditor's responsibilities for the audit of the financial report**

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

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

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

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



## Comprehensive Income Statement For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Income / Revenue</b>			
Rates and charges	3.1	118,205	110,382
Statutory fees and fines	3.2	6,770	5,876
User fees	3.3	2,935	2,910
Grants - operating	3.4	5,730	24,029
Grants - capital	3.4	34,289	18,901
Contributions - monetary	3.5	38,292	22,598
Contributions - non monetary	3.5	42,621	51,576
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	677	-
Share of net profits (or loss) of associates and joint ventures	6.3	-	49
Other income	3.7	12,548	8,831
<b>Total income / revenue</b>		<b>262,067</b>	<b>245,152</b>
<b>Expenses</b>			
Employee costs	4.1	53,466	49,465
Materials and services	4.2	72,058	70,173
Depreciation	4.3	27,203	28,838
Amortisation - intangible assets	4.4	168	89
Depreciation - right of use assets	4.5	549	604
Allowance for impairment losses	4.6	236	358
Borrowing costs	4.7	1,143	1,186
Finance costs - leases	4.8	104	144
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	-	1,465
Other expenses	4.9	1,823	2,000
<b>Total expenses</b>		<b>156,750</b>	<b>154,322</b>
<b>Surplus/(deficit) for the year</b>		<b>105,317</b>	<b>90,830</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain/(loss)	6.1	600,213	172,339
<b>Total other comprehensive income</b>		<b>600,213</b>	<b>172,339</b>
<b>Total comprehensive result</b>		<b>705,530</b>	<b>263,169</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

## Balance Sheet As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	29,926	25,784
Trade and other receivables	5.1	29,187	19,632
Other financial assets	5.1	117,000	138,000
Inventories		-	17
Other assets	5.2	7,141	5,477
<b>Total current assets</b>		<b>183,254</b>	<b>188,910</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1	2,200	1,465
Property, infrastructure, plant and equipment	6.1	3,087,667	2,391,298
Right-of-use assets	5.8	2,467	4,321
Intangible assets	5.2	1,178	1,255
<b>Total non-current assets</b>		<b>3,093,512</b>	<b>2,398,340</b>
<b>Total assets</b>		<b>3,276,766</b>	<b>2,587,250</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	14,791	6,916
Trust funds and deposits	5.3	13,024	12,777
Contract and other liabilities	5.3	24,596	46,858
Provisions	5.5	10,525	10,249
Interest-bearing liabilities	5.4	2,548	2,391
Lease liabilities	5.8	429	575
<b>Total current liabilities</b>		<b>65,913</b>	<b>79,766</b>
<b>Non-current liabilities</b>			
Trade and other payables	5.3	5,842	3,679
Provisions	5.5	1,304	1,324
Interest-bearing liabilities	5.4	9,142	11,690
Lease liabilities	5.8	2,180	3,936
<b>Total non-current liabilities</b>		<b>18,468</b>	<b>20,629</b>
<b>Total liabilities</b>		<b>84,381</b>	<b>100,395</b>
<b>Net assets</b>		<b>3,192,385</b>	<b>2,486,855</b>
<b>Equity</b>			
Accumulated surplus		1,390,596	1,296,852
Reserves	9.1	1,801,789	1,190,003
<b>Total Equity</b>		<b>3,192,385</b>	<b>2,486,855</b>

The above balance sheet should be read in conjunction with the accompanying notes.



## Statement of Changes in Equity For the Year Ended 30 June 2024

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2024</b>					
Balance at beginning of the financial year		2,486,855	1,296,852	1,106,303	83,700
Surplus/(deficit) for the year		105,317	105,317	-	-
Net asset revaluation gain/(loss)	6.1	600,213	-	600,213	-
Transfers to other reserves	9.1	-	(43,679)	-	43,679
Transfers from other reserves	9.1	-	32,106	-	(32,106)
		<u>3,192,385</u>	<u>1,390,596</u>	<u>1,706,516</u>	<u>95,273</u>
<b>Balance at end of the financial year</b>		<b>3,192,385</b>	<b>1,390,596</b>	<b>1,706,516</b>	<b>95,273</b>
<b>2023</b>					
Balance at beginning of the financial year		2,223,686	1,221,202	933,964	68,520
Surplus/(deficit) for the year		90,830	90,830	-	-
Net asset revaluation gain/(loss)	6.1	172,339	-	172,339	-
Transfers to other reserves	9.1	-	(25,217)	-	25,217
Transfers from other reserves	9.1	-	10,037	-	(10,037)
		<u>2,486,855</u>	<u>1,296,852</u>	<u>1,106,303</u>	<u>83,700</u>
<b>Balance at end of the financial year</b>		<b>2,486,855</b>	<b>1,296,852</b>	<b>1,106,303</b>	<b>83,700</b>

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

## Statement of Cash Flows For the Year Ended 30 June 2024

	2024	2023
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Rates and charges	114,659	108,415
Statutory fees and fines	7,573	6,483
User fees	3,107	3,079
Grants - operating	5,371	23,198
Grants - capital	12,643	33,961
Contributions - monetary	31,197	25,455
Interest received	7,519	5,494
Trust funds and deposits taken	273	7,347
Other receipts	6,661	10,615
Net GST refund/(payment)	13,626	11,077
Employee costs	(53,126)	(49,452)
Materials and services	(71,119)	(92,992)
Short-term, low value and variable lease payments	(415)	(212)
Trust funds and deposits repaid	-	(4,807)
<b>Net cash provided by/(used in) operating activities</b>	<b>77,969</b>	<b>87,661</b>
9.2		
<b>Cash flows from investing activities</b>		
Payments for property, infrastructure, plant and equipment	(92,088)	(52,172)
Proceeds from sale of property, infrastructure, plant and equipment	1,597	531
Proceeds from sale of / (payments for) investments	21,000	(26,500)
<b>Net cash provided by/(used in) investing activities</b>	<b>(69,491)</b>	<b>(78,141)</b>
6.1		
<b>Cash flows from financing activities</b>		
Finance costs	(1,142)	(1,186)
Repayment of borrowings	(1,998)	(2,809)
Interest paid - lease liability	(104)	(145)
Repayment of lease liabilities	(1,090)	(553)
<b>Net cash provided by/(used in) financing activities</b>	<b>(4,334)</b>	<b>(4,693)</b>
Net increase (decrease) in cash and cash equivalents	4,143	4,827
Cash and cash equivalents at the beginning of the financial year	25,784	20,957
<b>Cash and cash equivalents at the end of the financial year</b>	<b>29,926</b>	<b>25,784</b>
5.1 (a)		

The above statement of cash flows should be read in conjunction with the accompanying notes.

## Statement of Capital Works For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Property</b>			
Land	6.1 (a)	8,161	2,721
<b>Total land</b>		<u>8,161</u>	<u>2,721</u>
Buildings		17,278	10,144
Heritage buildings	6.1 (a)	-	48
Building improvements	6.1 (a)	-	47
<b>Total buildings</b>		<u>17,278</u>	<u>10,239</u>
<b>Total property</b>	6.1 (a)	<u>25,439</u>	<u>12,960</u>
<b>Plant and equipment</b>			
Plant, machinery and equipment	6.1 (b)	1,750	3,246
Fixtures, fittings and furniture		234	526
Computers and telecommunications	6.1 (b)	314	5
<b>Total plant and equipment</b>		<u>2,298</u>	<u>3,777</u>
<b>Infrastructure</b>			
Roads		41,512	25,804
Bridges		973	200
Footpaths and cycleways		1,548	2,262
Drainage		1,359	2,013
Recreational, leisure and community facilities		3,762	7,750
Parks, open space and streetscapes		5,589	194
Off street car parks		792	218
Other infrastructure		-	17
<b>Total infrastructure</b>	6.1 (c)	<u>55,535</u>	<u>38,458</u>
<b>Total capital works expenditure</b>		<u>83,272</u>	<u>55,195</u>
<b>Represented by:</b>			
New asset expenditure		2,358	4,619
Asset renewal expenditure		20,014	19,316
Asset expansion expenditure		34,858	13,658
Asset upgrade expenditure		26,042	17,602
<b>Total capital works expenditure</b>		<u>83,272</u>	<u>55,195</u>

The above statement of capital works should be read in conjunction with the accompanying notes.

## Notes to the Financial Report For the Year Ended 30 June 2024

### Note 1 OVERVIEW

#### Introduction

The Cardinia Shire Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate. The Council's main office is located at 20 Siding Avenue, Officer.

#### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

#### Accounting policy information

##### 1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

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

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

#### Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.



