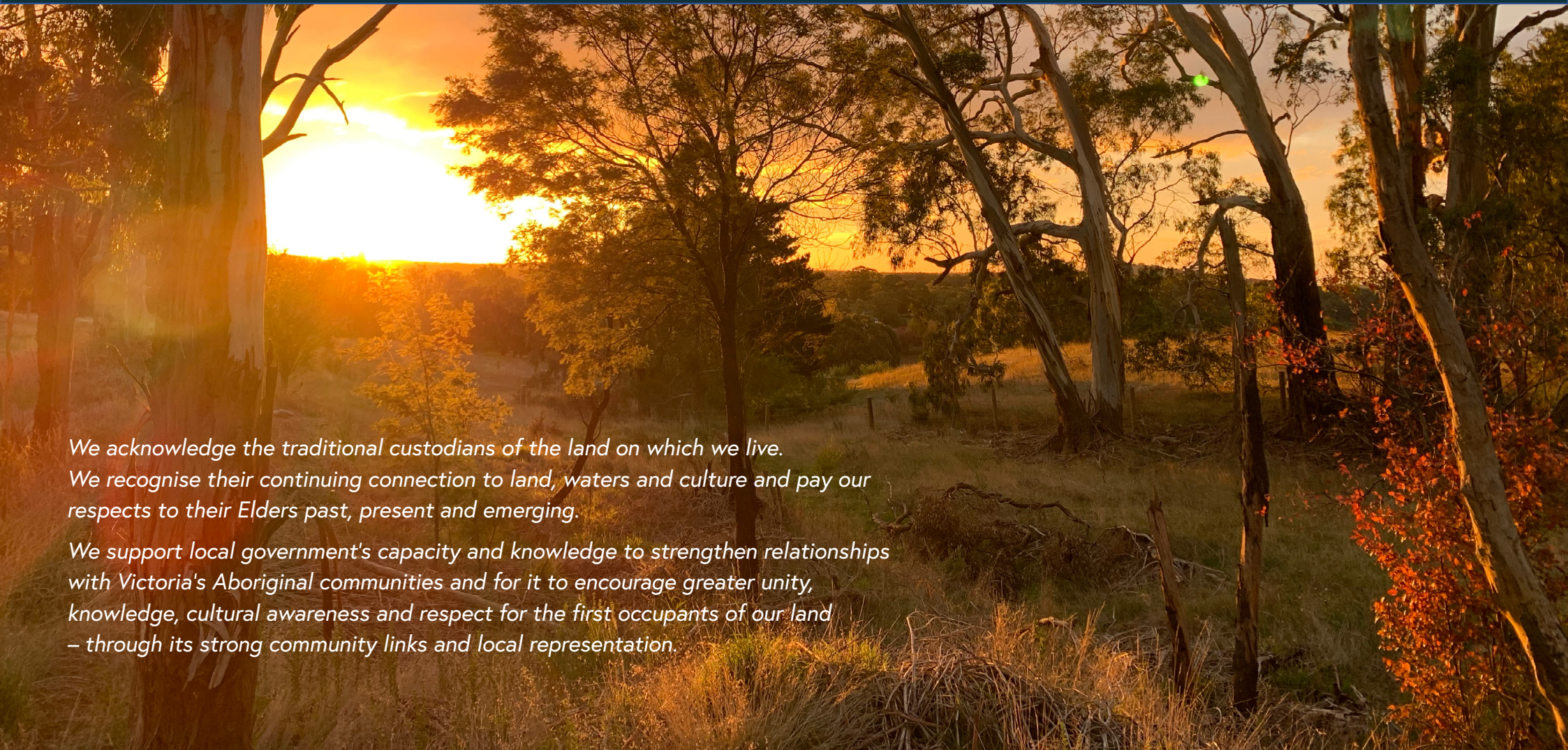




Annual Report Summary 2020

Acknowledgment of Country



*We acknowledge the traditional custodians of the land on which we live.
We recognise their continuing connection to land, waters and culture and pay our
respects to their Elders past, present and emerging.*

*We support local government's capacity and knowledge to strengthen relationships
with Victoria's Aboriginal communities and for it to encourage greater unity,
knowledge, cultural awareness and respect for the first occupants of our land
– through its strong community links and local representation.*

The voice for local government

The Municipal Association of Victoria (MAV) is the legislated peak body for Victoria's 79 councils.

