



BEST VALUE ANNUAL REPORT

2005-06

BEST VALUE PROGRAM

Council has adopted a five-year program of Best Value Service Reviews in accordance with the requirements of section 208 of the Local Government Act 1989. This report provides information on Council's approach to Best Value and on the status and outcome of Best Value Service Reviews carried out in 2005-2006. Information on Council's approach to Best Value, and the timetable for the conduct of the service reviews, is located on Council's website, www.whitehorse.vic.gov.au under Policies and Publications.

A. Council's Approach to Best Value

Council is required by the Local Government Act to carry out reviews of all its services over the next five years. These reviews are expected to take account of the Best Value principles enshrined in Section 208B of the legislation, namely:

- 1 The need for services to deliver against agreed quality and cost standards.
- 2 Services being responsive to changing community needs.
- 3 Accessibility of services to those who need them.
- 4 Continuous improvement in the delivery of services.
- 5 Community consultation on services and activities.
- 6 Regular annual reporting to the community on Council's performance.

Furthermore, section 208C of the Act requires Council to take account of these factors when developing its quality and cost standards:

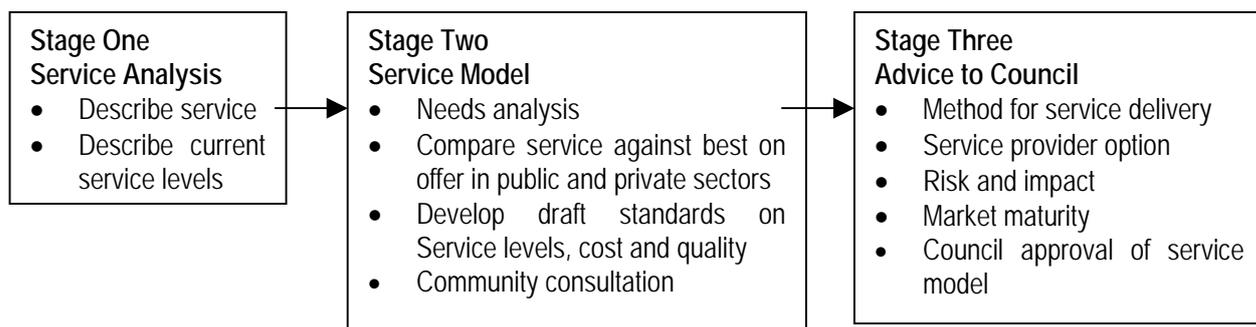
- 1 The best on offer in the public and private sectors.
- 2 Value for money.
- 3 Community expectations and values.
- 4 Balance of affordability and accessibility.
- 5 Opportunities for local employment growth.
- 6 Partnership building with other levels of government.
- 7 Environmental sustainability.

Three fundamental principles guide the implementation of Best Value at the City of Whitehorse, namely:

- 1 The Best Value process at the City of Whitehorse is used to ensure that all of the City's services and activities provide high quality and good value for money to the Community;
- 2 Council is committed to ensuring that, where appropriate, the services being provided by Council staff continue to be delivered internally unless it can be demonstrated that it would be better value to the community for these services to be provided by others; and
- 3 The Best Value process is implemented in accordance with the Victorian Government's Competitive Neutrality Policy Victoria 2000.

B. Conduct of Best Value Service Reviews

Each Best Value Service Review is conducted by the relevant work team, led by the manager of that team. Managers and teams are supported in this process through the use of a common review template and the provision of a central resource that provides information, advice and training. Service reviews have three distinct stages:



At the conclusion of each service review, Council receives a report that contains:

- a description of existing service standards and a proposed method of service delivery, with defined service levels and cost and quality standards that have been benchmarked and tested through consultation;
- an analysis of the service delivery options available, including an analysis of the maturity of the market, a risk assessment of each option and an assessment against Competitive Neutrality policy; and
- advice on the preferred service delivery option.

With the completion of Council's first 5-year program of reviews by June 2004, and in the light of the outcomes of the review of the Best Value Program, undertaken for the Victorian Government by the Best Value Commission, Council has reviewed its approach to the conduct of service reviews.

Council has found the service review process beneficial in enabling Council to ensure that its services meet the changing needs of the community and in providing an opportunity to compare its performance with like services in the public and private sectors. Whitehorse City Council will continue to apply the Best Value principles when conducting service reviews and continue to report to the community on the outcomes of its reviews through reports to Council and annual reports on the implementation of Best Value placed on Council's website.

In terms of the development of a program of reviews, Council will take a strategic approach to the conduct of reviews, identifying services for review on the basis of:

- Significance in achieving Council's strategic goals
- Capacity to lead to significant improvement in service delivery
- Changes in community satisfaction with the service
- Changes in community expectations or demands for the service
- Alterations in government policy that have major ramifications for service delivery
- The length of time that has lapsed since the previous review.

C. Progress of Service Reviews

Council had completed its 5-year program of service reviews by June 2004 (six months ahead of the legislated deadline of December 2005). In 2005/2006 Council conducted three service reviews as listed below:

Service	Commencement Date of Review	Status
Corporate Information/ Electronic Document Management	1 st quarter 2005/2006	Completed
Customer Service	1 st quarter 2005/2006	Completed
Street Sweeping	2 nd quarter 2005/2006	Completed

D. Outcome of Completed Service Reviews

The outcomes of the Best Value Service Reviews, completed in 2005-2006, are as follows:

Corporate Information

Council's Corporate Information service is part of the Information Systems Department. The objectives of the service are to:

- provide an effective Records management service that is responsive to all customers' requirements;

- ensure Council is complying with all legislation in relation to Information Privacy and the Public Records Acts; and
- create and maintain an effective electronic environment for managing Council's information.

