

# GREATER SHEPPARTON CITY COUNCIL ANNUAL REPORT 2020–2021

COUNCIL PLAN IN ACTION



GREATER  
SHEPPARTON



# TRADITIONAL OWNERS

**We, Greater Shepparton City Council, acknowledge the Yorta Yorta Peoples of the land which now comprises Greater Shepparton, we pay our respect to their tribal elders, we celebrate their continuing culture and we acknowledge the memory of their ancestors.**



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## Message from the Mayor

I am pleased to present the 2020-2021 Annual Report, reporting against the fourth and final year of the Council Plan 2017-2021. During the 2020-2021 financial year we have succeeded in achieving most performance measures from the Council Plan. The annual report is not just a statutory requirement, it is a great way to identify what we are doing well and what we need to focus on in the future for our community.



The COVID-19 pandemic has impacted everyone across our municipality including residents, employees and businesses, farmers, schools, tourism, hospitals plus many more industries. However as a community we have stood together and supported each other through this unprecedented period. I believe our strong connection as a community will assist with the quick recovery of our region's economy. COVID-19 has showcased how Council, many organisations and the community work together during times of crisis. The hard work our community continues to demonstrate was acknowledged by the Victorian State Premier.

It was exciting to see Goulburn Vibes return, plus other events that brought a welcome boost to the economy and social connection for people. We welcomed back Softball Victoria for the Masters Championships, Hockey Victoria, AFC youth women's qualifiers were secured and the BMX World Cup was recognised as leading event at the Australian Event Awards.

The new SAM building opened up the ground floor with the new Visitor Centre, SAM Shop and Kaiela Arts available for all to enjoy.

We have welcomed 20 new Australian citizens to the Greater Shepparton region, much lower than usual due to COVID-19, and our community continue to welcome those that are relocating from the city to the country.

A significant moment during NAIDOC week was Council and Yorta Yorta Nation Aboriginal Corporation signing a Memorandum of Understanding. By endorsing and signing the MoU, both organisations will strive to support increased community participation, improve employment opportunities and improve health and wellbeing outcomes for members of our Aboriginal and Torres Strait Islander community.

Council have adopted many important strategies and plans that will positively impact the future of Greater Shepparton including Shepparton and Mooroopna 2050 Regional City Growth Plan, Play Space Strategy and Toolamba Growth Plan. We have built new infrastructure, provided COVID-19 recovery packages and endorsed the LGBTQIA+ Committee to name a few.

Council will continue to advocate to State and Federal governments to fund major projects, which is critical for the growth of our region. These multi-million dollar projects are necessary if we are to maintain our economic, social and environment sustainability and assist with our COVID-19 recovery.

I hope you get a chance to read the annual report and discover all the great things that are being developed here to assist our region's growth. Your contributions too many consultations throughout the year have been valued. This is your community and your continued support, ideas and opinions are welcome.

Thank you to the Greater Shepparton community during my time as Mayor. I am proud to be part of this community having lived most of my life and raised my family here. I am proud to call Greater Shepparton home, and to be part of a strong, connected community.

A handwritten signature in black ink that reads "Kim O'Keefe". The signature is fluid and cursive.

**Cr Kim O'Keefe,**  
**Mayor**

September 2021

## Message from the CEO

It is my pleasure to present this Annual Report for the 2020-2021 Financial Year.

The COVID-19 pattern of shut downs and start-ups 2020-21 has continued. This has seen working from home become normal for some and a challenge for others.

Council is continuing to provide support for our community, including providing set up assistance with covid testing stations and now vaccination stations.

COVID-19 will continue to influence our operations for the medium term, even with a high vaccination rate.

Financially, Council remains in a robust financial position but continues to face challenges and pressures in ensuring its ongoing financial sustainability. In delivering the necessary services and infrastructure to the community, Council spent over \$125 million in operating expenditure and over \$50 million in capital works. Council is typically asked to provide additional functions, whilst being limited to raise funds to pay for these functions. Despite these challenges, Greater Shepparton City Council continues to focus on identifying and obtaining operational efficiencies.



I take this opportunity to thank all staff who continue to adapt to the changing needs of our organisation and our community. A significant proportion of our projects were delivered on time and on budget which is a credit to staff working in difficult circumstances.

Thank you also to the Mayor and the Councillors for their leadership and direction in what has been a very busy and challenging year with six new Councillors being elected.

A handwritten signature in black ink, appearing to read 'Peter Harriott'. The signature is stylized and fluid.

**Peter Harriott,**  
**Chief Executive Officer**  
September 2021

# WELCOME

## Welcome to the 2020-2021 Annual Report for Greater Shepparton City Council.

This report provides a comprehensive account of Council's achievements, challenges and aspirations for the future.

The Victorian Local Government Act (2020) requires all Councils to present an Annual Report to the Minister by 30 September each year.

The report details our performance against our commitments as set out in the Council Plan 2017–2021 and provides an analysis of our financial performance. This report also demonstrates the breadth of our operations and the diversity of services delivered on a daily basis to the Greater Shepparton communities.

The Annual Report is also an opportunity to acknowledge all of the great things that have been happening across the municipality and note the challenges that have marked the year.

We hope you enjoy reading about the 2020-2021 year and we thank our community for their continued support and direction.



## How the Annual Report integrates with our planning, reviewing and reporting

The diagram below details how planning, measurement and reporting are undertaken at Council.



The **Council Plan**, developed in consultation with our community, details the vision, goals and strategies to guide Council's actions and work over a four-year period.

The **Strategic Resource Plan** describes how key actions and strategies will be resourced over the four years, while the Annual Budget sets out funding for projects and services to be undertaken over 12 months.

**Departmental Business Plans** provide the road map as to how services and projects will be delivered and sets out key performance indicators to be achieved.

The **Annual Report** describes progress in achieving the overall goals of the Council Plan and reports the results at the end of each financial year.

## How to Read this Report

This Report is designed to serve both the needs of our community in informing them of what we've been doing, how we've followed through on the Council Plan and how we performed over the past 12 months, as well as to meet legislative requirements.

The Report presents the information that our community might find most interesting at the start of the report, with information that is more detailed and specific such as the financial report, contained towards the back of the document.

The Report is divided into:

### Part One - Overview

Find out all about Greater Shepparton and your Council.

### Part Two - Performance Report

Details how we have set about achieving the goals of the Council Plan.

Includes what we have undertaken to achieve leadership, economic, social, and environmental outcomes, and the capital works we have completed over the last financial year as well as our Sustainability Report.

### Part Three - Governance Report

Presents the corporate governance and statutory information.

### Part Four - Financial Report

Presents the audited performance and financial statements detailing our financial performance over the last financial year. A quick and easy-to-read summary of the finances is provided to make the finances easy to understand and transparent.

### Giving Feedback

We are keen to hear any thoughts or ideas regarding the Annual Report. If there is information that you think needs to be included or any ideas of how we can improve the report please let us know -

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





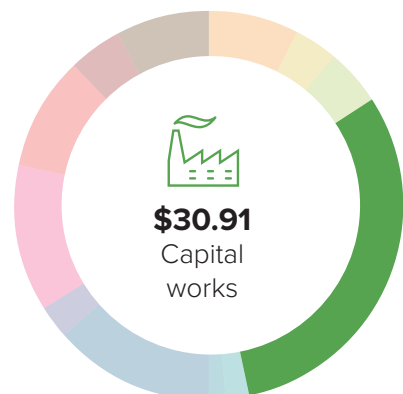
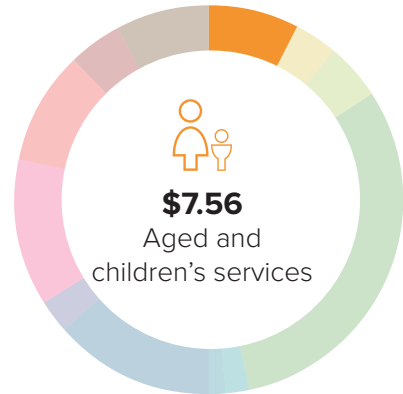
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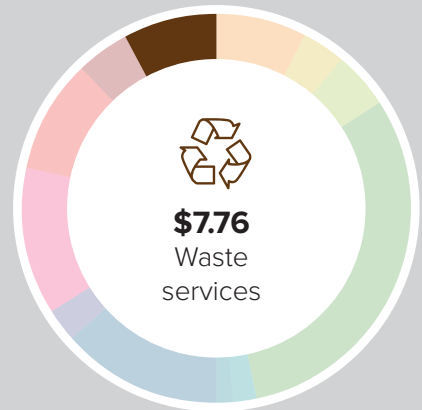
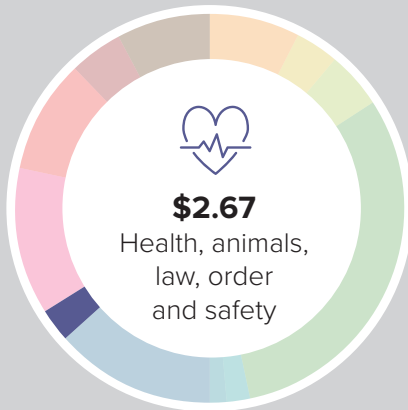
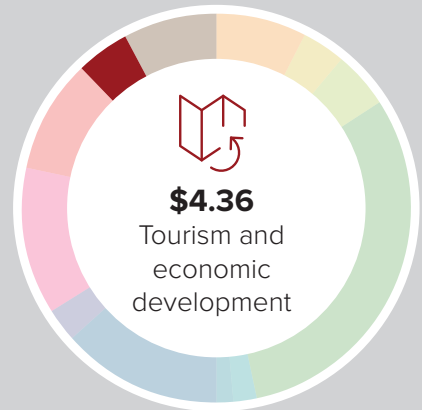
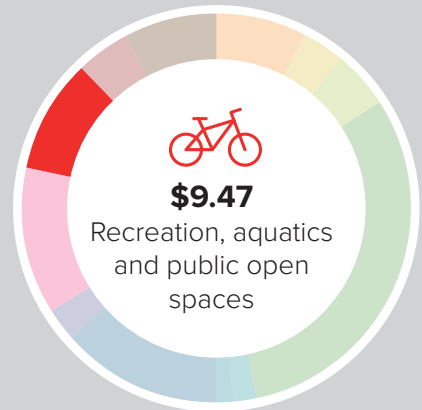
## PART ONE: OVERVIEW

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| Recognition Awards          | 54       |
| Volunteers                  | 61       |

# WHERE YOUR RATES WERE SPENT IN 2020/2021

For every \$100 of rates income, you are helping fund your local community in these ways





## Our Vision

Greater Shepparton,  
Greater Future.

A thriving economy in  
the foodbowl of Victoria  
with excellent lifestyles,  
innovative agriculture, a  
diverse community and  
abundant opportunities.

## Our Purpose

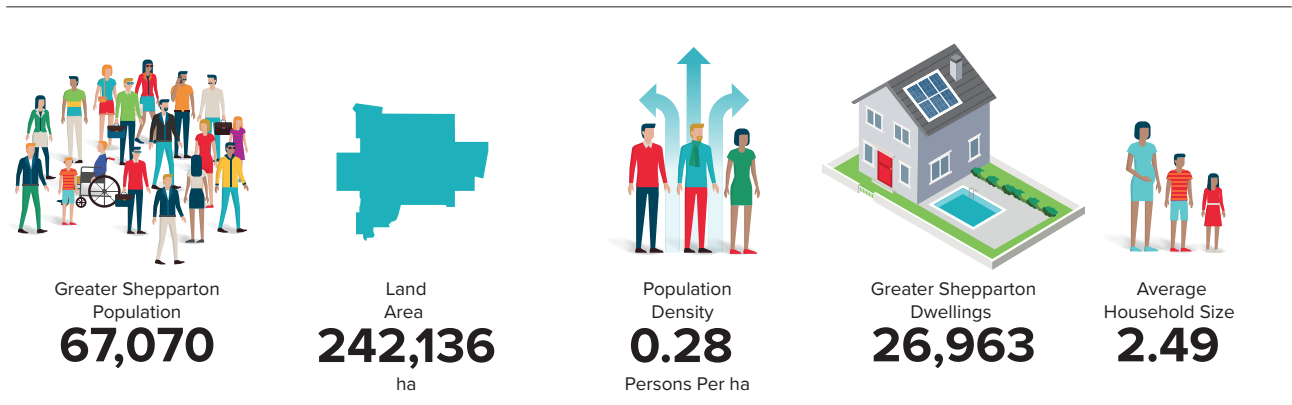
To serve our community  
through providing leadership,  
making decisions, and  
advocating for equitable  
services and infrastructure.



# PART ONE: OVERVIEW

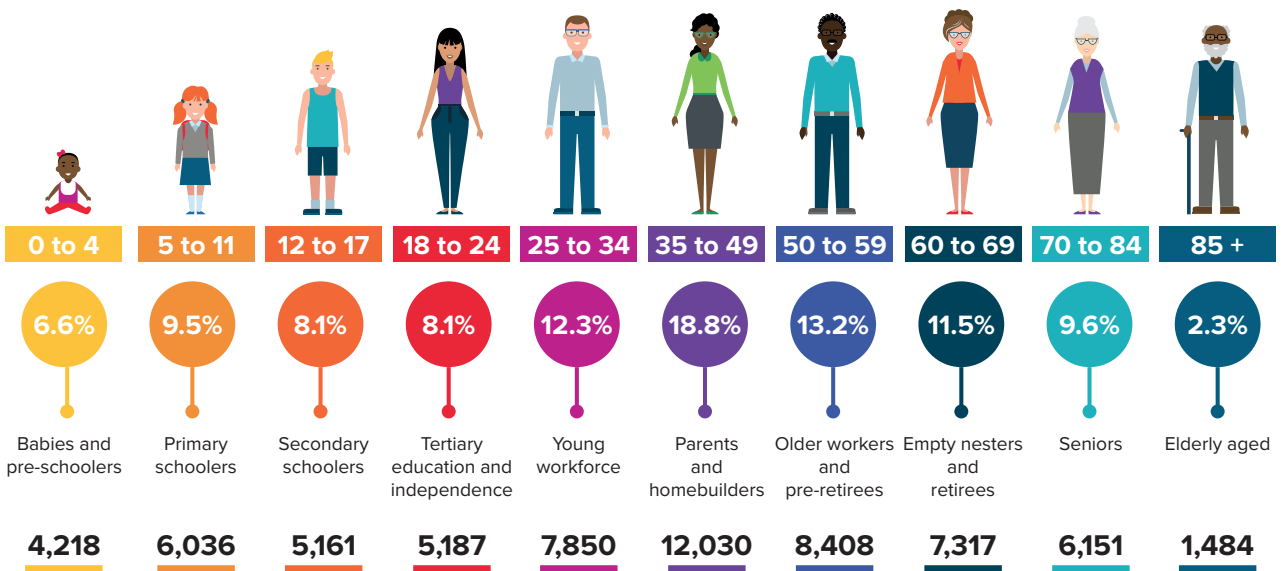
## About Greater Shepparton

### Location



## Population

Total population 67,070



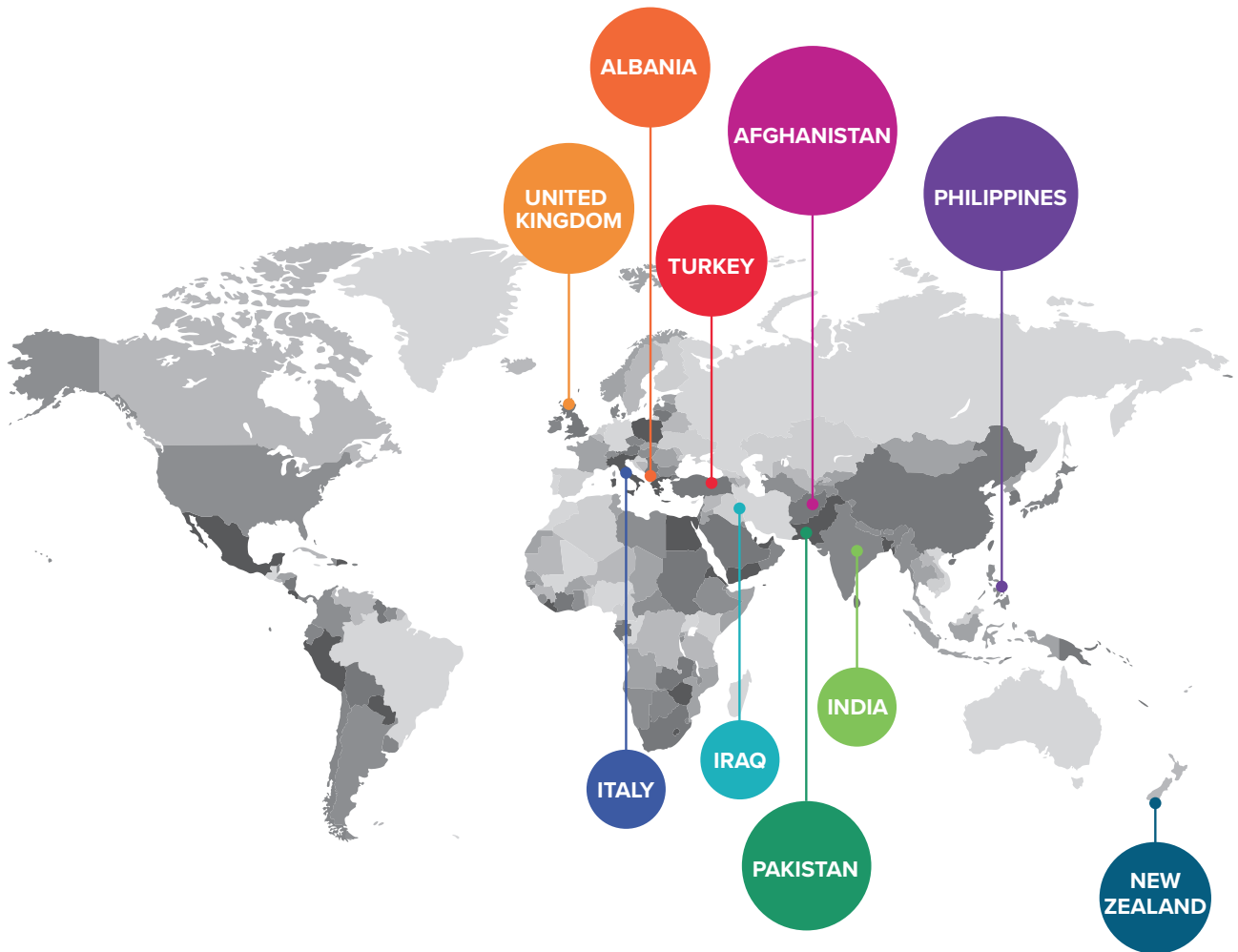
**Higher proportion** of children (under 18) and a **lower proportion** of persons aged 60 or older compared to Regional VIC.

**1,484** people over the age of 85, with largest age group being 5 to 9 year olds.

**27.8%** of households were made up of **couples with children.**

The population forecast for 2021 is **69,857**, and is forecast to grow to **83,234** by 2036.

## Diversity



**3.4%**  
of Greater Shepparton's population identify as **Indigenous** or **Torres Strait Islander**.

**14.9%**  
of people were **born overseas**, compared with **11.0%** in Regional VIC.

**14.6%**  
of people spoke a **language other** than **English** at home.

**3,829**  
people (or 6% of the population) reported needing **help** in their day-to-day lives due to **disability**.





## Education and Child Care



**36.1%**

of people aged over **15 years** had completed **Year 12** schooling (or equivalent).



**19**

**long day care** facilities and **Family Day Care.**



**16**

Council run kindergartens.



**26**

primary schools.



**1**

secondary school with 3 campuses.



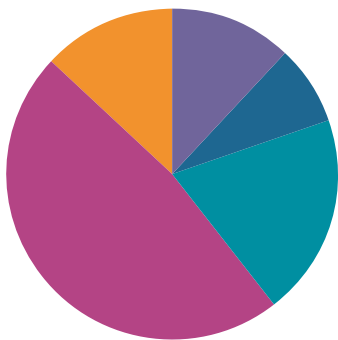
**5**

Private and Catholic secondary schools.



**3**

tertiary education providers.



|                               |               |       |
|-------------------------------|---------------|-------|
| ● Bachelor or Higher degree   | <b>6,241</b>  | 12.2% |
| ● Advanced Diploma or Diploma | <b>3,950</b>  | 7.7%  |
| ● Vocational                  | <b>10,165</b> | 19.9% |
| ● No qualification            | <b>24,146</b> | 47.2% |
| ● Not stated                  | <b>6,622</b>  | 13.0% |



## Liveability



Median house valuation of  
**\$292,696**

\$377,365 lower than the median house valuation for Victoria.

Median unit valuation of  
**\$218,672**

\$307,512 lower than the median house valuation for Victoria.

Median house rental of  
**\$300**

\$100 lower than the median house rental for Victoria.

Median unit rental of  
**\$240**

\$159 lower than the median house rental for Victoria.

## Economy



**Gross Regional Product** is estimated at **\$3.69 billion**, which represents 0.81% of the state's GSP (Gross State Product).



**Manufacturing** had the largest **total exports** by industry, generating **\$1,071 million** in 2019/2020.

Manufacturing had the largest **total imports** by industry, generating **\$1,046 million** in 2019/2020.



**Construction** had the highest local sales, generating **1,089 million** in 2019/2020.



Value of **building approvals** was **\$334 million** in the 2019-20 financial year.



**Health Care and Social Assistance** most productive industry, generating **\$434 million** in 2019/2020.

| Industry - total registered businesses 2020     | Number       | %    |
|---|--------------|------|
| Agriculture, Forestry and Fishing               | <b>1,357</b> | 20.8 |
| Construction                                    | <b>978</b>   | 15   |
| Rental, Hiring and Real Estate Services         | <b>650</b>   | 10   |
| Professional, Scientific and Technical Services | <b>471</b>   | 7.2  |
| Financial and Insurance Services                | <b>430</b>   | 6.6  |
| Transport, Postal and Warehousing               | <b>423</b>   | 6.5  |
| Health Care and Social Assistance               | <b>363</b>   | 5.6  |

## Agriculture

- In 2015/16, the total value of agricultural output was \$566m.
- The largest commodity produced was other fruit (apples, pears stone fruit), which accounted for 38.6% of total agricultural output in value terms.

