



CITY OF BALLARAT
BUDGET
2018/19





MESSAGE FROM THE MAYOR OF BALLARAT

This year's budget is the second budget for this Council's four-year term and has been produced in line with our Council Plan 2017-2021. Both documents are guided by our four goals: Liveability, Prosperity, Sustainability and Accountability.

We proudly present here a budget that delivers outstanding community projects, such as the new Sebastopol Library, emergency restoration works at Her Majesty's Ballarat, and the new Ballarat Sports and Events Centre.

It provides for the continued delivery of frontline community services that we pride ourselves on – the upkeep of our many beautiful parks and gardens, exceptional festivals and events, active ageing, and vital family and children's services, supporting the vision we have for Ballarat as a better place for all.

Importantly, this budget also allows for asset maintenance and renewal across the city. This includes roads and bridges, footpaths, recreational capital improvements, drainage and more.

The Council Plan sets the vision, priorities and outcomes for Council's term and guides the annual budget, which determines the projects, services events and other initiatives that will be funded and delivered in the upcoming financial year.

As you will no doubt be aware, our budgets must now be developed within the restrictions of rate capping and continued cost shifting by the State

Government. We must keep our average rate increase within the cap set by the Minister for Local Government – 2.25 per cent for 2018/19, while trying to deliver more with less.

We continue to review each and every area of our business to ensure we are providing the very best value to you, the ratepayer, but also maintaining the exceptional level of service we have come to pride ourselves on and that our communities have rightly come to expect.

The maintenance of our infrastructure under these financial constraints is an ongoing battle. It requires a long-term vision based on sound evidence and careful financial management, in line with the needs and desires of our community. This year, Council has recommenced increasing available funding for core infrastructure funds by 2 per cent, in line with future CPI forecasts.

There is no doubt that we face significant and ongoing challenges when it comes to the funding of local government, but the future of Ballarat remains bright. You can rest assured that this Council will continue to work hard to build a proud city that is bold, vibrant and thriving.

Cr Samantha McIntosh



MESSAGE FROM THE CEO

We all know that the creation of the annual budget is one of the most important tasks a council must undertake. Each year we are faced with the financial realities of maintaining our vibrant city – its assets, services and infrastructure with which we are entrusted.

Preparing a budget for a municipality of our size is not a simple task. We are not like a regular business that creates revenue by selling a product. We are the custodians of \$1.9 billion worth of assets and in the pages that follow, you will see the \$214.5 million operating revenue that we must work with to maintain them all, and to deliver the 80-plus services we provide for the residents and visitors of our glorious city.

The 2018/19 Budget will deliver exceptional outcomes for Ballarat that reflect the commitments of the Council Plan 2017-2021. These will improve the quality of life for our community, advance our economic position as the capital of Western Victoria, and protect, maintain and enhance our built and natural assets.

The State Government-imposed rate cap continues to impact on our ability to conduct our day-to-day business. The rate cap saves every resident about the cost of one coffee a week but means we have a shortfall of \$298 million over 10 years – that's \$298

million that should be spent on key projects and services that people in Ballarat tell us they want, such as the Ballarat Link Road, Lake Wendouree lighting, and securing the long-term future of Her Majesty's Ballarat.

Instead, we must turn to State and Federal Government to fund vital projects that ensure our city's prosperity and future.

Although the challenges persist for local government, we remain the closest tier of government to the community and as such, our commitment to you – Ballarat – prevails and endures. We look forward to working with and for you as we deliver the 2018/19 Budget.

Justine Linley

HOW IS THE 2018/19 BUDGET STRUCTURED?

As always, a number of challenges faced Council in formulating the 2018/19 Budget. Council was aware of the financial pressures on the community and the financial liabilities facing the Council. Future growth, the delivery of services required by the community, and the maintenance of community assets were all taken into consideration.

Each year, the demands placed on Council exceed the revenue available – 2018/19 is no exception.

In addition to the demand for projects, Ballarat West continues to grow and has brought forward another set of financial liabilities. Under the Developers Contribution Scheme, Council is liable for approximately \$48 million in infrastructure in dealing

with that growth. The majority of the infrastructure required to be delivered will be due in the next 10 years but a significant amount of income due under the scheme is not expected to be received until the following 10 years.

Through reduced operational expenditure (\$19.6 million has been reduced over the next 10 years), and the revised cashflow of Council's Developers Contribution Scheme, future debt levels have reduced compared to last year's long-term financial strategy.

A revised borrowing strategy provides Council the ability to borrow for significant projects into the future.



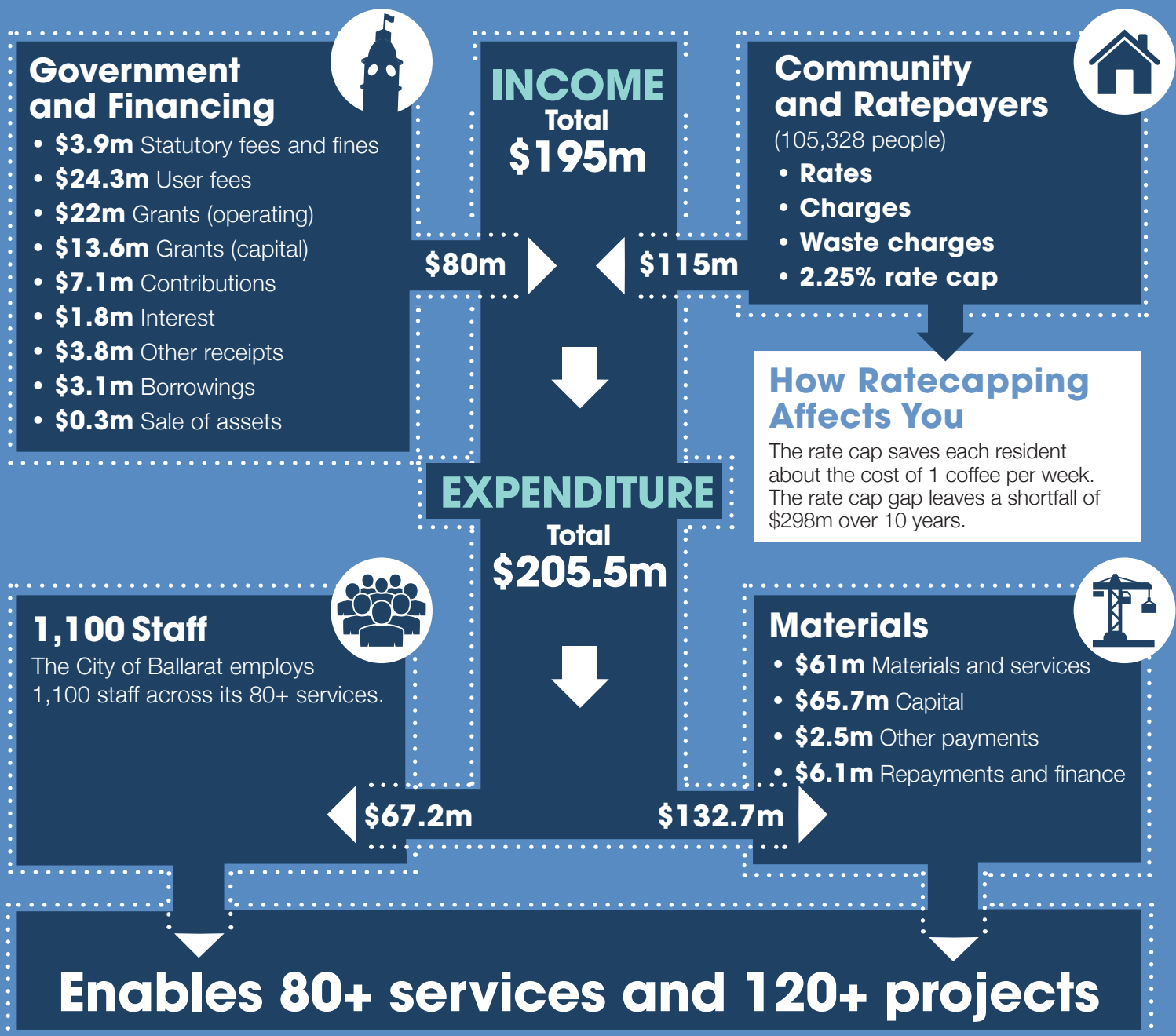
BUDGET 2018/19 HIGHLIGHTS

Includes new projects, services, and the upkeep and renewal of assets

| LIVEABILITY | PROSPERITY | SUSTAINABILITY | ACCOUNTABILITY |
|---|--|--|--|
| Improve the quality of life for our community | Advance our economic position as the capital of Western Victoria | Protect, maintain and enhance our built and natural assets | Provide strong and decisive leadership, and transparent governance |
| \$4.2m Recreational capital improvements \$2.6m Libraries \$1.5m Family and Children's Services \$1.3m Maternal and Child Health \$1.4m Recreational and sporting facilities \$842k Older Persons Program \$632k Bicycle paths and related projects | \$3.9m Arts and culture (festivals, events, etc) \$5m (contribution) Ballarat West Employment Zone \$5m (contribution) Ballarat Sports and Events Centre \$2.7m Tourism services \$1.5m Economic Development program \$7.3m Her Majesty's emergency works | \$13.1m Parks and gardens \$13.8m Waste collection \$11.3m Roads and bridges \$2.8m Sebastopol Library completion \$1.4m Fernery redevelopment \$827k Drainage projects \$550k Footpaths | Rates capped at 2.25% \$2.5m Safety and risk \$783k Financial services and management \$682k Advocacy and lobbying |

2018/19 BUDGET ON A PAGE

A PROUD CITY THAT IS BOLD, VIBRANT AND THRIVING



The Dilemma

- We are the custodians of \$1.9 billion-worth of community assets.
- We should be spending \$83.4 million per year just to sustain what we have.
- We can only afford to spend \$43.4 million each year – which means a gap of \$40 million each year.
- We have planned to borrow \$3.1 million in 2018/19 for essential community projects.
- We have a current capital and projects list of almost 220 projects representing \$1.3 billion of required investment.
- Without significant state and federal government investment we will struggle to meet either our vision or our purpose. We need a better share of the tax dollar.

RATE INCREASES

After rate capping was lifted in 1998, the City of Ballarat averaged a rate rise of 5.4 per cent annually. During that time rates ranged between 3 and 7.5 per cent. The consistent changing of rates in the past made it difficult to plan for the future.

As a result, in 2015/16 Council adopted a rating strategy containing rate increases of 5.5 per cent, with the commercial rate being 2 per cent lower to bring it into line with acceptable levels.

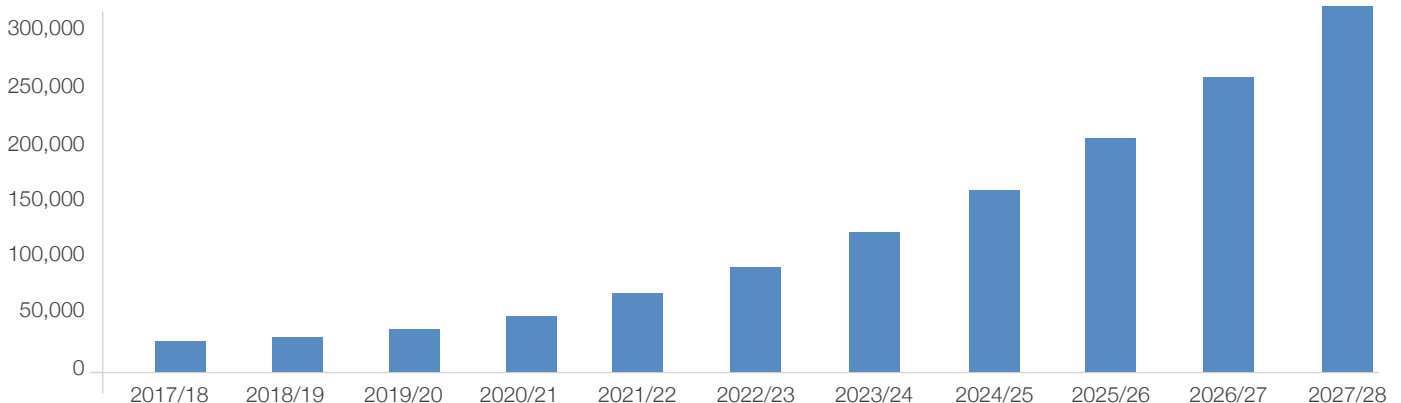
In the 2016/17 financial year, the State Government re-introduced rate capping. The cap for the first year was set at 2.5 per cent, 2 per cent in 2017/18, and 2.25 per cent in 2018/19.

Rate capping severely limits Council's ability to plan financially into the future. Council's long-term financial strategy has been formulated with a future rate increase of 2 per cent. Council's future financial plan is very conservative in relation to service delivery and capital works expenditure.