Corporate Information provides a range of services, specifically:

- Administration and training in the use of Council's Document Management System;
- Opening and processing of incoming documents by 1.00pm daily
- Maintenance of Council's paper filing systems;
- Archival retrieval, appraisal and support services;
- Outwards correspondence processing;
- Processing of Privacy Act requests and ensuring Council's compliance with the Act. Provision of Privacy training.
- Ensure Council's information is handled in accordance with AS ISO 15489 –Records Management Standards.

The service is provided in-house by a team of eight staff at an annual cost to Council of \$621,788.

Response To Best Value Principles

BEST VALUE PRINCIPLES 208B(a)	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGETS		
		Year 1	Year 2	Year 3
Cost Standard	Continuation of the service within the existing recurrent budget, with increases to be made in line with Council's long term financial plan.	\$620,000	\$644,800	\$670,590
Quality Standard	Level of customer satisfaction with the services provided. Feedback will be sought on <ul style="list-style-type: none"> • Responsiveness of the Service • Reliability of the Service • Courtesy / Friendliness / Empathy • Mail distribution & collection • File generation, retrieval and storage • Trim system – ease of use • Integrity and Professionalism. 	90% plus	90% plus	90% plus

BEST VALUE PRINCIPLES	Action taken to apply the principle
208C Development of cost and quality standards	<p>Best on offer: Whitehorse participated in a benchmarking exercise auspiced by the Records Management Association of Australasia. Twenty councils responded to the survey and we used results from four councils that most closely resembled Whitehorse in terms of population, staffing and workload.</p> <p>We did not choose anyone in the private sector to benchmark with as they are not as strictly regulated in terms of legislation.</p> <p>The major findings of this benchmarking were that:</p> <ul style="list-style-type: none"> • Whitehorse had the second highest percentage of staff to total staff but delivered a higher service level. • Whitehorse provides a broader range of Records Management services. Whitehorse delivers an external courier service, which other councils do not. We also provide service to all areas across council and operate an internal Archive service. Most other Councils use outside providers for their external courier run and Archive service. • Councils who operate an electronic document management system across all Council offices require more staff than those that operate a paper-based system. <p>Value for money: Value for money was assessed firstly, by comparing the cost of the service with the service outcomes achieved, both in terms of services provided and levels of user satisfaction; and secondly, by comparing cost and quality outcomes through the benchmarking processes. It was concluded that the current service mix provides Council and the community with the most efficient use of its resources and positions Council well in terms of planning for the future.</p> <p>Community Expectations and Values: Community expectations and values were assessed through consultative processes that are reported below under Consultation.</p> <p>Affordability and accessibility: Affordability was defined as operating within the parameters of Council's long-term financial plan, which forms the basis for Council's annual budget and Strategic Resource Plan. The cost standard has been prepared within this framework. Accessibility issues were identified during consultation and reported below under Accessibility.</p> <p>Local employment: Council's Economic Development Strategy has identified that a major expectation of local businesses is the provision of timely and effective decision-making by Council. The provision of an Electronic document management system contributes to Council's overall capacity for good governance.</p>
208B(b) Responsiveness to community needs	<p>This Best Value Service Review Service sought the views of internal service users. Details of the consultation processes used are listed under Consultation.</p>
208B(c) Accessibility of service	<p>Corporate Information provides a diverse service that links the various worksites to the Civic Centre, namely:</p> <ul style="list-style-type: none"> • An external courier run daily; between 11.00 am and 1.00 pm • Two internal courier runs daily, at 10.00 am and 3.00 pm <p>The Unit is operational between 8.00 am and 5.30 pm Monday to Friday</p> <p>Consultation with staff on the introduction of an electronic document management system (EDMS) identified access and training needs. These issues are being addressed through a staged implementation of the EDMS.</p>

208B(d) Continuous improvement	The major continuous improvement objective for Corporate Information is the successful systematic introduction of EDMS across the organisation. Corporate Information has adopted a staged approach that involves consultation with staff prior to implementation; the development of an implementation plan with the relevant department; and the provision of training and support during and after implementation.
208B(e) Consultation with community	<p>In preparation for the introduction of an EDMS, Council contracted Enterprise Knowledge Pty Ltd to prepare an Information Management Strategy. Twenty-eight staff were interviewed as part of this project. The main project recommendations were:</p> <ul style="list-style-type: none"> ▪ Setting standards and a compliance regime for electronic recordkeeping ▪ Establishing roles and responsibilities for implementing this strategy, including reinventing the Records Management Unit and measuring outcomes. ▪ Using various technology tools and business processes to implement electronic recordkeeping throughout Council, including a corporate Electronic Document Management System (EDMS). <p>Representatives from various Departments were involved in the selection of the new EDMS. The evaluation team was made up of members of the Information Technology, Corporate Information, Customer Service, Rates and Planning and Building Departments.</p> <p>Three Departments currently use the EDMS and in response to their feedback, the following initiatives were undertaken:</p> <ul style="list-style-type: none"> • Workflow analysis was done for each core process • File structure development • All concerns and questions were answered and responded to. • Training was provided.
208B(f) Reporting to the community	Council reports on the progress of its Best Value service reviews in its Annual Reports. A copy of this report is located on Council's website, www.whitehorse.vic.gov.au , under Policies and Publications.

Customer Service

A review was carried out on Council's Customer Services practices as applied in Engineering & Environmental Services and in Traffic & Local Laws Departments during 2005. This review process is considered to be a continuous improvement process, and so similar reviews will be conducted in other departments in the coming year.