The MAV is an influential force, supporting a strong and strategically positioned local government sector. Our role is to represent and advocate the interests of local government, lobby for a 'fairer deal' for councils, raise the sector's profile, ensure its long-term security and provide policy advice, strategic advice, capacity building programs and insurance services.

The MAV is a membership association, accountable to its constituent members through State Council and an elected Board. Membership of the MAV is discretionary, and participation in our insurance schemes, procurement program, events and other activities is voluntary.

In 2019-20 all 79 Victorian councils were members of the MAV.

[Read more about the MAV's 141 year history on our website.](#)



Message from the President

From devastating bushfires to a global pandemic that forced our wonderful state into various stages of lockdown – these really were extraordinary and difficult times.

The *Local Government Act 2020* received Royal Assent on 24 March, marking a new era for the sector. The MAV supported the reforms that improve processes and outcomes for councils, residents and ratepayers. Following our strong advocacy, the Commission of Inquiry reform did not proceed. We supported the expansion of electoral structures available to rural councils but remain concerned by mandated single-member wards for metropolitan councils and regional cities.

We actively participate in the Australian Local Government Association (ALGA). Two priority areas remain restoring financial assistance grants to 1% of Commonwealth tax revenue and establishing a local roads investment program. We welcomed the Commonwealth Local Roads and Community Infrastructure program to assist with local economic activity in the face of COVID-19, but are concerned by the replacement of COAG with a national cabinet without the ALGA president.

The MAV ensured councils were well represented on State Government emergency management and public health working groups during response, relief and recovery from both the bushfires and COVID-19 and communicated promptly with Councils and councillors.

I am proud to report that in addition to progressing the priorities and objectives of our Strategic Plan, the MAV also positively influenced State and national responses to the bushfires and global pandemic, helping councils to support their communities and businesses through the crises.

The capability and influence of the MAV is underpinned by our network of specialised committees, boards, working groups and taskforces. During 2019-20, MAV adapted its networks, services and programs to an online operating environment, while supporting the health and wellbeing of its staff and members, expanding its communication channels to councils, and progressing an ambitious change agenda across all areas of our business.

This [Annual Report Summary 2020](#) provides an overview of the MAV's performance highlights, along with a summary of our financial position, our Strategic Plan outcomes and our governance representatives. Four supporting documents complete our *Annual Report 2019-20*:

- [MAV Board and Governance Report 2019-20](#)
- [MAV Financial Report 2019-20](#)
- [MAV Occupational Health and Safety Report 2019-20](#)
- [MAV Strategic Plan Outcomes Report 2019-20](#).

Whilst the last six months have been difficult for many of us, I am proud of the additional support the MAV has provided to its member councils at this challenging time, while also delivering the significant funding, advocacy, efficiency and capability gains for councils outlined in our performance highlights. I am pleased to present this Annual Report.



Cr Coral Ross
President



Message from the CEO

Your MAV team has worked tirelessly in 2019-20 to support, represent and advocate on behalf of councils in the face of the Bushfire and emerging COVID-19 emergencies.

We started the 2019-20 year with a full agenda including further organisational improvements, commencing engagement for review of the MAV rules, and expanding our program to include more online events, information sessions and workshops to build sector capacity, engagement and resilience.

In addressing the objectives of our Strategic Plan, we strongly advocated for the interests of member councils, particularly in regard to the Local Government Bill, the Ratings System Review, waste and resource recovery initiatives and emergency management initiatives. We also represented the sector in two Royal Commissions and delivered awareness initiatives to support community care, promote gender equity and champion respect for women in our communities.

The MAV responded quickly to the bushfire and pandemic emergencies facilitating practical assistance for bushfire-affected councils with our *Human Resource Sharing Database*, as well as representing councils on State-level operational committees, emergency management and public health working groups. We influenced State Government policy on COVID-19 recovery initiatives; provided clear public health advice to councils as well as up-to-date information and analysis on the public health response and recovery planning through weekly forums and other

communications channels. We facilitated sharing of information, processes and resources for business continuity through our strong online networks and developed a new program of free online forums, training and collaboration events for members.

Our comprehensive organisational review continued with changes implemented in several business areas, while proposed changes to our LMI insurance scheme were progressed in consultation with the sector.

MAV WorkCare completed its second full year of operations with outstanding member satisfaction survey results, underpinned by its strong focus on self-insurance needs specific to local government.

2019-20 has been a year like no other. I would like to thank the hard-working MAV team who have worked closely with the sector to ensure that we used our limited and valuable resources on the highest council priorities during this extraordinary reporting period.