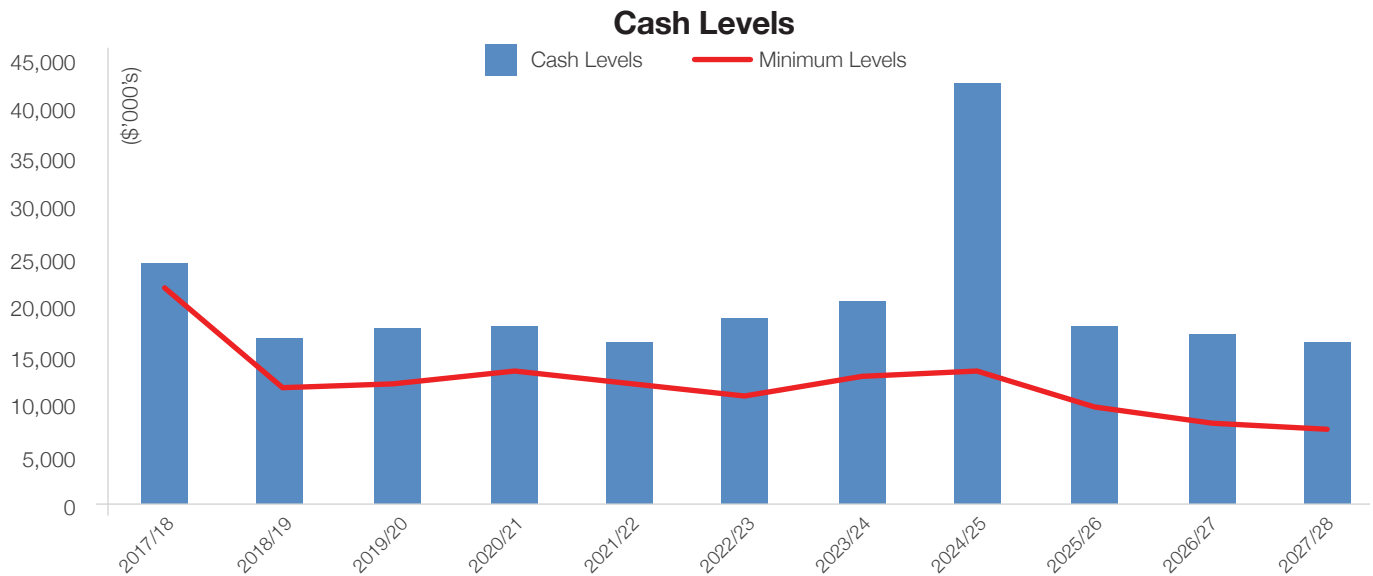
The table below indicates the loss in rate revenue from the predicted levels in the 2015/16 Financial Strategy compared to the 2018/19 Financial Strategy.

| Rate Revenue Loss | 2017/18 Forecast ('000) | 2018/19 Year 1 ('000) | 2019/20 Year 2 ('000) | 2020/21 Year 3 ('000) | 2021/22 Year 4 ('000) | 2022/23 Year 5 ('000) | 2023/24 Year 6 ('000) | 2024/25 Year 7 ('000) | 2025/26 Year 8 ('000) | 2026/27 Year 9 ('000) | 2027/28 Year 10 ('000) |
|--|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| 2018/19 Financial Strategy - Rate Income | 110,245 | 115,761 | 119,813 | 124,006 | 128,346 | 132,838 | 137,487 | 142,299 | 147,279 | 152,434 | 157,769 |
| 2015/16 Financial Strategy - Rate Income | 111,707 | 119,526 | 127,893 | 136,910 | 146,562 | 156,894 | 167,955 | 179,796 | 192,472 | 206,041 | 220,567 |
| Rate Revenue loss per year | (1,462) | (3,765) | (8,080) | (12,904) | (18,216) | (24,056) | (30,468) | (37,497) | (45,193) | (53,607) | (62,798) |
| Accumulated Rate Revenue loss per year | (1,462) | (5,227) | (13,307) | (26,211) | (44,426) | (68,482) | (98,951) | (136,448) | (181,641) | (235,248) | (298,045) |

Accumulated Rate Revenue Loss



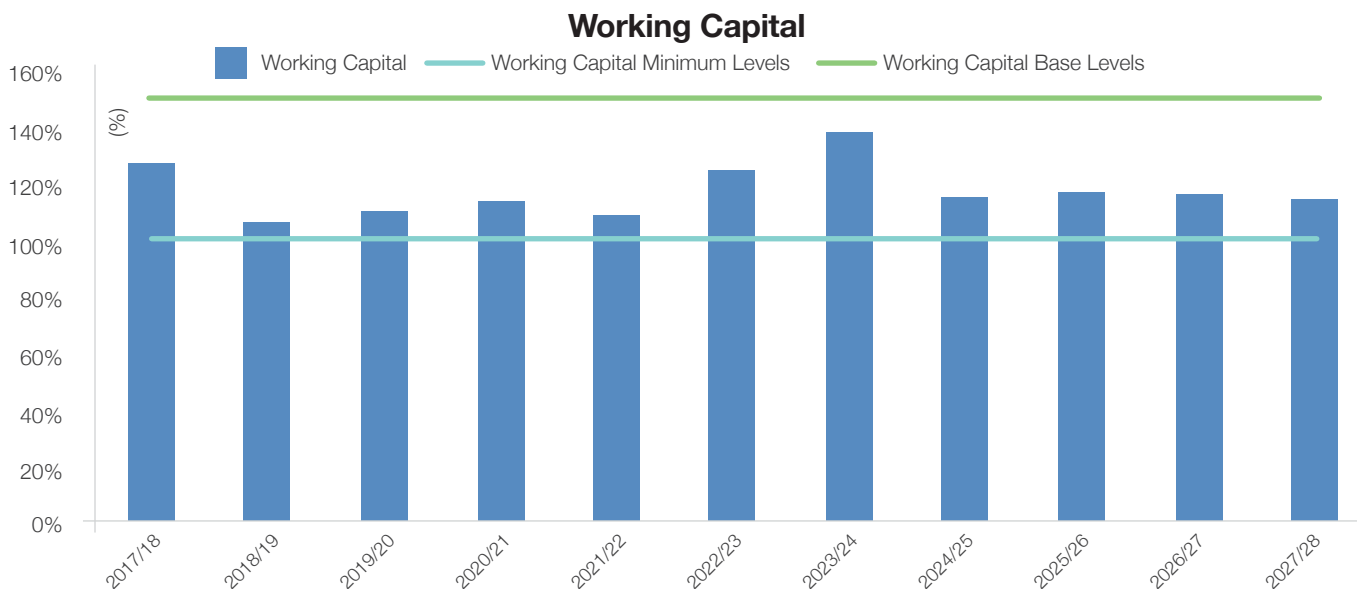
The significant loss in revenue over the 10 years provides Council with many challenges. Council must continually review the organisation's operations – not only to cover this loss of revenue but also to cater for the demands that will occur as a result of the growth in the west of the municipality.



Council receives the majority of rate revenue from January to March each year. For the first six months of the year, a council will have net outflows for that period. In order not to operate within a bank overdraft, and to be able to deliver essential services and capital projects, the City of Ballarat is required to have a set amount of funds available at 30 June each year.

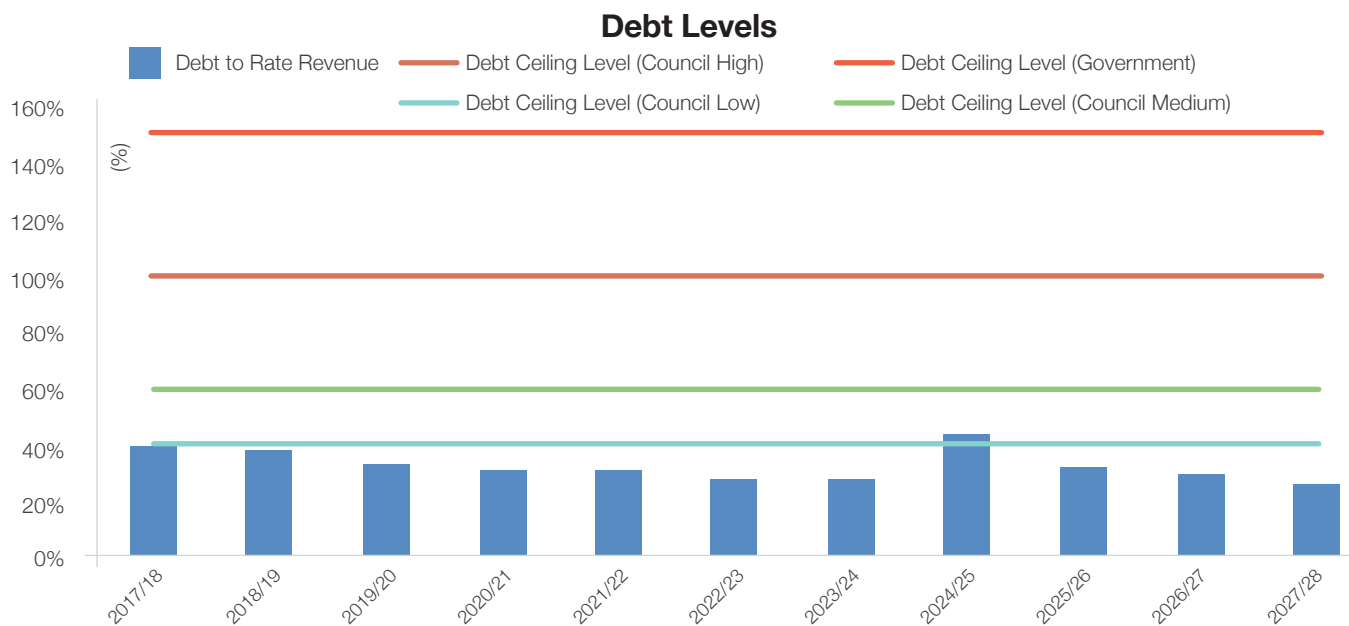
The red line on the graph above indicates the levels of cash required each year. The blue bar indicates the expected level of actual cash to be held each year.

In addition to minimum levels of cash required, City of Ballarat must ensure that sufficient levels of working capital are available at all times, the minimum levels being 100 per cent.



Though the State Government low-risk levels are set at 150 per cent, the City of Ballarat considers that this requires them to hold excessive levels of cash.

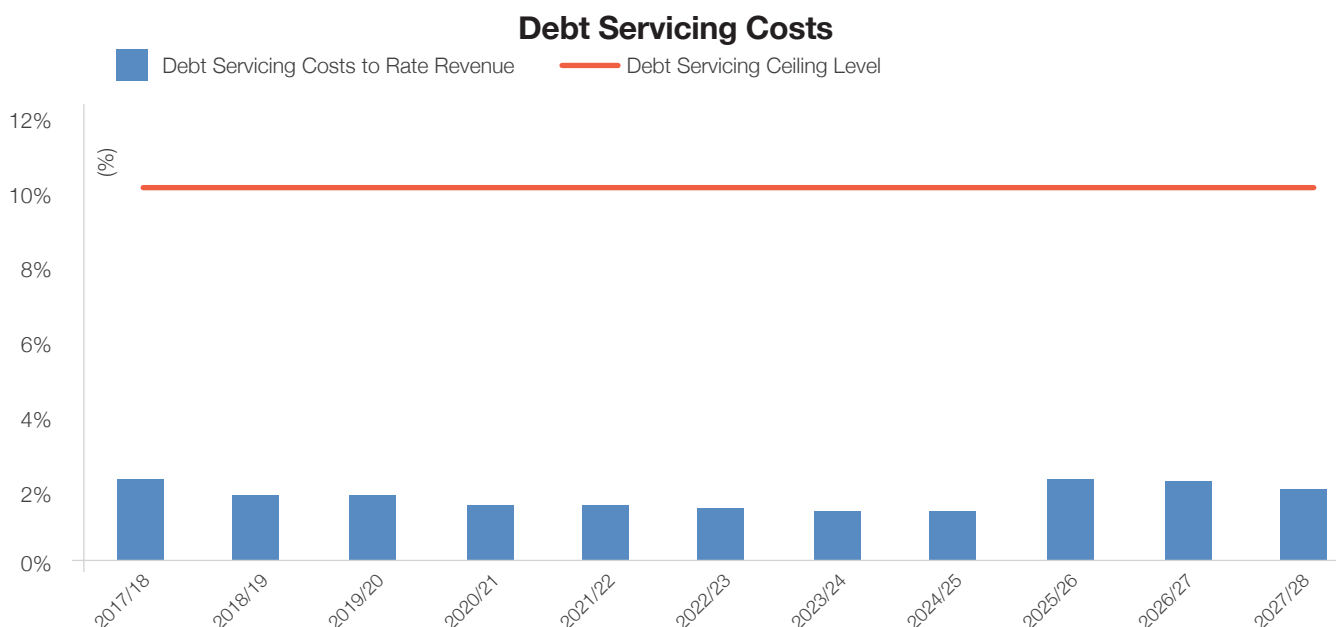
The City of Ballarat formulates the budget to hold minimum levels of cash that will maintain the working capital levels at above 100 per cent.



The State Government has set an indicator of maximum levels a council may borrow. This is represented by the red line on the graph above. As can be seen, the City of Ballarat's total debt levels are significantly lower than the debt ceiling levels.

Is the City of Ballarat debt excessive?

To determine how much debt is too much, it is essential to compare debt levels to total debt, level of debt to rate revenue, and debt to total revenue, in comparison to the average household which is approximately 180 per cent in December 2013. (*Source: Australian National Accounts: Financial Accounts, December Quarter 2013 (ABS cat. no. 5232.0); Australian National Accounts: National Income, Expenditure and Product, December Quarter 2013 (ABS cat. no. 5206.0)*) In comparison, the City of Ballarat's debt, at the maximum level, compared to rate revenue will be 43 per cent in 2024/25

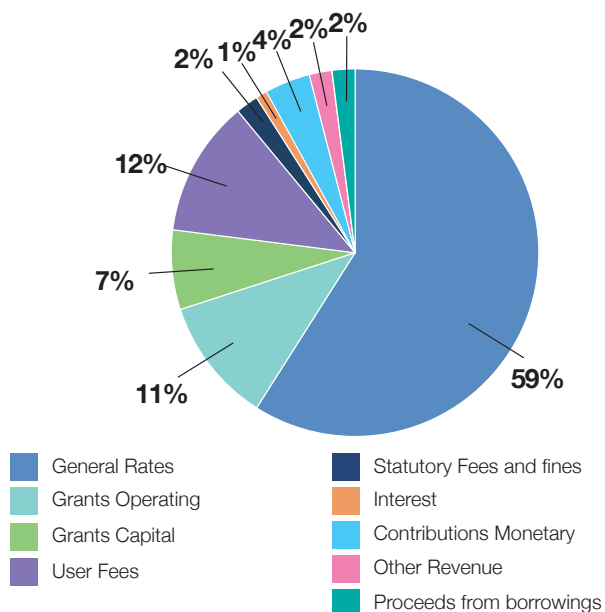


The State Government has set an indicator of maximum levels of debt servicing costs to revenue that a council may incur, providing another target to ensure debt levels remain at appropriate levels.