The stimulus for wanting to implement a service improvement program came in part from the 2005 Annual Community Survey, which produced findings that suggested customer service could be improved. These findings were:

- Less than half of the survey respondents (47%) received an answer to an enquiry from the Council within a week, down from 61% in 2004.
- One in five who had made a complaint never received an answer.
- That local laws (38%) and roads and footpaths (24%) were most common sources of enquiries/requests/complaints.
- Overall satisfaction with the Council's Customer Service was down from 83% in 2004 to 73% in 2005.

Response To Best Value Principles

BEST VALUE PRINCIPLES 208B(a)	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGETS		
		Year 1	Year 2	Year 3
Quality Standard	The quality standard will be Council's performance as measured in its annual survey of residents. The proposed quality standard is that Council achieves a minimum of 80% satisfaction in customer contact.	80%	80%	80%

BEST VALUE PRINCIPLES	Action taken to apply the principle																																																
208C Development of cost and quality standards	<p>Best on offer: Council's performance in relation to customer contact is superior to that of other Councils. Data from the annual survey of Victorians, conducted by the Victorian Government, indicates that Whitehorse City Council has consistently scored higher than both the Victorian average and the average of similar inner-Melbourne councils (see Table below).</p> <table border="1" data-bbox="448 501 1453 678"> <thead> <tr> <th data-bbox="448 501 783 539">Customer contact</th> <th colspan="5" data-bbox="788 501 1453 539">Average result (maximum score is 5)</th> </tr> <tr> <th data-bbox="448 539 783 577"></th> <th data-bbox="788 539 911 577">2001</th> <th data-bbox="916 539 1038 577">2002</th> <th data-bbox="1043 539 1166 577">2003</th> <th data-bbox="1171 539 1294 577">2004</th> <th data-bbox="1299 539 1453 577">2005</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 577 783 616">Whitehorse</td> <td data-bbox="788 577 911 616">3.89</td> <td data-bbox="916 577 1038 616">3.84</td> <td data-bbox="1043 577 1166 616">3.86</td> <td data-bbox="1171 577 1294 616">3.86</td> <td data-bbox="1299 577 1453 616">3.82</td> </tr> <tr> <td data-bbox="448 616 783 654">Group One</td> <td data-bbox="788 616 911 654">3.66</td> <td data-bbox="916 616 1038 654">3.66</td> <td data-bbox="1043 616 1166 654">3.65</td> <td data-bbox="1171 616 1294 654">3.73</td> <td data-bbox="1299 616 1453 654">3.71</td> </tr> <tr> <td data-bbox="448 654 783 678">Victoria</td> <td data-bbox="788 654 911 678">3.68</td> <td data-bbox="916 654 1038 678">3.67</td> <td data-bbox="1043 654 1166 678">3.65</td> <td data-bbox="1171 654 1294 678">3.71</td> <td data-bbox="1299 654 1453 678">3.70</td> </tr> </tbody> </table> <p>It is difficult to compare the cost of this service as the review has been examining the processes Council uses to resolve problems, complaints or enquiries received from residents. These processes are not unique to one department but occur across the entire organisation.</p> <p>Value for money: Value for money was assessed by comparing the service outcomes achieved, both in terms of services provided and levels of user satisfaction.</p> <p>Community Expectations and Values: Community expectations and values were assessed through consultative processes that are reported below under Consultation.</p> <p>Affordability and accessibility: Affordability was defined as operating within the parameters of Council's long-term financial plan, which forms the basis for Council's annual budget and Strategic Resource Plan. The cost standard has been prepared within this framework. Accessibility issues were identified during consultation and reported below under Accessibility.</p> <p>Local employment: Council's Economic Development Strategy has identified that a major expectation of local businesses is the provision of timely and effective decision-making by Council. The provision of an Electronic document management system contributes to Council's overall capacity for good governance.</p>	Customer contact	Average result (maximum score is 5)						2001	2002	2003	2004	2005	Whitehorse	3.89	3.84	3.86	3.86	3.82	Group One	3.66	3.66	3.65	3.73	3.71	Victoria	3.68	3.67	3.65	3.71	3.70																		
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208B(b) Responsiveness to community needs	Council continues to review its service provision in this area in the light of changing patterns of resident usage and changing policy/regulatory settings. Details of the consultation processes used are listed under Consultation.																																																
208B(c) Accessibility of service	<p>Residents are able to bring issues of concern to Council's attention at any time of the day or night. Apart from telephone calls to Council during normal office hours, an after hours and weekend service is provided through Link Communications. Resident can also email the Council directly through a contact address at Council's website. Council's research indicates that the telephone is by far principal means of communication used by residents in communicating with Council (see table below).</p> <table border="1" data-bbox="448 1626 1485 1935"> <thead> <tr> <th data-bbox="448 1626 767 1693"></th> <th data-bbox="772 1626 895 1693">2001 %</th> <th data-bbox="900 1626 1023 1693">2002 %</th> <th data-bbox="1027 1626 1150 1693">2003 %</th> <th data-bbox="1155 1626 1278 1693">2004 %</th> <th data-bbox="1283 1626 1485 1693">2005 %</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1693 767 1731">Telephone</td> <td data-bbox="772 1693 895 1731">80</td> <td data-bbox="900 1693 1023 1731">81</td> <td data-bbox="1027 1693 1150 1731">88</td> <td data-bbox="1155 1693 1278 1731">77</td> <td data-bbox="1283 1693 1485 1731">80</td> </tr> <tr> <td data-bbox="448 1731 767 1769">In person</td> <td data-bbox="772 1731 895 1769">18</td> <td data-bbox="900 1731 1023 1769">18</td> <td data-bbox="1027 1731 1150 1769">20</td> <td data-bbox="1155 1731 1278 1769">29</td> <td data-bbox="1283 1731 1485 1769">24</td> </tr> <tr> <td data-bbox="448 1769 767 1807">Letter</td> <td data-bbox="772 1769 895 1807">16</td> <td data-bbox="900 1769 1023 1807">21</td> <td data-bbox="1027 1769 1150 1807">12</td> <td data-bbox="1155 1769 1278 1807">19</td> <td data-bbox="1283 1769 1485 1807">17</td> </tr> <tr> <td data-bbox="448 1807 767 1845">Email</td> <td data-bbox="772 1807 895 1845">4</td> <td data-bbox="900 1807 1023 1845">4</td> <td data-bbox="1027 1807 1150 1845">2</td> <td data-bbox="1155 1807 1278 1845">5</td> <td data-bbox="1283 1807 1485 1845">9</td> </tr> <tr> <td data-bbox="448 1845 767 1883">Resident Request Card</td> <td data-bbox="772 1845 895 1883">16</td> <td data-bbox="900 1845 1023 1883">11</td> <td data-bbox="1027 1845 1150 1883">1</td> <td data-bbox="1155 1845 1278 1883">6</td> <td data-bbox="1283 1845 1485 1883">5</td> </tr> <tr> <td data-bbox="448 1883 767 1921">Fax</td> <td data-bbox="772 1883 895 1921">4</td> <td data-bbox="900 1883 1023 1921">2</td> <td data-bbox="1027 1883 1150 1921">1</td> <td data-bbox="1155 1883 1278 1921">1</td> <td data-bbox="1283 1883 1485 1921">2</td> </tr> <tr> <td data-bbox="448 1921 767 1935">Other</td> <td data-bbox="772 1921 895 1935">1</td> <td data-bbox="900 1921 1023 1935">1</td> <td data-bbox="1027 1921 1150 1935">-</td> <td data-bbox="1155 1921 1278 1935">1</td> <td data-bbox="1283 1921 1485 1935">-</td> </tr> </tbody> </table>		2001 %	2002 %	2003 %	2004 %	2005 %	Telephone	80	81	88	77	80	In person	18	18	20	29	24	Letter	16	21	12	19	17	Email	4	4	2	5	9	Resident Request Card	16	11	1	6	5	Fax	4	2	1	1	2	Other	1	1	-	1	-
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208B(d) Continuous improvement	A Cross Functional Strategic Committee (CFSC) was established to support, facilitate and monitor this project, and to facilitate the ongoing Customer Service Improvement program over the next several years.																																																