The outcomes presented in this Annual Report reflect our small team's determination to fully support our members through the most challenging of times.



Kerry Thompson
Chief Executive Officer



The MAV Board

President



Cr Coral Ross

Deputy President (Rural)



Cr Ruth Gstrein

Deputy President (Metro)



Cr Jami Klisaris



Cr Murray Emerson



Cr Josh Gilligan



Cr Malcolm Hole



Cr Jennifer Anderson



Cr Ronald Janas



Cr Rohan Leppert



Cr Sean O'Reilly



Cr Peter Perkins



Cr Mike Symon



Cr Nathan Hansford

Board member
profiles are provided
in the accompanying
**Board & Governance
Reports 2019-20**

MAV Insurance Board

Rob Spence, John Bennie, Cr Murray Emerson,
Michael Guilmartin, Kate Reid, Bruce Richards,
Cr Coral Ross, Dr Katrena Stephenson,
Kerry Thompson, Kerrie Williams, Paul Woodhouse.

MAV WorkCare Board

Marilyn Duncan, Prue Digby, Janet Dore,
Cr Nathan Hansford, Cr Coral Ross,
Rob Spence, Kerry Thompson, Michael Ulbrick.

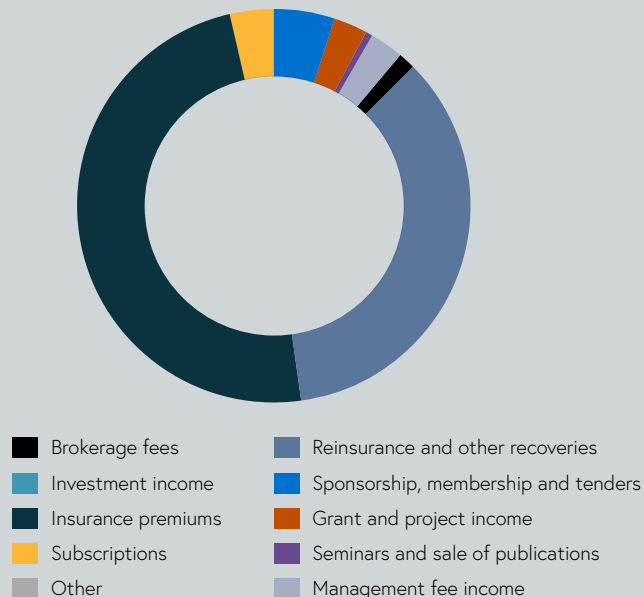
Details about our
governance
performance are
available for viewing
and download [here](#).



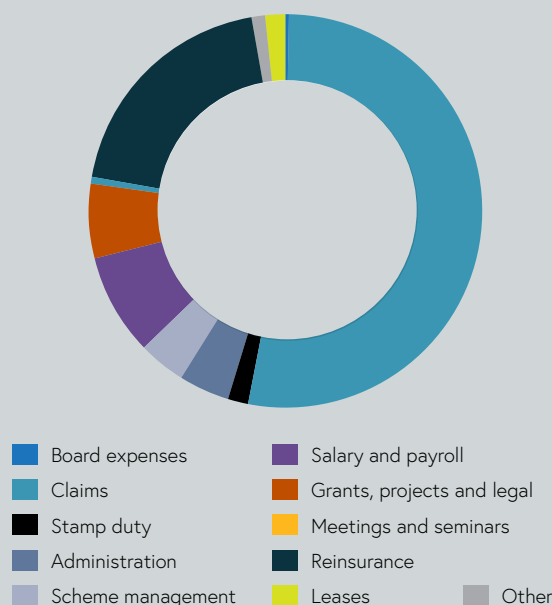
Summary of financial results for the year ended 30 June 2020

In accordance with the requirements of the *Municipal Association Act 1907*, and applicable accounting standards; the economic activity of the MAV, MAV Insurance and MAV WorkCare is reported to members as an economic entity within the combined annual accounts. The combined activities are shown as the combined accounts and the MAV, being the parent entity, is shown as the MAV General Fund. The LGE Health Plan is reported to members separately.

Revenue by category 2019-20



Expenditure by category 2019-20



Detailed Financial Reports for MAV, MAV Insurance, MAV WorkCare and LGE Health Plan are available for viewing and download [here](#).



Summary of financial results for the year ended 30 June 2020 (continued)

MAV Combined

The MAV financial statements include the activities of MAV Grants, Projects and Events, MAV Insurance and MAV WorkCare.

