

FinPro Member Update – Edition 12, 2021

Hello all,

Hope you are all having a great week, and have something planned to look forward to over the weekend. Sydney is 4 and 0 – so I am happy!

Fantastic to be seeing some draft budgets being released and Revenue and Rating Plans being considered by Councils. I'm sure over the next month we will see many more. For those councils who have already gone live, no doubt there is a bit of a sense of relief. Congratulations! We will be completing a survey in the coming weeks about the financial impacts being considered by Councils like we did last year. The survey was one of the most popular we did and provided Councils and State Government with great insights into the pressures being faced by Councils along with the initiatives different Councils are proposing.

Next Thursday the FinPro Executive team is coming together in person (woohoo) for the first time in over 12 months to complete a planning day and plan for the months ahead. It looks very positive that we will return to in person for some of our PD events and in particular, our October conference. If you have any ideas of what FinPro should be looking at doing in 2021, please flick these through to [Gab](#).

Cheers, *Bradley*

Bradley Thomas
President FinPro
(Interim CEO Hepburn Shire)

Membership News

Four new members have joined us from the City of Melbourne – Welcome:

- **Melanie Odendaal** - Acting Director Property
- **Tony Orso** - Team Leader - Property Data
- **Shannon MacDonald** - Manager Rates
- **Jeremy McCartin** - Valuations Program Manager

Congratulations to **Ian Butler** who has moved from Moreland CC to Yarra Ranges SC to take up a role there as Executive Officer Finance.

Thank-you to our 2021 Corporate Partners

- Commonwealth Bank
- CT Management
- .id informed decisions
- MAGIQ Software
- LG Solutions
- VOTAR Partners
- Vision Super
- Westpac

We also welcome onboard as Corporate Partners, the team from .id Many of you may recall that Keenan Jackson from .id gave a very informative presentation on the Economy at our online February PD Day. The group are valued by the sector and we look forward to partnering in future projects with the team at .id



Technical Update

Local Government Act Implementation Update

The new Local Government Act 2020 is the most ambitious reform to the local government sector in over 30 years. The Act will improve local government democracy, accountability and service delivery for all Victorians.

The FinPro Local Government Act 2020 Working Groups have completed their respective projects:

- Model Accounts (for year-end 30.6.21)
- Model Budget (for year-end 30.6.22)
- Long Term Financial Plan (The Financial Plan), and
- Revenue and Rating Strategy

Copies of each of the documents are available now on the [LGV website](#)

In order to keep up to date with the Implementation of the Local Government Act 2020 go to <https://engage.vic.gov.au/local-government-act-2020> for all LG Act information.

LGV recently distributed no. 18 of the 'Implementation Matters Newsletter'. This is a fantastic source of information and we encourage all our members to subscribe to it via the link above.

LGV Connects 10:30am 22 April 2021 – [register now!](#)

Our next LGV Connects session is scheduled for 22 April 2021 and you can register to attend [here](#). This session will focus on procurement and the changes the 2020 Act has on councils in relation to the delivery of a procurement policy. We have put a panel together comprising the following:

- Leah Mwaura – Procurement Advisor, Mitchell Shire Council
- Judith Bird – Contracts and Procurement Coordinator, Benalla Rural City Council
- Shelley Starrenburg – Manager Strategic Procurement and Property, Knox City Council

Our panel will talk all things procurement from thresholds for tendering through to processes councils need to have in place when section 186 of the 1989 Act is no longer available to them. This is a session not just for procurement officers but for a range of council staff to understand the reforms and how it may impact on how they do their jobs in a new procurement environment.

Dates for future events like this are:

- LGV Connects: 22 April
- LGV Connects: 20 May
- LGV Connects: 8 July
- LGV Connects: 19 August
- LGV Connects: 14 October
- LGV Connects: 9 December

Looking ahead for the year

In 2021 there are a number of important elements that each council needs to have in place as required under the Local Government Act 2020.