	<p>This project was conducted as a pilot in three phases: Phase 1: Train selected staff in the service improvement team method. Phase 2: Support and develop two pilot team service improvement projects. Phase 3: Evaluate the project and report.</p> <p>Two pilot project teams were established to test the team based Service Improvement (SI) method. Both teams had the guidance of a Council facilitator, with overall guidance and facilitation assistance provided externally by Australian Continuous Improvement Group (ACIG). The two service areas chosen (Engineering & Environmental Services and Traffic & Local Laws) both have high volumes of customer requests and it was felt the lessons of the approach and any recommendation would be applicable to other services in the organisation. Each department has developed a specific set of actions that will be implemented in the coming year.</p>												
208B(e) Consultation with community	<p>Council's annual survey of residents indicated that Council's performance has been inconsistent in the area of responsiveness to enquiries, requests and complaints (see table below).</p> <table border="1" data-bbox="448 734 1481 857"> <thead> <tr> <th>Service</th> <th>2001</th> <th>2002</th> <th>2003</th> <th>2004</th> <th>2005</th> </tr> </thead> <tbody> <tr> <td>Response to enquiries/ complaints</td> <td>70%</td> <td>63%</td> <td>79%</td> <td>83%</td> <td>73%</td> </tr> </tbody> </table> <p>In Council's annual survey of residents, residents are asked for comments/suggestions regarding how their enquiry was handled by staff at the City of Whitehorse. In 2005, 53 responded as follows:</p> <ul style="list-style-type: none"> • Council staff helpful/cooperative (30%, up from 14% in 2004) • Respond quickly/promptly (25%, up from 8% in 2004) • Should answer queries/return calls (15%, up from 8% in 2004) • Staff attitude poor/disinterested 4% (8% in 2004) • Other 23% (41% in 2004) • No suggestions 21% (25% in 2004). 	Service	2001	2002	2003	2004	2005	Response to enquiries/ complaints	70%	63%	79%	83%	73%
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Street Sweeping

Council's street sweeping service is delivered through a fixed term contract by an external provider. The current tender expired on 30 June 2006, so a review of the service was undertaken as part of the preparation for, and conduct of, a new tender. Council's City Works Department manages the street sweeping contract. The cost of the contract in 2005/06 was budgeted at \$675,000.