The financial result of the MAV Combined entity for 2020 was a deficit of \$4.3 million (2019 deficit of \$5.0 million) with net assets decreasing from \$1.8 million to (\$2.5 million). The results include:

- A small surplus resulting from the MAV General Fund
- A surplus resulting from MAV Insurance
- A deficit resulting from MAV WorkCare due to investment performance.

Consistent with the 2020-21 budget, it is expected that MAV Combined will achieve an operating surplus in 2020-21 and return to a positive asset position in 2021-22.

MAV Insurance

The combined MAV Insurance operating surplus for 2019 was \$0.284 million, resulting in a return to a positive asset position at 30 June 2020 of \$0.200 million.

The Commercial Crime Scheme returned a modest operating surplus in line with budget.

The LMI Scheme produced a surplus of \$0.280 million, returning to a positive asset position of \$0.093 million at 30 June 2020. The Scheme increased Net Premium Income by \$3.3 million with Net Claims Expenses increasing by \$1.7 million for the year.

MAV Insurance expects the asset position to moderately improve during 2020-21.

MAV WorkCare

MAV WorkCare's results were impacted by the net investment loss during 2019-20 as a result of the decline in investment markets due to COVID-19.

At 30 June 2020, MAV WorkCare had \$63.9 million in cash and investments being five times the value of the net claims expense for 2019-20. MAV WorkCare recorded an operating deficit of \$4.711 million bringing the net asset deficiency position at 30 June 2020 to \$9.338 million (a ratio of assets to liabilities of 90%). Net premium income was \$15.4 million and the net claims expense was \$12.8 million.

MAV WorkCare expects the asset position to improve during 2020-21 and to achieve a positive asset position within five years.

Detailed Financial Reports for MAV, MAV Insurance, MAV WorkCare and LGE Health Plan are available for viewing and download [here](#).



Performance Highlights

FUNDING

We helped councils to address financial sustainability by securing funding certainty, reducing red-tape reporting costs and exploring new funding streams and savings opportunities.



\$100 million for recycling infrastructure, market development and education campaigns.



\$4.5 million for the Municipal Emergency Resourcing Program.



\$100 million for the Local Roads and Community Infrastructure program.



\$3.7 million for the Officers for the Protection of the Local Environment (OPLE) program.



\$1.3 million for tobacco control and enforcement.

Note: The performance highlights presented in this Report represent outcomes achieved by the MAV in collaboration with numerous stakeholder groups including councils, the Australian Local Government Association, industry groups, unions, and state and federal government departments.

REPUTATION

We improved the reputation of local government by raising the profile of sector issues, influencing government policy reviews and reforms, and improving our information and campaigns.



Local Government Act
Positively influenced reforms to Local Government Bill.



Advocacy, representation and communications during **Bushfires and Covid-19 Pandemic**.



Represented local government before the **Royal Commission into Aged Care Quality and Safety**.



Respect for Women
Call it out – 16 days of activism campaign.



Celebrating achievement
the MAV Councillor Service Awards and MAV Technology Awards for Excellence.



Fix Community Care
advocacy campaign.

EFFICIENCY

We improved sector productivity by strengthening procurement practices; encouraging sharing of services, technology and business processes, and addressing capacity and capability challenges.



Bushfire support:
MAV Human Resource Sharing Database
results in 200 deployments to bushfire-affected councils.



Container Deposit Scheme
Influenced the delivery of the CDS as part of our *Rescue our Recycling Action Plan*.



Articulated a credible advocacy position for councils in response to the **Local Government Rating System Review**



Improving skills
Delivered a program of in-person and online training opportunities.



Expert advice
Initiated policy development and provided advice to councils across a range of council areas of responsibility

INNOVATION

We encouraged innovation and collaboration by driving business transformation, addressing digital access and equity issues, and enabling innovation partnerships.



Virtual Council Meeting advice & advocacy
Including *MAV Virtual Council Meetings Guidance Paper*.



MAVTV online program
A series of free Collaboration Cafés, workshops and industry-partnered webinars.



Yammer networking
Hosted sector-wide private networking groups for more than 700 council officers.



Facilitating collaboration
Workshops, information sessions and partnership discussions.



Exploring opportunities for **sharing of services**.



Design thinking
Addressing common council pain points in new ways.

Performance Highlights

ADVOCACY AND MEMBER ENGAGEMENT

We increased and improved our advocacy and engagement activities and outcomes.



