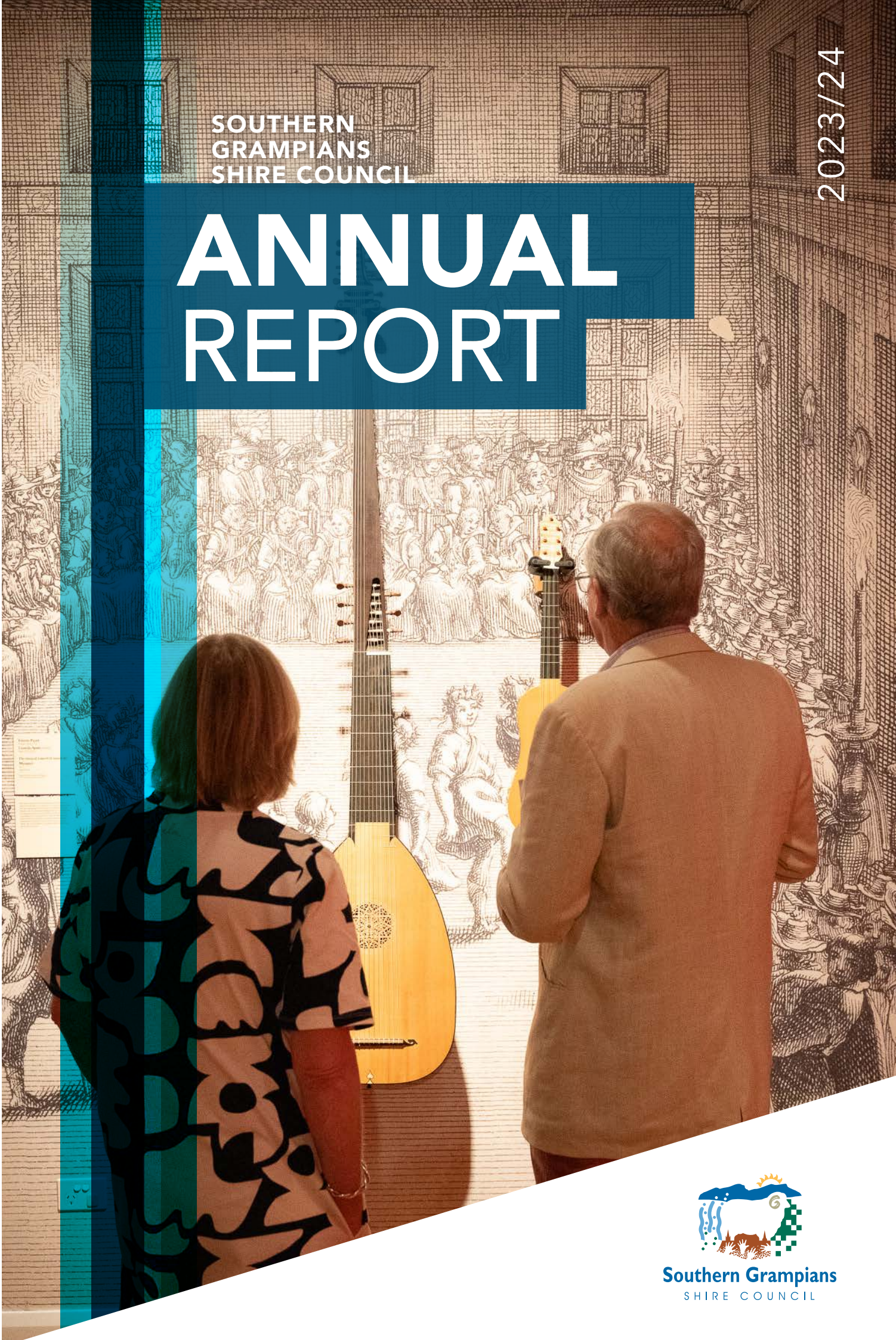


SOUTHERN  
GRAMPIANS  
SHIRE COUNCIL

2023/24

# ANNUAL REPORT



Southern Grampians  
SHIRE COUNCIL





### ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Southern Grampians Shire Council acknowledges that our shire is on the traditional lands of the Gunditjmara, Tjap Wurrung, Jardwadjali and Buandig people.

We recognise the important ongoing role that Aboriginal and Torres Strait Islander people have in our community and pay our respects to their Elders, past, present and emerging.







# CONTENTS

04	About This Report
06	Shire Profile
08	Our Council
09	Our Services
10	Mayor's Report
12	CEO's Report
13	Fast Facts
14	Year at a Glance
19	Financial Summary
24	Major Capital Works
28	Major Achievements
32	Major Changes
33	Community Grants
34	Our Council
35	Councillor Profiles
36	Representation
38	Our Organisation
40	Our People
44	Our Performance
45	Strategic Objective One
53	Strategic Objective Two
58	Strategic Objective Three
62	Strategic Objective Four
67	Strategic Objective Five
72	Corporate Governance
83	Financial Information

# ABOUT THIS REPORT

**Southern Grampians Shire Council is pleased to present the 2023/24 Annual Report to our community. This report provides a comprehensive account of Council's achievements for the past year, together with challenges and aspirations for the future.**

It details our performance against our commitments as set out in the Council Plan 2021-25 and provides an analysis of our financial performance. This report also demonstrates the breadth of our operations and the diversity of services delivered daily to the Southern Grampians community.

We hope you enjoy reading about the journey of Southern Grampians Shire during the financial year of 2023/24.

## WHERE TO GET A COPY

To obtain a hardcopy of the Annual Report, please contact Council's Brown Street Customer Service Centre on the details below.

The content of the Annual Report is reviewed each year and your feedback is invited and can be completed via email to [council@sthgrampians.vic.gov.au](mailto:council@sthgrampians.vic.gov.au) or by a letter addressed to:

Chief Executive Officer  
Southern Grampians Shire Council  
Locked Bag 685, Hamilton VIC 3300

## COUNCIL OFFICES

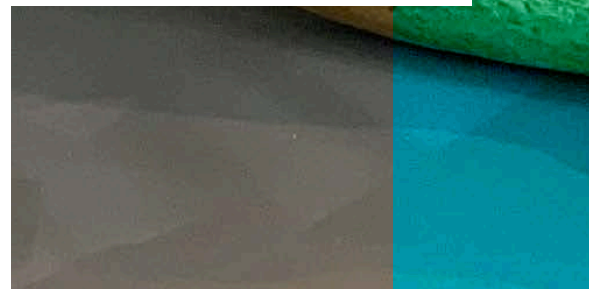
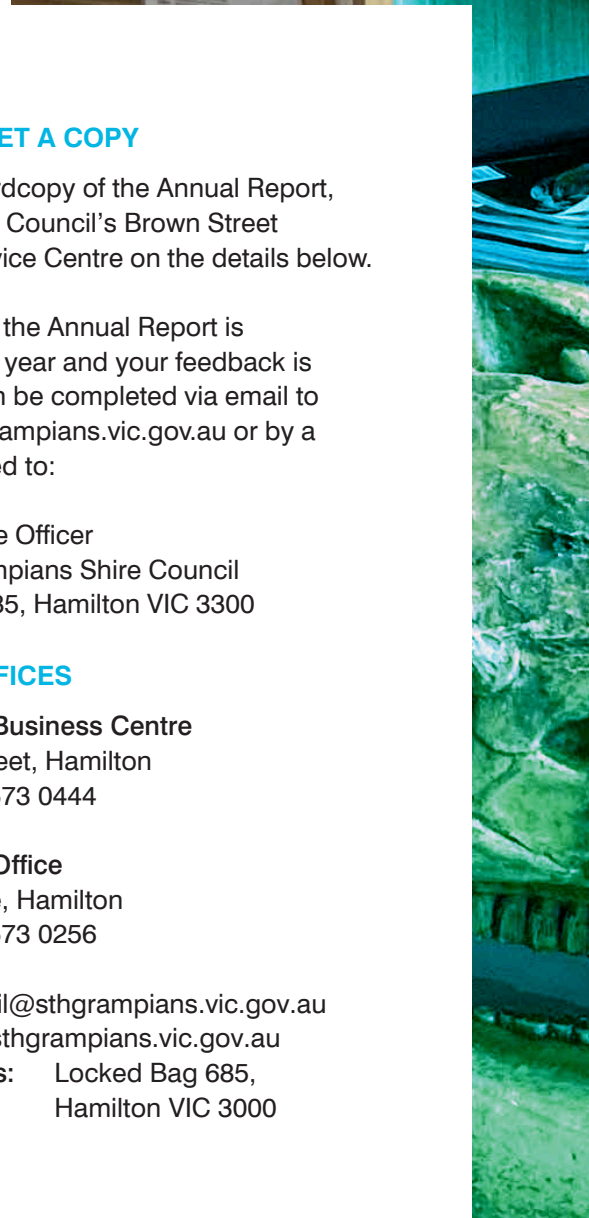
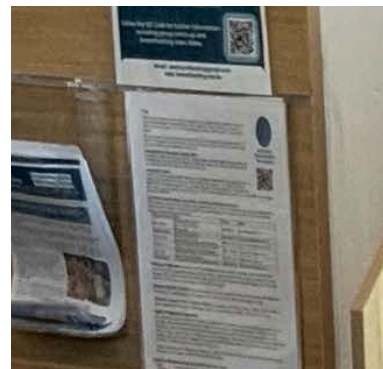
**Brown Street Business Centre**  
111 Brown Street, Hamilton  
Phone: (03) 5573 0444

**Market Place Office**  
1 Market Place, Hamilton  
Phone: (03) 5573 0256

Email: [council@sthgrampians.vic.gov.au](mailto:council@sthgrampians.vic.gov.au)

Web: [www.sthgrampians.vic.gov.au](http://www.sthgrampians.vic.gov.au)

Postal address: Locked Bag 685,  
Hamilton VIC 3000











## SHIRE PROFILE

# SOUTHERN GRAMPIANS

With a landscape dominated by the spectacular Grampians mountain range, ancient volcanoes, tranquil rivers and waterfalls and undulating pastoral land dotted with majestic red gums, the Southern Grampians spans the heart of Victoria's renowned 'Western District'.

The Shire is located 290 kilometres west of Melbourne and 500 kilometres south-east of Adelaide.

With a population of approximately 16,500, Southern Grampians covers an area of 6,655 square kilometres. Hamilton is the main retail and service centre supported by the smaller towns

of Balmoral, Branhholme, Byaduk, Cavendish, Coleraine, Dunkeld, Glenthompson, Peshurst, and Tarrington.

Agriculture, with its associated industries, is the largest employment sector with this intensive agricultural production contributing significantly to the Victorian and Australian economies. Processing, manufacturing, research and development, engineering, retail, tourism, aged and health care services, and education are also important employment sectors across the Shire.

The Southern Grampians Shire has a strong sense of community with people working together to achieve common goals and outcomes. This sense of community benefits the entire municipality and Council will continue to encourage and acknowledge the community interest in the development of our Shire.



# OUR SHIRE



Estimated resident  
population – **16,488**



**Aboriginal and/or Torres  
Strait Islander Peoples – 488**



Land area  
**6,652km<sup>2</sup>**



Unemployment rate  
**2.9%**



Average household  
**2.9 people**



Average weekly  
household income **\$1,261**



Rateable properties  
**11,176**



Average annual rainfall  
(Hamilton) **619.3mm**



Biggest employer –  
agriculture, forestry  
and fishing



Average temperatures  
(Hamilton) min **7.7°C**  
max **19.2°C**

*(Sources: 2021 census, Bureau of Meteorology)*



# OUR COUNCIL



## Vision

That Southern Grampians Shire will be recognised as a well-connected, dynamic Regional Centre, supporting a vibrant, healthy, and inclusive community.

## Values

### Innovative

We will be open to new ideas, will welcome creativity and embrace change.

### Respectful

We will be caring, accept differences and value diversity.

### Collaborative

Together we will work smarter to achieve agreed common goals.

### Trusting

We will be open, honest and brave.

### Empowering

We will delegate opportunities, and develop and inspire success.





# OUR SERVICES

Council is responsible for delivering more than 70 services to the Southern Grampians community. This includes everything from family and children's services, recreation management, community facilities, waste management, roads management and community building; to business development, planning for appropriate development asset management, major infrastructure projects and ensuring accountability for Council's budget.

As well as implementing various Commonwealth and State Government programs, Council also provides a range of discretionary services in response to local community needs.

To best use limited resources to provide effective local government and services for the community, Council undertakes extensive strategic planning across all areas of service delivery. The result is a multitude of plans and strategies, usually prepared in consultation with the community.

Some are required by legislation or a funding agreement, others are initiatives of Council. These might have quite different purposes or subjects, for example, focusing on a population group such as cultural diversity, positive ageing or youth plan, or focusing on specific services such as leisure, recreation or economic development.

This broad range of community services and infrastructure for residents, supports the wellbeing and prosperity of our community. Council's vision, strategic objectives, and strategies to further improve services and facilities are described in our Council Plan, the Annual Budget, the Long-Term Financial Plan, the Asset Management Plan, the Strategic Resource Plan and reported upon in this document.

A snapshot of the services provided by Council and their costs are shown below.



## FOR EVERY \$100 of RATES, this is where it goes:

- + Planning and Environment - **\$0.88**
- + Community Services and Development - **\$4.41**
- + Capital Works - **\$25.69**
- + Waste Services - **\$6.82**
- + Governance and Corporate Services - **\$6.46**
- + Business Enterprises - **\$2.81**
- + Leisure Services - **\$9.44**
- + Economic Development and Tourism - **\$1.46**
- + Regulatory Services - **\$3.73**
- + Infrastructure and Emergency Management - **\$32.83**
- + Cultural Services - **\$5.47**





# MAYOR'S REPORT

## State of the Shire: Looking Ahead

There's no denying that it's been a difficult year for many people in our tight-knit community. With inflation running rampant and interest rates climbing, we've seen our friends, neighbours, and local businesses feeling the strain. Many of our well-loved local businesses have been put through the ringer but have been able to show real grit and character in the face of this.

Our region has been particularly hard-hit, as appalling drought conditions have weighed heavily on our farmers, sending ripples through the entire Shire. As income drops and costs soar, we're all feeling the pinch, which is then passed on to retail and manufacturing in the area. It's a tough time, but I'm confident our resilient community will weather this storm, and as conditions improve, so too will our local economy.

We've conducted a major review of our facilities at the Hamilton Livestock Exchange. We committed ourselves to building a strategy for the livestock exchange that would create opportunities for our clients and serve their needs. Our clients in this case are the producers, the agents and the processors. The Livestock Exchange strategy we've developed is designed to future-proof our operations, ensuring we remain one of the premier exchanges in the state, despite growing competition.

We are delighted to see a surge in businesses entering the Shire and hope to welcome many more. Some of the larger businesses have been Government associates like the new mental health clinic which we have been very happy to see beginning development. This will provide a huge benefit to people of all ages in the Shire and has the potential to have positive impacts we may not even expect. We will soon see the first stages of the new Lakes Edge development, which has been green lit following many long days and nights of hard work from staff at Council.





Amidst these challenges, Council has managed a highly productive year completing a myriad of projects that we can be very proud to put our name to. Pedrina Park has had significant development and is coming into its own as a premium sports facility for the region. Melville Oval is tracking nicely with visible progress being made every day that we can see as we walk past. New plans are in progress for the CBD revitalisation, the New Hamilton Gallery, the Community Hub and the Civic Centre which I can say without exaggeration, will transform the town of Hamilton and the Shire right alongside it.

Our advocacy efforts in Melbourne and Canberra have yielded strong results. The Southern Grampians region has a very bright future and I'm very excited to see what this next Council will achieve. I have no doubts in my mind that they will be able to continue this momentum into the next term.

Together, we're building something truly special.



Cr David Robertson  
Mayor



# CEO'S REPORT

Welcome to the Annual Report for the 2023/24 financial year. As I reflect on this past year, it's hard to believe how quickly time has flown by. I'm now wrapping up my second full year as CEO, and I am eternally grateful for the honour and the privilege that this posting has been.

This year has presented its fair share of challenges, namely high interest rates and drought conditions, but if there's one thing I've learned, it's that our community is resilient. We've faced obstacles head-on, and I'm confident we'll emerge stronger because of it. Staff have put in another incredible effort this year to provide key services to our community. Their hard work, determination and continued commitment to deliver day after day is something they can be proud of.

Our key projects are enjoying some serious progress, with significant and tangible work being achieved. I am pleased to advise that the 2023-24 financial year saw Council complete \$18m in Capital Works, a record year. This included everything from roads, footpaths, drainage, community building through to major projects such as the progression of the Melville Oval redevelopment. We are charging forward confidently with plans for the CBD redevelopment as well as the ambitious New Hamilton Gallery, the new civic centre, Library, and of course our new Community Hub. These projects are not just plans on paper; they represent the future of our Shire—a future that's closer than ever.

The whole team, fronted by Mayor David Robertson and myself, have expended significant effort in recent years advocating on behalf of the Shire in Melbourne and Canberra. While we had many illuminating and indeed promising meetings in this time, the message we took away was that we need to be comfortable standing on our own two feet. It takes a long time for funding to reach us in this small but mighty corner of Victoria. This

advocacy work, difficult and as hard fought as it is, has taught us many valuable lessons and served as the catalyst for a new budgetary approach that we are very proud of and is well represented in the 2024/25 budget. We've forecasted nine years of surplus out of the next ten, which significantly reduces our reliance on state grants and is something going forward, you will hear more about.

After consulting with the community, we have repeatedly received the same feedback very loud and very clear, 'get on with big projects' which is what we have been doing.

Sustainability has been a cornerstone of our planning this year. With each passing year we gain a greater understanding of the challenges we may face here in Western Victoria, and we would do a disservice not only to ourselves but to future generations if we didn't dedicate ourselves to sourcing practical solutions to these problems. Our Sustainability team have done a tremendous job in recent years and have been able to make sure Council is doing good work not only to improve our own carbon footprint but to help the community to do likewise. In recent months, measures like the Sustainability Schools Competition, the community mulch program, the carbon reporting software package, the ASPIRE waste platform trial, bailing twine collection efforts at Hamilton Transfer Station and the new Council light fleet policy have helped us to lead by example in our community.

Lastly, I want to extend my thanks to our Councillors for their guidance and vision, and to our staff for their passion and expertise. This is a very exciting time for the Shire and I couldn't be happier to be a part of it. So I invite you to read on and take a moment to reflect with us on what we have managed to achieve as a community.



A handwritten signature in blue ink, which appears to be 'Tony Doyle'.

Tony Doyle  
Chief Executive  
Officer



# FAST FACTS



**171,347** – Visits to shire aquatic facilities



**149** – Number of animals reclaimed or rehomed



**70,129** – Items borrowed from the library



**12,678** – Tickets sold at the Hamilton Cinema



**139** – Planning permit applications received



**7,228** – Tickets sold at the Hamilton Performing Arts Centre



**172,276** – Kerbside recycling bins collections



**704** – Number of children enrolled in Maternal Child Health Service



**347,464** – Kerbside rubbish bins collections





# YEAR AT A GLANCE

**Southern Grampians Shire Council's performance reporting is based on five Strategic Objectives that are outlined in the Southern Grampians Shire Council Plan 2021-2025. Each Strategic Objective has a set of strategies that we want to achieve and how we will achieve them, which guides our actions during the year.**

These highlights contain a snapshot of our performance for the year for each Strategic Objective with more detailed information from pages 45 to 71. The Southern Grampians Shire Council Plan 2021-2025 is available from our website [www.sthgrampians.vic.gov.au](http://www.sthgrampians.vic.gov.au)

## Strategic Objective One:

### SUPPORT OUR COMMUNITY

An empowered community that is healthy, inclusive and connected.

#### Highlights

- + Celebrated National Reconciliation Week with special concert at the Hamilton Performing Arts Centre by First Nations performers, special screenings at the Hamilton Cinema, hosted Story-Time at the Greater Hamilton Library, and supported a Sorry Day art exhibition event in collaboration with Windamara. This also included the completion of all-staff cultural sensitivity training which was a first for the Southern Grampians Shire Council.
- + Created opportunities for local youth with a range of Council and FreeZA supported events including the Youth Achievement Awards for 2024, Skate Fest held at the Hamilton Skatepark, Pool Parties in Hamilton, Balmoral and Coleraine, Behind the Scenes with the Hamilton Performing Arts Centre as well as the facilitation of a large number of school holiday events held across all Southern Grampians services.
- + Commenced the development of the Pump Track at the Hamilton Skate Park for Southern Grampians Youth.
- + Celebrated IDAHOBIT Day event hosted by Council with support from the Hamilton Gallery to create a community art installation for a community loom.
- + CEO of Arts Access Victoria, Caroline Bowditch and local curator Dr Elizabeth Arthur led a discussion about disability, consent and 'outsider' art at the Hamilton Gallery.
- + Hosted the 2024 New Residents Function with over 60 people attending the event to reconnect and meet new people.
- + Delivered \$298,418.59 in funding to community groups through our Greater Grants program contributing to community projects.
- + Promoted healthy eating and lifestyles at Hamilton Indoor Leisure and Aquatic Centre (HILAC) with Mindful Eating, supported women's health in partnership with WDHS with A Woman's Health Journey.





## Strategic Objective Two:

### GROW OUR REGIONAL ECONOMY

A growing and diverse local and regional economy that supports our local businesses.

#### Highlights

- + Concluded the free COVID test program distributing over 25,000 COVID-19 tests.
- + Celebrated Southern Grampians Seniors during Seniors week with a range of different experiences including live performances at the Hamilton Performing Arts Centre, guest speakers, screenings at the Hamilton Cinema, afternoon teas, and games.
- + Launched a new Southern Grampians Shire Council website to improve community experience, providing new resources of information for residents.
- + Celebrated outstanding efforts from our community with Australia Day Awards.
- + Encouraged reading and literacy through events held at the Greater Hamilton Library including author chats and the Big Summer Read.
- + Welcomed 31 new citizens from Philippines, India, United Kingdom, Iraq, New Zealand, Egypt, South Korea, Thailand, and Nepal.
- + Hosted the hugely successful *Emerging from Darkness* exhibition at Hamilton Gallery.
- + Completed the lighting and climate control project for the Hamilton Gallery.
- + Installed new parking meters in Hamilton CBD to encourage traffic flow and access to Hamilton businesses.
- + Continued Christmas campaigns around the Southern Grampians to encourage residents to shop local with the Christmas Window Display Competition and Busking Competition.
- + Completed the Dunkeld Visitor Hub construction works including the Loop Walk Project.
- + Supported local businesses through business workshops and social media training opportunities.
- + Commenced the development of the first Business Facade Improvement Program for Southern Grampians businesses.
- + Hosted Building Financial Resilience in Times of Crisis sessions with David Koch held in Coleraine, Balmoral and Dunkeld.
- + Released an Expression of Interest for the development of the Lakes Edge Land Release.
- + Provided the Hamilton Showgrounds P&A Society a loan to complete construction of large events shed to expand facility.
- + Completed upgrades to the Penshurst Volcanoes Discovery Centre.
- + Installed fairy lights for trees in Gray Street, Hamilton.





## YEAR AT A GLANCE CONT.

### Strategic Objective Three:

#### MAINTAIN AND RENEW OUR INFRASTRUCTURE

Provide access to a high-quality built environment and infrastructure that meets community needs.

##### Highlights

- + Worked towards achieving an ambitious \$33.778 million for the Capital Works program.
- + Commenced the Melville Oval Redevelopment Project.
- + Awarded the contract for concept design to Group GSA for the CBD Revitalisation Project.
- + Developed a Memorandum of Understanding with Council of Mount Gambier and Council of Grant in relation to housing collected stray animals.
- + Adopted the Small-Town Strategy.
- + Drafted the Hamilton Showgrounds Masterplan, Draft Recreation Framework, and developed the HRLX Business and Marketing Plan.
- + Identified six surplus Council owned properties across the Southern Grampians to sell to contribute to a financially sustainable future.
- + Extended the Scoresby Street Hamilton footpath to improve connectivity of pathways.
- + Completed flood recovery works to replace playground soft fall in more than 20 playgrounds around the Southern Grampians Shire.
- + Completed the new rose garden construction at the Hamilton Botanic Gardens in partnership with the Friends of the Hamilton Botanic Gardens.
- + Completed maintenance and upgrades to the Coleraine Mechanics Institute, Peshurst Public Toilets, Balmoral RSL, Cavendish Pre-School, and Mitchell Square Amenities block in Hamilton.
- + Completed works on the Hamilton – Tarrington Shared User Pathway Project.
- + Completed road safety improvements across the Southern Grampians.





#### Strategic Objective Four:

### PROTECT OUR NATURAL ENVIRONMENT

Act as community leaders to promote and enhance a clean, green and sustainable environment.

#### Highlights

- + Completed maintenance work at the Mount Bambridge lookout including the development of new facilities, landscaping and walking paths.
- + Developed the draft Sustainability Strategy.
- + Adopted the Plan for Nature.
- + Installed EV Charging infrastructure within Hamilton and committed to developing EV Infrastructure policy to support future installations.
- + Hosted the first successful Sustainability Business Breakfast to support businesses to promote innovation.
- + Held successful hay bale twine collection at the Hamilton Transfer Station.
- + Completed weed management at Lake Hamilton.
- + Worked with outer townships to provide Emergency Preparedness kits.



#### Strategic Objective Five:

### PROVIDE STRONG GOVERNANCE AND LEADERSHIP

Strong Leadership, good governance and effective service delivery.

#### Highlights

- + Changed the way we engaged around the Council Budget, receiving 34 submissions from residents and a number of business cases from Council officers, resulting in budget allocation for several community projects.
- + Developed new advocacy priorities including addressing childcare shortages within the Shire, the development of a new Community Hub, enhancement of regional bus services, advocating for a heavy vehicle route around Hamilton, investment in rail trails, reconciliation with First Nations People, revitalisation of the Hamilton CBD, delivery of Volcanic Trails Masterplan, as well as the new Hamilton Gallery.
- + Tabled advocacy priorities with State and Federal politicians for improved access and funding opportunities within the Southern Grampians.
- + Provided community connections to support local farmers experiencing drought impacts.
- + Advocated for Maroona to Portland Rail Line as part of our advocacy priorities which was acknowledged with Federal Government funding to support the South West region.





## YEAR AT A GLANCE CONT.

### Challenges Of The Year

- + Natural environment and impact of climate change swinging from flood to drought within two years.
- + Rate cap of 3.5%, with higher inflation representing a substantial gap between Council's ability to raise revenue and its cost to operate.
- + Securing State and Federal Funding for key priorities projects in a financially restrained economy.
- + Cox Street Redevelopment Project.

### Future Outlook

- + Completion of Melville Oval Facilities Upgrade.
- + Detailed design of a new Community Hub, new Library, and new government space.
- + Hamilton CBD streetscape planning and design.
- + Detailed designs of the New Hamilton Gallery.

### Economic Factors

There are some issues facing Council, which present an ongoing challenge.