Response To Best Value Principles

BEST VALUE PRINCIPLES 208B(a)	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGETS		
		Year 1	Year 2	Year 3
Cost Standard	2006/07 cost to Council for the annual delivery of the street sweeping contract adjusted by CPI each year (assumed at 3% pa)	\$675,000	\$695,250	\$716,108
Quality Standard	Maintain a minimum of 80% in resident satisfaction as measured by Council's annual resident survey.	80%	80%	80%

BEST VALUE PRINCIPLES	Action taken to apply the principle
208C Development of cost and quality standards	Best on offer: Council benchmarked its cost standards through a public tender process for the new street sweeping contract and compared its quality through a benchmarking of services delivered in neighbouring councils. The benchmarking with other Councils revealed that the level of street sweeping service provided by Whitehorse City Council compares favourably with surrounding Councils and compared to most, provides a higher level of service during autumn.
	Value for money: Value for money was assessed through the public tender process for Council's street sweeping contract. Tenderers were asked to quote of three service scenarios and the successful tenderer is considered to have allocated sufficient and suitable plant and field staff to deliver the required service.
	Community Expectations and Values: Community expectations and values were assessed through consultative processes that are reported below under Consultation.
	Affordability and accessibility: Affordability was defined as operating within the parameters of Council's long-term financial plan, which forms the basis for Council's annual budget and Strategic Resource Plan. The cost standard has been prepared within this framework. Accessibility issues were identified during consultation and reported below under Accessibility.
	Local employment: Council's Economic Development Strategy has identified that a major expectation of local businesses is the provision of hard infrastructure as such infrastructure contributes to the desirability of the municipality as an investment site. The provision of quality infrastructure maintenance contributes to Council's overall provision of hard infrastructure.
208B(b) Responsiveness to community needs	Council continues to review its service provision in this area in the light of changing patterns of community and business needs. City Works dealt with 691 customer requests between 2002 and 2005 for street sweeping services and reviewed its heavy leaf service in August/September 2005 in the light of resident requests. The new service will increase the provision of services with increased cleaning of car parks in parks and reserves and in major shopping centres. The implementation of the Road Management Act 2004 requires Council to prepare a Road Management Plan that commits Council to provide services at a level satisfactory to the community and ensuring that the physical infrastructure is

		properly maintained. Council's Road Management Plan adopted in October 2004 provides a framework for the future standard of provision of this service.
208B(c)	Accessibility of service	City Works interacts with residents regularly, through face-to-face contact while on the job, phone calls, e-mails, requests and follow up for additional works. City Works dealt with an annual average of 230 customer requests on street sweeping. Industry benchmarking suggests that Whitehorse City Council receives above average requests for infrastructure maintenance from its residents
208B(d)	Continuous improvement	It is proposed that continuous improvement will be achieved through compliance with the inspection and maintenance standards as in Council's Road Management Plan. At the same time, the new contract increases the provision of services, particularly to commercial centres.
208B(e)	Consultation with community	<p>Community consultations were conducted through Whitehorse annual resident survey and the Road Management Plan. The Council's annual community survey and State wide annual survey were used to survey residents about their general satisfaction of the quality of street sweeping services. The Road Management Plan contains the inspection & maintenance standards of the various assets were published for comment in August/September 2004 as required in the Road Management Act.</p> <p>Overall the survey results were consistently high, with 80% or more of residents satisfied with the service. No comment was received on the maintenance standards of Council's assets proposed in the Road Management Plan when this was published for comment in August/September 2004. Council adopted the Road Management Plan on 25 October 2004.</p>
208B(f)	Reporting to the community	Council reports on the progress of its Best Value service reviews in its Annual Reports. A copy of this report is located on Council's website, www.whitehorse.vic.gov.au , under Policies and Publications.

BEST VALUE REPORTING ON PERFORMANCE

Kerbside Waste Collection and Recycling*Performance in fifth year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE										EXPLANATION FOR VARIANCE	
		Target 2001-2002	Actual 2001-2002	Target 2002-2003	Actual 2002-2003	Target 2003-2004	Actual 2003-2004	Target 2004-2005	Actual 2004-2005	Target 2005-2006	Actual 2005-2006		
Cost Standard	Service costs per tenement per year:												Tip fees for domestic garbage less than anticipated Cost to introduce recycling service to commercial and small businesses less than anticipated Increase of H & G service due to new contract to collect mattresses
	Domestic Garbage	\$56	\$42.75	\$45	\$42.40	\$53	\$46.60	\$50	\$48.48	\$53.00	\$50.04		
	Recycling	\$30	\$28.27	\$28	\$26.69	\$26	\$28.17	\$30	\$28.68	\$38.68	\$33.90		
	Hard and Green Waste	\$13	\$11.90	\$12	\$10.65	\$10	\$ 9.98	\$12	\$10.74	\$15.32	\$16.15		
	All services	\$99	\$82.92	\$85	\$79.74	\$89	\$84.75	\$92	\$87.90	\$107.00	\$90.09		
Quality Standard	Waste Services Users' Satisfaction Survey	95%	91%	95%	89%	95%	86%	90%	86%	90%	91%	Recycling satisfaction increased by 8% due to successful implementation of the new recycling service. (G = 93%, R = 89%) Figures used for Nov, Dec & Jan were typical monthly average complaint levels for that time of year rather than the actual. A major transition period for recycling drivers was undertaken at that time and new collection routes were established.	
	Complaints per 10,000 users	411	458	355	321	390	370	370	364	416	391		

Fleet Management*Performance in fourth year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE								EXPLANATION FOR VARIANCE
		Target 2002-2003	Actual 2002-2003	Target 2003-2004	Actual 2003-2004	Target 2004-2005	Actual 2004-2005	Target 2005-2006	Actual 2005-2006	
Cost Standard	Vehicle maintenance costs set at 1.2 cents per km traveled	1.2 cents per km traveled	0.63 cents per km	1.2 cents per km travelled	0.69 cents per km	1.2 cents per km travelled	0.91 cents per km	1.2 cents per km travelled	1.9 cents per km travelled	The maintenance rate has increased due to all Council's passenger vehicles now being serviced at dealerships. Although more expensive there are several major benefits including, up to date expertise accredited by the manufacturer and deemed to satisfy all warranty requirements; in the majority of cases nearby more convenient access to the service outlet; and freeing up time in the small mechanical workshop to concentrate on keeping plant operational.
	Plant & equipment costs kept at \$490,000 pa as per the 2001/2002 budget (growth limited to increases defined by Council's long term financial plan)	\$490,000 pa	\$455,535	\$505,000	\$519,344	\$520,000	\$576,156	\$535,000	\$611,286	Plant costs have outstripped the expected 3% cost increase target