More than 200 key stakeholder meetings attended by MAV President, CEO and/or Director of Policy and Advocacy.



79 tailored member benefits reports to member councils.



7,251 delegates participated in more than 100 professional development events including workshops, forums, conferences, training programs and information sessions.



69 Bulletins & Newsletters Regular communications to subscribing members, councillors and CEOs.



7,241 Subscribers to MAV bulletins and newsletters.

COMMUNITY ENGAGEMENT

We strengthened our community engagement to improve the reputation of local government.



263,116 visitors to the viccouncils.asn.au website (an increase of 259 per cent).



11 case studies & mayoral blogs shared on our Vic Councils website.



Total media exposure of 182,000 from 1 July 2019 to 30 June 2020 (up 60% from previous year).



40,905 social media followers up from 22,847 in 2018-19.



Council jobs promoted through 263,000 page views of *Council Careers Victoria* in partnership with LinkedIn.

Followers growth *Council Careers Victoria*.

12,255
2018-19

26,531
2019-20

PROCUREMENT SERVICES

We improved council capability through strategic aggregated procurement activities.



39 Leap Program participants assisting councils to identify cost savings and efficiency opportunities in procurement.



13 Public Tender programs undertaken, including:

- six National Procurement Network collaborations; and
- two new to market tenders in collaboration with member councils.



All 79 member councils used and gained cost savings through our procurement services.



Continuous Improvement development and delivery of the third annual Procurement LEAP White Paper.

INSURANCE AND WORKCARE SERVICES

We reduced council exposure to risk with insurance offerings tailored specifically for local government.



212 members MAV insurance including Victorian and Tasmanian councils, associations, libraries and water authorities.



\$27.6 million paid in MAV insurance Claims



More than 1,000 advice requests for legal matters and help desk queries regarding claims, risk, policy and underwriting.



31 members MAV WorkCare after two years of operation.



734 injured workers received benefits. **\$12.4 million** paid to injured workers.



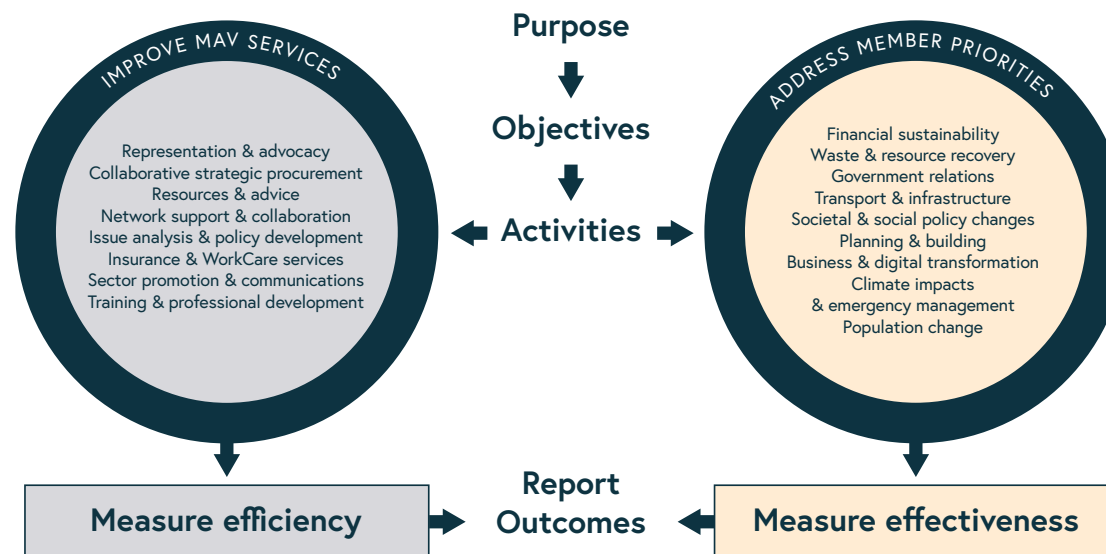
90.16% injured workers returned to work within 6 months.

Strategic Plan outcomes overview

The MAV Strategic Plan 2019-21 guides our work program.
The issues and actions within it have been determined in consultation with our member councils.

We report annually on the value delivered to each member council through our advocacy efforts and their participation in our programs, activities and services. We measure and report on efficiency gains achieved through process improvements at MAV; and on our progress in addressing the ten objectives on the following page against their three corresponding measures.