### Value of agricultural production



## Visitor Economy

In 2019/20 the total tourism and hospitality sales in the City of Greater Shepparton was \$159.1m, the total value added was \$79.7 million.



In the 5 years up to 2019/20, there were an average of 11,802 international visitors to the City of Greater Shepparton. Average length stay for international visitors was 31.5 days, higher than the average for Victoria.

In the 5 years up to 2019/20, International visitors to the City of Greater Shepparton were more likely to be visiting on Holiday, accounting for 43.7% all visitors.

Domestic visitor nights: 749,461

Domestic day trip visitors: 753,332

Figures are for 2018/19.



NOTE: Statistics quoted in these sections have been sourced from the Australian Bureau of Statistics. <https://profile.id.com.au/shepparton/home>



## Employment



More residents worked in **health care** and **social assistance** than any other industry.

**More professionals** than any other occupation.

**26,978** people were **employed** 60% worked **full-time** and 37% **part-time**.

**6%** of the population earned an income of **\$1,750 or more** per week.

**20.6%** of the population reported doing some form of voluntary work.

| Industry - total registered businesses 2020     | Number      | %    |
|---|-------------|------|
| Agriculture, Forestry and Fishing               | <b>1362</b> | 21   |
| Construction                                    | <b>978</b>  | 15.1 |
| Rental, Hiring and Real Estate Services         | <b>647</b>  | 10   |
| Professional, Scientific and Technical Services | <b>473</b>  | 7.3  |
| Financial and Insurance Services                | <b>428</b>  | 6.6  |
| Transport, Postal and Warehousing               | <b>405</b>  | 6.2  |
| Health Care and Social Assistance               | <b>377</b>  | 5.8  |





**STAFF**

Official representative of the  
Department of Health and Human Services

FEELING SICK?  
GET TESTED



## Dealing with COVID-19

We entered the 2020-2021 financial year with COVID-19 still the focus of Council's operations which it continues to be. The ongoing response involved an all of community effort and was managed as a partnership or collaboration.

### Council's Response

The following is an overview of Council's role and actions in the COVID-19 pandemic.

Three active cases were detected in Shepparton in October 2020. Council, GV Health, Department of Health and Human Services (DHHS) and other agencies were prepared to manage a potential outbreak by providing the necessary support and information. A list of exposure sites were listed on the DHHS website. The Greater Shepparton community did not hesitate to go out, get tested and isolate to minimise the potential spread across the municipality. Additional testing sites were established at the McIntosh Centre at the Shepparton Showgrounds and a drive through testing clinic at Shepparton Sports Precinct.

### Greater Shepparton Outbreak COVID-19 Mobile Information Units

A key initiative led by Council in partnership with the Shepparton Ethnic Council and District, Uniting and Department of Health and Human Services, was deployment of the state's first ever mobile information units as a key tactic to manage the spread of COVID-19.

Historically the most effective level of communication between the Ethnic Council and multicultural communities has been based on face-to-face interaction, particularly with community and faith leaders who are very efficient gatekeepers on the flow of information into and out of communities. COVID-19 seriously disrupted the flow of information and while Council went digital very early, it was obvious that the removal of face-to-face communication impacted the pace with which information was disseminated.

The Shepparton cases brought agencies together in official and unofficial forums, working collaboratively, which is the normal situation in a place like Shepparton. Interaction between agencies is a critical factor in achieving effective communication and constancy of messaging.

A practical example from the Shepparton outbreak was the opportunity of having our bilingual workers as part of Greater Shepparton City Council's information van program. Over the course of a week, Council vans visited places like shopping centres and places of recreation where multicultural communities congregated and engaged with people to disperse COVID-19 information. Our workers were available to assist and noticeably the vans attracted people due to the presence of bilingual workers. Assistance was able to be provided in 10 languages other than English.

People who may not have normally have accessed the information were offered an opportunity to be provided with information in a culturally sensitive way. The exercise demonstrated the importance of collaboration and partnership, which provided the opportunity to engage CALD community members who otherwise would not have had access to the COVID-19 information.

Approximately 1,500 people engaged with the mobile information units over the week, with the model being used to assist with further outbreaks in metropolitan Melbourne.





### **Youth Messaging campaign**

A youth messaging campaign was activated from August 2020 providing information for our young people on the risks and harmful effects of COVID-19. Stage three lockdown began in Regional Victoria on Wednesday 5 August 2020 and ended on Sunday 13 September 2020. The campaign focused on levels of restrictions and the four reasons to leave home, as well as highlighting that COVID-19 does not discriminate. Social media platforms were used to spread the message of staying at home and following restrictions.

As a result of the targeted campaign the most effective platform was Snapchat, with over 140,057 reached and 697 website visits. Facebook and Instagram users saw the campaign advertising on average 3.56 times and 4,656 users were reached with 35 visiting the website. We also implemented Spotify advertisements with 7,611 ads served and users hearing the advertisement on average 9.73 times. Across all platforms, the reach was 152,324 and the website visits were 744.

### **Greater Shepparton 'Stronger than Ever Together'**

The 'Stronger Than Ever Together' campaign was developed as a response to drive economic benefit to businesses affected by the impact of the devastating bush fires in early 2020 and then the worldwide COVID-19 pandemic emergency hitting Australia, including Victoria and Greater Shepparton.

The economic and health and wellbeing impact of the emergencies has been significant for the Greater Shepparton business community. Impacts have included loss of income, shedding of staff, job losses, reorienting operations, navigating complicated government support programs, all while trying to keep employees and customers safe.

The campaign firstly highlighted the many ways our local businesses modified their business models in response to COVID-19 restrictions, imposed by the State Government to minimise the spread of the virus. Restrictions included people needing to remain at home, all regional, interstate and international travel restricted and significant restrictions in the operation of businesses such as hospitality, tourism and retail.

Secondly, the campaign focused on driving patronage to businesses during the recovery phase in December 2020, encouraging people to shop locally at Christmas time to continue to support our businesses and services.

COVID-19  
STAY HOME IF SICK,  
DON'T RISK OTHERS

[www.greatershepparton.com.au](http://www.greatershepparton.com.au)



oh!

TRANSAD

Stockdale & Leggo



As the marketing program tasked with driving regional demand for rate paying businesses, the Greater Shepparton Greater Business working group has a responsibility to actively drive local and regional demand for products, services and experiences delivered by Greater Shepparton businesses as part of the on-going recovery phase of the pandemic.

To celebrate and assist with driving patronage for a broad range of local businesses, it is proposed a third campaign be developed with a focus on uplifting our strong and resilient local business community. It is suggested that such a campaign would be delivered under the 'Greater Shepparton - Stronger Than Ever Together' branding.

### **Council Communications**

Communication is a critical during any emergency and during the 2020-2021 pandemic the State and Federal Governments were the lead agencies in communicating updates and requirements. However, Council continued to play an active role in supporting these efforts, ensuring localised information was available in a timely manner and reassuring members of our community during unprecedented times.

Council's COVID-19 webpage continued to evolve and provided the most current information available as well as information on support and assistance for the community and businesses.

The Greater Shepp Update e-newsletter provided regular COVID-19 and community information to over 5,000 subscribers.

The Moving Media mobile billboard truck was used across the municipality including at testing stations, to provide messages on Stage three restrictions, and multilingual and youth messages. Multilingual signage was also positioned around Victoria Park Lake.

Council worked in collaboration with GV Health, The Ethnic Council, DHHS, VicPol and Uniting to develop co ordinated messaging for the community.

### **Mayor and Councillors**

The Mayor, representing all Councillors, is integral in providing leadership, guidance, reassurance and support to the community during an emergency. Cr Kim O'Keeffe, as the Mayor attended GV Health media conferences, did numerous media interviews and appeared in several videos for the community which were distributed via social media, the Council's website and e-newsletters. As the spokesperson for Council the Mayor was able to represent the community and advocate on their behalf for assistance. All councillors played a part in promoting testing and vaccinations to the community.



Stanley's  
Smile  
Without  
a Frown  
Your Own  
Sunshine

LIKE US  
FOLLOW US



Stanley's

GREATER SHEPPARTON

Victoria  
Location code JFZ 504  
QR code  
Stanley's

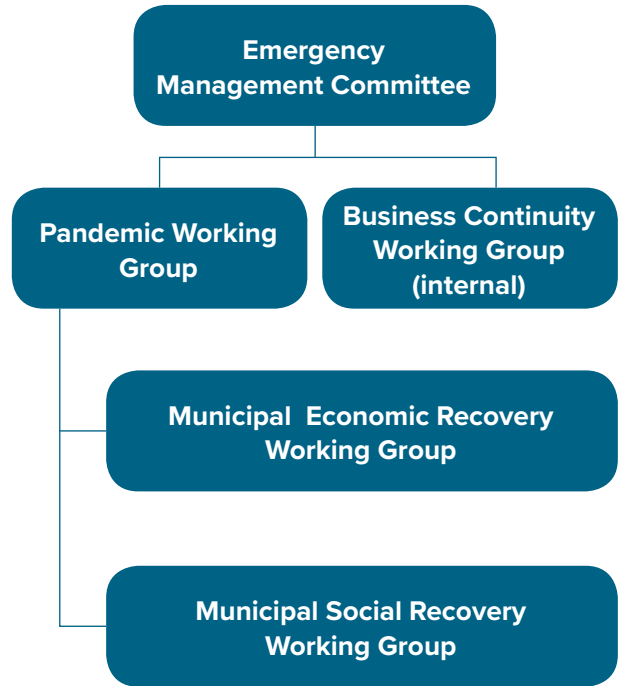
## Municipal Emergency Management

Council has a role in Emergency Management in our municipality. In an emergency Council supports other agencies and assists in with the emergency response, playing a lead role in recovery. Council has an Emergency Management Working Group to oversee these actions and follows the guidelines of the Municipal Emergency Management Plan (MEMP). A Pandemic Plan was developed early in 2020 as a subset of the Greater Shepparton Municipal Emergency Management Plan in response to managing the COVID-19 pandemic.

The overall objectives of the Pandemic Plan are to:

- Assist in reducing the impacts of the pandemic on the Greater Shepparton region
- Support containment strategies through accurate, timely and coordinated communication and community support
- Provide support and recovery assistance throughout the duration of the pandemic
- Ensure response activities are consistent across all organisations
- In an emergency the Mayor is the spokesperson for Council, providing support, leadership and information to the community

## COVID-19 Emergency Management Structure



### **Business Continuity Team**

The Business Continuity Team's (BCT) role is to determine how Council's services continue to operate during an emergency. The BCT ensured that essential services were maintained and a robust decision making process for all services and facilities aligned with State and Federal government requirements.

Council's mandate was to provide the same level of excellent customer service prior to restrictions by adapting and meeting the needs of our community, albeit in a different way.

The community was consistently updated via a range of media regarding the status of Council services in response to restrictions.

Council services either closed or operated with restrictions as per Government directives. Council's website provided useful information for the community to be informed of any changes to Council's services via the use of a traffic light system.



### **Pandemic Working Group**

The Pandemic Working Group continued to focus on co-ordinating community enquiries, providing practical assistance such as setting up the Vaccination Hub and COVID-19 testing sites, developed information and guiding directions for safe operations of Council services along with the Business Continuity Team.

### **Municipal Recovery Social Working Group**

The membership of the Social Working Group comprise Council and key local agencies including Department of Health and Human Services, Ethnic Council of Shepparton and District, Goulburn Valley Primary Care Partnership, Goulburn Valley Health, Shepparton Lighthouse Foundation and Red Cross just to name a few.

The role of the Municipal Recovery Social Working Group was to:

- Support the COVID-19 Greater Shepparton Municipal Recovery Communities monitor the recovery progress in the affected communities, gather information and provide feedback
- Provide advice and ideas (to the COVID-19 Greater Shepparton Municipal Recovery Committee) to develop priorities covering Social Environments
- Support the implementation and review of priorities
- Identify community needs and resource requirements and make recommendations to appropriate agencies, Council and the COVID-19 Greater Shepparton Municipal Recovery Committee
- Monitor and mitigate known and potential risks to effective recovery
- Undertake specific recovery activities as determined by the circumstances and the Committee.

### **Municipal Recovery Economic Working Group**

The role of the Municipal Recovery Economic Working Group was to:

- Support the COVID-19 Greater Shepparton Municipal Recovery Communities monitor the recovery progress in the affected communities, gather information and provide feedback
- Provide advice and ideas (to the COVID-19 Greater Shepparton Municipal Recovery Committee) to develop priorities covering Economic Environments
- Support the implementation and review of priorities
- Identify community needs and resource requirements and make recommendations to appropriate agencies, Council and the COVID-19 Greater Shepparton Municipal Recovery Committee
- Monitor and mitigate known and potential risks to effective recovery
- Undertake specific recovery activities as determined by the circumstances and the Committee.
- Develop initiatives that complement state and federal government activities not compete.

The working group had significant representation from a broad range of businesses and industries including but not limited to Shepparton Chamber of Commerce and Industry, Tourism Greater Shepparton, Committee for Greater Shepparton, AGBiz Assist, Growing Greater Shepparton Business and Council.



Playgroups go  
**virtual**

Support to  
Boost **Tourism**  
**Recovery** Across  
Regional Victoria

**Resale Shop**  
**reopens** at  
Shepparton Resource  
Recovery Centre

Visitor Economy  
**recovery and**  
**activation grants**  
deployed

**Quick**  
**Response**  
**Grants** available  
for Greater  
Shepparton  
Businesses

**Working**  
**for Victoria**  
opportunities



Council  
**Maternal and  
Child Health** to  
reopen access for  
local families

Aquamoves is  
keeping Greater  
Shepparton **active and  
connected** online



## Organisation

Council's main responsibilities are to set the overall directions and goals for the municipality and then monitor their implementation and success. The tools for setting these directions and goals are the major strategic plans.

These include the Council Plan, the Strategic Resources Plan, the Municipal Strategic Statement and the Municipal Public Health Plan. The most important of these are the Council Plan and the Strategic Resource Plan. Both of these plans are four-year plans which set the objectives and strategies of our Council and calculate how these may be resourced.

Greater Shepparton City Council is governed by nine elected Councillors, and operates in accordance with the Local Government Act 2020. As a local government authority, Greater Shepparton City Council exercises a wide range of government functions and powers for the "peace, order and good government" of our municipality.

Greater Shepparton City Council is one of the largest regional councils in Victoria and we strive to achieve our community's vision of a "Greater Shepparton".

As a local government we protect and strengthen Greater Shepparton's economic prosperity and the health, wellbeing and safety of our residents.

We endeavour to plan and build a connected regional community which is safe, easy to navigate and provides a healthy and prosperous lifestyle, now and into the future. Our purpose is to deliver services, implement strategic initiatives and develop policies and plans that are in the best interests of our community.

We are committed to making a difference in our community and creating a Greater Shepparton that provides access to world-class educational and employment opportunities and health and wellbeing facilities.

## Services

Greater Shepparton City Council delivers in excess of 120 services for our community.

### For families

- Best Start
- Child care
- Children's services
- Family Day Care
- Fun groups and play groups
- Immunisation
- KidsTown
- Kindergartens
- Maternal and Child Health
- Youth Development

### For older people and those with disabilities

- Aged and disability services
- Senior citizen's centres
- Social support services

### For business

- Building and planning permits
- Building services
- Business and industry development
- Food safety regulation programs
- Greater Shepparton Business Centre
- Investment Attraction
- Parking permits and enforcement
- Support for energy efficiency upgrades
- Tourism
- Trading permits
- Visitor Centre
- Workshops and training

### For the community

- Active Living programs
- Actively engaging our local indigenous community
- Actively engaging our new arrivals, migrants and refugees
- Advocating for the needs of our community with the state and federal governments
- Aquamoves
- Building and planning permits
- Collection and management of waste
- Creating and maintaining recreation, parks and gardens and sporting facilities
- Enforcing local laws
- Environmental education
- Environmental services
- Events and community festivals and activities
- Graffiti removal and prevention
- Hosting citizenship ceremonies
- Libraries
- Maintaining of playgrounds, play equipment and community facilities
- Managing facilities such as Tatura Park, Sports Stadium, Shepparton Showgrounds and Eastbank
- Managing road and footpath maintenance
- Outdoor pools
- Parking permits
- Pet registrations
- Provision of funding and grants for community facilities, sport, art, community, youth, sustainability and community-based events and regional towns
- Raising awareness of gender equity and family violence
- RiverConnect
- Riverlinks
- School crossing supervisors
- Shepparton Art Museum (SAM)
- Street lighting and signage
- Street Rider Bus
- Streetscaping
- Sustainability grants
- Undertaking strategic planning to ensure that Greater Shepparton has a sustainable and prosperous future
- Working with our regional towns in planning their futures



## Councillor Profiles

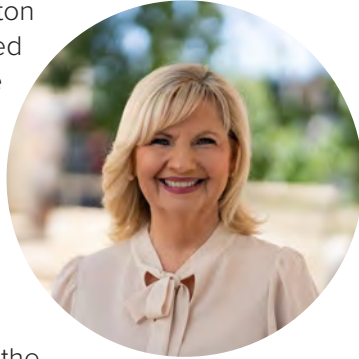
Greater Shepparton City Council comprises nine democratically-elected Councillors who represent our community. As the locally-elected representatives they advocate on behalf of residents and undertake key tasks such as approving the Council Plan and Council Budget.

They have a responsibility, as stewards of community resources, to manage the Council's assets, provide a wide range of services and facilities and ensure finances are allocated in the best interests of the whole community.



## Cr Kim O’Keeffe, Mayor

I have lived in Shepparton most of my life. Managed my own business in the service and training industry for over 28 years expanding my business nationally and taking on the role as the national education and marketing manager for the Salons Group. I have worked with both small and large businesses, who I continue to support and mentor. I have my own make up brand that is sold nationally.



I am married to Brendan, who also managed his own retail business for over 43 years. We have raised our two daughters here in Shepparton and invested our lives in a region that we believe in, love, and are proud to call home.

I was elected Councillor in November 2020 after having previously been elected in 2016.

During these terms elected as Deputy Mayor 2017 and Mayor, 2018/2019 and 2021 which has been an honour.

In 2021, I was very fortunate to achieve the role as the Chair of Regional Cities Victoria and to be appointed to the Local Government Mayoral Advisory Panel for a second term. It is critical the voice of our region is heard.

I am very passionate about the Greater Shepparton region. More than ever we need strong committed leadership to support our communities, businesses and industries.

We have successful investment in the region with support from the Federal and State Government. We must continue to work together to progress the aspirations of our region.

I have been a volunteer for 20 years for the Look Good Feel Better program for women with cancer, the SHINE program supporting our youth, FoodShare and a volunteer for People supporting People who support the homeless.

Many achievements are required during this term of Council, though a high priority must be investment in affordable housing and homelessness.

The Shepparton Bypass is well overdue, the Shepparton Sports stadium and Events centre will be an exciting new development. The opportunity for inner city living will inject further life into the CBD. We also desperately need investment in a Drug and Rehabilitation facility.

It is a new era of Council with six newly elected Councillors. I am really enjoying working with my fellow Councillors and doing all we can to achieve the best possible outcomes for our community.

I am here for the community.

## Cr Rob Priestly, Deputy Mayor

*Bachelor of Business  
(International Trade)*

I was born at GV Health and raised on dairy farms at Undera and Katandra. I moved to Melbourne to complete a Business Degree, majoring in International Trade.



I worked across Australia and in South East Asia in the grains industry before returning to the Goulburn Valley to start a family. I am married to Sonia and we have three sons.

For the past 25 years I have owned and worked in business and have learned what it takes to get things done and build success. I have developed strong business and community relationships across the region and the state.

Our region is positioned to capitalise on some big trends. Scarce water resources, climate change, rising food demand, and the on-shoring of manufacturing are all trends that can be tailwinds for this community if we get the leadership right.

Fulfilling our potential is not assured however, and it will require community and government leaders to work together and respond to the rapidly changing business and natural environment. To get anywhere, you need to be able to get along.

Our region has shown me the value of a cohesive diverse community, but we still have a way to go for some of our residents. Access to jobs, education, healthcare and social participation are not yet available to all in our community. My goal is for our region to lead in removing barriers for these residents by helping breakdown discrimination and making opportunities accessible for all. We are all better off when each member of community gets to participate to their fullest.

There is a great feeling of excitement amongst councillors and in the community around the new council. I want to see council supporting economic activity in the region, reviewing its costs, rates and budgets.

During the Council election campaign I was fortunate to meet with many of the leadership groups in our small towns. I met many terrific people through this and look forward to progressing their aspirations for their communities.

I am eager to start the ball rolling on the long process of securing a waste-to-energy project in our region.

## Cr Seema Abdullah

*Master of Information Systems (MSc. Analysis, Design and Management of Information Systems)*

*Master of Business Administration (MBA)*

*Bachelor of Science*

*Certified Project Management Professional, Project Management Institute (PMI, USA)*

*Graduate of Australian Institute of Company Director*



I grew up in Pakistan and migrated to Australia in 2004. I lived and worked in Melbourne for five years before moving to Shepparton in 2009 with my husband and two children. By profession I am a certified Project Manager and have work experience of more than 20 years from Pakistan, Malaysia and Australia.

There are many things that are great about Shepparton region. We have a strong sense of community, multicultural mix, diversity, beautiful lakes, rivers, river walks, trees, open spaces, sporting facilities and a relaxed pace of life within two hours of Melbourne.

Regional cities play an important role in the overall growth and sustainability of Victoria and Australia. Having lived in Shepparton for the last 12 years I see myself as a proud ambassador of regional lifestyle. I strongly believe in advocating for everything needed to enhance the liveability of regional cities.

It is my aim to foster diversity and inclusion in every aspect of Council's service delivery and community engagement. To me it is imperative that Council's programs and policies are reflective of the diverse social and economic needs of our community.