Quality Standard	Maintain 80% plus rating in customer satisfaction on all four key service features – courtesy, repair quality, understanding customer needs and value for money.	80%	Courtesy 96% Repair Quality 89% Customer needs 94% Value 88%	80%	Courtesy 95% Repair Quality 88% Customer needs 92% Value 88%	80%	Courtesy 94% Repair Quality 88% Customer needs 91% Value 87%	80%	Courtesy 90% Repair Quality 85% Customer needs 87% Value 88%	Customer satisfaction continues to exceed targets
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Corporate Services

Performance in fourth year

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE								EXPLANATION FOR VARIANCE
		Target 2002- 2003	Actual 2002- 2003	Target 2003- 2004	Actual 2003- 2004	Target 2004- 2005	Actual 2004- 2005	Target 2005- 2006	Actual 2005-2006	
Cost Standard	Annual IT equipment ownership per device is \$2,700 pa (adjusted by CPI)	\$2700	\$2474	\$2781	\$2582	\$2500	\$2295	\$2180	\$2089	Aiming for a 5% reduction annually
Quality Standard	Maintain 95% customer satisfaction on five key service features – helpdesk service, timeliness of response, effectiveness of response, systems availability, adequacy of IT tools.	95%	96%	95%	98%	95%	98%	95%	96.5%	

Arts & Cultural Services:*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		TARGET 2003/04	ACTUAL 2003/04	TARGET 2004/05	ACTUAL 2004/05	TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	To meet or improve annual budget targets. Whitehorse Centre: Council's annual subsidy of \$69,751	\$69,751	\$67,592	\$72,771	\$236,515	\$76,264	\$297,994	The program structure has altered since the targets were first set. Since 2004/05 the Whitehorse Centre has provided additional catering services which have resulted in increased expenditure. This year the Whitehorse Centre also managed several Commonwealth Games events requiring additional expenditure that had not been considered as part of Best Value targets.
	Box Hill Community Arts Centre: \$73,065 (adjusted by the parameters of Council's long-term financial plan).	\$73,065	\$43,806	\$76,426	\$78,729	\$75,562	\$71,651	
Quality Standard	Maintain customer satisfaction at or above: Whitehorse Centre: 90% overall Box Hill CAC: 70% at excellent	90% 70%	96% 74%	90% 70%	95% 76%	90% 70%	98% 70%	

Active Leisure Centres*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2004/05	Actual 2004/05	
Cost Standard	Cost to Council in its subsidy per visit and cost to consumer reflected in fees per visit, adjusted by Council's long-term financial plan parameters Aqualink Box Hill (AQBH): subsidy per visit: consumer cost per visit Aqualink Nunawading (AQN): subsidy per visit: consumer cost per visit							
		\$0.62	\$0.18	\$0.65	\$0.00	\$0.68	\$0.00	Both centres produced a surplus and so did not require a subsidy from Council. Variation in average consumer unit cost was effected by changes in patronage, which decreased at Box Hill (thus increasing the unit cost) and increased at Nunawading (thus decreasing the unit cost) compared to previous year's actuals.
		\$3.95	\$4.30	\$4.11	\$3.64	\$4.27	\$4.39	
		\$0.89	\$0.91	\$0.93	\$0.74	\$0.97	\$0.00	
		\$3.00	\$6.38	\$3.12	\$4.81	\$3.25	\$4.66	
Quality Standard	Maintain customer satisfaction at or above latest CERM survey result AQBH AQN							
		5.46	5.54	5.46	5.60	5.46	5.60	
		5.38	5.65	5.38	5.90	5.38	6.10	

Community facilities*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Cost per hour of service (adjusted by parameters of Council's long-term financial plan): Box Hill Town Hall: Nunawading Community Centre:	\$53 \$23	\$0 \$20	\$56 \$50	\$0 \$54	\$59 \$52	\$0 \$51.23	
Quality Standard	Maintain customer satisfaction as measured in annual CERM survey Box Hill Town Hall: Nunawading Community Centre:	5.6 5.8	5.7 6.05	5.6 5.8	6 6.1	5.6 5.8	6.2 6.1	

Long Day Care:*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Net annual cost to Council per childcare place of no greater than \$2,700	\$2700	\$2,300	\$2700	\$2,290	\$2700	\$2,568	Expenditure and Income base are stronger than the projections cast in 2002.
Quality Standard	Achieve maximum level of accreditation	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	

Family Day Care*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Net annual cost to Council per childcare place of \$223, and to be reduced over the next five years	\$223	\$209	\$207	\$213	\$207	\$581	There are 3 key reasons: <ul style="list-style-type: none"> • A drop in the number of Childcare place EFTs due to the difficulty in recruiting care providers to replace vacancies in 2005 and 2006. • A real term loss in grant and service income of \$46K resulting from the change in Commonwealth funding arrangements and the reduction in childcare capacity. • Just over \$20K in additional costs resulting from increased workcover premiums and salary.
			<u>Net Cost</u> \$48,257		<u>Net Cost</u> \$50,071		<u>Net Cost</u> \$116,253	
			<u>EFT</u> 231		<u>EFT</u> 235		<u>EFT</u> 200	
Quality Standard	Achieve full national accreditation	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	

Maternal & Child Health*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Annual net cost to Council of program to be no greater than \$538,000, adjusted each year by parameters of Council's long term financial plan	\$538,000	\$649,000	\$554,140	\$715,000	\$570,764	\$807,895	Report prepared in 2002. Since then: <ul style="list-style-type: none"> • Salary EBA increases for 3 year period \$43K greater than projected. • Additional staff added to the program under EBA (1.4EFT) above the level funded for by DHS in 2003 = \$105K. • \$30k increase in salaries due to award change - qualification allowance. • \$40K in additional relief costs required due to long term S/L of several staff. • \$35K increase in workcover, cleaning/ancillary costs
Quality Standard	Maintain 95% customer satisfaction	95%	90%	95%	90%	95%	88%	The program continues to operate at a very high standard.