LGV aims to support you throughout the year but if there are particular pieces below that you would like us to focus on then please contact us via email LGAct@ecodev.vic.gov.au

April 2021

- [Gift Policy](#) – 24 April 2021

June 2021

- [Councillor Induction Training](#) to be completed within 6 months from affirmation or oath of office
- [Annual Budget](#) – 30 June 2021
- [Revenue and Rating Plan](#) – 30 June 2021

October 2021

- [Financial Plan](#) – 31 October 2021
- [Council Plan](#) – 31 October 2021
- [Community Vision](#) – 31 October 2021
- [Annual Report](#) – 31 October 2021

December 2021

- [Chief Executive Officer Employment and Remuneration Policy](#) – 31 December
- [Workforce Plan](#) – 31 December
- [Recruitment Policy](#) – 31 December
- [Staff Code of Conduct](#) – 31 December
- [Complaints Policy](#) – 31 December
- [Procurement Policy](#) – 31 December

2022

- [Asset Management Plan](#) – 30 June 2022

Local Government Act 2020 Requirements

Section 102 of the Local Government Act 2020 (Act 2020) states that a Council must prepare and adopt financial policies that give effect to the financial management principles. Within the Act 2020, Councils are required to develop and adopt a Financial Plan, Revenue and Rating Plan, Budget and a Procurement Policy. In the spirit of a principles-based legislation and the approach taken for implementation, LGV do not intend to regulate any additional financial policies. However, individual councils may wish to consider their policy position around:

- Treasury Management (Borrowings and Investment)
- Revenue and Debt Collection
- Procurement and Delegations
- Reserve Management
- Budget Management
- Performance Reporting

If your council has a policy that you are willing to share with FinPro members, please direct it to Gab who will place it on our Resources Page on the FinPro Website.

Member Questions

One of the ways we assist our members is by convening an online forum through Yammer. Generally, we find that if one person asks a question, there are always a lot of other members pondering the same question.

The forum is free for all FinPro members – if you would like to be included in this forum please send [gab](mailto:gab@finpro.org.au) an email and she will join you up. Otherwise, the link is this one for Yammer: <https://www.yammer.com/finpro/#/home>. Why not jump on and say hello or ask a question that's been on your mind?

Some of the current conversations on the forum have been:

Question: Wondering if anyone can assist with the understanding LGA Sec 115 in regards to lease of land. I have been asked where should this be disclosed in the model budget but I am unable to find it in the doc or the summary of changes doc. Any assistance will be appreciated.

Answers:

Monash: We are listing all proposed leases for 2021/22 in a table in the draft budget, just after the rating sections. The Model Budget does not make provision however we see it as an opportunity under S115 which will avoid having to declare them during the year.

Colac Otway: My understanding is that the Act does not require you to disclose existing leases, just leases proposed to be entered into during the budget year. As this is not always known at the time of adopting the budget, if any lease matching the s.115 criteria comes up during the year, then you would need to undertake the community engagement.

Question (and comment): Wondering what arrangements other LGA's have for paying annual leave loading. Do you pay loading when annual leave is taken or accumulate it to pay in an annual lump sum? Does anyone actually pay loading to the employees as leave is accrued not when taken (ie. pay loading in advance of taking the annual leave)? Any feedback will be greatly appreciated.

Also, a huge thank you to all who have replied to my previous questions. I'm always blown away by the level of support and sharing available in this network.

Example of answers (over 15 provided):

Ballarat: We pay based on when they take leave (unless it is annualised banding which is available in our EBA which means it's paid based on when it's accrued by adding it to the hourly payrate - annualise banding for us also includes 2 hours per week for overtime and can also include additional \$\$ if they choose not to have RDO's)

Bendigo: Bendigo pays leave loading at the employees' anniversary date for the annual leave accrued for the 12 months, and exception to this is our Aged care employees as they are paid loading when they take leave.

Mitchell: Mitchell pays annual leave loading when leave is actually taken.

However, I have experienced when it is paid on work anniversary and another instance where leave loading is paid annually for the prior year's leave accrued (paid during December).

Banyule: Banyule pays loading on AL accrued on the anniversary of each employee's commencement (Or part year on termination).

Question: Wondering how other Councils are going about the community engagement process for the annual budget now s223 is no longer applicable?

Example of answers

Banyule: Banyule is following an informal s223 process. i.e., out for public consultation from tomorrow until 11 May (still applied the 28 days). submissions will be heard and considered at a Council meeting prior to adoption of the Budget (and Revenue and Rating Plan). The only difference is that we have not advertise in the Age and through keeping the process informal terminology has been relaxed slightly - we notified residents through our 'bi-monthly Banner' (magazine of what on across the municipality), website, social media, forums and through the Councillors.