I am looking forward to be part of a Council that takes lead in acknowledging and removing barriers and disadvantages experienced by people from various sections of our community such as the indigenous community, ethnic minorities, refugees and new migrants, the elderly, people with disabilities and the LGBTIQ+ community.

Being on Council will allow me to play a strong role in areas that I am passionate about e.g. gender equality, early childhood education and support, environment and climate change action plan, affordable housing and an efficient and effective public transport system, to name a few.

As we know, SAM opening, the Maude Street Mall re-development and the Mooroopna Integrated Early Learning Centre are some of the significant projects commenced in my previous council term which will come to fruition soon. I'm excited to see the outcomes of Council's past decisions and advocacy and look forward to contributing to many more to ensure enhanced livability outcomes for Shepparton, Mooroopna, Tatura and our small towns.

## Cr Anthony Brophy

I grew up, was schooled, worked, volunteered, raised a family and have been connected to the community of Greater Shepparton virtually all my life.



My experience includes retail, politics, leadership, wellbeing, the public sector as well as additional studies. Combine my association with sporting clubs, service organisations and the media, and I bring to Council a unique set of skills, passion, enthusiasm and teamwork philosophy.

As a councillor, I focus on what our community needs. Where are the gaps that need filling and what future strategic direction we need to steer towards to ensure we are the best regional centre in Victoria.

We have an incredibly diverse community that underpins the strength of our region. Our industries, our agriculture, our lifestyle, our families, our small towns and our sporting and event facilities work in with our strong retail and wonderful hospitality sectors. So much to love about Greater Shepparton.

## Cr Geoff Dobson

I have lived in Shepparton for most of my life and my family is a third generation of Shepparton residents.



I was involved in the real estate industry for 35 years and in that time have owned two real estate offices, working mainly in commercial and residential real estate sales and property management and auctioneering. I served as Director of the Real Estate Institute of Victoria (REIV) for nine years and held the role of Victorian State President of the REIV.

This is my second term as a Councillor, previously serving as Mayor from 2008-2011. I offer my vast experience in public authorities when assessing policies that come before Council for determination.

We need positive, conservative and consistent leadership as we recover from COVID-19, and I will assist fellow councillors to achieve those aims.

I will continue to examine the burden of rates on commercial, industrial, rural and residential ratepayers, assist in producing positive climate change outcomes, assist outlying communities, address our water and environmental challenges and advocate for ratepayers.

I will also assist in the development of proper planning processes.

We must assist our major tourist attractions such as SAM and the Botanic Gardens to grow and prosper as national destinations. The Eastbank Lake Project will get my ongoing focus as well.



## Cr Greg James

I'm a very proud Yorta Yorta man, born in Mooroopna and have lived in the Goulburn Valley most of my life. I am a father of two wonderful children.

I attended school in Shepparton and then Melbourne University with two degrees in Education.



I hold a position as a representative of various Boards and I am an active member within the community, community sport and an Aboriginal artist in a number of mediums.

I was elected to the Greater Shepparton City Council in 2020 - the first indigenous person elected as Councillor.

I am looking forward to the opportunity to become an effective and informed councillor who can act as a positive role model for all of the Aboriginal community and create a positive pathway for our future young Indigenous leaders.

I look forward to the various challenges that will be presented to Council by our broader community and the opportunity to delve into the needs of those in our Greater Shepparton region, being able to lead our community positively and proactively in future projects and developments.

## Cr Sam Spinks

I am most looking forward to working with a driven and innovative team that continue to push Greater Shepparton forward. I am very honoured to be a part of this term's Council cohort of councillors, who represent a wide variety of our diverse communities and who each bring to the table different and important perspectives, experiences and skillsets.



We have an important and exciting opportunity to action the climate emergency and to forge a post-COVID region that thrives economically, protects and celebrates its environment, and nurtures and empowers its people.

I have a passion for social justice and community development, and I hope to focus on doing the little things well with care and transparency, on making sure each of our community members feels heard and seen, and on creating a Greater Shepparton that is the most accessible and inclusive it can possibly be.

## Cr Shane Sali

Shepparton is my home town, I was born here, schooled here, began my career here, I play football here and I'm raising my family here. I'm a father of three wonderful children and my wife Lirie and I operate fashion retail stores here.



I started my career in telecommunications and in 2013 I joined our family businesses to further advance my business skill set across our retail stores.

I'm an active member of the Greater Shepparton business community and deeply committed to the Goulburn Valley community and my heritage, sitting on the Shepparton Albanian Committee for the past 12 years.

We've got a great team; within the next four years we will continue to grow Greater Shepparton. I am looking forward to representing our community and working alongside eight other proactive and passionate Councillors.

Exciting times ahead as we continue to attract investment to our region, creating a better place to raise your family and the place you are proud to call home.

## Cr Fern Summer

*Bachelor of Nursing*

*Certified Division 1 Nurse*

*Graduated the Company Director Course*



I am a local nurse and mother who has served as a Councillor since 2012.

I graduated from Goulburn Valley Grammar School, hold a Bachelor's degree from Deakin University and am currently completing a Diploma of Primary Care Nursing at Melbourne University. I'm also a graduate of the MAV Company Directors Course and am a current board member of Kyabram District Health Service.

Greater Shepparton is a magnificent place to be. Our strong points of difference are our river frontages, unique small towns, strong retail sectors and innovative agricultural industries, which all afford unlimited opportunity within a COVID-19 climate.

Greater Shepparton is a fast growing municipality and that can present many challenges. It is imperative we transition from a 'town', into an important regional city, whilst keeping up with investment, infrastructure, services, employment and culture. My philosophy is that no one should be left behind.

I'm most looking forward to working with Councillors to deliver mutually beneficial outcomes for the community. Our diverse backgrounds offer a variety of robust opinions and debate that best serves the municipality as a whole. Councillors have flagged interest in greater involvement in small towns, international promotion for investment, environmental sustainability, and ensuring all constituents are empowered through broad communication.

My values are transparency, collaboration and respect. As a nurse, I will take a public health approach toward Council matters and strive to bridge the gap between organisational goals and community expectations.



## Directors

The Greater Shepparton City Council is led by the Chief Executive Officer (CEO) with the support of the Executive Leadership Team which comprises four Directors. The CEO and the Directors meet weekly to plan, co-ordinate and monitor the progress of Council's goals and strategic direction, financial management and statutory responsibilities. The team operate in accordance with the organisational values and the organisation's governance principles.



## Chief Executive Officer

### Peter Harriott

*Bachelor of Civil Engineering*

*Masters of Business Administration*

*Building Surveyor Certificate*

*Engineer for Water Supply Certificate*

*Municipal Engineers Certificate*

*Harvard Kennedy School Graduate*

*Graduate Diploma from the Australian Institute of Company Directors*

Peter has worked throughout Victoria and South Australia in local government over the past 35 years.

Peter has an interest in our changing climate and the impact our human footprint has on it. He believes action is required to ensure a sustainable future for our way of life and economic growth. He also places importance on culture and the arts as well as ensuring we all have a knowledge of the truth of our past settlement of the land.



As the Chief Executive Officer Peter is responsible for:

- Assisting the Council in the update and implementation of long-term strategic directions.
- Providing leadership and authoritative advice to the Council and Committees on the strategic directions, policies and review mechanisms for Council.
- Promoting and representing the Council to governments and government authorities in order to gain support and investment to achieve Council goals and best outcomes for Greater Shepparton.
- Leading and developing the Council to ensure that it maintains its status as a high-functioning organisation and that its functions are benchmarked against best national and international practice.

## Director Community

### Kaye Thomson

*Graduate Diploma  
from the Australian  
Institute of  
Company Directors*

*Bachelor of  
Applied Science/  
Community Health*

*General Nurse,  
Midwife, Maternal and  
Child Health Nurse*



Kaye commenced her role as the Director Community with Greater Shepparton City Council in November 2012.

Kaye has 40 years of experience in the Health, Emergency Management and Local Government sector.

Her passion is community engagement and capacity building, ensuring communities are involved in shaping their future. Kaye is committed to social change and quality service delivery to all age groups within the Community.

As the Director Community Kaye is responsible for:

- Active Living
  - › Aquamoves
  - › Health and Wellbeing
  - › KidsTown
  - › Outdoor Pools
  - › Stadiums
- Early Years
  - › Early Childhood Education and Services
  - › Maternal and Child Health Services
- Community Wellbeing
  - › Aged & Disability Services
  - › Community Engagement
  - › Community Planning
  - › Community Safety
  - › Community Strengthening
  - › First Nations Development
  - › Multicultural Development
  - › Neighbourhood Houses
  - › Social Planning
  - › Youth Development
- Riverlinks/Performing Arts
- Shepparton Art Museum Transition
- Libraries/GVRL
- Emergency Management

## Director Corporate Services

### Chris Teitzel

*Certified Practicing Accountant*

*Graduate Certificate in Management*

*Bachelor of Business*



Chris has been with Greater Shepparton City Council as Director

Corporate Services since 2014 and has almost 30 years local government and private sector experience in both Queensland and Victoria.

Chris has held many senior roles including CEO, Director Community and Environmental Services, Director Corporate Services and Manager Finance as well a position of Commercial Manager in the private sector. Chris is also a current Director and the Company Secretary for Shepparton Art Museum Limited and is a member of the Goulburn Valley Football Netball League's Audit and Risk Committee.

Chris is a strategic, community-focused individual with exceptional corporate governance, finance and operation planning skills. Chris has a strong interest in the important role local government plays in improving the economic and environmental sustainability of communities in regional Australia. He is focused on delivering cost-effective and efficient services to the Greater Shepparton region and ensuring the ongoing financial sustainability of Council.

As the Director Corporate Services, Chris is responsible for:

- Finance and Rates
  - › Accounting Services
  - › Financial Analysis
  - › Financial Reporting
  - › Rates & Revenue
- Information and Communication Technology
  - › Application & Development
  - › ICT Project & Infrastructure
  - › Systems Administration & Support
  - › Unified Communications
- Corporate Governance
  - › Contracts & Procurement
  - › Corporate Planning
  - › Governance
  - › Information Management
  - › Risk & Assurance
- Communications and Engagement
  - › Customer Service
  - › Community Connections
  - › Digital Media & Design
  - › Growing Greater Shepparton Marketing
  - › Marketing & Communications
- People and Development
  - › HR Systems
  - › Learning & Development
  - › Occupational Health & Safety
  - › Payroll
  - › People & Workforce

## Director Infrastructure

### Phillip Hoare

*Bachelor of Engineering  
(Civil)*

*Post Graduate  
Diplomas in Water  
Engineering,  
Municipal  
Engineering and  
Management*



Phil has a strong connection to Greater Shepparton having been born, raised and educated in the area. He also lives locally and comes from a family with a farming background in the area.

Phil was also a participant in the Fairley Leadership program in 2001 and successfully completed the Australian Institute of Company Directors (AICD) course in 2019.

With a career of approximately 30 years, Phil worked initially in local government, including time with the City of Shepparton in the late 80's to early 90's, before moving to the water industry where he worked with Goulburn Murray Water for 22 years.

Phil's experience includes senior management roles across a broad range of business functions including infrastructure management activities such as design and construction, strategic asset management, project management; customer service and operational roles covering administration, strategic business planning, customer engagement and consultation.

As the Director Infrastructure, Phil is responsible for:

- Projects
  - › Capital Works Planning
  - › Design Services
  - › Development Engineering
  - › Project Management Office
- Parks, Sport and Recreation
  - › Cleaning of Public Open Space Conveniences and infrastructure - CBD
  - › Landscape and irrigation installations in Public Open Space and Sports Facilities
  - › Management of Shepparton's Urban Forest and rural trees
  - › Park Infrastructure Maintenance
  - › Public Open Spaces and Wetlands Maintenance
  - › Park Renewals and Maintenance
  - › Recreational Planning
  - › Roadside vegetation control including slashing and weed management
  - › Sports Facility Development, Bookings Maintenance
- Strategic Assets
  - › Asset Condition Surveys
  - › Asset Inspections
  - › Asset Management Planning
  - › Building Maintenance
  - › Fleet and Stores
  - › GIS & Asset Management System Services
  - › Property Services
  - › Saleyards
  - › Victoria Park Caravan Park
- Works
  - › Aerodrome Management
  - › Drainage
  - › Footpaths
  - › Kerb and Channel
  - › Road Construction
  - › Roads and Road Furniture Maintenance
  - › Street Sweeping
  - › Traffic Engineering
  - › Transport Strategic Planning
- Waste
  - › Circular Economy – Planning & Implementation
  - › Landfill
  - › Litter Bins
  - › Strategic Waste Planning and Waste Management
  - › Street Collections
  - › Transfer Stations (Resource Recovery Centres)
  - › Waste Education



## Director Sustainable Development Geraldine Christou

*Bachelor of Business*

*Graduate Australian  
Institute of  
Company Directors*

Geraldine was appointed to the position of Director Sustainable Development in January 2018, after seven years leading the Economic Development team at Council.



Having grown up in Shepparton and raised a family here, Geraldine is very passionate about the community in which she lives. Geraldine has extensive experience in local government, having worked in the sector for over 17 years, following 12 years in the private sector ensuring a thorough understanding of the challenges that business and industry face. Geraldine has subsequently developed strong connections with the sector, working with them to facilitate new investment, growth and implement sustainability measures and maintain global competitiveness.

Geraldine has strong links to our community, representing Council on a number of boards and committees including the La Trobe University Regional Advisory Board, the Rail Freight Alliance and the Regional Development Australia Hume Committee. She has been a strong advocate on a number of key regional issues including passenger, high speed and inland rail, CBD revitalisation, water security and works actively with the Greater Shepparton Lighthouse Project on engaging youth in education, and is a member of the Shepparton Central Rotary Club.

Geraldine is working hard to ensure that the level of infrastructure and services for our community supports sustainable growth of the municipality and allows capitalisation of our many unique attributes.

As the Director Sustainable Development Geraldine is responsible for:

- Economic Development
  - › Business Centre
  - › Business and Industry Development
  - › Business and Industry Promotion
  - › Events and Tourism
  - › Grants Facilitation and Co-ordination
- Environment
  - › Animal Management
  - › Environmental Health
  - › Immunisation
  - › RiverConnect
  - › Sustainability and Environment
- Planning and Building Services
  - › Building Approvals
  - › Building Enforcement
  - › Local Laws
  - › Parking
  - › Statutory Planning
  - › Strategic Planning

## Staff

Greater Shepparton City Council is one of the north-east region's largest employers. We employ 900 staff in a variety of permanent and temporary roles on a full-time, part-time and casual basis. Three-quarters of our staff also live within the municipality. This means our people are able to bring a local passion, perspective and knowledge to the services they provide.

Council provides a range of flexible employment arrangements. Two-thirds of staff are female and the table below demonstrates a significant portion of the female workforce is made up of part-time and casual staff at different levels within the organisation.

There has been a decrease in the workforce of approximately 2.28 per cent. A casual conversion exercise has meant a slight decrease in the number of casual staff into either permanent part-time or full-time positions.



| Employment breakdown by gender                               |               |                 |               |
|--|---------------|-----------------|---------------|
|  | Employed Male | Employed Female | Total         |
|  | 323           | 577             | 900           |
| Employment by gender - full time, part time and casual staff |               |                 |               |
| Full time  | 222           | 170             | 392           |
| Part time  | 7.84          | 128.87          | 136.71        |
| Casual   | 9.46          | 25.63           | 35.09         |
| <b>Total</b>   | <b>239.30</b> | <b>324.50</b>   | <b>563.80</b> |
| Employment by organisation structure and gender              |               |                 |               |
| Office of the CEO  | 1.00          | 1.00            | 2.00          |
| Corporate Services Directorate                               | 28.84         | 59.99           | 88.83         |
| Community Directorate  | 24.17         | 181.92          | 206.09        |
| Infrastructure Directorate                                   | 161.36        | 28.30           | 189.66        |
| Sustainable Development Directorate                          | 23.93         | 53.29           | 77.22         |
| <b>Total</b>   | <b>239.30</b> | <b>324.50</b>   | <b>563.80</b> |
| Employment by bands and gender                               |               |                 |               |
| Band 1   | 1.67          | 4.15            | 5.82          |
| Band 2   | 5.20          | 4.82            | 10.02         |
| Band 3   | 87.65         | 42.80           | 130.45        |
| Band 4   | 35.30         | 86.84           | 122.14        |
| Band 5   | 34.82         | 63.94           | 98.76         |
| Band 6   | 31.00         | 30.62           | 61.62         |
| Band 7   | 20.00         | 36.43           | 56.43         |
| Band 8   | 7.00          | 3.00            | 10.00         |
| Other  | 16.66         | 51.90           | 68.56         |
| <b>Total</b>   | <b>239.30</b> | <b>324.50</b>   | <b>563.80</b> |

# Organisational chart as of 30 June 2021



## **People and Development**

As a local government organisation and a business it is important we understand our current workforce and Legislative framework under which we operate.

Legislation requires a Council to have an organisational structure and the necessary employees in place to effectively manage the operations in accordance with the Council Plan. The Council's existing organisational structure is based on functional activity and common objectives in order to meet the community's needs, provide quality and efficient services, support the stimulation and strengthening of the local economy and provide efficient and effective administration of the organisation.

Under the existing organisational structure, a range of full-time, part-time and casual staff are employed with a diverse skills base across a wide range of professions and disciplines. The Greater Shepparton City Council Enterprise Agreement 2020 was agreed by the Fair Work Commission and came into effect on 16 June 2021 with an expiry date of 30 June 2024. The Agreement is underpinned by the National Employment Standards, the Victorian Local Authorities Award 2001 and the Nurses and Midwives (VPHSSIE) Enterprise Agreement 2016 – 2020 (or its replacement). The agreement encourages workplace flexibility and multiskilling and delivers to employees sound terms and conditions of employment. Improved conditions negotiated included, amongst other things, improved work flexibility and family friendly clauses plus broader access to certain types of leave. These changes are in response to the current Pandemic and the effect it is having on staff.

## **Strategic Human Resource Management**

Constant reviewing of the organisational structure and functionality is undertaken by Council. This is conducted using a Job Analysis and Authority to Recruit process that requires all Directors and Managers to strategically review a position in the structure when it becomes vacant. This process is also to be followed when there is a request for a new position to be placed into the organisational structure, including roles which are externally funded, or when additional hours or budget are requested for a current position. This allows for a constant strategic review of the organisational structure. Service Planning also assists the organisation to ensure that the best possible value is being provided to the Community through appropriate resourcing of service delivery functions.

## **Child Safe Organisation**

As part of Council's adherence to Child Safe Standards, which resulted from the Child Safe Wellbeing and Safety Amendment (Child Safe Standards) Act 2015, Council is committed to promoting and protecting the interests and safety of children, and acknowledges that everyone working at Greater Shepparton City Council is responsible for the care and protection of children and reporting information about child abuse.

## **VAGO Report into Sexual Harassment in Local Government**

In 2020 The Victorian-Auditor General's Office (VAGO) performed a sector wide survey into sexual harassment in local government with 75 of 79 Victorian local councils participating, of which Greater Shepparton was one. The survey asked about:

- Individual experiences of sexual harassment;
- Complaints handling
- Training and policies in place
- Views on council communication and prevention measures

Following the published responses Greater Shepparton City Council is introducing a campaign of preventing Sexual Harassment or any form of anti-social behaviour towards staff and Councillors.

## Learning Organisation

Council prides itself on being a learning organisation, one which is committed to providing ongoing learning and development opportunities for all employees. The strategic vision is to enable its employees to achieve multiskilling, increase flexibility, and enhance productivity, performance, personal development and career development opportunities.

Council will continue to provide learning and development opportunities to:

- Achieve corporate objectives, initiatives and priorities, as set out in the Council Plan and individual departmental business plans
- Enable continuous improvement for both individuals and teams
- Implement and improve quality management systems
- Enable effective job and work design
- Improve career opportunities and job satisfaction of employees
- Provide specific skills to ensure the effective and efficient operation of the organisation
- Build and grow our leaders for the future

One of the purposes of learning and development programs is to ensure that employees acquire and utilise the specialist skills and knowledge, managerial and interpersonal skills required to perform the duties of their current position and to prepare them for the future requirements of Council in meeting the needs of the community. Whilst some learning events continue to be provided face to face (dependent on restrictions) Council has also implemented more online learning opportunities through its Online Learning Platform which enables staff to continue their professional development remotely. These opportunities include Inductions, Microsoft Training, COVID-19 Awareness, Asbestos Awareness or Time Management Training, with new courses being added every week.

## Reviewing and Building our Workforce Plan

The new Local Government Act 2020 states the Chief Executive Office is responsible for developing and maintain a workforce plan. The aim of reviewing and building the workforce plan is to ensure that Council is strategically planning to meet the needs of its current workforce, but also that Council is planning for what its workforce in the future will look like. There are an increasing number of departments within Council that are difficult to recruit for, whether the market is too competitive or the quantity of qualified candidates are not available. Therefore Council is including a 'Grow Our Own' strategy within workforce planning, taking advantage of progressive roles within departments and increasing the number of apprentices and graduate appointments.

A further aim of reviewing the workforce plan has been to ensure the demographics of people employed at Council genuinely reflects the demographics of the community. Council signed up to the Algabonyah Agreement in 2016 which aimed to have a two per cent Indigenous workforce by 2020. This figure was achieved in July 2019, therefore Council's new goal is for a five per cent Indigenous workforce by 2022. In order to achieve and maintain this figure Council is focussing on actions within its Reconciliation Action Plan and is working with a Strategic Aboriginal Project Officer within the Community Wellbeing department who will assist People and Development to improve employment opportunities and pathways into Council and help Council provide a culturally safe work environment.

