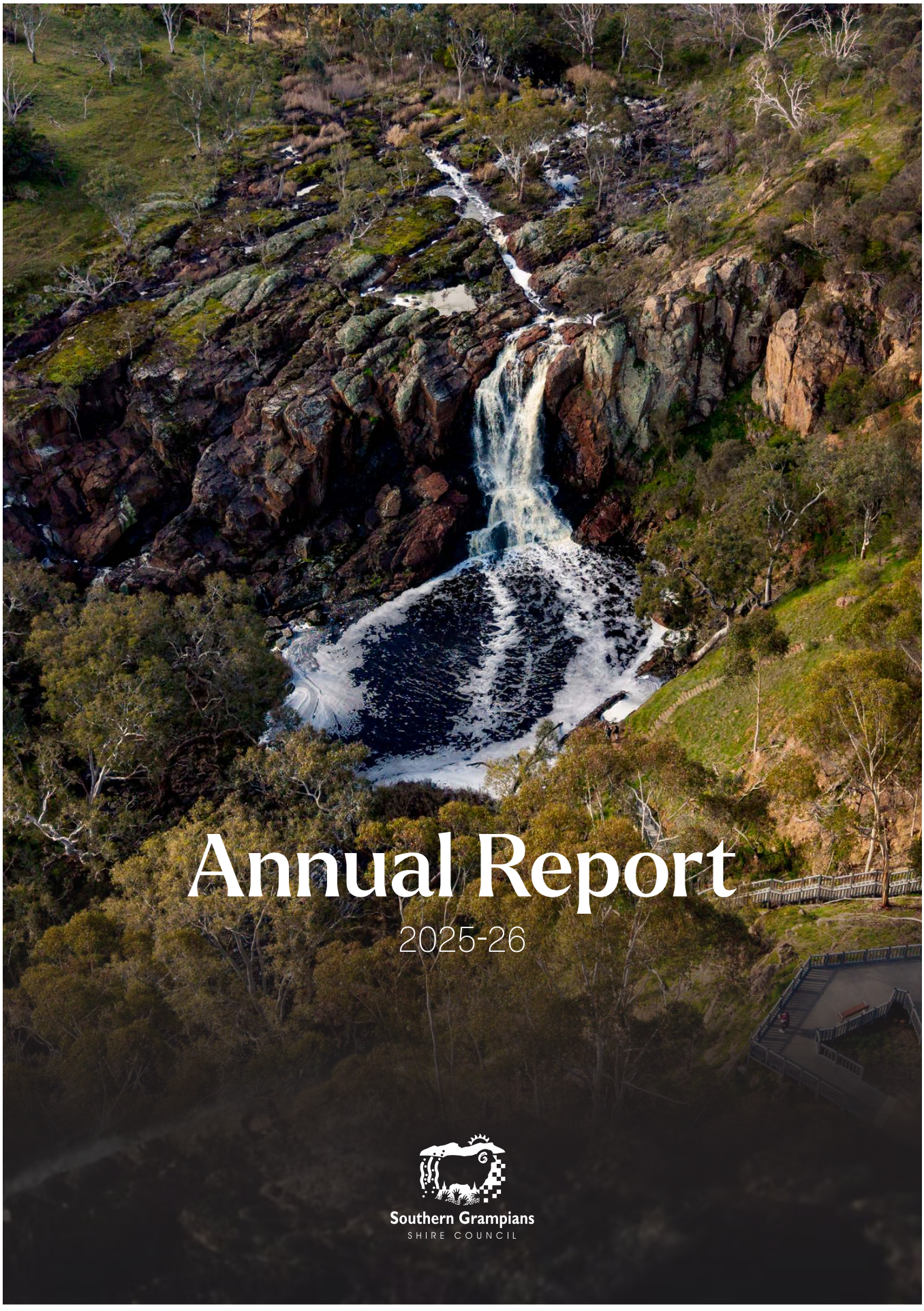
Statutory Meeting - 27 October 2026 Attachments

13.1 2025-2026 Annual Report 2
13.1.1 SGSC Annual Report 2025-2026 2
13.2 Appointment of Council Representatives 150
13.2.1 Precis of Committees 2026 150


Annual Report
2025-26
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.

Southern Grampians
SHIRE COUNCIL



2025

2026

SOUTHERN
GRAMPIANS
SHIRE COUNCIL

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About this *report*

Southern Grampians Shire Council is pleased to present the 2025/26 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 2025-29 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 2025/26.

Where to get a copy

Residents can find a copy on the Southern Grampians Shire Council website at *www.sthgrampians.vic.gov.au*

The content of this Annual Report is reviewed each year and your feedback is invited and can be completed via email to *council@sthgrampians.vic.gov.au* or by letter addressed to:

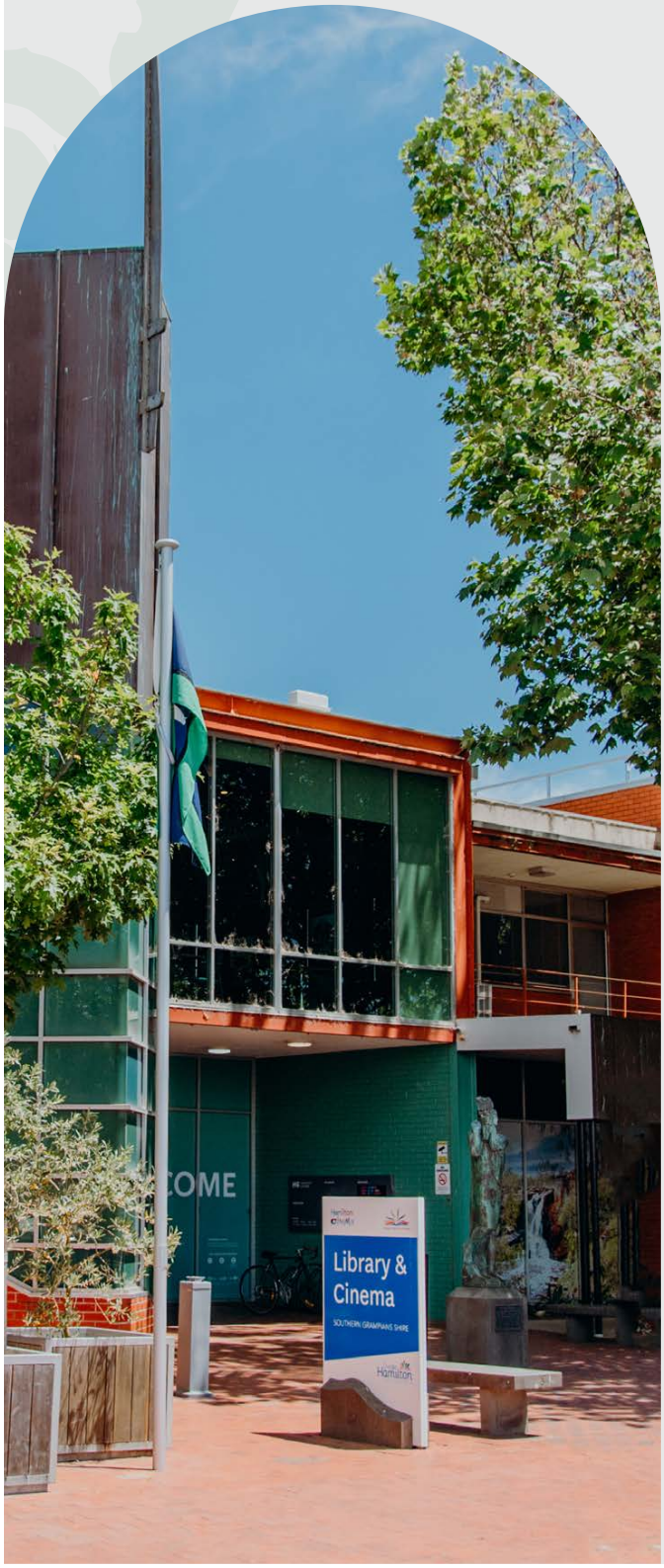
The Chief Executive Officer
Southern Grampians Shire Council
Locked Bag 685, Hamilton VIC 3300

Council offices

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Southern Grampians *Shire* profile

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 16,000, 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, Branxholme, Byaduk, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst, 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*

6652 km²
Area

2.9%
Unemployment rate

$48,510
Median total income

Population

Estimated residential 16,483

Est. Aboriginal and Torres Strait Islander population 452

2.8 persons
Average family size

11,176
Rateable properties

Biggest employer – sheep farming

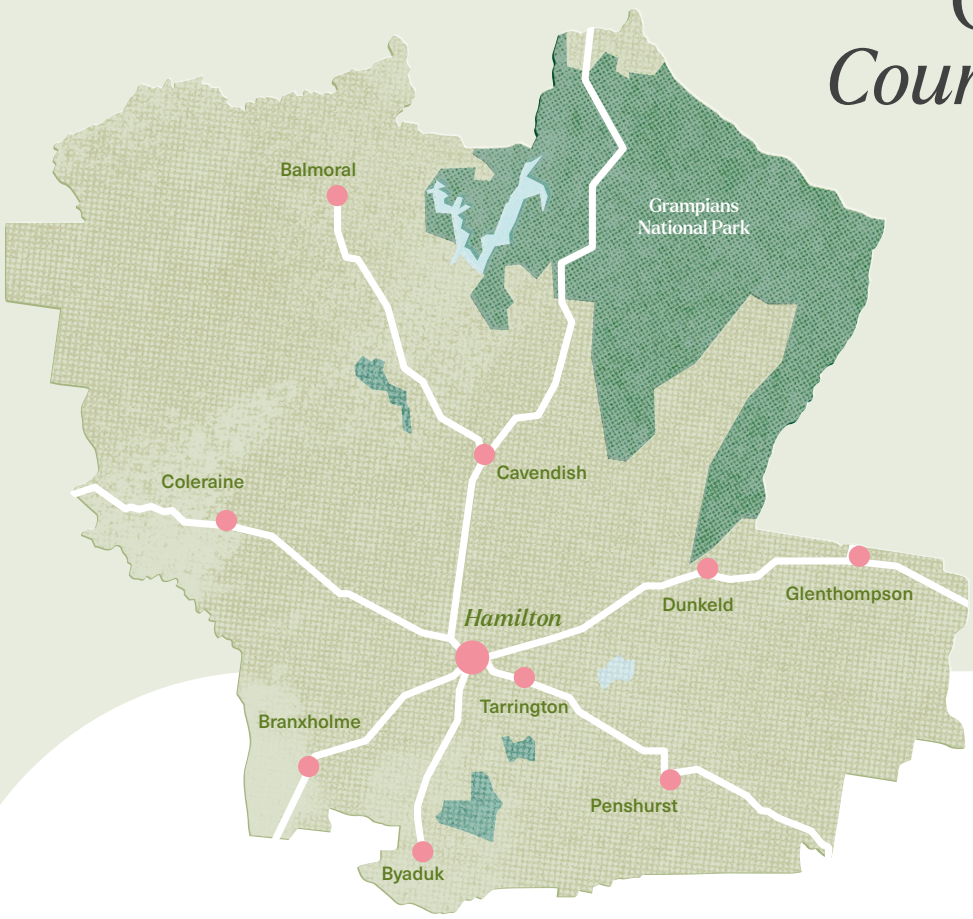
7.7 °C
Average min temperature - Hamilton

19.2 °C
Average max temperature - Hamilton

619.3mm
Average annual rainfall - Hamilton

(Sources: 2021 census, Bureau of Meteorology)

Our *Council*



Values:

Raise the bar

Create brilliance together

Dream boldy, change bravely

Integrity in every step

Vision

In 2041, Southern Grampians is a growing, inclusive and connected community, working together to foster an active, innovative and sustainable future.

Your Rates *at Work*

For every $100 of Rates, this is where it goes:



$0.64
Planning and Environment



$3.32
Community Services



$23.66
Capital Works



$1.60
Economic Development and Tourism



$32.34
Infrastructure and Emergency Management



$7.26
Governance and Corporate Services



$2.83
Business Enterprises



$8.06
Leisure Services



$1.64
Community Development



$4.47
Regulation and Compliance



$9.05
Waste Services



$5.13
Cultural Services





Fast *Facts*

- 176,866 *visits to shire pools*
- 89 *animals reclaimed from pound*
- 101 *animals rehomed from pound*
- 84,201 *items borrowed from the library*
- 6,609 *tickets sold at the Hamilton Performing Arts Centre*
- 6,815 *properties serviced for kerbside recycling bin collection*
- 17,357 *tickets sold at the Hamilton Cinema*
- 679 *children enrolled in the Maternal Child Health Service*
- 108 *planning permit applications received*
- 6,877 *properties serviced for kerbside rubbish bin collection*



Year at a *Glance Summary*

Major *Capital Works*

The capital works program forms a significant part of the annual Council budget. In 2025/26, $13.858 million was spent against the budget of $16.254 million. The capital works program seeks to provide targeted expenditure on projects to maintain or improve Council's infrastructure, assets and services.

Roads Program

Council's works team completed a large program of road resheets and reseals across the 2025/26 financial year delivering better roads for Southern Grampians residents and travellers spending $6.2 million on local roads.

Three major road rehabilitations included 4.15 kilometres on Victoria Point Road, 3.98 kilometres on Nagorckas Road, and 1.825 kilometres on Sobeys Road.

The program included significant road improvements covering 19.999kms in rehabs, 16.280kms in resheets, 14.755kms in final seals, and 26.866kms for reseals, wrapping up a huge season.

Major Capital Works delivered in 2025/26

Major capital works completed or progressed during 2025/26 included:

- **Safe Local Streets and Roads Program:** Eight new pedestrian crossings and raised intersections were delivered across Hamilton at MacPherson Street, George Street, King Street/ Bree Road, Alexandra Parade, French Street, Kennedy Street, Shakespeare Street and Tyers Street, improving safety and accessibility for road users. Works to convert the Glenelg Highway/ Blackwood Dunkeld Y-intersection into a safer T-intersection will continue under a separate contract in the 2026/27 financial year.
- **Lonsdale Street demolition:** Demolition of the former Mitre 10 and Toyworld buildings at 90–92 Lonsdale Street commenced in early 2026. This work cleared the way for the future Hamilton Library, Community Hub and Civic Square, a landmark project in Council's long-term vision for the town centre. Due to unforeseen soil containments including buried old infrastructure, the project completion date was pushed into the end of 2026.
- **Cox Street redevelopment:** Solar lights poles were installed in March 2026, officially completing the Cox Street redevelopment project.


WHAT'S YOUR BIG IDEA?
For our new Community Hub @ Library
gaming screens for use after school
tool hire
cafe
PS5
MINI GOLF
courses
leaderboard
Fortnite tournaments
Top Golf indoor
study spaces
trampoline park
VR Room
kids play room
Dirt pump track
Toddlers space and music
Golf simulator
Mini Golf
go cart
group lounge study areas x2
QUEEN ROCKS
ROYAL RHAPSODY TOUR
FRI 15 MAY
SKATE FAST
Greater Hamilton Library
Southern Grampians

Major *Achievements*

Hamilton Organics Processing Facility

Council continued to progress the Organics Processing Facility within Hamilton obtaining the required EPA approvals and commencing construction on the six In-Vessel Rapid Composting Systems. These systems were purpose built to process FOGO and livestock effluent waste with contractors GAIA EnviroTech. This project is to be completed in late 2026.

Council's new facility will be designed to process more than 5,000 tonnes of organic material a year when it opens, with potential to expand to 15,000 tonnes. It also has the potential to become a regional processing hub, creating new possibilities for how organic waste is managed well beyond the Shire boundary.

Preparing to shape Hamilton's new CBD

Significant progress was made on the Hamilton CBD Streetscape Revitalisation Project, with planning and community engagement laying the foundations for the transformation of the town centre.

A Project Advisory Group was established to ensure local voices helped shape the future streetscape. Comprising eight representatives from local businesses and the wider Southern Grampians community, the group met regularly throughout the year and provided valuable insights that informed both staff and Councillors as the concept evolved.

Community consultation also played a central role. Following the release of updated concept designs in April 2026, residents shared what they valued about the proposal, identified areas for improvement and provided feedback on replacement tree species.

This collaborative approach led to a number of key refinements, including the removal of Australian native tree species from the plans, and the proposed use of light and dark bluestone to create durable, high-quality public spaces.

As part of the early works, several problematic plane trees in the Hamilton CBD and two in Coleraine were removed following detailed arborist assessments.

Council adopted the amended concept designs at its June meeting, allowing the project to progress to the detailed design phase. The next stage will include further technical investigations, the preparation of construction documentation and planning for stages 2 and 3, bringing the revitalisation of Hamilton's CBD another step closer.

New Library, Community Hub and Civic Square

Significant progress was also made on the New Library, Community Hub and Civic Square, with design development and extensive community engagement helping shape one of the Shire's most significant civic projects.

Following Council's endorsement of the design brief in August 2025, architects, engineers and landscape designers refined the concept in consultation with Council and the community. Detailed plans were then prepared for public exhibition.

To support community consultation, Council opened a dedicated project shopfront in the Hamilton CBD in June. More than 250 people visited to discuss the plans, share ideas and ask questions of project staff. Feedback from the shopfront and online submissions was provided directly to the design team to help shape the next stage of the project.

Council also engaged with a diverse group of residents to ensure designs meet community needs. This included youth specific activities, discussions with disability groups, senior citizens, and First Nations peoples.

The new Library will expand on the success of the current service with flexible community spaces, event rooms, quiet study areas, a fab lab, recording and podcast studio and improved access to digital technology and lifelong learning opportunities.

The Community Hub will bring Council offices and essential services, including maternal and child health and aged care, together in one location while providing adaptable spaces for programs and collaboration.

The Civic Square will create a welcoming gathering place for events, markets and community activities. Connected to the New Hamilton Gallery sculpture garden, it will become the civic heart of Hamilton's town centre.

Together, these three elements will create a modern civic precinct that supports learning, connection and community life for generations to come.

New Hamilton Gallery

Council endorsed plans to build a new Hamilton Gallery on the site of the current gallery and moved forward with detailed designs.

After extensive community consultation and engagement, concept designs for the New Hamilton Gallery (NHG) developed by award-winning architectural firm Angelo Candalepas and Associates were adopted at the July 2025 Council Meeting.

Council directly appointed Angelo Candalepas and Associates to develop detailed designs at the September 2025 Council Meeting. An independent Probity Consultant was engaged to oversee the process and ensure it met the highest standards of fairness, accountability, and transparency, and to ensure the project is completed with the maximum benefit to our community.