These include:

- + Construction costs, a significant part of every Council budget, have been rising by a significantly higher rate than inflation.
- + Continuing escalation of costs in relation to the maintenance and renewal of Council's ageing infrastructure assets.
- + Continuing escalation of utility costs essential for carrying out services (water, power, gas, communications and insurances).
- + Continuing increases in the demand and associated costs to improve waste management service levels (Landfills, Transfer Stations and Refuse/Recycling collections) along with imposition of strict guidelines from government in regard to management practices.



# FINANCIAL SUMMARY



## FINANCIAL RESULTS AT A GLANCE

- + Operating Expenditure - **\$53.058 million**
- + Capital Works Program Delivered - **\$18.143 million**
- + Rates and Charges - **\$23.452 million**
- + Operating Deficit - **\$12.787 million**
- + Net Funds Available - **\$4.462 million**
- + Working Capital - **\$1.52 of current assets for every \$1.00 of current liabilities**
- + Debt decrease of **\$0.577 from \$1.828 million to \$1.251 million**

## INTRODUCTION

**The Council Plan 2021-25 outlines how Council's key objectives will be resourced.**

The key objectives of this Plan are:

- + Maintain the existing range and level of service provision and improve the understanding of the range and levels of service provided.
- + Maintain a viable cash position, ensuring Council remains financially sustainable in the long-term.
- + Achieve operating statement surpluses with the exclusion of all non-operational items such as granted assets and capital income within the 10 year timeframe of the long term financial plan.
- + Maintain debt at a low to moderate level to allow capacity to fund future infrastructure.
- + Continue to pursue grant funding for strategic projects from the State and Federal government.
- + Provide for rate increases that work towards reaching a funding level for renewal demand being invested at 100 percent.

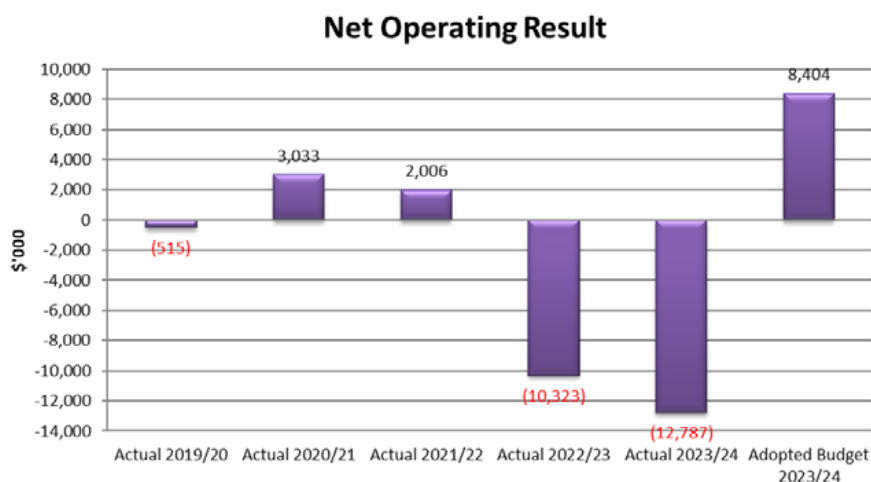


## NET OPERATING RESULT

The operating deficit in 2023/24 was \$12.787 million compared to a budgeted surplus of \$8.404 million.

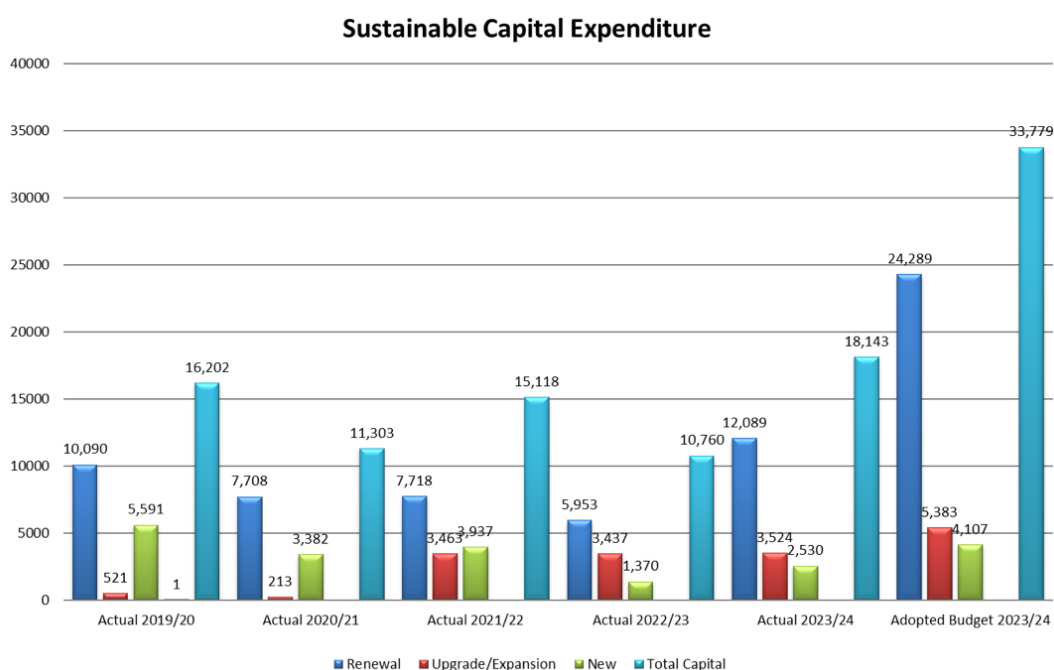
This result is mainly due to variance in operating grant revenue of \$9.215 million due to timing of payment of Financial Assistance Grants received in advance in the prior financial year. The prepaid grants also impacted the result compared to budget for 2022/23, however this was a positive impact to the operating result.

Capital grant revenue was also below budget by \$7.365 million with these funds expected in future financial year.



## SUSTAINABLE CAPITAL EXPENDITURE

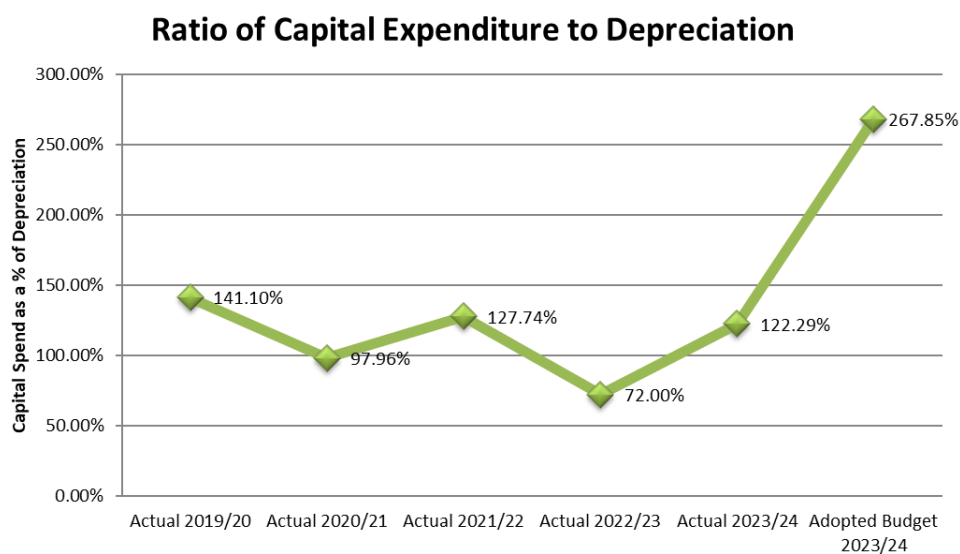
Council continues to invest in renewing and revitalising its assets. Council spent \$18.143 million on capital works in 2023/24 with an average spend in excess of \$14 million for the past five years. Council spent over 65 percent of capital expenditure on the renewal of assets with the remaining capital funds being expended on the upgrade/expansion of existing assets or new assets.





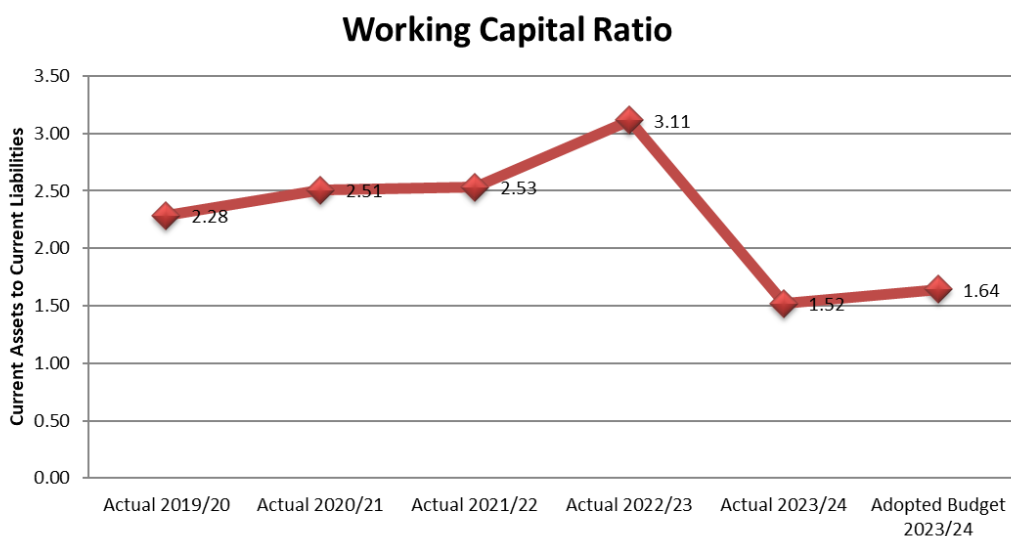
## RATIO OF CAPITAL EXPENDITURE TO DEPRECIATION

A ratio of capital expenditure to depreciation of greater than one hundred percent indicates that Council is spending more on replacing assets than it is consuming them during the period. Council achieved a ratio of 122 percent for 2023/24. However, it should be noted some of the works completed are for new assets which will increase the level of depreciation into the future. Council also carried out a revaluation and condition assessment of a significant proportion of its asset base which will result in changes to depreciation in the coming years.



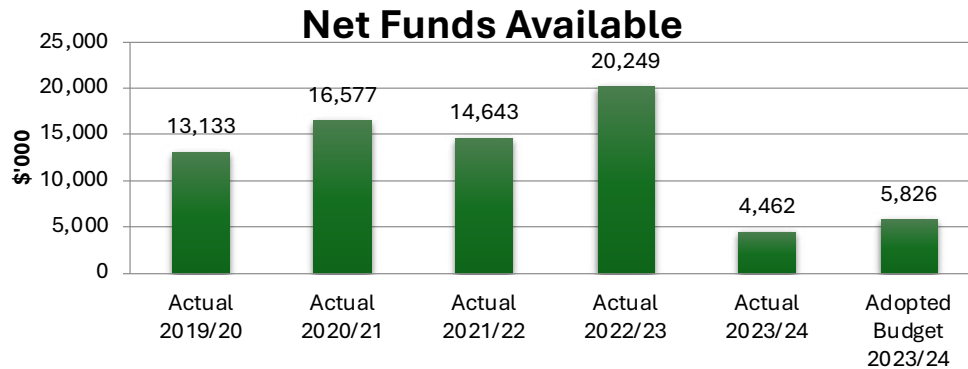
## WORKING CAPITAL RATIO

This graph indicates Council's ability to meet its short-term commitments with its short-term assets. Council ended the year with a ratio of 1.52:1 which means for every \$1 of short-term liability, Council has \$1.52 of current assets. Future working capital ratios are predicted to enable Council to meet its commitments as they fall due.



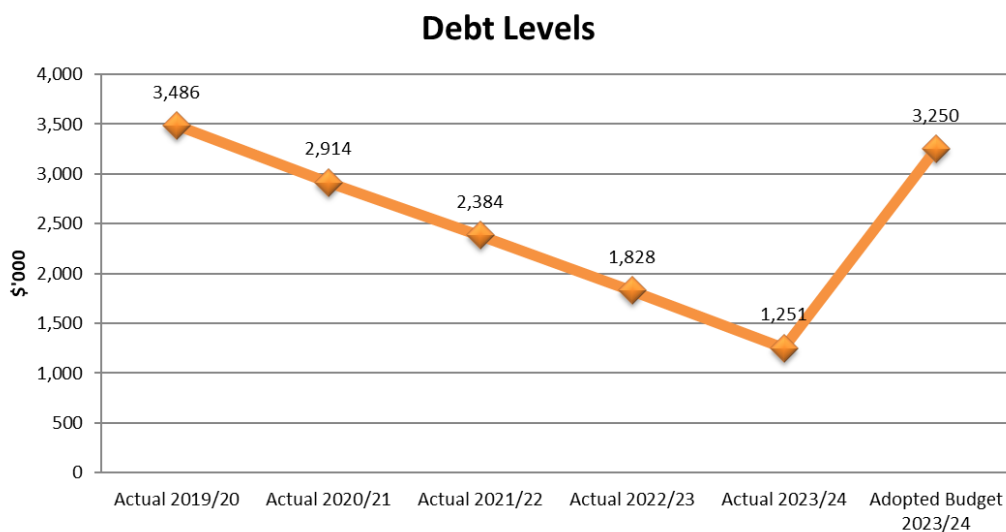
## NET FUNDS AVAILABLE

Net Funds Available is the remaining cash after all current liabilities and restricted cash holdings have been met. Restricted cash includes specific purpose reserves, trust and deposit accounts.



## DEBT LEVELS

Council has decreased debt by \$0.577 million in 2023/24. Council has a policy to only borrow for intergenerational assets, where business case analysis deems this to be the most prudent financial choice for funding the asset. Council's long-term financial plan includes assumptions about future borrowings including a further loan of \$5 million in the 2024/25 financial year.



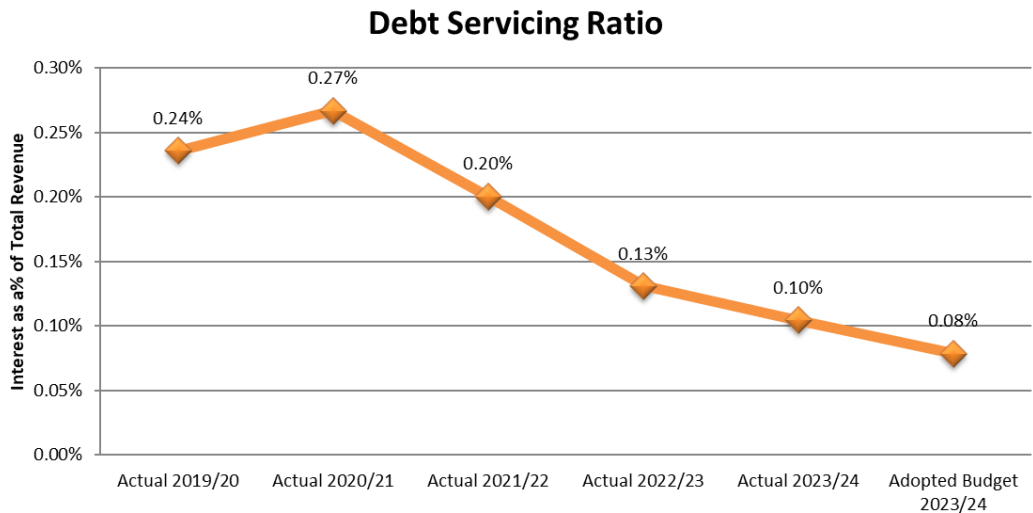


DEBT SERVICING LEVELS

For the past five years Council has maintained a debt servicing ratio of less than one percent. This means that less than one percent of total revenue is used for interest payments relating to the consumption of debt.

Council’s Debt Commitment Ratio – which is total debt servicing and debt redemption as a percentage of annual rate revenue is 2.64 percent (18 percent of total revenue) for 2023/24.

These ratios indicate Council is in a sound financial position to borrow further funds.





# MAJOR CAPITAL WORKS

The capital works program forms a significant proportion of Council's budget. In 2023/24, \$33.778 million was allocated to capital works projects across the Shire. The aim of the capital program is to provide targeted expenditure on projects to maintain or improve Council's infrastructure, assets, and services.

Major Capital Projects delivered in 2023/24 included:

## Investment in Sporting Facilities across the Southern Grampians

Council continued to invest in recreation and sporting facilities across the Southern Grampians region including significant upgrades and improvements to Pedrina Park in Hamilton and Silvester Oval in Coleraine.

Silvester Oval's installation of 150 lux LED lighting cost \$420,000 and was jointly funded by Council, Sport and Recreation Victoria, Coleraine Sports Ground Committee, and Coleraine Football Netball Club. Council completed releveling and spray sealing works in the spectator seating area to reduce slip and trip hazards for patrons. Council also commenced much needed sewerage upgrade works and completed pavilion restumping.

50 lux floodlights were also installed at Pedrina Park to illuminate training sessions, the project boosted by \$50,000 from AFL Victoria's Australian Football Facilities Fund. This project marked a significant milestone in the Pedrina Park Master Plan.

The playground at Pedrina Park was also replaced this Financial Year. \$100,000 was allocated from the Open Spaces Levy towards the relocation and rebuild of this popular asset. The development of the playground concept was driven through VicHealth funding by 'Kids Co-Design'. It involved a workshop facilitated by library staff, where 20 children built models of playgrounds in Lego, that were then used to form the design brief for council's major projects team.

Other improvements for the Pedrina Park sporting complex completed over the 2023/24 year included:

- + Installation of sub-surface drainage on the Soccer pitch to mitigate water ponding in the pitch.
- + Drainage rectification works on PP3 oval with water runoff making the oval a more enjoyable resource for the ground users.





## Progression of Melville Oval Redevelopment Project

The highly anticipated Melville Oval redevelopment project broke ground this financial year with the demolition of the old buildings to make way for the new development and netball courts. Works completed included earthworks, foundation works including under slab, steel frame installation for the grandstand extension, and masonry on existing grandstand.

The project is progressing well with construction being undertaken by local building contractor Ultrabuild Construction Group, who utilised local sub-contractors to deliver a significant construction project for the region. The project is on track for completion for the 2025 Football Netball season.

The redevelopment project will include:

- + New change rooms for players and umpires under and north of the Grandstand;
- + New pavilion including Netball change rooms, umpire's rooms and social rooms with commercial kitchen;
- + Two new Netball courts with competition lighting;
- + Undercover seating area for Netball and Football spectators;
- + Upgraded landscaping of Market Place;
- + Realignment of the road reserve boundary of Market Place to allow for construction of the Pavilion and Netball Courts.

Council allocated \$3.970 million from the Federal Government Local Roads and Community Infrastructure Grant towards the project and together with \$4.043 million from the Federal Government Community Development Grant, the overall project budget is \$8.28million.

This project is a key deliverable of the Hamilton Central Business Area Activation Masterplan finalised in 2020.



## Hamilton Botanic Garden Rose Garden

In a joint partnership with the Friends of the Botanic Gardens, Council completed works on a new, architecturally designed rose garden by ex-local Lisa Ellis at the Hamilton Botanic Gardens in September 2023. The project included a new rose garden, stone wall, paths and seating.

The official opening was celebrated in March 2024 with guest speaker Terry Freeman, a former 'Keeper of the Roses' at Melbourne's Flemington Racecourse marking the special occasion. The rose garden, which was identified in the 2015 Hamilton Botanic Gardens Master Plan, will attract both residents and visitors. This project was first recommended in 1881 by William Guilfoyle, well-known English landscape gardener and botanist in Victoria, Australia, acknowledged as the architect of the Royal Botanic Gardens, Melbourne.

## Penshurst Volcanic Discovery Centre Upgrades

The Penshurst Volcanoes Discovery Centre upgrade project saw improvements made to this unique tourist destination with the total expenditure \$350,565 (ex GST) which was supported by \$290,000 from the Regional Tourism Investment Program.

The project included the refurbishment of the existing internal displays with replacement signage and the addition of a new television and lounge inside. The outside of the centre saw a significant transformation with the external featuring significant landscaping upgrades and interpretive signage, seating, as well as new attraction signage.



## Completion of the Dunkeld-Mount Sturgeon Loop Walk and Viewing Platform

Dunkeld saw two major projects completed including the Dunkeld-Mount Sturgeon Loop Walk as well as the viewing platform at the Dunkeld-Grampians Visitor Information Centre. The loop walk was a significant project for the region totalling \$404,242 (ex GST). Funding of \$202,121 was received from the Building Better Regions Fund with Council providing the matching \$202,121 in funding to complete the project.

This project included the design and construction of stage one of the Dunkeld Loop Walk, from the Dunkeld township at Adam Street to the bridge underpass under Victoria Valley Road including pavement construction, interpretive signage, placement of seating, fencing and landscaping works. The new 1.5m wide asphalt footpath connected to the existing concrete footpath previously constructed at the Victoria Valley Road Bridge covering 1.4km.

The new viewing platform at the Dunkeld/Grampians Visitor Information Centre was architecturally designed to provide visitors with an enhanced experience when viewing Mount Sturgeon and surrounds. It is part of a long list of improvements and additions being made to the precinct as part of the 'Dunkeld Visitor Hub' project being delivered by Council. It will also become 'the perfect resting place' for hikers completing the world-renowned Grampians Peaks Trail, which concludes at Dunkeld.





## Cox Street Redevelopment Project

After facing some project challenges, works continued to progress with the Contractor MACA Civil Pty Ltd in demolishing and replacing the eastern road lane and kerb and installing new sub-surface drainage and underground services. Traffic was detoured around the worksite to allow for the construction to take place.

The project progressed staying within the allocated budget. Council would like to once again thank local businesses for working with Council during the project for their patience throughout the disruptions. The project is on track to be completed during the 2024/25 financial year.

## Council's works team also delivered:

- + Road final seals – **18.75km**
- + Road reseals – **56.3km**
- + Road reseals (Road Rehabilitations) – **19.2km**
- + Gravel roads re-sheeted – **15.75km**



## Other major capital projects completed in 2023/24 included:

- + Installation of new smart parking meters across the Hamilton CBD to improve vehicle turn over and increase access to local businesses.
- + Completed works on the HILAC squash courts ceiling, new corridor floor, and plant room upgrades.
- + Completed asbestos removal project at Silvester Oval Football Pavillion Coleraine, Melville Oval Grandstand, Penshurst Preschool Hall, Red Shield Hut at the Hamilton Showgrounds, and HILAC.



# MAJOR ACHIEVEMENTS

## Development

Council resolved at the end of 2022 to sell approximately 22 hectares of vacant, Council-owned land near Lake Hamilton to address the lack of key worker housing in the region. The land parcel, located on Handbury Boulevard at Lakes Edge is currently held as one title and zoned as General Residential. The sale of the land has the potential to provide between 200–300 blocks for new homes to be built.

An Expression of Interest (EOI) process for the property sales agent services to manage the sale of the Lakes Edge Hamilton property was undertaken in March 2023. Based on the evaluation of the submissions received, Council endorsed the engagement of Biggin and Scott to act on behalf of Council as the property sales agent.

An EOI campaign was completed in 2024 to seek detailed masterplans from developers, indicative timelines, submission of price and determining the desired parcel size and layout of services in accordance with all other proposed sub-divided parcels. A preferred developer was appointed at the close of the 2023/24 financial year.

## Emerging from Darkness

In December, Hamilton Gallery opened its most successful exhibition to date, *Emerging From Darkness: Faith, Emotion and the Body in the Baroque*. This world-class exhibition featuring never-before-seen masterpieces drew thousands of people from across Australia and attained international recognition.

The exhibition had a remarkable economic impact on the Hamilton township, with almost \$1 million dollars per month increase in visitor spend and a total of over \$4.5 million spent by tourists over the course of the exhibition. Over 500 different postcodes were registered by the Gallery and the Gallery shop making over \$128,000, with booked out public programs, and events, including an opening event of over 350 people.

The success of the exhibition emphasises what the potential of a new Gallery can do for a community. Not only the economic benefit but the authentic pride of a cultural hub within regional Victoria.

- + 579 different postcodes from all over Australia were recorded over the duration of the exhibition.
- + 76% of visitation was from outside the Southern Grampians Shire Council.
- + Door Counter Data recorded (not equated): 11,595.
- + 1,184 people attended public programs.
- + 1,560 children engaged in children's program.
- + 700 education kits downloaded by school groups.
- + 350 people attended the opening.





## Commitment to working together for Reconciliation

Council continued its commitment to work together towards reconciliation with our First Nations community throughout 2023/24, putting an increased focus on reconciliation events and partnerships. During Reconciliation Week, Council supported WindaMara Aboriginal Corporation with an emotive art exhibition in honour of National Sorry Day. The week's activities were held across Council services including special screenings at the Hamilton Cinema, Story Time at the Greater Hamilton Library, a special concert of dance and song at the Hamilton Performing Arts Centre as well as an afternoon tea. All staff were also invited to complete cultural sensitivity training to gain a better understanding of our community which was new for the organisation.

Council developed a Reconciliation Action Plan to be finalised in 2024/25 financial year which will be a basis for the continuing acknowledgement and celebration of the strength of Aboriginal and Torres Strait Islander Peoples and cultures in Southern Grampians Shire. The Plan builds on work already undertaken by providing a platform to strategically target opportunities, educate, strengthen relationships and demonstrate respect.

## Updating Council Community Investment Plan/Advocacy Priorities

In early 2024, Council reviewed and updated its advocacy priorities. These priorities represent key issues vital to the liveability of community:

- + Delivery of Volcanic Trails Masterplan
- + Rail Trails
- + Revitalisation of CBD
- + Addressing Child Care Shortages in Southern Grampians
- + Hamilton Community Hub
- + Enhanced Regional Bus Services
- + Reconciliation with First Nations Peoples
- + Heavy Vehicle Alternative Route

Council also travelled to Melbourne and Canberra during the 2023/24 financial year to table these priorities with key politicians to advocate for funding and support of these projects. Council will continue to bring these issues to the front of minds to those allocating funding to ensure the Southern Grampians are represented where it matters most.



## Sustainability

Council commenced the development of a long-term sustainability strategy to address the growing threat of climate change and formalise the link between the sustainability goals of the Shire and the projects required to deliver those outcomes. The strategy addresses six key focus areas including: 'towards net zero'; 'built environment'; 'waste to zero'; 'water conservation'; 'land use and biodiversity'; and 'community engagement'. Community feedback contributed to the development of the strategy which will be finalised in the 2024/25 financial year.

Continuing Council's commitment to sustainable outcomes has seen the following implemented in the Shire:

- + **EV Charging Infrastructure in Hamilton.**
- + **Commitment to develop EV Infrastructure Policy** to support future EV additions across the Southern Grampians.
- + **Bailing Twine**  
Council facilitated collection of bailing twine at Hamilton Transfer Station for recycling at Sustainable Plastics Solutions. Residents were able to drop off Bailing Twine at no cost.
- + **Community Mulch Program**  
Green waste received through Hamilton Transfer Station was composted and provided back to the community free of charge.
- + **Waste education**  
Waste education was run at the WDHS Allied Health Social Support group for participants in supported independent living.
- + **Sustainability Business Breakfast**  
Council hosted a sustainability breakfast with guest speakers Elisha Nettelton (SPS), Ailiche Goddard-Clegg (Deakin Hycel) and Anna Sweeney (Sustainable Farming Practices).
- + **CBD Bin Sensors and Enclosure Upgrade**  
CBD bins were replaced with upgraded units and waste level sensors were installed in all bins as well as a monitoring system at Hamilton Transfer Station for on-demand collections.