Again, the target set by the State Government is identified by the red line in the graph above. It can be seen that the City of Ballarat is well under the ceiling levels set by State Government, with debt servicing costs being maintained at levels of approximately 2 per cent or 2 cents per every dollar of rate revenue.

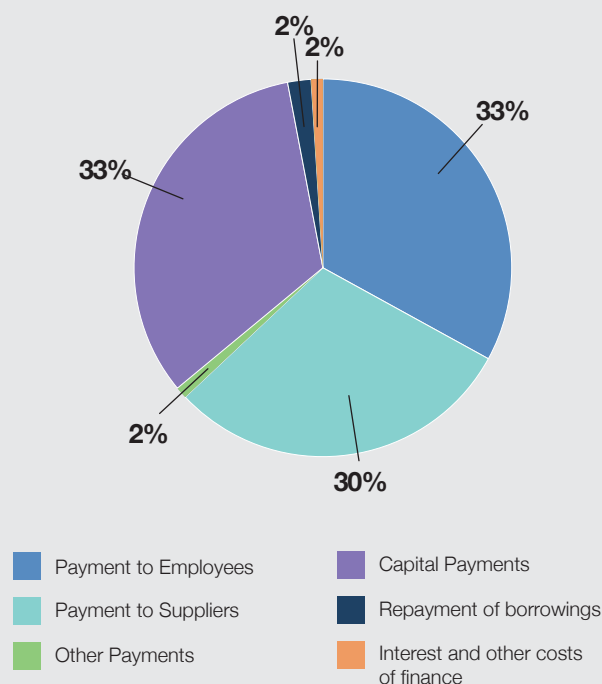
Where Does The Money Come From?

| CASH IN | Budget 2018/19 \$'000 |
|--|-----------------------|
| General Rates Income from general property rates and waste collection fees, collected from properties across the municipality. | 115,182 |
| Grants Operating Grants given to Council to fund operations. Includes grants for services such as home support, immunisation, family day care, school crossing supervisors, and so on. | 22,009 |
| Grants Capital Grants given to Council to fund specific capital projects. Includes blackspot funding, Roads to Recovery, sport and recreation grants, and more. | 13,561 |
| User Fees Fees paid by the user to access individual Council service. | 24,270 |
| Statutory Fees and fines Fees and fines set by the State Government, collected by Council for statutory services such as planning. | 3,939 |
| Net GST Refund Net funds received in relation to the Goods and Services Tax. | 0 |
| Interest Interest earned on Council's investments | 1,803 |
| Reimbursements Income received from other bodies that Council has carried out works on behalf of. | 0 |
| Contributions Monetary Contributions received on behalf of third parties to contribute to projects. This mainly occurs in the delivery of major sporting projects. | 7,056 |
| Other revenue Miscellaneous revenue that cannot be categorised in another category. | 3,770 |
| Trust Funds Funds held by Council on behalf of third parties | 0 |
| Fire Services Levy State Government levy collected by Council on behalf of the State Government. | 0 |
| Sale of Assets Funds from the sale of Council assets. | 300 |
| Investments Money received from any Council investments. | 0 |
| Loans and Advances Money received from any loans or advances made by Council. | 0 |
| Proceeds from borrowings Funds received from the raising of new loans. | 3,073 |
| | 194,963 |



What Is The Money Spent On?

| CASH IN | Budget 2018/19 \$'000 |
|---|-----------------------|
| Payment to Employees Payment of salaries and wages to City of Ballarat employees. | 67,190 |
| Payment to Suppliers Payment to suppliers of materials and services to the City of Ballarat. | 61,025 |
| Other payments Miscellaneous payments made that cannot be categorised in another category. | 2,498 |
| Capital Payments Payments made for the delivery of capital projects | 65,672 |
| Loans and Advances Payments made for any loans or advances Council has made. | 0 |
| Repayment of superannuation Payments made to the Local Government Superannuation Scheme | 0 |
| Repayment of borrowings Repayment of Council loans | 4,073 |
| Interest and other costs of finance Payments made that have occurred in the borrowing of loan funds. These are usually interest on loans. | 2,000 |
| | 202,458 |



LINK TO COUNCIL PLAN

Section 127 of the *Local Government Act (1989)* requires councils to identify Key Strategic Activities for the financial year and performance targets and measures in relation to each key strategic activity. Councils must also describe the activities and initiatives to be funded in the budget.

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the City of Ballarat in identifying community needs and aspirations through the Council Plan and Annual Budget, and then holding itself accountable via the Annual Report.

Planning and Accountability Framework

The Annual Budget has been developed within an overall planning framework which guides the City of Ballarat in identifying community needs and aspirations over the long-term (Ballarat Strategy), medium term (Council Plan), short-term (Annual Budget), and then holding itself accountable (Audited Statements).

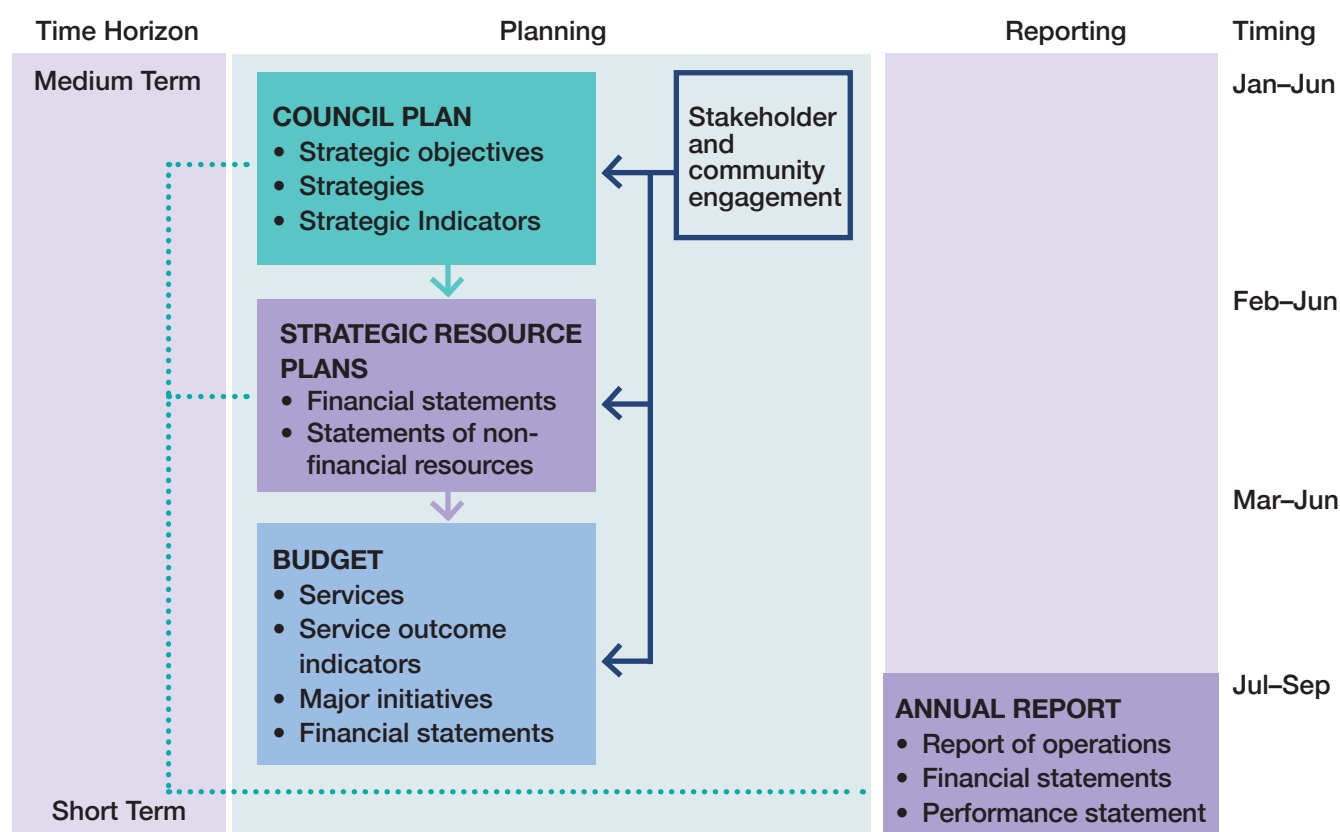
The Strategic Resource Plan, which is created alongside the Budget, summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

The Council Plan is underpinned by the Ballarat Strategy, which is a plan for our city until 2040, that outlines the community's vision of a greener, more vibrant and connected Ballarat. The Council Plan is an important document that drives everything the City of Ballarat does over a four-year period. It sets the vision, priorities and outcomes for Council's term and it lists how progress will be measured.

The plan guides Council's annual budget, which determines the projects, services, events and other initiatives that will be funded and delivered in the upcoming financial year. Each year, the community has opportunities to have its say on Council's proposed budget. Council is held accountable for its progress on the Council Plan's outcomes through the City of Ballarat's Annual Report.

Council's delivery of the Council Plan ultimately contributes to the community's vision highlighted in the Ballarat Strategy.





OUR VISION

A proud city that is bold, vibrant and thriving.

WHAT THIS MEANS

Proud: Our feeling of achievement, gratification and self-respect – and in turn self-worth.

City: Our place, our community and our people.

Bold: We are a brave, courageous, confident, innovative, imaginative and hyphenate city.

Vibrant: Our city feels energetic, dynamic, and pulsating with life and activity. We are passionate about our place.

Thriving: Our city is flourishing, prosperous, progressive, robust, growing and developing.

OUR MISSION

Working together we create
a better future for our city.

WHAT THIS MEANS

Work together – We are a conduit and are acting collaboratively to build strong relationships and alliances with those who support our belief.

Create – We bring into existence, generate, produce, initiate, develop and shape our city.

Better – We are continually improving and becoming more desirable. We are smart, one step ahead and exceeding as a city.

Future – We achieve our vision with a long-term perspective.

City – Our place, our community and our people.

OUR PURPOSE

We believe in making Ballarat
a better place for all.

WHAT THIS MEANS

Believe – Our fundamental cause, our reason for being and what matters most.

Making – We are actively involved in turn creating a positive and lasting difference for our city.

Ballarat – Our city, our villages, our townships, our community and our people.

Better – We are continually improving and becoming more desirable. We are smart, one step ahead and exceeding as a regional city.

Place – We are proud of our city's beauty, identity, lifestyle and the fact it is a preferred regional destination.

For all – We are inclusive of everyone who lives, works, invests, studies and visits our city.



OUR GOALS

LIVEABILITY

Improve our community's quality of life

PROSPERITY

Advance our economic position as the capital of Western Victoria

SUSTAINABILITY

Protect, maintain and enhance our built and natural assets

ACCOUNTABILITY

Provide strong and decisive leadership, and transparent governance.

OUR SERVICES

The City of Ballarat delivers more than 80 services to the residents, ratepayers and visitors of municipality. We are committed to ensuring that these services are delivered in the most cost-effective and efficient way. The City of Ballarat continues to review its business operations to drive financial and service improvements to ensure we achieve the best outcomes for our local community. In the 2016–2020 City of Ballarat term, all Council services will be reviewed.

In 2018/19 we have changed the way we present these services in our budget. Each of our services is explained in detail, with the costs, revenue, customers and service level presented below. Relevant key service improvements are also detailed. The delivery of these services reflects the four goals set in our Council Plan 2017–2021 - **Liveability, Sustainability, Prosperity and Accountability.**

LIVEABILITY - Improve our community's quality of life.

The City of Ballarat understands the importance of a happy and connected community and is working to ensure Ballarat's quality of life remains a key attraction for locals and increasing numbers of new residents from metropolitan and other regional areas.

We will aim for:

- A welcoming, active and socially-connected city
- Healthy cultural life and creative expression
- A city with multi-arts, culture and heritage
- Well-used public spaces for learning and social engagement
- Public sports and recreation facilities
- Safe and accessible community spaces and facilities

The following Liveability Council Plan actions will be delivered through the 2018/19 Budget.