## Notes to the Financial Report For the Year Ended 30 June 2024

### Note 2 ANALYSIS OF OUR RESULTS

#### 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500K where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 26 June 2023. The Budget was based on assumptions that were relevant at the time of Budget adoption. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

#### 2.1.1 Income / Revenue and expenditure

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
<b>Income / Revenue</b>					
Rates and charges	118,484	118,205	(279)	0%	
Statutory fees and fines	6,463	6,770	307	5%	
User fees	2,532	2,935	403	16%	1
Grants - operating	18,512	5,730	(12,782)	-69%	2
Grants - capital	47,663	34,289	(13,374)	-28%	3
Contributions - monetary	209	207	(2)	-1%	
Capital contributions - monetary	3	7	4	137%	4
Development levies - monetary	25,067	38,078	13,011	52%	5
Contributions - non monetary	39,812	42,621	2,809	7%	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	677	677	100%	7
Other income	4,918	12,548	7,630	155%	8
<b>Total income / revenue</b>	<b>263,663</b>	<b>262,067</b>	<b>(1,595)</b>	<b>-1%</b>	
<b>Expenses</b>					
Employee costs	55,086	53,466	(1,620)	-3%	9
Materials and services	70,831	72,058	1,227	2%	10
Allowance for impairment losses	189	236	47	25%	11
Depreciation	33,350	27,203	(6,147)	-18%	12
Amortisation - intangible assets	214	168	(46)	-21%	13
Depreciation - right of use assets	606	549	(57)	-9%	14
Borrowing costs	1,064	1,143	79	7%	
Finance costs - leases	143	104	(39)	-27%	15
Other expenses	2,003	1,823	(180)	-9%	
<b>Total expenses</b>	<b>163,486</b>	<b>156,750</b>	<b>(6,736)</b>	<b>-4%</b>	
<b>Surplus/(deficit) for the year</b>	<b>100,178</b>	<b>105,317</b>	<b>5,141</b>	<b>5%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2024

### 2.1.1 Income / Revenue and expenditure (Cont'd)

#### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	User fees	Favourable variance is due to a conservative budget for hall hire income (over budget by \$174K), higher than anticipated user fees in Building Services \$81K, higher than budgeted user fees \$54K collected in Early Years, higher user fees collected for Emerald Lake Park parking fees \$71K and unbudgeted dust suppression fees collected in Unsealed Roads \$29K.
2	Grants - operating	Unfavourable variance is due to timing of receipt of funds. Most of 2023-24 Finance Assistance Grant \$13.2M was received in advance in 2022-23.
3	Grants - capital	Lower capital grant is primarily due to planned works funded by Capital grants not being completed in the 2023-24. These unfinished capital works is incorporated into the capital works plan for the upcoming years. This includes major projects such as Sealing the hills (\$10.5M) the upgrade to the Upper Beaconsfield recreation reserve (\$ 3.3M).
4	Capital contributions - monetary	Unfavourable variance due to amortisation of Special Charge schemes over two years (2022-23 and 2023-24) against the budget for only one year (2023-24)
5	Development levies - monetary	Favourable variance includes the value of developer, community infrastructure and public open space levies being more than budget. The major item contributing to this variance is Officer DCP developer levies.
6	Contributions - non-monetary	The non-monetary contribution balance mainly includes infrastructure assets contributed by developers. Last financial year, many developers quickly started their projects after COVID-19 restrictions were lifted, resulting in a substantial amount of infrastructure being completed and handed over to the council.
7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Proceeds from the sale of land \$600K and from motor vehicles \$776K offset by the expenditure incurred for the renewal of infrastructure assets. This renewal, undertaken prior to the projected end of life of the assets, represents a cost of \$702K.
8	Other income	Higher interest income has been the major contributor to a favourable position in other income. Higher interest is partially explained by higher interest rate than average and also increase in term deposit due to unspent grant.
9	Employee costs	Employee costs are lower than budgeted due to vacancies resulting from staff turnover.
10	Materials and services	Variance is due to a conservative budget within Community Recreation (\$ 1.5M)
11	Bad and doubtful debts	Unfavourable variance is due to larger number of infringements being sent to Fines Victoria for recovery.
12	Depreciation	The favourable variance in depreciation is primarily driven by the roads and building asset classes. Lower depreciation in Roads is mainly due major multi year road projects to be completed and capitalised in upcoming years. Lower depreciation in Buildings mainly due to the Comprehensive Componentised Revaluation conducted in March 2023, which was not reflected in 2023/24 budget.
13	Amortisation - Intangible assets	Favourable variance is primarily due to the successful completion of the OneCouncil project under budget by \$400K and expense worth \$100K relating to OneCouncil project did not meet definition of asset to capitalise.
14	Depreciation - Right of use assets	Lower depreciation of Right of Use expense in 2023-24 is due to the non-renewal of the open space maintenance contract in Feb 2024. The amortisation of right of use assets is calculated by amortising value of plant items embedded in maintenance contract over lease term. The open space maintenance contract was not renewed as predicted in the beginning of the contract.
15	Finance costs - leases	Finance cost on leases are mainly related to the underlying assets embedded on waste collection contract and open space maintenance contract. Lower than anticipated expense in 2023-24 is due to the non-renewal of the open space maintenance contract in Feb 2024.

## Notes to the Financial Report For the Year Ended 30 June 2024

### 2.1.2 Capital works

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Land	7,000	8,161	1,161	17%	1
Land improvements	-	-	-	0%	
<b>Total land</b>	<b>7,000</b>	<b>8,161</b>	<b>1,161</b>	<b>17%</b>	
Buildings	23,353	17,278	(6,075)	-26%	2
<b>Total buildings</b>	<b>23,353</b>	<b>17,278</b>	<b>(6,075)</b>	<b>-26%</b>	
<b>Total property</b>	<b>30,353</b>	<b>25,439</b>	<b>(4,914)</b>	<b>-16%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	2,900	1,750	(1,150)	-40%	3
Fixtures, fittings and furniture	390	234	(156)	-40%	4
Computers and telecommunications	531	314	(217)	-41%	5
<b>Total plant and equipment</b>	<b>3,821</b>	<b>2,298</b>	<b>(1,523)</b>	<b>-40%</b>	
<b>Infrastructure</b>					
Roads	58,958	41,512	(17,446)	-30%	6
Bridges	1,041	973	(68)	-7%	
Footpaths and cycleways	1,371	1,548	177	13%	7
Drainage	1,180	1,359	179	15%	8
Recreational, leisure and community facilities	13,249	3,762	(9,487)	-72%	9
Parks, open space and streetscapes	3,428	5,589	2,161	63%	10
Off street car parks	65	792	727	1118%	11
Other infrastructure	323	-	(323)	-100%	12
<b>Total infrastructure</b>	<b>79,615</b>	<b>55,535</b>	<b>(24,080)</b>	<b>-30%</b>	
<b>Total capital works expenditure</b>	<b>113,789</b>	<b>83,272</b>	<b>(30,517)</b>	<b>-27%</b>	
<b>Represented by:</b>					
New asset expenditure	-	2,358	2,358	100%	13
Asset renewal expenditure	23,464	20,014	(3,450)	-15%	14
Asset expansion expenditure	45,740	34,858	(10,882)	-24%	15
Asset upgrade expenditure	44,585	26,042	(18,543)	-42%	16
<b>Total capital works expenditure</b>	<b>113,789</b>	<b>83,272</b>	<b>(30,517)</b>	<b>-27%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2024

## 2.1.2 Capital works (Cont'd)

## (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Major land acquisitions settled in 2023/24 were 26 Enterprise Road \$3.4M and 29 Whiteside Road \$3.8M.
2	Buildings	Major projects completed this year, significantly exceeding those of previous years, include the Brunt Road Integrated Children's Facility and the Timbertop Integrated Children's Facility. The variance to the budget is due to an ambitious financial plan. Council is expected to carryover \$4.8M worth of funds to 2024/25 to complete various building projects, which include but not limited to the following projects such as Koo Wee Rup Bowling Club Pavilion and Garfield North Cannibal Creek Reserve Hub.
3	Plant, machinery and equipment	Variance is due to long lead times in the delivery of heavy plant. Plant items worth \$1.1M ordered in 2023/24 are expected to be delivered in the first half of 2024/25.
4	Fixtures, fittings and furniture	Variance is due to Cardinia Cultural Centre furniture renewal worth \$90K treated as building improvement and lower completion of furniture renewal by Early Years worth \$75K due to operational constraints.
5	Computers and telecommunications	Mainly due to expenditure worth \$320K was expensed in Intangibles.
6	Roads	Road delivered this financial year are significantly more than previous years. However considerable variance is due to an ambitious financial plan and works worth \$10M in DCP Intersections will be completed in the coming years. Works worth \$6M in Better Local Roads - Connect Cardinia will be carried forward and is planned to deliver in 2024/25.
7	Footpaths	Some of the expenses in this asset class were transferred from other asset classes.
8	Drainage	Higher delivery is mainly due to expenses classified as Drainage being transferred from other asset classes.
9	Recreational, leisure and community facilities	Integrated Family Centre: Thewlis Road project is expensed in Building, and Officer District Park Master Plan project is expensed in Parks, open space and streetscapes.
10	Parks, open space and streetscapes	The reason is that a good portion of the expenditures categorised in this asset class were transferred from other asset classes.
11	Off Street car parks	Most of the of the Off Street car park budget being budgeted under Road asset class.
12	Other infrastructure	Variance is due to \$110K worth of works categorised as Road asset class and projects that were not able to deliver in Public Art Program \$90k and Tree Management Works at High Risk Sites \$106K.
13	New asset expenditure	This variance is due to works worth \$2.7M relating to Sealing the Hills is identified as New whilst the budget was Upgrade.
14	Asset renewal expenditure	The main reason for the variance is that some project costs are captured in other categories, and some of the works are expected to be delivered in 2024/25.
15	Asset expansion expenditure	Mainly due to \$4.5M worth of intersection works expensed in Upgrade, and \$10M worth of Intersections work is not going ahead.
16	Asset upgrade expenditure	This is primarily due to works worth \$2.7M in Sealing the Hills expensed in New assets, Koo Wee Rup Bowling Club Pavilion works worth \$2.2M to be delivered in 2024/25, Garfield North Cannibal Creek Reserve Hub works worth \$2M to be delivered in FY 2024/25, and \$6M worth of works in Connect Cardinia Road Sealing Program to be delivered in FY 2024/25.



## Notes to the Financial Report For the Year Ended 30 June 2024

### 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### 2.2.1 Programs

##### Chief Executive Officer

This group is responsible for leading the organisation and includes Cardinia's corporate management expenses including salaries, corporate memberships and corporate legal and consultancy fees.