The development of the concept and detailed design work was funded through the $5 million secured under Stream 1 of the Australian Government's Regional Precincts and Partnerships Program (rPPP).

The New Hamilton Gallery will be a transformative cultural space, bringing world-class art, innovative design, and dynamic public programming to the heart of Hamilton's CBD.

Cavendish and Coleraine Structure Plan

The Cavendish and Coleraine Structure Plans were adopted by Council in December 2025, marking a milestone in long-term planning for both towns. Developed through significant community engagement with residents, businesses, local First Nations representatives, government agencies, community groups and other stakeholders, the plans established a shared 20-year vision for sustainable growth and development. Key outcomes included the establishment of defined settlement boundaries to guide future growth, to protect rural character and ensure infrastructure can support development. Community feedback also highlighted the importance of enhancing public spaces, protecting natural landscapes, improving walking and cycling connections, supporting accessible infrastructure and, in Coleraine, upgrading stormwater infrastructure around Bryans Creek to reduce flood risk. The Structure Plans build on the Small Towns Strategy 2024 and provide a clear framework to support the long-term prosperity, liveability and character of both communities.

Mobile Blackspot

Council completed a Shire-wide investigation into mobile phone black spots to better understand connectivity challenges across the Southern Grampians following the national 3G network shutdown. Through a community mapping project, residents and businesses were invited to identify areas with poor, unreliable or no mobile coverage, helping to build an evidence-based picture of connectivity gaps across townships, rural properties, roads and recreation areas. Information collected through the project during 2025/26 will support Council's future advocacy to telecommunications providers and government agencies, with the aim of securing investment in improved mobile infrastructure to enhance safety, communication, emergency response and economic activity across the region.


presence
presence
presence
presence
homewares
clothing
accessories
shoes
HIP POCKET
WORKWEAR & SAFETY
HIP POCKET

17



Economic *Factors*

Council continues to operate in a challenging economic environment, with a number of factors placing sustained pressure on service delivery and long-term financial planning.

Summary

Key economic challenges include:

- Rising construction costs driven by higher energy and fuel prices, labour shortages and strong demand across the building sector, resulting in project costs increasing faster than inflation.
- With the Shire's extensive asset network requiring increasing investment in maintenance, renewal and upgrades of ageing infrastructure adds economic pressure to Council budgets.
- The sheer size and kilometres of Council managed roads continue to add financial pressure with maintenance programs outstripping available funding for renewals creating a growing maintenance backlog.
- Escalating operating costs include increases in energy, water, gas, insurance, staff training and other essential services.
- Growing waste management costs and regulatory requirements result in increasing service expectations as well as stricter environmental standards placing additional pressure on Council. In response, Council has invested in innovative solutions such as the Organics Waste Facility at the Hamilton Transfer Station to improve long-term sustainability.
- The increasing frequency and severity of natural disasters including droughts, floods and bushfires.



Major *Changes*

Relief on ESVF extended

Council welcomed the State Budget update confirming a two year rate freeze for primary producers under the Emergency Services and Volunteers Fund (ESVF). This freeze offers timely relief for local farmers navigating cost pressures and uncertainty across the sector.

Council championed the outcome heavily through sustained advocacy to the State Government, working together with neighbouring Councils in the Southwest Victorian Alliance (SWVA) and advocating to the Municipal Association of Victoria (MAV) to ensure regional voices were heard and understood.



Our *Council*

Roles and responsibilities

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 function of a Council includes:

- 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.

Councillor *Profiles*



Cr Dennis Heslin – *Mayor*
0477 801 791
DHeslin@sthgrampians.vic.gov.au



Cr Katrina Rainsford
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KRainsford@sthgrampians.vic.gov.au



Cr Helen Henry
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Cr Afton Barber
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Cr Jayne Manning
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Cr Adam Campbell
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Cr Tamasyn Ramsay-Grounds
0458 186 905
TRamsay-grounds@sthgrampians.vic.gov.au

Councillors

Resignation of Cr Calvano

After almost 20 years of service to the Southern Grampians community, Councillor Albert Calvano stepped down from Council in April 2026. Cr Calvano expressed his gratitude to the community, fellow Councillors and staff, and reflected on the progress achieved together since his election in 2008. Mayor Dennis Heslin acknowledged Cr Calvano's dedication, leadership and deep knowledge of local issues, thanking him for his significant contribution.

Election of Tam Ramsay

Dr Tamasyn Ramsay-Grounds was elected to the vacant position on Southern Grampians Shire Council following a countback conducted by the Victorian Electoral Commission (VEC) using formal ballot papers from the 2024 general election.

Following the completion of the countback, the VEC declared Dr Tamasyn Ramsay-Grounds as the successful candidate. Her first meeting was the May ordinary meeting of Council.

Councillor *representation*

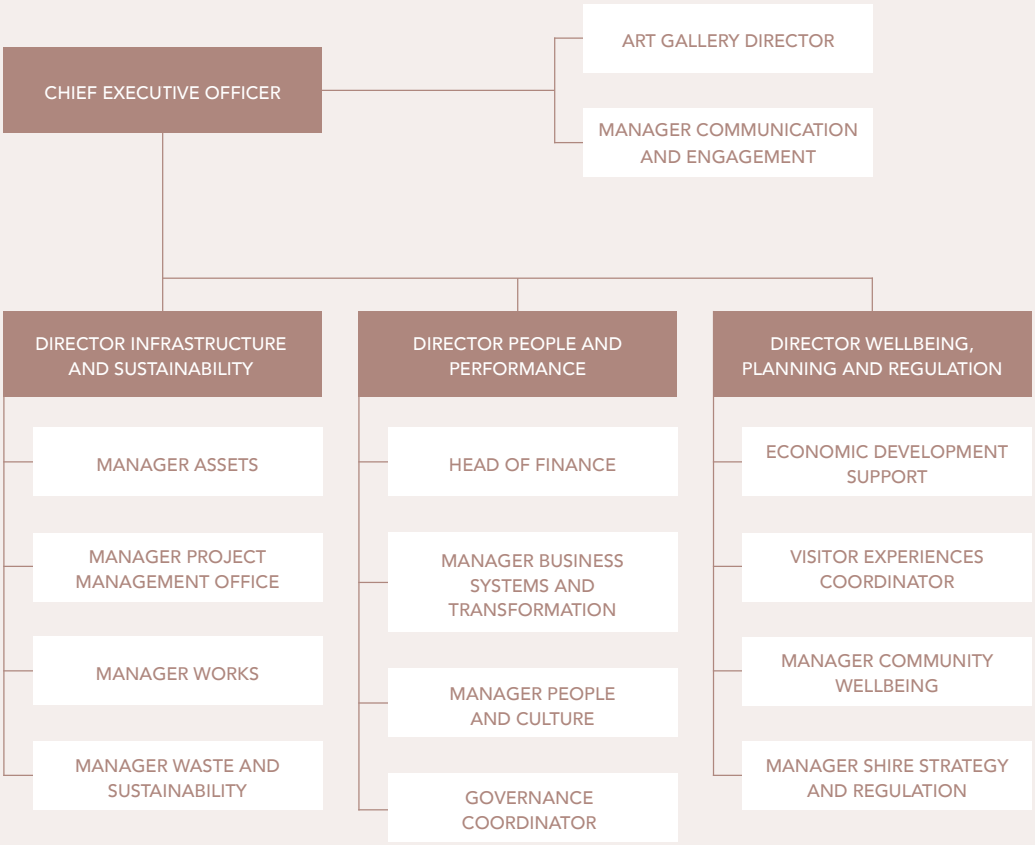
Councillors represent the interests of our communities through direct contact with residents, representation on local interest groups and involvement with other agencies.

Each year Council appoints representation to a range of other bodies. Appointments were made at the Statutory Meeting of Council held on 5 November 2025 and are detailed in the table below.

Committees Required by Legislation		
Audit and Risk Committee	Cr Afton Barber	Cr Henry
Delegated Committees		
Planning Committee	Cr Manning	Cr Heslin
Advisory Committees Established by Council		
CEO Employment and Remuneration Committee	Cr Heslin	Cr Henry Cr Barber
CBD Streetscape Project Advisory Committee	Cr Barber	
Committees Established by Other Bodies		
MAV Delegate	Cr Campbell	Cr Heslin (Proxy)
South West Victoria Alliance	Cr Heslin	
Rural Councils Victoria	Cr Manning	Cr Henry (Proxy)
Green Triangle Action Group	Cr Rainsford	
Rail Freight Alliance	Cr Rainsford	
Ansett Museum Board	Cr Barber	Cr Campbell (Proxy)
Working Group		
Reconciliation Action Plan Working Group	Cr Manning	Cr Henry



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.

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.

ELT *Profiles*



CEO – **Tony Doyle**

Tony is responsible for Executive and Councillor Support, Civic Functions, Communications and Engagement, Community Development, the Greater Hamilton Library, and the Hamilton Gallery.



Director Infrastructure and Sustainability – **Marg Scanlon**

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



Director People and Performance – **Darren Barber**

Darren is responsible for the management of Finance, Governance, Business Systems, Digital Transformation, Human Resource Management, Health and Safety, Risk and Workforce Development.



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

Rory is responsible for the management of Community Services, Recreation, Economic development, Tourism, Planning and Building Services, Regulatory Services, the Hamilton Performing Arts Centre and Hamilton Cinema.



Our People

In 2025/26 Southern Grampians Shire Council employed 386 staff across the year, which is the equivalent to 211.78 Equivalent Full Time (EFT).

During the year, Council had a staff turnover rate of approximately 24.35 per cent which equates to 94 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 are outlined in the table below:

Employment type	CEO & Council	People & Performance	Wellbeing, Planning & Regulation	Infrastructure & Sustainability	TOTAL
Permanent FT	12	28	39	102	181
Permanent PT	12	6	52	11	81
Temporary	0	2	0	0	2
Casual	13	2	96	11	122
Total	37	38	187	124	386

Legend: FT – Full time and PT – Part time

Employment Classification	Male	Female	Total
Band 1	15	27	42
Band 2	1	1	2
Band 3	95	72	167
Band 4	16	28	44
Band 5	18	26	44
Band 6	12	11	23
Band 7	13	18	31
Band 8	1	1	2
Band not applicable	17	14	31
Total	188	198	386

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

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.

Staff Consultative Committee

The Staff Consultative Committee (SCC) provides a forum for consultation and communication between Council management, employees and employee representatives on workplace matters that may affect staff across the organisation.

During the 2025 reporting period, no Staff Consultative Committee meetings were convened due to the negotiation and implementation of Council's Enterprise Agreement. These meetings will resume in late 2026.

While formal SCC meetings were not required during the year, Council remained committed to maintaining open communication and consultation mechanisms with employees. Relevant workplace matters continued to be addressed through established management, employee engagement, and industrial relations processes as required.

Council recognises the importance of consultation in fostering positive workplace relations and will continue to utilise the Staff Consultative Committee, as required, to support effective communication and engagement on matters affecting employees across the organisation.

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 2025:

40 years

Judith Schneider

30 Years

Mary McArthur

Nicole Downes

Deborah Hadden

20 years

Matthew Beaton

Rodney Pye

Ian Brilley

10 years

Danny Ross

Eda Williamson

Michael Murphy

Quentin Overton

Krista McFarlane

5 years

Joshua White

Andrew Hurenkamp

Caroline Welst

Michael Brown

Anthony Haw

Garry English

Alan Smeaton

Our *Performance*

Council Plan

This section describes how the 2025/26 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 (Community Vision and Financial Plan), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

Strategic Objectives

Council delivers 63 services for the community. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan for the years 2025-2029. The following are the five strategic objectives as detailed in the Council Plan:

1. Social and Community

   We will promote a healthy community by ensuring people are safe, active and connected.

2. Business Economy and Tourism

   A thriving and diverse local and regional economy that supports our businesses and strengthens our position as a desirable place to live, work, and visit.

3. Community Infrastructure and Assets

   Deliver well-planned, high-quality infrastructure and spaces that connect people and respond to community needs.

4. Environment

   Protect and enhance our natural landscapes and advance a clean, green, and sustainable future in Southern Grampians Shire.

5. Leadership and Governance

   Demonstrate strong leadership and sound financial management through transparent decision-making, clear communication and meaningful engagement that builds community trust.

As per the Local Government Act, Council developed a new Council Plan 2025-29 which will was adopted in October 2025.

Performance

Council's performance for the 2025/26 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2025-2029 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 One:

SOCIAL AND COMMUNITY

We will promote a healthy community by ensuring people are safe, active 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	RESULTS
Increased attendance at exhibitions, sessions, programs, performances and creative workshops at the Hamilton Gallery, Hamilton Cinema, Hamilton Performing Arts Centre and Hamilton Library	There was an increase in the number of Library programs held in 2025/26 by 9% and an increase in participation by 4%. The library held 344 program sessions for 5,575 attendees throughout the year. Hamilton Cinema movie ticket sales increased from 16,021 tickets sold in 2024/25 to 17,357 tickets sold in the 2025/26 financial year with an increase in movie screenings to 92 from 90 the previous year. The Hamilton Performing Arts Centre increased ticketed events from 30 to 47 with an increase in tickets sold from 5,149 to 6,609 in 2025/26. Hamilton Gallery experienced a 25% growth in visitation and audience engagement across 2025/26. The Gallery significantly expanded its reach to children and young people through the introduction of the Creator Lab, reaching over 2,000 school students during the year and more than doubling student program participation compared with 2024/25. The Gallery also continued to increase programming with artist lead workshops to adults, accessible tours and experiences for people living with disabilities and the elderly.
Activities, programs and events are held to support Children, First Nations, Multicultural and Gender Diverse members of the community.	Council delivered school holiday programs across the 2025/26 financial year offering activities and events for all ages of children and young people. Council continued to support the facilitation of the YUMCHA group for gender diverse youth. Council acknowledged gender diversity through flying the rainbow flag at the Library/Gallery complex on IDAHOBIT Day. Reconciliation Week was acknowledged through a special smoking ceremony and morning tea in recognition of First Nations people.
Gender Impact Assessments are completed for all new major projects, service reviews and public policies.	Council established a working group to complete Gender Impact Assessments (GIA) for the major projects. GIA's have also been completed throughout the year for policy renewal and key capital works.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2025/26 budget:

MAJOR INITIATIVES	RESULTS
Engage Architects to complete design development (including costings) for the New Hamilton Art Gallery and undertake community consultation.	**Complete** Angelo Candalepas and Associates (ACA) were engaged to deliver the design of the New Hamilton Art Gallery. Council endorsed the completed concept designs on 9 July 2025, supported by a detailed cost estimate prepared by a Quantity Surveyor. ACA is currently working on the detailed design and construction tender documentation, with completion anticipated by October 2026, positioning the project to be construction-ready. The design phase has been funded by the Federal Government.
Undertake the detailed design of the Community Hub, civic square and streetscape.	**Ongoing** Comprehensive engagement was completed during the second half of the 2025/26 financial year to develop concept designs for the Community Hub and Civic Square. Consultation commenced in March 2026 with draft concept designs exhibited for review in June 2026. Concept designs look to be adopted and the project will move to detailed design in late 2026/27. Amended CBD Streetscape concept designs were adopted at the June 2026 Council meeting. Following the release of updated concept designs in April 2026, residents were able to view and provide feedback. Feedback from the Project Advisory Group, community, Council and staff informed some key design changes. The project is now in detailed design phase.
Adopt new Municipal Public Health and Wellbeing Plan	**Complete** Council incorporated the new Municipal Public Health and Wellbeing Plan into the 2025 – 2029 Council Plan. Council conducted a number of community, youth, stakeholder, staff as well as online surveys to identify what was important to individuals, communities and practitioners. This engagement, together with an examination of the health status indicators identified six key priorities to inform the health and wellbeing priorities for the duration for the plan. These include: • Open spaces, pathways and public spaces. • Increase physical activity for all ages • Improve mental wellbeing • Improve opportunities for social connection • Reducing harm from gambling, alcohol, drugs, tobacco and e-cigarettes. • Prevention of violence

The following statement provides information in relation to the services funded in the 2025/26 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
Senior Citizen Programs and Support	This service offers opportunities for older residents to participate in community and social activities across the Shire.	65 (0) **65**	95 (15) **80**
Community Services Management	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.	524 0 **524**	469 (0) **469**
Community Planning Engagement and Support	This service coordinates Council's approach to community planning and citizen engagement, including skill development and capacity building for Councillors and community.	1,130 (110) **1,020**	899 (153) **746**
Children's Services	This service provides quality education and care services ie. Family Day Care and promotes the early years sector.	895 (716) **179**	938 (667) **271**
Recreation Development and Support	This service is responsible for the management and planning of recreational opportunities in conjunction with the community, using community development processes.	269 (0) **269**	286 (2) **284**
Sports Reserves	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.	1,215 (61) **1,154**	1,521 (319) **1,202**
Lake Hamilton	This service provides a safe, functional, accessible and useable space for leisure and recreational activities, on water and surrounding open space.	272 (1) **271**	238 (1) **237**
Aquatic Facilities	This service provides a geographic spread of aquatic facilities that deliver recreation, health, wellbeing, education, social and tourism/ economic opportunities to our communities.	755 (21) **734**	659 (1) **658**
Hamilton Indoor Leisure & Aquatic Centre	This service provides accessible leisure and aquatic experiences that facilitates and promotes wellbeing outcomes.	2,872 (1,583) **1,289**	2,949 (1,731) **1,218**
Art Gallery	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.	1,143 (370) **773**	1,502 (665) **837**

Performing Arts Centre	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.	943 (224) **719**	824 (295) **529**
Library	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.	836 (213) **623**	903 (246) **657**
Cinema	This service provides the community with a high-quality cinema experience.	358 (302) **56**	432 (335) **97**
Civic & Community Arts	This service aims to increase visibility and activity of arts and culture in the community through a range of community programs or projects.	22 0 **22**	31 (0) **31**
Parks and Urban Spaces	This service provides and maintains appropriate parks and urban space areas across the Shire to support inclusive recreation activities for the whole community.	628 (1) **627**	856 (1) **855**
Local Laws Operations	This service implements and enforces the Community Local Law No.1 (2015), 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.	645 (384) **261**	646 (464) **182**
Maternal & Child Health	This service provides a primary health care service for the Shire's families with children from birth to school age.	552 (449) **103**	572 (488) **84**
Emergency Management	This service coordinates emergency management planning to enable Council to coordinate and respond to emergencies in cooperation with other agencies.	247 (60) **187**	230 (126) **104**
Botanic Gardens	This service maintains the historically significant Botanic Gardens in Hamilton (& Penshurst) and provides responsible management of flora, open spaces and built facilities on the grounds.	526 (1) **525**	586 (1) **585**