Increase community participation through the implementation of the Social Infrastructure Program including projects at:

- Ballarat North Community Hub
- Brown Hill Community Hall
- Girrabanya Integrated Community Hub

Develop a learning city by delivering targeted programs and projects including:

- Construction of the Sebastopol Library and Community Hub
- Preparation of a feasibility study for the Wendouree Library and Community Hub
- Preparation of a co-design and feasibility study for the Central Ballarat and Wendouree libraries

Increase participation across all genders and sporting codes by continuing investment in the city's recreational assets including:

- Development of Ballarat Sports and Events Centre
- White Flat Recreation Reserve Master Plan and developing the reserve as Ballarat's home of women's football

Plan for sport participation over coming decades by reviewing:

- Ballarat Recreation and Active Living Strategy
- Ballarat Regional Tennis Strategy

Progress on the following Liveability Council Plan actions will continue through the 2018/19 Budget:

- Strengthen our city by making Ballarat a people and all-age friendly city via improved access, participation, inclusion and respect-based projects and programs
- Use community partnerships to create healthy and safe community places, and open spaces for passive recreation, including the development of a masterplan for a health and wellbeing precinct at the Wendouree Recreation Reserve
- Develop the social capacity of our senior residents
- Improve community safety through initiatives such as urban design, public awareness and projects such as CCTV
- Implement key actions from Municipal Health and Wellbeing Plan
- Plan for future growth through delivering sport and active living outcomes in Ballarat West
- Protect, recognise and promote Indigenous culture, heritage and place
- Create opportunities for young people to participate in decision-making
- Provide positive leadership to promote Ballarat as a Child Friendly City
- Follow a primary prevention approach to prevent violence against women and children as outlined in the Communities of Respect and Equality 2016-2020 plan, of which the City of Ballarat is a signatory
- Develop the capacity of our youth through a Positive Youth Development model

| LIVEABILITY | 2018/19 | | |
|---|-------------------|--------------------|-------------------|
| Service | \$ Expense | \$ Revenue | \$ Net Cost |
| Access and Inclusion | 658,468 | 0 | 658,468 |
| Assessment | 900,398 | -948,242 | -47,844 |
| Best Safe Start | 144,279 | -125,414 | 18,865 |
| Child Care Centres | 2,994,790 | -2,876,660 | 118,130 |
| Community Development | 1,193,597 | 0 | 1,193,597 |
| Community Safety | 125,720 | 0 | 125,720 |
| Community Safety Month | 1,550 | 0 | 1,550 |
| Cultural Diversity | 513,714 | -145,882 | 367,832 |
| Customer Service | 1,162,574 | -118,552 | 1,044,022 |
| Emergency Management and Recovery | 323,857 | -169,747 | 154,110 |
| Family and Children's Services Programs | 561,614 | -500 | 561,114 |
| Family Day Care | 2,614,480 | -3,185,590 | -571,110 |
| Fire Prevention | 208,517 | -56,100 | 152,417 |
| Grants | 518,500 | -5,000 | 513,500 |
| Home Support Program | 4,377,886 | -3,079,618 | 1,298,268 |
| Immunisation | 503,337 | -216,167 | 287,170 |
| Library Services | 4,441,534 | -1,790,607 | 2,650,927 |
| Major Sports Facilities | 6,633,991 | -5,154,236 | 1,479,756 |
| Maternal and Child Health | 2,320,185 | -1,059,792 | 1,260,393 |
| Meals on Wheels | 699,826 | -784,024 | -84,198 |
| Parent Place | 81,870 | 0 | 81,870 |
| Positive Aging | 75,000 | -5,000 | 70,000 |
| Social Research and Planning | 106,700 | 0 | 106,700 |
| Sport and Recreation Projects | 1,050,579 | -211,000 | 839,579 |
| Supported Playgroups | 294,048 | -280,500 | 13,548 |
| Youth Services | 669,041 | -135,487 | 533,554 |
| Grand Total | 33,176,055 | -20,348,117 | 12,827,938 |



LIVEABILITY SERVICES EXPLAINED

ACCESS AND INCLUSION

Service description

The City of Ballarat currently delivers programs in Rural Access and Deaf Access with funding from the Department of Health and Human Services. These programs seek to advocate for and support people with disabilities to fully participate in public life. The programs have played a key role in flagship access and inclusion projects such as the Inclusive Play Space at Victoria Park. A key component of the service delivery in this area relates to implementation of Council's Access and Inclusion Plan and co-ordination of Council's Disability Advisory Committee.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$658,468 | \$0 | \$658,468 |

REGIONAL ASSESSMENT SERVICE (RAS)

Service description

RAS is a clinical service as part of the My Aged Care national system for Older Persons. RAS staff determine, in consultation with residents, what service provision they need, both internally and externally provided, to remain living in the community safely and independently.

Service improvements for 2018/19

- Efficiencies in the service are being implemented to improve wait time for assessment. These include phone reviews, in office assessments, which eliminate travel time and costs. These have increased the number of assessments undertaken and decreased the cost to the program.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$900,398 | -\$948,242 | -\$47,844 |

BEST START

Service description

Ballarat Best Start program is a fully funded program supported by the State Government Department of Education and Training. This program is a prevention and early intervention program that aims to improve the health, development, learning and wellbeing of all children living within Ballarat from conception to transition to school.

Service improvements for 2018/19

- Service improvements are related to the primary outcomes that children participate in early childhood education (Kindergarten and Supported Playgroups) and children and families actively engage with MCH services, attending key ages and stages visits.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$144,279 | -\$125,414 | \$18,865 |

CHILDCARE CENTRES

Service description

This service includes Girrabanya Children's Centre (long-day childcare and kindergarten), Wendouree Children's Service (long-day childcare), and Occasional Childcare.

Service improvements for 2018/19

- Improved integration, asset management consolidation, excellence in education, building community connections, and increased online presence.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$2,994,790 | -\$2,876,660 | \$118,130 |

COMMUNITY DEVELOPMENT

Service description

Community Development seeks to enhance opportunities for people to play an active role in community life and local decision-making. It also seeks to provide and facilitate key social and community-based initiatives that improve personal, physical and mental health of residents of all ages.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$1,193,597 | \$0 | \$1,193,597 |

COMMUNITY SAFETY

Service description

Community Safety provides leadership for the City of Ballarat in the areas of Health and Wellbeing, Social Policy and Community Safety. The team plays a representative role across the health and wellbeing sector working in partnership on a range of programs and initiatives. Key areas of this service include the analysis of data and evidence in program and policy formation, program scoping and bid writing, monitoring and evaluation of initiatives as well as the development and monitoring of Council's Municipal Public Health and Wellbeing Plan.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$125,720 | \$0 | \$125,720 |

CULTURAL DIVERSITY

Service description

Cultural Diversity supports diversity within the City of Ballarat and the community and provides direction for Council through a number of initiatives and programs including the implementation of the Intercultural City Strategic Plan 2017- 2021 and Reconciliation Action Plan, the Ballarat Multicultural Ambassador Program and supporting Ballarat Regional Settlement and Advocacy Committee and Council. To achieve the objectives of the Council Plan, there is potential that this program may involve international travel.

Service improvements for 2018/19

- Funding has been received from Regional Development Victoria to develop and implement the next stage of the CEEP (CALD education, employment pathways program). The IEP – Intercultural Education Pathways program delivery will start in July 2018.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$513,714 | -\$145,882 | \$367,832 |

CUSTOMER SERVICE

Service description

Customer Service seeks to assist community members, residents, ratepayers and visitors to engage with all City of Ballarat services. Customer Service provides a support service for all staff across the organisation through first point of external customer contact, including acting as a referral service to other organisations.

Service improvements for 2018/19

- Continued roll-out of digitisation technology to improve customer experience across the city and further rating and evaluation mechanism to review performance.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,162,574 | -\$118,552 | \$1,044,022 |

EMERGENCY MANAGEMENT

Service description

Emergency Management provides support and recovery assistance to those affected by emergencies in the community. As part of the process, significant local risk management and emergency planning is undertaken in partnership with a number of emergency related organisations to ensure that Ballarat and surrounding communities are well prepared for an all-hazards approach to emergency management.

Service improvements for 2018/19

- Improve working relationships with media and implement video educational tools.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$323,857 | -\$169,747 | \$154,110 |

FAMILY AND CHILDREN'S SERVICES

Service description

Family and Children's Services is responsible for provision, delivery and coordination of universal and targeted services to families and children in the Ballarat community. The strategic framework for this program is outlined in the Municipal Early Years Plan with governance via working groups.

Service improvements for 2018/19

- Quality improvement initiatives across program, in particular the Children's Journey project.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$561,614 | -\$500 | \$561,114 |

FAMILY DAY CARE

Service description

Family Day Care is a Commonwealth Government approved childcare service. It is home-based care, with a ratio of one early childhood educator to four pre-school aged children, and up to seven children in total. It offers family care - that is, siblings are cared for together, and care for school-aged children until the end of primary school and beyond in special circumstances.

Service improvements for 2018/19

- Transition to web-based children's services program will vastly improve administrative processes and practice, freeing up administrative resources.
- Providing improved service delivery for families and Family Day Care educators.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$2,614,480 | -\$3,185,590 | -\$571,110 |

FIRE PREVENTION

Service description

The Fire Prevention Team provides education, advice and prevention activities to better prepare the community. This service seeks to improve fire prevention across the city through awareness, education and the issuing of fire prevention notices. Identify City of Ballarat-managed land that may require fire mitigation works through fuel reduction burning or mechanical methods.

Service improvements for 2018/19

- Improve working relationships with media and implement video educational tools.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-----------|------------------|
| \$208,517 | -\$56,100 | \$152,417 |

LIVEABILITY SERVICES EXPLAINED

Grants (Community Impact Grants)

Service description

The City of Ballarat's grants program provides funding to community groups, businesses, event organisers and other stakeholders to deliver quality programs, events, products and services which are of a benefit to Ballarat and which bring a wide range of social, environmental and economic returns to the City. See also 'Grants (Strategic Partnerships)' under the Accountability section.

Service improvements for 2018/19

- Further developing a single point of contact for the community to get information and advice about grant seeking and centralise the grants service to one unit within the City of Ballarat.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$518,500 | -\$5,000 | \$513,500 |

HOME SUPPORT PROGRAM

Service description

The Commonwealth Home Support Program is a multi-activity service for eligible residents 65 years and over funded through a contract with the Federal Government. The purpose of all activities is to keep older people as safe and independent in their own homes and currently supports 2,868 residents annually.

Service improvements for 2018/19

- External provider to deliver the domestic assistance activity to meet the high demand for this activity.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$4,377,886 | -\$3,079,618 | \$1,298,268 |

IMMUNISATION

Service description

Provision of government-funded whole of life immunisation program as outlined in National Immunisation Program (NIP) schedule. Vaccines provided by Department of Health and Human Services and administer by the City of Ballarat. It also includes the contract provision of NIP immunisation service provision to Golden Plains Shire and of commercial work-site flu vaccination clinics to interested parties.

Service improvements for 2018/19

- Internal service review during April to ensure program sustainability and viability.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$503,337 | -\$216,167 | \$287,170 |

LIBRARY SERVICES

Service description

There are three static public libraries located at Ballarat, Wendouree and Sebastopol. The City of Ballarat also provides library services to areas such as Delacombe, Miners Rest, Warrenheip, Learmonth and Ballarat East via two library outreach vehicles.

Service improvements for 2018/19

- The Sebastopol Library and Community Hub is currently undergoing extensive refurbishment and redevelopment and will be open to the public in October 2018.
- Exploring opportunities for expanded digital learning hub at Sebastopol Library.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$4,441,534 | -\$1,790,607 | \$2,650,927 |

MAJOR SPORTS FACILITIES

Service description

The City of Ballarat manages and operates a number of significant regional and state level sporting facilities. Each of these facilities provide both entertainment and participation benefits for the Ballarat community and the broader region. Each of the facilities is unique in its nature, however a number of programs that operate at Ballarat Aquatic and Lifestyle Centre are also provided through commercial operators.

Service improvements for 2018/19

- Mars Stadium – Improve spectator experience and commercial return for all parties.
- Ballarat Sports and Events Centre – New facility due for completion in 2019.
- Ballarat Regional Soccer Facility – Planning and scoping for improved undercover grandstand seating and longer term synthetic pitch replacement.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$6,633,991 | -\$5,154,236 | \$1,479,756 |

MATERNAL AND CHILD HEALTH (MCH)

Service description

Maternal and Child Health nurses undertake comprehensive assessments to review children's health, growth and development. Additionally, the City of Ballarat provides an Enhanced MCH service as an extension of the MCH program providing short term, flexible and intensive interventions where children 0-3 years are identified as 'at-risk' of adverse outcomes, and there is a presence of multiple family risk factors. Focus of the program is on strengthening parenting/carer capacity and to improve family wellbeing outcomes.

Service improvements for 2018/19

- Planned release of state guidelines for EMCH Program May 2018, with strengthened documentation of case planning/management, inter-agency collaboration, clinical supervision reporting and family outcomes.
- Business case proposal to include leadership role for Outreach MCH as area of high risk and liability.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$2,320,185 | -\$1,059,792 | \$1,260,393 |

PARENT PLACE

Service description

Parent Place is a free drop-in centre for parents and carers. Located in the CBD, Parent Place has change and feeding facilities in a toy-filled, friendly environment. The team at Parent Place (run by an educator with support from an energetic and passionate group of volunteers) provide general support and information about a range of Family and Children's Services, including childcare, kindergarten, playgroup, family day care, immunisation, Maternal and Child Health nurses and lactation consultant.

Service improvements for 2018/19

- A campaign to distribute posters and flyers to a range of service providers.
- Seeking out additional services to operate from the site, for example, Legal Aid.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$81,870 | \$0 | \$81,870 |

POSITIVE AGEING

Service description

The Positive Ageing service continues to advocate for and support seniors in our community. Key current projects include the award winning Memory Atlas project, work with seven Senior Citizens Centres, and planning for age-friendly spaces within place-based Masterplans. The City of Ballarat currently assists seven Senior Citizens Centres to operate across the city and meets with the Ballarat Seniors Citizens Association.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$75,000 | -\$5,000 | \$70,000 |

SOCIAL RESEARCH AND PLANNING

Service description

This service researches and plans for Health and Wellbeing, Social Policy and Community Safety. This includes the analysis of data and evidence in program and policy formation, program scoping and bid writing, monitoring and evaluation of initiatives. Also see Community Safety.