##### Infrastructure and Environment

The Infrastructure and Environment Group is dedicated to making Cardinia Shire a sustainable, safe and enjoyable place to live both now and in the future. The group is responsible for the management and construction of new infrastructure and the maintenance of existing assets, engineering services, waste and development services areas. It focuses on the Shire's heritage, natural environment, energy and climate change, sustainable waste services, and development. The Operations Service Team within the Group ensures a continued management and maintenance focus on the Shire's extensive roads, drainage, trees and parks and gardens assets.

##### Liveable Communities

The Liveable Communities Group comprises the three business units of Planning & Design, Community & Family Services and Active & Connected Communities. The group seeks to create sustainable and liveable communities for current and future residents of the Shire. It works proactively and collaboratively with the community, external agencies and stakeholders to be key change agents, whilst empowering the community and balancing competing objectives of all stakeholders to achieve a common goal.

##### Governance, Facilities and Economy

The Governance, Economy and Facilities Group contains the business units of Governance, Safety & Property, Arts Advocacy & Economy, Buildings & Facilities, Regulatory Services and Communications & Engagement. The group is focussed on delivering strong governance throughout our organisation, delivering prosperous economies, sustainable job growth and a vibrant arts culture. It focuses on building community resilience, ensuring a safe environment for our staff and our community and the creation of high quality liveable spaces and places for the community of Cardinia Shire.

##### Customer, People & Performance

The Customer, People and Performance Group aspires to support effective and innovative service outcomes to the Cardinia community through several internal operational support and service functions. People and Culture supports the culture, learning and development of the organisation and people resources. Business Transformations is the face of interaction with the community, and focus on improving, enhancing and reporting service delivery. Finance supports the long term financial sustainability of Council through the development of financial and rating plans, ensures adherence to procurement policies and legislative financial reporting requirements, and is responsible for the administration of Council rates. Information Services provides the technology and knowledge management tools to meet the functional, security and legislated requirements to deliver these services.

### 2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>					
Chief Executive Officer	-	591	(591)	-	-
Infrastructure & Environment	92,596	57,776	34,820	27,156	1,714,630
Liveable Communities	14,446	27,569	(13,123)	7,641	84,561
Governance, Facilities and Economy	9,764	26,167	(16,403)	4,681	1,356,581
Customer, People & Performance	145,260	44,646	100,614	541	120,995
	<b>262,066</b>	<b>156,749</b>	<b>105,317</b>	<b>40,019</b>	<b>3,276,767</b>

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2023</b>					
Chief Executive Officer	-	595	(595)	-	-
Infrastructure & Environment	77,121	76,085	1,036	22,205	1,061,045
Liveable Communities	8,454	29,520	(21,066)	4,822	80,457
Governance, Facilities and Economy	5,191	29,519	(24,328)	1,041	1,304,658
Customer, People & Performance	154,386	18,603	135,783	14,862	141,090
	<b>245,152</b>	<b>154,322</b>	<b>90,830</b>	<b>42,930</b>	<b>2,587,250</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

#### 3.1 Rates and charges

2024	2023
\$'000	\$'000

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the market value as determined by the Municipal Valuer as at 1 January 2023.

The valuation base used to calculate general rates for 2023/24 was \$42,737 million (2022/23 was \$37,003 million). The 2023/24 rate in the CIV dollar was 0.0020833 (2022/23 was 0.002264).

General rates	94,973	89,515
Waste management charge	20,558	18,704
Supplementary rates and rate adjustments	1,641	1,286
Interest on rates and charges	960	803
Cultural and recreational	73	74
<b>Total rates and charges</b>	<b>118,205</b>	<b>110,382</b>

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2023 and the valuation was first applied in the rating year commencing 1 July 2023.

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

#### 3.2 Statutory fees and fines

Infringements and costs	601	464
Statutory registration fees	1,420	1,280
Court recoveries	111	32
Town planning fees	3,665	1,890
Land information certificates	143	100
Permits	829	2,110
Other statutory income	2	-
<b>Total statutory fees and fines</b>	<b>6,770</b>	<b>5,876</b>

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

#### 3.3 User fees

Leisure centre and recreation	1,193	1,929
Child care/children's programs	634	151
Parking	142	120
Registration and other permits	443	549
Building services	44	64
Waste management services	4	-
Other fees and charges	475	97
<b>Total user fees</b>	<b>2,935</b>	<b>2,910</b>

#### User fees by timing of revenue recognition

User fees recognised at a point in time	2,935	2,910
<b>Total user fees</b>	<b>2,935</b>	<b>2,910</b>

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

Notes to the Financial Report  
For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	27,032	30,311
State funded grants	12,987	12,619
<b>Total grants received</b>	<b>40,019</b>	<b>42,930</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	501	17,082
Community Health and Safety	105	
<b>Recurrent - State Government</b>		
School crossing supervisors	618	584
Maternal and child health	2,945	2,080
Recreation	98	139
Community safety	-	7
Best start	120	97
Community health	108	280
Emergency Management	-	240
Environment and heritage	90	52
Family and children	390	584
Local Infrastructure	80	-
<b>Total recurrent operating grants</b>	<b>5,055</b>	<b>21,145</b>
<b>Non-recurrent - Commonwealth Government</b>		
<b>Non-recurrent - State Government</b>		
Local infrastructure	144	1,781
Community Health	40	286
Environment and heritage	487	77
Community safety	2	8
Families and children	2	-
Library	-	732
<b>Total non-recurrent operating grants</b>	<b>675</b>	<b>2,884</b>
<b>Total operating grants</b>	<b>5,730</b>	<b>24,029</b>
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	68	1,735
Roads to Recovery	3,382	-
<b>Total recurrent capital grants</b>	<b>3,450</b>	<b>1,735</b>
<b>Non-recurrent - Commonwealth Government</b>		
Local infrastructure	22,639	8,971
Recreation	337	2,523
<b>Non-recurrent - State Government</b>		
Local infrastructure	5,706	4,778
Recreation	2,157	894
<b>Total non-recurrent capital grants</b>	<b>30,839</b>	<b>17,166</b>
<b>Total capital grants</b>	<b>34,289</b>	<b>18,901</b>
<b>Total operating and capital grants</b>	<b>40,019</b>	<b>42,930</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### 3.4 Funding from other levels of government (Cont'd)

#### (c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income of Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

	2024	2023
	\$'000	\$'000
<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	501	17,082
Specific purpose grants to acquire non-financial assets	34,289	18,901
Other specific purpose grants	5,229	6,947
<b>Total Income recognised</b>	<b>40,019</b>	<b>42,930</b>
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(d) Unspent grants received on condition that they be spent in a specific manner</b>		
<b>Operating</b>		
Balance at start of year	5,228	2,775
Received during the financial year and remained unspent at balance date	751	4,790
Received in prior years and spent during the financial year	(4,391)	(2,337)
Balance at year end	<b>1,588</b>	<b>5,228</b>
<b>Capital</b>		
Balance at start of year	42,560	27,500
Received during the financial year and remained unspent at balance date	2,309	25,807
Received in prior years and spent during the financial year	(23,956)	(10,747)
Balance at year end	<b>20,914</b>	<b>42,560</b>
<b>Total unspent grants at year end</b>	<b>22,502</b>	<b>47,788</b>

Unspent grants are determined and disclosed on a cash basis.



## Notes to the Financial Report For the Year Ended 30 June 2024

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>3.5 Contributions</b>		
Monetary	38,292	22,598
Non-monetary	42,621	51,576
<b>Total contributions</b>	<b>80,913</b>	<b>74,174</b>

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

Land	12,533	16,306
Buildings	1,748	308
Roads	9,878	12,706
Other infrastructure	18,035	16,625
Other	429	-
<b>Total non-monetary contributions</b>	<b>42,621</b>	<b>45,945</b>

Monetary and non-monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.

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

#### Property, infrastructure and plant and equipment

Proceeds of sale	1,452	531
Written down value of assets disposed	(775)	(1,996)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>677</b>	<b>(1,465)</b>
<b>Total net loss on disposal of assets held for sale and property, infrastructure, plant and equipment</b>	<b>677</b>	<b>(1,465)</b>

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

### 3.7 Other income

Interest	7,519	5,236
Cost recoveries	2,908	2,179
Rent income	814	576
Impairment reinstatement/reversal	243	-
Other	1,064	840
<b>Total other income</b>	<b>12,548</b>	<b>8,831</b>

Interest is recognised as it is earned.