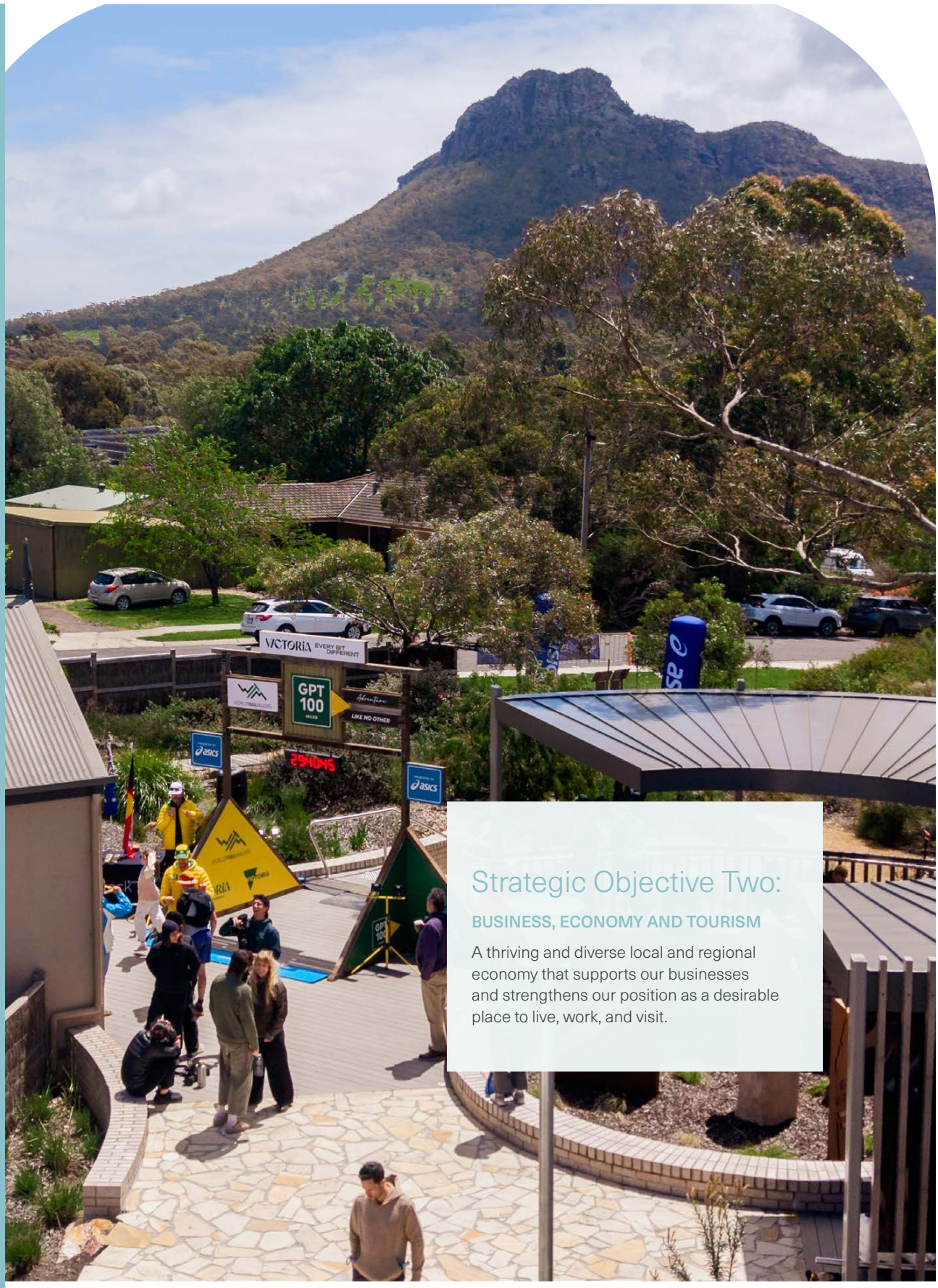
The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

STRATEGIC INDICATOR/MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
LIBRARY					
Utilisation *Physical library collection usage* [Number of physical library collection item loans / Number of physical library collection items]	New	New	4.98	5.11	
Resource Currancy *Recently purchased library collection* [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	72.12%	66.85%	63.19%	57.46%	
Service cost *Cost of library service per population* [Direct cost of the library service / Population]	$38.25	$41.41	$44.03	$44.47	
Participation *Library membership* [Number of registered library members / population] x100	New	New	22%	23.80%	
Library visits per head of population [Number of library visits / population]	New	New	3.74	3.74	

STRATEGIC INDICATOR/MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
AQUATIC FACILITIES					
Service standard *Health inspections of aquatic facilities* [Number of authorised officer inspections of council aquatic facilities / Number of council aquatic facilities]	1	1	1.17	1	All Council aquatic facilities were found to be compliant during their initial annual inspections, and as a result, no follow-up inspections were necessary.
Service cost *Cost of aquatic facilities* [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	$14.03	$9.21	$10.18	$9.42	
Utilisation *Utilisation of aquatic facilities* [Number of visits to aquatic facilities / Municipal population]	7.50	10.40	10.80	10.73	

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
ANIMAL MANAGEMENT					
Timeliness *Time taken to action animal requests.* [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	2.09 days	187 days	2.99 days	3.09 days	
Service standard *Animals reclaimed.* [Number of animals reclaimed / Number of animals collected] x 100.	51.50%	28.52%	39.65%	31.23%	Service standard animals reclaimed variation comment: Similar numbers of animals reclaimed as previous year, however the number of animals collected has increased. Contributing factors are likely to include the mandated removal of surrender fees. Service standard animals rehomed variation comment: Animals surrender rates increased by 86% during this reporting period. Contributing factors are likely to include mandated removal of surrender fees, which improved accessibility to the service, and increasing cost of living pressures affecting the community's capacity to care for pets.
Animals rehomed. [Number of animals rehomed / Number of animals collected] x 100	39.48%	31.73%	63.50%	51.53%	
Service cost *Cost of animal management service per population* [Direct cost of the animal management service/ Population]	$11.64	$24.29	$22.14	$22.81	Reduction in staff costs attributed to animal services.
Health and safety *Animal management prosecutions* [Number of successful animal management prosecutions/ Number of animal management prosecutions] x 100	0	0	0	0	

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
MATERNAL AND CHILD HEALTH (MCH)					
Service standard *Infant enrolments in the MCH service* [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	99.41%	101.31%	100.61%	99.39%	
Service cost *Cost of the MCH service* [Cost of the MCH service / Hours worked by MCH nurses]	$74.84	$81.36	$92.72	$99.14	
Participation *Participation in the MCH service* [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	81.78%	83.75%	86.95%	88.88%	Increase can be attributed to a steady birth rate.
Participation in the 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] x100	81.25%	89.33%	90.91%	93.75%	Increase of Aboriginal Torres Street Islander children, reflective of improvement of collaboration with Winda Mara and stronger reporting in CDIS software system.
Satisfaction *Participation in 4-week Key Age and Stage visit* [Number of 4-week Key Age and Stage visits /Number of birth notifications received] x100	85.80%	97.39%	92.68%	98.77%	Improvement to CDIS (data software) reporting.



Strategic Objective Two:

BUSINESS, ECONOMY AND TOURISM

A thriving and diverse local and regional economy that supports our businesses and strengthens our position as a desirable place to live, work, and visit.

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	RESULTS
Number of businesses supported through Business Façade Improvement Program	Grants were awarded to 24 businesses across the Shire, with 21 projects completed. The properties were located in Balmoral, Coleraine and Hamilton providing excellent reach for the community and a diverse delivery objective for Council across the Shire.
Increase visitor spend for Southern Grampians Shire	Visitor spend throughout the Shire dropped from $104m to $88.3m in 2025/2026. This can be attributed to the cost of living pressures and the increase of petrol prices from March to June 2026.
Upgrade of wayfinding tourism and visitor signage and information throughout the Shire including getting around guides, maps	An upgrade of wayfinding signage was completed across the region during the 2025/26 financial year including town entrance signs.

The following statement reviews the progress of council in relation to major initiatives identified in the 2025/26 budget for the year:

MAJOR INITIATIVES	PROGRESS
Support developer to progress development of Lakes Edge, Hamilton.	The Outline Development Plan (ODP) proposed by land developers Piece Property for the Lakes Edge Development project was released for community feedback in April 2026, with a significant amount of feedback and several petitions received. The ODP was approved by Council in July 2026.
Support tourism providers in recovery following Grampians fires.	Despite a lack of funding provided by the State Government, Council worked with tourism providers impacted by the Grampians Fires through marketing, communications and the sharing of support information to assist in their recovery.
Continue to complete the Hamilton CBD Streetscape design development to construction documentation.	Concept plans for stage one of the Hamilton CBD Streetscape were adopted by Council at the June 2026 Council Meeting.

The following statement provides information in relation to the services funded in the 2025/26 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
Economic Development	The economic development service seeks, in conjunction with key stakeholders, to promote an environment that is conducive to a sustainable and growing local economy.	299 (0) **299**	326 (1) **325**
Airport	This service is responsible for the management and operation of the Hamilton Airport.	411 (23) **388**	383 (24) **359**
Livestock Exchange	This service is responsible for the management and operation of the Hamilton Livestock Exchange.	1,532 (2,373) **(841)**	1,520 (1,890) **(370)**
Visitor Experience and Services	This service aims to connect the visitor to the Greater Hamilton experience, encouraging them to stay longer and contribute more to the local economy.	801 (18) **783**	1,009 (231) **778**
Events Support	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.	214 (3) **211**	187 (5) **182**
Caravan Parks	This service provides low-cost camping and caravan park accommodation facilities in Coleraine and Penshurst.	31 (29) **2**	41 (22) **19**
Land Development	This service provides management of Council owned land to promote economic and industrial development and may also secure industrial land for potential development.	0 (0) **0**	17 0 **17**



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

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
STATUTORY PLANNING*					
Timeliness *Time taken to decide planning applications.* [The median number of days between receipt of a planning application and a decision on the application]	83.00	63.00	67.00	69.50	
Service standard *Planning applications decided within required timeframes.* [(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	46.53%	62.50%	41.60%	54.72%	Planning staff resourcing remained challenging across 2025/26, however the team has delivered an increase in planning application determinations, by utlising external resources seen by an increase in cost of statutory planning services.
Service cost *Cost of statutory planning service* [Direct cost of statutory planning service /Number of planning applications received]	$1,581.98	$1,501.57	$2,623.67	$2,992.65	The increase in cost is attributed to utilising external resources to deliver on required timeframes.
Decision making *Council planning decisions upheld at VCAT.* [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	0.00%	0.00%	0.00%	0.00%	



Strategic Objective Three:

Community Infrastructure and Assets

Deliver well-planned, high-quality infrastructure and spaces that connect people and respond to 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	RESULTS
Increased community satisfaction with Council roads.	The 2026 Community Satisfaction Survey results indicated an increase to the sealed local roads satisfaction indicator up 8 points from 36 in 2025 to 44 in 2026.
Development of advocacy campaign to State and Federal Government	Council continued to advocate to State and Federal governments on several issues of importance to the Southern Grampians region. Priorities included roads through partnership with the South West Alliance, the Hamilton CBD Streetscape Revitalisation, Hamilton Gallery and Community Hub.

The following statement reviews the progress of council in relation to major initiatives identified in the 2025/26 budget for the year:

MAJOR INITIATIVES	PROGRESS
Complete Coleraine and Cavendish Structure Plans.	**Complete** Structure Plans for Coleraine and Cavendish were adopted at the December 2025 Council meeting. Plans were developed across a year of collaboration with residents, businesses, state government, local First Nations, catchment management authorities and community groups. The Plans have been developed to set a 20-year vision for the towns, reflecting the ideas, aspirations and lived experiences of residents.
Implement the Safe Local Roads and Streets program works.	**Ongoing** Council worked to complete the Safe Local Roads and Streets program across the 2025/26 financial year, working to deliver over $2 million dollars worth of improvements. All eight crossings at the following locations were completed: • MacPherson Street (raised priority crossing) • George Street (raised priority crossing) • King Street/Bree Road (raised intersection with splitter islands) • Alexandra Parade (raised priority crossing) • French Street (raised priority crossing) • Kennedy Street (raised priority crossing) • Shakespeare Street (raised priority crossing) • Tyers Street (raised priority crossing with splitter islands) The final project, Dunkeld-Blackwood Roads intersection, will be completed in the 2026/27 financial year.
Deliver Melville Oval playground renewal.	**Complete** The Melville Oval playground renewal project was completed in January 2026, creating a welcoming, family-friendly space at the Melville Oval complex. The project included the installation of swings, a bush-styled fort, double rockers and more child-friendly play equipment, new soft fall, and all abilities access ramp.

The following statement provides information in relation to the services funded in the 2025/26 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.	384 (16) **368**	501 (8) **493**
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.	868 (0) **868**	1,138 (66) **1,072**
Building Services	This service provides statutory building services including enforcement of the Building Act and Regulation to ensure community safety in the built environment.	363 (72) **291**	335 (99) **236**
Bridges & Culverts	This service ensures the development and maintenance of the Shires bridges and culverts.	1,113 (0) **1,113**	962 (0) **962**
Footpaths and Cycle Ways	This service ensures the development and maintenance of the Shires footpaths and cycle ways.	834 (0) **834**	721 (0) **721**
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.	934 (59) **875**	973 (66) **907**
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.	255 (0) **255**	244 (0) **244**
Infrastructure Management	This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program.	1,689 (0) **1,689**	1,650 (1) **1,649**
Statutory Planning	This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit.	579 (175) **404**	603 (185) **418**

SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST $000	ACTUAL EXPENDITURE (REVENUE) NET COST $000
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.	86 (110) **(24)**	1,276 (116) **1,160**
Roads and Streets	This service aims to ensure responsible management of Council's Road infrastructure and compliance with regulatory requirements.	13,915 (5) **13,910**	14,350 (6) **14,344**
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.	428 (0) **428**	586 (0) **586**
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.	6 (0) **6**	10 (20) **(10)**
VicRoads Contract Management	This service ensures responsible contract management of Councils VicRoads contract.	62 (13) **49**	39 (0) **39**



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

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
ROADS					
Satisfaction of use *Sealed local road requests.* [Number of sealed local road requests /Kilometres of sealed local roads] x100	7.65	8.13	0.78	4.35	This was taken from our MERITS (Customer Request Service software) related to Sealed Roads and may have been incorrectly under-reported last year; and this figure aligns more closely with previous financial years.
Condition *Sealed local roads below the intervention level.* [Number of kilometres of sealed local roads below the renewal intervention level set by council / kilometres of sealed local roads] x100	89.68%	94.58%	92.88%	99.70%	Council has not updated pavement condition ratings, this figure is still utilising condition data from previous financial year. Reduction in intervention-level roads is indication of renewal works that have been undertaken on the worst roads.
Service cost *Cost of sealed local road reconstruction* [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	$29.80	$31.03	$51.54	$26.79	This figure is low when compared to last year due to a reduction in materials required to rehabilitate roads
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	$6.73	$6.74	$6.69	$8.49	This figure is high when compared to last year due to more material being required for sealing activities
Satisfaction *Satisfaction with sealed local roads* [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	34	36	36	44	Council changed Community Satisfaction Survey providers in 2025/26 and as a result, for the question related to sealed roads, there was an effort to ensure an understanding that the question related to Council managed roads and gave examples as opposed to State managed roads, with this differentiation, there has been a positive increase in satisfaction.


20
km/h



Strategic Objective Four:

ENVIRONMENT

Protect and enhance our natural landscapes and advance a clean, green, and sustainable future in Southern Grampians Shire.

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
Increased community satisfaction score in waste management	Community Satisfaction increased across waste management to 69 up from 59 in 2025.
Reduction in waste sent to landfill	Waste diversion from landfill continues across all Council's transfer stations separating and recycling materials like FOGO, cardboard, metal, concrete, e-waste and so on.
Reduction in Greenhouse Gas emissions in Council emissions	During 2025/26, Council advanced actions under its emissions reduction program, strengthening the measurement and management of greenhouse gas emissions while identifying opportunities to improve energy performance and reduce operational emissions over time.

The following statement reviews the progress of council in relation to initiatives identified in the 2025/26 budget for the year:

MAJOR INITIATIVES	PROGRESS
Complete negotiation and investigation to enable the development of a Food and Organics processing unit in Hamilton.	The Organics Processing Facility progressed during 2025/26 with the EPA approvals coming through in early 2026. The units were constructed offsite with the infrastructure for the site being prepared at the Hamilton Transfer Station. The project is expected to be delivered during the 2026/27 financial year.
Establish an integrated Fleet Management Model and policy.	Council established an integrated Fleet Management Policy, and are working to transition to an Integrated Fleet Management System in the 2026/27 financial year.