Service improvements for 2018/19

- Development of a Social Policy Framework will provide a logical coherent framework in relation to the City of Ballarat's role across all major social issues into the future.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$106,700 | \$0 | \$106,700 |

SPORT AND ACTIVE LIVING PROGRAMS

Service description

Sport and Active Living oversee the delivery of programs, develops policy and delivers capital projects in accordance with the Sport and Recreation policy. Key service areas

include sporting and active living infrastructure planning and delivery, strategic planning and participation for sport and active participation, sporting club support, management of major sport events, such as AFL events and oversight of sporting activities at Lake Wendouree.

Service improvements for 2018/19

- Implementation of a detailed review of the service conducted in 2017 providing effective delivering, increased services and outputs for the community.
- Lobby for investment in a Wendouree West Community Recreation Precinct.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,050,579 | -\$211,000 | \$839,579 |

SUPPORTED PLAYGROUPS

Service description

Supported Playgroups are funded through the State Government Department of Education and Training. The program aims to achieve improved outcomes to disadvantaged children to improve learning, development and wellbeing outcomes through improved parent-child interaction.

Service improvements for 2018/19

- Development of referral processes with Enhanced MCH service and right@home sustained nurse home visiting program – that is, families who are part of these programs are referred to supported playgroups and can elect to 'opt-out' only.
- Mapping of service delivery to ensure playgroups are delivered where need exists.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$294,048 | -\$280,500 | \$13,548 |

YOUTH SERVICES

Service description

Youth Services deliver a range of programs supporting youth development, leadership opportunities, gender equity and safe behaviours.

Service improvements for 2018/19

- Research and develop a range of social media and digital options to promote programs, initiatives and achievements of young people.
- Research and develop processes to capture attendance and statistical evidence of reach of program delivery and online platforms.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$669,041 | -\$135,487 | \$533,554 |

PROSPERITY – Advance our economic position as the capital of Western Victoria.

Ballarat is open for business and we are committed to advancing our economic position as the capital of Western Victoria, which means continuing to drive jobs and investment across the region.

The City of Ballarat has a clear strategy to deliver both major and community projects and will form project teams to ensure their delivery is both efficient and effective.

The City of Ballarat also has strong plans in place to advocate for State and Federal Government funding in light of challenges such as rate-capping and cost shifting.

We will aim for:

- Revitalised CBD and neighbourhood centres
- Planned population growth
- Increased investment and visitation
- A vibrant city that is proud of its identity
- Regional leader in innovation, research and creative industries

The following Prosperity Council Plan actions will be delivered through the 2018/19 Budget:

- Complete Civic Hall Hub Precinct redevelopment
- Developing a Bakery Hill Master Plan
- Developing an Arts Precinct Master Plan
- Develop an Events, Arts and Culture Strategy (including film)
- Implement headline actions from the Ballarat Strategy including:
 - Urban Forest Strategy
 - Growth Front Plan
 - 10 Minute City (Cycling Action Plan)
- Complete township plans for Miners Rest and Buninyong
- Her Majesty's Theatre Ballarat

- Ballarat Fernery redevelopment
- A-Hall roof restoration works

Progress on the following Prosperity Council Plan actions will continue through the 2018/19 Budget:

- Be open for business in all areas of our operations
- Market the unique character and identity of Ballarat to drive investment
- Implement the Ballarat Economic Program to facilitate investment and Ballarat jobs
- Implementation of the Lake Wendouree Master Plan including lighting around the lake
- Lobby for major projects including:
 - Ballarat West Employment Zone future stages
 - Ballarat Freight Hub
 - Ballarat Innovation Centre
 - Waste to Energy Facility
 - Ballarat Aviation Emergency Service Hub
- Continue the renewal of the Latrobe Street current Ballarat Saleyards site and the Victoria Park Masterplan
- Strengthen global partnerships and cultural relationships to create investment and job opportunities
- Adopt and deliver the Heritage Plan using the Historic Urban Landscape (HUL) approach including verandah restoration and upper level reuse projects
- Apply for an integrated funding model through the Federal Government's City Deals and Smart Cities programs
- Develop Ballarat as a leader in adaptive businesses capability, innovative manufacturing, arts and tourism
- Develop Ballarat as a leader in digital transformation and ICT

To achieve the objectives of the Council Plan, there is potential that this program may involve international travel.

| PROSPERITY | 2018/19 | | |
|----------------------|-------------------|-------------------|-------------------|
| Service | \$ Expense | \$ Revenue | \$ Net Cost |
| Arts and Culture | 767,391 | 0 | 767,391 |
| Economic Development | 1,550,048 | 0 | 1,550,048 |
| Festivals and Events | 3,175,098 | -47,000 | 3,128,098 |
| Grants | 330,000 | 0 | 330,000 |
| Major Projects | 1,109,994 | -690,371 | 419,624 |
| Major Venues | 5,719,363 | -1,772,485 | 3,946,878 |
| Statutory Planning | 1,792,136 | -997,230 | 794,906 |
| Strategic Planning | 3,404,497 | 0 | 3,404,497 |
| Tourism | 2,721,575 | 0 | 2,721,575 |
| Grand Total | 20,570,102 | -3,507,086 | 17,063,016 |

PROSPERITY SERVICES EXPLAINED

ARTS AND CULTURE

Service description

Arts and Culture supports community access to quality arts and cultural activities through facilitation and engagement programs.

Service improvements for 2018/19

- Implement the Arts and Culture Review undertaken in 2017 that identified key actions for service improvement.
- Develop a Creative City Strategy, which will also provide an improved focus for the service to achieve greater and more strategic outcomes with the same resources.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$767,391 | \$0 | \$767,391 |

ECONOMIC DEVELOPMENT

Service description

Economic Development is focused on supporting existing businesses, attracting jobs and investment to Ballarat, and supporting a pro-business environment for Ballarat. To achieve the directive of the Council Plan, there is potential that this program may involve international travel.

Service improvements for 2018/19

- Preparation of marketing collateral focused on investors
- Review of developer engagement, investment facilitation group and developers' forum to develop more holistic engagement

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$1,550,048 | \$0 | \$1,550,048 |

FESTIVALS AND EVENTS

Service description

Festivals and Events deliver and support a wide range of small and large civic, tourism, and community events

and festivals. The events supported and delivered are selected based on the beneficial social outcomes that can be derived for the Ballarat community, as well as having a focus on the tourism and economic impact for the region. Events include ANZAC Day, Christmas, Australia Day, Ballarat Begonia Festival, White Night, Ballarat Winter Festival, and Ballarat Heritage Weekend.

Service improvements for 2018/19

- A service review was conducted in 2017 and key changes are being implemented.
- A 10-Year Event Strategy is currently being compiled, and service improvements are likely to follow.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-----------|------------------|
| \$3,175,098 | -\$47,000 | \$3,128,098 |

GRANTS ATTRACTION

Service description

Strategic Grants Attraction has a focus on securing more grants to support the delivery of the Council Plan (2017-2021). Principally the service works with many business units across the City of Ballarat to plan, prepare and submit funding bids.

Service improvements for 2018/19

- Implementation of a Grant Management System for efficient and consistent delivery.
- Development of a priority project/grant funding mapping process to align project readiness to funding opportunities.
- Link to the lobbying and advocacy effort to ensure opportunities are acted upon.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$330,000 | \$0 | \$330,000 |



PROSPERITY SERVICES EXPLAINED

MAJOR PROJECTS

Service description

Major Projects plan for, partner in and deliver projects that achieve a sustainable commercial and industrial development, as well as key infrastructure projects that provide a high quality of life for a growing population.

Service improvements for 2018/19

- Roll out an organisational-wide project management program.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,109,994 | -\$690,371 | \$419,624 |

MAJOR VENUES

Service description

Provision of major venues owned and managed by the City of Ballarat including Civic Hall, Ballarat Mining Exchange, Her Majesty's Ballarat, Art Gallery of Ballarat and the Eureka Centre – Home of the Eureka Flag (working name).

Service improvements for 2018/19

- Planned emergency works for Her Majesty's Ballarat and ongoing advocacy for further improvement works to secure the future of the venue.
- The continue to the implementation of the resumption of management of the Eureka Centre and service improvements at this venue.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$5,719,363 | -\$1,772,485 | \$3,946,878 |

STATUTORY PLANNING

Service description

Statutory Planning plays a key role in implementing the strategic land use direction set out in the Council Plan and Municipal Strategic Statement.

Service improvements for 2018/19

- ePlanning for customers to submit and view progress of applications online
- Continued review and improvement of processes and systems to work towards recognition of the unit as a responsive and proactive service unit

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,792,136 | -\$997,230 | \$794,906 |

STRATEGIC PLANNING, URBAN DESIGN, AND HERITAGE

Service description

Strategic Planning manages the Ballarat Planning Scheme and undertakes strategic land use planning to support growth and prosperity in the municipality. Urban Design provides statutory referral services for statutory planning applications related to vegetation matters, open space planning, urban design, landscaping design, sustainable

and active transport, and other related elements. Heritage provides statutory referral services for planning applications, coordinates the heritage grants program, provides advice to the community on heritage matters, advocates for restoration opportunities, coordinates Ballarat's international historic city collaboration and partnerships with UNESCO and the World League of Historical Cities and the implementation of the Heritage Plan. To achieve the directive of the Council Plan, there is potential that this program may involve international travel.

Service improvements for 2018/19

- The City of Ballarat is a pilot partner with DELWP regarding changes to the Victorian Planning Provisions (Ballarat Planning Scheme). Participation in this process may yield legislative and content changes to the Planning Scheme which reduce complexity of the current process.
- Lobby for investment in improving the Ballarat CBD, the Warrenheip Station Parkway and the implementation of the Lake Wendouree Masterplan including lighting around Lake Wendouree.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$3,404,497 | \$0 | \$3,404,497 |

TOURISM

Service description

The City of Ballarat provides significant funding to support the Ballarat tourism industry, identified as an emerging sector in the Ballarat economy. This funding is provided to Visit Ballarat to deliver marketing, product development, industry development and research. Delivery of our highly successful festivals and events program, the Tourism Events Grant Program and film industry support are accounted for under the 'Festivals and Events' part of this budget.

Service improvements for 2018/19

- A 10-year (2018-2028) Event Strategy is currently being developed and is expected to provide recommended improvements to the management and procurement of events. Continued implementation of the Arts and Events Service Review completed in 2017.
- Improved monitoring of impact from the investment into the tourism industry

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$2,721,575 | \$0 | \$2,721,575 |

SUSTAINABILITY – Protect, maintain and enhance our built and natural assets.

Protecting, maintaining and enhancing our built and natural assets, and improving our connectivity, is another key focus for this Council.

The City of Ballarat is also continuing to work towards our aim of leading the state with an economical and innovative integrated waste management system by 2020. This means solving many of the city's waste challenges, including reducing waste to landfill, creating jobs, and driving economic development.

We will aim for:

- Supported growth in a structured way
- An environment reflective of community needs
- Improved natural environment
- Sustainable waste management
- Reduced environmental impact
- People and goods move efficiently

The following Sustainability Council Plan actions will be delivered through the 2018/19 Budget:

- Facilitate a sustainable outcome for the relocation of the Ballarat Agricultural and Pastoral Society

Progress on the following Sustainability Council Plan actions will continue through the 2018/19 Budget:

- Complete and deliver the Ballarat Integrated Transport Action Plan

- Seek funding for the Ballarat Link Road to the Glenelg Highway
- Deliver enhanced flood protection for Ballarat
- Deliver headline actions from the Ballarat Strategy including:
 - Integrated waste management
 - Waste to energy project
 - Ballarat Integrated Water Management Plan
 - Renewable Energy Action Plan initiatives
 - Beautification of entrances and boulevards
- Deliver a sustainable approach to environmental management for Ballarat by working with community stakeholders
- Develop and implement climate change adaptation initiatives with targets for emissions reductions
- Develop a state-of-the-art animal pound for Ballarat and the region
- Increase the level of government funding for maintaining core assets such as roads, bridges and drainage
- Develop a waterway enhancement program in conjunction with catchment management and water authorities
- Advocate for improvements and investment in sustainable transport, including rail and electric vehicles

| SUSTAINABILITY | 2018/19 | | |
|------------------------------------|-------------------|--------------------|-------------------|
| Service | \$ Expense | \$ Revenue | \$ Net Cost |
| Animal Control | 1,246,499 | -1,420,780 | -174,281 |
| Asset Management | 951,730 | -241,500 | 710,230 |
| Ballarat Aerodrome | 206,184 | -1,000 | 205,184 |
| Building and Facilities Management | 4,520,072 | -127,296 | 4,392,776 |
| Building Control | 960,926 | -491,251 | 469,675 |
| Contract Supervision | 3,662,761 | -3,662,761 | 0 |
| Design and Survey | 1,524,374 | -14,425,610 | -12,901,236 |
| Development Facilitation | 679,603 | 0 | 679,603 |
| Environmental Health | 1,050,205 | -819,903 | 230,302 |
| Infrastructure Construction | 2,336,805 | -1,000,000 | 1,336,805 |
| Maintenance | 13,441,162 | -4,543,367 | 8,897,794 |
| Parking Management | 1,699,904 | -5,969,670 | -4,269,766 |
| Parks and Environment | 16,583,492 | -3,494,268 | 13,089,224 |
| Property Management | 1,798,794 | -1,664,100 | 134,694 |
| Regulatory Services | 993,870 | -248,400 | 745,470 |
| School Crossings | 876,617 | -367,000 | 509,617 |
| Traffic Management | 516,982 | 0 | 516,982 |
| Waste | 18,785,964 | -4,980,570 | 13,805,394 |
| Grand Total | 71,835,944 | -43,457,477 | 28,378,467 |

SUSTAINABILITY SERVICES EXPLAINED

ANIMAL CONTROL

Service description

Animal Management is a mandatory function of council and is guided under the Domestic Animals Act. This includes animal registrations, investigation of dog attacks and breeding establishments, management of off-leash areas and promotion of responsible pet ownership. This also includes the management of the Ballarat Animal Shelter.