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

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
	\$'000	\$'000
<b>Note 4 THE COST OF DELIVERING SERVICES</b>		
<b>4.1 (a) Employee costs</b>		
Wages and salaries	46,903	43,672
Workcover	1,092	804
Superannuation	5,069	4,600
Fringe benefits tax	362	324
Other	40	65
<b>Total employee costs</b>	<b>53,466</b>	<b>49,465</b>
<b>(b) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	122	147
	<u>122</u>	<u>147</u>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,947	4,453
	<u>4,947</u>	<u>4,453</u>
Employer contributions payable at reporting date.	-	-

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

### 4.2 Materials and services

Contract payments		
- Waste and garbage contracts	20,582	17,039
- Parks and gardens contracts	5,742	5,400
- Library contract	2,340	2,282
- Other contracts	7,297	7,709
Building maintenance	2,993	213
General maintenance	3,078	3,282
Utilities	2,909	2,795
Office administration	180	104
Information technology	1,971	2,300
Insurance	1,383	1,183
Consultants	1,690	1,821
General administration	7,185	14,984
Materials and services	12,988	9,350
Contractors and temp staff	477	643
Legal	1,024	1,068
Marketing and promotion	220	-
<b>Total materials and services</b>	<b>72,058</b>	<b>70,173</b>

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

### 4.3 Depreciation

Property	5,599	6,627
Plant and equipment	2,047	1,941
Infrastructure	19,557	20,270
<b>Total depreciation</b>	<b>27,203</b>	<b>28,838</b>

Refer to note 5.2( c ), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
	\$'000	\$'000
<b>4.4 Amortisation - Intangible assets</b>		
Software	168	89
<b>Total Amortisation - Intangible assets</b>	<b>168</b>	<b>89</b>
<b>4.5 Depreciation - Right of use assets</b>		
Property	38	38
Vehicles	511	566
<b>Total Depreciation - Right of use assets</b>	<b>549</b>	<b>604</b>
<b>4.6 Allowance for impairment losses</b>		
Local law debtors	234	61
Other debtors	2	297
<b>Total allowance for impairment losses</b>	<b>236</b>	<b>358</b>
<b>Movement in allowance for impairment losses in respect of debtors</b>		
Balance at the beginning of the year	(333)	(323)
New allowances recognised during the year	(128)	(54)
Amounts already allowed for and written off as uncollectible	28	21
Amounts allowed for but recovered during the year	18	23
Balance at end of year	<b>(415)</b>	<b>(333)</b>
<p>An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.</p>		
<b>4.7 Borrowing costs</b>		
Interest - Borrowings	792	963
Bank Charges	351	223
<b>Total borrowing costs</b>	<b>1,143</b>	<b>1,186</b>
<p>Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.</p>		
<b>4.8 Finance Costs - Leases</b>		
Interest - Lease Liabilities	104	144
<b>Total finance costs</b>	<b>104</b>	<b>144</b>
<b>4.9 Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	74	82
Auditors' remuneration - Internal Audit	203	68
Councillors' allowances	471	449
Assets written-off / impaired	-	226
Others	1,075	730
Loss on withdrawing from Casey Cardinia Library Corporation agreement (refer note 6.3)	-	445
<b>Total other expenses</b>	<b>1,823</b>	<b>2,000</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

<b>Note 5 INVESTING IN AND FINANCING OUR OPERATIONS</b>	<b>2024</b>	<b>2023</b>
<b>5.1 Financial assets</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1	1
Cash at bank	29,925	25,783
<b>Total cash and cash equivalents</b>	<b>29,926</b>	<b>25,784</b>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits - Council	77,000	93,000
Term deposits - Developer contribution plans	40,000	45,000
Total current other financial assets	<b>117,000</b>	<b>138,000</b>
<b>Total other financial assets</b>	<b>117,000</b>	<b>138,000</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>146,926</b>	<b>163,784</b>

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

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense. Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

<b>(c) Trade and other receivables</b>	<b>2024</b>	<b>2023</b>
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Statutory receivables</i>		
Rates debtors	18,761	15,214
Infringement debtors	266	208
Allowance for expected credit loss - infringements	(173)	(94)
Net GST receivable	1,580	1,982
Developer contribution plan debtors	6,716	-
<i>Non statutory receivables</i>		
Other debtors	2,279	2,561
Allowance for expected credit loss - other debtors	(242)	(239)
Total current trade and other receivables	<b>29,187</b>	<b>19,632</b>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	1,467	956
Developer contribution plan debtors	280	-
<i>Non statutory receivables</i>		
Bonds	76	89
Other debtors	376	420
Total non-current trade and other receivables	<b>2,200</b>	<b>1,465</b>
<b>Total trade and other receivables</b>	<b>31,387</b>	<b>21,097</b>

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.



## Notes to the Financial Report For the Year Ended 30 June 2024

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(d) Ageing of Receivables</b>		
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	1,681	1,223
Past due by up to 30 days	216	256
Past due between 31 and 180 days	187	304
Past due between 181 and 365 days	61	50
Past due by more than 1 year	134	729
Total trade and other receivables	<b>2,279</b>	<b>2,561</b>

**(e) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$415 (2023: \$333K) were impaired. The amount of the allowance raised against these debtors was \$415 (2023: \$333K). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangement

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

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Current (not yet due)	-	-
Past due by up to 30 days	19	-
Past due between 31 and 180 days	76	112
Past due between 181 and 365 days	135	56
Past due by more than 1 year	185	165
Total trade & other receivables	<b>415</b>	<b>333</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

<b>5.2 Non-financial assets</b>	<b>2024</b>	<b>2023</b>
<b>(a) Other assets</b>		
Prepayments	1,300	970
Accrued income	2,266	3,551
Other	3,575	956
<b>Total other assets</b>	<b>7,141</b>	<b>5,477</b>
<b>(b) Intangible assets</b>		
Software	1,178	1,255
<b>Total intangible assets</b>	<b>1,178</b>	<b>1,255</b>
		<b>Software</b>
<b>Gross carrying amount</b>		<b>\$'000</b>
Balance at 1 July 2023		1,855
Additions from internal developments		1,108
Balance at 30 June 2024		<b>2,963</b>
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2023		1,667
Amortisation expense		168
Balance at 30 June 2024		<b>1,835</b>
Work in progress at 30 June 2023		1,067
Work in progress at 30 June 2024		50
Net book value at 30 June 2023		<b>1,255</b>
Net book value at 30 June 2024		<b>1,178</b>

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

### 5.3 Payables, trust funds and deposits and contract and other liabilities

<b>(a) Trade and other payables</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
<i>Non-statutory payables</i>		
Trade payables	2,097	261
Accrued expenses	7,850	6,021
Other payables - purchase of land	4,844	634
<b>Total current trade and other payables</b>	<b>14,791</b>	<b>6,916</b>
<b>Non-Current</b>		
Trade payables	5,842	3,679
<b>Total non-current trade and other payables</b>	<b>5,842</b>	<b>3,679</b>
<b>Total trade and other payables</b>	<b>20,633</b>	<b>10,595</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### 5.3 Payables, trust funds and deposits and contract and other liabilities (cont.)

#### (b) Trust funds and deposits

##### Current

Refundable deposits	12,754	12,410
Fire services levy	-	81
Retention amounts	11	11
Sustainable Australia Fund	-	16
Other refundable deposits	259	259
<b>Total current trust funds and deposits</b>	<b>13,024</b>	<b>12,777</b>

##### Trust funds and deposits

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

##### Purpose and nature of items

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

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

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

Sustainable Australia Fund - Council collects funds on behalf of Sustainable Australia from businesses that participate in the Environmental Upgrade Financing (EUF) program. Amounts disclosed here will be remitted to the Sustainable Australia Fund in line with that process.

#### (c) Contract and other liabilities

##### Contract liabilities

##### Current

Grants received in advance - operating	1,588	1,945
Grants received in advance - capital	20,914	42,560
Other	2,093	2,353
<b>Total contract liabilities</b>	<b>24,596</b>	<b>46,858</b>

##### Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of programs, projects and services yet to be delivered. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

##### Other liabilities

Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

### 5.4 Interest-bearing liabilities

	2024	2023
Current	\$'000	\$'000
Other borrowings - secured	2,548	2,391
<b>Total current interest-bearing liabilities</b>	<b>2,548</b>	<b>2,391</b>
<b>Non-current</b>		
Other borrowings - secured	9,142	11,690
<b>Total non-current interest-bearing liabilities</b>	<b>9,142</b>	<b>11,690</b>
<b>Total</b>	<b>11,690</b>	<b>14,081</b>

Borrowings are secured by Deed of Charge over general rates.

#### (a) The maturity profile for Council's borrowings is:

Not later than one year	2,548	2,391
Later than one year and not later than five years	8,642	9,264
Later than five years	500	2,426
	<b>11,690</b>	<b>14,081</b>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

## Notes to the Financial Report For the Year Ended 30 June 2024

### 5.5 Provisions

	Employee	Total
	\$ '000	\$ '000
<b>2024</b>		
Balance at beginning of the financial year	11,573	11,573
Additional provisions	2,149	2,149
Amounts used	(1,542)	(1,542)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(351)	(351)
Balance at the end of the financial year	<b>11,829</b>	<b>11,829</b>
<i>Provisions - current</i>	10,525	10,525
<i>Provisions - non-current</i>	1,304	1,304
<b>2023</b>		
Balance at beginning of the financial year	11,105	11,105
Additional provisions	4,903	4,903
Amounts used	(4,187)	(4,187)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(248)	(248)
Balance at the end of the financial year	<b>11,573</b>	<b>11,573</b>
<i>Provisions - current</i>	10,249	10,249
<i>Provisions - non-current</i>	1,324	1,324
<b>(a) Employee provisions</b>	<b>2024</b>	<b>2023</b>
<b>Current provisions expected to be wholly settled within 12 months</b>	<b>\$'000</b>	<b>\$'000</b>
Annual leave	4,923	4,649
Long service leave	1,097	1,137
Sick leave bonus/gratuity	46	44
	<b>6,065</b>	<b>5,830</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	-	-
Long service leave	4,460	4,419
	<b>4,460</b>	<b>4,419</b>
Total current employee provisions	<b>10,525</b>	<b>10,249</b>
<b>Non-current</b>		
Long service leave	1,304	1,324
Annual leave	-	-
Total non-current employee provisions	<b>1,304</b>	<b>1,324</b>
Aggregate carrying amount of employee provisions:		
Current	10,525	10,249
Non-current	1,304	1,324
Total aggregate carrying amount of employee provisions	<b>11,829</b>	<b>11,573</b>

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

#### Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

#### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:	2024	2023
- discount rate	4.35%	4.06%
- index rate	4.45%	4.35%



