



CORPORATE PERFORMANCE PROGRESS REPORT 2018-2019



July 2018 to DECEMBER 2018

CONTENTS

Introduction

Integrated Planning and Reporting

City of Busselton Performance Indicators

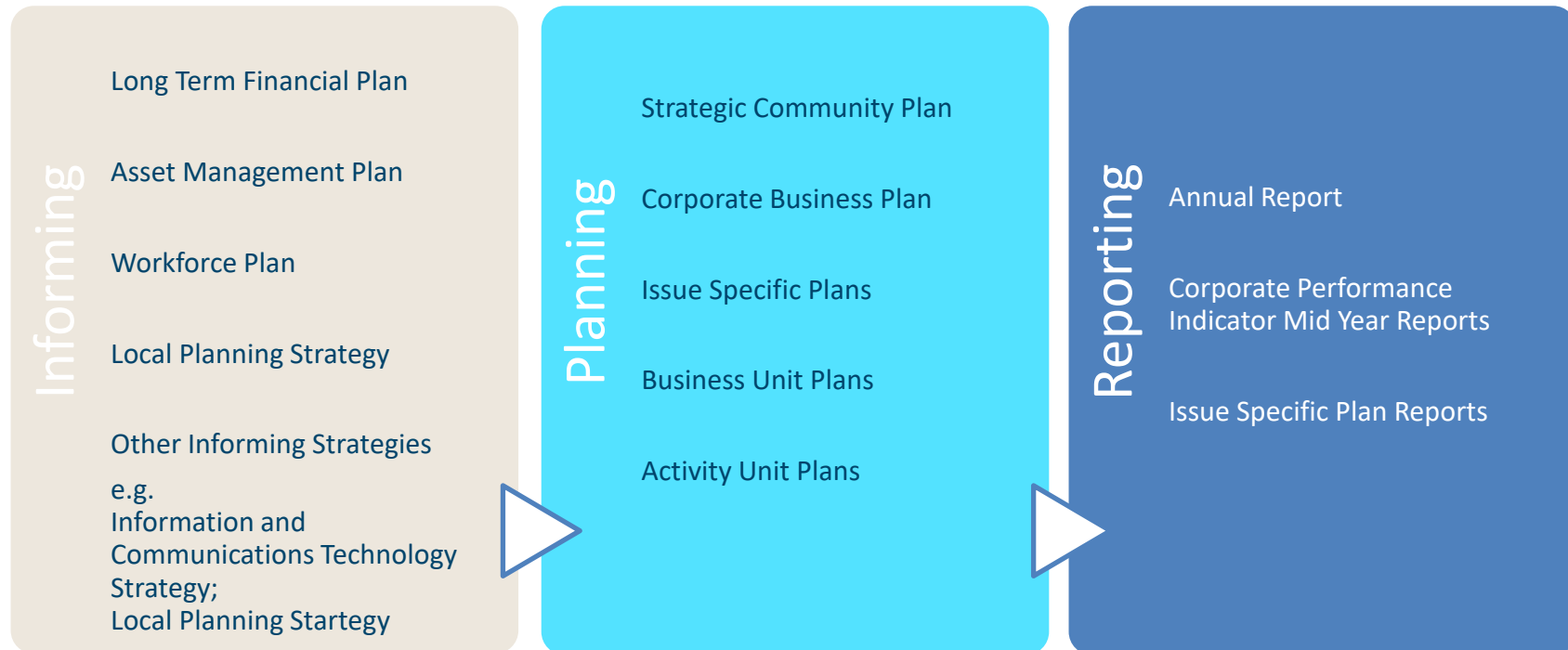
- Corporate Business Plan
- Financial Ratios
- Asset Sustainability
- Airport Services
- Recreation Services
- Tourism Services
- Customer Services
- Waste Management Services
- Development Services
- Environmental Services
- Human Resources and Risk Services

INTRODUCTION

Twice a year Council reviews and assesses the performance and progress of the City's 11 Corporate Performance Indicators.

This regular review is part of the City's Integrated Planning and Reporting framework, which guides the City's various planning processes and ensures that objectives are achieved through the effective allocation of City resources. (links and aligns the City's high level and business plans to the Strategic Community Plan.)

The diagram below illustrates how the City's integrated planning and reporting framework operates.