Service improvements for 2018/19

- Lobby for investment in a new regional animal management shelter.
- Explore a shared services model for after-hours rangers.
- Continue online and e-service improvements.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$1,246,499 | -\$1,420,780 | -\$174,281 |

ASSET MANAGEMENT

Service description

Asset Management includes the maintenance of an Integrated Asset Management System and data registers, inspections of the City of Ballarat infrastructure assets, development and maintenance of asset management plans for the full suite of the City of Ballarat assets, including roads and associated infrastructure, drainage, facilities, open space, trees and ensuring the City of Ballarat has strategic asset management practices in place.

Service improvements for 2018/19

- New tree management plan is currently being produced which will provide a new and upgraded tree inspection program
- Memorandum of authorisation process moved to an online service

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$951,730 | -\$241,500 | \$710,230 |

BALLARAT AERODROME

Service description

Ballarat Aerodrome is a significant aviation facility servicing western Victoria. The airport is an important infrastructure, economic and social asset to the City of Ballarat and currently accommodates a wide mix of beneficial activities including aviation businesses, recreational aviation uses, community hubs and emergency services operation.

Service improvements for 2018/19

- Enhance the facility to support diversified aviation growth and provide tangible benefits for the community and economy of the region whilst respecting its cultural, historical and social values.
- Lobby for investment into Ballarat Aviation Emergency Services Hub.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$206,184 | -\$1,000 | \$205,184 |

BUILDING AND FACILITIES MANAGEMENT

Service description

Provide infrastructure management and maintenance, across all classes of assets for the benefit of the community.

Service improvements for 2018/19

- Utilising newly available applications and tools to increase interdepartmental communication.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$4,520,072 | -\$127,296 | \$4,392,776 |

BUILDING CONTROL

Service description

Building Control is required to fulfil the City of Ballarat's statutory role under the Building Act which includes investigating illegal building works, assessing applications for places of public entertainment permits, essential safety management and emergency management support as they relate to buildings.

Service improvements for 2018/19

- Development of a Building Services Management Plan.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$960,926 | -\$491,251 | \$469,675 |

CONTRACT SUPERVISION

Service description

The majority of the City of Ballarat's annual capital works program is delivered through an open public tender process. Contract Supervision leads the evaluation of tenders and the management of the contracts once they are awarded by Council. The team also delivers projects and programs under \$125,000 by seeking quotations from competent contractors.

Service improvements for 2018/19

- More efficient tendering of contracts for major road reconstruction projects to better enable works to be carried out in warmer months.
- Review the reinstatement of the contracts committee to ensure faster process of awarding contracts.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$3,662,761 | -\$3,662,761 | \$0 |

DESIGN AND SURVEY

Service description

Design and Survey facilitate the delivery of the City of Ballarat annual capital works program for roads and drainage projects by providing survey and design services enabling the City of Ballarat to provide in-house construction plans and specifications for every individual capital project that is sent to open public tender.

Service improvements for 2018/19

- Upgrades to design and drafting software.
- Investigate streamlining the production of VicRoads shell specifications by referring to Standards Sections and not including them.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------------|------------------|
| \$1,524,374 | -\$14,425,610 | -\$12,901,236 |

DEVELOPMENT FACILITATION

Service description

Ensure timely and effective delivery of infrastructure to service future sustainable communities in Ballarat in line with policy and legislation, and administer planning permit referrals, subdivision construction plan checking, subdivisional construction supervision, and stormwater drainage issues.

Service improvements for 2018/19

- Engagement strategy for more effective land development and delivery.
- Review and maintain operational risk plan.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$679,603 | \$0 | \$679,603 |

ENVIRONMENTAL HEALTH

Service description

Environmental Health is a statutory function of council, delivering permits and compliance for food safety, public health and wellbeing (noise and odour), environmental protection (asbestos, contaminated land), tobacco regulation, emergency management and domestic wastewater.

Service improvements for 2018/19

- Finalise the development of the Domestic Wastewater Management Plan.
- Investigate a shared services model.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,050,205 | -\$819,903 | \$230,302 |

INFRASTRUCTURE CONSTRUCTION

Service description

Most of the city's annual capital works program is delivered through an open public tender process. The balance of the program is delivered by the City of Ballarat's construction team, supplemented by highly competent contractors engaged through a preferred supplier process.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$2,336,805 | -\$1,000,000 | \$1,336,805 |

PARKS AND ENVIRONMENT

Service description

Provide horticultural maintenance to the city's open space reserves. The service is broken up into seven key

functional areas - Botanical Gardens, sports grounds, arboriculture, city entrances, parks maintenance, and trails and waterways.

Service improvements for 2018/19

- Service level improvements will be in-line with the departmental review undertaken in 2016 and growth plans prepared and updated to guide section growth to match the expansion of the City of Ballarat's open space assets.
- Lobby for further investment in the redevelopment of the Ballarat Botanical Gardens Fernery.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$16,583,492 | -\$3,494,268 | \$13,089,224 |

PARKING MANAGEMENT

Service description

Parking Management ensures the safe movement of vehicles within the municipality and ensures that turnover of vehicles attributes to the vibrancy of the CBD. Parking management includes on-street compliance, reactionary compliance under the Road Safety Act and more broadly the implementation of the CBD Car Parking Action Plan.

Service improvements for 2018/19

- Continued implementation of the CBD Car Parking Action Plan.
- Conduct an expression of interest for improved parking technology.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$1,699,904 | -\$5,969,670 | -\$4,269,766 |

PROPERTY MANAGEMENT

Service description

To manage and maintain the City of Ballarat's property portfolio including commercial and community tenanted buildings, public reserves, the Ballarat Airport and associated buildings, and two City of Ballarat-owned caravan parks.

Service improvements for 2018/19

- Implementation of the recently developed lease and licensing and boat shed policies

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$1,798,794 | -\$1,664,100 | \$134,694 |

REGULATORY SERVICES

Service description

Regulatory Services aims to protect the community and City of Ballarat amenity through education and enforcement of local laws and State Government legislation. Key service areas include local laws, planning enforcement, asset protection and permit administration.

Service improvements for 2018/19

- New administration structure to work on process improvements.

SUSTAINABILITY SERVICES EXPLAINED

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$993,870 | -\$248,400 | \$745,470 |

ROAD MAINTENANCE

Service description

Road Maintenance is responsible for maintenance of the roads and road infrastructure throughout the municipality.

Service improvements for 2018/19

- Service level improvements will be in line with the departmental review undertaken in 2016 and growth plans prepared and updated to guide section growth to match the expansion of the city's infrastructure assets and also prepare programs for the maintenance of ageing infrastructure.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$13,441,162 | -\$4,543,367 | \$8,897,794 |

SCHOOL CROSSINGS

Service description

School Crossing Supervision to both primary and secondary schools is provided under a shared costing arrangement with VicRoads. The service stems from community expectations around City of Ballarat's continued delivery however is being reviewed by State Government given the costs associated to City of Ballarat.

Service improvements for 2018/19

- Continue to lobby VicRoads around responsibility of the service.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$876,617 | -\$367,000 | \$509,617 |

TRAFFIC MANAGEMENT

Service description

The Traffic and Transport team provides and facilitates traffic management, road safety initiatives, Local Area Traffic Management and public transport infrastructure planning/delivery. This includes identifying and applying for funding opportunities, particularly the federal Black Spot program to address eligible sites having recorded crash histories.

Service improvements for 2018/19

- Improve response times to correspondence and enquiries.
- Identify areas for traffic safety audit.
- Develop a strategy to seek funding for priority traffic projects.
- Lobby for investment in Stage 2 of the Ballarat Link Road and Gregory Street West

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$516,982 | \$0 | \$516,982 |

WASTE

Service description

Includes transfer station, waste collection and management of the Smythesdale landfill.

Service improvements for 2018/19

- Development of guides for developers in building multi-unit or residential villages to identify what they need for City of Ballarat access.
- Lobby for investment in an All Waste Interchange to facilitate a Waste to Energy facility in BWEZ.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|--------------|------------------|
| \$18,785,964 | -\$4,980,570 | \$13,805,394 |



ACCOUNTABILITY – Provide strong and decisive leadership, and transparent governance.

We will aim for:

- Strong regional partnerships
- Transparent governance
- Engaged, informed community
- Reduced government regulation
- Financially sound organisation
- Strong focus on innovation
- Increased public disclosure

Progress on the following Accountability Council Plan actions will continue through the 2018/19 Budget:

- Advocate for Ballarat's priorities and enhance the city's reputation as the capital of Western Victoria
- Provide strong regional leadership and membership of peak bodies and organisations to maintain Ballarat's standing as a leading regional city
- Ensure the City of Ballarat remains financially responsible and Council delivers transparent governance by making fewer decisions in camera
- Engage and communicate with our community and other stakeholders
- Reduce unnecessary regulations and advocate for the removal of regulatory burdens from other tiers of government
- Continue to roll-out the Engaging Communities Program
- Implement the Digital Strategy, better utilise innovative online engagement tools and make our information and data accessible to our community and stakeholders
- Improve Customer Service by promoting a culture of customer service excellence within the City of Ballarat
- Investigate and deliver shared local government services within the region
- Review business operations to drive financial and service improvements
- Address gender equity and inclusion in all Council plans and strategies

| ACCOUNTABILITY | 2018/19 | | |
|------------------------------|-------------------|---------------------|---------------------|
| Service | \$ Expense | \$ Revenue | \$ Net Cost |
| Advocacy and Lobbying | 682,261 | 0 | 682,261 |
| Business Improvement | 786,756 | -5,000 | 781,756 |
| CEO Office | 565,638 | -5,000 | 560,638 |
| Civic Support | 473,795 | 0 | 473,795 |
| Communications | 1,722,789 | 0 | 1,722,789 |
| Compliance | 491,310 | -2,000 | 489,310 |
| Corporate Costs | 37,928,906 | -162,216,324 | -124,287,418 |
| Financial Management | 408,443 | -14,924 | 393,519 |
| Financial Services | 1,128,505 | -1,517,700 | -389,195 |
| Fleet Management | 379,098 | -7,000 | 372,098 |
| Grants | 500,000 | 0 | 500,000 |
| Hall Keeping | 148,118 | -2,040 | 146,078 |
| Human Resources | 1,153,135 | 0 | 1,153,135 |
| Information Services | 4,627,106 | -14,656 | 4,612,450 |
| Mayor and Councillor Support | 546,226 | 0 | 546,226 |
| Organisation Development | 385,000 | 0 | 385,000 |
| Payroll | 223,912 | 0 | 223,912 |
| Procurement | 121,357 | 0 | 121,357 |
| Records Management | 750,733 | 0 | 750,733 |
| Revenue | 1,215,319 | -475,000 | 740,319 |
| Risk | 1,708,328 | -25,000 | 1,683,328 |
| Safety | 859,863 | 0 | 859,863 |
| Grand Total | 56,806,598 | -164,284,644 | -107,478,046 |

ACCOUNTABILITY SERVICES EXPLAINED

ADVOCACY AND LOBBYING

Service description

This service provides coordinated advocacy and lobbying to advance the strategic direction of the City of Ballarat and attract funding for the delivery of key projects and policy.

Service improvements for 2018/19

- Implement a new advocacy plan for City of Ballarat.
- Improve relationship with State Government.
- Support a coordinated pitch and campaign during State Government election.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$682,261 | \$0 | \$682,261 |

BUSINESS IMPROVEMENT

Service description

The Business Improvement uses innovation, data and insight to co-create efficiencies and services with a customer focus, as well as driving a culture of innovation within Ballarat and continue to advance Ballarat as a smart city.

Service improvements for 2018/19

- Embed capability for agile project management.
- Establish and implement Smart City framework and delivery of Smart City projects.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$786,756 | -\$5,000 | \$781,756 |

CEO OFFICE

Service description

The CEO is the only staff member who is appointed by the Council, the remainder of staff are appointed by the CEO. The CEO is responsible for managing the organisational structure of the City of Ballarat, ensuring that Council decisions are implemented, day-to-day management of City of Ballarat operations, and providing advice to Council.

Service improvements for 2018/19

- The Civic Support Unit is committed to continuous service improvement provided to the CEO and will also look for efficiencies and cost savings where possible without impacting service levels.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$565,638 | -\$5,000 | \$560,638 |

CIVIC SUPPORT

Service description

This service includes management of civic receptions and events including citizenship ceremonies. Civic Support is responsible for Mayor and Councillor Support and provides high level, professional and confidential administrative support. This includes management of civic receptions and events including citizenship ceremonies. The Civic Support service includes effective and professional management of

communication and correspondence, diary management, event coordination and management stakeholder relationship management and management of the Mayor and Councillors to undertake their civic responsibilities.

Service improvements for 2018/19

- Ongoing improvements to civic events.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$473,795 | \$0 | \$473,795 |

COMMUNICATIONS

Service description

The unit's key role is to provide communication and issues management advice and implement key organisational communications and marketing strategies, to the Mayor, Councillors, CEO, directors, managers and staff.

Service improvements for 2018/19

- Implementation of a new City of Ballarat website.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$1,722,789 | \$0 | \$1,722,789 |

COMPLIANCE

Service description

Compliance works collaboratively to deliver strategic and operational advice to Council, executive, managers and employees to support the broad range of services offered by the City of Ballarat. Key areas include the engagement with the community for statutory functions such as Council meeting management, agenda and minute preparation, delegations and authorisations, governance of special and advisory committees, managing Ombudsman complaints, coordination of Freedom of Information applications, privacy and data protection, and protected disclosures to statutory authorities.