## Impact of COVID-19

2020-2021 has continued to challenge Greater Shepparton City Council's employees with the continued lockdowns and ever changing restrictions. The majority of staff have been able to work throughout the pandemic, with most adapting to remote (home) working very well. This has actually assisted the organisation to adopt more formal flexible work arrangements where requested. The largest number of staff continuing to be affected through the Pandemic have been Active Living staff who have been unable to perform their normal duties due to the forced closures of certain work places, including the Shepparton Stadium, KidsTown and Aquamoves. Other areas affected included staff providing Riverlinks services, Aged Care Programs, and School Crossing Supervisors. Whilst adopting new work practices and utilising technology better, Council has continued to deliver their services to the Community and has adapted to work flexibly whilst under State restrictions.





## Recognition Awards

### Recognition of Retirement

When a staff member retires after 20 (or more) years of service, they receive a letter from the Mayor and are recognised at Council's All Staff Meetings.

The following staff members retired in 2020-2021 after more than 20 years:

- Anthony Maloni – 22 Years
- Barbara Twite – 32 Years
- Claire Sprunt – 21 Years
- Debra Falla – 20 Years
- Greg McKenzie – 24 Years

### Years of Service

Staff are recognised for their length of service and receive a certificate signed by the CEO and the Mayor. Those that have completed 10 years of service or more also receive gift vouchers. The recipients for the 2020-2021 financial year are detailed below:

#### 5 Years

|                       |                       |                   |
|-----------------------|-----------------------|-------------------|
| Aimee Forte           | Emma Hemingway        | Kristy McIntyre   |
| Aimee Stannard        | Eric Frescher         | Laura Church      |
| Amanda Gledhill       | Fiona Lowden          | Leanne Flasz      |
| Anne-Marie Michaelson | Hayley Hogan          | Lisa Gollant      |
| Anthony Mizzi         | Ifte Hossain          | Marisa O'Halloran |
| Bonnie McIntosh       | Jacqueline Napolitano | Marni Thomson     |
| Bryden Squire         | James Nolan           | Melanie Spokes    |
| Caitlyn Seymour       | Janette Vandermeer    | Natalie Cerasi    |
| Camilla Taylor        | Jeremy Roberts        | Nicole MacQueen   |
| Carlie Whitford       | Jessica Van Someren   | Peta Brown        |
| Carolyn Wright        | Jill Stevenson        | Peter Harriott    |
| Cassie Carrafa        | Jim Gow               | Raquel McDonald   |
| Celeste Holden        | Jodie Sutherland      | Robyn Brown       |
| Christine Cox         | Joel Board            | Sam Saracino      |
| Damien Squires        | John Houkes           | Sara Shamshiri    |
| Daniel Schaper        | Jorja Bourke          | Sharon Murray     |
| Ebony Woolstencroft   | Katherine Bruinier    | Sue Jackson       |
| Emily Rendina         | Ken Cameron           | Zoe Taylor        |



**10 Years**

Alan Wright  
 Amy Turner  
 Anne Cowie  
 Brett Merry  
 Brian Linehan  
 Chris Rumsey  
 Emma Leahy  
 Greg Schaper  
 Heather Hayes  
 Jacinta Rennie  
 Jackie Sirett  
 Jennifer Gibson  
 Jo O'Neill  
 Julie Michel  
 Julieanne Earles  
 Justin Hayes  
 Kerryn O'Keeffe  
 Kevin Hyde  
 Kyleigh Devine  
 Larry Friedberg  
 Marlene Carroll  
 Paul Dainton  
 Sally Ann Coates  
 Scott Saunders  
 Tracey Mercuri  
 Zoe Lancaster

**15 Years**

Andrew Dainton  
 Anthony Nicolaci  
 Beverley Bell  
 Craig Doyle  
 Dale Anwyl  
 Jason Wall  
 Jennifer Scandolera  
 Jessica Miller  
 Jon Griffin  
 Karen Dexter  
 Kevin McNair  
 Kylie Knight  
 Leanne Abbott  
 Len Ingham  
 Lin Waite  
 Mark Little  
 Megan Birks  
 Mel Decicco  
 Patricia Fennell  
 Rebecca Linnett  
 Rebecca Jeffers  
 Sam Crowe  
 Stacey Dowling  
 Steve Bugoss  
 Trent Sidebottom

**20 Years**

Braydon Aitken  
 Carol O'Reilly  
 Desmond Good  
 Garrie Scott  
 Jo Zampaglione  
 Linda Sutton  
 Noelene Kennedy  
 Pamela Wilson  
 Patricia Garraway  
 Stephen Damon  
 Tania Lowe

**25 Years**

Kelli Halden  
 Mandy Bilney  
 Roz Trevaskis  
 Valerie Lancaster

**30 Years**

Jennifer Rogers





## Employee Wellbeing

Council undertakes a number of employee health and wellbeing initiatives and programs, aimed at providing employees with information, tools and website links enabling them to make healthy choices, benefitting them, whilst creating significant advantages for Council that include improved productivity, engagement and retention and the ability to attract the best employees.

Pre Employment Screening is utilised as part of the recruitment process to ensure that all preferred candidates have the ability to carry out the inherent requirements of the role and that no potential employee is put at risk in a position that does not suit them physically. It also enables Council to make reasonable adjustments to the role or workplace to ensure the best person for the role is not disadvantaged in any way.

Inherent Physical Requirement Assessments are being carried out on all roles within Council. These assessments are used to inform the Occupational Therapists conducting the Pre Employment Screen to assess the applicant's suitability to perform the role he or she has applied for. They can also be used to assist treatment providers and the Early Intervention Officer with injury management and determine suitable duties, where appropriate, for return-to-work planning.

Council is committed to ensuring all employees across the organisation have access to information and training regarding health and wellbeing. Council's My Lifestyle program which promotes health and wellbeing amongst staff has been affected by COVID-19 this year with many planned initiatives unable to take place due to social distancing restrictions and a ban on public gatherings. However lots of information has been made available to staff who are either working remotely or are unable to access their usual mode of exercise to ensure staff are continuing to look after their physical and mental health.

These include:

- Sit Stand Desks offered to staff who have a proven medical requirement or work in a mainly sedentary role
- Promotion of local walk and bike trails, fitness and wellbeing apps
- Promoting Mindfulness through EAP provision, positive wellbeing posters and a monthly Wellbeing Magazine
- YouTube fitness videos provided by Aquamoves Instructors
- An increase in online health and wellbeing training for all staff such as Resilience Training, Stress Management, Mental Health First Aid, Manual Handling and Ergonomics.

## Employee Assistance Program

The EAP provides a confidential portal through which people are able to access a range of professional services at no cost to them. Council's EAP provider is called Converge International and they were chosen specifically for their ability to provide a local face-to-face service and also assistance through specialist helplines (ATSI, Eldercare, Family and Domestic Violence and LGBTIQ+). The utilisation rate of EAP's services amongst Council staff and their families between July 2020 and June 2021 was 4.1 per cent in comparison to the Public Administration/ Government benchmark of 7.9 per cent.

The information provided by Converge International for the July 2020 to June 2021 period indicates the following:

- The gender ratio shows that 78 per cent of EAP clients during this period are female, 22% are male
- One client preferred not to state a gender
- This is a slight increase from last year where only 15% of the clients were male
- 38% of clients were in the 40 – 49 age group

During this period 86 appointments were utilised with each client receiving a maximum of four appointments per issue. (Note some clients may have contacted EAP more than once for a range of issues). Face to Face appointments account for 23.3 per cent, with 50 per cent of clients receiving assistance via telephone and 26.7 per cent receiving assistance through video conferencing thereby showing the adaptability of the service during repeated lockdowns and restrictions.

Reports show that the number of people who require assistance with issues related to Coronavirus is as follows:

- 10.5% - exacerbated
- 7.9% - highly Related
- 21.1% - slightly Related
- 60.5% unrelated

The top four personal issues were:

1. Health and wellbeing
2. Personal relationships
3. Adjustment grief and loss
4. Lifestyle

The top four work related issues were:

1. Work practices
2. Work related incident
3. Work relationships or conflict
4. Work performance

## Workplace Health and Safety

Council takes its responsibilities for providing a safe workplace very seriously. OHS Committee meetings are held on a quarterly basis for each Directorate which is attended by all Directorate Managers and Health and Safety Representatives. A bi-annual Strategic OHS Committee is attended by all Directors and chaired by the CEO. This format enables improved engagement at all levels of Council staff and ensures a more strategic overview and application of the safety culture within Council. Health and Safety representatives across the organisation are receiving improved training and being empowered to become more actively involved in promoting the safety culture.

### Early Intervention

Management of both work-related and non-work-related injuries continued to be a focus for Early Intervention. Employees incurring an injury either inside or outside of work are offered appointments free of charge at Council's provider Work Healthy Australia. If the employee's injury or illness prevents them from fulfilling the inherent requirements of their role Council's Early Intervention Officer works with the provider and the individual to develop a Care Plan or a Return to Work Plan to assist them to return to work or stay at work.

By having the assessment undertaken and comparing it to the documented inherent requirements of the role, it is possible to create a list of specific tasks that the employee will or will not be able to undertake and build a care plan or return to work plan around these tasks. If possible, alternative duties are sought to keep the employee in the workplace. These are not necessarily in the same role or department as the employee's substantive position. By utilising Work Healthy Australia and working closely with the employee and their supervisor, results show the majority of employees suffering some kind of injury are able to remain on full duties and full hours throughout their treatment period.

Council actively utilises these Early Intervention strategies to reduce its Work Cover premiums, and Lost Time Injuries. If the employee does put in a Work Cover claim and is unable to work for a period of time Council works closely with the employee's treating practitioners and concentrates on providing return to work plans that will enable the employee to attend work in some capacity.

| POLICY YEAR | CLAIMS SUBMITTED | STANDARD CLAIM STATUS OPEN |
|-------------|------------------|----------------------------|
| 2020        | 6                | 3                          |
| 2019        | 12               | 2                          |
| 2018        | 19               | 2                          |
| 2017        | 9                | 1                          |
| 2016        | 14               | 1                          |
| 2014        | 5                | 0                          |



## Volunteers

Greater Shepparton has a vibrant volunteer culture that actively supports a wide variety of community groups, organisations and venues. Volunteering strengthens the fabric of our society, provides a sense of belonging, and builds positive relationships. Council recognises the services and support volunteers provide to our community.

Council has approximately 705 volunteers across more than 11 departments/programs. Council relies heavily on these volunteers to run many essential and non-essential Council programs. Some of the Council programs and departments that utilise volunteers include:

- Active Living Department - Get Moving, Activities in the Park, and KidsTown
- Events and Tourism Department - Visitor Information Centre
- Community Wellbeing Department - Community Planning Committees, Meals on Wheels, Social Connections, Community Asset Committees, Youth Committee, Children's Services
- Riverlinks - Ushers and Technicians for performances at Eastbank and Westside

Council also facilitates the Volunteer Managers Network. External to Council, the Volunteer Managers Network consists of volunteer managers, coordinators and volunteer organisations from across the municipality. Network members share resources to explore, evaluate, and enhance the function of volunteering and volunteer management. The Network consists of 38 organisations.

## Greater Shepparton Volunteer Strategy and Action Plan 2019-22

Council's work in the volunteer space is guided by the Greater Shepparton Volunteer Strategy and Action Plan 2019-2022. The 2020-21 financial year has seen a focus on continuing the delivery of the actions contained in the Strategy and Action Plan. The aim of the Strategy and Action Plan is to support the existing volunteer frameworks within our community, while identifying potential opportunities to expand volunteer options within the Greater Shepparton area in a supportive and sustainable manner.

The Strategy and Action Plan consists of identified activities Council and Volunteer Managers/Coordinators will undertake during 2019-2022 in four strategic directions:

### Key Strategic Direction 1: Promotion

- Promote and inform on the benefits of volunteering

### Key Strategic Direction 2: Recruitment

- Implement leading practices and high-quality standards

### Key Strategic Direction 3: Supporting Volunteers

- Ongoing commitment to volunteer participation, support and development

### Key Strategic Direction 4: Celebrate and Recognise

- Volunteers are appreciated, acknowledged and celebrated

Some highlights of the work driven by the Strategy and Action Plan for the 2020-21 financial year include:

- The purchase of volunteer management software 'Better Impact' to enable Council to better recruit, manage, retain, and acknowledge volunteers. This software will move Council toward a best practice model. It will ensure consistency in the recruitment of, communication with, and management of those who volunteer for Council programs. Better Impact will also enable accurate reporting of volunteer numbers and impact, and mitigate risks associated with managing volunteers.
- The implementation and facilitation of real time network 'Slack' which has enabled the sharing of information, resources, and opportunities for volunteer managers in the External Volunteers Managers Network.
- Organised the delivery of professional development sessions to Volunteer Involving Organisations across Greater Shepparton regarding 'The changing nature of volunteering' and 'Effective recruitment strategies and involving diverse groups of volunteers.'
- Completed review of the Greater Shepparton Volunteer Recognition Awards.
- Successful delivery of the 10th and 11th Annual Greater Shepparton Volunteer Recognition Awards. The 10th Awards were held in September 2020, later than usual due to COVID-19.

### **Greater Shepparton Volunteer Recognition Awards**

In 2020, due to the COVID-19 pandemic the 10th awards ceremony was held virtually in late September 2020, meaning the winners were unable to be recognised in the 2019-2020 Annual Report. Council would like to take the opportunity to recognise the award winners from the 2020 Volunteer Recognition Awards.

- Female: Bree Findlay
- Male: Alex Sislov and Peter Findlay
- Youth: Fazela Abbasi
- Team: Heartbeat Goulburn Valley Branch
- Long Serving: Leigh Bamford

In 2021 the 11th Greater Shepparton Volunteer Recognition Awards were held during National Volunteer Week in May. Due to the fluctuating nature of the COVID-19 pandemic, the awards took place under a hybrid model. The awards ceremony was limited to 120 'in person' attendees, and was livestreamed on Council's Facebook page which was viewed by 1,400 people.

Twenty-four nominations were received across the four categories of:

- Young Volunteer: 12 to 25 years of age.
- Adult Volunteer: 26 years of age and over.
- Volunteer Team: A group of two or more people.
- Long Serving Volunteer: 15 years or more service.



Due to the extremely high calibre of entries received, the Awards Assessment Panel decided on five Award winners, which saw two recipients receive the Long Serving Volunteer Award.

- Young Volunteer: Tom Saxton
- Adult Volunteer: Severin Duhring
- Volunteer Team: Shepparton Foodshare
- Long Serving Volunteer: Geoff Long and Gwen Wallace

### The Changing Landscape of Volunteerism

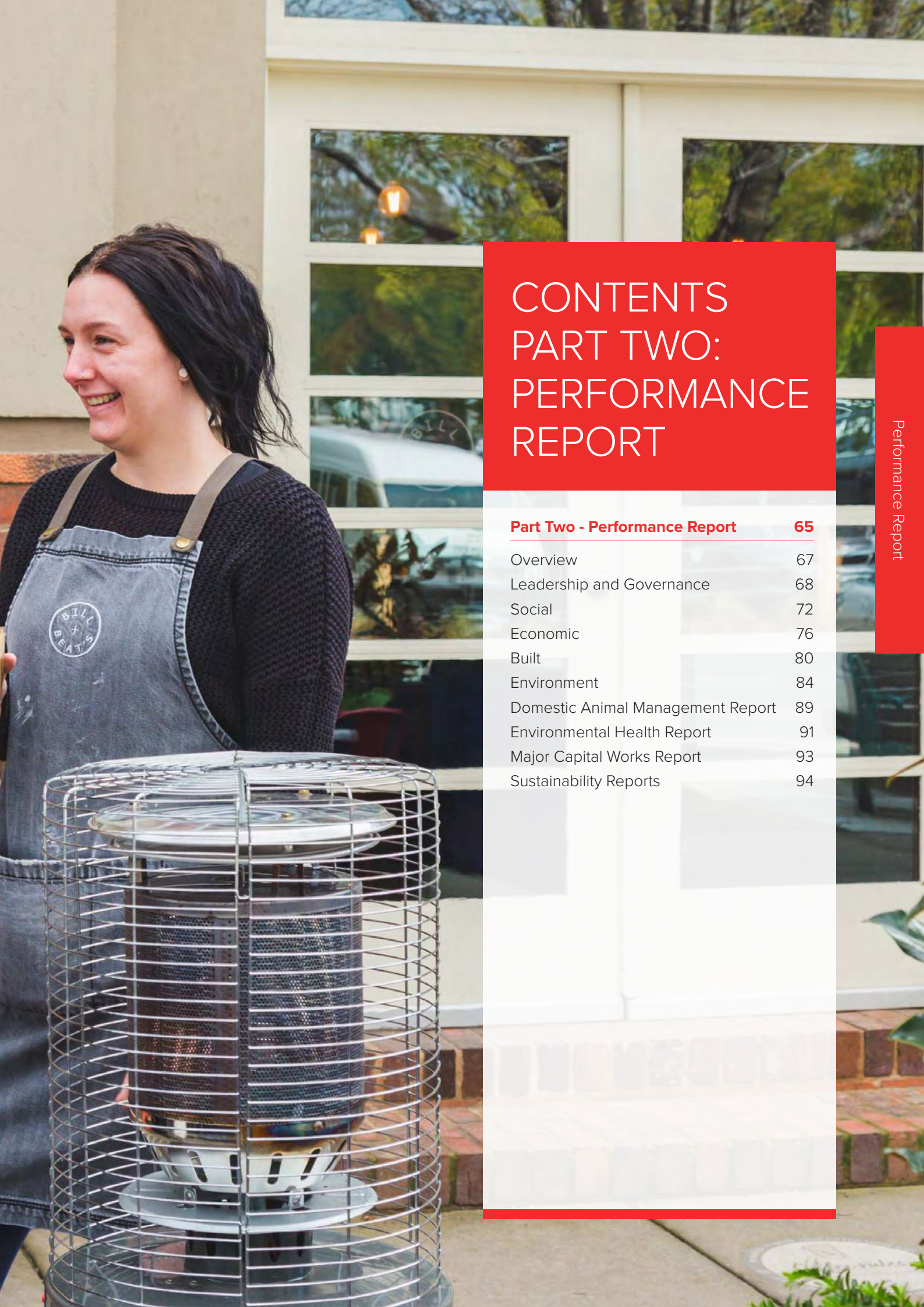
During the 2020-21 financial year the continuing presence of the COVID-19 pandemic has seen those in the volunteering community continuing to adapt. The ongoing nature of the pandemic has meant volunteers have had to adapt by pausing and resuming their volunteering activities. Some organisations have had to continue the temporary stand down of volunteers due to increased risks.

Current research indicates there has been a steady decline in volunteer numbers across Victoria, whilst in general Volunteer Involving Organisations have seen an increase in demand for services – thereby creating pressure. Council remains committed to understanding the impact of the COVID-19 pandemic on volunteering across the municipality.

Council will continue to facilitate the Internal and External Volunteer Managers Networks and will also continue to ensure its Volunteer Policy aligns with the National Standards of volunteering.







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GREATER SHEPPARTON

# PART TWO: PERFORMANCE REPORT

This part of the Annual Report provides a summary of how we're performing in the five key areas identified in the third year of the 2017-2021 Council Plan.

The strategic goals that we are aiming to achieve are:



## **Leadership and Governance**

Provide strong civic leadership, advocacy and good governance in the operation of Greater Shepparton City Council.



## **Social**

Develop resilient, inclusive, healthy communities that make Greater Shepparton a safe and harmonious place to live, work, learn and play.



## **Economic**

Build a thriving, resilient economy where Greater Shepparton is recognised as a competitive place to invest and grow business.



## **Built**

Provide and support appealing relevant infrastructure that makes Greater Shepparton an attractive, liveable regional city.



## **Environment**

Enhance and protect the clean, green environment that makes Greater Shepparton the unique place it is.

As you'll read from this performance report in some areas we have performed well, while in other areas we could have done better. This report enables us to identify the areas that we may need to focus our attention on improving results in the coming 12 months and other areas that might actually need a different approach. It also shares some of the challenges that we have encountered along the way.



# LEADERSHIP AND GOVERNANCE



Provide strong civic leadership, advocacy and good governance in the operation of Greater Shepparton City Council.