This publication documents the progress of the City's Corporate Business Plan and Corporate Performance Indicators for the first six months of the 2018-2019 financial year.

INTEGRATED PLANNING AND REPORTING

The City’s Corporate Business Plan is a four year schedule of services and project implementation aligned to the six key goal areas identified in the Strategic Community Plan 2017:

1. Community – Welcoming, friendly and healthy
2. Places and Spaces – Vibrant, attractive and affordable
3. Environment – Valued, conserved and enjoyed
4. Economy – Diverse, resilient and prosperous
5. Transport - Smart, connective and accessible
6. Leadership – Visionary, collaborative, accountable

Corporate Business Plan reports document the results of the City’s operational capacity to achieve the community’s aspirational outcomes and objectives of these six key goal areas. The annual review of the Corporate Business Plan also enables the City to assess progress of the Plan and realign its actions in response to external influences according to the most recently available information.

PERFORMANCE INDICATOR REPORTING

I: CORPORATE BUSINESS PLAN

Action status	# of actions	% result	Total
COMPLETED	6	6.25%	88.42%
ON TRACK- Action is proceeding as expected	78	83.2%	
MONITOR- Action required some monitoring but there are no real concerns or risks to the organisation.	11	10.52%	10.52%
Off Track – Action has stalled or is progressing slowly with corrective action required /potential risk to the organisation.	0		
Total number of Corporate Business Plan actions programmed for 2018-2019	95		

2: FINANCIAL RATIOS

Financial ratio benchmarks ensure acceptable standards of practice. The following table compares the Integrated Planning and Reporting Advisory Standard ratio benchmarks against the financial ratios achieved to date by the City of Busselton.

<i>Measure: "Standard" benchmark achieved as required by the Integrated Planning and Reporting Advisory Standard.</i>			TARGET: 100% achieved
Category	Ratio target	Ratio achieved	
Operating Surplus Ratio	>15%	42.9%	<i>Operating Surplus Ratio</i> The extent to which the revenue raised by the City covers our expenses and contributes to funding capital resources.
*Own Source Revenue Coverage	0.9%	1.7%	<i>Own Source Revenue Coverage</i> The City's ability to cover operating expenses from the revenue raised through our own resources. A ratio above 15% signals a degree of financial self-sufficiency that requires less external funds to fund City operations.
Current Ratio	≥ 1	9.76	<i>Current Ratio</i> The City's financial liquidity and ability to meet short term financial obligations by using cash or other assets not assigned for a specific purpose.
Debt Service Ratio	>5	17.8	<i>Debt Service Ratio</i> Measures our ability to generate sufficient cash to cover our debt payments.

**Own Source Revenue Coverage*

The own source coverage ratio recorded as at 31 December 2018 reflects the annual pattern of rates income received in the first quarter of 2018/2019. A lower ratio is normal at the end of a financial year due to a decline in rates income.

3: ASSET RATIOS

The Asset Sustainability Ratio is the extent to which the assets managed by a local government are being renewed or replaced as they reach the end of their useful lives.

<i>Measure: "Standard" benchmark achieved as required by the Integrated Planning and Reporting Advisory Standard</i>		TARGET: 100% achieved
Target	Ratio achieved	Target
90 to 100%	105%	Achieved

4: AIRPORT SERVICES

<i>Measure 1: Net cost compared to budget</i>			<i>TARGET: Budget Achieved</i>
	Operating income	Operating expense (including depreciation)	Net operating result (Surplus)/Deficit
Forecast budget	(\$ 532,215)	\$ 377,130	(\$ 155,085)
Actual budget	(\$ 540,535)	\$ 580,414	\$ 39,879
YTD variance (excluding commitments)	(\$ 8,320)	\$ 203,284	\$ 194,964

The projected operating income for the first six months of 2018-2019 at the Busselton Margaret River Airport is \$8,320 above the projected year to date budget. This is largely due mainly to grant funding from Tourism WA which was allocated for the Airline Engagement consultancy and larger than expected income from landing and passenger fees. The net operating result is significantly impacted by non-cash depreciation costs. With depreciation excluded, the net operating result is \$34,000 better than budget.