## CBD Revitalisation Project

Council took a major step forward in the CBD redevelopment works awarding the contract for the detailed design of the Hamilton CBD Revitalisation Project. The successful tenderer was announced as Group GSA (GGSA) for the amount of \$560,764 (ex GST).

Council began a procurement process in August 2023 to develop relevant designs and materials for the Hamilton Central Business District streetscape, open space, and canopy. The project will focus on the CBD streetscape between Kennedy and Cox, and French and Lonsdale Streets. Assets that will be included were identified as cycle paths, footpaths, trees and landscaping, street furniture, lighting, signage, drinking fountains, bicycle storage, and recharging points, among others.

The project forms part of the Hamilton Structure Plan, and the Hamilton CBD Masterplan, both of which included extensive community consultation, and aligns with the New Hamilton Gallery project and the Government Hub Build Masterplan. Council received six submissions throughout the tender process, with four invited to discuss their respective proposals, nominated project team capacity and capability, budget, methodology and timelines with the evaluation panel.

The project will present a myriad of opportunities for residents and visitors and promises to transform the Hamilton CBD. This project will make the Hamilton CBD the heart of the town for special events, social activities, and everyday life.

## New Council Website

Council delivered a new Southern Grampians Shire Council website in 2024 to provide residents with a comprehensive platform for Council information. The new-look website focuses on providing a greater user experience for residents, making it easier to easily find the most requested information.

The site was designed with community in mind, providing up-to-date information on permits, grants, and services in one location.

The intuitive search bar is a new function that enables community to find documents, forms and key information which was a point of frustration with the former site. The website retained the ability to search bin nights by address, features local maps, offers a downloadable road register, provides event information as well as the latest Council news. Council is continuing to focus on site improvement based on community and user feedback.



# MAJOR CHANGES

## Financial Sustainability

In 2015, the Victorian government implemented rate capping, a mechanism that caps Council’s annual rate increase at a level determined by the State Government. The rate cap set by the State Government has fallen into dangerous territory of being well below the prevailing inflation rate each year, which for many rural councils is making the financial sustainability equation impossible to achieve. The below table shows the impact of this gap between Southern Grampians ability to increase revenue each year through rates, and the cost increases Council face through market forces outside our control (inflation):

Estimated Financial Impact to Council of Rate Capping					
	Rate Cap %	Annual CPI %	Gap %	Expense Base	Cost to Council
June - 21	2.0%	3.8%	1.8%	\$36,819,000	\$662,742
June - 22	1.5%	6.1%	4.6%	\$35,078,000	\$1,613,588
June - 23	1.8%	6.0%	4.3%	\$39,296,000	\$1,670,080
June - 24	3.5%	3.8%	0.3%	\$42,230,000	\$126,690
				Total	\$4,073,100

This table takes the gap between inflation and Council’s rate rise, and multiplies this by Councils annual expenses to measure growth in costs above and beyond the rate cap. It shows that Council, in real terms, taking into account the gap between the rate cap and inflation, council is worse off, in terms of cash flow, by approximately \$4.07m. Extrapolating that gap out over the 10 years of the long term financial plan, shows a serious and significant short fall. Over the last few years, Council has had a diligent and comprehensive focus on its financial sustainability, to ensure value in operations for rate payers, and a financial capacity to not only maintain existing infrastructure required by our community, but also deliver new and upgraded infrastructure where our community consultation, and business case, establishes a need and justification.

This work has included cost reductions through zero based budgeting, where Council zero out all budget lines in the ledger and rebuild this on a strict business case/outcome needs basis, digital transformation, enhancing who we work as an organisation and how the community can engage with us, and process reform through application of Lean Thinking techniques. Together, these measures have been transformative for Council. When comparing the adopted 2021-22 Long Term Financial Plan (LTFP) with our adopted 2024-25 LTFP, we have saved \$8.2m, which again when extrapolated out over 10 years of our LTFP, has transformed our financial sustainability.

This work is making Council less grant reliant, and enabling Council to get on with key projects such as the CBD Streetscape Project, Community Hub which includes a new library and digital hub, and new Hamilton Gallery.





**In 2023/24 Southern Grampians Shire Council distributed approximately \$195,000 through the Community Partnership Grants program.**

Successful applicants included a range of community groups, events and individuals from across the Shire.

The Community Partnership Grants program delivers council grants that are responsive to the needs and opportunities of the community, inclusive and equitable to all, facilitating the flexible delivery of key strategies identified within the Council Plan 2021-2025 across the social, economic and environmental spectrum.

## COMMUNITY GRANTS

This program consolidates council's extensive range of grant opportunities into one program to enable better integration and coordination of grant administration and improved marketing of those grant opportunities.

The program contains two rounds per year and applications are assessed using predetermined evaluation criteria by the program team.

### Some of the community initiatives supported via the program in the financial year were:

- + Mocka's Boxing Club - Purchase Personal Protective Equipment and Gym Equipment
- + Hamilton Lions Club - Smoothie Bike
- + Dunkeld Bowling Club - Replace Synthetic Bowling Green
- + Glenthompson Dunkeld FNC - Portable LED Video Screen / Scoreboard
- + Hamilton Woodturners Club Inc - Purchase and Installation of Lathe
- + Cavendish Football Netball Club - Electronic Scoreboard
- + Melville Forest Community Centre Inc - Essential Lighting Upgrades
- + Standing Tall in Hamilton Inc - Valuing Our Volunteers, Enriching Our Community - Conference
- + Victoria Valley Hall Committee - Gravel around hall
- + Dunkeld Public Lands Committee - Basketball Ring Installation
- + Yulecart Community Incorporated - Painting of the Supper Room
- + Balmoral Historical Society - Balmoral Lock-Up - Heritage maintenance
- + Byaduk & North Byaduk Progress Association Inc - Community Christmas Gathering
- + Pigeon Ponds Recreation Reserve - Baby Change Table Installation
- + Glenthompson War memorial Hall - Hall Kitchen Upgrade
- + Penshurst 3289 - Business and Tourism Penshurst Community Markets
- + Balmoral Golf Club - Re-plaster Ceiling Function Room
- + Mt Rouse District Historical Society - Website Development
- + Mooralla Tennis Club Inc - Mooralla Tennis Court Repair
- + Coleraine PA Society - St Josephs Hall Upgrade
- + Branhholme Progress Association - Town Map Walk Signages.



## OUR COUNCIL

### Roles and responsibilities of Council

Southern Grampians Shire Council is elected to provide leadership for the good governance of the municipal district and the local community.

#### The role of a Council includes:

- + Acting as a representative government by taking into account the diverse needs of the local community in decision making.
- + Providing leadership by establishing strategic objectives and monitoring their achievement.
- + Advocating the interests of the local community to other communities and governments.
- + Acting as a responsible partner in government by taking into account the needs of other communities.
- + Fostering community cohesion and encouraging active participation in civic life.

#### The functions of a Council include:

- + Advocating and promoting proposals which are in the best interests of the local community.
- + Planning for and providing services and facilities for the local community.

- + Providing and maintaining community infrastructure in the municipal district.
- + Raising revenue to enable the Council to perform its functions.
- + Making and enforcing local laws.
- + Exercising, performing and discharging the duties, functions and powers of Councils under this Act and other Acts.
- + Any other function relating to the peace, order and good government of the municipal district.

Council is committed to good governance and that commitment is evidenced by its inclusion in our Council Plan as one of five key fundamental objectives.

In November 2020, seven Councillors of the Southern Grampians Shire Council were elected for a four-year term. Cr David Robertson was elected as Mayor and Cr Helen Henry was elected as Deputy Mayor at a Statutory Meeting in October 2023.



# COUNCILLOR PROFILES



**Cr David Robertson**  
**Mayor**

drobertson@sthgrampians.vic.gov.au  
0437 846 623

At a Statutory Meeting in November 2023 Councillor David Robertson was elected Mayor and Councillor Helen Henry was elected Deputy Mayor.



**Cr Helen Henry**  
**Deputy Mayor**

hhenry@sthgrampians.vic.gov.au  
0437 802 893



**Cr Mary-Ann Brown**

mabrown@sthgrampians.vic.gov.au  
0429 638 245



**Cr Bruach Colliton**

bcolliton@sthgrampians.vic.gov.au  
0437 806 927



**Cr Fran Malone**

fmalone@sthgrampians.vic.gov.au  
0439 689 847



**Cr Albert Calvano**

acalvano@sthgrampians.vic.gov.au  
0429 861 229



**Cr Katrina Rainsford**

krainsford@sthgrampians.vic.gov.au  
0429 140 216

*The above councillors were in service as of June 30, 2024.*

# REPRESENTATION

**Councillors represent the interests of our communities through direct contact with residents, representation on local interest groups and involvement with other agencies.**

Each year Council appoints representation to a range of other bodies. Appointments were made at the Statutory Meeting of Council held on 1 November 2023 and are detailed in the table below.

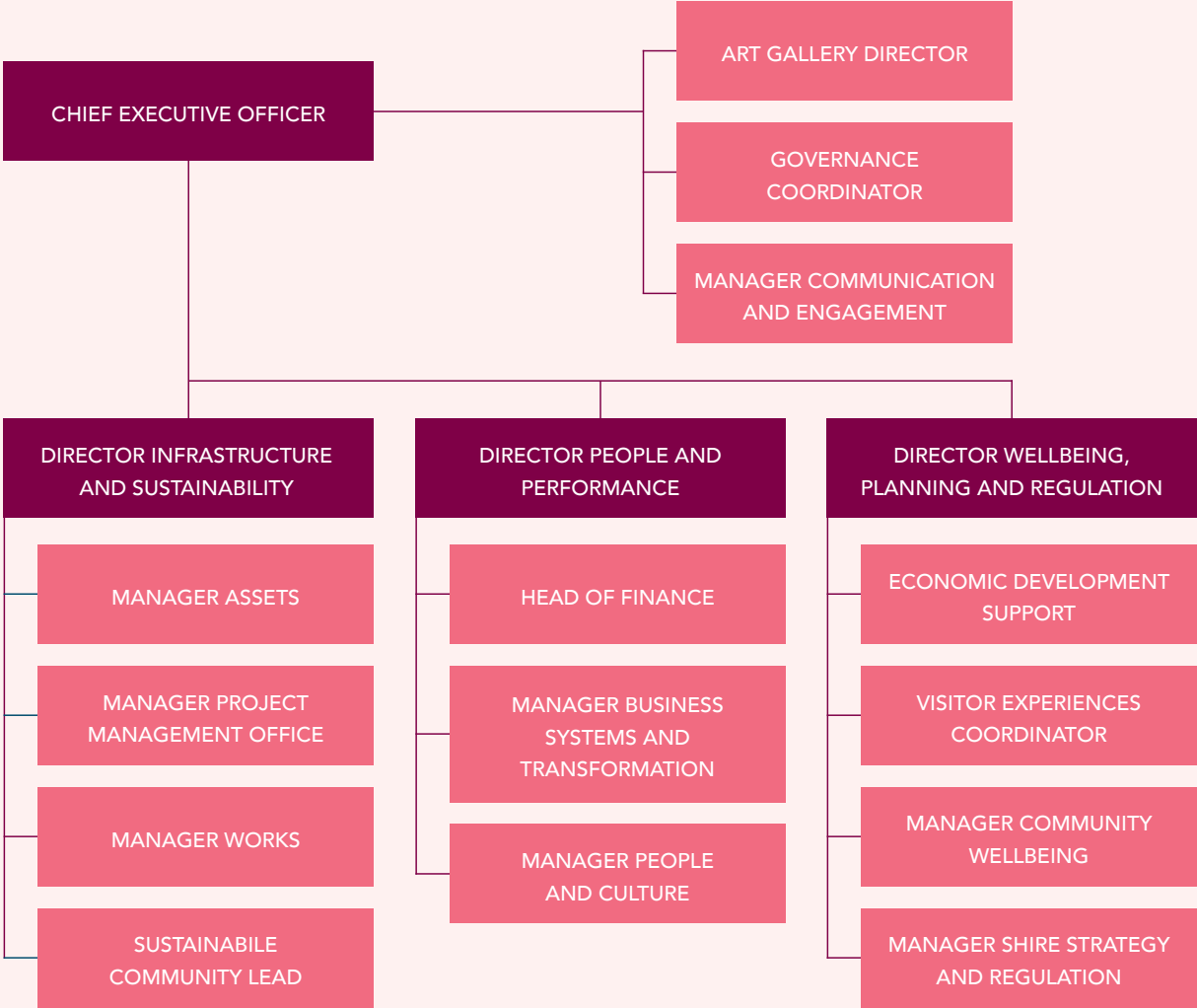


Committees Required by Legislation		
Audit and Risk Committee	Cr Colliton	Cr Henry (Deputy Mayor)
Delegated Committees		
Planning Committee	Cr Brown	Cr Malone
Advisory Committees Established by Council		
Hamilton Regional Livestock Exchange Advisory Committee	Cr Rainsford	Cr Brown
CEO Employment and Remuneration Committee	Cr Henry (Deputy Mayor)	Cr Colliton
Hamilton Showgrounds Advisory Committee	Cr Rainsford	Cr Malone
Committees Established by Other Bodies		
MAV Delegate	Cr Robertson (Mayor)	Proxy: Cr Calvano
South West Victoria Alliance	Cr Robertson (Mayor)	
Rural Councils Victoria	Cr Brown	
Barwon South West Waste & Resource Recovery Group	Cr Henry (Deputy Mayor)	
Green Triangle Action Group	Cr Rainsford	
Rail Freight Alliance	Cr Rainsford	





# OUR ORGANISATION



# OUR ORGANISATION





## Executive Leadership Team

Council is the governing body that appoints the Chief Executive Officer (CEO). The CEO is responsible for the day-to-day management of Council operations in accordance with the strategic directions of the Council Plan. Three Directors and the CEO form the Executive Leadership Team (ELT).

The ELT leads the organisation and meets weekly to oversee and manage Council operations. The ELT also provides Council with information and advice that supports strategic and effective decision making. The ELT is supported by a team of departmental managers.



**Tony Doyle**  
**Chief Executive Officer**

**Position:** Tony is responsible for Executive and Councillor Support, Civic Functions, Communications and Engagement, and Governance.



**Marg Scanlon**  
**Director Infrastructure and Sustainability**

**Position:** Marg is responsible for management of Infrastructure, Engineering, Hamilton Airport, Hamilton Regional Livestock Exchange, Works, Fleet, Assets, Waste, and Sustainability.



**Darren Barber**  
**Director People and Performance**

**Position:** Darren is responsible for the management of finance, business systems, digital transformation, human resource management, health and safety, risk and workforce development.



**Rory Neeson**  
**Director Wellbeing, Planning and Regulation**

**Position:** Rory is responsible for the management of community services, recreation, planning and building services, regulatory services, the Hamilton Performing Arts Centre and Hamilton Cinema.

## Senior Leadership Team

The Senior Leadership Team (SLT) includes the Executive Leadership Team and all senior managers. Members of the SLT bring together an extensive knowledge base, specialised expertise, and professional skills to deliver Council services, programs and activities that support the strategic directions set by the Council.

# OUR PEOPLE

In 2023/24 Southern Grampians Shire Council employed 427 staff across the year, which is the equivalent to 225.34 Equivalent Full Time (EFT). During the year, Council had a staff turnover rate of approximately 27.16 per cent which equates to 116 employees. These figures include full time, part time and casual employees.



A summary of the number of Council staff by organisational structure, employment type and gender is outlined in the table below:

Employment type	CEO & Council	People & Performance	Wellbeing, Planning & Regulation	Infrastructure & Sustainability	Total
Permanent FT	15	31	34	91	171
Permanent PT	21	2	38	14	75
Temporary	5	3	0	2	10
Casual	17	4	141	9	171
<b>Total</b>	<b>58</b>	<b>40</b>	<b>213</b>	<b>116</b>	<b>427</b>

Legend: FT – Full time and PT – Part time

Employment Classification	Male	Female	Total
Band 1	11	35	46
Band 2	1	1	2
Band 3	101	93	194
Band 4	20	28	48
Band 5	15	31	46
Band 6	18	14	32
Band 7	10	18	28
Band 8	2	0	2
Band not applicable	16	13	29
<b>Total</b>	<b>194</b>	<b>233</b>	<b>427</b>

\*\*Please note – data for self-gender identification is not available at this time.



## OUR ORGANISATION

### Equity and Diversity

Southern Grampians Shire Council recognises the value of a diverse and skilled workforce. Respecting the individual and unique attributes of our workforce creates an environment where everyone can achieve their potential. Council's core values also support this commitment. As an Equal opportunity employer, we ensure the fair and equal treatment of those who either are employed, or who are seeking employment with Council. Council is committed to the principles of equal opportunity and anti-discrimination. The equal opportunity policy and practices provide a framework to ensure fair and equitable treatment for all.

### Human Resources

The Human Resources team continues to streamline and improve the recruitment process as well as onboarding of staff. Feedback on all processes is sought from new employees to allow for any gaps in the system to be brought to the fore and worked through to ensure a seamless transition for those staff commencing in roles. Continuous feedback will lead to continual improvement of the process as we look towards our Human Resources program being implemented to assist with improving the system further.

The implementation of our new Purpose, Vision, and Values was a highlight for the team and the organisation at the beginning of 2024 with the statements and process delivered to the staff by the staff. Executives were precluded from the rollout to ensure that peer-related information was delivered and a commitment to the statements made by all. The Values of the organisation are to be at the forefront of all that we do as an organisation and a commitment to each other to be better and strive for more.

With the inaugural Insync Survey being undertaken, real time data was received and action plans for the organisation to improve upon were developed. With each Directorate showcasing what they will be focusing on for the period leading up to the next survey and organisation-wide actions to work towards to ensure we have a workplace that benefits all staff.

### Occupational Health and Safety

Council continues to maintain an Occupational Health and Safety Management System aligned to AS 45001:2018. A critical component of our OHS management system is the Elumina online incident reporting and management system, enabling proactive hazard reporting and reactive incident reporting. Elumina facilitates regular OHS reporting including an electronic incident, hazard and claims report utilising the Power BI platform, available to the entire organisation, and regular more detailed quarterly reports to Council Executive and Audit and Risk committee.

Total incident reports, total injuries and total workers compensation cases decreased significantly, almost halving in each category. Hazard reporting continues to fall which is seen as a reflection of past reporting, investigations and implementation of corrective actions. Council's lost time injury frequency rate was 6.2 for the year, down on the previous year but still slightly above the industry benchmark of 13.2.

We achieved our programmed workplace inspections and facility evacuation drills. There continues to be a major focus on facility emergency responses which has included work with local fire brigade members. Regular OHS communications via weekly toolbox topic circulation, fortnightly safety articles in our newsletter and targeted Safety Alerts are considered critical OHS communication elements.

Induction of new employees has improved and continues to be monitored and developed.

## Learning and Development

Council has provided a range of Learning and Development trainings sessions over the last 12 months including:

- + First Aid and CPR
- + Firearms Training for Authorised Officers
- + Chainsaw and Chipper Training
- + Sharps Training
- + Defensive Driver Training
- + Challenging Conversations
- + Cultural Awareness
- + Fire Warden
- + Sexual Harassment
- + Wildlife / Snake Safety
- + Risk Management
- + Probity and Fraud

Council hosted multiple work experience students within HILAC, Local Laws, Business Systems and Transformation, Parks and Gardens and HRLX, as well as providing a number of tours around councils many workspaces with year 10 students from local schools showcasing the range of employment opportunities that exist within SGSC.

Council also played a vital role in facilitating the 2024 Jobs and Skills Pathways EXPO in the Performing Arts Centre in July which saw 32 exhibitors showcasing the diverse range of employment opportunities within the municipality. The event was a great success with an attendance of just under 500 people across the two days.

## Risk

In 2023/2024, the Risk team had a continued focus on policy and procedure review and development. Business Continuity Plan testing has continued as per associated guidelines to assist in the continuity of council core business. A current focus is the full review and audit of the Business Continuity Plan. Strategic Risk and Operational Risk continue to be regularly monitored and reviewed.

## Governance

Governance ensures Council abides by its statutory, governance and compliance obligations. It provides a wide range of services, including advice on Council's legislative responsibilities, privacy and integrity matters, and instruments of delegation; management of risk and insurance portfolios; facilitating Council meetings and citizenship ceremonies. It also ensures the effective and efficient allocation of Council resources, in accordance with the principles of the *Local Government Act 2020*. It includes a Mayor and Councillor Support Team which provides high-level administrative support to the Councillors.

A large focus of work this year has been around preparing for the upcoming 2024 Elections this has included training/ induction plans for the new council to undertake that is in line with the new LG reforms.

The *Local Government Amendment (Governance and Integrity) Act 2024* will make a series of amendments to the *Local Government Act 2020* (the *LG Act 2020*) that come into operation following the council elections.

Local Government Victoria (LGV) is seeking feedback on the making of Regulations that will give effect to the reforms in the Act to:

- + introduce a Model Councillor Code of Conduct for all 79 councils across the State
- + require councillors to undertake annual professional development training
- + require mayors and deputy mayors to undertake mayoral training upon being elected to those positions.

## Staff Consultative Committee

During 2024, the Staff Consultative Committee focussed on embedding the new Purpose, Vision, and Values into the workforce. Throughout the year, the Committee provided advice and support to Council staff on policies, procedures, and other Council functions. The Committee is an important conduit for staff and the executive team. The Committee also oversees the implementation of Council's Gender Equality Action Plan.





## EMPLOYEE RECOGNITION

Skilled, motivated, and dedicated staff are critical to Council's success. As part of Council's ongoing Service Recognition program, the commitment and service to the Southern Grampians Shire of the following employees was recognised in 2023/24:

### 5 years

Scott Beardsell  
Peter Hardy  
Toby Knight  
Codey Lewis  
Glen Nepean  
Chris Smith  
Doug Wishart  
Damien Ferguson  
Daryl Adamson  
Michelle Grant  
Leesa Hayes  
Jodie Hutchins  
Katherine Kriz  
Melanie Rhook

### 10 years

Jane Coshutt  
Catherine Fraser  
Scott Parfrey  
Krystle Ractliffe  
Amanda Gubbins  
Jodie McIntosh

### 20 years

Barry Zadow  
Christine Arnel  
Peter Johnson

### 30 years

Barry Lowe

### 40 years

Peter Jones

# OUR PERFORMANCE

## Council Plan

This section describes how the 2023/24 Annual Report links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term, medium term (Council Plan, including Strategic Resource Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

## Planning and accountability framework

The Strategic Resource Plan, part of and prepared in conjunction with the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan.

## Strategic objectives

Council delivers services and initiatives under 70 major service categories. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan for the years 2021-2025.

The following are the five strategic objectives as detailed in the Council Plan:

### 1. Support Our Community

An empowered community that is healthy, inclusive and connected.

### 2. Grow our Regional Economy

A growing and diverse local and regional economy that supports our local businesses.

### 3. Maintain and Renew our Infrastructure

Provide access to a high-quality built environment and infrastructure that meets community needs.

### 4. Protect our Natural Environment

Act as community leaders to promote and enhance a clean, green and sustainable environment.

### 5. Provide Strong Governance and Leadership

Strong leadership, good governance and effective service delivery.

## Performance

Council's performance for the 2023/24 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2021-2025 Council Plan.

Performance has been measured as follows:

- + Results achieved in relation to strategic indicators in the Council Plan;
- + Progress in relation to the major initiatives identified in the budget;
- + Services funded in the budget and the persons or sections of the community who are provided those services; and
- + Results against the prescribed service performance indicators and measures.





# STRATEGIC OBJECTIVES

## STRATEGIC OBJECTIVE NO.1

### SUPPORT OUR COMMUNITY

An empowered community that is healthy, inclusive and connected.