The following statement provides information in relation to the services funded in the 2025/26 budget and the persons in the community who are provided the service:

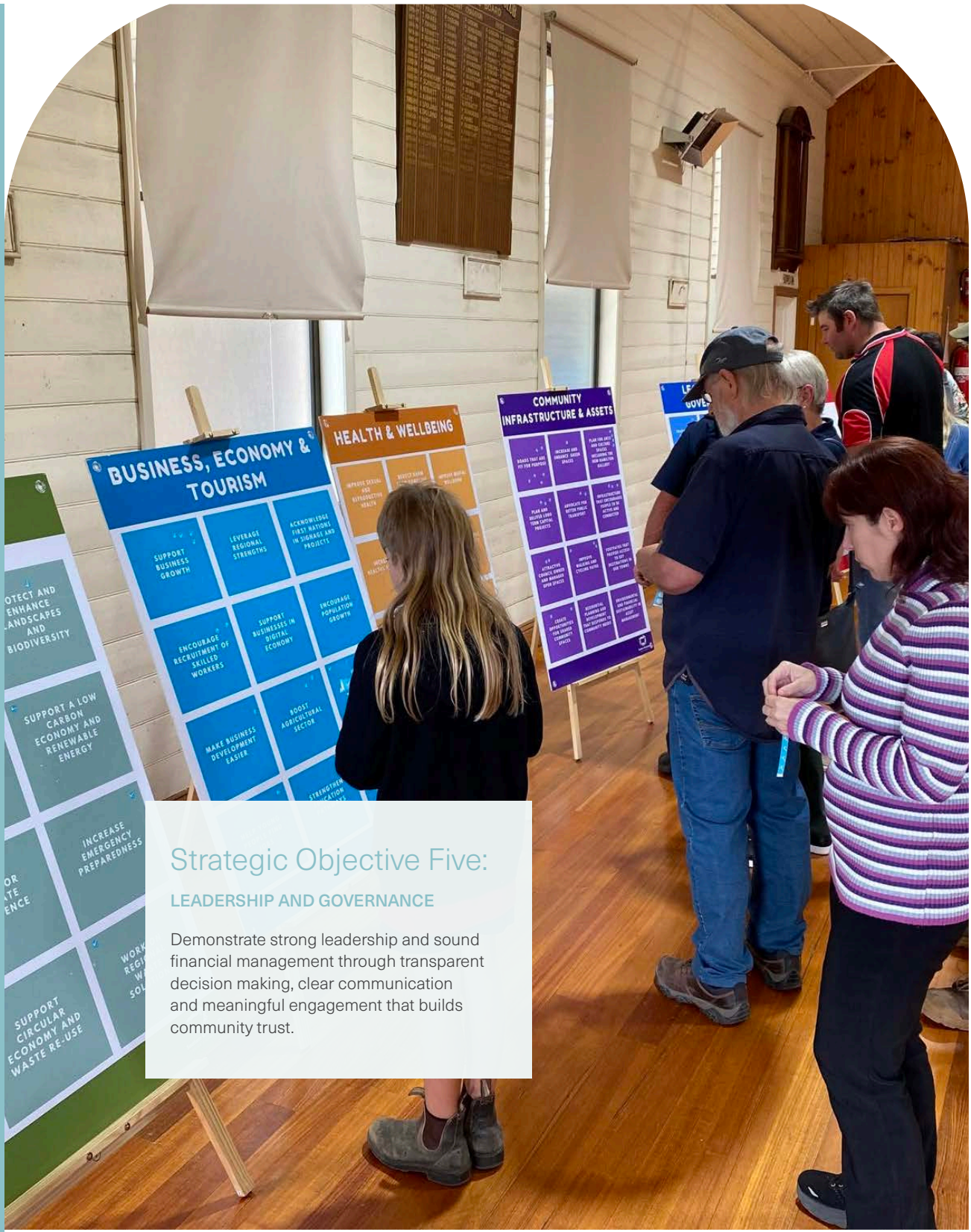
SERVICE	DESCRIPTION	BUDGET EXPENDITURE (REVENUE) NET COST $000	ACTUAL EXPENDITURE (REVENUE) NET COST $000
Landfill & Transfer Stations	This service manages the waste and recyclables collection process at the designated transfer stations within the Shire as well as any costs with landfill sites.	2,154 (1,808) **346**	1,632 (2,619) **(987)**
Waste and Recycling Collection	This service manages the waste and recyclables collection process within the Shire, including the collection of kerbside bins.	3,484 (144) **3,340**	3,986 (150) **3,836**
Natural Asset Management	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	436 (95) **341**	325 (85) **240**
Stormwater/ Drainage	This service manages the maintenance and environmental issues associated with the stormwater/drainage networks throughout the Shire.	776 (0) **776**	906 (0) **906**
Yatchew Drainage Authority	This service is responsible for the management and maintenance of the Yatchaw Drainage Scheme.	6 (4) **2**	6 (13) **(7)**
Quarry	This service is responsible for the sustainability in the supply of materials for road management and the realisation of returns from an economic asset.	0 (0) **0**	3 (140) **(137)**
Environmental Sustainability	This service implements Council's Sustainability Strategy and acts as a catalyst for Council and community sustainability actions within the Shire.	577 (0) **577**	657 (22) **635**
Fire Prevention	This service coordinates fire prevention planning and works in cooperation with other agencies.	148 (5) **143**	174 (0) **174**
Water	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.	11 (5) **6**	60 (10) **50**
Environmental Health	This service improves the health and wellbeing of the community and protects the Shire's environment.	430 (141) **289**	415 (159) **256**

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

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
WASTE COLLECTION					
Service standard *Kerbside collection bins missed.* [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	6.64	15.53	11.39	9.59	Staff turnover reduction by Council's contractor led to less missed bins.
Service cost *Cost of kerbside garbage collection service* [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	$175.66	$119.11	$134.24	$146.93	
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	$88.49	$96.69	$84.11	$70.87	Less properties served last financial year in addition to operational changes transporting recyclables has enabled to put more weight on trucks, reducing the transportation costs.
Waste Diversion *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] x100	62.97%	60.54%	58.94%	58.15%	

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
FOOD SAFETY					
Service standard *Food safety assessments* [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.	103.01%	100.00%	96.30%	100.00%	
Food Safety Samples [Number of food samples obtained / Required number of food samples] x 100	New	New	96.00%	105.71%	
Timeliness *Time taken to action food complaints.* [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.29	1.10	1.00	1.24	Most complaints were actioned within 1 day, with 3 complaints taking 2 to 3 days to receive a first response, which increased the overall average.
Service cost *Cost of food safety service* [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	$466.18	$474.80	$490.02	$541.17	The increase in the cost of the Food Safety Service us mainly due to increases in staffing costs, including annual wage adjustments and on-costs, required to maintain Council's statutory food safety obligations.
Health and safety *Critical and major non-compliance outcome 100% notifications* [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	100%	100%	100%	100%	


2nd Place
Certificate of Participation
Winner
44



Strategic Objective Five:

LEADERSHIP AND GOVERNANCE

Demonstrate strong leadership and sound financial management through transparent decision making, clear communication and meaningful engagement that builds community trust.

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
Increased community satisfaction with Council's performance and overall direction	Community Satisfaction with Council's overall direction increased from 42 in 2025 to 44 in 2026.
Increased community satisfaction with Council Customer Service	Community Satisfaction increased across Customer Service from 58 to 68 from 2025 to 2026.

The following statement reviews the progress of council in relation to major initiatives identified in the 2025/26 budget:

MAJOR INITIATIVES	PROGRESS
Mapping Mobile Blackspots and 3G Gaps to assist in future advocacy	Council completed mobile blackspot mapping, capturing community stories and information, as well as technical data carried out by a specialised contractor. Data collected will assist Council to advocate for better outcomes for residents.
Adopt new Council Plan for 2025-2029.	The new Council Plan was adopted in late 2025 with the new plan in place until 2029. The Council Plan prioritises sustainable and efficient operations, ensuring essential Council services are delivered while creating an environment where everyone feels welcome, supported, and are able to live their best life. The Municipal Health and Wellbeing Plan was also incorporated in the Council Plan to reinforce Council's commitment to fostering a vibrant and active community, with access to services, events, and resources that promote physical, mental, and social wellbeing.

The following statement provides information in relation to the services funded in the 2025/26 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
Executive and Councillor Support	This area of governance includes the Chief Executive Officer, Executive Management Team the Mayor, Councillors and associated support.	2,047 (0) **2,047**	2,291 (35) **2,256**
Governance Administration	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.	297 (0) **297**	228 (0) **228**
Financial Services	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.	1,485 (365) **1,120**	1,382 (946) **436**
People and Culture	The Organisational Development Unit aims to facilitate Council's organisational goals through effective workforce management and provide a mechanism for continual review and improvement.	852 (0) **852**	853 (0) **853**
Risk Management	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.	399 (0) **399**	557 (229) **328**
Procurement	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.	378 (0) **378**	410 (0) **410**
Communications	The Communications service assists the organisation to facilitate communication across both internal and external stakeholders, and provide high quality information to thecommunity.	607 (0) **607**	582 (0) **582**
Customer Service	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.	278 (0) **278**	309 (0) **309**
Business Systems	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.	2,237 (0) **2,237**	1,911 (3) **1,908**

Corporate Buildings and Overheads	This service maintains buildings and grounds of corporate buildings, supports whole of organization administration functions and coordinates centralized purchasing of corporate consumables. These expenses are offset by the recoupment of internal charges to all services.	819 (4,379) **(3,560)**	1,072 (4,379) **(3,307)**
Depot Operations and Maintenance	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.	263 (27) **236**	321 (29) **292**



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

STRATEGIC INDICATOR/ MEASURE	2022/23	2023/24	2024/25	2025/26	MATERIAL VARIATIONS
GOVERNANCE					
Transparency *Council resolutions at meetings 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, 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	7.41%	6.82%	5.56%	3.23%	Council has made a commitment in the 2025-2029 Council Plan to make decisions openly and transparently, as such, confidential items are kept to a minimum, Council had low records of closed meeting decisions in previous years and has continued to reduce closed meeting decisions in 2025/26.
Consultation and Engagement *Satisfaction with community consultation and engagement* [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	47.00	43.00	46.00	48.00	
Attendance *Council attendance at council meetings* [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	91.60%	93.33%	100.00%	97.96%	
Service cost *Cost of governance* [Direct cost of the governance service / Number of councillors elected at the last council general election]	$37,607.46	$40,491.37	$44,518.29	$46,584.00	
Satisfaction *Satisfaction with council decisions* [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	46.00	44.00	42.00	43.00	



Corporate *Governance*

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 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 Tuesday 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 5:00pm – 5:30pm, prior to the monthly Council Meetings.

For the 2025/26 year Council held the following meetings:

1. 12 Council Meetings; and
2. Two unscheduled council meetings

The following table provides a summary of councillor attendance at council meetings and unscheduled council meetings for the 2025/26 financial year.

Councillor	Council Meeting	Unscheduled Council Meeting	Total
Mayor Dennis Heslin	12/12	2/2	14/14
Cr Afton Barber	12/12	2/2	14/14
Cr Albert Calvano (retired on 9 April 2026)	8/9	2/2	10/11
Cr Adam Campbell	12/12	2/2	14/14
Cr Helen Henry	11/12	2/2	13/14
Cr Jayne Manning	12/12	1/2	13/14
Cr Katrina Rainsford	11/11	2/2	13/13
Cr Tam Ramsay-Grounds (sworn in 12 May 2026)	2/2	0/0	2/2

NB: Please note an Extraordinary Vacancy and Subsequent Countback was conducted on 11 May 2026.

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
Audit and Risk Committee	The Audit Committee is a legislated Committee of Council. Its purpose is to assist Council in the effective conduct of its responsibilities for financial reporting practices, maintenance of Council's accounting policies, risk management and internal control systems.
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 – Community Asset Committee	The management and operation of the Public Hall at Carapook.
Coleraine Mechanics Institute - Community Asset Committee	The management and operation of the Mechanics' Institute Hall at Coleraine.
Konongwotong Hall - Community Asset Committee	The management and operation of the Konongwootong Public Hall.
Nareen Hall - Community Asset Committee	The management and operation of the Nareen Public Hall.
Coleraine Sporting Ground - Community Asset Committee	The management and operation of the Coleraine Tennis & Netball Centre, Silvester Oval and Turnbull Street Reserve of Coleraine.
Cavendish Soldiers Memorial Hall - Community Asset Committee	Managing the Cavendish Soldiers Memorial Hall.
CEO Employment and Remuneration Advisory Committee	An Advisory Committee appointed to assist Council in fulfilling its responsibilities relating to CEO employment and remuneration matters.
Hamilton CBD Revitalisation Project Advisory Group	To provide advice to Council regarding the CBD Revitalisation Project.

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 Mayors. 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 base allowance amounts which apply for this category from 18 December 2025:

Mayor - $91,613 pa
Deputy Mayor – $45,807 pa
Councillors - $28,110 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 Local Government (Planning and Reporting) Regulations 2020 require councils to report on expenses across the following categories. These expenses support the performance of their role.

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

Councillor	Travel Expenses	Professional Development Expenses	Expenses to Support the Performance of the Role	Total
Mayor Dennis Heslin	$2341	$2801	$871	$6013
Cr Afton Barber	0	0	$371	$371
Cr Albert Calvano (retired on 9 April 2026)	0	0	$343	$343
Cr Adam Campbell	$447	$200	$371	$1018
Cr Helen Henry	$1793	$1468	$207	$3468
Cr Jayne Manning	$342	$449.00	$1241	$2032
Cr Katrina Rainsford	$5605	0	$371	$5976
Cr Tam Ramsay-Grounds (sworn in 12 May 2026)	0	0	$22.00	$22.00

Management

Council has implemented statutory and better practice requirements 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, 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 and Councillor Afton Barber. Meetings are also attended by the Chief Executive Officer, Director People and Performance, Head of Finance and other staff as appropriate.

Statutory Information and Documents Available 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*

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:

057-23 Provision of ERP Solution - Magiq

068-23 Hamilton Central Business District

2024164 Fleet Management Software

202424490-92 Lonsdale Street Demolition

2024288 Bridge renewal program comprising - Louth Swamp Bridge

2025007 Hamilton Library, Community Hub and Civic Square

2025025 Hamilton Regional Livestock Exchange - Walkway Replacement Decking

2025055 Design services for FY26-27 Road Projects

2025069 Construction of Raised Intersection and Pedestrian Crossing

2025080 Perfect Gym Software Solutions

2025115 Hamilton Stormwater Network Assessment and Management Plan

2026138 Pozi Software as a Service

During this period, council did not invite a tender or seek an expression of interest without doing so through a public advertising process.

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 2025/26 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.

2025/26 key figures:

Dogs and cats registered: 2,406

Dogs rehomed: 56

Dogs reclaimed: 67

Cats rehomed: 45

Cats reclaimed: 22

2025/26 highlights:

This year's highlights included:

- An increased number of cat trap requests were received during this reporting period, leading to a corresponding increase in the number of feral cats trapped across the shire. This reflects growing community engagement and continued progress in addressing feral cat management.
- Animal surrender rates increased by 86% during this reporting period. Contributing factors are likely to include the mandated removal of surrender fees, which improved accessibility to the service, and increasing cost of living pressures affecting the community's capacity to care for pets.

Freedom of Information

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

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.*

Two valid FOI requests were received by Council during the period 1 July 2025 – 30 June 2026.

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 email to Council's FOI Officer at *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 Disclosure

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/protecteddisclsoure*s.

During the 2025/26 financial year, one disclosure was 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 2025/26 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 2025/26 financial year.



Governance and Management Items		Assessment
1	**Community engagement policy** (policy under section 55 of the Act 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
2	**Community engagement guidelines** (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation Date: 21 June 2023
3	**Financial Plan** (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: 9 June 2026
4	**Asset Plan** (plan under section 92 if the Act setting 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 October 2025
5	**Revenue and Rating Plan** (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date: 9 June 2026
6	**Annual budget** (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act Date: 9 June 2026
7	**Risk policy** (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date: 23 February 2026
8	**Fraud policy** (policy outlining council's commitment and approach to minimising the risk of fraud)	Current policy in operation Date: 3 November 2023
9	**Municipal emergency management planning** (participation in meetings of the Municipal Emergency Management Planning Committee)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the Chairperson of the MEMPC) during the financial year: Date: 19 March 2026 25 June 2026
10	**Procurement policy** (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date: 14 April 2026
11	**Business continuity plan** (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
12	**Disaster recovery plan** (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: 2 February 2018
13	**Complaint Policy** (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints	Policy developed in accordance with section 107 of the Act Date: 8 December 2021
14	**Workforce Plan** (Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	Plan developed in accordance with section 46 of the Act Date: 31 December 2021

15	**Payment of rates and charges hardship policy** (Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	Current Policy in operation Date: 11 September 2024
16	**Risk management framework** (framework outlining council's approach to managing risks to the Council's operations)	Current framework in operation Date: September 2025
17	**Audit and Risk Committee** (see sections 53 and 54 of the Act)	Established in accordance with section 53 of the Act Date: 10 August 2022
18	**Internal audit** (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: 13 March 2024
19	**Performance reporting framework** (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: 4 July 2022
20	**Council Plan reporting** (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: 10 September 2025 14 April 2025 9 June 2025
21	**Quarterly budget reports** (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: 10 December 2025 10 March 2026
22	**Risk reporting** (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: 11 May 2026 6 April 2026 2 March 2026 16 February 2026 7 October 2025 10 November 2025 2 December 2025
23	**Performance reporting** (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: 8 October 2025
24	**Annual report** (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: 8 October 2025
25	**Councillor Code of Conduct** (Code under section 139 of the Act 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: 11 June 2025

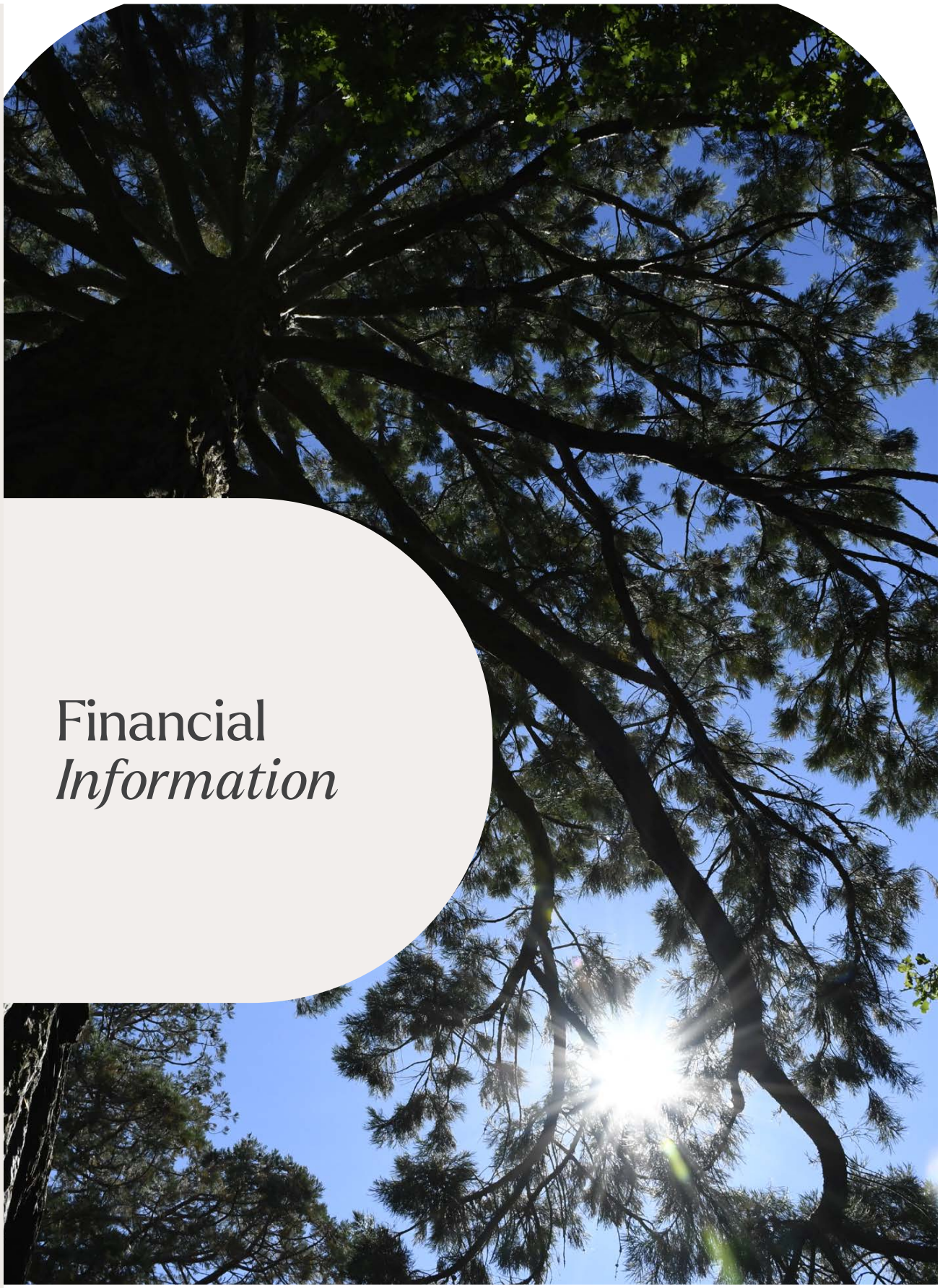
26	**Delegations** (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Dates of review: s5 - 11 December 2024 s6 - 10 March 2026 s7 - 12 March 2026 s14 - 22 January 2026 s13 - 20 September 2023 c5 - 21 December 2023 c7 - 29 September 2022 s18 - 21 December 2023 s19A - 17 March 2026 s20 - 23 August 2023 s16 - 2 February 2026
27	**Meeting procedures** (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date: 14 July 2026

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

Tony Doyle
Chief Executive Officer
Dated: 8 October 2026

Cr Dennis Heslin
Mayor
Dated: 13 October 2026





Financial *Information*

Annual *Financial Report*

For the Year Ended 30 June 2026

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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.