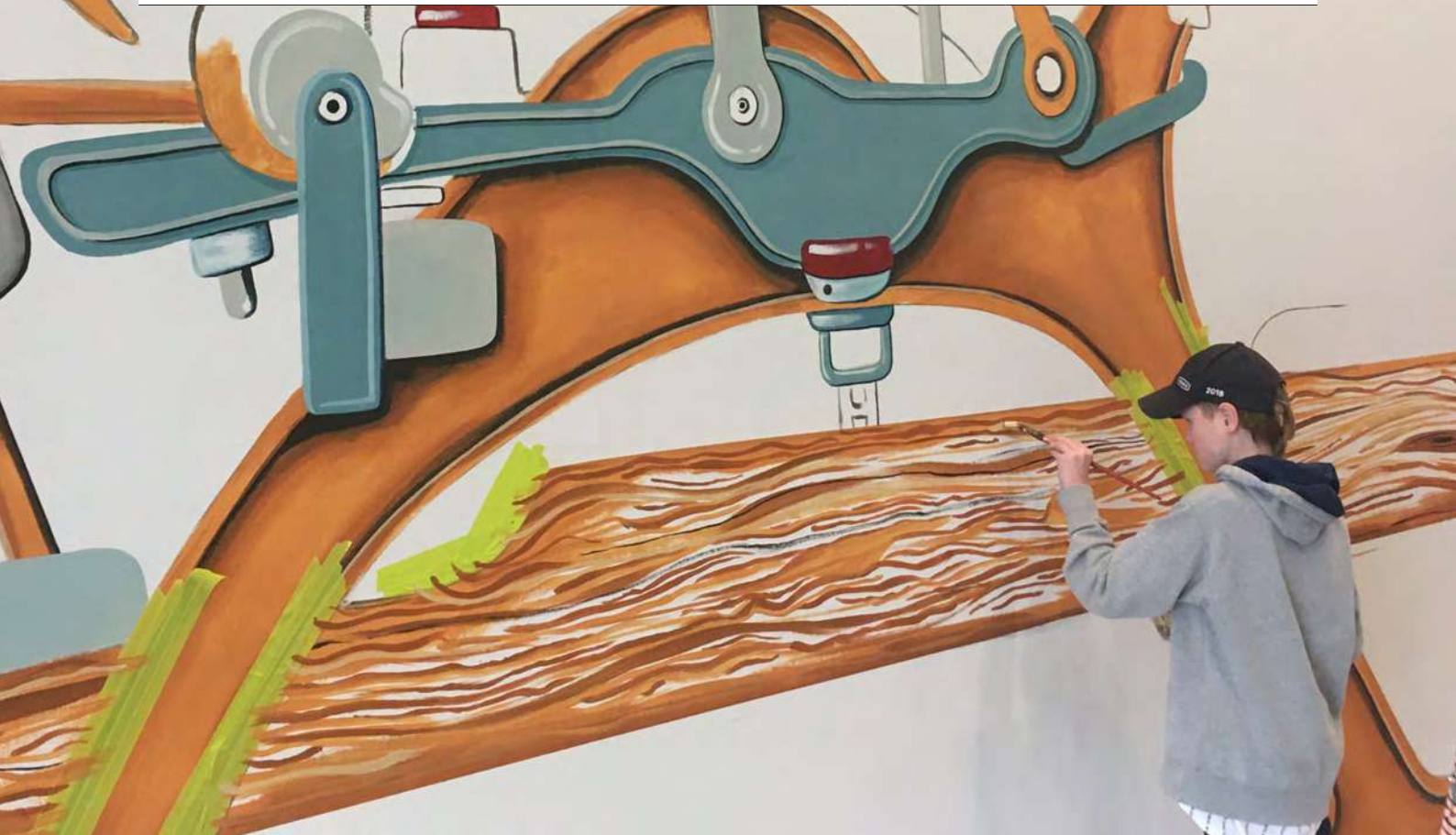


## Objectives:

- 1.1 Council demonstrates strong regional and local partnerships to improve health and wellbeing access and inequity.
- 1.2 Council works closely with/is guided by the Department of Health and Human Services to develop and report annual targets of the Municipal Health and Wellbeing Implementation Plan.
- 1.3 Council demonstrates strong leadership and sound decision making in the best interests of the community.
- 1.4 Financial management is responsible and effective in responding to challenges and constraints with a focus on the financial sustainability of the Council.
- 1.5 Council is high performing; customer focused and is marked by great people and quality outcomes.
- 1.6 Gender equity and equality is embedded into Council policy and decision making and employment processes.
- 1.7 Council advocates on issues, priorities and needs that matter to our community in partnership with key stakeholders.
- 1.8 Consultation that is transparent, robust and accessible, and clear, consistent and timely communication provided to inform, educate and engage with the community.
- 1.9 Service standards and service delivery models are realistic and meet community expectations and demand while being financial viable and in line with Council's core business.

## Measures of Success:

| MEASURE  | TARGET | ACTUAL | OUTCOME |
|--|--------|--------|---------|
| Adjusted underlying surplus (or deficit) as a percentage of underlying revenue | 2%     | 8.57%  | ✓       |
| Community satisfaction with community consultation and engagement              | 55%    | 52%    | ✗       |
| Community satisfaction with council decisions                                  | 50%    | 51%    | ✓       |
| Community satisfaction with level of advocacy                                  | 50%    | 51%    | ✓       |
| Community satisfaction with services   | 65%    | 65%    | ✓       |
| Council decisions made at meetings closed to the public                        | 5%     | 1.6%   | ✓       |
| Councillor attendance at council meetings                                      | 90%    | 94%    | ✓       |
| Current assets as a percentage of current liabilities                          | 150%   | 157%   | ✓       |
| Customer responsiveness  | 70%    | 67%    | ✗       |
| Loans and borrowings as a percentage of rates                                  | 40%    | 28.7%  | ✓       |
| Municipal HWB Implementation Plan reported annually to DHHS                    | 100%   | 100%   | ✓       |
| Overall Council Direction  | 50%    | 57%    | ✓       |
| Overall performance community satisfaction rate                                | 50%    | 59%    | ✓       |





Free WiFi  
extended

**Community  
Vision Statement**  
adopted for Greater  
Shepparton

Council and  
**Yorta Yorta  
Nation Aboriginal  
Corporation** sign  
MoU

Council adopts  
Shepparton and  
Mooroopna 2050  
**Regional City Growth  
Plan**





Council adopts  
Play **Space**  
**Strategy**  
**2020-2030**

Projects  
nominated  
as a **finalist in**  
**excellence**  
**awards**

Council adopts  
**Congupna**  
**Recreation Reserve**  
**Master Plan**

Council adopts the  
**Toolamba Growth**  
**Plan 2020**

New Chair and  
Deputy Chair  
appointed to lead  
**Regional Cities**  
**Victoria**

Council  
challenging  
ableism this  
**International Day**  
**of People with**  
**Disability**

Council  
approves funding  
for **Heritage**  
**Grants**





## SOCIAL



Develop resilient, inclusive, healthy communities that make Greater Shepparton a safe and harmonious place to live, work, learn, and play.



### Objectives:

- 2.1 Greater Shepparton is a welcoming, inclusive and safe place for all.
- 2.2 Our community is supported to achieve and sustain physical, emotional and spiritual health and wellbeing.
- 2.3 Lifelong learning is valued and fostered in our community.
- 2.4 Social and cultural, educational and employment opportunities are created to enable children, young people, individuals and families to actively participate in their community.
- 2.5 Creativity and participation in arts and culture is nurtured and encouraged.
- 2.6 Volunteering is promoted and encouraged along with other measures to improve community resilience.
- 2.7 Greater Shepparton is valued for cultural celebrations, inclusion and engagement of our diverse communities.
- 2.8 Aboriginal culture and people are valued and celebrated, with collaborative actions undertaken to enable peaceful, healthy and productive lives in a safe environment.
- 2.9 Public places, open space and community facilities are safe and accessible for all and presented to a high quality.
- 2.10 Council demonstrates strong regional and local partnership efforts across health and wellbeing.
- 2.11 Implement strategies that align with the Royal Commission into Family Violence.

## Measures of Success:

| MEASURE  | TARGET  | ACTUAL  | OUTCOME |
|--|---------|---------|---------|
| Active library members in municipality   | 20%     | 9%      | ✘       |
| Compliance with Home Care Standards  | 100%    | 100%    | ✔       |
| GSCC to achieve 2% indigenous employment by 2020 as per the Algabonyah Agreement   | 2%      | 2%      | ✔       |
| Immunisation coverage rate   | 93%     | 95%     | ✔       |
| Number of people attending performing arts events <sup>1</sup>   | 48,343  | 61,207  | ✔       |
| Number of people attending SAM <sup>2</sup>  | 0       | 0       | ✔       |
| Number of people cycling to work within Greater Shepparton   | 720     | 365     | ✘       |
| Number of people that participate in Council-run Active Living programs <sup>3</sup>   | 750,000 | 129,409 | ✘       |
| Participation in the Maternal & Child Health (MCH) Service   | 75%     | 81%     | ✔       |
| Participation in the MCH service by Aboriginal children  | 65%     | 85%     | ✔       |
| The Actions identified in the Municipal Public Health and Wellbeing Annual Action Plan linked to the Social Theme are addressed. | 100%    | 100%    | ✔       |

1 Covid restrictions resulted in many cancellations and postponements as capacity limits often made performance unviable to proceed.

2 SAM is now a separate entity.

3 Significant periods of lockdown during this reporting period and when open, significant restrictions on running programs have made attendances difficult to generate.





Council launches  
**multilingual children's  
books**

Greater  
Shepparton turns  
purple for  
**World Elder Abuse  
Awareness Day**

Greater  
Shepparton joins  
**National Light Up  
for Fragile X**



**Poppy** – joins the  
Mooving Art herd

**Goulburn Vibes**  
returns to Victoria  
Park Lake





## ECONOMIC

“

Build a thriving, resilient economy where Greater Shepparton is recognised as a competitive place to invest and grow business.

”

### **Objectives:**

- 3.1 The Greater Shepparton economy is prosperous, high value and a focus of choice for business, investment and employment.
- 3.2 Strong global, national and local business connections are developed and nurtured.
- 3.3 Greater Shepparton is a major destination for events and tourism (e.g. progression of the business case for the Greater Victoria Commonwealth Games bid).
- 3.4 Water is protected and managed to optimise sustainable benefits for industry, the environment and the community.
- 3.5 Shepparton is the regional city centre supported by well-planned and designed existing and emerging commercial activity centres.

## Measures of Success:

| MEASURE   | TARGET  | ACTUAL  | OUTCOME |
|---|---------|---------|---------|
| Average length of stay per visitor (days)   | 2.35    | 2.40    | ✓       |
| Economic yield from Council events <sup>1</sup>   | \$45m   | \$30m   | ✗       |
| Number of employed residents  | 30,052  | 31,169  | ✓       |
| Number of existing businesses Council assists to expand their operations in Greater Shepparton                                    | 20      | 16      | ✗       |
| Number of local jobs  | 30,185  | 33,420  | ✓       |
| Number of new businesses Council assists to invest in Greater Shepparton  | 20      | 38      | ✓       |
| Reduction in the Greater Shepparton retail vacancy rate   | 10%     | 7%      | ✓       |
| The Actions identified in the Municipal Public Health and Wellbeing Annual Action Plan linked to the Economic Theme are addressed | 100%    | 100%    | ✓       |
| Value of gross regional product   | \$2.9Bn | \$3.7Bn | ✓       |
| Value of non-residential building approvals   | \$50m   | \$203m  | ✓       |
| Visitor numbers increase <sup>2</sup>   | 979,100 | 742,000 | ✗       |

1 Economic yield from Council events is \$29.95m as at August 2020 due to Covid-19 and major events restrictions being in place.

2 The number of visitors for year ended March 2021 was 742,000 which is lower than previous reports due to Covid-19 impacts and restrictions.





# KIND

**Connecting students** with small business program success

**Events grants** awarded to eight community groups

Softball Victoria returns for **Masters Championships**

**Grants available** for youth interested in VET courses

**Free pre-kinder programs** available in Greater Shepparton

AFC Youth Women's qualifiers secured

Fraser Street / West Walk car park **now free but timed**





# NEWS



**Activities in the Park** program offers a boost to local business

Greater Shepparton welcomes **Hockey Victoria**

Council receives 2021 **Victorian Youth Week Grant**

New **Youth Development Committee** formed

**BMX World Cup** recognised as State Finalist in Australian Event



BUILT



Provide and support appealing relevant infrastructure that makes Greater Shepparton an attractive, liveable regional city.



### Objectives:

- 4.1 Growth is well planned and managed for the future.
- 4.2 Urban and rural development is sustainable and prosperous.
- 4.3 Greater Shepparton's heritage places, cultural landscapes, and objects are protected and conserved for future generations.
- 4.4 Quality infrastructure is provided and maintained to acceptable standards.
- 4.5 Assets are well managed and their renewal is being planned through long term renewal strategies.
- 4.6 Accessible digital infrastructure across Greater Shepparton supports connectivity and enterprising capability.
- 4.7 Reliable, safe, more frequent and connected local and broader transport system supporting the connection of people within, across and outside of Greater Shepparton.
- 4.8 Active transport (cycling, walking) is encouraged through safe, connected and improved linkages.
- 4.8 Freight and logistics infrastructure is developed to accommodate future growth.
- 4.9 Transport routes are efficient and local roads are protected from unnecessary freight, through opportunities involving the intermodal hub and Goulburn Valley Highway Shepparton Bypass.

## Measures of Success:

| MEASURE   | TARGET | ACTUAL | OUTCOME |
|---|--------|--------|---------|
| Asset renewal funding as a percentage of total depreciation <sup>1</sup>  | 100%   | 80%    | ✗       |
| Building applications decided within 14 days (for complete applications)  | 100%   | 100%   | ✓       |
| Community satisfaction with condition of sealed local roads   | 55%    | 57%    | ✓       |
| Increase in kilometres of cycling and walking routes in Greater Shepparton  | 121km  | 172km  | ✓       |
| Infrastructure asset defects addressed within relevant intervention period by class of asset                                    | 90%    | 58%    | ✗       |
| Maturity of Council's asset management practices and processes  | 1,100  | 1,100  | ✓       |
| Number of Federal and ministerial meetings and briefings held per year in advocating for projects, services and programs        | 10     | 13     | ✓       |
| Percentage of capital projects completed at the conclusion of the financial year (based on number of projects)                  | 94%    | 81%    | ✗       |
| Planning applications decided within 60 days  | 80%    | 77%    | ✗       |
| Planning applications issued within 10 working days (PPARS)   | 100%   | 69%    | ✗       |
| The Actions identified in the Municipal Public Health and Wellbeing Annual Action Plan linked to the Built Theme are addressed. | 100%   | 100%   | ✓       |

<sup>1</sup> 80% due to the rebudget of the capping of Cosgrove 2 Cell 4 to the 21/22 financial year.





Landscaping works begin in **McLennan Street Mooroopna**

Turning **recycled glass** and pavement into greener roads

Goyen Reserve Car Park complete

**New SAM building** opens ground floor

**Tatura Library** officially opened





Upgrades to **Public Toilets** in Mooroopna completed

**Vibert Reserve** new lights installed

Introduction of 40km/h zone

Greater Shepparton projects **awarded excellence**

**Toolamba Bridge** Reopened

**Tatura Park** upgrades now complete



# ENVIRONMENT



Enhance and protect the clean, green environment that makes Greater Shepparton the unique place it is.



## Objectives:

- 5.1 Greening Greater Shepparton has created an attractive, vibrant and liveable place with well-connected green spaces that are valued by the community.
- 5.2 The region's environmental assets are planned and managed to ensure they are enhanced and sustainable for future generations.
- 5.3 Waste is managed in a sustainable way that is environmentally friendly, reliable and sustainable for future generations.
- 5.4 Council has positioned itself to be a leader in building Greater Shepparton's response to climate change issues, in partnership with key stakeholders.
- 5.5 Alternative energy sources with both environmental and economic gains are promoted and encouraged.
- 5.6 Floodplain management minimises the consequences of flooding to life, property, community wellbeing and the economy.

## Measures of Success:

| MEASURE   | TARGET  | ACTUAL  | OUTCOME |
|---|---------|---------|---------|
| Improve Council's energy efficiency rating in accordance with the Energy Reduction plan   | 20%     | 20%     | ✓       |
| Kerbside collection waste diverted from landfill  | 50%     | 51%     | ✓       |
| Percentage of Native Vegetation cover (NVC)   | 7,311Ha | 7,320Ha | ✓       |
| Percentage of tree canopy cover   | 27%     | 27%     | ✓       |
| The Actions identified in the Municipal Public Health and Wellbeing Annual Action Plan linked to the Environment Theme are addressed. | 100%    | 100%    | ✓       |
| Trees planted per year (including One Tree Per Child)   | 17,000  | 22,780  | ✓       |



**Council signs on to  
VECO**

**Sustainability  
Grants awarded**

**Purple  
compostable  
bags are rolled  
out**

**Street tree  
planting underway**

**Greater  
Shepparton  
events recognised  
for **Keeping  
Victoria  
Beautiful****





ess fruit and  
s here.

**One Tree Per  
Child** Project helps  
plant 22,780

Rodney Neighbourhood  
Steiner Kinder **receives  
Landcare and Biodiversity  
Grant**

**Craigmuir Lake  
Geese** relocated to  
private dam

**Shepparton  
Botanic  
Gardens**  
custodians of rare  
and threatened  
plants

Council  
adopts policy  
to reduce **single  
use plastic** at its  
events





## Domestic Animal Management Plan (DAMP)

The Domestic Animals Act 1994 (section 68A) requires every Victorian Council to prepare and action a Domestic Animal Management Plan (DAMP). This is an operational four year action plan that addresses a set of specific objectives having been guided by community consultation including actions aiming to deal with the registration and identification of dogs and cats, nuisance animals, dog attacks, dangerous, declared, guard and menacing dogs in our community, domestic animal businesses, puppy farms and animal welfare issues.

The DAMP includes a number of actions relating to the management of Council's animal shelter located in North Shepparton, including increasing animal adoption and decreasing euthanasia rates. Council's current DAMP builds on the previous two plans and addresses service delivery and animal initiatives for the period 2017-2021. In general terms, the plan targets responsible pet ownership and animal welfare issues.

Council has a very well-trained and experienced animal management team who work towards addressing the action items that make up the DAMP. Following is a list of the major actions that were achieved in 2020/21, by the Animal management team:

- responded to 2,415 requests and reports from the community
- monitored and inspected all declared dangerous, menacing and guard dogs
- monitored and audited all domestic animal businesses
- implemented new puppy farm legislation
- provided a 24hr animal emergency response service
- successfully prosecuted 100% of the dog attack incidents at court
- promptly investigated all animal welfare, cruelty and puppy farm reports
- supported and cared for numerous lost animals
- provided ongoing animal management support at bushfire locations
- increased the number of animals that were rehomed
- continued to decrease euthanasia rates
- issued desexing vouchers to those in need
- worked with dog owners to reduce impound rates

Over the next year the department will continue to work the DAMP throughout its final year. The development of the next DAMP is underway. A major facility improvement project has commenced at the animal shelter with the new cat room completed and now in use. Four new compliant animal transport vehicles have been delivered. The team will continue to work to improving outcomes for animals within Greater Shepparton as well as improving safety for the community.

### Animal Registrations 2011 - 2021

| Animal Registration Period | 2011-2012     | 2012-2013     | 2013-2014     | 2014-2015     | 2015-2016     | 2016-2017     | 2017-2018     | 2018-2019     | 2019-2020     | 2020-2021     |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Registered Dogs            | 10,135        | 9,601         | 10,022        | 9,488         | 9,435         | 8,460         | 8,897         | 9,048         | 7,983         | 8,322         |
| Registered Cats            | 2,864         | 2,683         | 2,871         | 2,750         | 2,764         | 2,536         | 2,660         | 2,899         | 2,411         | 2,551         |
| <b>Total</b>               | <b>12,999</b> | <b>12,284</b> | <b>12,893</b> | <b>12,238</b> | <b>12,199</b> | <b>10,996</b> | <b>11,557</b> | <b>11,947</b> | <b>10,394</b> | <b>10,873</b> |



## Environmental Health Report – 2020-2021

### Registered Premises Management

- Annual registrations processed: food premises - 689, hair/beauty/tattooists - 164, accommodation – 49, caravan parks – 19
- Inspections of Class 1, 2 & 3 food premises – total 365 inspections completed
- Investigation of complaints relating to registered premises activities
- Temporary Food Premises Management – state-wide Streatrader system – 610 permits processed annually
- Food Act reporting to DHHS and LGPRF reporting on food premises related activity only

### Food Sampling

- 113 samples collected (28 - Class 1 & 85 – Class 2), follow-up of failed samples, education and re-submission, number of failed samples – 20

### Immunisation

- Public sessions for infants and adults – seven monthly sessions at four locations. The number of clients attending council public clinics annually – 1,066; the number of vaccines administered - 2,206. The number of locations was reduced in March 2020 due to COVID-19 restrictions. The Immunisation service has made adjustments to adhere with the restrictions and importantly ensured the service could continue
- School Immunisation Program – Year seven students – two visits per annum – 2,068 vaccines administered, Boostrix (Diphtheria, Tetanus & Pertussis) and Gardasil (Human Papillomavirus). Year 10 students – over 560 Meningococcal vaccines provided
- Immunisation service provided to businesses on request particularly for Flu Vaccinations, 630 Flu vaccines were provided at businesses annually
- Immunisation record requests – 19 annually, catch-up Immunisation programs prepared annually – 21

### Infectious Disease Management

- Gastroenteritis investigations at institutions eg. Aged Care and Child Care – seven outbreaks managed this year, reporting to DHHS. Single case investigations as directed by DHHS, six cases investigated this year
- Complaint investigation relating to Nuisances under Public Health & Wellbeing Act, often complex investigations that are managed over weeks/months based on complexity of complaint eg. Odour, noise, spray drift etc
- Sharps/Syringe Management – free sharps disposal service for diabetic/medical needs (1,728 containers disposed of annually) and collection of dumped sharps in public places (40 reports actioned this year)
- Monitoring public swimming pools and spas for compliance with chemical and micro-biological standards set by the regulations (The Council pools were inspected and samples collected during the summer season)

### Mosquito Management Program

- Seasonal program coordinated from November – April each year, four adult traps set weekly, trapped mosquitoes sent to Melbourne laboratory for identification and arbo-virus testing
- Larval monitoring of 130 sites (such as drainage and depression areas) managed over the season, identification and treatment of sites when necessary

### Septic Tank Management

- Permit applications – 87 were processed and 193 inspections completed this year and 282 planning and building referrals were actioned. There has been a significant increase in development activity over this period with a large increase in permits processed

### Tobacco Compliance

- Tobacco retailers – unfortunately the test purchase program had to be cancelled due to COVID-19 restrictions. Council officers completed additional activities such as extra inspections of all retailers, outdoor dining and playground areas and assessed new businesses related to the sale of e-cigarettes in line with State Government agreement amendment



## Major Capital Works Report

By the end of June 2021, 80 per cent of capital works projects were completed - 120 out of 158 projects. Below are some of the main projects completed during the last financial year.

|   |             |
|---|-------------|
| Road Sealing and Asphalt Works                    | \$6,042,000 |
| Footpath Renewals                                 | \$360,051   |
| Katandra West Basin                               | \$391,634   |
| North Growth Corridor Drainage                    | \$1,331,448 |
| Cycling Strategy Works – Echuca Road              | \$83,514    |
| Aquamoves 25m Indoor Tile Renewal                 | \$596,201   |
| Midland Highway Recreation Path – Shepparton East | \$183,865   |
| McLennan Street Landscaping                       | \$394,855   |
| Sports Precinct Storage Compound                  | \$391,314   |
| Aquamoves Pool Heating                            | \$386,871   |
| Installation of Solar on Council buildings        | \$193,387   |
| Saleyards Remediation                             | \$673,432   |
| Riverlinks Sound Upgrade                          | \$247,983   |
| Tatura 10km Walking Loop                          | \$102,157   |
| Tom Collins Drive Landscaping and Parking         | \$131,663   |
| Wyndham Fitzjohn Intersection                     | \$4,458,968 |
| Weddell Street Reconstruction                     | \$601,364   |

Below are some of the main projects that were progressed significantly by June 2021 but will be completed in the 2021-2022 financial year.

|   |           |
|---|-----------|
| Route 3 The Flats and Route 5 Botanic Gardens - Pedestrian Bridge | \$626,937 |
| Aerodrome Plane Parking and Concrete Helipad                      | \$882,575 |
| Electric Car Charing Points                                       | \$24,485  |
| Australian Botanical Gardens Water Supply                         | \$60,387  |

## Sustainability Reports

Our Commitment – we are committed to planning and actions that will progress our municipality, enhancing and preserving the quality of life for our community, while ensuring that Council is financially sustainable and environmentally responsible.