## STRATEGIC OBJECTIVE ONE

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR/ MEASURE	RESULT	COMMENTS
<b>Deliver on Council's Community Engagement Policy</b>	Ongoing	<p>Council confirmed a new engagement platform in 2024 which will improve online engagement capabilities for Southern Grampians residents and will be developed and launched to community during the 2024/25 financial year.</p> <p>Extensive face-to-face community engagement was completed throughout the latter part of 2023 on small towns strategy and outdoor pools. All sessions were well attended by community. Online opportunities for engagement were also offered for budget submissions (a change to the process for 24/25 budget), Plan for Nature, Hamilton Showgrounds masterplan, Sustainability Strategy and the Recreation Fees and Charges.</p>
<b>Develop and implement a youth-led strategy</b>	Ongoing	<p>Council engaged a Youth Officer in early 2023 who worked with staff and community to develop a Southern Grampians Shire Council Youth Action Plan. This Plan was finalised at the end of 2023 and is a guiding principle when interacting with the youth community.</p> <p>The Youth Action Plan sets out how Council supports and responds to the needs of young people aged 12-25 who live, work, study and play in the Southern Grampians Shire.</p> <p>The Youth Action Plan also demonstrates how Council is delivering on the SGSC Youth Policy adopted by Council in 2022.</p>
<b>Develop, Adopt and Implement a Reconciliation Action Plan</b>	Ongoing	<p>With stakeholder and working group input, Council's First Nations Officer developed the Southern Grampians Shire Council Reconciliation Action Plan which was conditionally endorsed by Reconciliation Australia. At the time of printing, the finalised RAP was to be endorsed by Reconciliation Australia.</p>



The following statement reviews the progress of Council in relation to major initiatives identified in the 2023/24 budget:

MAJOR INITIATIVES	PROGRESS
<p><b>Engage Architects to complete design development (including costings) for the New Hamilton Gallery and undertake community consultation at key milestones.</b></p>	<p><b>Ongoing</b> Council partnered with the University of Melbourne, Design School experts, Deputy Dean Professor Alan Pert, and Associate Professor Rory Hyde, to consult with the community and develop a tender brief for the development of the new Hamilton Gallery. A central element to the tender contained seven key principles that architects were requested to respond to: local identity, civic life, creative pathways, the collection, the natural environment, First Nations culture and Connections (with the town).</p> <p>Council released the tender to appoint the architect for the design of the new Gallery in July 2024.</p>
<p><b>Build effective partnerships with First Nations which aids reconciliation.</b></p>	<p><b>Ongoing</b> Council continued to work with First Nations people across the Southern Grampians with a range of activities including National Recognition Week and National Sorry Day. For the first time, Council staff undertook Council wide Cultural Awareness training.</p> <p>During 2023/24 financial year, Council's First Nations Officer worked hard to develop the first Reconciliation Action Plan for the Southern Grampians. The Plan provides a framework for Council to support reconciliation in our community. The finalised plan was sent to Reconciliation Australia and at the time of print, was waiting final endorsement.</p>
<p><b>Examine Council's Volunteer policies and frameworks and provide recognition of volunteers.</b></p>	<p><b>Ongoing</b> A Child Safety Standards internal audit held in late 2021 raised volunteer record keeping as an area of improvement with the People &amp; Culture team developing a volunteer register as an outcome.</p> <p>The People and Culture team developed a manual record of volunteers with a streamlined process to be established in the second half of 2024.</p> <p>The People and Culture team are continuing to work on the process / guidelines to ensure a standardised approach.</p>

The following statement provides information in relation to the services funded in the 2023/24 budget and the persons in the community who are provided the service:

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
<b>Senior Citizen Programs and Support</b>	This service offers opportunities for older residents to participate in community and social activities across the Shire.	72 (5) <b>67</b>	68 (0) <b>68</b>
<b>Community Services Management</b>	This service provides management support to coordinate whole of organisation approach to service delivery across community and leisure portfolio, particularly in relation to delivering the Municipal Health and Wellbeing Plan.	324 (0) <b>324</b>	415 (2) <b>413</b>
<b>Community Planning Engagement and Support</b>	This service coordinates Council's approach to community planning and citizen engagement, including skill development and capacity building for Councillors and community.	834 (120) <b>714</b>	987 (124) <b>863</b>
<b>Children's Services</b>	This service provides quality education and care services, ie. Family Day Care and promotes the early years sector.	686 (597) <b>89</b>	874 (683) <b>191</b>
<b>Recreation Development and Support</b>	This service is responsible for the management and planning of recreational opportunities in conjunction with the community, using community development processes.	567 (0) <b>567</b>	341 (0) <b>341</b>
<b>Sports Reserves</b>	This service directly manages or provides operational assistance for 16 recreational reserves across the Shire to support both active and passive participation in sports and recreation.	844 (46) <b>798</b>	859 (5) <b>854</b>
<b>Lake Hamilton</b>	This service provides a safe, functional, accessible and useable space for leisure and recreational activities, on water and surrounding open space.	243 (1) <b>242</b>	293 (1) <b>292</b>
<b>Aquatic Facilities</b>	This service provides a geographic spread of aquatic facilities that deliver recreation, health, wellbeing, education, social and tourism/ economic opportunities to our communities.	664 (20) <b>644</b>	784 (0) <b>784</b>
<b>Hamilton Indoor Leisure &amp; Aquatic Centre</b>	This service provides accessible leisure and aquatic experiences that facilitates and promotes wellbeing outcomes.	2,689 (1,280) <b>1,409</b>	2,762 (1,359) <b>1,403</b>
<b>Art Gallery</b>	This service supports tourism promotion and community engagement with the arts and acts as custodian of one of the most valuable collections in regional Australia.	1,044 (226) <b>818</b>	1,428 (425) <b>1,003</b>
<b>Performing Arts Centre</b>	This service provides promotion and support of performing arts, encouraging both appreciation and participation. Also offers a conference and event venue for both the business and community sectors.	921 (314) <b>607</b>	957 (276) <b>681</b>



SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
<b>Library</b>	This service aims to be an effective and dynamic library service inspiring and connecting our community by providing diverse, accessible and creative collections, programs, spaces and experiences.	816 (204) <b>612</b>	827 (226) <b>601</b>
<b>Cinema</b>	This service provides the community with a high-quality cinema experience.	328 (272) <b>56</b>	369 (222) <b>147</b>
<b>Civic &amp; Community Arts</b>	This service aims to increase visibility and activity of arts and culture in the community through a range of community programs or projects.	26 (0) <b>26</b>	29 (0) <b>29</b>
<b>Parks and Urban Spaces</b>	This service provides and maintains appropriate parks and urban space areas across the Shire to support inclusive recreation activities for the whole community.	813 (1) <b>812</b>	931 (1) <b>930</b>
<b>Local Laws Operations</b>	This service implements and enforces the Community Local Law No.1 (2022), provides parking control, coordinates domestic animal management including the operation of Council owned pound facility, and supports the provision of law and order in the community.	672 (390) <b>282</b>	708 (351) <b>357</b>
<b>Maternal &amp; Child Health</b>	This service provides a primary health care service for the Shire's families with children from birth to school age.	570 (428) <b>142</b>	431 (547) <b>(116)</b>
<b>Emergency Management</b>	This service coordinates emergency management planning to enable Council to coordinate and respond to emergencies in cooperation with other agencies.	294 (60) <b>234</b>	426 (1) <b>425</b>
<b>Botanic Gardens</b>	This service maintains the historically significant Botanic Gardens in Hamilton (and Penshurst) and provides responsible management of flora, open spaces and built facilities on the grounds.	381 (1) <b>380</b>	388 (0) <b>388</b>

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>LIBRARY</b>						
<b>Utilisation</b> <i>Loans per head of population</i> [Number of library collection item loans / Population]					5.08	There were 70,129 physical loans and 13,604 digital loans.
<b>Resource currency</b> <i>Recently purchased library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	62.83%	61.33%	64.10%	72.12%	66.85%	There were 22,768 collection items in total and 15,221 of those were purchased in the previous five years.
<b>Service cost</b> <i>Cost of library service per population</i> [Direct cost of the library service / Population]	\$35.17	\$33.99	\$36.06	\$38.25	\$41.41	There has been an increase in operational costs combined with a corresponding smaller percentage increase in population.
<b>Participation</b> <i>Library membership</i> [Number of registered library members / Population] x100	New	New	New	New	20.81%	There were 3,428 registered library members.
<i>Library visits per head of population</i> [Number of library visits / population]	New	New	New	New	4.04	There were 66,540 visits to libraries in Southern Grampians, including 1,326 visits to the Mobile library service.

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>AQUATIC FACILITIES</b>						
<b>Service standard</b> <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of council aquatic facilities / Number of council aquatic facilities]	1	1	1	1	1	
<b>Service cost</b> <i>Cost of aquatic facilities</i> [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	\$11.65	\$18.26	\$16.01	\$14.03	\$9.21	Decrease in cost per visit due to increase in patronage across all 7 facilities.
<b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	7.56	4.43	5.27	7.50	10.40	Increase in days open across seasonal facilities and in events offered across all facilities leading to increased user and spectator patronage.



STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>ANIMAL MANAGEMENT</b>						
<b>Timeliness</b> <i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.47 days	1.21 days	1.06 days	2.09 days	1.87 days	This improvement reflects our ongoing commitment to providing timely and effective services to our community.
<b>Service standard</b> <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	50.99%	50.19%	45.25%	51.50%	28.52%	The number of animals reclaimed over the past year trend is concerning, it highlights the need for continued community education.
<i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x100	8.70%	10.11%	14.07%	39.48%	31.73%	Council have noted a 20% decrease in the number of animals rehomed over the past year. This decline underscores the importance of our ongoing efforts to promote adoption and support animal welfare initiatives. Additionally, this trend reflects the current cost of living issues within our community. The council remains dedicated to rehoming animals where appropriate.
<b>Service cost</b> <i>Cost of animal management service per population</i> [Direct cost of the animal management service/ Population]	\$7.73	\$9.93	\$12.07	\$11.64	\$24.29	Council acknowledges the rise in animal management costs over the past year due to enhanced services, increased operational expenses and more humane practices. The council remains committed to high animal welfare standards and will continue to manage costs effectively while maintaining services.

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>ANIMAL MANAGEMENT cont.</b>						
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x100	0%	0%	0%	0%	0%	Council has had no prosecutions this financial year.

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>MATERNAL AND CHILD HEALTH (MCH)</b>						
<b>Service standard</b> <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	101.26%	100.60%	100.55%	99.41%	101.31%	
<b>Service cost</b> <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	\$90.48	\$78.33	\$73.70	\$74.84	\$81.36	
<b>Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	76.99%	73.09%	81.09%	81.78%	83.75%	
<i>Participation in the MCH service by Aboriginal children</i> [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	63.89%	74.68%	85.00%	81.25%	89.33%	
<b>Satisfaction</b> <i>Participation in 4-week Key Age and Stage visit</i> [Number of 4-week Key Age and Stage visits / Number of birth notifications received] x100	93.71%	99.40%	90.66%	85.80%	97.39%	Staff have been diligent in ensuring this key check occurs with all new born and families



A large flock of sheep is contained within a metal pen or race. Two men, seen from behind, are standing in the background, looking over the sheep. The scene is set outdoors under a large metal structure, possibly a shed or a race track. The sheep are densely packed, and the men are wearing blue shirts and hats.

## GROW OUR REGIONAL ECONOMY

A growing and diverse local and regional economy that supports our local businesses.





## STRATEGIC OBJECTIVE TWO

The following statement reviews the performance of council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan:

STRATEGIC INDICATOR/ MEASURE	RESULT	COMMENTS
<b>Develop and implement the Key Worker Housing Strategy</b>	Ongoing	<p>Council submitted an application to the State Government's Regional Worker Accommodation Fund to deliver Key Worker Housing at Lake Hamilton in February, but was not successful.</p> <p>Work is being completed to develop a proposal for any potential State Government funding to deliver some Key Worker Housing. A regional advocacy document has also been developed.</p>
<b>Implement the Volcanic Trails Masterplan</b>	Ongoing	<p>In early 2024 Council applied for funding through Enable Tourism Funding Grant to implement the actions within the Volcanic Trails masterplan.</p> <p>Council will continue to advocate for the trail and pursue funding opportunities as they present with the issue forming part of Council's revised advocacy priorities.</p>





The following statement reviews the progress of council in relation to major initiatives identified in the 2023/24 budget for the year:

MAJOR INITIATIVES	PROGRESS
<b>Complete construction of Dunkeld Loop walk.</b>	<p><b>Complete</b></p> <p>The Dunkeld Loop Walk project was completed during the 2023/24 financial year. The project included the design and construction of stage one of the Dunkeld Loop Walk, from the Dunkeld township at Adam Street to the bridge underpass under Victoria Valley Road including pavement construction, interpretive signage, placement of seating, fencing and landscaping works. The new 1.5m wide asphalt footpath connected to the existing concrete footpath previously constructed at the Victoria Valley Road Bridge covering 1.4km.</p>
<b>Progress sale of land at Lakes Edge, Hamilton.</b>	<p><b>Ongoing</b></p> <p>The Lakes Edge Land Development continued to gain momentum with EOI released with Council working through preferred developers. Following an extensive assessment process, Council have resolved to appoint a developer, who will undertake community consultation to understand market demand.</p>
<b>Develop a HRLX Business and Marketing Plan to support the Master Plan and future growth of the Business.</b>	<p><b>Complete</b></p> <p>Council committed to the continued ownership and operation of HRLX, appointing the Hamilton Regional Livestock Exchange Advisory Committee (HRLXAC) to guide the further growth of the business and further investment in the facilities.</p> <p>Council commissioned the development of the HRLX Business and Marketing Plan comprising two documents; HRLX Business and Marketing Plan Research and Analysis and the Strategic Roadmap. The HRLXAC guided the development of these plans through engagement with key stakeholders including representatives from the Hamilton and District Stock Agents Association, producers, logistics industry and various support agencies and considered the research and data presented through the Research and Analysis Report.</p> <p>The report is due for presentation to Council in August 2024.</p>

The following statement provides information in relation to the services funded in the 2023/24 budget and the persons in the community who are provided with the service:

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
<b>Economic Development</b>	The economic development service seeks, in conjunction with key stakeholders, to promote an environment that is conducive to a sustainable and growing local economy.	296 (7) <b>289</b>	274 (0) <b>274</b>
<b>Airport</b>	This service is responsible for the management and operation of the Hamilton Airport.	398 (21) <b>377</b>	402 (22) <b>380</b>
<b>Livestock Exchange</b>	This service is responsible for the management and operation of the Hamilton Livestock Exchange.	1,347 (1,915) <b>(568)</b>	1,577 (2,497) <b>(920)</b>
<b>Visitor Experience and Services</b>	This service aims to connect the visitor to the Greater Hamilton experience, encouraging them to stay longer and contribute more to the local economy.	725 (20) <b>705</b>	784 (114) <b>670</b>
<b>Events Support</b>	This services purpose is to increase visitation and visitor yield and increase quality visitor experiences through the support and marketing of events within the Shire.	170 (1) <b>169</b>	179 (6) <b>173</b>
<b>Caravan Parks</b>	This service provides low-cost camping and caravan park accommodation facilities in Coleraine and Penshurst.	55 (25) <b>30</b>	72 (20) <b>52</b>
<b>Land Development</b>	This service provides management of Council owned land to promote economic and industrial development and may also secure industrial land for potential development.	2 (0) <b>2</b>	67 (0) <b>67</b>



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations:

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>STATUTORY PLANNING*</b>						
<b>Timeliness</b> <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	33.5 days	38 days	43 days	83 days	63 days	A significant improvement in our planning application process. This milestone reflects our ongoing commitment to efficiency, to streamline procedures, implement new technologies, and enhance communication with applicants.
<b>Service standard</b> <i>Planning applications decided within required timeframes</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	94.44%	93.55%	93.37%	46.53%	62.50%	This achievement underscores Councils commitment to providing timely and efficient services to our community. Our team has been dedicated to optimising processes and enhancing our responsiveness to ensure that applications are handled promptly.
<b>Service cost</b> <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$1514.34	\$482.27	\$588.37	\$1,581.98	\$1,501.57	
<b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0%	50%	100%	0%	0%	

\*Statutory Planning also reported under Strategic Objective Three



## MAINTAIN AND RENEW OUR INFRASTRUCTURE

Provide access to a high-quality built environment and infrastructure that meets community needs.



## STRATEGIC OBJECTIVE THREE

The following statement reviews the performance of council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan:

STRATEGIC INDICATOR/ MEASURE	RESULT	COMMENTS
<b>Develop and implement the Hamilton Transport Network Study</b>	Ongoing	The draft Hamilton Transport Network Study, named 'Hamilton Moves' is to be reviewed by Council in the 2024/25 financial year prior to presentation to community for the final engagement phase.
<b>Develop the Community Facilities Infrastructure Plan</b>	Ongoing	Development phase has been completed.  Community Infrastructure Plan has progressed to Stage 3 which will be completed by service managers.

The following statement reviews the progress of council in relation to major initiatives identified in the 2023/24 budget for the year:

MAJOR INITIATIVES	PROGRESS
<b>Complete Melville Oval redevelopment including new pavilion, netball courts and amenities</b>	<b>Ongoing</b> Works progressed well during the 2023/24 financial year, with the netball shelter building structurally complete including concrete flooring, the Pavilion and change roof/Grandstand upgrades also progressed well with structural slabs, steel frameworks and roof in place.  The works, at time of printing, were on track for completion in time for the next football/netball season.
<b>Continue to develop an approach to partner with Wannon Water and State Government on the pilot wastewater management system for Penshurst and other initiatives</b>	Due to rising costs, local water authority Wannon Water made the decision to abandon the Penshurst wastewater pilot with their consultant estimating that the cost of the pilot project had risen from \$1.7m to \$2.7m and the total project cost had risen from \$10m to almost \$20m.
<b>Develop detailed design including costings for the Hamilton Central Business District revitalisation which includes streets, laneways and a Town square</b>	<b>Ongoing</b> The tender award for design concepts was awarded to Group GSA. At the time of writing, residents were invited to view preliminary designs for the new Hamilton CBD streetscape in Gray Street as well as learn more around the scope and timing of the project and how the community will be kept informed.

The following statement provides information in relation to the services funded in the 2023/24 budget and the persons in the community who are provided the service:

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
Community Buildings	This service supports the use of community buildings, including halls and showgrounds throughout the Shire by ensuring they are maintained adequately.	426 (17) <b>409</b>	454 (9) <b>445</b>
Strategic Planning	This service monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It prepares and processes amendments to the Council Planning Scheme and carries out research on urban development issues.	1,110 (0) <b>1,110</b>	995 (0) <b>995</b>
Building Services	This service provides statutory building services including enforcement of the Building Act and Regulation to ensure community safety in the built environment.	458 (92) <b>366</b>	524 (103) <b>421</b>
Bridges and Culverts	This service ensures the development and maintenance of the Shires bridges and culverts.	1,213 (0) <b>1,213</b>	989 (0) <b>989</b>
Footpaths and Cycle Ways	This service ensures the development and maintenance of the Shires footpaths and cycle ways.	559 (0) <b>559</b>	822 (0) <b>822</b>
Facilities Management and Property Services	This service ensures Council owned buildings are maintained to acceptable standards, are fit for purpose and compliant with building regulations.	725 (58) <b>667</b>	762 (55) <b>707</b>
Playground and Skate Parks	This service creates social spaces for younger people and their families to recreate, and includes provision of age-appropriate play activities (including skate parks) and safe playground equipment across the Shire.	115 (0) <b>115</b>	119 (0) <b>119</b>
Infrastructure Management	This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program.	1,699 (0) <b>1,699</b>	1,419 (34) <b>1,385</b>
Statutory Planning	This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit.	504 (173) <b>331</b>	405 (174) <b>231</b>
Plant Management and Operations	This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet.	600 (110) <b>490</b>	1,709 (145) <b>1,564</b>
Roads and Streets	This service aims to ensure responsible management of Council's road infrastructure and compliance with regulatory requirements.	11,714 (8) <b>11,706</b>	14,775 (19) <b>14,756</b>



Public Infrastructure	This service provides community and visitors with appropriate public infrastructure to meet community needs in relation to location, safety, hygiene, quality and environmental sustainability of public toilets.	496 (0) <b>496</b>	465 (0) <b>465</b>
Private Works	This service is provided on a case-by-case basis for private requests for minor works that may not be readily available to the community, for example sealing driveways.	4 (5) <b>(1)</b>	13 (18) <b>(5)</b>
VicRoads Contract Management	This service ensures responsible contract management of Councils VicRoads contract.	9 (27) <b>(18)</b>	23 (28) <b>(5)</b>

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations:

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>ROADS</b>						
<b>Satisfaction of use</b> <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	10.30%	2.85%	0.39%	7.65%	8.13%	
<b>Condition</b> <i>Sealed local roads maintained to condition standards.</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local road] x100	97.07%	88.17%	90.24%	89.68%	94.58%	
<b>Service cost</b> <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$22.33	\$20.88	\$21.91	\$29.80	\$31.03	
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$3.07	\$6.04	\$6.66	\$6.73	\$6.74	
<b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	43.00	42.00	37.00	34.00	36.00	





## PROTECT OUR NATURAL ENVIRONMENT

Act as community leaders to promote and enhance a clean, green and sustainable environment.



## STRATEGIC OBJECTIVE FOUR

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan:

STRATEGIC INDICATOR/ MEASURE	RESULT	COMMENTS
<b>Progress the Natural Asset Management Plan</b>	Complete	The Plan for Nature was adopted at the March 2024 Council Meeting.
<b>Review, update and implement the Sustainability Strategy</b>	Ongoing	The draft Sustainability Strategy was developed from community feedback across the 2023/24 financial year. A draft document will be presented to Council in August 2024 and released for public feedback.
<b>Reduced Waste</b>	Ongoing	As a result of multiple Council waste initiatives, kerbside general waste volumes continues to decline at a rate of 50 tonnes per annum. Such initiatives include waste education programs, bailing twine collection, a community mulch initiative, and the ASPIRE waste platform.

The following statement reviews the progress of Council in relation to initiatives identified in the 2023/24 budget for the year:

MAJOR INITIATIVES	PROGRESS
<b>Develop Southern Grampians Circular Economy and Sustainability Strategy</b>	<p><b>Ongoing</b></p> <p>The strategy was drafted from community and stakeholder feedback to deliver an environmentally sustainable Shire.</p> <p>A wide range of organisations, community groups and schools contributed to the development of the draft Strategy with consultation recording 245 comments across six focus areas - Net Zero, Infrastructure, Waste, Water, Land Use &amp; Biodiversity and Community.</p> <p>Key themes from the community feedback now embedded in the draft Strategy included supporting green energy initiatives, zero to low emission transport, green transport options, street tree enhancement, preservation and protection of biodiversity, recycling and waste education in easy English, and more support for volunteers.</p>
<b>Adopt the Natural Asset Strategy and commence implementation in partnership with key stakeholders</b>	<p><b>Complete</b></p> <p>The Natural Assets Strategy - Plan for Nature was adopted at the March 2024 Council Meeting.</p> <p>The Plan for Nature 2023-2033 aims to deliver a shared vision between Council, community, the region's Traditional Owners and other regional stakeholders to protect and enhance the Shire's biodiversity and natural values.</p>

The following statement provides information in relation to the services funded in the 2023/24 budget and the persons in the community who are provided the service:

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
<b>Landfill &amp; Transfer Stations</b>	This service manages the waste and recyclables collection process at the designated transfer stations within the Shire.	1,749 (975) <b>774</b>	1,658 (1,000) <b>658</b>
<b>Waste and Recycling Collection</b>	This service manages the waste and recyclables collection process within the Shire, including the collection of kerbside bins.	2,294 (115) <b>2,179</b>	2,692 (10) <b>2,682</b>
<b>Natural Asset Management</b>	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	264 (75) <b>189</b>	257 (85) <b>172</b>
<b>Stormwater/ Drainage</b>	This service manages the maintenance and environmental issues associated with the stormwater/drainage networks throughout the Shire.	591 (0) <b>591</b>	816 (0) <b>816</b>
<b>Yatchew Drainage Authority</b>	This service is responsible for the management and maintenance of the Yatchaw Drainage Scheme.	7 (4) <b>3</b>	11 (6) <b>5</b>
<b>Quarry</b>	This service is responsible for the sustainability in the supply of materials for road management and the realisation of returns from an economic asset.	4 (255) <b>(251)</b>	8 (36) <b>(29)</b>
<b>Environmental Sustainability</b>	This service implements Council's Sustainability Strategy and acts as a catalyst for Council and community sustainability actions within the Shire.	300 (0) <b>300</b>	469 (32) <b>437</b>
<b>Fire Prevention</b>	This service coordinates fire prevention planning and works in cooperation with other agencies.	154 (0) <b>154</b>	145 (2) <b>143</b>
<b>Water</b>	This service manages the Old Hamilton Reservoir and provides a source of non-potable water for irrigation purposes, maintaining sporting grounds and the amenity of the Hamilton Botanic Gardens.	5 (6) <b>(1)</b>	22 (0) <b>22</b>
<b>Environmental Health</b>	This service improves the health and wellbeing of the community and protects the Shire's environment.	382 (130) <b>252</b>	350 (133) <b>217</b>



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations:

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>WASTE COLLECTION</b>						
<b>Service standard</b> <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	5.85	9.58	9.42	6.64	15.53	There has been changes in the customer request system that has enabled staff to report on more accurate individual type of requests. In addition, the contractor has been through significant staff turnover that might have influence the issue.
<b>Service cost</b> <i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$110.28	\$118.31	\$129.96	\$175.66	\$119.11	A new kerbside contract commenced 1 July 2023 which was the main responsible of the decrease in costs. In addition to efficiency gain through operation and contract management.
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$83.50	\$71.77	\$78.48	\$88.49	\$96.69	
<b>Waste Diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	43.01%	62.72%	79.24%	62.97%	60.54%	<p>The main reason for this is due to the quantity of FOGO and Recyclables received reduced over the last financial year whilst general waste remained consistent.</p> <p>The main reasons of this might be the introduction of the Container deposit scheme that is removing glass from kerbside recycling and in terms of FOGO it might be due to being a dry year.</p>

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>FOOD SAFETY</b>						
<b>Service standard</b> <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100.	102.61%	75.17%	100.00%	103.01%	100.00%	
<b>Timeliness</b> <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.29	1.00	1.11	1.29	1.10	Council responded to all food complaints within 1 day except for 1 complaint where they responded within 2 days.
<b>Service cost</b> <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$399.46	\$436.04	\$426.06	\$466.18	\$474.80	
<b>Health and safety</b> <i>Critical and major non-compliance outcome 100% notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance outcome notifications about food premises] x100	93.33%	100%	92.86%	100%	100%	





## PROVIDE STRONG GOVERNANCE AND LEADERSHIP

Strong leadership, good governance and effective service delivery.



## STRATEGIC OBJECTIVE FIVE

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan:

STRATEGIC INDICATOR/ MEASURE	RESULT	COMMENTS
<b>Improve Council's performance for governance within the Local Government Performance Reporting Framework</b>	Ongoing	The Local Government Performance Reporting Framework (LGPRF) aims to improve transparency and accountability of councils. It assesses councils' performance across a range of services and functions. Council is looking at a series of improvements to the way councils track their performance to ensure they are serving their communities in the best way and strengthen council decision-making and transparency.
<b>Continue to implement improved digital solutions that focus on excellence in customer service</b>	Ongoing	Council committed to a replacement of all core systems in a joint project with two neighbouring councils. Contracts were awarded in January 2023 and the development of the new systems was undertaken in early 2023. Programs were delivered across the 2023/24 financial year.
<b>Review and update the Advocacy 2018-2030 priority list</b>	Complete	Works were completed in early 2024 to review and update advocacy priorities.