The success of the MAV stems from its people and we pride ourselves on our small team of expert and dedicated staff and consultants who work with various stakeholders to ensure our members' needs are met.



The MAV Strategic Plan 2019-21 is available for viewing and download [here](#).



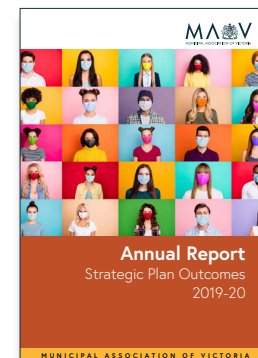
NOTE: The following two pages provide an overview of activities relating to our Strategic Plan, as well as our response to changes to the Local Government Act, preparation for the 2020 Council elections and unplanned activities arising as a result of two extraordinary events that occurred in the reporting period: the 2019-20 Victorian Bushfires and the COVID-19 Pandemic.

Strategic Plan outcomes overview

Planned activities

Member Priority	Agreed objective	Outcomes*
FINANCIAL SUSTAINABILITY	Lead the development of an evidence base and policy roadmap to inform a sustainable financial model for local government.	✓✓✓
WASTE & RESOURCE RECOVERY	Be a trusted advisor to councils and lead advocacy for investment and reform to the waste and resource recovery system to expedite the transition to a circular economy.	✓✓-
GOVERNMENT RELATIONS	Lead the agenda on sector priorities and elevate these with State and Federal Government to advance the interests of our communities.	✓✓✓
TRANSPORT & INFRASTRUCTURE	Evaluate available evidence to develop a policy and advocacy framework that prioritises community connectedness and economic viability.	✓✓✓
SOCIETAL & SOCIAL POLICY CHANGES	Facilitate local government creation and support of resilient and cohesive communities, with fair and equitable access to universal community services.	✓✓✓
PLANNING & BUILDING	Planning and building regulatory systems serve the interests of communities and respect the role of local government.	✓✓✓
BUSINESS & DIGITAL TRANSFORMATION	Lead and facilitate sharing of best practice and innovation that improves community engagement, business efficiency and equity of infrastructure and access for all councils.	✓✓✓
CLIMATE IMPACTS & EMERGENCY MANAGEMENT	Advocate for government leadership and investment that supports councils and communities to mitigate and remain resilient to climate-related impacts and emergencies.	✓✓✓
POPULATION CHANGE	Advocate for assistance for councils to manage the impacts of population growth and decline.	✓✓-
IMPROVE OUR PROCESSES	Improve our business, governance and communication processes to increase efficiency, leverage partnerships, strengthen engagement, address capability gaps.	✓✓✓

More details on our Strategic Plan outcomes is available for viewing and download [here](#).



*Self-assessed. Unplanned activities relating to our response to bushfires and COVID-19 impacted our ability to complete planned member surveys in 2019-20.

Beyond the Plan

BUSHFIRES

- Representing councils on State-level operational committees including the *State Emergency Management Team* and *State Relief & Recovery Team*.
- Supporting council resource-sharing by developing the *MAV Human Resource Sharing Database* to log offers of assistance to bushfire-affected councils. Fifty-four councils logged offers on the database and close to 200 deployments were facilitated through this process.
- Working with *Bushfire Recovery Victoria* and councils on strategic recovery planning, including representing councils on the *Premier's Advisory Council*.
- Working closely with the *Victorian Building Authority* to ensure fire affected buildings were assessed by appropriately qualified professionals.

COVID-19 PANDEMIC

- Representing councils on State Government emergency management and public health working groups in response, relief and recovery from COVID-19.
- Advocating for the critical council work to support communities and businesses through the COVID-19 crisis, including appearing at the Public Accounts and Estimate Committee.
- Providing clear public health advice to councils through lockdowns in Melbourne and regional Victoria to support delivery community services.
- Influencing State Government policy and guidelines on outdoor activation of the hospitality industry as part of COVID-19 recovery.
- Providing up-to-date information and analysis on the public health response and recovery planning, through weekly forums and other communications channels.
- Facilitating sharing of technical information, processes and resources for business continuity during lockdowns.
- Developing a new program of online forums and events.

More details on our Strategic Plan outcomes is available for viewing and download [here](#).



Detailed Reports



This MAV Annual Report Summary 2020 is supported by more detailed information that can be accessed at <https://www.mav.asn.au/news-resources/publications/2020-annual-report> or by clicking on the report covers above.



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