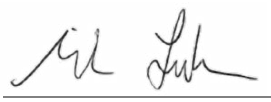
These financial statements were authorised for issue by the Council on dd MMMM yyyy
Council has the power to amend and reissue these financial statements.

Annual *Financial Report*

For the Year Ended 30 June 2026

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: 14 October 2026
Hamilton, Victoria

In our opinion, the accompanying financial statements present fairly the financial transactions of the Southern Grampians Shire Council for the year ended 30 June 2026 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 Dennis Heslin
Mayor
Dated: 14 October 2026
Hamilton, Victoria



Cr Helen Henry
Councillor
Dated: 14 October 2026
Hamilton, Victoria



Anthony Doyle
Chief Executive Officer
Dated: 14 October 2026
Hamilton, Victoria

Annual
Financial Report
For the Year Ended 30 June 2026

Victorian Auditor-General's Report

Independent Auditor's Report

To the Councillors of Southern Grampians Shire Council

Opinion	I have audited the financial report of Southern Grampians Shire Council (the council) which comprises the: • balance sheet as at 30 June 2026 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including material accounting policy information • certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants (including Independence Standards)* (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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* 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. 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.

Victorian Auditor-General's Report (continued)

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, 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.

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:

- 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.
- 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 appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- 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.
- 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.

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
20 October 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

Annual *Financial Report*

For the Year Ended 30 June 2026

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 sets out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2026.

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.

Annual *Financial Report*

For the Year Ended 30 June 2026

Comprehensive Income Statement

	Note	2026 $ '000	2025 $ '000
Income / Revenue			
Rates and charges	3.1	25,627	24,553
Statutory fees and fines	3.2	748	679
User fees	3.3	6,441	6,529
Grants - operating	3.4	15,233	16,495
Grants - capital	3.4	9,213	8,290
Contributions - monetary	3.5	147	74
Contributions - non monetary	3.5	525	85
Net gain on disposal of property, infrastructure, plant and equipment	3.6	165	122
Other income	3.7	2,756	1,743
Adjustment to Landfill Provision	5.5	427	96
Total income / revenue		61,282	58,666
Expenses			
Employee costs	4.1	21,957	21,325
Materials and services	4.2	11,460	11,757
Depreciation	4.3	15,674	15,359
Allowance for impairment losses	4.4	59	5
Borrowing costs	4.5	275	90
Fair value decrement on investment properties	6.2	924	–
Other expenses	4.6	3,424	3,773
Waste Disposal Costs	4.7	2,928	2,692
Total expenses		56,701	55,001
Surplus/(deficit) for the year		4,581	3,665
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	9.1	(7,389)	77,518
Total items which will not be reclassified subsequently to the operating result		(7,389)	77,518
Total other comprehensive income		(7,389)	77,518
Total comprehensive result		(2,808)	81,183

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

Annual *Financial Report*

For the Year Ended 30 June 2026

Balance Sheet

	Note	2026 $ '000	2025 $ '000
Assets			
Current assets			
Cash and cash equivalents	5.1	7,944	4,882
Trade and other receivables	5.1	4,699	5,914
Other financial assets	5.1	6,108	5,389
Inventories	5.2	546	447
Contract assets	5.1(f)	99	72
Other assets	5.2	602	615
Total current assets		19,998	17,319
Non-current assets			
Trade and other receivables	5.1	9	9
Property, infrastructure, plant and equipment	6.1	570,534	579,700
Investment property	6.2	5,970	6,894
Right-of-use assets		21	62
Other assets	5.2	645	709
Total non-current assets		577,179	587,374
Total assets		597,177	604,693
Liabilities			
Current liabilities			
Trade and other payables	5.3	2,538	4,887
Trust funds and deposits	5.3	369	402
Contract and other liabilities	5.3	179	883
Provisions	5.5	3,503	3,671
Interest-bearing liabilities	5.4	1,274	1,266
Lease liabilities		21	41
Total current liabilities		7,884	11,150
Non-current liabilities			
Provisions	5.5	1,933	2,081
Interest-bearing liabilities	5.4	4,223	5,496
Lease liabilities		–	21
Total non-current liabilities		6,156	7,598
Total liabilities		14,040	18,748
Net assets		583,137	585,945
Equity			
Accumulated surplus		133,515	128,994
Reserves	9.1	449,622	456,951
Total Equity		583,137	585,945

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

Statement of Changes in Equity

	Note	Total $ '000	Accumulated Surplus $ '000	Revaluation Reserves $ '000	Other Reserves $ '000
2026					
Balance at beginning of the financial year		585,945	128,994	456,185	766
Surplus/(deficit) for the year		4,581	4,581	–	–
Other comprehensive income					
Net asset revaluation gain/(loss)	6.1	(7,389)	–	(7,389)	–
Other comprehensive income		(7,389)	–	(7,389)	–
Total comprehensive income		(2,808)	4,581	(7,389)	–
Transfers to other reserves	9.1	–	(60)	–	60
Balance at end of the financial year		583,137	133,515	448,796	826
2025					
Balance at beginning of the financial year		504,762	125,498	378,667	597
Surplus/(deficit) for the year		3,665	3,665	–	–
Other comprehensive income					
Net asset revaluation gain/(loss)	6.1	77,518	–	77,518	–
Other comprehensive income		77,518	–	77,518	–
Total comprehensive income		81,183	3,665	77,518	–
Transfers to other reserves	9.1	–	(169)	–	169
Balance at end of the financial year		585,945	128,994	456,185	766

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

Annual *Financial Report*

For the Year Ended 30 June 2026

Statement of Cash Flows

	Note	2026 Inflows/ (Outflows) $ '000	2025 Inflows/ (Outflows) $ '000
Cash flows from operating activities			
Rates and charges		25,324	23,962
Statutory fees and fines		755	660
User fees		6,461	6,554
Grants - operating		15,150	16,651
Grants - capital		8,572	8,613
Contributions - monetary		147	74
Interest received		512	522
Trust funds and deposits taken		(33)	(50)
Other receipts		4,096	1,899
Employee costs		(21,845)	(21,659)
Materials and services		(13,293)	(13,052)
Short-term, low value and variable lease payments		(28)	(12)
Other payments		(7,290)	(6,601)
Net cash provided by/(used in) operating activities	9.2	18,528	17,561
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(12,646)	(23,179)
Proceeds from sale of property, infrastructure, plant and equipment		363	273
Payments for investments		(1,643)	–
Proceeds from sale of investments		–	3,287
Net cash provided by/(used in) investing activities		(13,926)	(19,619)
Cash flows from financing activities			
Finance costs		(275)	(90)
Proceeds from borrowings		–	5,800
Repayment of borrowings		(1,265)	(289)
Net cash flow provided by/(used in) financing activities		(1,540)	5,421
Net Increase (decrease) in cash and cash equivalents		3,062	3,363
Cash and cash equivalents at the beginning of the financial year		4,882	1,519
Cash and cash equivalents at the end of the financial year		7,944	4,882
Financing arrangements	5.6	6,747	8,012

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

Statement of Capital Works

	Note	2026 $ '000	2025 $ '000
Property			
Land improvements		–	299
Land - WIP		136	271
Total land		136	570
Buildings		715	7,488
Buildings - WIP		1,370	506
Total buildings		2,085	7,994
Total property		2,221	8,564
Plant and equipment			
Plant, machinery and equipment		1,232	1,481
Fixtures, fittings and furniture		21	209
Computers and telecommunications		22	60
Library books		82	70
Art Collection		–	7
Plant & Equipment - WIP		–	8
Total plant and equipment		1,357	1,835
Infrastructure			
Roads		6,199	5,495
Bridges		35	252
Footpaths and cycleways		389	541
Drainage		–	463
Recreational, leisure and community facilities		101	968
Waste management		27	52
Parks, open space and streetscapes		1,949	2,913
Off street car parks		3	419
Livestock Exchange		75	35
Other infrastructure		5	383
Infrastructure - WIP		1,497	1,260
Total infrastructure		10,280	12,781
Total capital works expenditure	6.1	13,858	23,180
Represented by:			
New asset expenditure		2,027	3,073
Asset renewal expenditure		11,185	13,364
Asset upgrade expenditure		646	6,743
Total capital works expenditure		13,858	23,180

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 2026

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 AASs 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 3.4)
- 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.
- 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.

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.

1.2 Impacts of other external events

Council has considered ongoing external events that have contributed to volatility in international markets, disrupted global supply chains and increased inflationary pressure, including the risk that they may cause significant changes in the carrying values of assets and liabilities in the next financial year, and has concluded that there is no material impact on the 2025-26 financial report that requires additional disclosure.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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 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*.

2.1.1 Income / Revenue and expenditure

	Budget 2026 $ '000	Actual 2026 $ '000	Variance $ '000	Variance %	Ref
Income / Revenue					
Rates and charges	25,103	25,627	524	2.09%	
Statutory fees and fines	499	748	249	49.90%	1
User fees	6,873	6,441	(432)	(6.29)%	
Grants - operating	10,825	15,233	4,408	40.72%	2
Grants - capital	7,637	9,213	1,576	20.64%	3
Contributions - monetary	–	147	147	∞	4
Contributions - non monetary	–	525	525	∞	5
Net gain on disposal of property, infrastructure, plant and equipment	3,965	165	(3,800)	(95.84)%	6
Other income	1,387	2,756	1,369	98.70%	7
Adjustment to Landfill Provision	–	427	427	∞	8
Total income / revenue	56,289	61,282	4,993	8.87%	
Expenses					
Employee costs	20,670	21,957	(1,287)	(6.23)%	
Materials and services	9,833	11,460	(1,627)	(16.55)%	9
Depreciation	14,846	15,674	(828)	(5.58)%	
Allowance for impairment losses	3	59	(56)	(1,866.67)%	
Borrowing costs	341	275	66	19.35%	
Fair value decrement on investment properties	–	924	(924)	∞	10
Other expenses	3,593	3,424	169	4.70%	
Waste Disposal Costs	3,146	2,928	218	6.93%	
Total expenses	52,432	56,701	(4,269)	(8.14)%	
Surplus/(deficit) for the year	3,857	4,581	724	18.77%	

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	Statutory Fees for animal control are shown under statutory fees however the budget was categorised under user fees.
2.	Council received 80% ($8.48m) of the 2026/27 Financial Assistance Grants allocation late in June 2026 with 50% ($5.06m) of the 2025/26 allocation received in the prior financial year. The net impact was a variance to the budget of $3.42m for 2025/26. Project grants were recognised in 2025/26 of $0.20m for Art Gallery, $0.22m for administration of primary producer support funding and $0.06m for emergency management of fire response with no budget allocated for these grants.
3.	Capital grants revenue is claimed in accordance with funding agreements and progression of works. Due to these restrictions and timing variance Council received $0.84m for the Melville Oval redevelopment that was anticipated in the prior financial year along with $0.52m more grant funds than budget for the Safer Local Roads and Streets Program. Funding was received of $0.218m for the Cavendish Recreation Reserve Lighting Upgrade that was not budgeted.
4.	Monetary contributions were received for specific projects including for the purpose of a playground upgrade and works at the Balmoral Bowling Club.
5.	Non-monetary contributions were recognised for the value of work undertaken by volunteers on Council's behalf of $0.20m along with contributed art works valued at $0.32m.
6.	Asset disposals were anticipated for the 2025/26 year however did not evenuate for Lakes Edge land $2.02m and surplus land sales $1.44m. Heavy fleet replacement did not proceed as expected during 2025/26 which caused the revenue for sale of the fleet to be replaced to be below budget by $0.17m.
7.	Other Income includes reimbursements such as workcover that were not anticipated in the budget of $0.31m, Internal revenue was recognised for the Transfer Station and was $0.72m above budget. Other variances included interest of $0.24m above budget and funding for the administration of the Emergency Services Volunteer Fund of $0.05m.
8.	Council has a requirement to hold a provision for the rehabilitation of previously operated landfills with the calculated adjustment of $0.43m recognised in 2025/26.
9.	Materials and services includes internal charges for waste disposal as noted in Other Income variances. Expenditure was also above budget for tree control and roadside maintenance $0.07m, urban street cleaning $0.15m and insurance premium increases $0.14m. Council is fortunate to have volunteers and the value of the services provided by volunteers was $0.20m which was unbudgeted.
10.	The fair value adjustment for investment properties represents the change in the market value to quarry and industrial estate land held.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 2.1 Performance against budget (continued)

2.1.2 Capital works

	Budget 2026 $ '000	Actual 2026 $ '000	Variance $ '000	Variance %	Ref
Property					
Land improvements	–	–	–	∞	
Land - WIP	–	136	136	∞	1
Total land	–	136	136	∞	
Buildings	2,560	715	(1,845)	(72.07)%	2
Buildings - WIP	–	1,370	1,370	∞	2
Total buildings	2,560	2,085	(475)	(18.55)%	
Total property	2,560	2,221	(339)	(13.24)%	
Plant and equipment					
Plant, machinery and equipment	1,900	1,232	(668)	(35.16)%	3
Fixtures, fittings and furniture	44	21	(23)	(52.27)%	
Computers and telecommunications	25	22	(3)	(12.00)%	
Library books	70	82	12	17.14%	
Art Collection	15	–	(15)	(100.00)%	
Plant & Equipment - WIP	–	–	–	∞	
Total plant and equipment	2,054	1,357	(697)	(33.93)%	
Infrastructure					
Roads	7,143	6,199	(944)	(13.22)%	4
Bridges	405	35	(370)	(91.36)%	5
Footpaths and cycleways	460	389	(71)	(15.43)%	
Drainage	120	–	(120)	(100.00)%	6
Recreational, leisure and community facilities	2,180	101	(2,079)	(95.37)%	7
Waste management	597	27	(570)	(95.48)%	8
Parks, open space and streetscapes	665	1,949	1,284	193.08%	9
Off street car parks	–	3	3	∞	
Livestock Exchange	–	75	75	∞	
Other infrastructure	70	5	(65)	(92.86)%	
Infrastructure - WIP	–	1,497	1,497	∞	
Total infrastructure	11,640	10,280	(1,360)	(11.68)%	
Total capital works expenditure	16,254	13,858	(2,396)	(14.74)%	
Represented by:					
New asset expenditure	4,045	2,027	(2,018)	(49.89)%	
Asset renewal expenditure	11,209	11,185	(24)	(0.21)%	
Asset upgrade expenditure	1,000	646	(354)	(35.40)%	
Total capital works expenditure	16,254	13,858	(2,396)	(14.74)%	

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	Expenditure was incurred for the industrial estate that was not included in the adopted budget.
2.	Detailed design for the Library and Community Hub project along with the New Hamilton Art Gallery had an expected total of $2.00m in 2025/26 however actual costs were $0.93m so $1.07m below budget with works continuing into 2026/27. Expenditure was above budget for demolition works at Lonsdale Street incurring $0.36m of costs and additional works of $0.06m at Melville Oval.
3.	Heavy fleet replacement was anticipated for $1.40m however all items were not received by 30 June and therefore will occur in the 2026/27 financial year with a total of $0.63m being unspent compared to budget.
4.	Expenditure on Council roads was $0.94m below budget however $0.51m is in work in progress for the Safer Local Roads Program with further expenditure to occur during 2026/27 for this program.
5.	Anticipated bridge works at McCutcheons Road has not yet proceeded with $0.31m unspent on this project.
6.	Annual drainage renewal works were not progressed pending the condition assessment of the drainage network to inform the required works.
7.	A significant budget allocation of $1.80m was allocated for outdoor pools within Council however the total expenditure for 2025/26 was $0.22m, including a component held within work in progress. Expenditure is anticipated in future years. Total works in progress for recreation at 30 June was $0.37m.
8.	The budget for waste projects included remediation for the Coleraine Landfill, Hamilton Transfer Station loading ramp and organics processing facility. Each of these projects was in progress at year end with a total of $0.16m of expenditure included in works in progress that are to be completed in future years.
9.	Works were carried forward from prior years and therefore expenditure was incurred during 2025/26 for projects including $0.69m for Cox Street Streetscape, $0.06m Hamilton Skate Park, $0.05m Botanic Garden Fountain Renewal and $0.15m for Nigretta Falls stair replacement. There is also $0.19m included in the work in progress total amount.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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.

Social and Community

Service Objective: We will promote a healthy community by ensuring people are safe, active and connected.

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.

Business Economy and Tourism

Service Objective: A thriving and diverse local and regional economy that supports our businesses and strengthens our position as a desirable place to live, work and visit.

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

Community Infrastructure and Assets

Service Objective: Deliver well-planned, high-quality infrastructure and spaces that connect people and respond to community needs.

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).

Environment

Service Objective: Protect and enhance our natural landscapes and advance a clean, green and sustainable future in Southern Grampians Shire.

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.