---

## Notes to the Financial Report For the Year Ended 30 June 2024

### 5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2024.

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Bank overdraft	2,000	2,000
Credit card facilities	400	400
Transaction negotiation authority	1,000	1,000
Lease facilities	2,609	4,511
Bank loan facilities	11,690	14,081
Total facilities	<u>17,699</u>	<u>21,992</u>
Used facilities	14,367	18,669
Unused facilities	<u><b>3,332</b></u>	<u><b>3,323</b></u>

## Notes to the Financial Report For the Year Ended 30 June 2024

### 5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

#### (a) Commitments for expenditure

2024	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>Operating</b>					
Recycling	8,294	6,334	9,658	5,650	29,936
Garbage collection	12,986	10,403	9,595	-	32,984
Open space management	8,430	8,684	8,946	-	26,060
Consultancies	413	8	-	-	421
Cleaning contracts for council buildings	330	-	-	-	330
Information Technology	2,679	2,250	-	-	4,929
Library	2,664	2,731	5,668	2,941	14,004
Facilities management	743	-	-	-	743
Maintenance	160	-	-	-	160
Health	1,863	1,955	-	-	3,818
Other	4,821	5	3	-	4,829
<b>Total</b>	<b>43,383</b>	<b>32,370</b>	<b>33,870</b>	<b>8,591</b>	<b>118,214</b>
<b>Capital</b>					
Buildings	16,054	-	-	-	16,054
Roads	14,691	-	-	-	14,691
<b>Total</b>	<b>30,745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,745</b>
<b>2023</b>					
2023	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>Operating</b>					
Recycling	3,250	3,380	1,731	1,800	10,161
Garbage collection	14,575	15,158	15,552	1,930	47,215
Open space management	2,959	-	-	-	2,959
Consultancies	1,695	179	-	-	1,874
Cleaning contracts for council buildings	1,115	-	-	-	1,115
Information Technology	1,806	1,830	2,367	-	6,003
Library	2,573	2,637	5,474	2,840	13,524
Facilities management	2,575	685	-	-	3,260
Maintenance	85	-	-	-	85
Health	1,676	173	-	-	1,849
Other	209	213	440	265	1,127
Meals for delivery	-	-	-	-	-
<b>Total</b>	<b>32,518</b>	<b>24,255</b>	<b>25,564</b>	<b>6,835</b>	<b>89,172</b>
<b>Capital</b>					
Buildings	14,038	-	-	-	14,038
Roads	3,516	-	-	-	3,516
Land	3,375	-	-	-	3,375
Drainage	-	-	-	-	-
<b>Total</b>	<b>20,929</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,929</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### (b) Operating lease receivables

#### Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2024	2023
	\$'000	\$'000
Not later than one year	437	367
Later than one year and not later than five years	905	636
Later than five years	2,475	2,302
	<b>3,817</b>	<b>3,305</b>

### 5.8 Leases

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

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

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

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

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

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

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

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

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

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

Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

## Notes to the Financial Report For the Year Ended 30 June 2024

<b>Right-of-Use Assets</b>	Property	Vehicles	Total
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2023	77	4,244	4,321
New leases	-	-	-
Depreciation charge	(38)	(511)	(549)
Residual value expired	-	(1,305)	(1,305)
<b>Balance at 30 June 2024</b>	<b>39</b>	<b>2,428</b>	<b>2,467</b>
Balance at 1 July 2022	115	4,810	4,925
Depreciation charge	(38)	(566)	(604)
<b>Balance at 30 June 2023</b>	<b>77</b>	<b>4,244</b>	<b>4,321</b>

<b>Lease Liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	499	701
One to five years	1,799	2,628
More than five years	559	1,718
<b>Total undiscounted lease liabilities as at 30 June:</b>	<b>2,857</b>	<b>5,047</b>

Lease liabilities included in the Balance Sheet at 30 June:

Current	429	575
Non-current	2,180	3,936
<b>Total lease liabilities</b>	<b>2,609</b>	<b>4,511</b>

### Short-term and low value leases

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

<b>Expenses relating to:</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term leases	-	-
Leases of low value assets	414	212
<b>Total</b>	<b>414</b>	<b>212</b>

There are not variable lease payments (not included in measurement of lease liabilities) as of 30 June 2024.

### Non-cancellable lease commitments - Short-term and low-value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:

Within one year	340	69
Later than one year but not later than five years	353	53
<b>Total lease commitments</b>	<b>693</b>	<b>122</b>

Notes to the Financial Report  
For the Year Ended 30 June 2024

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2023	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Impairment losses recognised in operating result	Carrying amount 30 June 2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	1,285,095	17,038	14,281	16,372	(5,599)	(8)	-	8,986	-	1,336,166
Plant and equipment	9,838	2,152	-	-	(2,045)	(64)	-	-	-	9,881
Infrastructure	1,042,380	20,163	27,913	583,838	(19,559)	(706)	-	22,369	244	1,676,642
Work in progress	53,985	43,919	-	-	-	-	(1,824)	(31,103)	-	64,977
	<b>2,391,298</b>	<b>83,272</b>	<b>42,195</b>	<b>600,210</b>	<b>(27,203)</b>	<b>(778)</b>	<b>(1,824)</b>	<b>252</b>	<b>244</b>	<b>3,087,667</b>

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	14,078	8,401	(58)	(8,141)	14,280
Plant and equipment	-	146	-	255	401
Infrastructure	39,907	35,372	(1,766)	(23,217)	50,296
Total	<b>53,985</b>	<b>43,919</b>	<b>(1,824)</b>	<b>(31,103)</b>	<b>64,977</b>



**Notes to the Financial Report  
For the Year Ended 30 June 2024**

(a) Property

	Land - specialised	Land - non specialised	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Buildings - specialised	Buildings - non specialised	Leasehold improvements	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	905,810	78,797	984,607	8,857	372,440	26,358	4,666	412,357	14,078	1,411,042	
Accumulated depreciation at 1 July 2023	-	-	-	(6,614)	(94,627)	(10,333)	(289)	(111,869)	-	(111,869)	
	905,810	78,797	984,607	2,243	277,813	16,025	4,377	300,488	14,078	1,299,173	
<b>Movements in fair value</b>											
Additions	8,058	-	8,058	-	8,257	316	-	8,980	8,401	25,439	
Contributions	12,533	-	12,533	-	1,748	-	-	1,748	-	14,281	
Prior year adjustments	-	-	-	-	-	-	-	-	-	-	
Revaluation	13,449	2,923	16,372	-	-	-	-	-	-	16,372	
Disposal	(8)	-	(8)	-	-	-	-	-	-	(8)	
Write-off	-	-	-	-	-	-	-	-	(58)	(58)	
Transfers	-	-	-	9	8,846	131	-	8,986	(8,141)	845	
	34,032	2,923	36,956	9	18,851	447	-	19,714	202	56,872	
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	-	-	-	(104)	(5,023)	(404)	(67)	(5,599)	-	(5,599)	
	-	-	-	(104)	(5,023)	(404)	(67)	(5,599)	-	(5,599)	
At fair value 30 June 2024	939,842	81,720	1,021,563	8,866	391,291	26,805	4,666	432,071	14,280	1,467,914	
Accumulated depreciation at 30 June 2024	-	-	-	(6,718)	(99,650)	(10,737)	(356)	(117,468)	-	(117,468)	
Carrying amount	939,842	81,720	1,021,563	2,148	291,641	16,068	4,310	314,603	14,280	1,350,446	

Notes to the Financial Report  
For the Year Ended 30 June 2024

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and Telecomms \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2023	17,352	3,894	2,517	-	23,763
Accumulated depreciation at 1 July 2023	(9,552)	(2,417)	(1,956)	-	(13,925)
	7,800	1,477	561	-	9,838
<b>Movements in fair value</b>					
Additions	1,691	133	328	146	2,298
Disposal	(1,642)	(8)	-	-	(1,650)
Transfers	-	-	-	255	255
	49	125	328	401	903
	(1,578)	(307)	(160)	-	(2,045)
Depreciation and amortisation	1,585	1	-	-	1,586
Accumulated depreciation of disposals	7	(306)	(160)	-	(459)
	17,401	4,019	2,845	401	24,666
At fair value 30 June 2024	(9,545)	(2,723)	(2,116)	-	(14,384)
Accumulated depreciation at 30 June 2024	7,856	1,296	729	401	10,282
Carrying amount					

**Notes to the Financial Report  
For the Year Ended 30 June 2024**

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Parks open space and streetscapes	Off street car parks	Other Infrastructure	Work in Progress	Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	517,877	120,404	136,193	428,543	80,136	28,367	17,553	2,160	39,907	1,371,140	
Accumulated depreciation at 1 July 2023	(107,493)	(42,114)	(25,466)	(69,799)	(28,221)	(10,492)	(4,682)	(586)	-	(288,853)	
	410,384	78,290	110,727	358,744	51,915	17,875	12,871	1,574	39,907	1,082,287	
<b>Movements in fair value</b>											
Additions	14,918	-	1,519	975	2,019	540	192	-	35,372	55,535	
Contributions	9,878	-	3,913	13,126	340	656	-	-	-	27,913	
Revaluation	436,794	-	81,180	55,632	-	-	10,612	-	-	584,218	
Disposal	(588)	-	(20)	(217)	(65)	-	(217)	-	-	(1,107)	
Write-off	-	-	-	-	-	(36)	-	-	(1,766)	(1,802)	
Transfers	7,587	537	1,507	6,708	5,322	128	539	41	(23,217)	(848)	
Impairment losses recognised in operating result	218	-	-	-	-	26	-	-	-	244	
	468,807	537	88,099	76,224	7,616	1,314	11,126	41	10,389	664,153	
<b>Movements in accumulated depreciation</b>											
Revaluation increments/(decrements)	21,346	-	(14,424)	(9,436)	-	-	2,134	-	-	(380)	
Depreciation and amortisation	(8,355)	(1,262)	(1,762)	(4,388)	(2,011)	(935)	(225)	(61)	-	(18,999)	
Accumulated depreciation of disposals	234	-	2	65	29	-	97	-	-	427	
Valuation Adjustments	(84)	-	(18)	(196)	(179)	(83)	-	-	-	(560)	
Accumulated depreciation of write-off	-	-	-	-	-	10	-	-	-	10	
	13,141	(1,262)	(16,202)	(13,955)	(2,161)	(1,008)	2,006	(61)	-	(19,502)	
At fair value 30 June 2024	986,684	120,941	224,292	504,767	87,752	29,681	28,679	2,201	50,296	2,035,293	
Accumulated depreciation at 30 June 2024	(94,352)	(43,376)	(41,668)	(83,754)	(30,382)	(11,500)	(2,676)	(647)	-	(308,359)	
Carrying amount	<b>892,332</b>	<b>77,565</b>	<b>182,624</b>	<b>421,013</b>	<b>57,370</b>	<b>18,181</b>	<b>26,003</b>	<b>1,554</b>	<b>50,296</b>	<b>1,726,938</b>	