<i>Measure 2: Charter and Regular Passenger Transport (RPT) numbers</i>		<i>TARGET TREND: Increasing</i>
2017-2018 passenger numbers	2018-2019 passenger numbers	Trend
12,511	12,761	Achieved

5. GEOGRAPHE LEISURE CENTRE

<i>Measure 1: Net cost compared to budget</i>			<i>TARGET: Budget Achieved</i>
	Operating income	Operating expense (including depreciation)	Net operating result (Surplus)/Deficit
Forecast budget	(\$ 1,014,820)	\$ 1,774,536	\$ 759,716
Actual budget	(\$ 1,046,731)	\$ 1,705,301	\$ 658,570
YTD variance (excluding commitments)	(\$ 31,911)	\$ 658,570	(\$ 101,146)

The Geographe Leisure Centre is achieving budget and continues to perform well. Revenue increase compared to the same time in the previous year is due mainly to membership sales exceeding the year to date forecast by \$26,556, and operating expenses are being closely managed.

<i>Measure 2: Member numbers</i>		<i>TARGET TREND: Stable</i>
2017-2018 member numbers (July to Dec)	2018-2019 member numbers (July to Dec)	Target Trend
1,800	2,178	Increasing

<i>Measure 3: Member retention</i>		<i>TARGET : 55%</i>
2017-2018 average retention rate per month (July to Dec)	2018-2019 average retention rate per month (July to Dec)	Trend
51%	58%	Achieved

6. BUSSELTON JETTY TOURIST PARK

Measure: Net position better than budget		TARGET: Budget achieved	
	Operating income	Operating expenditure (including depreciation)	Net operating result (Surplus)/Deficit
Forecast budget	(\$ 664,494)	\$ 427,347	(\$ 237,147)
Actual budget	(\$ 648,541)	\$ 375,006	(\$ 273,535)
YTD variance (excluding commitments)	\$ 15,953	(\$ 52,341)	(\$36,388)

Revenue received is slightly less than the YTD budget. This is mostly attributed to the visitation rate in October which was well below expected. Expenditure is tracking as planned, with a number of maintenance works scheduled for completion following the high season in April. At the end of December 2018, the YTD net operating result of the tourist park is slightly better than budgeted.

7. COMPLAINTS

Measure 1: Number of complaints received per head of population		Target trend: Decreasing
2017-2018 number of complaints / population	2018-2019 number of complaints / population	Target Trend
$\frac{(10 / 37,673)^*}{1: 3,763}$	$\frac{(3 / 37,673)^*}{1:12,557}$	Achieved

**Population statistics are based on the 2016 Census released by the Australian Bureau of Statistics (ABS). The next population statistics will be released in March 2019.*

Measure 2: Number of complaints responded to	Target 100%:
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The City responded to the three complaints received during the period 1 July 2018 to 31 December 2018.

8. WASTE

<i>Measure: Percent of solid waste diverted from landfill (recycled/reused)</i>		TARGET TREND: 25%
2017-2018 % diverted from landfill	2018 - 2019 % diverted previous year	Target/Trend
25.1%	25.4%	Achieved

The figures reflect the percentage of domestic and commercial municipal solid waste diverted from landfill and is collected via the City's "green bin" system. The result achieved is typical of a mature two bin arrangement with domestic recycling available at waste facilities.

9. DEVELOPMENT ASSESSMENT

<i>Measure 1: 21 days to complete simple development applications)</i>		TARGET : 100%
Result	Target	
41.8%	Not achieved	
<i>Measure 2: 42 calendar days to complete standard development applications</i>		
60.3%	Not achieved	
<i>Measure 3: 70 calendar days to complete complex development applications</i>		
33.3%	Not achieved	

The combination of factors contributing to these results include the continuing high number of applications and enquiries received; the completeness of applications received; and the timeframes associated with the necessary referral of complex applications to State government agencies.

10. ENERGY USE

Measure: Energy plan targets determined by end of 2018-2019)

TARGET: To be advised

A draft Energy Master Plan is being developed. Targets will be determined at the end of the 2018 – 2019 financial year.

11. SAFETY

Measure: Lost time injury frequency rate (LTIFR)

TARGET: <15

2017-2018 Lost time injury frequency rate	2018-2019 YTD Lost time injury frequency	Target
18.1	19.9	Not achieved

While all lost time injuries experienced were of a low severity rating, thorough investigations were conducted to ensure causal factors and process improvements are identified.