Leadership and Governance

Service Objective: Demonstrate strong leadership and sound financial management through transparent decision-making, clear communication and meaningful engagement that builds community trust.

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

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
2026					
Social and Community	8,403	17,000	(8,597)	4,472	97,755
Business Economy and Tourism	1,169	3,471	(2,302)	–	19,112
Community Infrastructure and Assets	6,443	17,092	(10,649)	5,447	450,070
Environment	3,207	8,175	(4,968)	113	7,097
Leadership and Governance	42,060	10,963	31,097	14,414	23,145
Unattributed	–	–	–	–	(2)
Total functions and activities	61,282	56,701	4,581	24,446	597,177
2025					
Social and Community	7,088	16,563	(9,475)	3,012	103,251
Business Economy and Tourism	2,705	3,372	(667)	58	19,181
Community Infrastructure and Assets	4,026	18,416	(14,390)	3,256	452,612
Environment	1,606	6,703	(5,097)	336	7,231
Leadership and Governance	43,241	9,947	33,294	18,123	22,418
Total functions and activities	58,666	55,001	3,665	24,785	604,693

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 3. Funding for the delivery of our services

	2026 $ '000	2025 $ '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 2025/26 was $8.642 billion (2024/25: $ 8.962 billion)

General rates	20,031	19,172
Municipal charge	2,202	2,131
Waste management charge	2,918	2,787
Special rates and charges	4	11
Interest on rates and charges	264	252
Revenue in lieu of rates	208	200
Total rates and charges	25,627	24,553

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2025, and the valuation will be first applied in the rating year commencing 1 July 2025.

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

Infringements and costs	–	42
Town planning fees	184	190
Land information certificates	22	20
Registrations	236	219
Permits	161	107
Other Fees and Fines	145	101
Total statutory fees and fines	748	679

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.

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

	2026 $ '000	2025 $ '000
3.3 User fees		
Livestock Exchange	1,890	2,480
Hamilton Indoor Leisure & Aquatic Centre	1,731	1,514
Waste management services	1,139	987
Property, Recreation & Infrastructure Facilities	333	216
Cinema Operations	332	308
Family Day Care	631	666
Performing Arts Centre	169	93
Parking	62	60
Art Gallery	26	48
Visitor Services	27	25
Other fees and charges	101	132
Total user fees	6,441	6,529
User fees by timing of revenue recognition		
User fees recognised over time	2,665	2,313
User fees recognised at a point in time	3,776	4,216
Total user fees	6,441	6,529

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 2026

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

	2026 $ '000	2025 $ '000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	21,208	22,073
State funded grants	3,238	2,712
Total grants received	24,446	24,785
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - general purpose	13,480	14,594
Childrens Services	12	6
Recurrent - State Government		
Maternal and child health	488	492
Libraries	183	183
Community Health Services	39	34
Youth Programs	123	77
Roadside Pest & Weed Eradication	85	85
School crossing supervisors	57	55
Cultural Services	117	190
Other	132	49
Total recurrent operating grants	14,716	15,765
Non-recurrent - Commonwealth Government		
Other	238	15
Non-recurrent - State Government		
Community Health & Wellbeing	10	38
Community Planning & Support	6	98
Environmental Management	16	73
Recreation	34	324
Cultural Services	204	104
Local Infrastructure	–	15
Family and children	2	–
Other	7	63
Total non-recurrent operating grants	517	730
Total operating grants	15,233	16,495

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

	2026 $ '000	2025 $ '000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	3,919	2,581
Local Roads & Community Infrastructure	710	992
Total recurrent capital grants	4,629	3,573
Non-recurrent - Commonwealth Government		
Buildings	2,843	3,161
Other Infrastructure	–	724
Non-recurrent - State Government		
Buildings	–	278
Other Infrastructure	1,741	554
Total non-recurrent capital grants	4,584	4,717
Total capital grants	9,213	8,290

(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 unspent grants.

Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	13,774	15,606
Specific purpose grants to acquire non-financial assets	6,995	8,291
Other specific purpose grants	606	888
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	3,071	–
	24,446	24,785

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	2026 $ '000	2025 $ '000
(d) Unspent grants received on condition that they be spent in a specific manner:		
Operating		
Balance at start of year	–	–
Received during the financial year and remained unspent at balance date	73	–
Received in prior years and spent during the financial year	–	–
Balance at year end	73	–
Capital		
Balance at start of year	794	–
Received during the financial year and remained unspent at balance date	–	794
Received in prior years and spent during the financial year	(794)	–
Balance at year end	–	794

Unspent grants are determined and disclosed on a cash basis.

3.5 Contributions

Monetary contributions		
Monetary	147	74
Total monetary contributions	147	74
Non-monetary contributions		
Non-monetary	525	85
Total non-monetary contributions	525	85
Total contributions	672	159

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

Art Gallery - Gifted works of Art	323	–
Visitor Information Centres - Value of volunteer labour donated to Council	202	85
Total non-monetary contributions	525	85

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

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

	2026 $ '000	2025 $ '000
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Plant and equipment		
Proceeds of sale	363	273
Written down value of assets disposed	(198)	(151)
Total net gain/(loss) on disposal of plant and equipment	165	122
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	165	122

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

Interest	512	522
Insurance Reimbursements	–	45
User Reimbursements	520	504
Donations	1	470
Internal Waste Disposal Charges	1,516	–
Other	207	202
Total other income	2,756	1,743

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 2026

Note 4. The cost of delivering services

	2026 $ '000	2025 $ '000
4.1 Employee costs		
(a) Employee costs		
Wages and salaries	14,526	14,375
Leave - Annual, Long Service & Sick	2,402	1,998
Superannuation	2,399	2,277
Casual staff	1,340	1,658
WorkCover	953	601
Conference & Training	180	293
Travelling	16	11
Fringe benefits tax	136	107
Corporate Image	1	–
Other	4	5
Total employee costs	21,957	21,325
(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	27	28
	27	28
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,349	1,289
Employer contributions - other funds	1,023	960
	2,372	2,249
Total superannuation costs	2,399	2,277
Refer to Note 9.3. for further information relating to Council's superannuation obligations.		
Employer contributions payable at reporting date	–	99

Note 4. The cost of delivering services (continued)

	2026 $ '000	2025 $ '000
4.2 Materials and services		
Contract payments	2,404	3,229
Materials and services	4,411	3,533
Consultants	874	901
Utilities	1,010	1,106
Insurance	951	824
Information technology	363	259
General maintenance	547	848
Office administration	270	261
Materials issued from Stores	162	374
Motor Vehicle Registrations	239	189
Expenses from leases of low value assets	11	–
Fire Services Property Levy on Council Properties	60	38
Expenses from short term leases	17	12
Other	141	183
Total materials and services	11,460	11,757

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	1,969	1,760
Total depreciation - property	1,980	1,771
Plant and equipment		
Plant machinery and equipment	670	634
Fixtures fittings and furniture	40	24
Computers and telecomms	97	65
Total depreciation - plant and equipment	807	723
Infrastructure		
Roads	8,547	9,441
Bridges	902	898
Footpaths and cycleways	459	531
Drainage	462	419
Recreational, leisure and community	761	696
Waste management	188	197
Parks open spaces and streetscapes	945	75
Aerodromes	239	241
Off street car parks	52	38
Hamilton Regional Livestock Exchange	172	167
Other infrastructure	160	162
Total depreciation - infrastructure	12,887	12,865
Total depreciation	15,674	15,359

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 4. The cost of delivering services (continued)

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

	2026 $ '000	2025 $ '000
4.4 Allowance for impairment losses		
Other debtors	59	5
Total allowance for impairment losses	59	5
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	61	79
New allowances recognised during the year	59	5
Amounts already allowed for and written off as uncollectible	(18)	(23)
Balance at end of year	102	61

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.

Note 4. The cost of delivering services (continued)

	2026 $ '000	2025 $ '000
4.5 Borrowing costs		
Interest - Borrowings	275	90
Total borrowing costs	275	90

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		
Community Grants	603	725
Software Licences	935	1,003
Advertising	172	229
Councillors' allowances	274	245
Discount on Rates	178	154
Phone, Internet & Other Communication Charges	140	187
Subscriptions, Memberships & Licences	243	221
Food and Catering	230	214
Value of Volunteer service	202	85
Legal Expenses	113	146
Stock Adjustments/Write Offs	48	204
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	66	61
Auditors' remuneration - Internal	45	37
Bad Debts	59	5
Other	116	257
Total other expenses	3,424	3,773

4.7 Waste disposal costs		
Waste Disposal Costs	2,928	2,692
Total waste disposal costs	2,928	2,692

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 5. Investing in and financing our operations

	2026 $ '000	2025 $ '000
5.1 Financial assets		
(a) Cash and cash equivalents		
Current		
Cash on hand	3	4
Cash at bank	7,941	4,878
Total current cash and cash equivalents	7,944	4,882
Total cash and cash equivalents	7,944	4,882
(b) Other financial assets		
Current		
Term deposits	6,108	5,389
Total current other financial assets	6,108	5,389
Total other financial assets	6,108	5,389
Total current financial assets	14,052	10,271
Total cash and cash equivalents and other financial assets	14,052	10,271

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.

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

	2026 $ '000	2025 $ '000
(c) Trade & Other Receivables		
Current		
Statutory receivables		
Rates debtors	3,286	2,983
Net GST receivable	319	374
Allowance for expected credit loss - other debtors	(102)	(61)
Infringement debtors	107	114
Non-statutory receivables		
Other debtors	1,089	2,504
Total current trade and other receivables	4,699	5,914
Non-Current		
Statutory receivables		
Special rate scheme	9	9
Total non-current trade and other receivables	9	9
Total trade and other receivables	4,708	5,923

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)	432	298
Past due by up to 30 days	347	724
Past due between 31 and 60 days	25	1,236
Past due between 61 and 90 days	6	28
Past due by more than 90 days	279	218
Total trade and other receivables	1,089	2,504

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of $102k (2025: $61k) were impaired. The amount of the provision raised against these debtors was $59k (2025: $10k). 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	51	5
Past due by more than 1 year	51	56
Total trade and other receivables	102	61

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	2026 $ '000	2025 $ '000
(f) Contract assets		
Current		
Contract Assets	99	72
Total Current	99	72
Total contract assets	99	72

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.

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

	2026 $ '000	2025 $ '000

5.2 Non-financial assets

(a) Inventories

Current		
Inventories held for distribution	338	230
Inventories held for sale	73	82
Land held for Inventory	135	135
Total current inventories	546	447

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	602	615
Total current other assets	602	615
Non-current		
Other	645	709
Total non-current other assets	645	709

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

(a) Trade and other payables

Current		
Non-statutory payables		
Trade payables	1,297	2,947
Accrued expenses	530	655
Employee Costs	29	846
Rate Revenue received in Advance	–	8
Emergency Services and Volunteer Fund	589	389
Statutory payables		
Other	93	42
Total current trade and other payables	2,538	4,887

(b) Trust funds and deposits

Current		
Retention amounts	262	301
Refundable deposits	101	101
Other	6	–
Total current trust funds and deposits	369	402

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	2026 $ '000	2025 $ '000
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance:		
Grants received in advance - operating	73	156
Grants received in advance - capital	–	641
Total grants received in advance	73	797
User fees received in advance:		
Other	106	86
Total user fees received in advance	106	86
Total current contract liabilities	179	883
Total current contract and other liabilities	179	883

Trust funds and deposits
Trust funds and deposits are 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.

Other liabilities
Grant consideration was received from Transport Accident Commission to support the construction of safer roads and streets within Council. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of the road safety works. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and nature of items
Emergency Services and Volunteers Fund - Council is the collection agent for the Emergency Services and Volunteers Fund 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)

	2026 $ '000	2025 $ '000
5.4 Interest-bearing liabilities		
Current		
Borrowings - secured	1,274	1,266
Total current interest-bearing liabilities	1,274	1,266
Non-current		
Borrowings - secured	4,223	5,496
Total non-current interest-bearing liabilities	4,223	5,496
Total	5,497	6,762

Borrowings are secured by Council rates

a) The maturity profile for Council's borrowings is:		
Not later than one year	1,274	1,266
Later than one year and not later than five years	3,951	5,064
Later than five years	272	432
Total	5,497	6,762

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.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	Employee provisions $ '000	Landfill restoration $ '000	Total $ '000
5.5 Provisions			
2026			
Balance at the beginning of the financial year	4,346	1,406	5,752
Additional provisions	1,807	–	1,807
Amounts used	(1,603)	(43)	(1,646)
Adjustment to provision	35	(275)	(240)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(127)	(110)	(237)
Balance at the end of the financial year	4,458	978	5,436
Provisions			
Provisions - current	3,461	42	3,503
Provisions - non-current	997	936	1,933
Total Provisions	4,458	978	5,436
2025			
Balance at the beginning of the financial year	4,680	1,502	6,182
Additional provisions	1,714	–	1,714
Amounts used	(1,634)	–	(1,634)
Adjustment to provision	(470)	–	(470)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	56	(96)	(40)
Balance at the end of the financial year	4,346	1,406	5,752
Provisions			
Provisions - current	3,356	315	3,671
Provisions - non-current	990	1,091	2,081
Total Provisions	4,346	1,406	5,752

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

	2026 $ '000	2025 $ '000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,025	997
Long service leave	265	254
Time in Lieu	188	127
	1,478	1,378
Current provisions expected to be wholly settled after 12 months		
Annual leave	656	650
Long service leave	1,327	1,328
	1,983	1,978
Total current employee provisions	3,461	3,356
Non-Current		
Long service leave	997	990
Total Non-Current Employee Provisions	997	990
Aggregate Carrying Amount of Employee Provisions:		
Current	3,461	3,356
Non-current	997	990
Total Aggregate Carrying Amount of Employee Provisions	4,458	4,346

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	4.50%	3.30%
- index rate	2.50%	2.50%

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	2026 $ '000	2025 $ '000
(b) Landfill restoration		
Current		
Current	42	315
Total current	42	315
Non-current		
Non-current	936	1,091
Total non-current	936	1,091
Total	978	1,406

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	4.50%	3.30%
- index rate	2.50%	2.50%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2026.

Bank overdraft	1,000	1,000
Credit card facilities	250	250
Other facilities	5,497	6,762
Total Facilities	6,747	8,012
Used facilities	5,497	6,762
Total Used facilities	5,497	6,762
Total Unused facilities	1,250	1,250

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
2026					
Operating					
Corporate Administration	449	57	14	–	520
Recreation	46	21	5	–	72
Waste Management	953	1,260	800	800	3,813
Environmental	43	–	–	–	43
Total	1,491	1,338	819	800	4,448
Capital					
Infrastructure	6,342	–	–	–	6,342
Total	6,342	–	–	–	6,342
2025					
Operating					
Corporate Administration	174	125	–	–	299
Recreation	54	38	–	–	92
Waste Management	–	–	–	–	–
Environmental	102	–	–	–	102
Total	330	163	–	–	493
Capital					
Infrastructure	1,923	163	–	–	2,086
Total	1,923	163	–	–	2,086

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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

	2026 $ '000	2025 $ '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	16	49
Later than one year and not later than five years	49	61
Later than five years	44	68
Total	109	178

Note 6. Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2025 $ '000	Additions $ '000	Contributions $ '000	Revaluation $ '000	Disposal $ '000	Depreciation $ '000	Write-off $ '000	Transfers $ '000	Other movements $ '000	Carrying amount 30 June 2026 $ '000
Property	120,206	715	–	–	–	(1,980)	–	782	–	119,723
Plant and equipment	34,982	1,357	323	–	(198)	(807)	(52)	38	–	35,643
Infrastructure	421,681	8,783	–	(7,389)	–	(12,887)	–	435	–	410,623
Work in progress	2,831	3,003	–	–	–	–	(34)	(1,255)	–	4,545
Total	579,700	13,858	323	(7,389)	(198)	(15,674)	(86)	–	–	570,534

Summary of Work in Progress	Opening WIP $ '000	Additions $ '000	Write-off $ '000	Transfers $ '000	Other movements $ '000	Closing WIP $ '000
Property	929	1,506	–	(782)	514	2,167
Plant and equipment	8	–	–	(38)	30	–
Infrastructure	1,894	1,497	(34)	(435)	(544)	2,378
Total	2,831	3,003	(34)	(1,255)	–	4,545

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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
Property								
At fair value 1 July 2025	24,208	425	43,307	67,940	149,130	149,130	929	217,999
Accumulated depreciation at 1 July 2025	–	–	(982)	(982)	(95,882)	(95,882)	–	(96,864)
	24,208	425	42,325	**66,958**	53,248	**53,248**	929	**121,135**
Movements in fair value								
Additions	–	–	–	–	715	715	1,506	2,221
Revaluation	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	782	782	(782)	–
Transfer between asset categories	–	–	–	–	–	–	514	514
	–	–	–	**–**	1,497	**1,497**	1,238	**2,735**
Movements in accumulated depreciation								
Depreciation and amortisation	–	–	(11)	(11)	(1,969)	(1,969)	–	(1,980)
	–	–	(11)	**(11)**	(1,969)	**(1,969)**	–	**(1,980)**
At fair value 30 June 2026	24,208	425	43,307	67,940	150,627	150,627	2,167	220,734
Accumulated depreciation at 30 June 2026	–	–	(993)	(993)	(97,851)	(97,851)	–	(98,844)
Carrying amount	24,208	425	42,314	**66,947**	52,776	**52,776**	2,167	**121,890**

Note 6. Assets we manage (continued)

Plant and Equipment

	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
At cost 1 July 2025	16,485	2,259	1,853	471	27,218	48,286	8	48,294
Accumulated depreciation at 1 July 2025	(9,972)	(1,889)	(1,443)	–	–	(13,304)	–	(13,304)
	6,513	370	410	471	27,218	**34,982**	8	**34,990**
Movements in carrying value								
Additions	1,232	21	22	82	–	1,357	–	1,357
Contributions	–	–	–	–	323	323	–	323
Disposal	(986)	–	–	–	–	(986)	–	(986)
Write-off	–	–	–	(52)	–	(52)	–	(52)
Transfers	38	–	–	–	–	38	(38)	–
Transfer between asset categories	–	–	–	–	–	–	30	30
	284	21	22	30	323	**680**	(8)	**672**
Movements in accumulated depreciation								
Depreciation and amortisation	(670)	(40)	(97)	–	–	(807)	–	(807)
Accumulated depreciation of disposals	788	–	–	–	–	788	–	788
	118	(40)	(97)	–	–	**(19)**	–	**(19)**
At cost 30 June 2026	16,768	2,279	1,875	501	27,541	48,964	–	48,964
Accumulated depreciation at 30 June 2026	(9,853)	(1,928)	(1,540)	–	–	(13,321)	–	(13,321)
Carrying amount	6,915	351	335	501	27,541	**35,643**	–	**35,643**