### Financial Sustainability

The 2017-2021 Greater Shepparton Council Plan highlighted a number of key financial principles in particular a focus on financial sustainability.

The challenge is for Council to remain financially sustainable while balancing the service delivery and infrastructure needs and expectations of a growing municipality.

In planning for our long-term financial sustainability Council utilises a number of financial indicators to assess our financial health and performance.

#### Liquidity

Also referred to as Working Capital, Liquidity is the difference between Council's current assets and non-current assets.

The broad objective of this indicator is to ensure Council has sufficient working capital available to pay bills when they fall due.

At the end of 2019–2020, Council reported a Liquidity of 150 per cent which was below the average of similar large regional city councils and lower than the average of all Victorian councils.

### Victorian Auditor General

With Liquidity (Working Capital), the Victorian Auditor General's Office (VAGO) considers anything under 75 per cent to be "high-risk", between 75 per cent and 100 per cent to be "medium-risk" and greater than 100 per cent as "low-risk" in the context of a Council's ongoing financial sustainability.

In 2020/21 Greater Shepparton City Council recorded a working capital of 156 per cent which is considered low risk. This has been impacted by the early receipt of 50 per cent of the 2021–2022 Federal Financial Assistance Grant in 2020–2021.

### Financial Plan

Through annual revisions to our Financial Plan Council will continue to focus on identifying sustainable cost savings that will enable it to remain financially sustainable when delivering high-quality, responsive and accessible services to the Community.

Council will look towards achieving the following underlying financial principles in regards to financial sustainability:

- a. generate an operating surplus
- b. fully fund asset renewals
- c. borrow responsibly



## Environmental Sustainability

The Environmental Sustainability Strategy continues to be implemented with the following notable achievements:

### RiverConnect

The COVID-19 pandemic had a significant impact on RiverConnect's face-to-face activities from March 2020 but despite this at least 1,600 people connected with the rivers and floodplains through a range of activities, classes and workshops.

Key achievements and highlights:

- Staff prepared and presented a 20 minute video on RiverConnect to the 85th Murray Darling Basin Association conference. This was attended by 300 member councils from five states and territories
- Working for Victoria funding allowed us to host five staff to treat a huge 77.47 hectares of bushland for weeds, as well as conduct regular rubbish pickups throughout the riparian bushland area
- Though schools struggled with lockdowns over 2020-2021, we managed to engage with 731 students over 36 sessions and re-engaged the Academy of Sport, Health and Education (ASHE) with Year 10 and VCAL students
- Community clean up events removed over three tonnes of rubbish from the Goulburn and Broken Rivers. Working For Victoria removed a further 32 tonnes from local bushland
- Ongoing partnership and delivery collaboration with One Tree Per Child which assists to achieve the revegetation target
- Hosted 23 community engagement events (four online) with 860 participants
- Construction of Route Five shared path in progress and surveys for Route Two completed
- Continued strong engagement on Facebook and Instagram, particularly through the COVID-19 lockdown periods. We have 988 Facebook followers and 378 Instagram followers

## Climate Emergency and 2030 Zero Carbon Emission Target

The Shepparton Statement was a platform provided for our youth to voice their ideas and concerns about the environment and climate change and what they want their leaders to do in addressing the issue. This interaction has contributed to the declaration of a climate emergency and 2030 Zero Carbon Emission Target by Greater Shepparton Councillors at the 2020 March Ordinary Council Meeting. As a result, development is underway for the Climate Emergency Action Plan, a collaboration with the community to mitigate against and adapt to climate change, and the 2030 Zero Emissions Plan which identifies Council's emissions and actions to reduce them. These plans will be completed during 2021-2022.

### Victorian Energy Collaboration (VECO) project

Council finalised its participation in the Victorian Energy Collaboration Project (VECO), the largest emissions reduction project ever undertaken by the local government sector in Australia. 100% renewable electricity will power all Council facilities from July 2021, through a long-term electricity contract with Red Energy. This will reduce Council's overall greenhouse gas emissions by 16 per cent, and reduce the cost of electricity to ratepayers, as renewable electricity purchased through this contract is cheaper than fossil fuelled electricity. The project involved 46 other Victorian councils, and demonstrated the benefit of working collaboratively to achieve real change at a big scale.

### Solar Installations

Council has continued the installation of solar PV on Council facilities to reduce carbon emissions. Council installed a 30kW solar PV system at the Shepparton Business Centre, and a 40kW system at the North Shepparton Community Hub 99kW. These installations take the total amount of renewable energy generation on council owned buildings to almost 500kW.

### **Carbon Emission Assessment**

Council completed a comprehensive analysis of all our Council emissions, in line with Climate Active Certification requirements. The assessment included Scope One, Two and Three emissions, and covers our energy use, emissions from landfill, and our procurement of goods and services. This assessment will guide the development of our Zero Emissions Plan.

### **Environmental Upgrade Agreements**

Council facilitates Environmental Upgrade Agreements (EUAs), whereby local businesses can access finance for environmental works and pay these costs back through their rates. To date 882kWh of solar has been installed, reducing emissions in the community by 1,250t/CO<sup>2</sup> per year.

### **One Tree Per Child**

In the 2020 calendar year, 30,000 local native plants of 65 different species were planted - an increase of 10 per cent over the previous year. Twenty different sites throughout the municipality were enhanced, with increased habitat for our local wildlife and improved biodiversity. Unfortunately due to COVID-19 restrictions, schools and community groups were unable to participate in planting activities, though some groups were gifted some plants to increase biodiversity on their sites. However, Working for Victoria program participants were able to participate and gain employment skills through planting as part of work programs.

### **Waste**

- Council operates a three bin waste collection system (general, green and recyclable) to reduce the amount of waste going to landfill and contributing to greenhouse gas emissions. The green waste collected is turned into high-quality mulch and reused through the municipality
- Council has a recycled goods resale shop that operates out of the Shepparton transfer station to divert waste from landfill
- Council manages concrete and brick crushing and green waste shredding for recycling at Resource Recovery Centres (RRC)
- Ongoing Waste Education in schools and with community groups. A Waste Education Centre is now open at the Cosgrove Three Landfill
- Follow Your Rubbish tours – taking residents, schools and community groups to Cosgrove, Shepparton RRC and Western Composting (where green waste is turned into compost) for guided tours
- Clean-up days with community groups
- Council manages a number of Gross Pollutant Traps (GPTs) that collect waste from our stormwater system prior to the system discharging to our rivers and wetlands. These traps are cleaned out bi-annually
- Last financial year Council diverted more than 51 per cent of waste from landfill
- The waste team have begun work on the introduction of a fourth bin and transition plan to transform the economy into a circular economy in line with State government policy
- The Waste team is currently working closely with the internal and external stakeholders to incorporate recent changes in EP Act (including new Waste Act) across all waste facilities and services

### **Sustainability Grants**

Council awarded over \$16,000 in Community Sustainability Grants. These grants were awarded to community groups, schools and community houses for activities such as edible gardens and garden beds, education programs/events and materials, harvest tables and energy efficiency works for lighting upgrades.

### **Goulburn Broken Greenhouse Alliance**

Council is a member of the Goulburn Murray Alliance, which is a partnership of 13 councils, two Catchment Management Authorities and DELWP Hume whose mission is to lead by raising awareness and capacity of the region to mitigate and adapt to climate change.

As part of this Alliance, Council has:

- Completed a project to assess a Business Case for main road street lighting to consider options for reducing energy consumption of main road street lights
- Advanced opportunities to procure renewable electricity to supply Council's energy needs through a power purchasing agreement
- Completed a project investigating the installation of public electric vehicle charging infrastructure throughout the state
- Participated in strategic planning and developing objectives to reduce the impact of climate change on our environment.

### **Electric Vehicles in Fleet**

Council continues its leadership in this space, there are now four fully electric vehicles in the passenger pool fleet and associated charging infrastructure. This further reduces reliance on high carbon-emitting fossil-fuelled vehicles. The majority of Council's pool vehicle fleet are hybrid vehicles.

### **Public Electric Vehicle Chargers**

Four public Electric Vehicle AC chargers have been installed in the carpark of the Shepparton Art Museum, and a local tourist business received a Council grant to install an AC EV charger in Kialla. Council has also collaborated with the Central Victorian Greenhouse Alliance in the Charging the Regions – Stage Two Project, which will see a public 50kW DC EV charger installed in Fraser Street in Shepparton and another in McLennan Street, Mooroopna.

### **Sustainability Working Group**

Council's internal Sustainability Working Group meets regularly to discuss and implement opportunities for Council to be more sustainable. This group has been impacted by COVID-19 and has been unable to hold the usual workshops and event it has in previous years. This year the group has:

- Implemented and reviewed Council's Single Use Plastic Free Events Policy
- Held a sustainable foods at home workshop
- Further developed the KidsTown Community Garden
- Continued sustainability efforts within Council
- Purchased single use plastic free events signage for all of Council use

## Social Sustainability

Council has a range of strategies and action plans to ensure that diversity is respected, that there is equity in the services that Council delivers and that social connectedness is nurtured. Council is committed to those that live in Greater Shepparton to enable them to enjoy a high-quality lifestyle that provides opportunities for members of our community to reach their full potential. This includes providing services and actions that foster a good quality of life for all in regards to health, housing, education, employment and safety.

### Reconciliation Action Plan

The Reconciliation Action Plan (RAP) (Reflect) July 2019 – June 2020 outlines Council's commitment to reconciliation and to ensuring Aboriginal and Torres Strait Islander Peoples and cultures are respected, acknowledged and celebrated. Reconciliation Australia has granted Council an extension for the delivery of the actions in the plan. This extension has been made in light of the impacts of COVID-19. Council is in the process of gathering community feedback to inform the development of the next RAP – Innovate.

### Best Start Early Years Plan

The Best Start Early Years Plan 2020 – 2025 reinforces Council's commitment to the children and families of the municipality. The plan consists of five key themes:

- Play
- Learn
- Thrive
- Voice
- Share

### Community/Neighbourhood Plans

A Community/Neighbourhood Plan is a written document which identifies a community's vision for the future and the priorities it has identified to achieve this vision. Council is committed to working in partnership with communities to develop Community Plans for small towns, localities and neighbourhoods, and support the community to lead the implementation of their own priorities.

## Community Safety Strategy

The Community Safety Strategy 2018-2021 addresses high-priority relevant community safety issues facing Greater Shepparton that were identified using local agency knowledge, statistics and community feedback. The strategy includes an action plan that sets out objectives to be achieved throughout the four-year period.

### Multicultural Strategy

The Multicultural Strategy 2019-2022 supports Council in continuing its work towards creating a vibrant, cohesive society that celebrates and incorporates aspects of cultural diversity within daily life. The Strategy is based on valuing our community's diversity, creating opportunities, recognising contributions to our society and celebrating the many cultures and diversity in our community.

### Housing Strategy

The Greater Shepparton Housing Strategy 2011 was developed to respond to existing and future housing needs across the municipality up to the year 2031. It includes objectives, strategies and actions to guide housing delivery, and sets a long-term direction for future residential growth across Greater Shepparton. The Strategy informs and guides decision-making by landowners, Council, service authorities and the general community about residential land, and housing needs and locations.

### Affordable Housing Strategy

The Affordable Housing Strategy: Homes for People 2020, takes a specific focus on issues surrounding the shortfalls of safe, affordable, and appropriate housing across the municipality. It includes objectives, strategies and actions to support the provision of emergency and social housing dwellings, and increased diversity in the size and type of housing stock to enhance community wellbeing, in partnership with local housing providers, property owners, residential developers and other key stakeholders.

### **Public Health Strategic Plan and Municipal Health and Wellbeing Action Plan**

The Greater Shepparton Public Health Strategic Plan 2018 – 2028 and associated Action Plan takes a liveability approach to public health planning. The Strategic Plan and Action Plan aim to address the following liveability indicators to make Greater Shepparton even more liveable – arts and culture, access to food, community participation, crime and safety, education, employment, health and social services, housing, recreation facilities and open space, sustainable practice and transport in partnerships with key stakeholders and local community members.

### **Universal Access and Inclusion Plan**

The Universal Access and Inclusion Plan (UAIP) 2018-2021 is a whole-of-Council approach that guides Council's priorities and ensures equity for people of all abilities in our diverse and inclusive municipality. The Plan has an associated Action Plan with aims to be achieved over a four-year period. Council is consulting with the community to inform the development of the 2021 – 2025 UAIP.

### **Volunteer Strategy and Action Plan**

The Volunteer Strategy and Action Plan 2019-2022 sets out Council's vision and approach to support volunteering in our region. This Strategy provides a framework for the promotion, recruitment and retention, recognition and celebration of Council's volunteers at a local level, encouraging a responsive and supportive environment for all volunteers. Council recognises, where there is a vibrant culture of volunteering, communities are stronger due to the inclusiveness volunteering promotes in the community.

### **Women's Charter Alliance Advisory Committee**

The Women's Charter Alliance Advisory Committee provides advice to Council on issues relating to the Victorian Government Women's Charter and its key principles. A three-point action plan focussing on Gender Equity, Diversity and Active Citizenship guides the key strategic objectives of this Committee who make recommendations to encourage delivery of initiatives to ensure there are opportunities for the women of Greater Shepparton to access information, share knowledge and be aware of local leadership opportunities.

### **Youth Strategy**

The Youth Strategy and Action Plan 2019-2023 informs how we work in partnership with the youth sector, young people and their families to ensure that young people are provided with every opportunity to actively participate in their community including those with diverse social, economic or cultural backgrounds.

### **Gender Equity/Equality Strategy and Action Plan**

The 2018-2021 Gender Equity Strategy and Action Plan is an internal, operational document and is a tool to articulate a clear vision of gender equality, which can only be achieved through the a whole of organisation approach to implementing of gender equitable actions and strategies.

The future iteration of this strategy, the 2021-2025 Gender Equality Strategy and Action Plan will build upon the previous strategies progress and achievements and align Council with the obligations outlined within the Gender Equality Act 2020 to promote and take action towards achieving gender equality within Greater Shepparton City Council.





# CONTENTS

## PART THREE: GOVERNANCE

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## Council Meetings

Scheduled Council meetings are on the third Tuesday of each month, commencing at 5.30pm until April 2021, when by resolution of Council, the commencement time became 3.00pm. Scheduled Council meetings include public question time. Public questions must be submitted five clear business days prior to the Council meeting. Additional Council Meetings are also held as required.

There were a total of 14 Council Meetings held in 2020-2021, with 11 scheduled and three additional meetings. Meetings of the Council are open to the public unless the Council resolves to close the meeting. Council is committed to transparent governance and therefore Council Meetings are only closed by resolution of Council when considering confidential reports.

All Council Meetings are generally held in the Council Boardroom, however as a result of the COVID-19 restrictions, these meetings have been held in the function room at Eastbank, or via an online platform. This follows specific legislation being passed by the Victorian State Government to allow for Council meetings to be held in a virtual environment.

The times and venue of Council meetings are advertised in the Shepparton News, on Council's website and Facebook page. In addition, Council Meetings are live-streamed to the Council's Facebook page with recordings then available on the website.

A video summary of meeting outcomes is presented by the Mayor or available Councillor on the Wednesday following each meeting. This is made available on Council's website and YouTube channel.

### Briefing Sessions

In addition to regular Council Meetings, there are weekly briefing sessions where Council officers make presentations to Councillors on policy matters, projects and initiatives and issues of importance to the Council and the Greater Shepparton community.

Briefing sessions are not decision-making forums. They enable Councillors to ascertain critical information required to assist them in making a formal decision at a Council Meeting.



## Councillors

The Councillors set the Council's direction by making decisions on key issues and policies that affect people's lives and community prosperity. Council is also responsible for making statutory decisions, adopting policy, advocacy and the appointment of the Chief Executive Officer. Councillors work closely with the Chief Executive Officer to make important decisions and determine service priorities. The Chief Executive Officer then delegates tasks to members of his administration to be actioned.

Councillors are bound by their Code of Conduct under the provision of the Local Government Act 1989. The code outlines legislative requirements and expectations of Councillors when representing their Council and in their dealings with the community, Council staff and each other.

The Mayor is elected by at least a majority vote, where the position becomes the leader of all the Councillors whether they supported an individual or not. What this means is that the Mayor has responsibilities towards, and is accountable to, all Councillors.

The Mayor is the ceremonial head, chairs Council meetings and is Greater Shepparton's representative at civic, business and governmental meetings and events and is the official spokesperson for Council.

The following are the Councillors of Greater Shepparton City Council for the 2020-2021 financial year.

**Cr Seema Abdullah**

- Elected to Council on 22 October, 2016
- Served as Mayor Greater Shepparton City Council from 29 October, 2019 to 24 October 2020
- Elected to Council on 24 October, 2020

**Cr Anthony Brophy**

- Elected to Council on 24 October, 2020

**Cr Geoff Dobson**

- Elected to Council on 24 October, 2020

**Cr Greg James**

- Elected to Council on 24 October, 2020

**Cr Kim O’Keeffe**

- Elected to Council on 22 October, 2016
- Elected to Council on 24 October, 2020
- Elected Mayor Greater Shepparton City Council on 23 November, 2020

**Cr Rob Priestly**

- Elected to Council on 24 October, 2020
- Elected Deputy Mayor Greater Shepparton City Council on 23 November, 2020

**Cr Shane Sali**

- Elected to Council on 24 October, 2020

**Cr Sam Spinks**

- Elected to Council on 24 October, 2020

**Cr Fern Summer**

- Elected to Council on 22 October, 2016
- Elected to Council on 24 October, 2020

**Cr Dinny Adem**

- Elected to Council on 22 October, 2016
- Served as Deputy Mayor Greater Shepparton City Council from 29 October, 2019 to 24 October 2020
- Retired from Council on 24 October, 2020

**Cr Bruce Giovanetti**

- Elected to Council on 22 October, 2016
- Retired from Council on 24 October, 2020

**Cr Chris Hazelman**

- Elected to Council on 22 October, 2016
- Retired from Council on 24 October, 2020

**Cr Les Oroszvary**

- Elected to Council on 22 October, 2016
- Retired from Council on 24 October, 2020

**Cr Dennis Patterson**

- Elected to Council on 22 October, 2016
- Retired from Council on 24 October, 2020

**Cr Shelley Sutton**

- Elected to Council on 22 October, 2016
- Retired from Council on 24 October, 2020

## Councillor Allowances and Expenses

Remuneration of the Councillors of Greater Shepparton City Council for the 2020-2021 financial year are:

### Mayor

- \$81,204 per annum plus 9.5 per cent Superannuation

### Deputy Mayor

- There is no separate allowance for the Deputy Mayor

### Councillors

- \$26,244 per annum plus 9.5 per cent Superannuation

In addition to Councillor allowances, the following details the expenses, including reimbursements, which were paid by Council during the 2020-2021 financial year, for each Councillor:

| COUNCILLORS           | COUNCILLOR ALLOWANCES (INCLUDING MAYOR) | TRAVEL EXPENSES | PROFESSIONAL DEVELOPMENT EXPENSES | EXPENSES TO SUPPORT THE PERFORMANCE OF THE ROLE |
|-----------------------|---|-----------------|-----------------------------------|---|
| Cr Seema Abdullah     | \$46,340                                | \$3,570         | \$3,169                           | \$4,527   |
| Cr Anthony Brophy     | \$18,344                                |                 | \$2,289                           | \$4,552   |
| Cr Geoff Dobson       | \$18,344                                |                 | \$2,289                           | \$4,552   |
| Cr Greg James         | \$18,344                                |                 | \$2,289                           | \$4,552   |
| Cr Kim O'Keeffe       | \$63,666                                | \$10,202        | \$2,289                           | \$4,798   |
| Cr Rob Priestly       | \$18,344                                |                 | \$2,289                           | \$4,554   |
| Cr Shane Sali         | \$18,344                                | \$345           | \$2,289                           | \$4,552   |
| Cr Sam Spinks         | \$18,344                                |                 | \$2,425                           | \$4,552   |
| Cr Fern Summer        | \$27,394                                |                 | \$2,289                           | \$4,798   |
| Cr Dinny Adem         | \$9,047                                 |                 |                                   | \$245   |
| Cr Bruce Giovanetti   | \$9,047                                 |                 |                                   | \$245   |
| Cr Chris Hazelman     | \$9,047                                 |                 |                                   | \$245   |
| Cr Les Oroszvary      | \$9,047                                 |                 |                                   | \$132   |
| Cr Dennis Patterson   | \$9,047                                 |                 |                                   | \$205   |
| Cr Shelley Sutton     | \$9,047                                 | \$253           |                                   | \$245   |
| <b>Total payments</b> | <b>\$301,749</b>                        | <b>\$14,379</b> | <b>\$2,1596</b>                   | <b>\$ 42,758</b>                                |

## Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) is an independent Advisory Committee to Council formed pursuant to Section 53 of the Local Government Act 2020.

The primary objective of the ARMC is to assist Council in the effective conduct of its responsibilities for monitoring the compliance of Council policies and procedures, monitor Council financial and performance reporting, monitor and provide advice on risk management and fraud prevention systems and controls, and oversee internal and external audit functions.