## Notes to the Financial Report For the Year Ended 30 June 2024

### Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

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

	Depreciation Period *	Major Depreciation Period **	Threshold Limit
	in years	in years	\$'000
<i>Asset recognition thresholds and major depreciation periods</i>			
<i>Land &amp; land improvements</i>			
Land			0
Land Improvements			10
<i>Buildings (Part level recognition adopted in 2022-2023)</i>			
<i>Non Componentised Buildings</i>			
Component: Substructure	35 - 151	35 - 71	10
Component: Superstructure - Columns	75 - 161	75 - 100	10
Component: Superstructure - Upper Floors	92	92	10
Component: Superstructure - Stairs	92	92	10
Component: Superstructure - Roof	92	92	10
Component: Superstructure - External Walls & Windows	70 - 147	70 - 92	10
Component: Superstructure - External Doors	70 - 147	70 - 92	10
Component: Superstructure - Internal Walls	70 - 147	70 - 92	10
Component: Superstructure - Internal Screens	33 - 147	33 - 92	10
Component: Superstructure - Internal Doors	70 - 147	70 - 92	10
Component: Finishes - Walls	70 - 147	70 - 92	10
Component: Finishes - Floor	30 - 78	30 - 36	10
Component: Finishes - Ceiling	34 - 78	34 - 40	10
Component: Fittings - Fittings	48 - 90	48 - 60	10
Component: Fittings - Special Equipment	50 - 93	50 - 62	10
Component: Services - Plumbing	60	60	10
Component: Services - Mechanical	62 - 127	62 - 81	10
Component: Services - Fire	62 - 127	62 - 81	10
Component: Services - Electrical	36 - 78	36	10
Component: Services - Transportation	64 - 133	64 - 84	10
Component: Services - Special Services	20	20	10
Component: External Services	60	60	10
Leasehold improvements	62 - 127	62 - 81	10
Plant and Equipment	71	71	10
Plant, Machinery and Equipment	5 - 15 years	5 - 15 years	5
Others	3 - 15 years	3 - 15 years	5
<i>Infrastructure</i>			
<i>Roads (Part level recognition adopted in 2023-2024)</i>			
<i>Asphalt Road Surface</i>			
4A - Local Arterial		20 - 25	10
4B1 - Local Major Collector		20 - 30	10
4B2 - Local Minor Collector		20 - 30	10
4C - Local Access		20 - 30	10
4D - Limited Access, 5 - Unclassified, On-Street Car Park & Property Access Road		30 - 40	10
<i>Spray Seal Surface</i>			
4A - Local Arterial		10 - 15	10
4B1 - Local Major Collector, 4B2 - Local Minor Collector, 4C - Local Access		15 - 20	10
<i>Sealed Roads - Pavement</i>			
4A - Local Arterial		100 - 125	10
<i>Unsealed Roads - Pavement</i>			
4A - Local Arterial		10 - 15	10
4B1 - Local Major Collector, 4B2 - Local Minor Collector, 4C - Local Access, On-Street Car Park, Property Access Road		15 - 20	10
4D - Limited Access		20 - 25	10
4E - Fire Acces & 6 - Unclassified		25 - 30	10
<i>Concrete Roads - Pavement</i>			
4A - Local Arterial		75 - 100	10
4B1 - Local Major Collector, 4B2 - Local Minor Collector, 4C - Local Access, 4D - Limited Access, On-Street Car Park, Property Access Road		100 - 125	10
<i>Paved Roads - Pavement</i>			
4B2 - Local Minor Collector & 4C - Local Access		100 - 125	10
Formation (i.e. Earthworks or Subgrade)		Not Depreciated	10
<i>Kerb and Channel</i>			
Guardrail & Tensioned Wire Rope Barrier		100 - 120	10
Retaining Wall - Brick, Concrete and Rock		100	10
Hand Railing & Safety Fence		100	10
Traffic Signals, Off-Street Public Lights		40 - 50	10
Off Street Carparks (Part level recognition adopted in 2023-2024)		20 - 30	10
Asphalt Road Surface		20 - 30	10
Spray Seal Surface		15 - 20	10
Pavement - Sealed and Concrete		100 - 125	10
Pavement - Unsealed		15 - 20	10

**Notes to the Financial Report  
For the Year Ended 30 June 2024**

Formation (i.e. Earthworks or Subgrade)	Not Depreciated	10
Footpaths and Cycleways (Part level recognition adopted in 2023-2024)		
Concrete	100 - 150	10
Pre-cast concrete Barrier	100	10
Gravel	10 - 15	10
Gravel - Cement Treated	20 - 30	10
Asphalt, Spray Seal & Timber	25 - 30	10
Pavers	50 - 60	10
Bridges	27 - 100	10
Drainage	25 - 100	10
Parks openspaces and streetscapes	7 - 100	5

\* Major Depreciation Period is used as the useful life of buildings.

\*\* Depreciation Period is used as the useful life for all assets (other than buildings), including those with longer lives.

*Land under roads*

Council recognises land under roads it controls at fair value.

*Depreciation and amortisation*

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

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

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

*Repairs and maintenance*

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

*Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 71 year period.



## Notes to the Financial Report For the Year Ended 30 June 2024

### Valuation of land and buildings

Valuation of land (2023/2024) and buildings (2022/2023) were undertaken by qualified independent valuers, Jesse Andrewartha (Certified Practising Valuer AAPI 108176) and Brian Robinson (Certified Practising Valuer AAPI 62215) from Westlink Consulting respectively. The valuation of land and buildings is at fair value, being market value based on the highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions, the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets. The date and type of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation	Basis for index	Next comprehensive revaluation date
Land - specialised	-	-	939,842	Feb-24	Comprehensive	Not Applicable	Feb-26
Land - non specialised	-	81,720	-	Feb-24	Comprehensive	Not Applicable	Feb-26
Heritage buildings	-	-	2,148	Feb-23	Comprehensive	Not Applicable	Feb-26
Buildings - non specialised	-	-	16,068	Feb-23	Comprehensive	Not Applicable	Feb-26
Buildings - specialised	-	-	292,048	Feb-23	Comprehensive	Not Applicable	Feb-26
Building improvements	-	-	29	Feb-23	Comprehensive	Not Applicable	Feb-26
Leasehold improvements	-	-	4,310	Feb-23	Comprehensive	Not Applicable	Feb-26
Total	-	81,720	1,254,445				

### Valuation of infrastructure

Comprehensive valuations of Parks, open spaces, streetscapes, recreational, leisure and community facilities were undertaken by a qualified independent valuer, Brian Robinson (Certified Practising Valuer AAPI 62215) from Westlink Consulting.

The date and type of the current valuation is detailed in the following table.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation	Basis for index	Next comprehensive revaluation date
Roads	-	-	892,332	Apr-24	Comprehensive	Not Applicable	Apr-28
Bridges	-	-	77,565	Apr-23	Interim Desktop	ABS PPI Index 3101, March 2023	Apr-25
Footpaths and cycleways	-	-	182,625	Apr-24	Comprehensive	Not Applicable	Apr-28
Drainage	-	-	421,011	May-24	Interim Desktop	ABS PPI Index 3101, March 2024	May-26
Recreational, leisure and community facilities	-	-	57,369	Apr-23	Comprehensive	Not Applicable	Apr-27
Parks, open space and streetscapes	-	-	18,180	Apr-23	Comprehensive	Not Applicable	Apr-27
Off street car parks	-	-	26,003	Apr-24	Comprehensive	Not Applicable	Apr-28
Total	-	-	1,675,085				

### Description of significant unobservable inputs into level 3 valuations

**Specialised land and land under roads** are valued using a market-based direct comparison technique. Significant unobservable inputs include the extent and impact of use restriction and the market cost of land per square metre. The extent and impact of restrictions on use varies and reduces surrounding land values between 20% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Land values range between \$0.59 and \$3,375 per square metre.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$297 to \$7,588 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued using the cost approach, which relies on the judgement and experience of professional Engineers. This method is based on determining the Replacement Cost of the modern equivalent (or the cost of reproduction where relevant) and then adjusting for the level of consumed obsolescence. In accordance with the depreciation requirements of AASB 116, 'complex assets' are disaggregated into different parts with a different useful life and depreciated separately. This includes splitting each component into the short-life (renewal) and long-life (recyclable) parts consistent with the AASB's May 2015 decision regarding Residual Value. All assets above the revaluation threshold are componentised. The unobservable inputs (such as the relationship between the condition and the assessed level of remaining service potential of the depreciable amount) required extensive professional judgment and impacted significantly on the final determination of fair value. These assets were classified as having been valued using level 3 valuation inputs.