Moreland: We held a public consultation period for 4 weeks in Feb/March to hear the community's ideas on what should be included in the budget. This included several pop-up sessions, as well as digital engagement. We then held an informal Budget Ideas Forum where community members talked with Councillors about their ideas. The community feedback is aimed to ensure the Councillors priorities are aligning with the community. Then we will draft the 4-year Budget based on community input and exhibit the draft for 14-days for community feedback in May 2021 and have another hearing of submissions.

FBT – Providing a work car to employees

Although FBT isn't always at the top of our priority lists, it can sometimes drop off the radar. As we all know, keeping up to date with the information though is extremely important.

The following information has been provided to us from the ATO and is shared here for your information:

Providing a work car to your employees?

Find out if you need to pay fringe benefits tax (FBT).

Providing a work car to your employees can be a great incentive.

If you provide a car to an employee for their private use, you may need to pay fringe benefits tax (FBT).

You make a car available for private use by an employee on any day that the car is either:

- actually used for private purposes by an employee
- available for the private use of the employee.

A car is considered available for your employee's private use when it is:

- used to travel to and from work
- not at your premises and they are allowed to use it for private purposes
- garaged at their home - regardless of whether they have permission to use it for private purposes.

For FBT purposes, a 'car' includes:

- a sedan or station wagon
- any other goods-carrying vehicle with a carrying capacity of less than one tonne, such as a panel van or utility (including four-wheel drive vehicles)
- any other passenger-carrying vehicle designed to carry fewer than nine passengers.

If you're not sure if you're providing a car fringe benefit, our virtual introductory sessions can help. You can register by selecting a date and time that suits you.

Next steps:

- [Register for an Employer: Introduction to car fringe benefits session](#)
- [Registering for FBT](#)

Find out about:

- [Car fringe benefits](#)
- [Fringe benefits tax - exempt motor vehicles](#)
- [Reporting, lodging and paying FBT](#)

Current positions advertised on the FinPro Website

- **Coordinator Financial Reporting and Operations**
- Greater Bendigo City Council
- <https://www.bendigo.vic.gov.au/About/Working-at-the-City-of-Greater-Bendigo/Current-vacancies>
- If you require any further information regarding this position, please contact Nathan Morsillo, Manager Financial Strategy on 0407 152 256.
- Applications close COB 20 April 2021

- **Business Services Accountant (12-month parental leave position)**
- Borough of Queenscliffe Council
- <https://www.queenscliffe.vic.gov.au/council/the-organisation/career-opportunities>
- For further enquiries please contact Gihan Kohobange, Manager – Financial Services, on (03) 5258 1377 or 0439 579 601.
- Applications close 4:00pm on Monday 19 April 2021.

- **Manager Finance**
- Surf Coast Shire
- <https://www.surfcoast.vic.gov.au/About-us/Working-with-us/Employment/Manager-Finance>
- For further enquiries please contact John Bertoldi on 5261 0600.
- Applications close 5pm on 25 April 2021

- **Director Corporate Services**
- Ballarat City Council
- <https://www.seek.com.au/job/51970762?type=standout>
- For a confidential discussion, please contact Andrew Prestage, Executive Manager People and Culture on 0418 119 447.
- Applications close midnight 25 April 2021

FinPro Executive Team 2021

President

Bradley Thomas (Hepburn SC)

Vice-President – Chair Professional Development

Binda Gokhale (Wyndham CC)

PD Committee Members

Alan Wilson (Melbourne CC)

Belinda Johnson (Southern Grampians SC)

Charles Nganga (Casey CC)

John Brockway (Surf Coast SC)

Melissa Baker (South Gippsland SC)

Vice-President – Chair Technical

Tony Rocca (Maroondah CC)

Technical Committee Members

Danny Wain (Monash CC)

Fiona Rae (Golden Plains SC)

Mark Montague (Whittlesea CC)

Nathan Morsillo (Greater Bendigo CC)

Simone Wickes (Frankston CC)

Wei Chen (Yarra CC)

Secretary / Treasurer

Gabrielle Gordon

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