The Committee comprises two Councillor representatives and four independent members appointed by Council.

The membership of the Committee in 2020-2021 was:

### Independent members

- Goran Mitrevski (Chair) – took over the role of Chair in May 2021.
- David Kortum
- Vivek Chopra – joined the Committee in May 2021
- Stephen Coates – joined the Committee in May 2021
- Anne O'Connor - term concluded at the end of February 2021.
- John Calleja (Chair) - term concluded at the end of February 2021.

### Councillor representatives

- Cr Kim O'Keeffe – appointed to the Committee in December 2020.
- Cr Rob Priestly – appointed to the Committee in December 2020.
- Cr Seema Abdulla - term concluded in October 2020.
- Cr Chris Hazelman - term concluded in October 2020.

The Councillor representatives do not receive an allowance as part of their membership of the Audit and Risk Management Committee.

The current rates for independent members is set at \$867 per meeting with the Chair receiving \$1096 per meeting.

| ARMC INDEPENDENT MEMBER | INDEPENDENT MEMBER ALLOWANCE | TRAVEL EXPENSES | PROFESSIONAL DEVELOPMENT EXPENSES | EXPENSES TO SUPPORT THE PERFORMANCE OF THE ROLE |
|-------------------------|------------------------------|-----------------|-----------------------------------|---|
| Goran Mitrevski         | \$3,697                      |                 |                                   |   |
| David Kortum            | \$3,468                      |                 |                                   |   |
| Vivek Chopra            | \$867                        |                 |                                   |   |
| Stephen Coates          | \$867                        |                 |                                   |   |
| Anne O'Connor           | \$2,601                      |                 |                                   |   |
| John Calleja            | \$3,288                      |                 |                                   |   |

There were no expenses occurred by the Audit and Risk Management Committee during the 2020-2021 financial year.

## Delegated Committees

### Development Hearing Panel

Council only has one authorised delegated committee, that being the Development Hearings Panel. This Committee of Council was formed under Section 63 of the Local Government Act 2020.

Development Hearings Panel members include two nominated Councillors, appointed members of Council staff and representatives from designated Councils.

Pursuant to delegated powers, it can consider and determine upon Town Planning / Development Approval Applications which:

- Are referred by Council officers
- Are recommended for refusal; or
- Have five or less objections lodged.

No payment of allowances or expenses to perform the functions associated with this committee where paid by Council in the 2020–2021 financial year.

### Community Asset Committee

Pursuant to section 65 of the Local Government Act 2020, Greater Shepparton City Council established 17 Community Asset Committees by resolution of Council on 18 August 2020.

Community Asset Committee members are volunteers and do not receive any individual allowances or expenses to perform their functions.

The Community Asset Committees oversee the management of the following facilities:

- Arcadia Recreation Reserve and Community Centre
- Bunbartha Recreation Reserve
- Caniambo Hall
- Central Park Recreation Reserve
- Congupna Recreation Reserve and Community Centre
- Dhurringile Recreation Reserve and Community Centre
- Dookie Memorial Hall
- Dookie Recreation Reserve and Community Centre
- Harston Hall
- Karramomus Hall and Recreation Reserve
- Katandra West Community Facilities
- Kialla District Hall
- Lemnos Recreation Reserve
- Murchison Community Centre
- Tallygaroopna Memorial Hall
- Tallygaroopna Recreation Reserve and Community Centre
- Toolamba Recreation Reserve and Community Centre

## Procurement

Council is committed to ensuring all procurement activities are carried out in a fair, equitable and fully transparent manner and provide optimal value for money and sustainable outcomes.

In accordance with Section 186 of the Local Government Act 1989, a publicly advertised Request for Tender process is required to be undertaken where the anticipated contract value exceeds \$150,000 for goods and services, or \$200,000 in the case of works. During the 2020-2021 financial year, Council managed a total of 83 formal procurement processes (including Requests for Tender, Requests for Quotation and Expression of Interest requests), most of which resulted in the successful award of a contract during the same period. Of those, 41 contracts were entered into following a formal Request for Tender process (RFT).

Council is required under the Act to provide detail as to any instances where Council has procured services without first carrying out a public tender process under Section 186. The following details the only instance for the 2020-2021 financial year where Council procured services without first publicly inviting tenders or obtaining a Ministerial exemption under Section 189. In this instance, Council had previously contracted with the supplier for the use of a software system with wide-ranging use across the organisation in circumstances where it would not produce value for money or business continuity to seek an alternative product via an RFT.

Breaches occurring in the 2020-2021 financial year are as follows:

| BREACH NO. | GOODS/SERVICES PROCURED                                 | BREACH DETAILS   | REPORTED TO                 | AMOUNT       |
|------------|---|--|-----------------------------|--------------|
| 1          | Pathway software licence renewal (for the year 2021/22) | Purchase from the sole supplier of this essential software system where business continuity was paramount and a change of suppliers and systems impractical. | Director Corporate Services | \$186,068.67 |

## Infrastructure and Development Contributions

### Total DCP levies received in 2020-21 financial year

| DCP NAME (YEAR APPROVED)              | LEVIES RECEIVED IN 2020-21 FINANCIAL YEAR (\$) |
|---------------------------------------|--|
| South Growth Corridor (2003)          | \$309,388.00                                   |
| North Growth Corridor (2003)          | \$0.00   |
| Mooroopna West Growth Corridor (2010) | \$423,818.00                                   |
| North East Growth Corridor (2019)     | \$0.00   |
| <b>Total</b>                          | <b>\$733,206.00</b>                            |

## Council Records

In accordance with Council's Public Transparency Policy adopted under Section 57 of the Act, the following Council records are publicly available on Council's website or upon request:

- Council meeting agendas
- Reporting to Council
- Minutes of Council meetings
- Reporting from Advisory Committees to Council through reporting to Council
- Audit and Risk Committee Performance Reporting
- Terms of reference or charters for Advisory Committees
- Registers of gifts, benefits and hospitality offered to Councillors or Council Staff
- Registers of travel undertaken by Councillors or Council Staff
- Registers of Conflicts of Interest disclosed by Councillors or Council Staff
- Submissions made by Council
- Registers of donations and grants made by Council
- Registers of leases entered into by Council, as lessor and lessee
- Register of Delegations
- Register of Authorised officers
- Register of Election campaign donations
- Summary of Personal Interests
- Any other Registers or Records required by legislation or determined to be in the public interest

## Council also makes available the following records for inspection:

- Summary of Personal Interests
- Submissions received under section 223 of the Local Government Act 1989 until its repeal or received through a community engagement process undertaken by Council; and
- Other records as outlined on Council's website.
- Various newsletters, reports and handbooks for residents, businesses and visitors to council

## Access to Information

- Information is available on the Council website, at Council offices, or by request
- Members of the public can make different kinds of information requests to the Council such as informal requests for documents and information
- The Freedom of Information Act 1982 also gives members of the public a right of access to documents that Council holds. Council is committed to, where possible, proactive and informal release of information in accordance with the Freedom of Information Professional Standards issued by the Victorian Information Commissioner. A list of available information is provided in the Part II Statement (Statement) published on Council's website in accordance the Freedom of Information Act 1982.





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## PART FOUR: FINANCIAL REPORT

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# FINANCIAL SUMMARY

Council achieved a net operating surplus of \$31.2 million compared to a budgeted surplus of \$5.2 million.

The variance between the budgeted and actual surplus (\$26.0 million) is largely due to the early receipt in 2020–2021 of 50 per cent of the Federal Financial Assistance Grant funding allocation for 2021–2022 (\$6.99 million), savings in materials and services including expenditure on non-council assets such as Victoria Park Lake intersection, Ford Road/Wanganui Road roundabout landscaping and Stadium/Munarra utilities upgrade and savings in staff training and fuel expenditure.

Council recorded \$50.7 million in capital works for 2020/2021 with asset renewal and upgrade expenditure of \$26.5 million or 80 per cent of the total depreciation expense.

Council's working capital ratio for the year was 1.56:1, however, Council does have a Restricted Funds and Intended Allocations balance of \$21.6 million which means not all working capital is considered available for discretionary use.

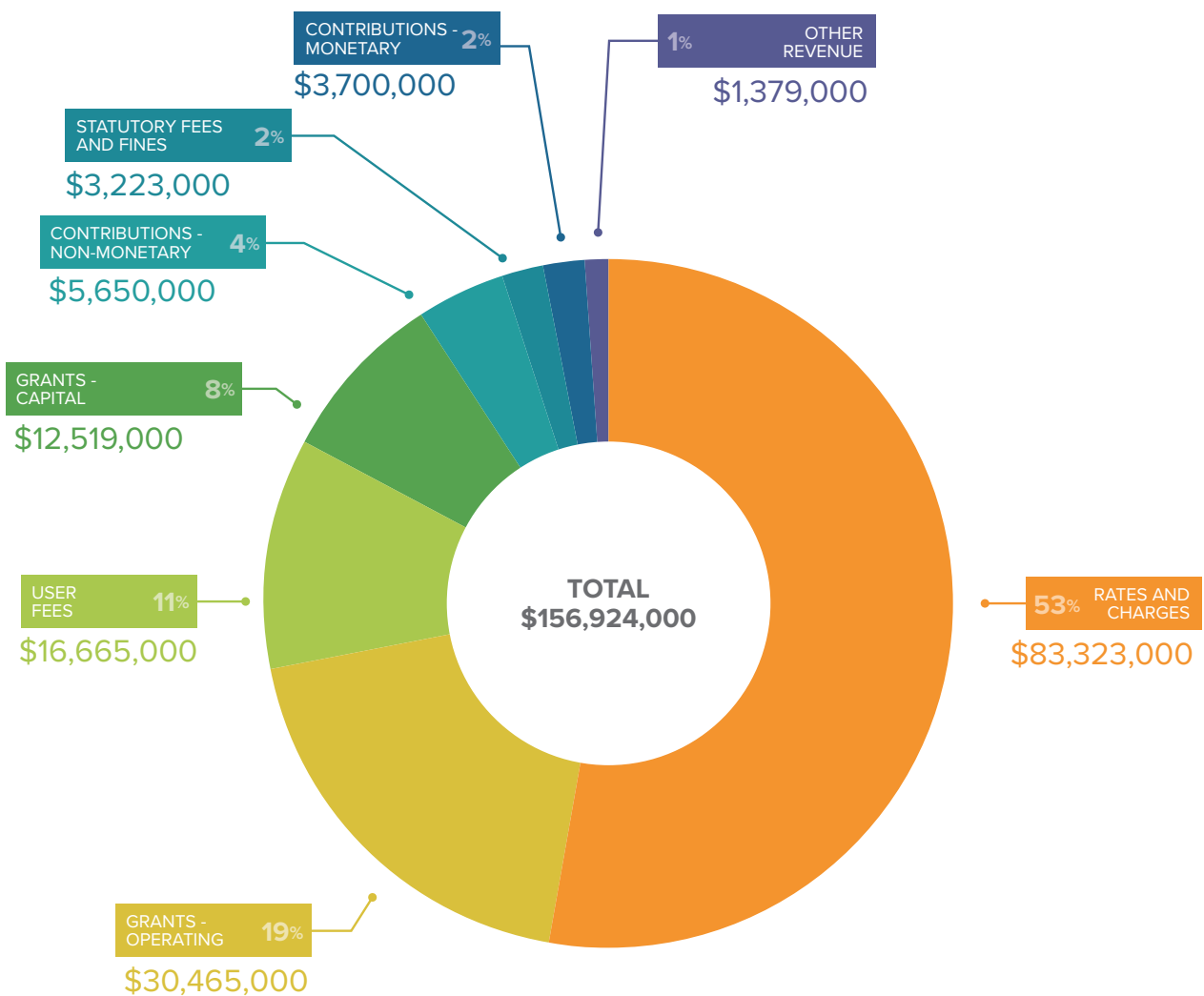
## Highlights

- Total Operating Revenues (excluding capital): \$135.7 million
- Total Operating Expenses: \$125.7 million
- Total Capital Revenues: \$21.2 million
- Capital Works completed: \$50.7 million