Youth Services*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Net annual cost to Council of program be no greater than \$318,500 adjusted by parameters of Council's long term financial plan	\$318,500	\$321,727	\$328,055	\$363,000	\$337,897	\$408,165	Report prepared in 2002. Since then: <ul style="list-style-type: none"> • Salary EBA increases for 3 year period \$13K greater than projected. • 0.5EFT additional staffing included to address increased workloads - \$30K. • Real term reduction in external funding over the last 3 years greater than offset in expenditure - \$27K.
Quality Standard	Maintain client satisfaction at or above 85%	85%	84%	85%	85%	85%	78%	The Team has achieved outstanding results for the community culminating in the development of the Youth Plan this year and great feedback received from clients and positive coverage in the media during the year. This achievement has not been reflected to the level expected with the general community survey result.

Environmental Health*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Net annual cost to Council of program is no greater than \$354,837, adjusted each year by parameters of Council's long term financial plan	\$354,837	\$303,835	\$365,482	\$338,000	\$376,446	\$374,183	
Quality Standard	Maintain customer satisfaction with immunization program at or above 94%	94%	95%	94%	96%	94%	97%	Excellent result for the immunisation team

Building Services*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Cost of building permits (adjusted annually in accordance with Council's long-term financial plan): Dwelling additions to value of \$105,000: Dwelling additions /new dwellings exceeding \$105,000: Multi Unit Developments:							
		\$430	\$430	\$450	\$700	\$470	\$970	The increase in fee level was required to make the service financially sustainable.
		\$500	\$500	\$520	\$1200	\$540	\$1200	
		\$900	\$900	\$940	\$1500	\$980	\$1500	
Quality Standard	Building permits: 85% completed within 10 days Swimming pool inspections: 90% responded to by next working day	85%	75%	85%	85%	85%	85%	
		90%	75%	90%	90%	90%	90%	

Traffic Management*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Cost per hour of service: \$30.92, adjusted by parameters of Council's long-term financial plan	\$30.92	\$31.08	\$32.34	\$31.43	\$33.83	\$32.91	Transport team continues to operate within target levels.
Quality Standard	Maintain customer satisfaction at or above 70%	70%	74%	70%	70%	70%	72%	Transport team continues to operate within target levels.

Traffic & Local Laws*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	The cost standard for the service is the cost per hour of service after VicRoads subsidy is received. The current cost of \$10.81 per hour should be kept within the parameters of Council's long-term financial plan.	\$10.81	\$12.16	\$11.31	\$11.41	\$11.83	\$12.29	Increase in cost due to reducing subsidy levels
Quality Standard	Compliance with the requirements of Vic Roads Agreement for the training and performance of Supervisors and the maintenance of Council's eligibility to receive the VicRoads subsidy.	Complied	Complied	Complied	Complied	Complied	Completed	

Human Resources*Performance in third year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE						EXPLANATION FOR VARIANCE
		Target 2003/04	Actual 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Annual cost per EFT employee of \$1,067, adjusted each year by parameters of Council's long-term financial plan	\$1,067	\$1,182	\$1,115	\$1,153	\$1,167	\$1,294	Costs exceeded budget due to increased advertising and recruitment costs associated with a tighter labour market.
Quality Standard	Maintain a minimum of 70% customer satisfaction	70%	77%	70%	75%	70%	82%	Improved result reflects increased focus on customer service

Open Space*Performance in second year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE				EXPLANATION FOR VARIANCE
		Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Total Street Tree Mgt Cost / Resident Total Street Tree Mgt Cost / Tree Total Street Tree Mgt Cost / Km	\$6.90 \$14.32 \$1510	\$7.15 \$14.85 \$1,565.60	\$7.23 \$15.01 \$1582	\$6.84 \$13.40 \$1,495.36	Expenditure has reduced but tree total stock has increased with a revised estimate
Quality Standard	Maintain customer satisfaction as measured by the benchmarked results from the annual IOSS Park User Satisfaction Survey at above Metropolitan average of 7.3.	7.8	7.8	7.8	Not available	Survey for 05/06 delayed until November 06

Civic Services*Performance in second year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE				EXPLANATION FOR VARIANCE
		Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	Cost of the service (adjusted annually in accordance with Council's long-term financial plan):	\$904,850	\$858,002	\$859,999	\$789,678	Reorganisation of permanent part-time hours to better fit service centre coverage, resulting in a reduction in casual hours. Temporary closure of Box Hill Service Centre during the renovation works at Box Hill Town Hall.
Quality Standard	Achieve a minimum of 80% satisfaction as measured in the statewide survey on resident satisfaction with customer contact	80%	84%	80%	85%	

Business Relations*Performance in second year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE				EXPLANATION FOR VARIANCE
		Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	The average unit cost (spend per business) adjusted by parameters of Council's long-term financial plan	\$52.82	\$52.16	\$58.01	\$57.60	
Quality Standard	The Business Monitor survey will provide the performance measurement tool for this standard. The key indicators of quality will be: 1. A minimum satisfaction level with Council's service of 85% 2. An overall positive outlook for the local economy.	85% positive	82% positive	85% positive	84% positive	These are indicative figures as the analysis of the survey data has not been finalised.