Plant and equipment are carried at historical cost with the exception of Art Collection which is at fair value.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 6. Assets we manage (continued)

Infrastructure

	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	Aerodrome s $ '000	Off street car parks $ '000	Hamilton Regional Livestock Exchange $ '000	Other infra-structure $ '000	Total $ '000	Work in progress $ '000	Total infra-structure $ '000
At fair value 1 July 2025	605,015	90,160	26,601	46,073	27,082	4,155	11,458	7,229	1,291	13,177	8,867	841,108	1,894	843,002
Accumulated depreciation at 1 July 2025	(300,447)	(40,837)	(9,974)	(28,643)	(17,436)	(1,500)	(2,181)	(4,602)	(283)	(7,468)	(6,056)	(419,427)	–	(419,427)
	304,568	49,323	16,627	17,430	9,646	2,655	9,277	2,627	1,008	5,709	2,811	**421,681**	1,894	**423,575**
Movements in fair value														
Additions	6,199	35	389	–	101	27	1,949	–	3	75	5	8,783	1,497	10,280
Adjustments	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Revaluation	(8,597)	126	(849)	412	–	–	(35)	146	–	–	–	(8,797)	–	(8,797)
Write-off	–	–	–	–	–	–	–	–	–	–	–	–	(34)	(34)
Transfers	210	–	67	–	4	108	(6)	–	–	15	37	435	(435)	–
Transfer between asset categories	–	–	–	–	–	–	–	–	–	–	–	–	(544)	(544)
	(2,188)	161	(393)	412	105	135	1,908	146	3	90	42	**421**	484	**905**
Movements in accumulated depreciation														
Depreciation and amortisation	(8,547)	(902)	(459)	(462)	(761)	(188)	(945)	(239)	(52)	(172)	(160)	(12,887)	–	(12,887)
Revaluation movement	4,576	(400)	(2,271)	(424)	–	–	21	(94)	–	–	–	1,408	–	1,408
	(3,971)	(1,302)	(2,730)	(886)	(761)	(188)	(924)	(333)	(52)	(172)	(160)	**(11,479)**	–	**(11,479)**
At fair value 30 June 2026	602,826	90,321	26,209	46,485	27,187	4,290	13,366	7,375	1,294	13,267	8,909	841,529	2,378	843,907
Accumulated depreciation at 30 June 2026	(304,417)	(42,139)	(12,705)	(29,529)	(18,197)	(1,688)	(3,105)	(4,935)	(335)	(7,640)	(6,216)	(430,906)	–	(430,906)
Carrying amount	298,409	48,182	13,504	16,956	8,990	2,602	10,261	2,440	959	5,627	2,693	**410,623**	2,378	**413,001**

Note 6. Assets we manage (continued)

Acquisition
Initial measurement
Council initially measures its property, infrastructure, plant and equipment assets at cost. The cost of an acquired asset is the fair value of the consideration that Council has provided 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 to Note 8.4 for more information on how Council measures fair value.

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.

	Depreciation Period years	Threshold Limit $ ´000
Asset recognition thresholds and depreciation periods		
Land and land improvements		
land improvements	100 years	10
Buildings		
buildings	25-110 years	10
Plant and Equipment		
Plant, machinery and equipment	3-15 years	3
Fixtures, fittings & furniture	3-15 years	3
Computers & telecommunications	3-5 years	3
Infrastructure		
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
Recreation, Leisure and Community	5-100 years	10
Waste Management	15-70 years	10
Parks, Open Spaces and Streetscapes	10-30 years	10
Aerodrome	15-50 years	10
Off Street Carparks	28-115 years	10
Livestock Exchange	15-70 years	10

Land under roads
Council does not recognise any land under roads at this point in time and when appropriate in future will recognise 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.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 6. Assets we manage (continued)

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.

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 valuer, Aaron Armistead AAPI, CPV 18353 from Preston Rowe Patterson as at 30 June 2025. Valuation of buildings was undertaken by Martin Burns, Chartered Valuer from Liquid Pacific Asset Consultants as at 30 June 2025. 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 valuer Monique Eggenhuisen from GHD as at as at 30 June 2022. 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.

Council has not adjusted values of assets where costs were not able to be reliably measured and for this circumstance the amount is immaterial. The costs not measured include disruption and asset restoration costs as the impact is minor for Council due to availability of similar comparable assets available as an alternative.

The date of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2026 are as follows:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Date of valuation	Type of Valuation
Land	–	425	–	30/06/2025	Full Valuation
Specialised land	–	–	24,208	30/06/2025	Full Valuation
Land improvements	–	–	42,313	30/06/2022	Full Valuation
Buildings	–	7,063	45,714	30/06/2025	Full Valuation
Total	–	7,488	112,235		

Valuation of Infrastructure
Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Ramileth Sanchez, Asset Planning Engineer (Bachelor of Engineering) & Aaron Smith, Manager Assets (Bachelor of Engineering / Bachelor of Commerce).

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 determines the most accurate method to calculate unit rates based on costings of recent asset construction works completed however should this data not be available the team will utilise other valuation methods including recent tenders and ABS indices.

Valuations for asset categories for 2025/26 were based on:
Roads and Carparks - Recent constructions rates and ABS Index;
Bridges – Condition Assessment and ABS index;
Footpaths and Cycleways - Condition Assessment and ABS index;
Drainage - Condition Assessment and ABS index;

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 6. Assets we manage (continued)

Waste Management - Full valuation in 2023/24, ABS index;
Parks, Open Space and Streetscape - ABS Index;
Aerodrome – Full Valuation in 25/26;
Hamilton Regional Livestock Exchange - ABS Index;
Other Infrastructure - ABS Producer Price Index

The date and type of the current valuation is detailed in the following table. A full condition assessment of road and off street car park assets was undertaken by Shepherd Services in 2024/25. Drainage, Bridges and Culverts and Footpath assets were updated in values based on the calculations from the Unit Rate Justification document and condition assessments undertaken by Ramileth Sanchez, Asset Planning Engineer (Bachelor of Engineering) & Aaron Smith, Manager Assets (Bachelor of Engineering / Bachelor of Commerce). A full valuation of the Aerodrome assets was undertaken by qualified independent valuer, Aaron Armistead AAPI, CPV 18353 from Preston Rowe Patterson as at 30 June 2026.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2026 are as follows:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Date of valuation	Type of Valuation
Roads	–	–	298,409	30/06/2025	Cond Assess. and Unit Rate Valuation
Bridges	–	–	48,182	30/06/2026	Cond Assess. and Unit Rate Valuation
Footpaths and cycleways	–	–	13,504	30/06/2026	Cond Assess. and Unit Rate Valuation
Drainage	–	–	16,956	30/06/2026	Cond Assess. and Unit Rate Valuation
Recreational, leisure & community facilities	–	–	8,990	31/03/2023	Unit Rate Valuation
Waste management	–	–	2,602	30/06/2024	Full Valuation
Parks, open space & streetscapes	–	–	10,261	30/06/2025	Unit Rate Valuation
Aerodromes	–	–	2,440	30/06/2026	Full Valuation
Off street car parks	–	–	959	30/06/2025	Full Valuation
Hamilton Regional Livestock Exchange	–	–	5,627	31/03/2023	Unit Rate Valuation
Other Infrastructure	–	–	2,693	31/03/2023	Unit Rate Valuation
Total	–	–	410,623		

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 between 20% and 30%. 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 and ranges between $220/m^2 and $12,000/m^2. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 25 to 110 years. 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 between 28 and 115 years. 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.

Note 6. Assets we manage (continued)

	2026 $ '000	2025 $ '000
Reconciliation of specialised land		
Community Services	1,442	1,442
Corporate & Governance	2,916	2,916
Infrastructure	7,630	7,630
Recreation & Open Space	12,220	12,220
Total specialised land	24,208	24,208

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 6. Assets we manage (continued)

6.2 Investment property

	2026 $ '000	2025 $ '000
Balance at beginning of financial year	6,894	690
Fair value adjustments	(924)	–
Other	–	6,204
Balance at end of financial year	5,970	6,894

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 Aaron Armistead AAPI, CPV 18353 from Preston Rowe Patterson 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 20 March 2026 with no material change to 30 June 2026.

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 Heslin - Mayor (Jul 2025 - Jun 2026)
Councillor A Barber (Jul 2025 - Jun 2026)
Councillor A Campbell (Jul 2025 - Jun 2026)
Councillor A Calvano (Jul 2025 - Apr 2026)
Councillor H Henry (Jul 2025 - Jun 2026)
Councillor T Ramsay-Grounds (May 2026 - Jun 2026)
Councillor J Manning (Jul 2025 - Jun 2026)
Councillor K Rainsford (Jul 2025 - Feb 2026, Mar 2026 - Jun 2026)

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

	2026 No.	2025 No.
Total Number of Councillors	8	11
Total of Chief Executive Officer and other Key Management Personnel	4	4
Total Number of Key Management Personnel	12	15

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

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.

	2026 $ '000	2025 $ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,253	1,132
Post-employment benefits	111	92
Total	1,364	1,224

	2026 No.	2025 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
$1 - $9,999	1	3
$10,000 - $19,999	1	–
$20,000 - $29,999	4	6
$30,000 - $39,999	–	1
$40,000 - $49,999	1	–
$60,000 - $69,999	–	1
$90,000 - $99,999	1	–
$200,000 - $209,999	1	1
$210,000 - $219,999	–	2
$230,000 - $239,999	1	–
$240,000 - $249,999	1	–
$370,000 - $379,999	–	1
$390,000 - $399,999	1	–
Total	12	15

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.

	2026 $ '000	2025 $ '000
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	1,471	1,271
Other long-term employee benefits	30	28
Post-employment benefits	170	136
Termination benefits	90	–
Total	1,761	1,435

	2026 No.	2025 No.
The number of other senior staff are shown below in their relevant income bands:		
Income Range:		
$170,000 - $179,999	3	4
$180,000 - $189,999	1	–
$190,000 - $199,999	2	–
$200,000 - $209,999	2	4
$260,000 - $269,999 [1]	1	–
Total	9	8

(1) Includes Termination Benefits

	2026 $ '000	2025 $ '000
Total remuneration for the reporting year for other senior staff included above, amounted to:	1,761	1,435

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 7. People and relationships (continued)

	2026 $ '000	2025 $ '000

7.2 Related party disclosure

(a) Transactions with related parties

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

Taylor Motors Hamilton (D Barber - Son is Sales Manager)	352	398
Dunkeld Writers Festival Committee (M Brown - Chairperson)	–	1
Henry's Hydraulic Services (H Henry - Director)	3	–

(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.

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.

(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 payment is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria.

Any adjustments, which are expected to occur at the 3-year and 6-year periods during the liability period will affect participating members. The assessment from WorkSafe Victoria at the 3-year period was a deficiency of $5.776 million payable to WorkSafe Victoria. This was due to evidence of higher-than-expected payments and higher claim lodgements during the first three years of the runoff period.

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

There are guarantees for loans to other entities.

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 Australian Accounting Standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2026 reporting period. Council assesses the impact of these new standards.

The Australian Accounting Standards Board (AASB) has issued *AASB 18 Presentation and Disclosure in Financial Statements*. When applicable AASB 18 supersedes AASB 101 *Presentation of Financial Statements.* AASB 18 aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. It is expected to result in presentation and disclosure changes, primarily to Council's Comprehensive Income Statement. AASB 18 is expected to first apply to Council for the 2028-29 financial year.

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 borrowings at fixed rates which exposes Council 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 2020*.
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.

Note 8. Managing uncertainties (continued)

(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 financial assets which are individually determined to be impaired for receivables, as shown in Note 5.1(e).

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.

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.

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 8. Managing uncertainties (continued)

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. For assets where Council adopts a current replacement cost approach to determine fair value, Council considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

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, including art collection, 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 (excluding art collection), 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, art collection 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.

Asset Class	**Revaluation frequency**
Land	1 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
Art Collection	10 years
Heritage Plant & Equipment	5 years
Livestock Exchange	5 years
Off Street Car Parks	3 years

Note 8. Managing uncertainties (continued)

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 asset's carrying value. Any excess of the asset's 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. The impairment policy above does not apply to Council's property, infrastructure, specialised buildings and other non-current physical assets subsequently measured at fair value. These are primarily non-cash generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity. Their recoverable amount is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement,* with the consequence that AASB 136 *Impairment of Assets* does not apply to such assets that are regularly revalued.

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 2026

Note 9. Other matters

	Balance at beginning of reporting period $ '000	Increase (decrease) $ '000	Balance at end of reporting period $ '000
9.1 Reserves			
(a) Asset revaluation reserves			
2026			
Property			
Land - specialised	10,453	–	10,453
Land - non specialised	246	–	246
Land and land improvements	46,884	–	46,884
Buildings	19,479	–	19,479
	77,062	–	77,062
Plant and equipment			
Plant machinery and equipment	474	–	474
Art Collection	9,877	–	9,877
	10,351	–	10,351
Infrastructure			
Roads	270,015	(4,021)	265,994
Bridges	46,900	(274)	46,626
Footpaths and cycleways	14,891	(3,120)	11,771
Drainage	28,185	(12)	28,173
Recreational, leisure and community facilities	1,884	–	1,884
Waste management	825	–	825
Parks, open space and streetscapes	584	(14)	570
Aerodromes	559	52	611
Offstreet car parks	33	–	33
Other infrastructure	4,896	–	4,896
	368,772	(7,389)	361,383
Total asset revaluation reserves	456,185	(7,389)	448,796

Note 9. Other matters (continued)

	Balance at beginning of reporting period $ '000	Increase (decrease) $ '000	Balance at end of reporting period $ '000
2025			
Property			
Land - specialised	9,977	476	10,453
Land - non specialised	137	109	246
Land and land improvements	46,884	–	46,884
Buildings	36,704	(17,225)	19,479
	93,702	(16,640)	77,062
Plant and equipment			
Plant machinery and equipment	474	–	474
Art Collection	–	9,877	9,877
	474	9,877	10,351
Infrastructure			
Roads	186,928	83,087	270,015
Bridges	46,900	–	46,900
Footpaths and cycleways	14,891	–	14,891
Drainage	27,608	577	28,185
Recreational, leisure and community facilities	1,884	–	1,884
Waste management	825	–	825
Parks, open space and streetscapes	–	584	584
Aerodromes	559	–	559
Offstreet car parks	–	33	33
Other infrastructure	4,896	–	4,896
	284,491	84,281	368,772
Total asset revaluation reserves	378,667	77,518	456,185

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 2026

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) Other reserves				
2026				
Subdividers Contributions	236	60	–	296
Drainage Headworks Reserve	97	–	–	97
Non Legislative Reserve	433	–	–	433
Total restricted reserves	766	60	–	826
Total Other reserves	766	60	–	826
2025				
Subdividers Contributions	402	–	(166)	236
Parking Development Reserve	98	–	(98)	–
Drainage Headworks Reserve	97	–	–	97
Non Legislative Reserve	–	433	–	433
Total restricted reserves	597	433	(264)	766
Total Other reserves	597	433	(264)	766

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 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. This reserve was fully exhausted in 2024/25.

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.

The Non Legislative Reserve is held in reserve for future spending on the Hamilton Art Gallery. The reserve was created following significant contribution to the Art Gallery from a bequest.

Note 9. Other matters (continued)

	2026 $ '000	2025 $ '000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	4,581	3,665
Non-cash adjustments:		
Depreciation/amortisation	15,674	15,359
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(165)	(122)
Fair value adjustments for investment property	924	–
Contributions - Non-monetary assets	(525)	–
Amounts disclosed in financing activities	275	90
Other	–	70
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	1,215	(129)
(Increase)/decrease in inventories	(99)	(105)
(Increase)/decrease in prepayments	13	(289)
Increase/(decrease) in contract assets	(27)	21
Increase/(decrease) in other assets	64	(709)
Increase/(decrease) in trade and other payables	(2,349)	(314)
Increase/(decrease) in provisions	(316)	(430)
(Decrease)/increase in other liabilities	(33)	(50)
(Decrease)/increase in contract and other liabilities	(704)	504
(Increase/decrease) in Other Assets	–	–
Net cash provided by/(used in) operating activities	18,528	17,561

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 9. Other matters (continued)

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 2026, this was 12% as required under Superannuation Guarantee (SG) legislation (2025: 11.5%)).

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 *Employee Benefits*.

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. As at 30 June 2025, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2025 (of which Council is a contributing employer) was 110.5%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.7% pa
Salary information 3.5% pa
Price inflation (CPI) 2.6% pa

As at 30 June 2026, a triennial actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2026. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2025 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 2025 interim 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 2026, this rate was 12% of members' salaries (11.5% in 2024/25). 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 98% from 26 July 2024 (previously 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.

Note 9. Other matters (continued)

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 2025 interim 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. An interim investigation was conducted as at 30 June 2025 and 30 June 2024 while a full investigation was conducted as at 30 June 2023.

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

	2025 (Interim) $m	2024 (Interim) $m	2023 (Triennial) $m
- A VBI Surplus	200.1	108.4	85.7
- A total service liability surplus	229.4	141.4	123.6
- A discounted accrued benefits surplus	242.8	156.7	141.9

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 2025.

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 2025.

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 2025.

The 2026 interim actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2026 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2026. The last interim actuarial investigation conducted prior to 30 June 2026 was at 30 June 2025. The VBI of the Defined Benefit category at that date was 110.5%. The financial assumptions used to calculate the 30 June 2025 VBI were:

Net investment returns 5.7% pa
Salary information 3.5% pa
Price inflation (CPI) 2.6% pa

Council was notified of the 30 June 2025 VBI during August 2025.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2025 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 2023 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 these investigations were:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa

Notes to the *Financial Statements*

For the Year Ended 30 June 2026

Note 9. Other matters (continued)

Salary inflation	3.50% pa	2.5% pa for two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

The 2026 interim actuarial investigation
An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2026 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2026.

Superannuation contributions
Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2026 are detailed below:

Note 9. Other matters (continued)

Scheme

Scheme	Type of scheme	Rate	2026 $ '000	2025 $ '000
Vision Super	Defined benefits	12% (2025:11.5%)	27	56
Vision Super	Accumulation	12% (2025:11.5%)	1,349	2,578
All other schemes	Accumulation	12% (2025:11.5%)	–	960

In addition to the above contributions, Council has not been required to pay any unfunded liability payments to Vision Super during the 2025/26 year (2024/25: $0).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2026.