Service improvements for 2018/19

- Updating Terms of Reference for Special and Advisory Committees.
- Freedom of Information Part Two statements to improve transparency in decisions.
- Privacy and Data protection improvements with a focus on collections statements, staff training, single view of customer, and policy/procedure updates.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$491,310 | -\$2,000 | \$489,310 |

CORPORATE COSTS

Service description

Corporate costs provides for those incomes and expense streams that are directly related to individual services. Such income and expenditure streams as rates and depreciation are captured within this service area.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------------|------------------|
| \$37,928,906 | -\$162,216,324 | -\$124,287,418 |

FINANCIAL MANAGEMENT

Service description

Financial Management provides overall advice to Council, CEO and Directors on current and future financial matters affecting the delivery of services/projects to the community. Financial management provides assistance to Council in the formulation of the annual budget and the annual revision of Council's Long Term Financial Strategy.

Service improvements for 2018/19

During 2018/19 it is planned to implement a new financial system which will provide improvements in cost control, financial management and corporate reporting. The new system will provide improved efficiencies to business units in the delivery of their services.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-----------|------------------|
| \$408,443 | -\$14,924 | \$393,519 |

FINANCIAL SERVICES

Service description

Financial Services is responsible for the administration of the financial resources of the City of Ballarat. The service maintains appropriate controls over City of Ballarat. finances providing advice to business units in their delivery of other services of Council.

Service improvements for 2018/19

- Implementation of improved core system and accounting software.
- Review of policies to ensure efficiencies across the organisation.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-------------|------------------|
| \$1,128,505 | \$1,517,700 | -\$389,195 |

FLEET MANAGEMENT

Service description

Fleet Management is responsible for administering City of Ballarat's plant and equipment.

Service improvements for 2018/19

- Further development in the reporting section of our Fleet Management program.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$379,098 | -\$7,000 | \$372,098 |

Grants (Strategic Partnerships)

Service description

Council's grants program provides funding to community groups, businesses, event organisers and other stakeholders to deliver quality programs, events, products and services which are of a benefit to Ballarat and which bring a wide range of social, environmental and economic returns to the City. Also see Grants above.

Service improvements for 2018/19

- Further developing a single point of contact for the community to get information and advice about grant seeking and centralisation of grants to one unit within the City of Ballarat.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$500,000 | \$0 | \$500,000 |

HALL KEEPING

Service description

Hall Keeping provides exceptional hospitality and customer service standards to staff, Councillors, customers, and community members using the Ballarat Town Hall.

Service improvements for 2018/19

- Continued community exposure to the Ballarat Town Hall through tours.
- Increased marketing and promotion of the Ballarat Town Hall as an events and meeting space.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|----------|------------------|
| \$148,118 | -\$2,040 | \$146,078 |

HUMAN RESOURCES

Service description

Human Resources supports the organisation in the management of its staff and volunteers. Services span the whole employment lifecycle and include providing advice on attraction, recruitment, on boarding and retention practices, maintenance and management of human resource data, industrial and employee relations and the coordination of work force planning, and learning and development, activities.

Service improvements for 2018/19

- Introducing more online, workflow-based processes to replace current manual systems with an initial focus on recruitment and onboarding new employees.
- Reducing the number of paper forms and manual processing.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$1,153,135 | \$0 | \$1,153,135 |

INFORMATION SERVICES

Service description

Information Services is responsible for providing information, technology, and communications services to support a broad range of business functions to over 800 consumers and 26 sites.

Service improvements for 2018/19

- Implementation of Microsoft Dynamics rollout – first phase is the rollout of the accounting software.
- Replacement of managed WAN services.
- Rollout of new LAN and wireless services.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-----------|------------------|
| \$4,627,107 | -\$14,656 | \$4,612,450 |

ACCOUNTABILITY SERVICES EXPLAINED

MAYOR AND COUNCILLOR SUPPORT

Service description

See Civic Support above. This service also includes the reimbursement of Councillor expenses and remuneration for Mayor and Councillors which is set by the State Government.

Service improvements for 2018/19

- The Civic Support Unit is committed to continuous service improvement provided to the Mayor and Councillors and will also look for efficiencies and cost savings where possible without impacting service levels.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$546,226 | \$0 | \$546,226 |

ORGANISATION DEVELOPMENT

Service description

Organisational Development is focussed on building the appropriate frameworks, skills and culture to support organisational sustainability through its managers and employees whilst supporting the City of Ballarat's corporate objectives.

Service improvements for 2018/19

- Establishing the Ballarat Way of Working (BWOW) strategy and underpinning work programs.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$385,000 | \$0 | \$385,000 |

PAYROLL

Service description

The payroll function aims to provide the accurate and timely processing of payroll and the related activities of Superannuation, Taxation, Statutory Reporting and internal monthly, quarterly, and annual reporting.

Service improvements for 2018/19

- Reconfigure payroll system to enable reporting to the Australian Taxation Office for Single Touch Payroll and widening the scope of employee self-service.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$385,000 | \$0 | \$223,912 |

PROCUREMENT

Service description

To coordinate tendering services for contracts in accordance with legislative requirements and the City of Ballarat's Procurement Policy.

Service improvements for 2018/19

- Further development of tender management system, including moving to electronic signatures for contract documents.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$121,357 | \$0 | \$121,357 |

RECORDS MANAGEMENT

Service description

The Records Management service is responsible for information management and compliance activities, as well as supporting the largely paper-based business practices prevalent across the City of Ballarat.

Service improvements for 2018/19

- Reduce work load through digitisation of business practices.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$750,733 | \$0 | \$750,733 |

REVENUE

Service description

Revenue has responsibility to levy and collect rates and charges, including the State Government's Fire Services Property Levy, in accordance with legislation and the City of Ballarat's adopted Rating Strategy.

Service improvements for 2018/19

- Further roll out of eNotices allowing ratepayers to receive rate notices via email.

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|------------|------------------|
| \$1,215,319 | -\$475,000 | \$740,319 |

RISK

Service description

The Risk Services function includes enterprise risk and insurance services and works collaboratively to deliver strategic and operational advice to Council, executive, managers, and employees to support the broad range of services offered by the City of Ballarat. In addition, the unit is the strategic driver of enterprise, operational and project risk management for City of Ballarat services. The Risk Service also facilitates the procurement of all insurance classes and undertakes claims management in relation to issues of liability.

Service improvements for 2018/19

- Renewal of the Enterprise Risk Management Framework, Policy and Plan
- Implement new insurance tender

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|-----------|------------------|
| \$1,708,328 | -\$25,000 | \$1,683,328 |

SAFETY

Service description

The Safety service is largely an internal service and works collaboratively to deliver strategic and operational advice to executive, managers, and employees to support the broad range of services offered by the City of Ballarat. Safety is responsible for developing and implementing the City of Ballarat safety management system (policy, procedures and online reporting function).

Service improvements for 2018/19

- Revision of safety management system to simplify and improve compliance performance
- Proactive site inspections to increase identification of hazards at source and implementation of controls

| SERVICE EXPENSE | REVENUE | NET SERVICE COST |
|-----------------|---------|------------------|
| \$859,863 | \$0 | \$859,863 |

FINANCIAL PERFORMANCE INDICATORS

| Indicator | Measure | Notes | Forecast Actual 2017/18 | Budget 2018/19 | Strategic Resource Plan Projections | | |
|----------------------------|--|-------|-------------------------------|-------------------|--|---------|---------|
| | | | | | 2019/20 | 2020/21 | 2021/22 |
| Operating position | | | | | | | |
| Adjusted underlying result | Adjusted underlying surplus (deficit) / Adjusted underlying revenue | 1 | -2.28% | 2.58% | 1.65% | 0.60% | 0.79% |
| Liquidity | | | | | | | |
| Working capital | Current assets / Current liabilities | 2 | 126% | 105% | 109% | 113% | 108% |
| Unrestricted cash | Unrestricted cash / Current liabilities | | 61% | 37% | 40% | 41% | 35% |
| Obligations | | | | | | | |
| Loans and borrowings | Interest bearing loans and borrowings / Rate revenue | 3 | 40% | 37% | 32% | 30% | 29% |
| Loans and borrowings | Interest and principal repayments on interest bearing loans and borrowings / Rate revenue | | 6% | 5% | 5% | 5% | 4% |
| Indebtedness | Non-current liabilities / Own source revenue | | 28% | 26% | 23% | 22% | 21% |
| Asset Renewal | Asset renewal expenses / Depreciation | 4 | 136% | 91% | 71% | 71% | 71% |
| Stability | | | | | | | |
| Rates concentration | Rate revenue / Adjusted underlying revenue | 5 | 69% | 68% | 69% | 71% | 71% |
| Rates effort | Rate revenue / CIV of rateable properites in the municipality | | 0.61% | 0.60% | 0.60% | 0.60% | 0.60% |
| Efficiency | | | | | | | |
| Expenditure level | Total expenditure / no. property assessments | | 314% | 322% | 330% | 330% | 334% |
| Revenue level | Residential rate revenue / No. of residential property assessments | | 1,384 | 1,411 | 1,439 | 1,467 | 1,496 |
| Workforce turnover | No. of permanent staff resignations and terminations / average no. of permanent staff for the financial year | | 6.10% | 6.10% | 6.10% | 6.10% | 6.10% |

REVALUATION

Every two years, all of Local Government is required to complete a revaluation of rateable properties. This revaluation is required by the Valuation of Land Act 1960 as follows:

11. General valuation to be made every two years

For the purposes of the Local Government Act 1989, a valuation authority must-

- cause a general valuation of rateable land within the relevant municipal district to be made as at 1 January in every even calendar year; and
- before 30 June that year, cause a general valuation made in accordance with paragraph (a)-
 - to be returned to it; and
 - if the valuation authority for the relevant municipal district is the valuer-general-to be provided to the council of that municipal district.

The completion of a revaluation of rateable land **does not** raise any additional revenue in the year of the revaluation. The effect of a revaluation is a redistribution of rates throughout the municipality without any additional income being raised.

The revaluation is carried out as at January 2018. All valuations reflect valuations at that time. Should properties be subject to a valuation during the next two years, the valuation will be based on valuations as at January 2018. The valuation date will not change until the next revaluation due for the 2018/19 financial year.

The following tables show the rate calculations for the 2018/19 year. Table 1 calculates the rate increase, based on the valuations currently in force. Table 2 recalculates the rate in the dollar using the new valuations ensuring that no additional revenue is raised.

TABLE 1. RATE IN DOLLAR CALCULATION

| | | | | | 2.25% | |
|-------------------|-------------------|------------------------------|-------------------|--------------------|-------------------|-------------------|
| | | | 2017/18 | | 2018/19 | |
| | No Assess. | CIV | Rate in \$ | Calculation | Rate in \$ | Re-Calc |
| Residential | 47,012 | 14,573,191,560 | 0.004365 | 63,611,981 | 0.004463 | 65,040,154 |
| Commercial | 2,295 | 1,739,262,167 | 0.011166 | 19,420,601 | 0.011417 | 19,857,156 |
| Industrial | 1,566 | 752,171,120 | 0.011723 | 8,817,702 | 0.011986 | 9,015,523 |
| Farm | 779 | 555,403,500 | 0.002949 | 1,637,885 | 0.003015 | 1,674,542 |
| Recreational 1 | 63 | 63,612,830 | 0.003223 | 205,024 | 0.003295 | 209,604 |
| Recreational 2 | 6 | 18,018,670 | 0.011689 | 210,620 | 0.011952 | 215,359 |
| Rural Residential | 621 | 285,369,875 | 0.003967 | 1,132,062 | 0.004056 | 1,157,460 |
| | 52,342 | 17,987,029,722 | | 95,035,876 | | 97,169,798 |
| | | | | | | |
| | | Base Rate | | 1,816 | | 1,856 |
| | | Increase in Base Rate | | | 2.25% | |

Using the current valuations, the rate in the dollar is increased by the rate increase (2.25 per cent). The calculated rate in the dollar figure is then multiplied by the valuation for each differential rate resulting in the revenue to be raised for 2018/19.

In addition to this calculation, the Essential Services Commission requires that councils calculate the base rate for the current year and for 2018/19. The base rate must not increase by more than the rate cap which has been set at 2.25 per cent for the 2018/19 financial year.



TABLE 2. REVALUATION RATE IN DOLLAR CALCULATION

| | No Assess. | Old CIV | Rate \$ | Calculation | New CIV | Rate in \$ | Rates | Change in Rate \$ |
|-------------------|------------|------------------|----------|--------------|----------------|------------|--------------|-------------------|
| Residential | 47,012 | 14,573,191,560 | 0.004463 | 65,040,154 | 15,639,711,430 | 0.004159 | 65,045,560 | -6.81% |
| Commercial | 2,295 | 1,739,262,167 | 0.011417 | 19,857,156 | 1,844,854,066 | 0.010764 | 19,858,009 | -5.72% |
| Industrial | 1,566 | 752,171,120 | 0.011986 | 9,015,523 | 787,209,000 | 0.011432 | 8,999,373 | -4.62% |
| Farm | 779 | 555,403,500 | 0.003015 | 1,674,542 | 585,963,000 | 0.002858 | 1,674,682 | -5.21% |
| Recreational 1 | 63 | 63,612,830 | 0.003295 | 209,604 | 64,531,353 | 0.003248 | 209,598 | -1.43% |
| Recreational 2 | 6 | 18,018,670 | 0.011952 | 215,359 | 18,153,521 | 0.011432 | 207,531 | -4.35% |
| Rural Residential | 621 | 285,369,875 | 0.004056 | 1,157,460 | 318,896,750 | 0.003630 | 1,157,595 | -10.50% |
| | 52,342 | 17,987,029,722 | 0 | 97,169,798 | 19,259,319,120 | | 97,176,704 | |
| | | Base Rate | | 1,856 | | | 1,857 | |

Table 2 recalculates the revenue to be raised using the 2018/19 valuations. This process recalculates the rate in the dollar to ensure the exact revenue is raised. For example, the rate in the dollar based on the current valuations for residential rates for 2018/19 was calculated at \$0.004463 in the dollar. For the residential rate classification \$65,040,154 would be raised.