Capital Works*Performance in second year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE				EXPLANATION FOR VARIANCE
		Target 2004/05	Actual 2004/05	Target 2005/06	Actual 2005/06	
Cost Standard	The percentage of total capital works project costs that are allocated to project management and design (for civil/urban design projects under \$500,000)	5.5%	5.5%	5.5%	7.3%	Higher reliance on external consultants as the complexity of the projects increased. The requirements to comply with legislation eg Disability Discrimination Act resulted in more project management on a range of projects.
Quality Standard	Completion of 96% of capital works projects on time Minimum of 85% satisfaction with condition of roads, as measured in the Council's annual community survey.	96%	93%	96%	94%	
		85%	90%	85%	87%	

City Works*Performance in first year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE		EXPLANATION FOR VARIANCE
		TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	2003/2004 unit cost to Council for the footpath, pot hole repair, pit cleaning, pipe clearing and street sweeping) adjusted by parameters of Council's long-term financial plan:			
	Make safe footpath	\$45/Joint	\$38/Joint	The drop in unit cost is due to increased number of footpaths made safe. 1702 footpath joints were made safe in 2005/06 compares to 1157 made safe in 2003/04. Since the implementation of Council Road Management Plan in January 2005, a structured footpath inspection program has been implemented. More medium risk trip hazards were detected through this new inspection program. This together with the changes to the way works are allocated to the in-house Asphalt crew has lead to increase in the number of footpath made safe.
	Pothole repair	\$41/Sq M	\$42/Sq M	The slight increase in unit cost is mainly due to the cost of meeting OH &S requirement for undertaking works on roads – more time required to set up signs, etc.
	Pit cleaning	\$25.60/Pit	\$37/Pit	The unit cost for pit cleaning has increased even though the number of pits cleaned in 2005/2006 is slightly more than in 2003/2004. This increase is mainly due to additional works required to comply with OH &S requirements.
	Pipe clearing	\$3.90/Lin M	\$8.90/Lin M	The increase in unit cost for pipe cleaning is due to additional works required to comply with OH &S requirements and the increased cost of maintaining the pipe cleaning truck. The belt on the pipe cleaning truck was broken several times. This has lead to more costly repairs and down time. Council's mechanic is investigating different type of belt system to replace the existing one.
	Street sweeping	\$26/Km of Kerb	\$24.20/Km of kerb	The efficiency level of the street sweeping service has increased which lead to more kilometres of kerbs swept in 2005/2006 whilst the cost of providing this service only increased slightly.
Quality Standard	Maintain 2004 state wide annual community scores of 3.23 for local	3.23	3.4	The 2006 state wide annual community satisfaction survey shows a slight increase in the scores for roads & footpath and for the appearance of public

	roads and footpath and appearance of public places.	3.61	3.7	places. This improvement can be attributed to improvements in the cleaning resources and in work practices.
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Aged & Disability

Performance in first year

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE		EXPLANATION FOR VARIANCE
		TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	Cost per unit of service delivered (adjusted annually in accordance with Council's long-term financial plan):	\$24.50	\$24.63	The Increase of 0.5% relates to additional staffing salary and travel allowance costs based on the annual targets
Quality Standard	Achieve a score greater than 17.4 in the national HACC accreditation benchmark of certification	>17.4	Achieved 20 in first accreditation	No further HACC NSI accreditation audits undertaken during 05-06.

Residential Care*Performance in first year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE		EXPLANATION FOR VARIANCE
		TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	The cost per resident bed per day, with costs contained within the parameters of Council's long term financial plan	\$88.50	\$100.76	Increased staffing costs associated with ageing in place and increased care requirements for residents and statutory compliance requirements.
Quality Standard	To successfully obtain The Aged Care Standards and Accreditation Agency benchmark of Accreditation certification for a three-year period.	3-year accreditation	3 Year certification gained for NCH and DRH	ACAS Agency audits conducted for both hostels in 05-06 resulted in full compliance and maintenance of a further 3 year accreditation certification through until 2008-09

Building maintenance*Performance in first year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE		EXPLANATION FOR VARIANCE
		TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	Maintain operating budget within parameters of Council's long-term financial plan (based on 2004/05 base)	\$1.5 million	\$1,768 million	<p>Reactive maintenance in General buildings was over spent due additional requests by \$172,865 because of unscheduled repairs to failed Sewers and Stormwater and other significant repair projects, including:</p> <ul style="list-style-type: none"> ➤ Replacing carpet at Blackburn Library, and ➤ Replacing ceiling at Nunawading Aqualink. <p>Additional costs incurred in the consultancy account and Contracts & Services \$143,396 due to the number of contract requiring renewals, including a review of the service and the contract documentation.</p>
Quality Standard	Achieve internal client satisfaction of 80% on each of three aspects – service provision, performance and quality.	80%		Not Measured

Planning*Performance in first year*

BEST VALUE PRINCIPLES	KEY PERFORMANCE INDICATOR	PERFORMANCE		EXPLANATION FOR VARIANCE
		TARGET 2005/06	ACTUAL 2005/06	
Cost Standard	The cost standard for the service is the net cost to Council per planning application and maintained within parameters of Council's long-term financial plan (based on 2004/05 base)	\$946	\$890	Number of applications has increased since 2004/05 from 901 to 947, thereby reducing the unit cost per application.
Quality Standard	Maintain a level of community satisfaction as measured by the DVC statewide survey above State average (score of 2.95 in 2004)	>2.95	3.1	Council has achieved its target of a result that is higher than the State average level of resident satisfaction.