The following statement reviews the progress of council in relation to major initiatives identified in the 2023/24 budget:

MAJOR INITIATIVES	PROGRESS
<b>Deliver a new Council website</b>	<p><b>Complete</b> Council delivered a new Council website in April 2024.</p> <p>The new site included an intuitive search bar making it easier for community to search by subject. The introduction of the new site resulted in all areas of Council reviewing public information/content available. While the new site has been delivered, the website will continually be improved and updated over the course of its life.</p>
<b>Update our Community Investment Plan (Advocacy Plan) and continue to advocate for project funding</b>	<p><b>Complete</b> Council reviewed the 2021 Community Investment Plan that showcased Council's Advocacy priorities and created a new list of key issues to take into 2024.</p> <p>This included a new look, presentation folder with issues-based inserts covering:</p> <ul style="list-style-type: none"> <li>• New Hamilton Gallery</li> <li>• Volcanic Trails Masterplan</li> <li>• CBD Revitalisation</li> <li>• Reconciliation with First Nations People</li> <li>• Rail Trails</li> <li>• Heavy Vehicle Alternative Route</li> <li>• Enhanced Regional Bus Services</li> <li>• Hamilton Community Hub</li> <li>• Childcare Shortages</li> </ul>



The following statement provides information in relation to the services funded in the 2023/24 budget and the persons in the community who are provided the service:

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST \$000	ACTUAL EXPENDITURE (REVENUE) NET COST \$000
<b>Executive and Councillor Support</b>	This area of governance includes the Chief Executive Officer, Executive Management Team the Mayor, Councillors and associated support.	2,235 (0) <b>2,235</b>	1,977 (6) <b>1,971</b>
<b>Governance Administration</b>	This service has the responsibility to provide the organisation with appropriate strategic advice on Governance related matters, enabling the organisation to be responsive to the needs of the Council and the community.	258 (0) <b>258</b>	209 (0) <b>209</b>
<b>Financial Services</b>	This service has the responsibility to provide the organisation with appropriate strategic advice, reporting and internal control on finance related matters. Financial services also provide accounts payable, receivable and rating administration.	1,177 (329) <b>848</b>	1,068 (1,046) <b>22</b>
<b>People and Culture</b>	The Organisational Development Unit aims to facilitate Council's organisational goals through effective workforce management and provide a mechanism for continual review and improvement.	943 (0) <b>943</b>	1,211 (60) <b>1,151</b>
<b>Risk Management</b>	This service has the responsibility to provide the organisation with appropriate advice and management of risk and OHS in relation to legal and other community requirements.	387 (0) <b>387</b>	396 (75) <b>321</b>
<b>Procurement</b>	This service has the responsibility to provide the organisation with appropriate advice, administration and policy on all procurement matters as specified in Section 186A of the Local Government Act 1989.	359 (0) <b>359</b>	342 (0) <b>342</b>
<b>Communications</b>	The Communications service assists the organisation to facilitate communication across both internal and external stakeholders, and provide high quality information to the community.	715 (0) <b>715</b>	542 (0) <b>542</b>
<b>Customer Service</b>	The Customer Service is the first point of contact for all communications with Council. This unit aims to provide accurate and a high quality of service to all customers.	451 (23) <b>428</b>	321 (0) <b>321</b>
<b>Business Systems</b>	The Business Systems unit aims to maximise the organisation's capacity to utilise all its many and diverse systems and is also responsible for the ongoing support of Councils IT requirements necessary to deliver effective services.	1,985 (252) <b>1,733</b>	2,619 (0) <b>2,619</b>

<b>Corporate Buildings and Overheads</b>	This service maintains buildings and grounds of corporate buildings, supports whole of organisation administration functions and coordinates centralised purchasing of corporate consumables.	1,000 (4,839) <b>(3,839)</b>	1,029 (4,840) <b>(3,811)</b>
<b>Depot Operations and Maintenance</b>	This service coordinates the operation of Council's depots in Hamilton, Coleraine, Balmoral, Cavendish, Dunkeld and Penshurst to support works teams to deliver capital and maintenance programs.	462 (329) <b>133</b>	496 (25) <b>471</b>

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

STRATEGIC INDICATOR/ MEASURE	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>GOVERNANCE</b>						
<b>Transparency</b> <i>Council decisions at meetings closed to the public</i> [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100	2.63%	0.75%	4.85%	7.41%	6.82%	
<b>Consultation and Engagement</b> <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	59	57	50	47	43	Perceptions of consultation and engagement, and decisions made in the interest of the community, have been trending down over time and are at their lowest levels in many years. Good communication and transparency with residents in Council decision making is important to ensure residents feel heard on key local issues. Information provision will be important to ensure the community are aware of the actions Council is undertaking. Community Satisfaction Survey results showed a 4 point downward trend. This has been a 4 year downward trend in results.



STRATEGIC INDICATOR/ MEASURE cont.	19/20	20/21	21/22	22/23	23/24	MATERIAL VARIATIONS
<b>GOVERNANCE</b>						
<b>Attendance</b> <i>Council attendance at council meetings</i> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100	96.70%	98.81%	95.80%	91.60%	93.33%	
<b>Service cost</b> <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$32,911.86	\$33,978.00	\$35,505.72	\$37,607.46	\$40,491.37	
<b>Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	52	54	51	46	44	5 Point decrease in this years results.



# CORPORATE GOVERNANCE

Council is constituted under the *Local Government Act 2020* to provide good governance in its municipal district for the benefit and wellbeing of the municipal community. Council must in the performance of its role give effect to the overarching governance principles, including:

- + Council decisions are to be made and actions taken in accordance with the relevant law.
- + Priority to be given to achieving the best outcomes for the municipal community, including future generations.
- + The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.
- + The municipal community is to be engaged in strategic planning and strategic decision making.
- + Innovation and continuous improvement is to be pursued.
- + Collaboration with other Councils and Governments and statutory bodies is to be sought.
- + The ongoing financial viability of the Council is to be ensured.
- + Regional, state and national plans and policies are to be taken into account in strategic planning and decision making.
- + The transparency of Council decisions, actions and information is to be ensured.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into council's decision-making processes including community consultation, public forums, and the ability to make submissions to Council. Council's formal decision-making processes are conducted through council meetings. Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted council policies.

## Meetings of Council

Council meetings of the Southern Grampians Shire Council are generally held on the second Wednesday of each month at 5:30pm in the Council Chambers, 3 Market Place, Hamilton.

Council meetings are usually open to all who wish to attend with Councillors available to meet informally with residents between 5:00–5:30pm, prior to the monthly Council Meetings.

**For the 2023/24 year Council held the following meetings:**

1. 11 Council Meetings; and
2. Four unscheduled council meetings

The following table provides a summary of councillor attendance at council meetings and unscheduled council meetings for the 2023/24 financial year.



Councillor	Council Meeting	Unscheduled Council Meeting	Total
Cr David Robertson (Mayor from 26 October 2022)	10/11	4/4	14/15
Cr Mary-Ann Brown	11/11	4/4	15/15
Cr Albert Calvano	8/11	3/4	11/15
Cr Bruach Colliton	10/11	4/4	14/15
Cr Helen Henry	11/11	4/4	15/15
Cr Katrina Rainsford	11/11	4/4	15/15
Cr Fran Malone	10/11	4/4	14/15

## Council Committees

The Act allows Councils to establish Committees.

The following table contains a list of committees established by the Council that are in operation and the purpose for which each committee was established:

Committee	Purpose
Planning Committee	To support the efficient and effective consideration of planning permit applications and the development of effective land use strategies in support of the environment, community and economy. To provide an open forum where major planning applications can be considered and applicants and objectors have their right to be heard.
Carapook Hall	The management and operation of the Public Hall at Carapook.
Coleraine Mechanics Institute	The management and operation of the Mechanics' Institute Hall at Coleraine.
Konongwotong Hall	The management and operation of the Konongwotong Public Hall.
Nareen Hall	The management and operation of the Nareen Public Hall.
Coleraine Sporting Ground	The management and operation of the Coleraine Tennis & Netball Centre, Silvester Oval and Turnbull Street Reserve of Coleraine.
Cavendish Soldiers Memorial Hall	Managing the Cavendish Soldiers Memorial Hall.

## Councillor Code of Conduct

The *Local Government Act 2020* provides that all Council's must develop and adopt a Councillor Code of Conduct ('Code') and that the Code must be reviewed and adopted within the period of 4 months after a general election.

The Councillor Code of Conduct was adopted at Council's meeting on 10 February 2021.

### The Code:

- + Sets out the standards of conduct required and expected of elected representatives;
- + Endeavours to foster good working relations between Councillors to enable Councillors to work constructively together in the best interests of the local community; and
- + Mandates Councillor conduct designed to build public confidence in the integrity of local government.

Councillors must also adhere to prescribed standards of conduct, including:

#### 1. Treatment of Others

- A Councillor must, in performing the role of a Councillor, treat other Councillors, members of Council staff, the municipal community and members of the public with dignity, fairness, objectivity, courtesy and respect, including by ensuring that the Councillor;
- Takes positive action to eliminate discrimination, sexual harassment and victimisation in accordance with the *Equal Opportunity Act 2010*;
- Supports the Council in fulfilling its obligation to achieve and promote gender equality;
- Does not engage in abusive, obscene or threatening behaviour in their dealings with members of the public, Council staff and Councillors; and
- In considering the diversity of interests and needs of the municipal community, treats all persons with respect and has due regard for their opinions, beliefs, rights and responsibilities.

#### 2. Performing the role of Councillor

A Councillor must, in performing the role of a Councillor, do everything reasonably necessary to ensure that the Councillor performs the role of a Councillor effectively and responsibly, including by ensuring that the Councillor:

- a) Undertakes any training or professional development activities the Council decides is necessary for all Councillors to undertake in order to effectively perform the role of a Councillor;
- b) Diligently uses Council processes to become informed about matters which are subject to Council decisions;
- c) Is fit to conscientiously perform the role of a Councillor when acting in that capacity or purporting to act in that capacity; and
- d) Represents the interests of the municipal community in performing the role of a Councillor by considering and being responsive to the diversity of interests and needs of the municipal community.

#### 3. Compliance with good governance measures

A Councillor, in performing the role of a Councillor, to ensure the good governance of the Council, must diligently and properly comply with the following:

- a) Any policy, practice or protocol developed and implemented by the Chief Executive Officer in accordance with Section 46 of the Act for managing interactions between members of Council staff and Councillors;
- b) The Council expenses policy adopted and maintained by the Council under Section 41 of the Act;
- c) The Governance Rules developed, adopted and kept in force by the Council under Section 60 of the Act; and
- d) Any directions of the Minister issued under Section 175 of the Act.



4. **Councillor must not discredit or mislead Council or public**

- In performing the role of Councillor, a Councillor must ensure that their behaviour does not bring discredit upon the Council.
- In performing the role of a Councillor, a Councillor must not deliberately mislead the Council or the public about any matter related to the performance of their public duties.

5. **Standards do not limit robust political debate**

- Nothing in these standards is intended to limit, restrict or detract from robust public debate in a democracy.

A copy of the Councillor Code of Conduct can be obtained from Council's Brown Street Business Centre, or viewed on Council's website [www.sthgrampians.vic.gov.au](http://www.sthgrampians.vic.gov.au)

## **Conflict of Interest**

Councillors are elected by the residents and ratepayers to act in the best interest of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflicts of interest.

## **Councillor Allowances and Expenses**

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duty as a Councillor.

The Victorian Independent Tribunal sets the allowances paid to Councillors, Mayors and Deputy Mayor. Councils are divided into three categories based on the income and population of each Council. In this instance Southern Grampians Shire Council is recognised as a category 1 council.

The Victorian Independent Remuneration Tribunal revised the Mayor, Deputy Mayor and Councillors allowances. The Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022 was adjusted to the following.

The base allowance amounts which apply for this category from 18 December 2023:

**Mayor** – \$79,492 pa  
**Deputy Mayor** – \$39,746 pa  
**Councillors** – \$25,650 pa

The base allowance amounts which applies for this category from 18 December 2021 are:

**Mayor** – \$74,706 pa  
**Deputy Mayor** – \$37,080 pa  
**Councillors** – \$24,080 pa

Councillors can individually elect to receive either the full allowance to which they are entitled, part of the allowance or no allowance at all.

The amount equivalent to the superannuation scheme guarantee under Commonwealth taxation legislation (11% for the 2023/2024 period) is payable in addition to these amounts.

The table below sets out the allowances paid in accordance with the Act for the 2023/24 financial year:

Councillor	Allowance
Brown	\$25,293.29
Calvano	\$25,293.29
Malone	\$26,170.60
Rainsford	\$25,293.29
Colliton	\$23,746.53
Henry (Deputy Mayor from 26 October 2022)	\$39,568.75
Robertson (Mayor from 26 October 2022)	\$79,469.99
<b>Total</b>	<b>\$247,259.81</b>

Councillor	Travel	Mileage	Childcare	ICT	Conference/ Training	Total
Brown	\$358	0	0	\$538	\$250	\$1147
Calvano	\$1015	0	0	\$1027	0	\$2042
Malone	0	0	0	\$451	0	\$451
Rainsford	\$518	\$3471	0	\$624	0	\$4613
Colliton	0	0	0	\$557	0	\$557
Henry (Deputy Mayor from 26 October 2022)	0	0	0	\$126	0	\$126
Robertson (Mayor from 26 October 2022)	\$1904	\$822	0	\$424	\$1601	\$4751
<b>Total</b>	<b>\$3795</b>	<b>\$4293</b>	<b>0</b>	<b>\$3747</b>	<b>\$1851</b>	<b>\$13,687</b>

Note: The Mayor is supplied with a vehicle in order to fulfil the duties of the role.

## Management

Council has implemented statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decisions by Council. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

## Audit and Risk Committee

The Audit and Risk Committee is a legislated Committee of Council formed in accordance with Section 53 of the *Local Government Act 2020*. The purpose of the Committee is to assist Council in the effective conduct of its responsibilities in relation to its financial and performance reporting practices. This includes monitoring compliance of Council's policies and procedure with overarching governance principles and legislative responsibilities, risk management and internal control systems.



The Audit and Risk Committee consists of three independent members, Mr Brian Densem (Chair), Ms Aisling Cunningham and Mr Bill Millard and two Councillors, Councillor Helen Henry (Deputy Mayor) and Councillor Bruach Colliton. Meetings are also attended by the Chief Executive Officer, Director People and Performance, Head of Finance, Manager People & Culture and other staff as appropriate.

**The Audit and Risk Committee charter outlines the role of the Committee, which includes the facilitation of:**

- + The enhancement of the credibility and objectivity of internal and external financial reporting.
- + Effective management of financial and other risks and the protection of Council assets.
- + Compliance with laws and regulations and consideration of best practice guidelines.
- + The effectiveness of the internal audit function.
- + The provision of an effective means of communication between the external auditor, internal audit, management and the Council.

**The Audit and Risk Committee met on five occasions during 2023/2024 and addressed a broad range of issues including:**

- + Annual Financial, Standard and Performance Statements
- + Budget 2024-2025; Long Term Financial Plan 2024-2034 and Pricing Register 2024-2025
- + Quarterly Financial Statements and Reports
- + VAGO Management Letters
- + Strategic Internal Audit Plan
- + Fraud and Corruption Control
- + Compliance Framework
- + Occupational Health & Safety and Risk Management
- + Performance Reports
- + Annual Plan
- + Councillor Expenses

- + Reviewing of Accounting Policies - Procurement Policy and Borrowing and Investment Policy.

## **Documents for Public Inspection**

In accordance with *Local Government Act 2020*, Council makes a range of information available on its website [www.sthgrampians.vic.gov.au](http://www.sthgrampians.vic.gov.au)

## **Procurement**

During the year Council publicly advertised tender opportunities and expressions of interest that had a value above Council's Procurement Policy contract value (threshold) and entered into contracts for the following projects:

- + Coleraine Levee Bank Design
- + Resource Recovery Services - Hamilton Transfer Station
- + Silvester Oval Lighting
- + Dunkeld Loop Walk - Design and Construct
- + Long Term Plant Hire
- + Sealed Pavement Heavy Patching Service
- + Provision of Internal Audit Services
- + Provision of Stabilisation and Pulverisation Services
- + Pedrina Park Lighting Design
- + Supply of Road Making Materials
- + Perfect Gym Software Solutions
- + Kerbside Collection
- + Lease of Gynnasium Equipment - Maintenance/ Software
- + Hamilton - Tarrington Shared User Path
- + Supply and Installation of Parking Meters
- + Silvester Oval - Coleraine - Sewerage Works
- + Pedrina Park Soccer Field Drainage

During this period Council entered into the following contract which was not advertised as a public tender.

- + Asbestos Removal

## Food Act Ministerial Directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any ministerial directions received during the financial year in its annual report. No such ministerial directions were received by Council during the 2023/24 financial year.

## Disability Action Plan

Council is committed to working alongside our community to create a place where people of all ages and abilities can achieve optimal health and wellbeing.

The *Disability Act 2006* requires all councils to have a Disability Action Plan as prescribed in the *Commonwealth Disability Discrimination Act 1992*.

This plan needs to focus on:

- + reducing barriers to persons with disabilities accessing goods, services and facilities
- + reducing barriers to persons with disabilities obtaining and maintaining employment
- + promoting inclusion and participation in the community of persons with disabilities
- + achieving tangible changes in attitudes and practices which discriminate against persons with disabilities.

The Disability Action Plan was embedded into the Council Plan for the first time in 2021. The approach aims to ensure that disability remains a priority across all areas of Council business and that a disability perspective is applied in the delivery of all Council services and activities.

## Domestic Animal Management Plan

In accordance with the *Domestic Animal Act 1994*, Council is required to prepare a Domestic Animal Management Plan at four-year intervals and evaluate its implementation in its Annual Report.

The Plan identifies strategies and actions to implement the vision, aims and objectives for animal management and contains recommendations for a wide range of actions to be undertaken by Council in a programmed approach.

These actions will enable Council to maintain a balance between the competing interests of animal management and to accommodate new requirements. The Plan addresses topics including authorised officer training, promotion of responsible pet ownership including registration, minimisation of dog attacks, operation of the Pound facility and general service delivery throughout the municipality. The Pound is run in strict accordance with the code of practice for Pounds and Shelters.

### 2023/24 key figures:

Dogs and cats registered: 2459  
Dogs rehomed: 46  
Dogs reclaimed: 83  
Cats rehomed: 22  
Cats reclaimed: 10

### 2023/24 highlights:

This year's highlights included the recruitment of a third Ranger, continued refurbishment of the animal pound facility – including installation of water tanks and upgraded plumbing to allow self-filling water bowls, a new pound use MOU with City of Mt Gambier and DC Grant, and more social media engagement which has assisted in the increase of both cat and dog adoption numbers.

## Freedom of Information

The *Freedom of Information Act 1982* (the FOI Act) gives people the right to access documents held by Victorian government agencies.

The FOI Act has four main functions:

1. To provide a general right of access to documents;
2. To enable individuals to amend incorrect documents about them held by government;
3. To provide rights appeal in relation to the previous two functions;
4. To require agencies to publish certain details about themselves and their functions.

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, Council is required to publish certain statements in their Annual Report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately however provides the following summary of the application and operation of the *Freedom of Information Act 1982*.

24 valid FOI requests were received by Council during the period 1 July 2023–30 June 2024.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- + It should be in writing;
- + It should identify as clearly as possible which document is being requested;
- + It should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Applications can be emailed to Council's FOI Officer at [foi@sthgrampians.vic.gov.au](mailto:foi@sthgrampians.vic.gov.au) or mailed to Locked Bag 685, Hamilton VIC 3300.

Access charges may apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Further information regarding FOI can be found at <http://www.sthgrampians.vic.gov.au/foi>

## Public Interest Disclosures Act 2012

In accordance with Section 69 of the *Protected Disclosure Act 2012* a Council must include in their Annual Report information about how to access the procedures established by the Council under Part 9 of that Act.

It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Public Interest Disclosures Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are available on Council's website [www.sthgrampians.vic.gov.au/protecteddisclosures](http://www.sthgrampians.vic.gov.au/protecteddisclosures)

During the 2023/24 financial year no disclosures were notified to Council officers appointed to receive disclosures, or to IBAC.

## Road Management Act Ministerial Direction

In accordance with section 22 of the *Road Management Act 2004*, a Council must publish a copy or summary of any Ministerial Direction in its Annual Report. No such Ministerial Directions were received by Council during the 2023/24 financial year.

## Infrastructure and Development Contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a Council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in Council's Annual Report. No infrastructure or development contributions were received by Council in the 2023/24 financial year.



## Governance and Management Checklist

Indicator	Governance and Management Items	Assessment
Community Engagement	1 <b>Community engagement policy</b> (policy outlining council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act Date: 21 June 2023
Community Engagement	2 <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation Date: 21 June 2023
Planning	3 <b>Financial Plan</b> (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act Date: 26 June 2024
Planning	4 <b>Asset Plan</b> (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act Date: 22 July 2022
Planning	5 <b>Revenue and Rating Plan</b> (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date: 26 June 2024
Planning	6 <b>Annual budget</b> (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 94 of the Act Date of adoption: 26 June 2024
Planning	7 <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date: 9 October 2019
Planning	8 <b>Fraud policy</b> (policy outlining council's commitment and approach to minimising the risk of fraud)	Current policy in operation Date: 11 March 2023
Planning	9 <b>Municipal emergency management plan</b> (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 Date: 1 June 2024
Planning	10 <b>Procurement policy</b> (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date: 15 December 2021
Planning	11 <b>Business continuity plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation Date: 1 September 2019
Planning	12 <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation Date: 10 September 2022

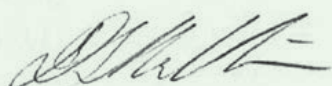
Monitoring	13	<b>Risk management framework</b> (framework outlining council's approach to managing risks to the Council's operations)	Current framework in operation Date: 1 February 2020
Monitoring	14	<b>Audit and Risk Committee</b> (advisory committee of Council under section 53 and 54 of the Act)	Established in accordance with section 53 of the Act Date: 10 August 2022
Monitoring	15	<b>Internal audit</b> (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Internal auditor engaged Date: 3 September 2020
Monitoring	16	<b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Current framework in operation Date: 24 October 2023
Reporting	17	<b>Council Plan reporting</b> (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report Date: 13 December 2023 12 March 2024 12 June 2024
Reporting	18	<b>Quarterly budget reports</b> (quarterly reports to Council under section 97 of the Act comparing actual and budgeted results and an explanation of any material variations)	Quarterly statements presented to council in accordance with section 97 of the Act Date: 14 February 2024 12 June 2024
Reporting	19	<b>Risk reporting</b> (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented for ELT Date: 31 October 2023 05 January 2024 21 May 2024
Reporting	20	<b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Performance report prepared and presented Date: 24 October 2023
Reporting	21	<b>Annual report</b> (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial performance statements)	Annual Report considered at a meeting of Council in accordance with section 134 of the 1989 Act Date: 20 October 2023
Decision-making	22	<b>Councillor Code of Conduct</b> (Code setting out the standards of conduct to be followed by Councillors and other matters)	Code of conduct reviewed in accordance with section 139 of the Act Date: 2 October 2021

Decision-making	23	<b>Delegations</b> (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Dates of review: s5 – 8 March 2023 s6 – 21 December 2023 s7 – 17 April 2024 s12 – 28 March 2024 S13 – 20 September 2023 s14 – 13 January 2023 c5 – 21 December 2023 c7 – 04 October 2022
Decision-making	24	<b>Meeting procedures</b> (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date: 21 June 2023

I certify that this information presents fairly the status of council's governance and management arrangements.



Tony Doyle  
Chief Executive Officer  
Date: Oct 18 2024



Cr David Robertson  
Mayor  
Date: Oct 18 2024



# FINANCIAL INFORMATION



## Understanding these accounts

The Financial Statements have been prepared in accordance with the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020, Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board. The Financial Statements have been prepared on the basis of historical costs, except where specifically stated otherwise. They have also been prepared on an accruals and ongoing concern basis.

The statements are audited by the Victorian Auditor-General's agent before being approved in principle by Council's Audit & Risk Committee and Council itself. The Financial Statements are then forwarded to the Auditor-General for final approval.

For this financial year Council has received a clear audit of its Financial Statements. The Financial Statements are comprised of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes to and forming part of the Statements. These Statements compare the previous year's results with the current year.

## Financial Overview

Council's audited 2023/24 Financial Statements are included from pages 87-96 of this report. Council continues to be in a sound financial position, however there was an operating deficit of \$12.787 million for the year, due in large part to Financial Assistance Grant revenue for 2023/24 being received in 2022/23. Council has a working capital ratio of 1.52:1 this year (2022/23 2.53:1).

The Working Capital Ratio assesses Council's ability to meet current commitments and means that Council has \$1.52 of cash and current assets for every \$1.00 of current liabilities.

Unrestricted cash on hand at 30 June 2022 was \$4.46 million which includes investments of \$2.50 million for payment of long service leave entitlements, \$1.1 million for the future provision of landfill remediation. Restricted cash of \$1.27 million is for specific reserve funds and trust deposits. Borrowings outstanding at 30 June 2024 totalled \$1.251 million. Trade and other payables was \$5.201 million. Council had a net overall cash outflow for the year of \$7.085 with a net cash outflow of \$7.701 million from Operating Activities compared to a budget inflow of \$21.058 million for the financial year.

## Rating

Rates and Charges provided 58 percent of Council's total operating revenue in 2023/24. Council's rating strategy seeks to ensure consistency and equity in the levying of rates and charges. Differential rates are levied on the capital improved valuation of all rateable land to reflect the different standard, range and access to municipal services available to residents and ratepayers in the different areas of the Shire. The lower differential rate was fixed at 80 percent of the higher differential rate.

## Looking ahead

The Council, in developing its financial strategy, has taken a long-term view to budgeting and planning. The preparation of the Long Term Financial Plan includes a number of assumptions, which are reviewed annually and updated to reflect new or revised circumstances.

In preparing its long-term financial plan, a number of internal and external influences impact on the capacity of Council to fund ongoing capital needs including increasing costs associated with the maintenance and renewal of Council's ageing infrastructure assets, improvements in waste management services and facilities, demand for leisure and recreation facilities, Council services generally, plant replacement large intergenerational asset projects with loans funding where appropriate.

The Council continues to receive funding from the Federal Government for general purpose expenses (via the Victorian Grants Commission) and under the "Roads to Recovery" program for the local road network. Council has also received funding for the 2023/24 financial year under the Local Roads and Community Infrastructure Program (LRCIP) which has continued the funding program from prior years. Further funding is expected in the 2024/25 year.

The key objective of the Financial Plan is financial sustainability in the medium to long term, whilst still achieving the Council's corporate objectives as specified in the Council Plan.

### Comprehensive Income Statement

The Comprehensive Income Statement includes all sources of income, less all operating expenses or expenses incurred in delivering Council services. This includes depreciation, or the writing down of the value of buildings, roads, footpaths, drains and all other infrastructure assets which are used to deliver Council services.

These assets are depreciated over the life of the asset as they are consumed. Capital costs or new assets purchased or created during the year are excluded from the Statement, but are depreciated as they are used.

The Statement is prepared on an accrual basis. This means that all revenue and expenditure for the year is recognised even though the revenue may not yet be received or expenses not yet paid.

The key figure is the Surplus (Deficit) which is the equivalent to the profit or (loss) of Council for the year. Council expenditure was \$53.058 million with revenue of \$40.271 million generating a deficit of \$12.787 million.

### Balance Sheet

The Balance Sheet shows what the Council owns as assets and what it owes as liabilities. Both Assets and Liabilities are expressed as current or non-current. Current means that these are Assets or Liabilities that will be expected to be paid or could be converted into cash within the next 12 months. The bottom line of this Statement is Net Assets which is the net worth of Council built up over the years. The Council's Balance Sheet indicates Council is in a sound position. Its Current Assets consist predominately of cash assets and are 1.52 times Current Liabilities which demonstrates that Council has sufficient funds on hand to pay liabilities as they fall due.

### Statement in Changes of Equity

The Statement of Changes in Equity shows the value of changes to Total Ratepayers Equity (net assets) and how these changes arose.

Council's net worth can only change through the 'profit (loss) for the year' from operations as recorded in the Comprehensive Income Statement or an increase in the value of non-current assets resulting from a revaluation of those assets.

Councils Net Equity decreased from \$509.503 million in 2022/23 to \$504.762 million in 2023/24. This decrease of \$4.741 million is the operating result plus asset revaluation increments in 2023/24.





## Statement of Cash Flows

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. It differs from the Comprehensive Income Statement in that it:

- + excludes the accruals taken into account in the Comprehensive Income Statement
- + excludes non-cash expenses such as depreciation
- + includes payments or receipts in relation to capital items
- + includes any 'financing' activities such as loan proceeds and payments.

The Cash Flow from Operating Activities summarises all of the Income and Expenses in relation to Council's ongoing service delivery. A surplus ensures that Council can maintain its day-to-day operations as well as provide funds for future community investments.