Performance *Statement*

For the Year Ended 30 June 2026

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Performance *Statement*

For the Year Ended 30 June 2026

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: 14 October 2026

In our opinion, the accompanying performance statement of the Southern Grampians Shire Council for the year ended 30 June 2026 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 Dennis Heslin
Mayor
Dated: 14 October 2026

Cr Helen Henry
Deputy Mayor
Dated: 14 October 2026

Mr Anthony Doyle
Chief Executive Officer
Dated: 14 October 2026

Performance *Statement*

For the Year Ended 30 June 2026

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.

Performance *Statement*

For the Year Ended 30 June 2026

Section 2. Service performance indicators

For the year ended 30 June 2026

		2023 Actual	2024 Actual	2025 Actual	2026 Target	2026 Actual	Material Variations & Comments
Aquatic Facilities - Utilisation							
AF6	Utilisation of aquatic facilities *(Number of visits to aquatic facilities/Municipal population)*	7.50	10.40	10.80	N/A	10.73	
Animal Management - Health and Safety							
AM7	Animal management prosecutions *(Number of successful animal prosecutions/Number of animal management procesutions) X 100*	0	0	0	N/A	0	
Food Safety - Health and Safety							
FS4	Critical and major non-compliance outcome notifications *(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*	100.00%	100.00%	100.00%	N/A	100.00%	
Governance - Satisfaction							
G2	Satisfaction with community consultation and engagement *(Community satisfaction rating out of 100 with how council has performed on community consultation and engagement)*	47.00	43.00	46.00	51.00	48.00	
Libraries - Participation							
LB7	Library membership *(Percentage of the population that are registered library members) X 100*	N/A	20.81%	21.86%	N/A	23.80%	

		2023 Actual	2024 Actual	2025 Actual	2026 Target	2026 Actual	Material Variations & Comments
Maternal & Child Health (MCH) - Participation							
MC4	Participation in MCH Service *(Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service) X 100*	81.78%	83.75%	86.95%	N/A	88.88%	Increase can be attributed to steady birth rate.
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*	81.25%	89.33%	90.91%	N/A	93.75%	Increase of ATSI children, reflective of improvement of collaboration with Winda Mara and stronger reporting
Roads - Condition							
R2	Sealed local roads maintained to condition standards *(Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)*	89.68%	94.58%	92.88%	96.80%	99.70%	Improvement is an indication that Council has undertaken renewal works on the roads that exceeded intervention level
Statutory Planning - Service Standard							
SP2	Planning applications decided within required time frames *(Percentage of planning application decisions made within the relevant required time)*	46.53%	62.50%	41.60%	80.00%	54.72%	Planning staff resourcing remained a challenge across 2025/26 however the team has delivered an increase in planning application determinations by utilising external resources.
Waste Collection - Waste Diversion							
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*	62.97%	60.54%	58.94%	63.00%	58.15%	

Definitions

"Aboriginal child" means a child who is an Aboriginal person
"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006
"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 98, 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
"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*.
"Intervention Level" means a predefined asset condition or performance threshold that triggers planned maintenance, renewal or disposal actions

Performance *Statement*

For the Year Ended 30 June 2026

Section 3. Financial performance indicators

For the year ended 30 June 2026

		2023 Actual	2024 Actual	2025 Actual	2026 Target	2026 Actual	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	Material Variations & Comments
Efficiency											
Expenditure Level											
E2	Expenses per property assessment *(Total expenses / Number of property assessments)*	$5,767.86	$4,737.32	$4,885.50	$5,403.00	$5,016.90	$4,938.60	$4,996.90	$5,074.67	$5,192.07	
Revenue Level											
E4	Average rate per property assessment *(General rates and Municipal charges / Number of property assessments)*	$1,786.43	$1,838.13	$1,892.25	N/A	$1,967.53	$2,006.90	$2,067.06	$2,118.82	$2,171.72	
Liquidity											
Working Capital											
L1	Current assets compared to current liabilities *(Current Assets / Current Liabilities) X 100*	311.27%	152.10%	155.33%	111.99%	233.65%	152.54%	150.87%	150.93%	269.22%	Unrestricted cash increased due to a prepayment of an untied grant late in June 2026 of over $9m. Also impacting the increased ratio is the reduction in current payables compared to the 2024/25 year.
Unrestricted Cash											
L2	Unrestricted cash compared to current liabilities *(Unrestricted cash / Current Liabilities) X 100*	76.50%	7.86%	36.01%	N/A	69.90%	56.93%	60.15%	64.69%	183.16%	Unrestricted cash increased due to a prepayment of an untied grant late in June 2026 of over $9m. The grant related to funding for 2026/27 however is required to be recognised upon receipt of the funding.
Obligations											
Loans and Borrowings											
O2	Loans and borrowings compared to rates *(Interest bearing loans and borrowings / Rate revenue) X 100*	8.10%	5.33%	27.55%	N/A	21.45%	38.63%	45.97%	60.30%	49.26%	No net additional loan funds were drawn down during the year however is anticipated in future for the payment of capital projects costs with intergenerational projects.
O3	Loans and borrowings repayments compared to rates *(Interest and principal repayments on interest bearing loans and borrowings / Rate revenue) X 100*	2.78%	2.64%	0.37%	N/A	6.01%	11.82%	11.93%	12.07%	12.56%	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 2026

		2023 Actual	2024 Actual	2025 Actual	2026 Target	2026 Actual	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	Material Variations & Comments
Indebtedness											
O4	Non-current liabilities compared to own source revenue *(Non-current liabilities / Own source revenue) X 100*	8.28%	8.01%	22.53%	N/A	17.02%	23.87%	30.90%	40.73%	33.40%	No additional net loan funds were drawn down during the year however loan balances are expected to increase in future years.
Asset Renewal and Upgrade											
O5	Asset renewal and upgrade compared to depreciation *(Asset renewal and asset upgrade expense / Asset depreciation) X 100*	62.33%	105.24%	130.91%	82.24%	75.48%	106.25%	104.22%	62.17%	155.48%	The value of Council assets increased in 2024/25 following revaluations of roads and building assets and this increased the depreciation expense for 2025/26. Renewal expenditure remained at a high level in 2025/26 with over $11m of expenditure, however this is below the level of renewal expenditure in 2024/25.
Operating Position											
Adjusted underlying result											
OP1	Adjusted underlying surplus (or deficit) *(Adjusted underlying surplus (deficit) / Adjusted underlying revenue) X 100*	-37.34%	-43.44%	-1.02%	N/A	-1.20%	-1.53%	-5.74%	-3.82%	-3.44%	The surplus result was increased due to the early payment of the Financial Assistance Grant that was paid in June 2026 and recognised in the 2025/26 result however is provided to Council for the purpose of normal operations in 2026/27.
Stability											
Rates concentration											
S1	Rates compared to adjusted underlying revenue *(Rate Revenue / Adjusted underlying revenue) X 100*	47.97%	63.40%	45.07%	51.64%	45.74%	47.77%	50.65%	50.19%	50.10%	
Rates effort											
S2	Rates compared to property values *(Rate Revenue / Capital improved value of all rateable properties in the municipality) X 100*	0.30%	0.25%	0.28%	N/A	0.30%	0.31%	0.32%	0.32%	0.33%	

Definitions

"adjusted underlying revenue" means total income other than—
- non-recurrent 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

"asset renewal expenditure" 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 assets" has the same meaning as in the AAS

"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

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

"population" means the resident population estimated by council

"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.

"Asset Upgrade Expenditure" means enhances the asset's performance or capacity, providing a higher level of service or extending its useful life beyond its original expected duration

Performance *Statement*

For the Year Ended 30 June 2026

Section 4. Sustainable capacity indicators

For the year ended 30 June 2026

		2023 Actual	2024 Actual	2025 Actual	2026 Actual	Material Variations & Comments
Population						
C1	Expenses per head of municipal population *(Total expenses/Municipal population)*	$3,945.28	$3,221.49	$3,328.35	$3,439.97	
C2	Infrastructure per head of municipal population *(Value of Infrastructure/Municipal population)*	$25,843.23	$26,375.41	$31,028.32	$33,170.72	
C3	Population density per length of road *(Municipal population/Kilometres of local roads)*	5.98	5.98	6.02	5.89	
Own Source Revenue						
C4	Own source revenue per head of municipal population *(Own source revenue/Municipal population)*	$1,934.29	$1,943.23	$2,040.67	$2,194.02	
Recurrent Grants						
C5	Recurrent grants per head of municipal population *(Recurrent Grants/Municipal population)*	$913.58	$287.37	$1,199.76	$1,173.63	Recurrent grants was high during 2024/25 and 2025/26 compared to prior years due to the early payment of 2025/26 and 2026/27 financial assistance grant funding received in June. In addition the 2023/24 finanical year recurrent grants was low due to the finanical assistance grant being paid early and therefore recognised in the previous financial year.
Disadvantage						
C6	Relative Socio-Economic Disadvantage *(Index of Relative Socio-Economic Disadvantage by decile)*	5.00	5.00	5.00	5.00	
Workforce Turnover						
C7	Resignations and terminations compared to average staff *(Percentage of staff turnover)*	35.2%	19.3%	15.5%	17.4%	

Performance *Statement*

For the Year Ended 30 June 2026

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, pland 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 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
"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Performance *Statement*

For the Year Ended 30 June 2026

Section 5 - Notes to the Accounts

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 or the Council's satisfaction survey provider).

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 2026-27 to 2029-30 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.

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Southern Grampians Shire Council

Opinion	I have audited the accompanying performance statement of Southern Grampians Shire Council (the council) which comprises the: • description of municipality for the year ended 30 June 2026 • service performance indicators for the year ended 30 June 2026 • financial performance indicators for the year ended 30 June 2026 • sustainable capacity indicators for the year ended 30 June 2026 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of Southern Grampians Shire Council in respect of the year ended 30 June 2026 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report. My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants (including Independence Standards)* (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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* 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.

Performance *Statement*

For the Year Ended 30 June 2025

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
20 October 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

Southern *Grampians* Shire *Council*

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Southern Grampians
SHIRE COUNCIL

PRECIS OF COMMITTEES 2026

COMMITTEES RECOMMENDED TO HAVE COUNCILLOR REPRESENTATION

Committees Required by Legislation
Audit and Risk Committee
Recommendation: That two Councillors be appointed as representatives to this Committee. **Purpose of Committee:** The Audit and Risk Committee is a legislated Committee of Council. Its purpose 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. **Membership of committee:** The Audit and Risk Committee comprises of five members, including three independent members (one of whom is the Chair) and two Councillors. **Councillor's obligation as a committee member:** Councillors will be members of the Committee. The Committee does not have delegated powers or authority and provides recommendations to Council. **Meeting regularity:** The Committee meets quarterly. Council provides secretarial and administrative support to the Committee.
Delegated Committees
Planning Committee
Recommendation: That two Councillors be appointed as representatives to this Committee. **Purpose of Committee:** To support the efficient and effective consideration of planning permit applications in accordance with the s6 Instrument of Delegation to Members of Staff, for the effective use and development of land and strategies in support of the environment, community and economy. It provides an open forum where planning applications can be considered and applicants and objectors have an opportunity to be heard. **Membership of committee:** • Two Councillors • Director Wellbeing, Planning and Regulation • Director Infrastructure and Sustainability (or one other member of the Executive Leadership Team if unavailable) • Councillor proxy(ies) can be nominated if one or two of the Councillors are unavailable. **Councillor's obligations as committee member:** A Councillor will be the nominated chairperson and will have a casting vote in case of deadlock. The Chairperson will be determined at the first Planning Committee meeting following the appointment made by Council. **Meeting regularity:** As required.

Advisory Committees Established by Council
CEO Employment and Remuneration Advisory Committee
Recommendation: That the Mayor and two Councillors be appointed to this committee. **Purpose of Committee:** An Advisory Committee appointed, pursuant to the *Local Government Act 2020* to assist Council in fulfilling its responsibilities relating to Chief Executive Officer (CEO) employment and remuneration matters. **Councillor's obligations as committee member:** The Mayor chairs the meeting. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. All information provided to the Committee will also be made available to all Councillors. All decision outcomes will be subject to a Council report that may be considered in Confidential Business. **Membership of committee:** Members of the Committee are appointed by Council, as per the Charter, the Committee will be constituted by: • Mayor Southern Grampians Shire (Chair, voting) • 2 x Councillor Southern Grampians Shire Council (voting) **Meeting regularity:** The CEO Employment and Remuneration committee will meet at least two times a year, with authority to convene additional meetings, as circumstances require.
Hamilton CBD Revitalisation Project Advisory Group
Recommendation: A Councillor be appointed to this Committee as Chairperson. **Purpose of Committee:** An Advisory Committee appointed, pursuant to the *Local Government Act 2020* to provide Council and the project management team with advice and guidance on community and business engagement, project implementation and timing, communications and general advice around aspects of the project. **Councillor's obligations as committee member:** The appointed Councillor will be the Chairperson of the Advisory Committee. **Membership of committee:** Members of the Committee are appointed by Council, as per the Terms of Reference, the Committee will be constituted by: • Southern Grampians Shire Council Councillor (Chair, voting) • 2 x Council Officers (Director Wellbeing, Planning and Regulation and Manager Communication and Engagement) • Community and Business Representatives (nominated via an EOI process) • Administrative Officer **Meeting regularity:** Bi-monthly throughout the concept design phase until the final designs are adopted by Council.

Committees Established by Other Bodies
MAV Delegate
Recommendation: That a delegate (preferably the Mayor) and substitute delegate be nominated to attend State Council meetings twice a year and special meetings as required at which relevant local government matters are debated and determined. **Purpose of Committee:** The MAV is the peak representative and advocacy body for Victoria's 79 Councils. The role of the MAV is to represent and advocate local government interest, promote the role of local government, build the capacity of councils, facilitate effective networks, provide policy and strategy advice, support councillors and provide insurance and procurement service. **Membership of Committee:** The MAV Board is elected by member councils every two years, The President is elected by all members, while 10 regional Board members are elected by their region.
South West Victoria Alliance
Recommendation: That the Southern Grampians Shire Council is represented by a Councillor (recommend the Mayor) (voting) and Chief Executive Officer (non-voting) on this Group. **Purpose of Committee:** This Committee's original purpose was to support Mayors and Chief Executive Officers and to influence the State and Federal Governments policy formation on matters impacting on the South West Region of Victoria. The South West Victoria Alliance is now an evolving alliance of government, business and community organisations. The Alliance is a strategic planning committee and a forum in which regional issues are discussed and proposals developed. The Alliance seeks to be recognised as an effective regional advocacy group on key government decisions influencing policy, infrastructure, funding and community well-being issues within the Region and in particular to co-ordinate major campaigns for regional infrastructure. **Membership of Committee:** The South West Victoria Alliance comprises the municipalities of Southern Grampians, Glenelg, Moyne, Corangamite Shires and Warrnambool City. **Meeting Regularity:** Board Meetings are held every two months and in the locations to be shared amongst members. The Chairperson position is rotated annually. Directors include the Mayor and Chief Executive Officer of each municipality along with two non-municipal Directors.
Rural Councils Victoria
Recommendation: That the Mayor be appointed (recommended but not required) as Council's representative at Rural Council Victoria Forums. The Mayor or CEO may also nominate for the Rural Councils of Victoria Committee if they wish to do so. **Purpose of the Committee:** Rural Councils Victoria is an organisation representing Victoria's rural councils, supporting and promoting sustainable, liveable, prosperous rural communities. The RCV Executive Committee provides a program update to the bi-annual RCV Forum comprising the Mayors and CEOs from Victoria's 34 rural councils. The RCV Secretariat provides monthly reporting to the RCV Executive Committee and an Annual Report to Victoria's 34 rural councils. Meetings of the RCV Executive Committee focus on RCV business, strategy, program and advocacy focus and each meeting includes an agenda to reflect this principle.

Membership of the Committee:

- RCV coordinates the network of 34 rural councils across Victoria.
- The RCV Executive Committee comprises two representatives (a councillor and a senior officer) from each of the six Municipal Association of Victoria rural regions. (Providing the Mayor and CEO are not from the same Council)

Meeting regularity:

- There is a bi-annual RCV Forum.
- Committee Meetings are held once each month and at least four times a year.

Green Triangle Action Group

Recommendation: That a Councillor be appointed as a representative to this Committee.

Purpose of Committee: To advocate across councils. The Green Triangle Action Group is a multi-agency and business group consisting of both State and Local representatives. The group are developing a freight action plan to advocate to State and Federal Governments for infrastructure improvements.

Councils Obligations: Council has no obligation to be on the committee, however a continued presence is encouraged to ensure Southern Grampians' priorities are articulated in planning and advocacy activities. All recommendations of the committee shall be reported by the Director Infrastructure and Sustainability to Council.

Membership of committee: the Group is managed by the Department of Transport and Planning and Council representatives are;

- Councillor
- Director Infrastructure and Sustainability

Meeting regularity: As arranged by the Department of Transport and Planning.

Ansett Museum Board

Recommendation: That a Councillor be appointed as a representative to this Board.

Purpose of the Board: The Board was established in 2023 to provide a shared strategic vision to promote, protect and preserve the legacy of Sir Reginald Ansett through the ongoing provision of the Ansett Museum.

Membership of the Board: The Board will comprise of six members: three local business/community leaders (including one Southern Grampians Shire Councillor) and three Association representatives.

Meeting Regularity: As required.

Working Group

Reconciliation Action Plan Working Group

Recommendation: That two Councillors be appointed to the Working Group.

Purpose of Committee: The key purpose of the workgroup will be to collaborate and achieve positive outcomes in developing a Reconciliation Action Plan for Southern Grampians Shire

Council with Reconciliation Australia, and support implementation of the plan. We will continue to oversee and ensure a culturally appropriate safe space is maintained at SGSC by modelling our practices to ensure First Nations people have access to services they need.

Membership of Committee: The membership of the working group consists of the following:

- Southern Grampians Shire Council Councillors x 2
- Southern Grampians Shire Council's CEO or Executive Director
- Southern Grampians Shire Council's Manager Communications & Engagement
- Southern Grampians Shire Council's Community Development Coordinator
- Southern Grampians Shire Council's First Nations Officer
- A representative from an Aboriginal Community Controlled Organisation operating within Southern Grampians Shire
- A Traditional Owner/Elder community member
- A representative from each Traditional Owners organisation *Gunditj Mirring Traditional Owners Aboriginal Corporation, Barengi Gadjin Land Council, and Eastern Maar Aboriginal Corporation*

Meeting regularity: The meeting will be held quarterly in-person at a mutually agreed venue and if need be, via Microsoft Teams.