	2024 \$'000	2023 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	178,398	212,086
Parks and reserves	761,444	693,724
<b>Total specialised land</b>	<b>939,842</b>	<b>905,810</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### 6.2 Investments in associates, joint arrangements and subsidiaries

#### (a) Investments in associates

Implementation of the new Local Government Act 2020 required Library Corporations and their Member Councils to find an alternative legal entity governance model. Library Corporations were given 10 years to make the transition from 1 July 2021. In October 2022, the CCL Board endorsed Cardinia Shire Council's decision to withdraw from the CCL Regional Library Agreement, effective 30th November 2022 under Clause 12 of the Regional Library Agreement. CCL will continue to exist beyond 2022 to provide library services for the City of Casey. As a result, Cardinia Shire Council withdrew from the CCL Regional Library Agreement with effect from 30 November 2022 and joined My Community Library Ltd (Myli), a Not-for Profit and charity that already provides library services to the Shire's of Baw Baw, Bass Coast and South Gippsland. Cardinia does not hold any ownership of Myli.

#### (b) Community Asset Committee

All entities controlled by Council that have material income, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

## Notes to the Financial Report For the Year Ended 30 June 2024

### Note 7 PEOPLE AND RELATIONSHIPS

#### 7.1 Council and key management remuneration

##### (a) Related Parties

###### Parent entity

Cardinia Shire Council

###### Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.2.

##### (b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Cardinia Shire Council. The Councillors, Chief Executive Officer and General Managers are deemed KMP.

Details of KMP at any time during the year are:

##### Councillors

Cr Jack Kowarzik (Mayor from 13 November 2023, Deputy Mayor until 12 November 2023)  
 Cr Graeme Moore (Deputy Mayor from 12 November 2023)  
 Cr Tammy Radford (Mayor until 12 November 2023)  
 Cr Brett Owen  
 Cr Carol Ryan  
 Cr Collin Ross  
 Cr Jeffrey Springfield  
 Cr Kaye Cameron  
 Cr Stephanie Davies

##### Chief Executive Officer and General Managers

Carol Jeffs (Chief Executive Officer)  
 Lili Rosic (Acting Chief Executive Officer from 25 October 2023 to 10 November 2023)  
 Debbie Tyson (General Manager - Governance, Facilities and Economy from 24 July 2023)  
 Debbie Tyson (General Manager - Customer, People and Performance from 01 July 2023 to 21 July 23)  
 Lili Rosic (General Manager - Liveable Communities)  
 Peter Benazic (General Manager - Infrastructure and Environment)  
 Wayne Mack (General Manager - Customer, People and Performance from 24 July 2023)

##### Managers acted as General Managers during position vacancy and backfill periods

Owen Hardidge (Acting General Manager - Customer, People and Performance from 03 April 2023 to 21 July 2023)  
 Dana Harding (Acting General Manager - Customer, People and Performance from 04 March 2024 to 11 March 2024)  
 Dana Harding (Acting General Manager - Customer, People and Performance from 12 March 2024 to 28 March 2024)  
 Misty Johannsen (General Manager Infrastructure and Environment 18 September 2023 to 26 September 2023)  
 Misty Johannsen (General Manager Infrastructure and Environment 03 June 2024 to 30 June 2024)  
 Luke Connell (General Manager Liveable Communities 25 October 2023 to 10 November 2023)  
 Michael Casey (General Manager Liveable Communities 02 January 2024 to 12 January 2024)  
 Debbie Tyson (General Manager Customer, People and performance 28 June 2023 to 21 July 2023)  
 Melissa Humphery (General Manager Customer, People and performance 02 January 2024 to 05 January 2024)  
 Owen Hardidge (General Manager Customer, People and performance 22 January 2024 to 25 January 2024)

	2024 No.	2023 No.
<b>Total Number of Councillors</b>	9	9
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	11	7
<b>Total Number of Key Management Personnel</b>	<b>20</b>	<b>16</b>

Total number of Key Management Personnel include all personnel in the roles during the financial year.

##### (c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Other long-term employee benefits** include long service leave, other long service benefits or deferred compensation.

**Post-employment benefits** include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Termination benefits** include termination of employment payments, such as severance packages.

	2024 \$	2023 \$
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	2,051	1,843
Other long-term employee benefits	37	32
Post-employment benefits	147	135
Termination benefits	-	-
<b>Total</b>	<b>2,235</b>	<b>2,010</b>

## Notes to the Financial Report For the Year Ended 30 June 2024

### 7.1 Council and key management remuneration (Cont.)

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2024 No.	2023 No.
\$0 - \$9,999	2	1
\$10,000 - \$19,999	1	-
\$20,000 - \$29,000	1	-
\$30,000 - \$39,999	2	2
\$40,000 - \$49,999	4	4
\$50,000 - \$59,999	2	2
\$60,000 - \$69,999	2	1
\$110,000 - \$119,999	1	1
\$230,000 - \$239,999	-	1
\$250,000 - \$259,999	1	-
\$260,000 - \$269,999	-	1
\$280,000 - \$289,999	1	1
\$290,000 - \$299,999	1	1
\$330,000 - \$339,999	1	-
\$400,000 - \$409,999	-	1
\$410,000 - \$419,999	1	-
	20	16

#### (d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

	2024 \$	2023 \$
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	4,145	4,054
Other long-term employee benefits	137	219
Post-employment benefits	384	337
Termination benefits	21	63
Total	4,687	4,673

The number of other senior staff are shown below in their relevant income bands:

Income Range:	2024 No.	2023 No.
\$170,000 - \$179,999	7	5
\$180,000 - \$189,999	2	3
\$190,000 - \$199,999	4	4
\$200,000 - \$209,999	2	1
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	-	1
\$240,000 - \$249,999	-	1
\$310,000 - \$319,999	-	1
\$320,000 - \$329,999	-	1
	16	17

	2024 \$'000	2023 \$'000
Total remuneration for the reporting year for other senior staff included above, amounted to:	4,687	4,673

## Notes to the Financial Report For the Year Ended 30 June 2024

### Note 8 MANAGING UNCERTAINTIES

#### 8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

##### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

*At balance date the Council are not aware of any contingent assets.*

##### (b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

*At balance date the Council are not aware of any contingent liabilities.*

#### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

#### Future superannuation contributions

In addition to the disclosed contributions, Cardinia Shire Council has not paid unfunded liability payments to Vision Super during 2023/24. There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024. At this point in time it is not known if additional contributions will be required, their timing or potential amount. Details of the circumstances which may result in the need to make additional contributions are explained in Note 9.3.

#### Landfill

Council carries out site rehabilitation works on an EPA licensed landfill site, the Nar Nar Goon landfill (570 Bald Hill Road, Pakenham VIC 3810), that was closed on 5 July 2001. At balance date Council has assessed that the provision required for ongoing site rehabilitation, monitoring and aftercare costs are not material.

#### Insurance claims

There are no major insurance claims that will have a material impact on future operations.

#### Legal matters

Council is seeking legal advice and has committed to seek legal recourse against entities that have been party to the Youth Hub project, including but not limited to Council's costs to date, demolition costs, redesign costs, remediation costs, reconstruction costs and alternative accommodation. This matter remains unresolved.

#### Building cladding

Council is aware of buildings that contain cladding. Assessments have been performed and not considered as high risk. Further review of buildings would occur only as directed by the Victorian Building Authority.

#### Liability Mutual Insurance

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

##### (c) Guarantees for loans to other entities

Council has not provided any guarantees for loans to other entities as at 30 June 2024.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.



## Notes to the Financial Report For the Year Ended 30 June 2024

### 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
  - are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
  - are to be applied prospectively for annual periods beginning on or after 1 January 2024;
  - would not necessarily change practice for some not-for-profit public sector entities; and
  - do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.
- Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

## Notes to the Financial Report For the Year Ended 30 June 2024

### 8.3 Financial instruments

#### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

##### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

#### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

#### (e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1.5% and -0.5% in market interest rates (AUD) from year-end rates of 5.17%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## Notes to the Financial Report For the Year Ended 30 June 2024

### 8.4 Fair value measurement

#### *Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis as shown in the table below. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

<b>Asset class</b>	<b>Revaluation frequency</b>
Land	Every 2 years
Buildings	Every 3 years
Roads	Every 4 years
Bridges	Every 4 years
Footpaths and cycleways	Every 4 years
Drainage	Every 4 years
Recreational, leisure and community facilities	Every 4 years
Parks, open space and streetscapes	Every 4 years

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

#### *Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### 8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

**Notes to the Financial Report  
For the Year Ended 30 June 2024**

**Note 9 OTHER MATTERS**

<b>9.1 Reserves</b>	<b>Balance at beginning of reporting period</b>	<b>Increase (decrease)</b>	<b>Balance at end of reporting period</b>
<b>(a) Asset revaluation reserves</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2024</b>			
<b>Property</b>			
Land and land improvements	564,285	16,372	580,657
Buildings	148,279	-	148,279
	712,564	16,372	728,936
<b>Infrastructure</b>			
Roads	99,439	458,141	557,580
Bridges	45,699	-	45,699
Footpaths and cycleways	34,654	66,757	101,411
Drainage	190,192	46,196	236,388
Parks, open space, streetscapes, recreational, leisure and community facilities	23,347	-	23,347
Offstreet car parks	408	12,746	13,154
	393,739	583,840	977,579
<b>Total asset revaluation reserves</b>	<b>1,106,303</b>	<b>600,213</b>	<b>1,706,516</b>
<b>2023</b>			
<b>Property</b>			
Land and land improvements	564,285	-	564,285
Buildings	93,954	54,325	148,279
	658,239	54,325	712,564
<b>Infrastructure</b>			
Roads	26,491	72,948	99,439
Bridges	34,846	10,853	45,699
Footpaths and cycleways	20,509	14,145	34,654
Drainage	190,192	-	190,192
Parks, open space, streetscapes, recreational, leisure and community facilities	3,687	19,660	23,347
Offstreet car parks	-	408	408
	275,725	118,014	393,739
<b>Total asset revaluation reserves</b>	<b>933,964</b>	<b>172,339</b>	<b>1,106,303</b>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report  
For the Year Ended 30 June 2024**

		Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>					
	<b>Ref</b>				
<b>2024</b>					
Developer contribution levy	1	52,497	34,321	(28,854)	57,964
Community Facilities levy	2	2,959	838		3,797
Public Open Space levy	3	22,067	5,456	(2,967)	24,556
Land Equalisation levy	4	-	2,247		2,247
Native vegetation	5	651		(14)	637
Decorative Light Poles	6	601	24	(36)	589
Landscapes	7	408	245	(234)	419
Replacement Planting Scheme	8	17	48		65
Future Emergency Recovery Reserve	9	1,500		(1)	1,499
Future Environment Sustainability Reserve	9	1,500			1,500
Future Defined Benefit Super Shortfall Reserve	9	1,500			1,500
Future Capital Investment Reserve	9	-	500		500
<b>Total Other reserves</b>		<b>83,700</b>	<b>43,679</b>	<b>(32,106)</b>	<b>95,273</b>
<b>2023</b>					
Developer contribution levy		44,910	17,402	(9,815)	52,497
Community Facilities levy		1,861	1,098	-	2,959
Public Open Space levy		17,126	4,946	(5)	22,067
Native vegetation		667	-	(16)	651
Decorative Light Poles		646	128	(173)	601
Landscapes		306	130	(28)	408
Replacement Planting Scheme		4	13	-	17
Future Emergency Recovery Reserve		1,000	500	-	1,500
Future Environment Sustainability Reserve		1,000	500	-	1,500
Future Defined Benefit Super Shortfall Reserve		1,000	500	-	1,500
<b>Total Other reserves</b>		<b>68,520</b>	<b>25,217</b>	<b>(10,037)</b>	<b>83,700</b>
				<b>2024</b>	<b>2023</b>
				<b>\$'000</b>	<b>\$'000</b>
Asset revaluation reserves				1,706,516	1,106,303
Other reserves				95,273	83,700
<b>Total reserves</b>				<b>1,801,789</b>	<b>1,190,003</b>



## Notes to the Financial Report For the Year Ended 30 June 2024

### 9.1 Reserves (Cont'd)

Ref	Item	Description
1	Developer contribution levy	This reserve is the balance of the cash levies paid to Council and is to be used to cover the cost of any of the Developer Contribution Plans (DCP) infrastructure assets that are to be purchased or constructed by Council. These funds are restricted and required to be held in a separate bank account. This is a statutory reserve.
2	Community Facilities levy	This reserve is the balance of the cash levies paid to Council and is to be used to cover the cost of the remaining community facilities to be provided under the DCP area. There is no legal requirement to restrict these funds or hold them in a separate bank account. This is a statutory reserve.
3	Public Open Space levy	It is a requirement under the Planning Scheme and Precinct Structure Plans (PSPs) that a minimum percentage of the developed land be provided for public open space. If the minimum amount is unable to be provided, a cash contribution is required. For the Officer DCP area, the contributions are to be used to compensate developers who provide more than the minimum 5.5%. For the Cardinia Rd DCP area, contributions are to be used to offset the provision of land for open space on a parcel of land being subdivided where the amount of open space to be provided exceeds the 8% public open space contribution. There is no legal requirement to restrict these funds or hold them in a separate bank account. This is a statutory reserve.
4	Land Equalisation levy	The land component of an infrastructure contribution is any public purpose land that forms part of a parcel of land in an ICP plan area ('inner public purpose land') and any 'land equalisation amount' that relates to the parcel. Land equalisation amounts are used to fund 'land credit amounts' and may also be used to fund the acquisition of public purpose land outside the ICP plan area ('outer public purpose land'). The methods for calculating the land equalisation amounts and land credit amounts are specified in the Ministerial Direction, as are the methods for estimating the values of inner public purpose land and outer public purpose land. There is no legal requirement to restrict these funds or hold them in a separate bank account.
5	Native vegetation	Developers have a statutory responsibility under the planning scheme to provide revegetation to offset the vegetation removed as part of the development. Those who are unable to provide the revegetation required under the planning scheme are required to pay a cash contribution to Council. These contributions are then used to do revegetation in other areas on council land. There is no legal requirement to restrict these funds or hold them in a separate bank account.
6	Decorative Light Poles	Existing subdivisions where decorative light poles are already installed are to be offered the option to install the same decorative light poles in future stages. Income raised from the pole fee is to be maintained in a Reserve fund and used to offset future costs of replacing decorative poles and retrofitting energy efficient lamps on existing decorative poles. There is no legal requirement to restrict these funds or hold them in a separate bank account.
7	Landscape	Developers are required to provide landscaping in new estates which is inspected upon completion and a Practical Completion certificate issued. A landscape maintenance bond is then required to be paid to ensure they are accountable for the maintenance of this landscaping for a two year period. After this time, if rectification works are required and not completed by the developer, Council retains funds from their landscape bond to cover the future cost of these works. There is no legal requirement to restrict these funds or hold them in a separate bank account.
8	Replacement Planting Scheme	Funds received by Council to meet conditions of an approved planning permit, Revegetation is undertaken at selected councils reserves to compensate for the loss of vegetation through development. There is no legal requirement to restrict these funds or hold them in a separate bank account.
9	Future Reserves	These reserves are to be used for any emergency recovery, environment sustainability or super shortfall that may arise in the future and to help future capital works. There is no legal requirement to restrict these funds or hold them in a separate bank account.

## Notes to the Financial Report For the Year Ended 30 June 2024

	2024	2023
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>	<b>\$'000</b>	<b>\$'000</b>
Surplus/(deficit) for the year	105,317	90,830
<i>Non-cash adjustments:</i>		
Contributions - Non-monetary assets	(42,621)	(51,576)
Depreciation/amortisation	27,921	29,531
Proceeds from sale of assets - investing activity, not operating activity	(1,452)	(531)
Written down book value (WDBV) of assets sold - non-cash	775	1,996
Opening work in progress write off	1,883	1,972
Volunteer services	429	365
Interest costs - financing, not operating activity	1,247	1,330
Share of net (gain)/loss of associates - non-cash	-	(49)
Impairment losses	-	226
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(13,878)	(5,986)
(Increase)/decrease in prepayments	(3,051)	141
(Increase)/decrease in accrued income	1,285	4,548
(Increase)/decrease in other assets	398	1,284
Increase/(decrease) in trade and other payables	21,615	-
(Decrease)/increase in other liabilities	-	(1,142)
(Increase)/decrease in inventories	(16)	(21)
(Decrease)/increase in provisions	380	59
(Decrease)/increase in income in advance	(22,262)	14,685
Net cash provided by/(used in) operating activities	<b>77,970</b>	<b>87,661</b>

### 9.3 Superannuation

Council makes all of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

#### **Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%))

#### **Defined Benefit**

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Cardinia Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee benefits.

#### **Funding arrangements**

A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023.

The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns	5.7% pa
Salary information	3.5% pa
Price inflation (CPI)	2.8% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

## Notes to the Financial Report For the Year Ended 30 June 2024

### **Employer contributions**

#### **(a) Regular contributions**

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

#### **(b) Funding calls**

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### **The 2023 triennial actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2023 (Triennial) \$m	2022 (Interim) \$m
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

## Notes to the Financial Report For the Year Ended 30 June 2024

### **The 2024 interim actuarial investigation**

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024. The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns	5.6% p.a.
Salary information	3.5% p.a.
Price inflation (CPI)	2.7% p.a.

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

### **The 2020 triennial investigation**

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation	2023 Triennial investigation
Net investment return	5.6% pa	5.7% pa
Salary inflation	2.5% pa for two years and 2.75% pa thereafter	3.50% pa
Price inflation	2.0% pa	2.8% pa

### **Superannuation contributions**

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$'000	2023 \$'000
Vision super	Defined benefits	11.0% (2023:10.5%)		147
Vision super	Accumulation	11.0% (2023:10.5%)	4,947	4,453

Cardinia Shire Council has no unfunded liability payments to Vision Super during both the 2023/24 and 2022/23 years.

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$158 thousand.

**Notes to the Financial Report  
For the Year Ended 30 June 2024**

**Note 10 CHANGE IN ACCOUNTING POLICY**

There have been no changes to accounting policies in the 2023-24 year.





## Cardinia Shire Council

Customer Service Centre  
20 Siding Avenue, Officer

Postal address  
PO Box 7 Pakenham 3810

Phone: 1300 787 624  
Email: [mail@cardinia.vic.gov.au](mailto:mail@cardinia.vic.gov.au)  
Web: [www.cardinia.vic.gov.au](http://www.cardinia.vic.gov.au)

TTY users: 1300 677  
(ask for 1300 787 624)

Speak and Listen users:  
1300 555 727  
(ask for 1300 787 624)



Translating and Interpreting  
Service (TIS)

131 450 (ask for 1300 787 624)



Cardinia