The Cash Flow from Investing Activities refers to Council's Capital Works expenditure as well as any receipts for the sale of assets. Cash Flow from Financing Activities refers to the repayment of loans.

## Statement of Capital Works

The Statement of Capital Works compares the expenditure allocated to the various categories of assets Council maintains for the purpose of delivering services. This statement compares the level of expenditure compared to the previous year.

It also provides a breakdown of the expenses into the development of new assets, renewing existing assets or upgrading and/or expanding assets.

## Notes To The Accounts

Notes to the Accounts provide details of Council's accounting policies, expands on the summary figures contained in the five key financial statements and includes other information such as financial performance indicators, the cost of various functions.

# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## TABLE OF CONTENTS

Page

<b>Certification of the Financial Statements</b>	<b>88</b>
<b>Victorian Auditor-General's Office Report</b>	<b>89</b>
<b>Understanding Council's Financial Statements</b>	<b>91</b>
<b>Financial Statements:</b>	
Comprehensive Income Statement	92
Balance Sheet	93
Statement of Changes in Equity	94
Statement of Cash Flows	95
Statement of Capital Works	96
<b>Notes to the Financial Statements</b>	
<b>Note 1 Overview</b>	<b>97</b>
<b>Note 2 Analysis of our results</b>	<b>98</b>
2.1 Performance against budget	98
2.2 Analysis of Council results by program	102
<b>Note 3 Funding for the delivery of our services</b>	<b>104</b>
3.1 Rates and charges	104
3.2 Statutory fees and fines	104
3.3 User fees	105
3.4 Funding from other levels of government	106
3.5 Contributions	108
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment	109
3.7 Other income	109
<b>Note 4 The cost of delivering services</b>	<b>110</b>
4.1 Employee costs	110
4.2 Materials and services	111
4.3 Depreciation	111
4.4 Allowance for impairment losses	112
4.5 Borrowing costs	113
4.6 Other expenses	113
4.7 Other Expense items	113
<b>Note 5 Investing in and financing our operations</b>	<b>114</b>
5.1 Financial assets	114
5.2 Non-financial assets	117
5.3 Payables, trust funds and deposits and contract and other liabilities	117
5.4 Interest-bearing liabilities	118
5.5 Provisions	119
5.6 Financing arrangements	121
5.7 Commitments	122
<b>Note 6 Assets we manage</b>	<b>124</b>
6.1 Property, infrastructure, plant and equipment	124
6.2 Investment property	131
<b>Note 7 People and relationships</b>	<b>132</b>
7.1 Council and key management remuneration	132
7.2 Related party disclosure	135
<b>Note 8 Managing uncertainties</b>	<b>136</b>
8.1 Contingent assets and liabilities	136
8.2 Change in accounting standards	137
8.3 Financial instruments	137
8.4 Fair value measurement	139
8.5 Events occurring after balance date	140
<b>Note 9 Other matters</b>	<b>141</b>
9.1 Reserves	141
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	144
9.3 Superannuation	144
<b>Note 10 Changes in accounting policies</b>	<b>147</b>

### Content Overview

These financial statements are General Purpose Financial Statements and cover the consolidated operations for Southern Grampians Shire Council

All figures presented in these financial statements are presented in Australian Currency.

These financial statements were authorised for issue by the Council on 09 October 2024  
Council has the power to amend and reissue these financial statements.

# CERTIFICATION OF THE FINANCIAL STATEMENTS

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



---

**Nicholas Templeton CPA**  
**Principal Accounting Officer**  
**Dated:** 15 October 2024  
Hamilton, Victoria

In our opinion, the accompanying financial statements present fairly the financial transactions and position of Southern Grampians Shire Council for the year ended 30 June 2024 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



---

**Cr David Robertson**  
**Mayor**  
**Dated:** 15 October 2024  
Hamilton, Victoria



---

**Cr Helen Henry**  
**Councillor**  
**Dated:** 15 October 2024  
Hamilton, Victoria



---

**Anthony Doyle**  
**Chief Executive Officer**  
**Dated:** 15 October 2024  
Hamilton, Victoria



# AUDITOR-GENERAL'S REPORT



Victorian Auditor-General's Office


## Independent Auditor's Report

### *To the Councillors of Southern Grampians Shire Council*

<b>Opinion</b>	<p>I have audited the financial report of Southern Grampians Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2024</li><li>• comprehensive income statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• statement of cash flows for the year then ended</li><li>• statement of capital works for the year then ended</li><li>• notes to the financial statements, including material accounting policy information</li><li>• certification of the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li> <li>• conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.</li> <li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li> </ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
---	---

MELBOURNE  
17 October 2024

  
 Travis Derricott  
*as delegate for the Auditor-General of Victoria*

# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## UNDERSTANDING COUNCIL'S FINANCIAL STATEMENTS

### Introduction

Each year, individual Local Governments across Victoria are required to present a set of audited financial statements to their council and community.

### What you will find in the Report

The financial report set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2024.

The format of the financial report is standard across all Victorian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by Local Government Victoria.

### About the Certification of the Financial Statements

The financial statements must be certified by senior staff and Councillors as "presenting fairly" the Council's financial results for the year as well as Council's financial position, and are required to be adopted by Council - ensuring both responsibility for and ownership of the financial statements.

### About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

#### 1. Comprehensive Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

Includes other comprehensive income which primarily records changes in the fair values of Council's property, infrastructure, plant and equipment.

#### 2. Balance Sheet

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

#### 3. Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

#### 4. Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

#### 5. Statement of Capital Works

This statement details all amounts expended by Council on capital works.

### About the Notes to the Financial Report

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

### About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialise in local government).

The auditor provides an audit report which gives an opinion on whether the financial statements present fairly the Council's financial performance and position.

### Who uses the Financial Report?

The financial report is a publicly available document and is used by (but not limited to) Councillors, residents and ratepayers, employees, suppliers, contractors, customers, Local Government Victoria, state and federal governments, and financiers including banks and other financial institutions.



# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## COMPREHENSIVE INCOME STATEMENT

	Note	2024 \$ '000	2023 \$ '000
<b>Income / Revenue</b>			
Rates and charges	3.1	23,452	22,568
Statutory fees and fines	3.2	615	620
User fees	3.3	6,395	5,494
Grants - operating	3.4	1,872	14,959
Grants - capital	3.4	5,971	7,115
Contributions - monetary	3.5	278	406
Contributions - non monetary	3.5	145	125
Net gain on disposal of property, infrastructure, plant and equipment	3.6	118	—
Other income	3.7	1,425	2,990
<b>Total income / revenue</b>		<b>40,271</b>	<b>54,277</b>
<b>Expenses</b>			
Employee costs	4.1	20,122	20,604
Materials and services	4.2	10,828	11,988
Depreciation	4.3	14,836	14,945
Allowance for impairment losses	4.4	79	18
Borrowing costs	4.5	42	71
Net loss on disposal of property, infrastructure, plant and equipment	3.6	—	10,359
Fair value decrement on investment properties	6.2	210	2,400
Other expenses	4.6	4,224	3,226
Waste Disposal Costs	4.7	2,586	718
Adjustment to Landfill Provision	4.7	131	271
<b>Total expenses</b>		<b>53,058</b>	<b>64,600</b>
<b>Surplus/(deficit) for the year</b>		<b>(12,787)</b>	<b>(10,323)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain/(loss)	9.1	8,046	75,816
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>8,046</b>	<b>75,816</b>
<b>Total other comprehensive income</b>		<b>8,046</b>	<b>75,816</b>
<b>Total comprehensive result</b>		<b>(4,741)</b>	<b>65,493</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## BALANCE SHEET

	Note	2024 \$ '000	2023 \$ '000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	1,519	8,604
Trade and other receivables	5.1	5,781	3,560
Other financial assets	5.1	8,676	18,737
Inventories	5.2	342	502
Contract assets	5.1	93	54
Other assets	5.2	326	451
<b>Total current assets</b>		<b>16,737</b>	<b>31,908</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1	13	16
Property, infrastructure, plant and equipment	6.1	500,787	489,552
Investment property	6.2	690	900
Right-of-use assets		103	–
<b>Total non-current assets</b>		<b>501,593</b>	<b>490,468</b>
<b>Total assets</b>		<b>518,330</b>	<b>522,376</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	5,201	4,307
Trust funds and deposits	5.3	452	387
Contract and other liabilities	5.3	379	67
Provisions	5.5	4,718	4,905
Interest-bearing liabilities	5.4	198	585
Lease liabilities		41	–
<b>Total current liabilities</b>		<b>10,989</b>	<b>10,251</b>
<b>Non-current liabilities</b>			
Provisions	5.5	1,464	1,379
Interest-bearing liabilities	5.4	1,053	1,243
Lease liabilities		62	–
<b>Total non-current liabilities</b>		<b>2,579</b>	<b>2,622</b>
<b>Total liabilities</b>		<b>13,568</b>	<b>12,873</b>
<b>Net assets</b>		<b>504,762</b>	<b>509,503</b>
<b>Equity</b>			
Accumulated surplus		125,498	138,311
Reserves	9.1	379,264	371,192
<b>Total Equity</b>		<b>504,762</b>	<b>509,503</b>

The above balance sheet should be read in conjunction with the accompanying notes.

# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## STATEMENT OF CHANGES IN EQUITY

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
<b>2024</b>					
<b>Balance at beginning of the financial year</b>		509,503	138,311	370,621	571
<b>Surplus/(deficit) for the year</b>		(12,787)	(12,787)	—	—
<b>Other comprehensive income</b>					
Net asset revaluation gain/(loss)	6.1	8,046	—	8,046	—
<b>Other comprehensive income</b>		8,046	—	8,046	—
<b>Total comprehensive income</b>		(4,741)	(12,787)	8,046	—
Transfers to other reserves	9.1	—	(26)	—	26
<b>Balance at end of the financial year</b>		504,762	125,498	378,667	597
<b>2023</b>					
<b>Balance at beginning of the financial year</b>		444,010	148,664	294,805	541
<b>Surplus/(deficit) for the year</b>		(10,323)	(10,323)	—	—
<b>Other comprehensive income</b>					
Net asset revaluation gain/(loss)	6.1	75,816	—	75,816	—
<b>Other comprehensive income</b>		75,816	—	75,816	—
<b>Total comprehensive income</b>		65,493	(10,323)	75,816	—
Transfers to other reserves	9.1	—	(30)	—	30
<b>Balance at end of the financial year</b>		509,503	138,311	370,621	571

The above statement of changes in equity should be read in conjunction with the accompanying notes.



# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## STATEMENT OF CASH FLOWS

		2024 Inflows/ (Outflows) \$ '000	2023 Inflows/ (Outflows) \$ '000
	Note		
<b>Cash flows from operating activities</b>			
Rates and charges		23,620	22,344
Statutory fees and fines		590	625
User fees		6,389	5,488
Grants - operating		1,872	14,507
Grants - capital		6,289	5,845
Contributions - monetary		278	406
Interest received		998	858
Trust funds and deposits taken		65	(63)
Other receipts		348	247
Net GST refund/payment		385	76
Employee costs		(20,355)	(20,760)
Materials and services		(11,771)	(10,487)
Short-term, low value and variable lease payments		(59)	(82)
Other payments		(7,414)	(4,420)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>1,235</b>	<b>14,584</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.1	(18,654)	(10,760)
Proceeds from sale of property, infrastructure, plant and equipment		202	1,072
Proceeds from/ (Payments for) investments		(210)	(4,206)
Proceeds from sale of investments		10,961	—
<b>Net cash provided by/(used in) investing activities</b>		<b>(7,701)</b>	<b>(13,894)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(42)	(71)
Repayment of borrowings		(577)	(556)
<b>Net cash flow provided by/(used in) financing activities</b>		<b>(619)</b>	<b>(627)</b>
<b>Net Increase (decrease) in cash and cash equivalents</b>		<b>(7,085)</b>	<b>63</b>
Cash and cash equivalents at the beginning of the financial year		8,604	8,541
<b>Cash and cash equivalents at the end of the financial year</b>		<b>1,519</b>	<b>8,604</b>
Financing arrangements	5.6	2,501	3,078

The above statement of cash flows should be read in conjunction with the accompanying notes.

# FINANCIAL STATEMENTS

For the year ended 30 June 2024

## STATEMENT OF CAPITAL WORKS

	2024 \$ '000	2023 \$ '000
<b>Property</b>		
Land	931	207
<b>Total land</b>	<b>931</b>	<b>207</b>
Buildings	6,360	2,151
<b>Total buildings</b>	<b>6,360</b>	<b>2,151</b>
<b>Total property</b>	<b>7,291</b>	<b>2,358</b>
<b>Plant and equipment</b>		
Plant, machinery and equipment	824	601
Fixtures, fittings and furniture	—	801
Computers and telecommunications	110	—
Library books	71	62
Art Collection	15	5
<b>Total plant and equipment</b>	<b>1,020</b>	<b>1,469</b>
<b>Infrastructure</b>		
Roads	5,062	4,520
Bridges	73	1,000
Footpaths and cycleways	856	216
Drainage	97	—
Recreational, leisure and community facilities	781	366
Waste management	250	11
Parks, open space and streetscapes	2,547	146
Aerodromes	4	248
Off street car parks	3	24
Other infrastructure	159	402
<b>Total infrastructure</b>	<b>9,832</b>	<b>6,933</b>
<b>Total capital works expenditure</b>	<b>18,143</b>	<b>10,760</b>
<b>Represented by:</b>		
New asset expenditure	2,530	1,370
Asset renewal expenditure	12,089	5,953
Asset expansion expenditure	—	75
Asset upgrade expenditure	3,524	3,362
<b>Total capital works expenditure</b>	<b>18,143</b>	<b>10,760</b>

The above statement of capital works should be read in conjunction with the accompanying notes.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 1. Overview

### Introduction

The Southern Grampians Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate. The Council's main office is located at 111 Brown St, Hamilton.

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

### Accounting policy information

#### 1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of landfill provisions (refer to Note 5.5.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 1. Overview (continued)

### Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

## Note 2. Analysis of our results

### Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent and \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

	Budget 2024 \$ '000	Actual 2024 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.1 Income / Revenue and expenditure</b>					
<b>Income / Revenue</b>					
Rates and charges	23,252	23,452	200	0.86%	
Statutory fees and fines	601	615	14	2.33%	
User fees	5,502	6,395	893	16.23%	1
Grants - operating	11,087	1,872	(9,215)	(83.12)%	2
Grants - capital	13,336	5,971	(7,365)	(55.23)%	3
Contributions - monetary	352	278	(74)	(21.02)%	
Contributions - non monetary	—	145	145	∞	4
Net gain on disposal of property, infrastructure, plant and equipment	—	118	118	∞	5
Other income	684	1,425	741	108.33%	6
<b>Total income / revenue</b>	<b>54,814</b>	<b>40,271</b>	<b>(14,543)</b>	<b>(26.53)%</b>	
<b>Expenses</b>					
Employee costs	19,121	20,122	(1,001)	(5.24)%	7
Materials and services	10,386	10,828	(442)	(4.26)%	
Depreciation	12,611	14,836	(2,225)	(17.64)%	8
Allowance for impairment losses	—	79	(79)	∞	
Borrowing costs	43	42	1	2.33%	
Fair value decrement on investment properties	—	210	(210)	∞	9
Other expenses	4,249	4,224	25	0.59%	
Waste Disposal Costs	—	2,586	(2,586)	∞	10
Adjustment to Landfill Provision	—	131	(131)	∞	11
<b>Total expenses</b>	<b>46,410</b>	<b>53,058</b>	<b>(6,648)</b>	<b>(14.32)%</b>	
<b>Surplus/(deficit) for the year</b>	<b>8,404</b>	<b>(12,787)</b>	<b>(21,191)</b>	<b>(252.15)%</b>	

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 2.1 Performance against budget (continued)

### (i) Explanation of material variations

#### Variance Ref Explanation

1. Revenue recognised for Hamilton Regional Livestock Exchange exceeded budget by \$0.581m due to increased throughput. Family Day Care fees previously budgeted under grants were reclassified during 2023/24 resulting in revenue \$0.478m above budget, offset by below budget revenue in grants.
2. Financial Assistance Grants for 2023/24 were prepaid in 2022/23 for \$9.094m and revenue for Childrens Services Grant were initially budgeted for \$0.402 as grants however revenue received was reclassified and recognised under user fees.
3. Capital grants revenue is claimed in accordance with funding agreements and progression of works. Due to these restrictions the funding received for the Local Roads and Community Infrastructure Program was below budget by \$3.863m with Melville Oval a further \$2.043 below budget. These funds are now anticipated to be received in the 2024/25 financial year. Expected funding was unsuccessful for Botanic Gardens \$0.840m and Waste Management \$0.500m.
4. The non-monetary contributions include volunteer services and goods for the Hamilton Art Gallery and Visitor Information Centres.
5. Proceeds from sale of assets exceeded the written down value of the assets resulting in a gain on disposal.
6. Investment interest received exceeded budget by \$0.686m due to improved investment rates and invested funds exceeding the expected level.
7. Council utilises staffing cohort to undertake works for operating activities along with capital projects and works. For the 2023/24 year the proportion of capital works completed was below expected with staff allocated to operations that were budgeted in capital projects.
8. Depreciation for infrastructure assets, particularly in the road network, increased due to the value of assets recognised in 2022/23 however the budgeted depreciation was set prior to the increased asset values being available, resulting in an above budget depreciation expense for 2023/24.
9. Council's investment property decreased in the valuation at 30 June 2024 compared to the valuation for 2023.
10. Waste disposal costs include collection, transport and disposal of waste with the budget allocation for this service being contained within materials and services.
11. An expense adjustment for the landfill provision is due to an increase in the net present value of rehabilitation works required to be done with an obligation for monitoring of Council landfill sites into the long-term future.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 2.1 Performance against budget (continued)

	Budget 2024 \$ '000	Actual 2024 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.2 Capital works</b>					
<b>Property</b>					
Land	18	931	913	5,072.22%	1
<b>Total land</b>	<b>18</b>	<b>931</b>	<b>913</b>	<b>5,072.22%</b>	
Buildings	11,913	6,360	(5,553)	(46.61)%	2
<b>Total buildings</b>	<b>11,913</b>	<b>6,360</b>	<b>(5,553)</b>	<b>(46.61)%</b>	
<b>Total property</b>	<b>11,931</b>	<b>7,291</b>	<b>(4,640)</b>	<b>(38.89)%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,950	824	(1,126)	(57.74)%	3
Fixtures, fittings and furniture	329	—	(329)	(100.00)%	4
Computers and telecommunications	106	110	4	3.77%	
Library books	85	71	(14)	(16.47)%	
Art Collection	—	15	15	∞	
<b>Total plant and equipment</b>	<b>2,470</b>	<b>1,020</b>	<b>(1,450)</b>	<b>(58.70)%</b>	
<b>Infrastructure</b>					
Roads	6,975	5,062	(1,913)	(27.43)%	5
Bridges	199	73	(126)	(63.32)%	6
Footpaths and cycleways	1,115	856	(259)	(23.23)%	7
Drainage	533	97	(436)	(81.80)%	8
Recreational, leisure and community facilities	2,865	781	(2,084)	(72.74)%	9
Waste management	1,525	250	(1,275)	(83.61)%	10
Parks, open space and streetscapes	5,220	2,547	(2,673)	(51.21)%	11
Aerodromes	—	4	4	∞	
Off street car parks	535	3	(532)	(99.44)%	12
Other infrastructure	410	159	(251)	(61.22)%	13
<b>Total infrastructure</b>	<b>19,377</b>	<b>9,832</b>	<b>(9,545)</b>	<b>(49.26)%</b>	
<b>Total capital works expenditure</b>	<b>33,778</b>	<b>18,143</b>	<b>(15,635)</b>	<b>(46.29)%</b>	
<b>Represented by:</b>					
New asset expenditure	4,107	2,530	(1,577)	(38.40)%	
Asset renewal expenditure	24,289	12,089	(12,200)	(50.23)%	
Asset expansion expenditure	—	—	—	∞	
Asset upgrade expenditure	5,383	3,524	(1,859)	(34.53)%	
<b>Total capital works expenditure</b>	<b>33,779</b>	<b>18,143</b>	<b>(15,636)</b>	<b>(46.29)%</b>	



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 2.1 Performance against budget (continued)

### (i) Explanation of material variations

Variance Ref	Explanation
-----------------	-------------

- |     |   |
|-----|---|
| 1.  | Development costs for Hamilton Industrial Estate were delayed in 2022/23 and instead were incurred in 2023/24.  |
| 2.  | Delays in the timing of expenditure for Melville Oval of \$4.498m to be carried forward to 2024/25 and design of the Community Hub of \$0.971m to be incorporated into a larger allocation in 2024/25.  |
| 3.  | Orders for heavy plant were placed in 2023/24 however constraints in availability meant the delivery will occur in 2024/25.   |
| 4.  | Multiple small value projects did not proceed during 2023/24 and are delayed until future years.  |
| 5.  | Two major road projects (Gallie Road and East West Road) were planned to be undertaken over two financial years. The budget included the full amount in 2023/24 however works will be undertaken in 2024/25.  |
| 6.  | Multiple bridge and culvert projects have been delayed until 2024/25.   |
| 7.  | Delay of projects including Rail Trail Crossings \$0.202m and King Street \$0.056m.   |
| 8.  | Projects delayed include Kent Manor Road \$0.214m, King Street \$0.068m along with other smaller projects.  |
| 9.  | Leisure and recreational assets include Council pools which has projects in progress and delayed until 2024/25 for \$1.504m. Other expenditure delayed include projects at Lake Hamilton and Pedrina Park Soccer Drainage.  |
| 10. | Waste options implementation project is in progress with \$0.07m spent of a budgeted project of \$1.110m. Funding was anticipated for this project and if this application is unsuccessful the scope of the works will be reduced so the cost to Council remains unchanged. |
| 11. | Cox Street Project delayed with completion works to be undertaken in 2024/25 and Intergenerational Garden of \$1.600m did not proceed due to funding application being unsuccessful.  |
| 12. | Carpark works at Hamilton Showgrounds, Pedrina Park and Silvester Oval delayed until 2024/25.   |
| 13. | Works at Hamilton Regional Livestock Exchange delayed and to be undertaken in 2024/25 for \$0.135m and completion of installation of parking meters for \$0.069m  |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

---

## Note 2.2 Analysis of Council results by program

---

### 2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### Supporting the Community

**Service Objective:** To support our community to be vibrant, growing, healthy, inclusive and connected, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services.

**Services include:** Community support services, community planning and engagement, children's services, sport and recreation planning and delivery, cultural services, parks and gardens, local laws and emergency management.

#### Developing the regional economy and businesses

**Service Objective:** To develop our regional economy and businesses and achieve a strong, diversified local and regional economy.

**Services include:** Economic and business development, events support, tourism and visitor services, caravan parks, land development, airport and livestock exchange operations and development.

#### Planning for our built environment & infrastructure

**Service Objective:** To plan for our built environment and infrastructure that is accessible and meets the needs of the community.

**Services include:** Statutory & strategic planning, building services, infrastructure management (roads, bridges, footpaths etc), Facilities and Property planning, maintenance and management, plant operations and public infrastructure (eg public toilets).

#### Promoting our natural environment

**Service Objective:** To promote our natural environment and achieve a culture that sustains a clean, green and sustainable environment.

**Services include:** Waste and recycling collection and management, transfer station operations, environmental sustainability, fire prevention, natural asset management (nature reserves) stormwater drainage, quarry management and water source management.

#### Providing Governance and Leadership

**Service Objective:** To provide good governance and strong leadership and to achieve effective service delivery.

**Services include:** Executive and Councillor support, governance administration, support services such as finance, organisational development, customer services, business systems, risk management and corporate overheads such as rate revenue, General Purpose Grants and loan servicing.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 2.2 Analysis of Council results by program (continued)

### 2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

Functions/activities	Income / Revenue \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income / revenue \$ '000	Total assets \$ '000
<b>2024</b>					
Supporting the Community	6,161	14,806	(8,645)	–	78,970
Developing the regional economy and businesses	2,659	3,357	(698)	2,894	22,054
Planning for our built environment & infrastructure	3,669	18,131	(14,462)	140	381,204
Promoting our natural environment	1,369	6,417	(5,048)	1,735	7,893
Providing Governance and Leadership	26,413	10,347	16,066	3,074	28,209
<b>Total functions and activities</b>	<b>40,271</b>	<b>53,058</b>	<b>(12,787)</b>	<b>7,843</b>	<b>518,330</b>
<b>2023</b>					
Supporting the Community	4,688	14,917	(10,229)	2,909	68,111
Developing the regional economy and businesses	2,749	13,643	(10,894)	270	10,977
Planning for our built environment & infrastructure	3,109	20,578	(17,469)	3,480	385,855
Promoting our natural environment	1,642	10,449	(8,807)	215	5,966
Providing Governance and Leadership	42,089	5,013	37,076	15,200	51,467
<b>Total functions and activities</b>	<b>54,277</b>	<b>64,600</b>	<b>(10,323)</b>	<b>22,074</b>	<b>522,376</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services

	2024 \$ '000	2023 \$ '000
--	-----------------	-----------------

### 3.1 Rates and charges

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value means the sum which the land, if it were held for an estate in fee simple unencumbered by any lease, mortgage or other charge, might be expected to realise at the time of valuation, if offered for sale on any reasonable terms and conditions which a genuine seller might in ordinary circumstances be expected to require.