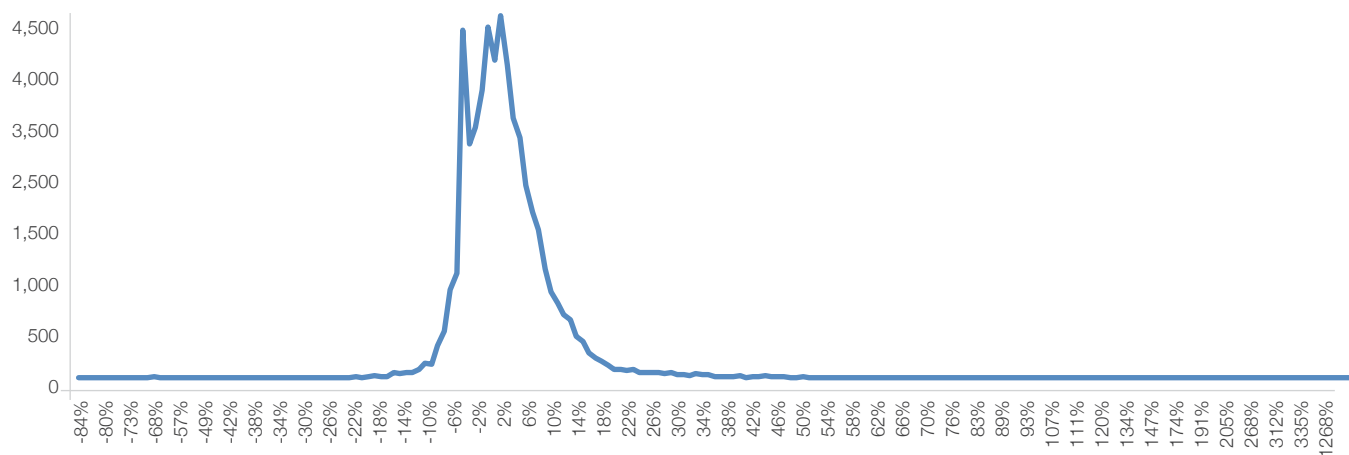
Based on the valuations that would come into force in 2018/19, the rate in the dollar will be reduced by 6.82% to \$0.004159 to ensure the equivalent funds are raised. This process is carried out for each of the differential rates.

The table below provides a summary of the revaluation for 2018. Overall, the values of all rateable properties within the City of Ballarat increased by 7.07 per cent. As can be seen, the valuations for each category changed at different rates. The impact of this is that rates increases for 2018/19 will vary from property to property. Instead of a flat percentage increase across all rating types, we will see a variable movement in rate increase dependent on the impact of the revaluation for a particular property, compared to the increase across the entire municipality.

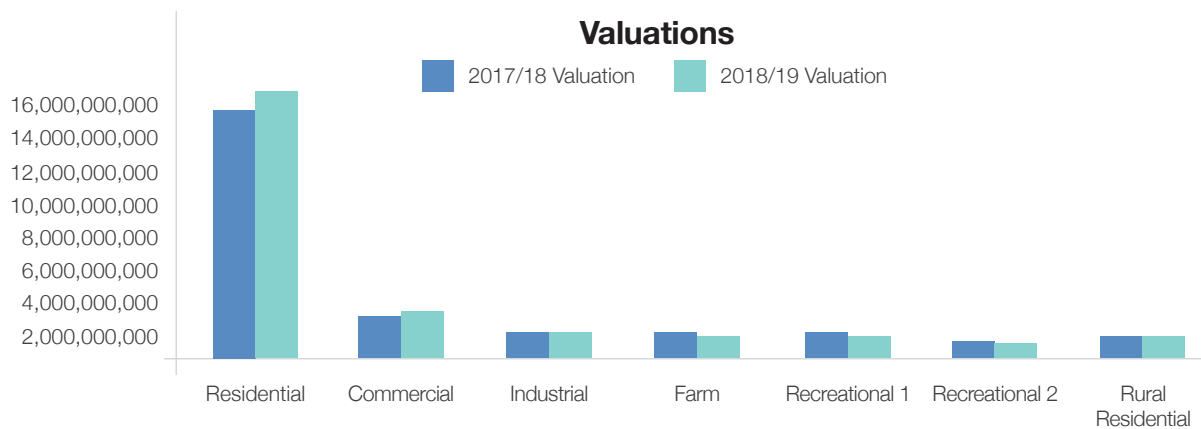
| | No Assess. | 2017/18 Valuation | 2018/19 Valuation | Movement in \$ | Movement % |
|-------------------|---------------|-----------------------|-----------------------|----------------------|--------------|
| Residential | 47,012 | 14,573,191,560 | 15,639,711,430 | 1,066,519,870 | 7.32% |
| Commercial | 2,295 | 1,739,262,167 | 1,844,854,066 | 105,591,899 | 6.07% |
| Industrial | 1,566 | 752,171,120 | 787,209,000 | 35,037,880 | 4.66% |
| Farm | 779 | 555,403,500 | 585,963,000 | 30,559,500 | 5.50% |
| Recreational 1 | 63 | 63,612,830 | 64,531,353 | 918,523 | 1.44% |
| Recreational 2 | 6 | 18,018,670 | 18,153,521 | 134,851 | 0.75% |
| Rural Residential | 621 | 285,369,875 | 318,896,750 | 33,526,875 | 11.75% |
| | 52,342 | 17,987,029,722 | 19,259,319,120 | 1,272,289,398 | 7.07% |

The rate increase distribution is shown in the following graph:

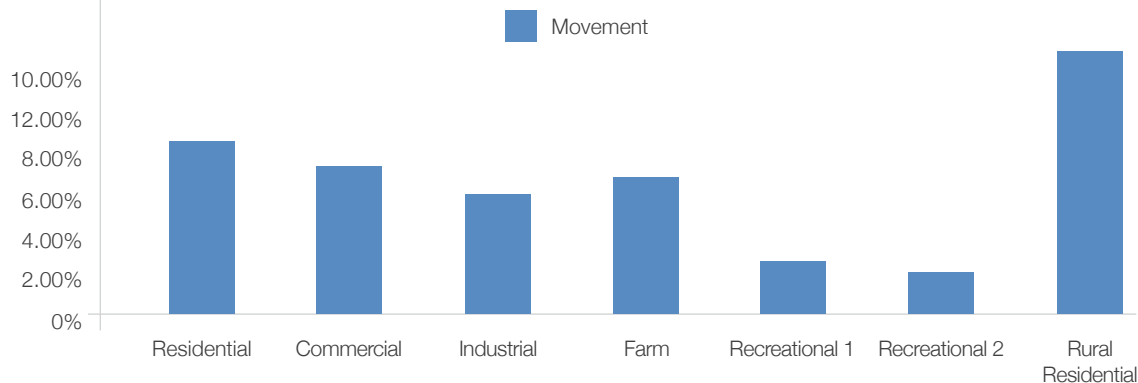
% Rate Increase Distribution



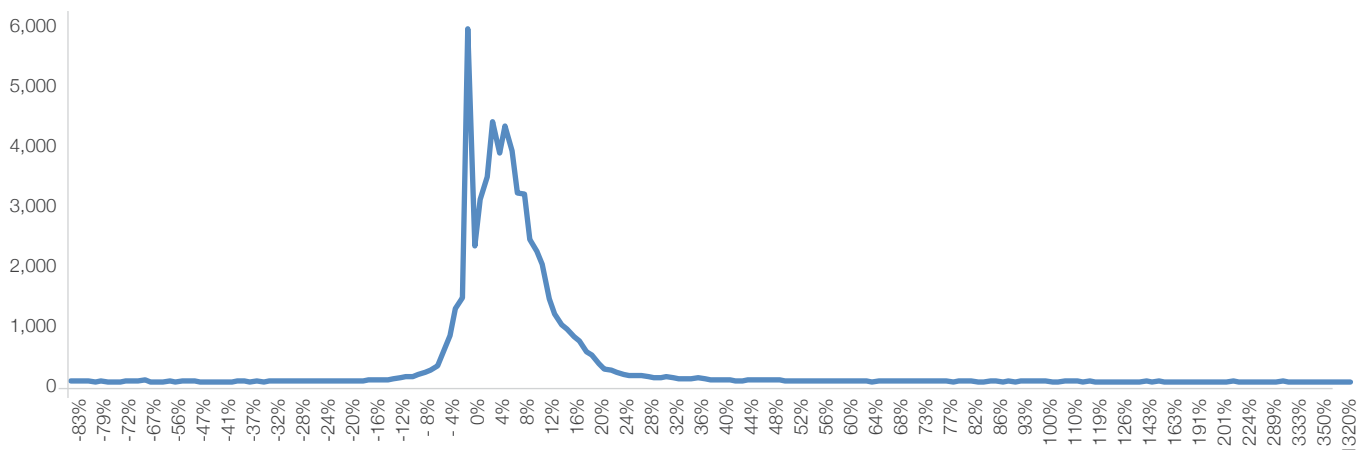
Valuations



Valuation Movement



% Valuation Increase Distribution



WARD VALUATIONS

CENTRAL WARD VALUATIONS

| Category | No Assessments | % Distribution | 2017/18 Valuations | % Distribution | 2018/19 Valuations | % Distribution | Movement \$ | Movement % |
|-------------------|----------------|----------------|----------------------|----------------|----------------------|----------------|--------------------|------------|
| Residential | 17,097 | 90.54% | 5,640,320,700 | 82.81% | 6,162,529,565 | 83.61% | 522,208,865 | 9.26% |
| Commercial | 1,492 | 7.90% | 1,011,049,412 | 14.84% | 1,040,258,863 | 14.11% | 29,209,451 | 2.89% |
| Industrial | 264 | 1.40% | 131,496,610 | 1.93% | 138,755,895 | 1.88% | 7,259,285 | 5.52% |
| Farm | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| Recreational 1 | 29 | 0.15% | 23,937,200 | 0.35% | 24,251,140 | 0.33% | 313,940 | 1.31% |
| Recreational 2 | 1 | 0.01% | 4,515,300 | 0.07% | 4,538,210 | 0.06% | 22,910 | 0.51% |
| Rural Residential | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| | 18,883 | | 6,811,319,222 | | 7,370,333,673 | | 559,014,451 | |

NORTH WARD VALUATIONS

| Category | No Assessments | % Distribution | 2017/18 Valuations | % Distribution | 2018/19 Valuations | % Distribution | Movement \$ | Movement % |
|-------------------|----------------|----------------|----------------------|----------------|----------------------|----------------|--------------------|------------|
| Residential | 14,760 | 86.56% | 4,563,338,245 | 74.37% | 4,848,152,960 | 74.34% | 284,814,715 | 6.24% |
| Commercial | 475 | 2.79% | 458,339,510 | 7.47% | 500,160,093 | 7.67% | 41,820,583 | 9.12% |
| Industrial | 628 | 3.68% | 381,283,370 | 6.21% | 393,382,825 | 6.03% | 12,099,455 | 3.17% |
| Farm | 659 | 3.86% | 460,452,000 | 7.50% | 480,537,500 | 7.37% | 20,085,500 | 0.00% |
| Recreational 1 | 26 | 0.15% | 31,438,280 | 0.51% | 31,705,783 | 0.49% | 267,503 | 0.85% |
| Recreational 2 | 4 | 0.02% | 10,790,220 | 0.18% | 10,930,175 | 0.17% | 139,955 | 1.30% |
| Rural Residential | 499 | 2.93% | 230,170,375 | 3.75% | 256,486,750 | 3.93% | 26,316,375 | 0.00% |
| | 17,051 | | 6,135,812,000 | | 6,521,356,086 | | 385,544,086 | |

SOUTH WARD VALUATIONS

| Category | No Assessments | % Distribution | 2017/18 Valuations | % Distribution | 2018/19 Valuations | % Distribution | Movement \$ | Movement % |
|-------------------|----------------|----------------|----------------------|----------------|----------------------|----------------|--------------------|------------|
| Residential | 15,155 | 92.36% | 4,369,532,615 | 86.70% | 4,629,028,905 | 86.24% | 259,496,290 | 5.94% |
| Commercial | 328 | 2.00% | 269,873,245 | 5.35% | 304,435,110 | 5.67% | 34,561,865 | 12.81% |
| Industrial | 674 | 4.11% | 239,391,140 | 4.75% | 255,070,280 | 4.75% | 15,679,140 | 6.55% |
| Farm | 120 | 0.73% | 94,951,500 | 1.88% | 105,425,500 | 1.96% | 10,474,000 | 0.00% |
| Recreational 1 | 8 | 0.05% | 8,237,350 | 0.16% | 8,574,430 | 0.16% | 337,080 | 4.09% |
| Recreational 2 | 1 | 0.01% | 2,713,150 | 0.05% | 2,685,136 | 0.05% | -28,014 | -1.03% |
| Rural Residential | 122 | 0.74% | 55,199,500 | 1.10% | 62,410,000 | 1.16% | 7,210,500 | 0.00% |
| | 16,408 | | 5,039,898,500 | | 5,367,629,361 | | 327,730,861 | |