The valuation base used to calculate general rates for 2023/24 was \$ 9.300 billion (2022/23: \$ 7.369 billion)

General rates	18,495	17,993
Municipal charge	2,092	2,015
Waste management charge	2,566	2,360
Special rates and charges	4	4
Interest on rates and charges	95	—
Revenue in lieu of rates	200	196
<b>Total rates and charges</b>	<b>23,452</b>	<b>22,568</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2023, and the valuation will be first applied in the rating year commencing 1 July 2023.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

### 3.2 Statutory fees and fines

Court recoveries	—	4
Town planning fees	184	262
Land information certificates	17	18
Registrations	140	137
Permits	204	179
Other Fees and Fines	70	20
<b>Total statutory fees and fines</b>	<b>615</b>	<b>620</b>

Statutory fees and fines are recognised as income when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>3.3 User fees</b>		
Livestock Exchange	2,497	1,766
Hamilton Indoor Leisure & Aquatic Centre	1,365	1,227
Waste management services	1,031	933
Property, Recreation & Infrastructure Facilities	175	346
Home & Community Care Services	–	276
Quarry Operations	32	260
Cinema Operations	222	197
Family Day Care	645	165
Performing Arts Centre	184	134
Sponsorship	–	130
Parking	30	19
Old Hamilton Reservoir	–	2
Art Gallery	126	–
Visitor Services	31	–
Other fees and charges	57	39
<b>Total user fees</b>	<b>6,395</b>	<b>5,494</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised over time	2,194	1,802
User fees recognised at a point in time	4,201	3,692
<b>Total user fees</b>	<b>6,395</b>	<b>5,494</b>

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	5,556	17,376
State funded grants	2,287	4,698
<b>Total grants received</b>	<b>7,843</b>	<b>22,074</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants - general purpose	416	11,465
Family day care	—	384
General home care	—	248
Emergency Services Assistance	—	100
Childrens Services	16	36
Australia Day	—	30
Other	—	100
<b>Recurrent - State Government</b>		
Maternal and child health	547	427
Libraries	184	199
Community Health Services	36	153
Youth Programs	75	148
Statutory Planning	—	84
Roadside Pest & Weed Eradication	85	75
School crossing supervisors	61	59
Preschool Projects	—	42
Aged care	—	22
Cultural Services	198	—
Other	2	—
<b>Total recurrent operating grants</b>	<b>1,620</b>	<b>13,572</b>
<b>Non-recurrent - Commonwealth Government</b>		
Other	10	—
<b>Non-recurrent - State Government</b>		
Information Systems	—	930
Emergency Services Assistance	—	574
Flood Recovery Hubs	—	20
Community Health & Wellbeing	96	—
Cultural Services	127	—
Local Infrastructure	15	—
Other	4	—
Return of Grant - Outdoor Eating	—	(137)
<b>Total non-recurrent operating grants</b>	<b>252</b>	<b>1,387</b>
<b>Total operating grants</b>	<b>1,872</b>	<b>14,959</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,861	2,104
Local Roads & Community Infrastructure	1,252	2,684
<b>Total recurrent capital grants</b>	<b>3,113</b>	<b>4,788</b>
<b>Non-recurrent - Commonwealth Government</b>		
Buildings	1,800	—
Footpaths and cycleways	201	—
Other Infrastructure	—	225
<b>Non-recurrent - State Government</b>		
Buildings	722	851
Other Infrastructure	135	1,301
Return of Grant - Industrial Development	—	(50)
<b>Total non-recurrent capital grants</b>	<b>2,858</b>	<b>2,327</b>
<b>Total capital grants</b>	<b>5,971</b>	<b>7,115</b>

## (c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

### Income recognised under AASB 1058 Income of Not-for-Profit Entities

General purpose	416	11,465
Specific purpose grants to acquire non-financial assets	5,971	7,115
Other specific purpose grants	1,456	3,494
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	—	—
	<b>7,843</b>	<b>22,074</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>(d) Unspent grants received on condition that they be spent in a specific manner:</b>		
<b>Operating</b>		
Balance at start of year	—	452
Received in prior years and spent during the financial year	—	(452)
<b>Balance at year end</b>	<b>—</b>	<b>—</b>
<b>Capital</b>		
Balance at start of year	—	1,270
Received in prior years and spent during the financial year	—	(1,270)
<b>Balance at year end</b>	<b>—</b>	<b>—</b>

Unspent grants are determined and disclosed on a cash basis.

## 3.5 Contributions

### Monetary contributions

Monetary	278	406
<b>Total monetary contributions</b>	<b>278</b>	<b>406</b>

### Non-monetary contributions

Non-monetary	145	125
<b>Total non-monetary contributions</b>	<b>145</b>	<b>125</b>

### Total contributions

<b>423</b>	<b>531</b>
------------	------------

Contributions of non monetary assets were received in relation to the following asset classes.

Art Gallery - Gifted works of Art	57	—
Meals on Wheels Service - Value of volunteer labour donated to Council	—	38
Visitor Information Centres - Value of volunteer labour donated to Council	88	87
<b>Total non-monetary contributions</b>	<b>145</b>	<b>125</b>

Monetary and non monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
<b>Land and buildings</b>		
Proceeds of sale	—	460
<b>Total net gain/(loss) on disposal of land and buildings</b>	—	460
<b>Plant and equipment</b>		
Proceeds of sale	202	612
Written down value of assets disposed	(84)	(370)
<b>Total net gain/(loss) on disposal of plant and equipment</b>	118	242
<b>Infrastructure Assets</b>		
Written down value of assets disposed	—	(11,061)
<b>Total net gain/(loss) on disposal of Infrastructure Assets</b>	—	(11,061)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	118	(10,359)

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

## 3.7 Other income

Found Assets	—	2,063
Interest	998	858
Vicroads	28	28
Insurance Reimbursements	—	4
User Reimbursements	139	—
Other	260	37
<b>Total other income</b>	1,425	2,990

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 4. The cost of delivering services

	2024 \$ '000	2023 \$ '000
<b>4.1 Employee costs</b>		
<b>(a) Employee costs</b>		
Wages and salaries	11,822	13,385
Leave - Annual, Long Service & Sick	3,917	2,761
Superannuation	1,980	1,933
Casual staff	1,199	1,470
WorkCover	477	403
Conference & Training	397	195
Travelling	56	152
Fringe benefits tax	89	79
Corporate Image	13	1
Other	172	225
<b>Total employee costs</b>	<b>20,122</b>	<b>20,604</b>

### (b) Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	33	49
	<b>33</b>	<b>49</b>

#### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,151	1,124
Employer contributions - other funds	796	760
	<b>1,947</b>	<b>1,884</b>

### Total superannuation costs

**1,980**      **1,933**

Refer to Note 9.3. for further information relating to Council's superannuation obligations.

Employer contributions payable at reporting date	49	90
--	----	----

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 4. The cost of delivering services (continued)

	2024 \$ '000	2023 \$ '000
<b>4.2 Materials and services</b>		
Contract payments	2,344	5,592
Materials and services	4,044	1,809
Consultants	1,014	1,047
Utilities	1,040	822
Insurance	780	701
Information technology	114	523
General maintenance	716	461
Office administration	313	355
Materials issued from Stores	126	283
Motor Vehicle Registrations	185	185
Expenses from leases of low value assets	59	82
Solicitors Fees	–	41
Fire Services Property Levy on Council Properties	28	27
Other	65	60
<b>Total materials and services</b>	<b>10,828</b>	<b>11,988</b>

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

## 4.3 Depreciation

### Property

Land improvements	11	11
Buildings - specialised	1,339	1,329
<b>Total depreciation - property</b>	<b>1,350</b>	<b>1,340</b>

### Plant and equipment

Plant machinery and equipment	1,002	1,065
Fixtures fittings and furniture	24	16
Computers and telecomms	54	78
<b>Total depreciation - plant and equipment</b>	<b>1,080</b>	<b>1,159</b>

### Infrastructure

Roads	9,071	7,244
Bridges	895	862
Footpaths and cycleways	552	348
Drainage	421	239
Recreational, leisure and community	666	847
Waste management	134	134
Parks open spaces and streetscapes	78	78
Aerodromes	222	190
Off street car parks	38	38
Other infrastructure	329	2,466
<b>Total depreciation - infrastructure</b>	<b>12,406</b>	<b>12,446</b>

### Total depreciation

<b>14,836</b>	<b>14,945</b>
---------------	---------------

Refer to note 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 4. The cost of delivering services (continued)

	2024 \$ '000	2023 \$ '000
<b>4.4 Allowance for impairment losses</b>		
Fire Prevention	–	16
Rates debtors	2	–
Other debtors	77	–
Other	–	2
<b>Total allowance for impairment losses</b>	<b>79</b>	<b>18</b>
<b>Movement in allowance for impairment losses in respect of debtors</b>		
Balance at the beginning of the year	7	12
New allowances recognised during the year	79	–
Amounts already allowed for and written off as uncollectible	(7)	(5)
<b>Balance at end of year</b>	<b>79</b>	<b>7</b>

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 4. The cost of delivering services (continued)

	2024 \$ '000	2023 \$ '000
<b>4.5 Borrowing costs</b>		
Interest - Borrowings	42	71
<b>Total borrowing costs</b>	<b>42</b>	<b>71</b>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

## 4.6 Other expenses

Disbursement of Grant funds to Other Organisations	46	604
Community Grants	476	359
Software Licences	1,597	327
Advertising	238	256
Councillors' allowances	267	221
Discount on Rates	166	192
Phone, Internet & Other Communication Charges	210	180
Subscriptions, Memberships & Licences	372	174
Food and Catering	239	154
Value of Volunteer service	93	125
Legal Expenses	122	81
Stock Adjustments/Write Offs	107	59
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	52	52
Auditors' remuneration - Internal	16	35
Bad Debts	79	–
Other	144	407
<b>Total other expenses</b>	<b>4,224</b>	<b>3,226</b>

## 4.7 Other Expense items

### Waste Disposal Costs

Waste Disposal Costs	2,586	718
<b>Total Expense line amount</b>	<b>2,586</b>	<b>718</b>

### Adjustment to Landfill Provision

Adjustment to Landfill Provision	131	271
<b>Total Expense line amount</b>	<b>131</b>	<b>271</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations

	2024 \$ '000	2023 \$ '000
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
<b>Current</b>		
Cash on hand	4	4
Cash at bank	1,515	8,600
<b>Total current cash and cash equivalents</b>	<b>1,519</b>	<b>8,604</b>
<b>Total cash and cash equivalents</b>	<b>1,519</b>	<b>8,604</b>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits	8,676	18,737
<b>Total current other financial assets</b>	<b>8,676</b>	<b>18,737</b>
<b>Total other financial assets</b>	<b>8,676</b>	<b>18,737</b>
<b>Total current financial assets</b>	<b>10,195</b>	<b>27,341</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>10,195</b>	<b>27,341</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(c) Trade &amp; Other Receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	2,392	2,560
Net GST receivable	400	115
Allowance for expected credit loss - other debtors	(66)	(7)
Infringement debtors	95	70
<i>Non-statutory receivables</i>		
Other debtors	2,960	822
<b>Total current trade and other receivables</b>	<b>5,781</b>	<b>3,560</b>
<b>Non-Current</b>		
<i>Statutory receivables</i>		
Special rate scheme	13	16
<b>Total non-current trade and other receivables</b>	<b>13</b>	<b>16</b>
<b>Total trade and other receivables</b>	<b>5,794</b>	<b>3,576</b>

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

## (d) Ageing of receivables

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	175	600
Past due by up to 30 days	2,408	52
Past due between 31 and 60 days	118	11
Past due between 61 and 90 days	27	19
Past due by more than 90 days	232	140
<b>Total trade and other receivables</b>	<b>2,960</b>	<b>822</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024	2023
	\$ '000	\$ '000

### (e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$66k (2023: \$7k) were impaired. The amount of the provision raised against these debtors was \$7k (2023: \$5k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Past due between 181 and 365 days	10	—
Past due by more than 1 year	69	7

### (f) Contract assets

#### Current

Contract Assets	93	54
<b>Total Current</b>	<b>93</b>	<b>54</b>

<b>Total contract assets</b>	<b>93</b>	<b>54</b>
------------------------------	-----------	-----------

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024	2023
	\$ '000	\$ '000

### 5.2 Non-financial assets

#### (a) Inventories

##### Current

Inventories held for distribution	156	367
Inventories held for sale	51	–
Land held for Inventory	135	135
<b>Total current inventories</b>	<b>342</b>	<b>502</b>

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

#### (b) Other assets

##### Current

Prepayments	326	451
<b>Total current other assets</b>	<b>326</b>	<b>451</b>

### 5.3 Payables, trust funds and deposits and contract and other liabilities

#### (a) Trade and other payables

##### Current

##### *Non-statutory payables*

Trade payables	2,241	1,768
Accrued expenses	2,274	1,249
Employee Costs	43	799
Rate Revenue received in Advance	6	499
Fire Services Levy	616	–

##### *Statutory payables*

Other	21	(8)
-------	----	-----

<b>Total current trade and other payables</b>	<b>5,201</b>	<b>4,307</b>
---	--------------	--------------

#### (b) Trust funds and deposits

##### Current

Retention amounts	342	217
Refundable deposits	103	162
Other	7	8
<b>Total current trust funds and deposits</b>	<b>452</b>	<b>387</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(c) Contract and other liabilities</b>		
<b>Contract liabilities</b>		
<b>Current</b>		
<b>Grants received in advance:</b>		
Grants received in advance - capital	318	—
<b>Total grants received in advance</b>	<b>318</b>	<b>—</b>
<b>User fees received in advance:</b>		
Other	61	67
<b>Total user fees received in advance</b>	<b>61</b>	<b>67</b>
<b>Total current contract liabilities</b>	<b>379</b>	<b>67</b>
<b>Total current contract and other liabilities</b>	<b>379</b>	<b>67</b>

Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of memberships at the Hamilton Indoor Leisure and Aquatic Centre and capital grants received in advance. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

### Purpose and nature of items

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

## Note 5. Investing in and financing our operations (continued)

### 5.4 Interest-bearing liabilities

#### Current

Borrowings - secured	198	585
<b>Total current interest-bearing liabilities</b>	<b>198</b>	<b>585</b>

#### Non-current

Borrowings - secured	1,053	1,243
<b>Total non-current interest-bearing liabilities</b>	<b>1,053</b>	<b>1,243</b>
<b>Total</b>	<b>1,251</b>	<b>1,828</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

Borrowings are secured by Council rates

### a) The maturity profile for Council's borrowings is:

Not later than one year	198	585
Later than one year and not later than five years	834	815
Later than five years	219	428
	<u>1,251</u>	<u>1,828</u>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

	Employee provisions \$ '000	Landfill restoration \$ '000	Total \$ '000
--	-----------------------------------	------------------------------------	------------------

## 5.5 Provisions

### 2024

Balance at the beginning of the financial year	4,913	1,371	6,284
Additional provisions	1,700	–	1,700
Amounts used	(1,421)	–	(1,421)
Adjustment to provision	(474)	–	(474)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(38)	131	93
<b>Balance at the end of the financial year</b>	<b>4,680</b>	<b>1,502</b>	<b>6,182</b>

### Provisions

Provisions - current	4,298	420	4,718
Provisions - non-current	382	1,082	1,464
<b>Total Provisions</b>	<b>4,680</b>	<b>1,502</b>	<b>6,182</b>

### 2023

Balance at the beginning of the financial year	5,069	1,100	6,169
Additional provisions	1,289	160	1,449
Amounts used	(1,212)	(10)	(1,222)
Adjustment to provision	(76)	70	(6)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(157)	51	(106)
<b>Balance at the end of the financial year</b>	<b>4,913</b>	<b>1,371</b>	<b>6,284</b>

### Provisions

Provisions - current	4,472	433	4,905
Provisions - non-current	441	938	1,379
<b>Total Provisions</b>	<b>4,913</b>	<b>1,371</b>	<b>6,284</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	877	907
Long service leave	224	290
Time in Lieu	196	124
	<u>1,297</u>	<u>1,321</u>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	1,060	943
Long service leave	1,941	2,208
	<u>3,001</u>	<u>3,151</u>
<b>Total current employee provisions</b>	<u>4,298</u>	<u>4,472</u>
<b>Non-Current</b>		
Long service leave	382	441
<b>Total Non-Current Employee Provisions</b>	<u>382</u>	<u>441</u>
Aggregate Carrying Amount of Employee Provisions:		
Current	4,298	4,472
Non-current	382	441
<b>Total Aggregate Carrying Amount of Employee Provisions</b>	<u>4,680</u>	<u>4,913</u>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

### Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

### Key assumptions:

- discount rate	4.37%	4.34%
- index rate	2.50%	2.50%

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(b) Landfill restoration</b>		
<b>Current</b>		
Current	420	433
<b>Total current</b>	<b>420</b>	<b>433</b>
<b>Non-current</b>		
Non-current	1,082	938
<b>Total non-current</b>	<b>1,082</b>	<b>938</b>

Council is obligated to restore Hamilton and Coleraine site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.37%	5.16%
- index rate	2.50%	3.00%

## 5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2024.

Bank overdraft	1,000	1,000
Credit card facilities	250	250
Other facilities	1,251	1,828
<b>Total Facilities</b>	<b>2,501</b>	<b>3,078</b>
Used facilities	1,251	1,828
<b>Used facilities</b>	<b>1,251</b>	<b>1,828</b>
<b>Unused facilities</b>	<b>1,250</b>	<b>1,250</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

### 5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

#### (a) Commitments for expenditure

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
<b>2024</b>					
<b>Operating</b>					
Corporate Administration	456	222	53	—	731
Recreation	46	46	37	—	129
Waste Management	32	—	—	—	32
<b>Total</b>	<b>534</b>	<b>268</b>	<b>90</b>	<b>—</b>	<b>892</b>
<b>Capital</b>					
Infrastructure	6,901	269	—	—	7,170
Plant	—	—	—	—	—
<b>Total</b>	<b>6,901</b>	<b>269</b>	<b>—</b>	<b>—</b>	<b>7,170</b>
<b>2023</b>					
<b>Operating</b>					
Corporate Administration	323	265	53	—	641
Recreation	46	46	82	—	174
Waste Management	32	32	—	—	64
<b>Total</b>	<b>401</b>	<b>343</b>	<b>135</b>	<b>—</b>	<b>879</b>
<b>Capital</b>					
Infrastructure	4,220	—	—	—	4,220
Plant	—	—	—	—	—
<b>Total</b>	<b>4,220</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,220</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
--	-----------------	-----------------

### (b) Operating lease receivables

#### *Operating lease receivables*

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

Not later than one year	45	581
Later than one year and not later than five years	47	110
Later than five years	66	97
	<u>158</u>	<u>788</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage

### 6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2023 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Disposal \$ '000	Depreciation \$ '000	Write-off \$ '000	Transfers \$ '000	Carrying amount 30 June 2024 \$ '000
Property	114,542	3,388	—	8,165	—	(1,349)	—	2,738	127,484
Plant and equipment	24,363	1,020	56	—	(84)	(1,082)	(67)	—	24,206
Infrastructure	337,000	6,830	—	(119)	—	(12,406)	—	1,983	333,288
Work in progress	13,651	6,905	—	—	—	—	(26)	(4,721)	15,809
<b>Total</b>	<b>489,556</b>	<b>18,143</b>	<b>56</b>	<b>8,046</b>	<b>(84)</b>	<b>(14,837)</b>	<b>(93)</b>	<b>—</b>	<b>500,787</b>

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	6,734	3,903	(10)	(1,087)	9,540
Plant and equipment	800	—	—	(800)	—
Infrastructure	6,117	3,002	(16)	(2,834)	6,269
<b>Total</b>	<b>13,651</b>	<b>6,905</b>	<b>(26)</b>	<b>(4,721)</b>	<b>15,809</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Land improve- ments \$ '000	Total land and land improve- ments \$ '000	Buildings specialised \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
<b>Property</b>								
At fair value 1 July 2023	23,732	316	43,306	67,354	82,382	82,382	6,734	156,470
Accumulated depreciation at 1 July 2023	–	–	(959)	(959)	(34,236)	(34,236)	–	(35,195)
	<b>23,732</b>	<b>316</b>	<b>42,347</b>	<b>66,395</b>	<b>48,146</b>	<b>48,146</b>	<b>6,734</b>	<b>121,275</b>
<b>Movements in fair value</b>								
Additions	–	–	–	–	3,388	3,388	3,903	7,291
Revaluation	–	–	–	–	15,703	15,703	–	15,703
Write-off	–	–	–	–	–	–	(10)	(10)
Transfers	–	–	–	–	2,738	2,738	(1,087)	1,651
	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>21,829</b>	<b>21,829</b>	<b>2,806</b>	<b>24,635</b>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	–	–	(11)	(11)	(1,338)	(1,338)	–	(1,349)
Accumulated depreciation on revaluation	–	–	–	–	(7,538)	(7,538)	–	(7,538)
	<b>–</b>	<b>–</b>	<b>(11)</b>	<b>(11)</b>	<b>(8,876)</b>	<b>(8,876)</b>	<b>–</b>	<b>(8,887)</b>
At fair value 30 June 2024	23,732	316	43,306	67,354	104,212	104,212	9,540	181,106
Accumulated depreciation at 30 June 2024	–	–	(970)	(970)	(43,112)	(43,112)	–	(44,082)
<b>Carrying amount</b>	<b>23,732</b>	<b>316</b>	<b>42,336</b>	<b>66,384</b>	<b>61,100</b>	<b>61,100</b>	<b>9,540</b>	<b>137,024</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Library books \$ '000	Art Collection \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
<b>Plant and Equipment</b>								
At fair value 1 July 2023	15,056	2,062	1,683	451	17,263	36,515	800	37,315
Accumulated depreciation at 1 July 2023	(8,976)	(1,853)	(1,323)	—	—	(12,152)	—	(12,152)
	<b>6,080</b>	<b>209</b>	<b>360</b>	<b>451</b>	<b>17,263</b>	<b>24,363</b>	<b>800</b>	<b>25,163</b>
<b>Movements in fair value</b>								
Additions	824	—	110	71	15	1,020	—	1,020
Contributions	—	—	—	—	56	56	—	56
Disposal	(356)	—	—	—	—	(356)	—	(356)
Write-off	—	—	—	(67)	—	(67)	—	(67)
Transfers	—	—	—	—	—	—	(800)	(800)
	<b>468</b>	<b>—</b>	<b>110</b>	<b>4</b>	<b>71</b>	<b>653</b>	<b>(800)</b>	<b>(147)</b>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(1,003)	(24)	(55)	—	—	(1,082)	—	(1,082)
Accumulated depreciation of disposals	272	—	—	—	—	272	—	272
	<b>(731)</b>	<b>(24)</b>	<b>(55)</b>	<b>—</b>	<b>—</b>	<b>(810)</b>	<b>—</b>	<b>(810)</b>
At fair value 30 June 2024	15,523	2,062	1,792	455	17,334	37,166	—	37,166
Accumulated depreciation at 30 June 2024	(9,706)	(1,877)	(1,377)	—	—	(12,960)	—	(12,960)
<b>Carrying amount</b>	<b>5,817</b>	<b>185</b>	<b>415</b>	<b>455</b>	<b>17,334</b>	<b>24,206</b>	<b>—</b>	<b>24,206</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and community \$ '000	Waste manage- ment \$ '000	Parks open spaces and streets- capes \$ '000	Aerodromes \$ '000	Off street car parks \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
At fair value 1 July 2023	398,870	89,617	24,989	43,540	25,030	4,210	3,379	6,937	844	21,307	618,723	6,117	624,840
Accumulated depreciation at 1 July 2023	(170,467)	(39,044)	(8,892)	(26,408)	(16,074)	(1,567)	(2,029)	(4,140)	(239)	(12,866)	(281,726)	—	(281,726)
	228,403	50,573	16,097	17,132	8,956	2,643	1,350	2,797	605	8,441	336,997	6,117	343,114
<b>Movements in fair value</b>													
Additions	4,850	68	856	—	608	171	187	4	—	86	6,830	3,002	9,832
Revaluation	—	—	—	—	—	(517)	—	—	—	—	(517)	—	(517)
Write-off	—	—	—	—	—	—	—	—	—	—	—	(16)	(16)
Transfers	245	220	216	—	357	239	262	289	—	157	1,985	(2,834)	(849)
	5,095	288	1,072	—	965	(107)	449	293	—	243	8,298	152	8,450
<b>Movements in accumulated depreciation</b>													
Depreciation and amortisation	(9,071)	(895)	(552)	(421)	(666)	(134)	(78)	(222)	(38)	(329)	(12,406)	—	(12,406)
Accumulated depreciation on revaluation	—	—	—	—	—	398	—	—	—	—	398	—	398
	(9,071)	(895)	(552)	(421)	(666)	264	(78)	(222)	(38)	(329)	(12,008)	—	(12,008)
At fair value 30 June 2024	403,965	89,905	26,061	43,540	25,995	4,103	3,828	7,230	844	21,550	627,021	6,269	633,290
Accumulated depreciation at 30 June 2024	(179,538)	(39,939)	(9,444)	(26,828)	(16,740)	(1,303)	(2,107)	(4,362)	(277)	(13,195)	(293,733)	—	(293,733)
<b>Carrying amount</b>	224,427	49,966	16,617	16,712	9,255	2,800	1,721	2,868	567	8,355	333,288	6,269	339,557

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

### Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

### Asset recognition thresholds and depreciation periods

	Depreciation Period years	Threshold Limit \$ '000
<b>Land and land improvements</b>		
land improvements	100 years	10
<b>Buildings</b>		
buildings	25-110 years	10
<b>Plant and Equipment</b>		
Plant, machinery and equipment	3-15 years	3
Fixtures, fittings & furniture	3-15 years	3
Computers & telecommunications	3-5 years	3
<b>Infrastructure</b>		
Roads - pavements & substructures - Urban	115 years	10
Roads - pavements & substructures - All Others	60 years	10
Seals - All Others	43 years	3
Seals - Asphalt	28 years	3
Road kerb, channel and minor culverts	97-100 years	10
Bridges - deck	100 years	10
Bridges - substructure	100 years	10
Footpaths and cycleways	10-70 years	10
Drainage	100 years	10

### Land under roads

Council recognises land under roads it controls at fair value.

### Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

### *Repairs and maintenance*

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

### *Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 25 to 110 year period.

### *Valuation of land and buildings*

Valuation of land was undertaken by qualified independent valuers, Opteon Property Group as at 1 January 2023. Valuation of buildings was undertaken by APV Valuers and Asset Management as at 1 January 2019. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

A valuation of land improvements was undertaken by qualified independent valuers GHD as at 1 July 2021. The valuation of land improvements is at replacement cost.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on VGV estimated building cost indexation factors for Victoria from last valuation date until 30 June 2024. A full revaluation of these assets will be conducted in 2024/25.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of Valuation
Land	—	316	—	01/01/2023	Full Valuation
Specialised land	—	—	23,732	01/01/2023	Full Valuation
Land improvements	—	—	42,336	01/07/2021	Full Valuation
Buildings	—	—	61,100	30/06/2024	Indexation
<b>Total</b>	<b>—</b>	<b>316</b>	<b>127,168</b>		

### *Valuation of Infrastructure*

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Uthayasangar Sivapatham, Asset Planning Engineer (Bachelor of Science - Civil Engineering).

A detailed Unit Justification Document is prepared by the Infrastructure & Assets team outlining the unit rates and calculation method for each asset type. The team will determine the most accurate method to calculate unit rates based on available data. Primarily the unit rate will be based on internal costings of recent works completed however should this data not be available the team will look to other methods including recent tenders, Rawlinson indices or ABS indices.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of Valuation
Roads	—	—	224,427	30/06/2023	Unit Rate Valuation
Bridges	—	—	49,966	30/09/2022	Unit Rate Valuation
Footpaths and cycleways	—	—	16,617	30/06/2023	Unit Rate Valuation
Drainage	—	—	16,712	30/06/2023	Unit Rate Valuation
Recreational, leisure & community facilities	—	—	9,255	31/03/2023	Unit Rate Valuation
Waste management	—	—	2,800	30/06/2024	Full Valuation
Parks, open space & streetscapes	—	—	1,721	01/07/2020	Indexation
Aerodromes	—	—	2,868	31/03/2023	Unit Rate Valuation
Off street car parks	—	—	567	01/07/2020	Full Valuation
Other Infrastructure	—	—	8,355	31/03/2023	Unit Rate Valuation
<b>Total</b>	<b>—</b>	<b>—</b>	<b>333,288</b>		

### Description of significant unobservable inputs into level 3 valuations

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values. The market value of land varies significantly depending on the location of the land and the current market conditions. Council does not recognise any Land under roads at this point in time.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

### Reconciliation of specialised land

	2024 \$ '000	2023 \$ '000
Community Services	1,337	1,337
Corporate & Governance	2,522	2,522
Infrastructure	7,924	7,924
Recreation & Open Space	11,949	11,949
<b>Total specialised land</b>	<b>23,732</b>	<b>23,732</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 6. Assets we manage (continued)

### 6.2 Investment property

	2024 \$ '000	2023 \$ '000
Balance at beginning of financial year	900	3,300
Fair value decrement	(210)	(2,400)
<b>Balance at end of financial year</b>	<b>690</b>	<b>900</b>

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

#### *Valuation of investment property*

Valuation of investment property has been determined in accordance with an independent valuation by Les Speed AAPI CPV 62337 of Preston Rowe Paterson who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property as at 30 June 2024.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 7. People and relationships

### 7.1 Council and key management remuneration

#### (a) Related Parties

*Parent entity*  
Southern Grampians Shire Council

#### (b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Southern Grampians Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.

Details of KMP at any time during the year are:

#### Councillors

Councillor D Robertson - Mayor  
Councillor H Henry - Deputy Mayor  
Councillor M A Brown  
Councillor A Calvano  
Councillor B Colliton  
Councillor F Malone  
Councillor K Rainsford

#### Chief Executive Officer and other Key Management Personnel

Chief Executive Officer - Tony Doyle  
  
Director Wellbeing, Planning & Regulation - Rory Neeson  
  
Director People & Performance - Darren Barber  
  
Director Infrastructure & Sustainability - Marg Scanlon

	2024 No.	2023 No.
Total Number of Councillors	7	8
Total of Chief Executive Officer and other Key Management Personnel	4	10
Total Number of Key Management Personnel	11	18

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 7. People and relationships (continued)

### (c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Other long-term employee benefits** include long service leave, other long service benefits or deferred compensation.

**Post-employment benefits** include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Termination benefits** include termination of employment payments, such as severance packages.

	2024 \$ '000	2023 \$ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,149	1,072
Post-employment benefits	92	80
Termination benefits	12	74
Other long-term employee benefits	–	11
<b>Total</b>	<b>1,253</b>	<b>1,237</b>

	2024 No.	2023 No.
--	-------------	-------------

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

\$1 - \$9,999	–	2
\$10,000 - \$19,999	–	2
\$20,000 - \$29,999	5	3
\$30,000 - \$39,999	1	2
\$50,000 - \$59,999	–	2
\$60,000 - \$69,999	–	3
\$70,000 - \$79,999	1	–
\$80,000 - \$89,999	–	1
\$100,000 - \$109,999	–	1
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	2	–
\$340,000 - \$349,999	–	1
\$370,000 - \$379,999	1	–
	<b>11</b>	<b>18</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 7. People and relationships (continued)

### (d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

Total remuneration of other senior staff was as follows:

	2024 \$ '000	2023 \$ '000
Short-term employee benefits	900	289
Other long-term employee benefits	95	2
Post-employment benefits	13	31
Termination benefits	62	359
<b>Total</b>	<b>1,070</b>	<b>681</b>

The number of other senior staff are shown below in their relevant income bands:

	2024 No.	2023 No.
Income Range:		
\$160,000 - \$169,999	–	1
\$170,000 - \$179,999	5	–
\$200,000 - \$209,999	1	–
\$220,000 - \$229,999	–	1
\$290,000 - \$299,999	–	1
	<b>6</b>	<b>3</b>

	2024 \$ '000	2023 \$ '000
Total remuneration for the reporting year for other senior staff included above, amounted to:	1,070	681

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 7. People and relationships (continued)

	2024 \$ '000	2023 \$ '000
--	-----------------	-----------------

### 7.2 Related party disclosure

#### (a) Transactions with related parties

During the period Council entered into the following transactions with related parties:

Dunkeld Community Centre Committee Inc (May-Ann Brown is Chairperson of DCCC)	6	16
SA & AJ McAdam T/A Tree Fella from Mooralla (Gregory McAdam's son & daughter-in-law)	–	129
Taylor Motors Hamilton (D Barber - Son is Sales Manager)	567	147
Roxburgh (B Colliton - Director)	1	2
Hamilton Flooring XTra (B Colliton - Brother)	–	13
Dunkeld Writers Festival Committee (M Brown - Chairperson)	4	–
Henry's Hydraulics (H Henry - Director)	28	–

#### (b) Outstanding balances with related parties

Nil to disclose.

#### (c) Loans to/from related parties

Nil to disclose.

#### (d) Commitments to/from related parties

Nil to disclose.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 8. Managing uncertainties

### 8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

#### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

#### (b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

The following are potential contingencies to be considered by Council.

#### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

#### Insurance claims

At balance date, there were no major insurance claims that could have a material impact on future operations.

#### Legal matters

At balance date, there were no legal matters that could have a material impact on future operations.

#### Building cladding

At balance date, there were no contingencies in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact Council.

#### Flood & Storm Events

Over the past 5 years, Council has been subject to a number of storm events which have impacted the condition of various assets. Individual events are claimed either through insurances or through the Emergency Management Victoria claims processes. Significant assets which are impaired will be adjusted, otherwise rectification works will occur through capital works programs or maintenance expenditure.

#### Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such a liability will continue whether or not the participant remains a participant in future insurance years.

#### MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 8. Managing uncertainties (continued)

### Mount Napier Quarry

Council has identified a potential liability for the remediation of the Mount Napier Quarry. Whilst these works have been accommodated in the lease document, there is always a residual risk of non-compliance.

### (c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

## 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.

Council has assessed that there are no impacts of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council has assessed that there are no impacts of the modifications to AASB 101 ahead of the 2024-25 reporting period.

## 8.3 Financial instruments

### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

### (b) Market risk

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

#### **Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 8. Managing uncertainties (continued)

borrowings at fixed rates which exposes Council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2021*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- Council has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 8. Managing uncertainties (continued)

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

### (e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +1.5% and -1.5% in market interest rates (AUD) from year-end rates of 5.05%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## 8.4 Fair value measurement

### *Fair Value Hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 10 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 8. Managing uncertainties (continued)

<b>Asset Class</b>	<b>Revaluation frequency</b>
Land	2 to 5 years
Buildings	4 years
Roads	3 years
Bridges	3 years
Footpaths and cycleways	3 years
Drainage	3 years
Recreational, leisure and community facilities	5 years
Waste management	5 years
Parks, open space and streetscapes	5 years
Aerodromes	3 years
Other infrastructure	5 years

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

### *Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

## 8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increase (decrease) \$ '000	Balance at end of reporting period \$ '000
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2024</b>			
<b>Property</b>			
Land - specialised	9,977	—	9,977
Land - non specialised	137	—	137
Land and land improvements	46,884	—	46,884
Buildings	28,539	8,165	36,704
	<b>85,537</b>	<b>8,165</b>	<b>93,702</b>
<b>Plant and equipment</b>			
Plant machinery and equipment	474	—	474
	<b>474</b>	<b>—</b>	<b>474</b>
<b>Infrastructure</b>			
Roads	186,928	—	186,928
Bridges	46,900	—	46,900
Footpaths and cycleways	14,891	—	14,891
Drainage	27,608	—	27,608
Recreational, leisure and community facilities	1,884	—	1,884
Waste management	944	(119)	825
Aerodromes	559	—	559
Other infrastructure	4,896	—	4,896
	<b>284,610</b>	<b>(119)</b>	<b>284,491</b>
<b>Total asset revaluation reserves</b>	<b>370,621</b>	<b>8,046</b>	<b>378,667</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Increase (decrease) \$ '000	Balance at end of reporting period \$ '000
<b>2023</b>			
<b>Property</b>			
Land - specialised	—	9,977	9,977
Land - non specialised	—	137	137
Land and land improvements	46,884	—	46,884
Buildings	28,539	—	28,539
	<u>75,423</u>	<u>10,114</u>	<u>85,537</u>
<b>Plant and equipment</b>			
Plant machinery and equipment	474	—	474
	<u>474</u>	<u>—</u>	<u>474</u>
<b>Infrastructure</b>			
Roads	150,779	36,149	186,928
Bridges	43,433	3,467	46,900
Footpaths and cycleways	10,944	3,947	14,891
Drainage	10,512	17,096	27,608
Recreational, leisure and community facilities	—	1,884	1,884
Aerodromes	682	(123)	559
Other infrastructure	2,558	3,282	5,840
	<u>218,908</u>	<u>65,702</u>	<u>284,610</u>
<b>Total asset revaluation reserves</b>	<u>294,805</u>	<u>75,816</u>	<u>370,621</u>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
<b>(b) Other reserves</b>				
<b>2024</b>				
Subdividers Contributions	376	26	—	402
Parking Development Reserve	98	—	—	98
Drainage Headworks Reserve	97	—	—	97
<b>Total restricted reserves</b>	<b>571</b>	<b>26</b>	<b>—</b>	<b>597</b>
<b>Total Other reserves</b>	<b>571</b>	<b>26</b>	<b>—</b>	<b>597</b>
<b>2023</b>				
Subdividers Contributions	346	30	—	376
Parking Development Reserve	98	—	—	98
Drainage Headworks Reserve	97	—	—	97
<b>Total restricted reserves</b>	<b>541</b>	<b>30</b>	<b>—</b>	<b>571</b>
<b>Total Other reserves</b>	<b>541</b>	<b>30</b>	<b>—</b>	<b>571</b>

Subdividers Contributions are in lieu of provision of recreational land within a subdivision. These funds are used to develop strategically located parks and reserves for the benefit of residents in the general area, as provided in Subdivision Act 1988 and Planning and Environment Act 1987.

The Parking Development Reserve is in lieu of provision of off-site parking as part of a development. These funds are used for the purchase and development of public access parking in the general area.

The Drainage Headworks Reserve is in lieu of meeting the cost to develop, upgrade and/or renew drainage infrastructure downstream of any subdivision development, a charge is levied on subdivision developers.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

	2024 \$ '000	2023 \$ '000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	(12,787)	(10,323)
<b>Non-cash adjustments:</b>		
Depreciation/amortisation	14,836	14,945
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(118)	10,359
Fair value adjustments for investment property	210	2,400
Contributions - Non-monetary assets	(145)	(125)
Amounts disclosed in financing activities	42	71
Other	—	58
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(2,218)	(117)
(Increase)/decrease in inventories	160	36
(Increase)/decrease in prepayments	125	9
Increase/(decrease) in contract assets	(39)	(31)
Increase/(decrease) in trade and other payables	894	1,041
Increase/(decrease) in provisions	(102)	115
(Decrease)/increase in other liabilities	65	(63)
(Decrease)/increase in contract and other liabilities	312	(1,728)
(Increase)/decrease in Other Assets	—	(2,063)
<b>Net cash provided by/(used in) operating activities</b>	<b>1,235</b>	<b>14,584</b>

## 9.3 Superannuation

Southern Grampians Shire Council makes all of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

### Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

### Defined Benefit

Southern Grampians Shire Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Southern Grampians Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

### Funding Arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.8% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

### Employer contributions

#### (a) Regular contributions

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

#### (b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### The 2023 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	2023 (Triennial)	2022 (Interim)
	\$m	\$m
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

### The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

### The 2020 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation \$m	2023 Triennial investigation \$m
Net investment return	5.6% pa 2.5% pa for two years and 2.75% pa thereafter	5.7% pa
Salary inflation		3.50% pa
Price inflation	2.0% pa	2.8% pa

### Superannuation contributions

Contributions by Southern Grampians Shire Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of scheme	Rate	2024 \$ '000	2023 \$ '000
Vision Super	Defined benefits	11.0% (2023:10.5%)	33	49
Vision Super	Accumulation	11.0% (2023:10.5%)	1,151	1,124
All other schemes	Accumulation	11.0% (2023:10.5%)	796	760

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

## Note 9. Other matters (continued)

In addition to the above contributions, Council has not been required to pay any unfunded liability payments to Vision Super during the 2023/24 year (2022/23 \$0 amount paid during the 2022/23 year).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$0.

## Note 10. Changes in accounting policies

There have been no changes to accounting policies in the 2023-24 year.



# PERFORMANCE STATEMENT

For the year ended 30 June 2024

---

## DESCRIPTION OF MUNICIPALITY

Southern Grampians Shire Council was formed in September 1994 by the amalgamation of the former Shires of Dundas, Mt Rouse, Wannon and the City of Hamilton. We are located in the centre of the Western District of Victoria, 290 kilometres west of Melbourne and 500 kilometres south east of Adelaide.

Hamilton is the regional retail and service centre for the entire south west of Victoria. It is supported by a delightful mix of smaller townships offering different regional lifestyle choices. The nine smaller towns in the Shire are Balmoral, Branxholme, Byaduk, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst and Tarrington.

The region is home to a dynamic portfolio of businesses thriving in local, national and international markets. A rich agricultural heritage, fertile landscape, comprehensive infrastructure and advanced utilities shape its prosperous and sustainable economic profile, and pave the way for future development, investment and employment growth.

The Southern Grampian Shire's 16,000-strong population enjoys superior leisure and medical facilities, prestigious schools and tertiary institutions. A sophisticated arts culture and a thriving retail and hospitality sector inject vibrancy, while breathtaking landscapes add to the strong sense of place.

## SERVICE PERFORMANCE INDICATORS

# PERFORMANCE STATEMENT

For the year ended 30 June 2024

		2021	2022	2023	2024		Material Variations & Comments
		Actual	Actual	Actual	Target	Actual	
Aquatic Facilities - Utilisation							
AF6	Utilisation of aquatic facilities <i>(Number of visits to aquatic facilities/Municipal population)</i>	4.43	5.27	7.50	N/A	10.40	Increase in days open across seasonal facilities and in events offered across all facilities leading to increased user and spectator patronage.
Animal Management - Health and Safety							
AM17	Animal management prosecutions <i>(Number of successful animal prosecutions/Number of animal management prosecutions) X 100</i>	0	0	0	N/A	0	
Food Safety - Health and Safety							
FS4	Critical and major non-compliance outcome notifications <i>(Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises) x100</i>	100.00%	92.86%	100.00%	N/A	100.00%	
Governance - Satisfaction							
G2	Satisfaction with community consultation and engagement <i>(Community satisfaction rating out of 100 with how council has performed on community consultation and engagement)</i>	57.00	50.00	47.00	55.00	43.00	Perceptions of consultation and engagement, and decisions made in the interest of the community, have been trending down over time and are at their lowest levels in many years. Good communication and transparency with residents in Council decision making is important to ensure residents feel heard on key local issues. Information provision will be important to ensure the community are aware of the actions Council is undertaking.
Libraries - Participation							
LB7	Library membership <i>(Number of registered library members/Population) X 100</i>	N/A	N/A	N/A	N/A	20.81%	
Maternal & Child Health (MCH) - Participation							
MC4	Participation in MCH Service <i>(Number of children who attend the MCH service at least once (in the year)/ Number of children enrolled in the MCH service) X 100</i>	73.09%	81.09%	81.78%	N/A	83.75%	



# PERFORMANCE STATEMENT

For the year ended 30 June 2024

## SERVICE PERFORMANCE INDICATORS CONT'D

		2021		2022		2023		2024		Material Variations & Comments
		Actual	Target	Actual	Target	Actual	Target	Actual	Target	
MC5	Participation in MCH Service by Aboriginal children (Number of aboriginal children who attend the MCH service at least once (in the year) / Number of aboriginal children enrolled in the MCH service) X 100	74.68%		85.00%		81.25%	N/A	89.33%		
<b>Roads - Condition</b>										
R2	Sealed local roads maintained to condition standards (Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads) X 100	88.17%		90.24%		89.68%	80.00%	94.58%		
<b>Statutory Planning - Service Standard</b>										
SP2	Planning applications decided within required time frames (Number of regular planning application decisions made within 60 days) + (Number of VcSmart planning application decisions made within 10 days) / Number of planning application decisions made X 100	93.55%		93.37%		46.53%	80.00%	62.50%		This achievement underscores Councils commitment to providing timely and efficient services to our community. Our team has been dedicated to optimising processes and enhancing our responsiveness to ensure that applications are handled promptly.
<b>Waste Collection - Waste Diversion</b>										
WC5	Kerbside collection waste diverted from landfill (Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) X 100	62.72%		79.24%		62.97%	66.00%	60.54%		The quantity of FOGO and recyclables reduced over the last financial year whilst general waste remained consistent. Recycling was impacted from the introduction of the container deposit scheme that reduced kerbside recycling quantities and FOGO reduced due to environmental factors being a dry year.

### Definitions

"Aboriginal child" means a child who is an Aboriginal person  
 "Aboriginal person" means a child who is an Aboriginal person  
 "Aboriginal person" means a child who is an Aboriginal person  
 "active library member" means a member of a library who has borrowed a book from the library  
 "annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act  
 "class 1 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act  
 "class 2 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act  
 "Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth  
 "critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health  
 "food premises" has the same meaning as in the Food Act 1984  
 "local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004  
 "major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken  
 "MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age  
 "population" means the resident population estimated by council  
 "target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth  
 "WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

## FINANCIAL PERFORMANCE INDICATORS

		2021	2022	2023	2024		2025	2026	2027	2028	Material Variations & Comments
		Actual	Actual	Actual	Target	Actual	Forecast	Forecast	Forecast	Forecast	
Efficiency											
Expenditure Level											
E2	Expenses per property assessment  (Total expenses / Number of property assessments)	\$4,322.64	\$4,188.66	\$5,767.86	\$4,140.00	\$4,737.32	\$4,281.25	\$4,340.36	\$4,427.14	\$4,461.96	Expenditure has reduced for 2023-24 when compared to 2022-23 due to the recognition of the loss on disposal of infrastructure assets. The variance to budget is due to higher than budgeted operational expenditure for salary and wages and materials and services including waste disposal costs.
Revenue Level											
E4	Average rate per property assessment (General rates and Municipal charges / Number of property assessments)	\$1,744.82	\$1,746.70	\$1,766.43	N/A	\$1,838.13	\$1,908.04	\$1,955.74	\$1,994.85	\$2,034.75	
Liquidity											
Working Capital											
L1	Current assets compared to current liabilities (Current Assets / Current Liabilities) X 100	250.58%	252.96%	311.27%	164.20%	152.10%	146.04%	110.19%	112.88%	113.96%	A reduction of other financial assets was evident as a significant proportion of operational grant funding was received in advance during 2022-23 that related to the 2023-24 financial year.
Unrestricted Cash											
L2	Unrestricted cash compared to current liabilities (Unrestricted cash / Current Liabilities) X 100	23.75%	74.39%	76.50%	N/A	7.96%	81.58%	57.53%	53.73%	46.93%	A reduction of other financial assets was evident as a significant proportion of operational grant funding was received in advance during 2022-23 that related to the 2023-24 financial year. In addition capital grants expected in 2023-24 were not received with many anticipated to be received in 2024-25 instead which will improve the unrestricted cash position in future years.
Obligations											
Loans and Borrowings											
O2	Loans and borrowings compared to rates  (Interest bearing loans and borrowings / Rate revenue) X 100	13.28%	10.80%	8.10%	N/A	5.33%	28.81%	81.35%	74.72%	71.34%	Repayments of existing loans occurred with no new borrowings during the financial year. Future years anticipate additional borrowings to help fund intergenerational projects.
O3	Loans and borrowings repayments compared to rates (Interest and principal repayments on interest bearing loans and borrowings / Rate revenue) X 100	3.19%	2.84%	2.78%	N/A	2.64%	0.86%	4.54%	11.35%	11.84%	Future years loan repayments are expected to increase in line with additional borrowings to help fund intergenerational projects.

# PERFORMANCE STATEMENT

For the year ended 30 June 2024

# PERFORMANCE STATEMENT

For the year ended 30 June 2024

## FINANCIAL PERFORMANCE INDICATORS CONT'D

	2021 Actual	2022 Actual	2023 Actual	2024 Target	2024 Actual	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	Material Variations & Comments
<b>Indebtedness</b>										
O4 Non-current liabilities compared to own source revenue (Non-current liabilities / Own source revenue) X 100	14.22%	10.69%	8.28%	N/A	8.01%	20.76%	58.97%	53.80%	49.81%	Future years anticipate additional borrowings to help fund intergenerational projects which has increased the non-current liabilities.
<b>Asset Renewal and Upgrade</b>										
O5 Asset renewal and upgrade compared to depreciation (Asset renewal and asset upgrade expense / Asset depreciation) X 100	68.65%	94.35%	62.33%	235.30%	105.24%	155.77%	210.13%	108.12%	245.93%	The capital works delivered was a total of \$18.143m for the 2023-24 year compared to \$10.760m in the prior year with 86% of the 2023-24 capital works being for renewal and upgrade. While works undertaken increased, it remained below budget with some projects in progress and others carried forward for works to be undertaken in 2024-25.
<b>Operating Position</b>										
<b>Adjusted underlying result</b>										
OP1 Adjusted underlying surplus (or deficit) (Adjusted underlying surplus (deficit) / Adjusted underlying revenue) X 100	2.31%	-0.07%	-37.34%	N/A	-43.44%	4.13%	-3.74%	-3.44%	-1.02%	A reduction of operational grant funding was due to a large component being received in advance during 2022-23 that related to the 2023-24 financial year. The adjusted underlying result is anticipated to be a surplus in 2024-25 followed by small deficits in the following three years.
<b>Stability</b>										
<b>Rates concentration</b>										
S1 Rates compared to adjusted underlying revenue (Rate Revenue / Adjusted underlying revenue) X 100	45.08%	47.10%	47.97%	53.90%	63.40%	48.09%	52.61%	52.46%	51.85%	A reduction of operational grant funding was due to a large component being received in advance during 2022-23 that related to the 2023-24 financial year.
<b>Rates effort</b>										
S2 Rates compared to property values (Rate Revenue / Capital improved value of all rateable properties in the municipality) X 100	0.46%	0.40%	0.30%	N/A	0.25%	0.27%	0.28%	0.28%	0.29%	Property valuations for 2023-24 increased by 26% compared to the 2022-23 valuations however rates revenue increased by a lower amount of 3.49% for the same period so a reduction in rates compared to valuations has resulted.

### Definitions

- "adjusted underlying revenue" means total income other than—
  - non-current grants used to fund capital expenditure; and
  - non-monetary asset contributions; and
  - contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)
- "adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure
- "current assets" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
- "current liabilities" has the same meaning as in the AAS
- "non-current assets" means all assets other than current assets
- "non-current liabilities" means all liabilities other than current liabilities
- "non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan
- "population" means the resident population estimated by census
- "rate revenue" means revenue from general rates, municipal charges, service rates and service charges
- "recurrent grant" means a grant other than a non-recurrent grant
- "residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties
- "restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
- "unrestricted cash" means all cash and cash equivalents other than restricted cash.

## SUSTAINABLE CAPACITY INDICATORS

# PERFORMANCE STATEMENT

For the year ended 30 June 2024

		2021 Actual	2022 Actual	2023 Actual	2024 Actual	Material Variations & Comments
<b>Population</b>						
C1	Expenses per head of municipal population (Total expenses/Municipal population)	\$2,947.13	\$2,923.47	\$3,945.28	\$3,221.49	In 2022-23 Council recorded a net loss on disposal of assets of \$10.3m. There has been no loss on disposal of assets in 2023-24 leading to a decrease in recorded expenditure.
C2	Infrastructure per head of municipal population (Value of Infrastructure/Municipal population)	\$22,905.36	\$23,064.37	\$25,843.23	\$26,375.41	
C3	Population density per length of road (Municipal population/Kilometres of local roads)	5.86	5.83	5.98	5.98	
<b>Own Source Revenue</b>						
C4	Own source revenue per head of municipal population (Own source revenue/Municipal population)	\$1,933.68	\$1,858.54	\$1,934.29	\$1,943.23	
<b>Recurrent Grants</b>						
C5	Recurrent grants per head of municipal population (Recurrent Grants/Municipal population)	\$784.86	\$989.97	\$913.58	\$287.37	A number of grant programs spanning multiple years ended in 2022-23. The recognition of child care rebates was moved from grants to user fees in 2023-24 also leading to the net reduction in grants.
<b>Disadvantage</b>						
C6	Relative Socio-Economic Disadvantage (Index of Relative Socio-Economic Disadvantage by decile)	5.00	5.00	5.00	5.00	



# PERFORMANCE STATEMENT

For the year ended 30 June 2024

## SUSTAINABLE CAPACITY INDICATORS CONT'D

		2021 Actual	2022 Actual	2023 Actual	2024 Actual	Material Variations & Comments
<b>Workforce Turnover</b>						
C7	Resignations and terminations compared to average staff (Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year) X 100	19.2%	15.7%	35.2%	19.3%	2022-23 Council exited out of Aged Care Services and a organisation restructure took place and this is why there is a drop in the turnover rate from 2022-23 to 2023-24.

### Definitions

"Adjusted underlying revenue" means total income other than:

- a - non-recurrent grants used to fund capital expenditure; and
- b - non-monetary asset contributions; and
- c - contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"Infrastructure" means non-current property, plant and equipment excluding land

"Local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

"Population" means the resident population estimated by Council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control or council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.055.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its internet website

### 5.1 Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g., Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the Local Government (Planning and Reporting) Regulations 2020. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the council's financial plan.

The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

# PERFORMANCE STATEMENT

For the year ended 30 June 2024

# CERTIFICATION OF THE PERFORMANCE STATEMENT

## Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.



Nicholas Templeton, CPA  
Principal Accounting Officer  
Dated: 15 October 2024

In our opinion, the accompanying performance statement of the Southern Grampians Shire Council for the year ended 30 June 2024 presents fairly the results of council's performance in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Cr David Robertson  
Mayor  
Dated: 15 October 2024



Cr Helen Henry  
Councillor  
Dated: 15 October 2024



Mr Tony Doyle  
Chief Executive Officer  
Dated: 15 October 2024

# AUDITOR-GENERAL'S REPORT



## Independent Auditor's Report

### To the Councillors of Southern Grampians Shire Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Southern Grampians Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>• description of municipality for the year ended 30 June 2024</li><li>• service performance indicators for the year ended 30 June 2024</li><li>• financial performance indicators for the year ended 30 June 2024</li><li>• sustainable capacity indicators for the year ended 30 June 2024</li><li>• notes to the accounts</li><li>• certification of the performance statement.</li></ul> <p>In my opinion, the performance statement of Southern Grampians Shire Council in respect of the year ended 30 June 2024 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the performance statement</b>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>



# AUDITOR-GENERAL'S REPORT

---

**Auditor's  
responsibilities  
for the audit of  
the performance  
statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

---

MELBOURNE  
11 October 2022



Travis Derricott  
*as delegate for the Auditor-General of Victoria*



## SOUTHERN GRAMPIANS SHIRE COUNCIL

111 Brown Street (Locked Bag 685)  
Hamilton Victoria 3300

**p:** (03) 5573 0444

**e:** [council@sthgrampians.vic.gov.au](mailto:council@sthgrampians.vic.gov.au)

**w:** [sthgrampians.vic.gov.au](http://sthgrampians.vic.gov.au)