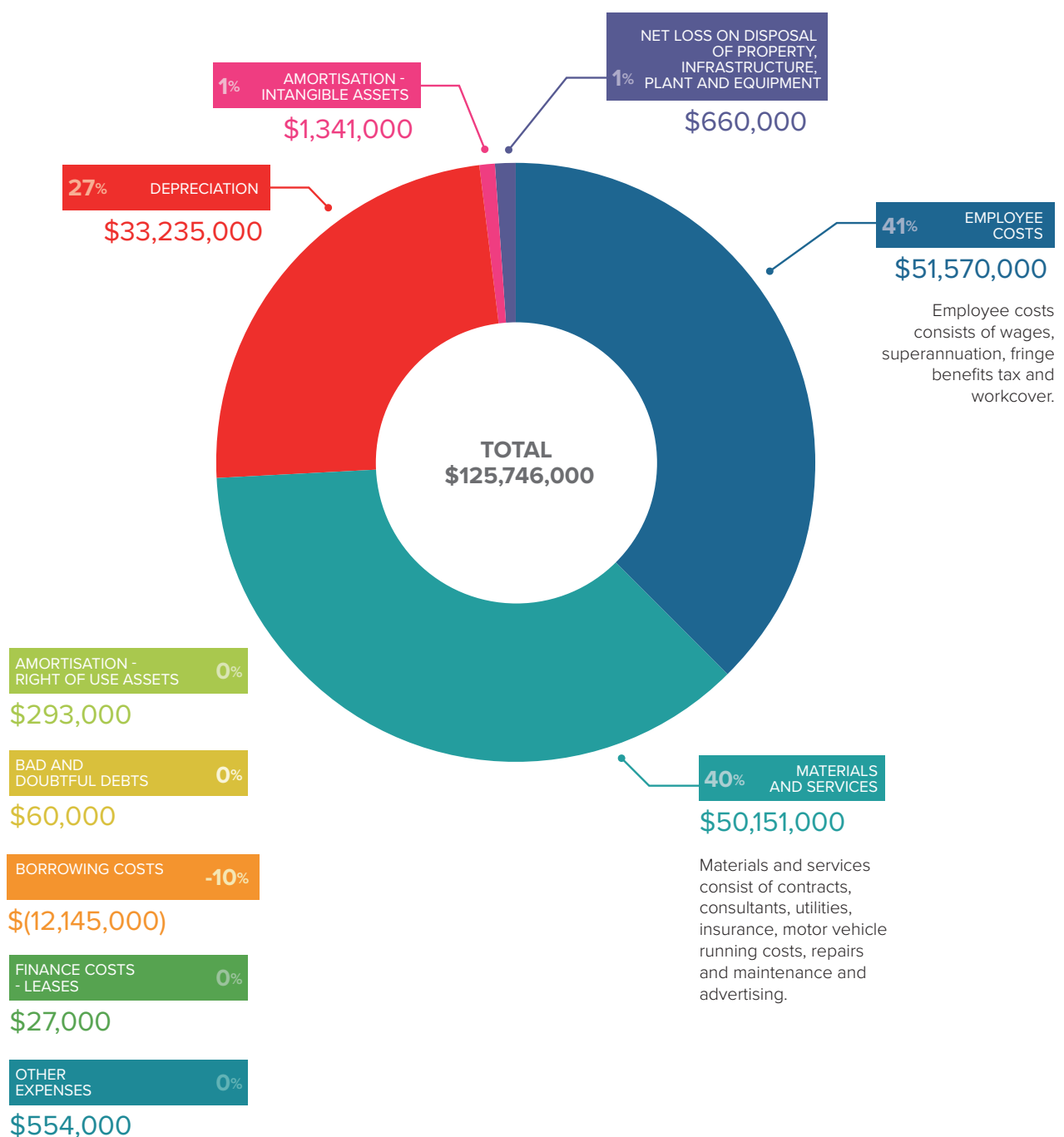


# PART 4: FINANCIAL REPORT

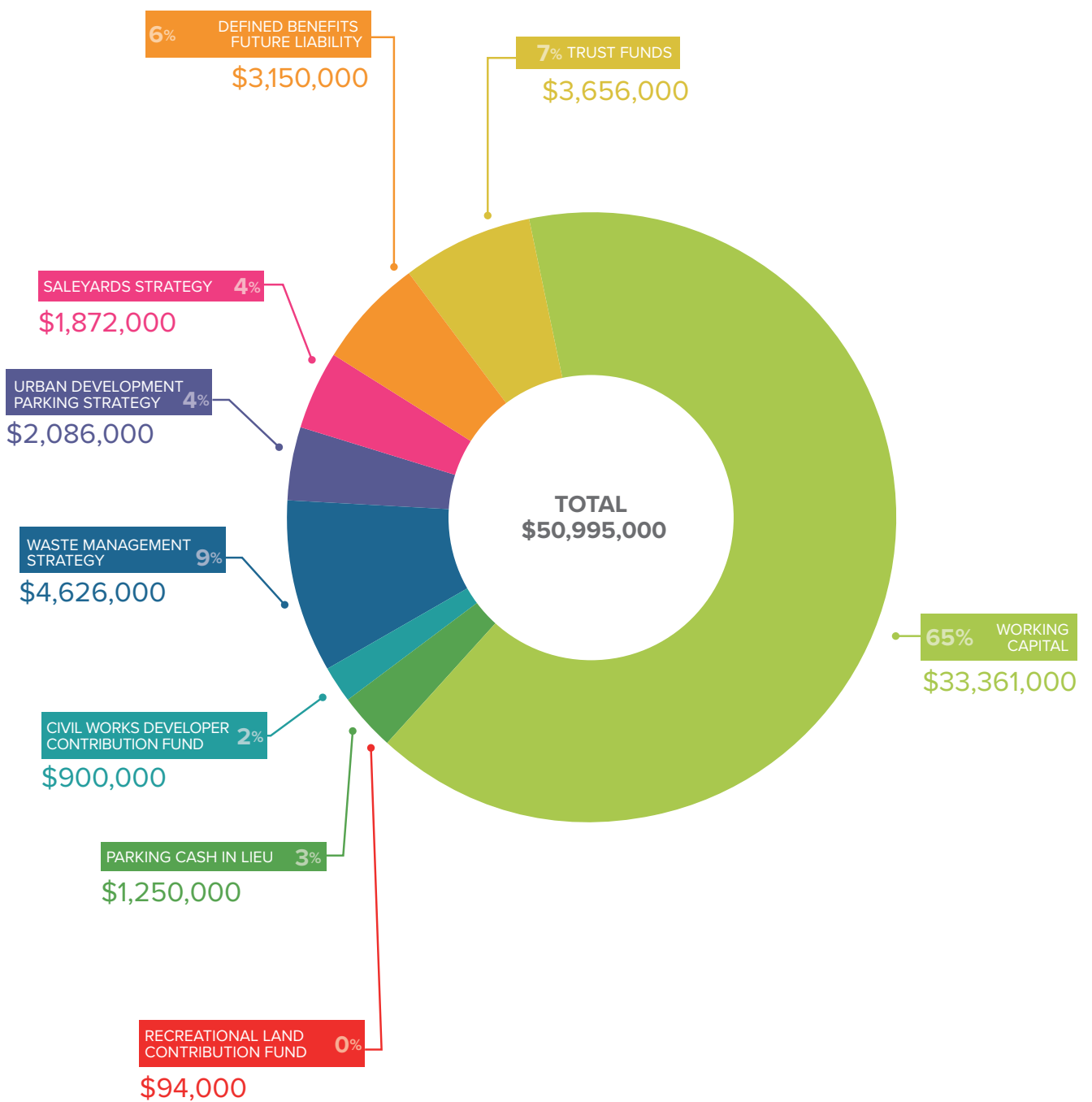
## Operating Income 2020-21



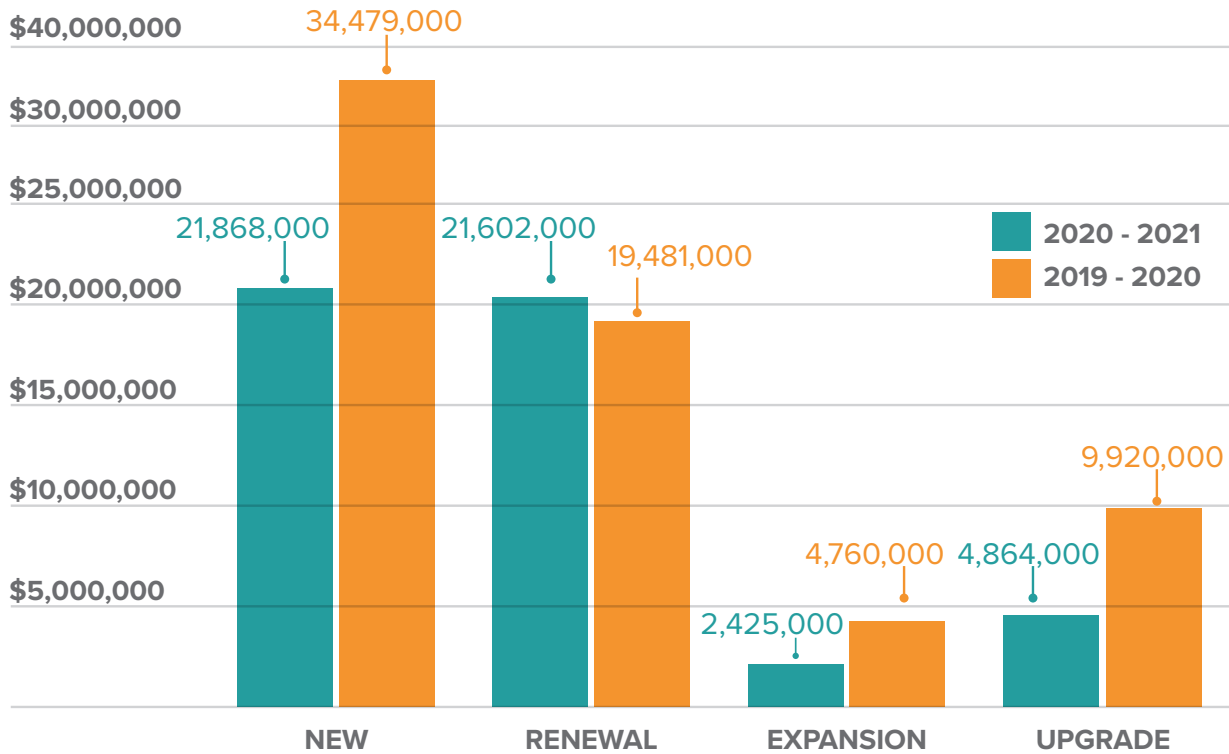
## Operating Expense 2020-21



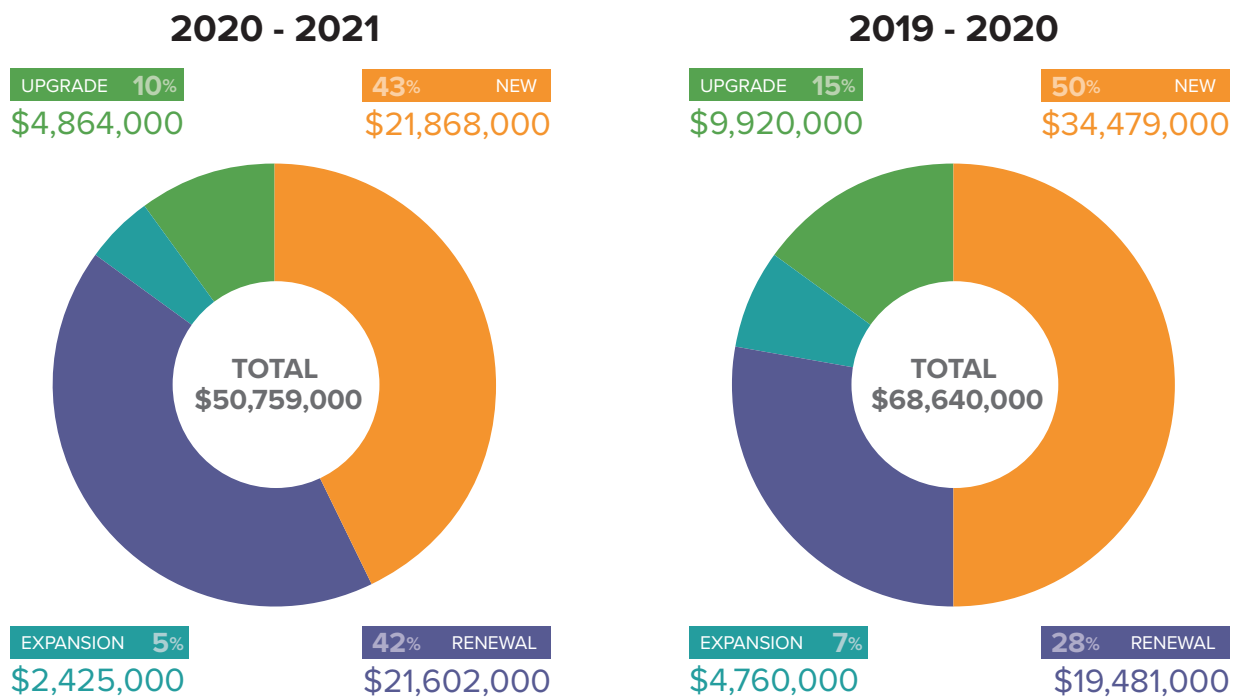
## Council Investments 2020-21



## 2020 - 2021 Capital Expenditure Comparison



## 2020 - 2021 Capital Expenditure by Type



## Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, the Australian Accounting Standards and other mandatory professional reporting requirements.



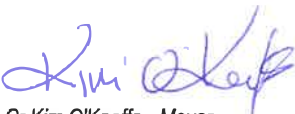
Matthew Jarvis CPA  
Principal Accounting Officer

**Date :** 21 September 2021  
Shepparton

In our opinion the accompanying financial statements present fairly the financial transactions of the Greater Shepparton City Council for the year ended 30 June 2021 and the financial position of the Council as at that date.

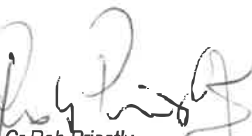
At the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Cr Kim O'Keeffe - Mayor  
Councillor

**Date :** 21 September 2021  
Shepparton



Cr Rob Priestly  
Councillor

**Date :** 21 September 2021  
Shepparton



Peter Harriott  
Chief Executive Officer

**Date :** 21 September 2021  
Shepparton

# Independent Auditor's Report

## To the Councillors of Greater Shepparton City Council

|   |  |
|---|--|
| <b>Opinion</b>  | <p>I have audited the financial report of Greater Shepparton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2021</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cashflows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p> |
| <b>Basis for Opinion</b>                                      | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>  |
| <b>Councillors' responsibilities for the financial report</b> | <p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>  |



**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.



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*



# FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2021

## Comprehensive Income Statement For the Year Ended 30 June 2021

|  | NOTE | 2021<br>\$'000   | 2020<br>\$'000   |
|--|------|------------------|------------------|
| <b>INCOME</b>  |      |                  |                  |
| Rates and charges  | 3.1  | 83,323           | 80,392           |
| Statutory fees and fines   | 3.2  | 3,223            | 3,183            |
| User fees  | 3.3  | 16,665           | 16,800           |
| Grants - operating   | 3.4  | 30,465           | 24,803           |
| Grants - capital   | 3.4  | 12,519           | 16,787           |
| Contributions - monetary   | 3.5  | 3,700            | 3,160            |
| Contributions - non monetary   | 3.5  | 5,650            | 11,655           |
| Share of net profits of associates and joint ventures                              | 6.3  | 151              | 54               |
| Other income   | 3.7  | 1,228            | 2,567            |
| <b>Total income</b>  |      | <b>156,924</b>   | <b>159,401</b>   |
| <b>EXPENSES</b>  |      |                  |                  |
| Employee costs   | 4.1  | (51,570)         | (51,174)         |
| Materials and services   | 4.2  | (50,151)         | (50,436)         |
| Depreciation   | 4.3  | (33,235)         | (27,274)         |
| Amortisation - intangible assets   | 4.4  | (1,341)          | -                |
| Amortisation - right of use assets   | 4.5  | (293)            | (370)            |
| Bad and doubtful debts   | 4.6  | (60)             | (69)             |
| Net loss on disposal of property, infrastructure, plant and equipment              | 3.6  | (660)            | (492)            |
| Borrowing costs  | 4.7  | 12,145           | (1,946)          |
| Finance costs - leases   | 4.8  | (27)             | (38)             |
| Other expenses   | 4.9  | (554)            | (581)            |
| <b>Total expenses</b>  |      | <b>(125,746)</b> | <b>(132,380)</b> |
| <b>Surplus for the year</b>  |      | <b>31,178</b>    | <b>27,021</b>    |
| <b>OTHER COMPREHENSIVE INCOME</b>  |      |                  |                  |
| <b>Items that will not be reclassified to surplus or deficit in future periods</b> |      |                  |                  |
| Net asset revaluation increment  | 9.1  | 85,758           | 55,844           |
| <b>Total comprehensive result</b>  |      | <b>116,936</b>   | <b>82,865</b>    |

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

## Balance Sheet As at 30 June 2021

|  | NOTE | 2021<br>\$'000   | 2020<br>\$'000   |
|--|------|------------------|------------------|
| <b>ASSETS</b>  |      |                  |                  |
| <i>CURRENT ASSETS</i>  |      |                  |                  |
| Cash and cash equivalents                                      | 5.1  | 42,985           | 34,692           |
| Trade and other receivables                                    | 5.1  | 18,318           | 14,828           |
| Other financial assets   | 5.1  | 8,000            | 10,000           |
| Inventories  | 5.2  | 156              | 89               |
| Non-current assets classified as held for sale                 | 6.1  | 63               | 450              |
| Other assets   | 5.2  | 1,579            | 1,259            |
| <b>Total current assets</b>                                    |      | <b>71,101</b>    | <b>61,318</b>    |
| <i>NON-CURRENT ASSETS</i>                                      |      |                  |                  |
| Investments in associates, joint arrangements and subsidiaries | 6.3  | 1,598            | 1,447            |
| Property, infrastructure, plant and equipment                  | 6.2  | 1,269,499        | 1,162,016        |
| Right-of-use assets  | 5.8  | 643              | 934              |
| Intangible assets  | 5.2  | 29,179           | 32,276           |
| <b>Total non-current assets</b>                                |      | <b>1,300,919</b> | <b>1,196,673</b> |
| <b>Total assets</b>  |      | <b>1,372,020</b> | <b>1,257,991</b> |
| <b>LIABILITIES</b>   |      |                  |                  |
| <i>CURRENT LIABILITIES</i>                                     |      |                  |                  |
| Trade and other payables                                       | 5.3  | 15,478           | 20,547           |
| Trust funds and deposits                                       | 5.3  | 3,656            | 2,740            |
| Unearned income  | 5.3  | 8,440            | 1,317            |
| Provisions   | 5.5  | 15,232           | 14,403           |
| Interest-bearing liabilities                                   | 5.4  | 2,662            | 1,613            |
| Lease liabilities  | 5.8  | 244              | 288              |
| <b>Total current liabilities</b>                               |      | <b>45,712</b>    | <b>40,908</b>    |
| <i>NON-CURRENT LIABILITIES</i>                                 |      |                  |                  |
| Provisions   | 5.5  | 24,685           | 39,426           |
| Interest-bearing liabilities                                   | 5.4  | 21,245           | 13,973           |
| Lease liabilities  | 5.8  | 419              | 661              |
| <b>Total non-current liabilities</b>                           |      | <b>46,349</b>    | <b>54,060</b>    |
| <b>Total liabilities</b>                                       |      | <b>92,061</b>    | <b>94,968</b>    |
| <b>Net assets</b>  |      | <b>1,279,959</b> | <b>1,163,023</b> |
| <b>EQUITY</b>  |      |                  |                  |
| Accumulated surplus  |      | 475,471          | 444,293          |
| Reserves   | 9.1  | 804,488          | 718,730          |
| <b>Total Equity</b>  |      | <b>1,279,959</b> | <b>1,163,023</b> |

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

## Statement of Changes in Equity For the Year Ended 30 June 2021

| 2021  | NOTE | TOTAL<br>\$'000  | ACCUMULATED<br>SURPLUS<br>\$'000 | REVALUATION<br>RESERVE<br>\$'000 |
|---|------|------------------|----------------------------------|----------------------------------|
| Balance at beginning of the financial year  |      | 1,163,023        | 444,293                          | 718,730                          |
| Surplus for the year                        |      | 31,178           | 31,178                           | -                                |
| Net asset revaluation increment             | 9.1  | 85,758           | -                                | 85,758                           |
| <b>Balance at end of the financial year</b> |      | <b>1,279,959</b> | <b>475,471</b>                   | <b>804,488</b>                   |

| 2020  | NOTE | TOTAL<br>\$'000  | ACCUMULATED<br>SURPLUS<br>\$'000 | REVALUATION<br>RESERVE<br>\$'000 |
|---|------|------------------|----------------------------------|----------------------------------|
| Balance at beginning of the financial year  |      | 1,080,158        | 417,272                          | 662,886                          |
| Surplus for the year                        |      | 27,021           | 27,021                           | -                                |
| Net asset revaluation increment             | 9.1  | 55,844           | -                                | 55,844                           |
| <b>Balance at end of the financial year</b> |      | <b>1,163,023</b> | <b>444,293</b>                   | <b>718,730</b>                   |

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

## Statement of Cash Flows For the Year Ended 30 June 2021

|   | NOTE | 2021<br>INFLOWS/<br>(OUTFLOWS)<br>\$'000 | 2020<br>INFLOWS/<br>(OUTFLOWS)<br>\$'000 |
|---|------|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |      |  |  |
| Rates and charges   |      | 81,735                                   | 77,955                                   |
| Statutory fees and fines  |      | 2,904                                    | 2,738                                    |
| User fees   |      | 16,665                                   | 16,800                                   |
| Grants - operating  |      | 30,465                                   | 24,803                                   |
| Grants - capital  |      | 12,519                                   | 12,287                                   |
| Contributions - monetary  |      | 3,700                                    | 3,160                                    |
| Interest received   |      | 157                                      | 1,012                                    |
| Trust funds and deposits taken                                      |      | 917                                      | 134                                      |
| Other receipts  |      | 5,459                                    | 3,793                                    |
| Net GST refund/(payment)  |      | 1,251                                    | (481)                                    |
| Employee costs  |      | (51,453)                                 | (48,622)                                 |
| Materials and services  |      | (55,392)                                 | (42,704)                                 |
| <b>Net cash provided by operating activities</b>                    | 9.2  | <b>48,927</b>                            | <b>50,875</b>                            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |      |  |  |
| Payments for property, infrastructure, plant and equipment          | 6.2  | (50,759)                                 | (68,607)                                 |
| Proceeds from sale of property, infrastructure, plant and equipment |      | 1,048                                    | 452                                      |
| Proceeds from sale of investments                                   |      | 2,000                                    | 22,000                                   |
| <b>Net cash used in investing activities</b>                        |      | <b>(47,711)</b>                          | <b>(46,155)</b>                          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |      |  |  |
| Finance costs   |      | (758)                                    | (892)                                    |
| Proceeds from borrowings  |      | 10,000                                   | -  |
| Repayment of borrowings   |      | (1,851)                                  | (1,485)                                  |
| Interest paid - lease liability                                     |      | (27)                                     | (38)                                     |
| Repayment of lease liabilities                                      |      | (287)                                    | (355)                                    |
| <b>Net cash provided by/(used in) financing activities</b>          |      | <b>7,077</b>                             | <b>(2,770)</b>                           |
| Net increase in cash and cash equivalents                           |      | 8,293                                    | 1,950                                    |
| Cash and cash equivalents at the beginning of the financial year    |      | 34,692                                   | 32,742                                   |
| <b>Cash and cash equivalents at the end of the financial year</b>   | 5.1  | <b>42,985</b>                            | <b>34,692</b>                            |
| Financing arrangements  | 5.6  |  |  |
| Restrictions on cash assets   | 5.1  |  |  |

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

## Statement of Capital Works For the Year Ended 30 June 2021

|  | NOTE | 2021<br>\$'000 | 2020<br>\$'000 |
|--|------|----------------|----------------|
| <b>PROPERTY</b>                                |      |                |                |
| Land   |      | -              | 587            |
| Land improvements                              |      | 73             | 285            |
| Buildings                                      |      | 18,541         | 33,008         |
| <b>Total property</b>                          |      | <b>18,614</b>  | <b>33,880</b>  |
| <b>PLANT AND EQUIPMENT</b>                     |      |                |                |
| Plant, machinery and equipment                 |      | 2,895          | 2,905          |
| Fixtures, fittings and furniture               |      | 265            | 225            |
| Computers and telecommunications               |      | 546            | 1,552          |
| <b>Total plant and equipment</b>               |      | <b>3,706</b>   | <b>4,682</b>   |
| <b>INFRASTRUCTURE</b>                          |      |                |                |
| Roads  |      | 15,691         | 19,265         |
| Bridges  |      | 433            | 1,054          |
| Footpaths and cycleways                        |      | 2,241          | 1,167          |
| Drainage                                       |      | 2,575          | 1,937          |
| Recreational, leisure and community facilities |      | 4,550          | 3,204          |
| Waste management                               |      | 184            | 762            |
| Parks, open space and streetscapes             |      | 1,070          | 1,979          |
| Aerodromes                                     |      | 963            | 3              |
| Off street car parks                           |      | 250            | 300            |
| Other infrastructure                           |      | 482            | 407            |
| <b>Total infrastructure</b>                    |      | <b>28,439</b>  | <b>30,078</b>  |
| <b>Total capital works expenditure</b>         | 6.2  | <b>50,759</b>  | <b>68,640</b>  |
| <b>REPRESENTED BY:</b>                         |      |                |                |
| New asset expenditure                          |      | 21,868         | 34,479         |
| Asset renewal expenditure                      |      | 21,602         | 19,481         |
| Asset expansion expenditure                    |      | 2,425          | 4,760          |
| Asset upgrade expenditure                      |      | 4,864          | 9,920          |
| <b>Total capital works expenditure</b>         | 6.2  | <b>50,759</b>  | <b>68,640</b>  |

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







# NOTES TO THE FINANCIAL REPORT

## FOR THE YEAR ENDING 30 JUNE 2021

The Greater Shepparton City Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at 90 Welsford Street, Shepparton, Victoria, 3630.

### 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 the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

### Significant accounting policies

#### (a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, 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.

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.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- 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.

## **(b) Impact of COVID-19**

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020.

During the 2020-21 year, a number of COVID-19 lockdowns and various restrictions were in place that impacted Council operations which also had financial implications.

The biggest impact has been the significant revenue reductions in the area of user fees and charges. The closure or restricted operations placed on Council run facilities such as Aquamoves (\$1.43 million) and Riverlinks (\$356,000), has seen a large drop in user fee revenue compared to adopted budget. Additional support packages provided by Council to the community (Stage 1 \$1.5 million, Stage 2 \$2 million) also impacted user fees with various waivers or credits applied to various users of recreational and sporting facilities or foregone revenue relating to areas such as parking fees and penalty interest on outstanding rates.

In contrast, Government grants, such as the State Government's Working for Victoria Program (\$8.87 million) or the Federal Government's Local Roads and Community Infrastructure Program (Phase 1 and 2 \$5.14 million), have increased in response to COVID-19, however, are generally allocated to fund new expenditure in an effort to stimulate the local economy rather than cover existing budgeted commitments.

Outstanding rates and sundry debtor balances have not been materially impacted by COVID-19. The flexibility afforded to debtors in repaying outstanding balances, including no charging of penalty interest, has seen Council debtor balances maintain close to pre-COVID levels.

The impacts on Council's expenditure has been immaterial when compared to adopted budget. Some employee cost savings, due to lower casual employment, were offset by employee costs funded by grant programs such as Working for Victoria. Impacts on Council's material and services expenditure resulting from support packages were largely offset by redirecting existing budget from event cancellations or postponements. Refer to Note 1.1 for income and expense variances to adopted budget.

Non-current asset values have been assessed as not materially impacted by COVID-19 as at 30 June 2021. Formal revaluations were undertaken for Land and Building assets during 2020/21 and have no specific disclosures of significant uncertainty.

COVID-19 related disclosures have been made in the following notes:

- Note 4.6 Bad and Doubtful Debts
- Note 5.1 (c) Financial Assets – Trade and Other Receivables
- Note 5.3 (a) Trade and Other Payables
- Note 6.2 Property, Infrastructure, Plant and Equipment – Valuation of Land and Buildings, Valuation of Infrastructure

## Note 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 2014* 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 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

| 1.1 INCOME AND EXPENDITURE   | BUDGET<br>2021<br>\$'000 | ACTUAL<br>2021<br>\$'000 | VARIANCE<br>2021<br>\$'000 | VARIANCE<br>2021<br>% | REF |
|--|--------------------------|--------------------------|----------------------------|-----------------------|-----|
| <b>INCOME</b>  |                          |                          |                            |                       |     |
| Rates and charges  | 82,849                   | 83,323                   | 474                        | 0.6%                  |     |
| Statutory fees and fines   | 3,563                    | 3,223                    | (340)                      | (9.5%)                |     |
| User fees  | 16,857                   | 16,665                   | (192)                      | (1.1%)                |     |
| Grants - operating   | 23,774                   | 30,465                   | 6,691                      | 28.1%                 | 1   |
| Grants - capital   | 14,446                   | 12,519                   | (1,927)                    | (13.3%)               | 2   |
| Contributions - monetary   | 2,930                    | 3,700                    | 770                        | 26.3%                 | 3   |
| Contributions - non monetary   | 5,943                    | 5,650                    | (293)                      | (4.9%)                |     |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | 630                      | (660)                    | (1,290)                    | (204.8%)              | 4   |
| Share of net profits of associates and joint ventures                        | -                        | 151                      | 151                        | 100.0%                | 5   |
| Other income   | 1,624                    | 1,228                    | (396)                      | (24.4%)               | 6   |
| <b>Total income</b>  | <b>152,616</b>           | <b>156,264</b>           | <b>3,648</b>               | <b>2.4%</b>           |     |
| <b>EXPENSES</b>  |                          |                          |                            |                       |     |
| Employee costs   | 51,067                   | 51,570                   | (503)                      | (1.0%)                |     |
| Materials and services   | 61,353                   | 50,151                   | 11,202                     | 18.3%                 | 7   |
| Depreciation   | 32,844                   | 33,235                   | (391)                      | (1.2%)                |     |
| Amortisation - Intangible assets   | -                        | 1,341                    | (1,341)                    | (100.0%)              | 8   |
| Amortisation - Right of use assets   | 298                      | 293                      | 5                          | 1.7%                  |     |
| Bad and doubtful debts   | 186                      | 60                       | 126                        | 67.7%                 | 9   |
| Borrowing costs  | 920                      | (12,145)                 | 13,065                     | 1420.1%               | 10  |
| Finance costs - Leases   | 27                       | 27                       | -                          | 0.0%                  |     |
| Other expenses   | 706                      | 554                      | 152                        | 21.5%                 | 11  |
| <b>Total expenses</b>  | <b>147,401</b>           | <b>125,086</b>           | <b>22,315</b>              | <b>15.1%</b>          |     |
| <b>Surplus/(deficit) for the year</b>  | <b>5,215</b>             | <b>31,178</b>            | <b>(25,963)</b>            | <b>(497.9%)</b>       |     |

**(i) Explanation of material variations**

| VARIANCE REF | ITEM   | EXPLANATION   |
|--------------|--|---|
| 1            | Grants - operating   | Greater than budget by \$6.69m largely due to the early receipt of half of the 2021/2022 Federal Financial Assistance Grant Funding \$6.99m.  |
| 2            | Grants - capital   | Less than budget by \$1.93m largely due to the accounting treatment of capital grants which were budgeted for but unable to be recognised as income due to AASB15 and AASB1058.   |
| 3            | Contributions - monetary   | More than budget by \$770k largely due to additional developer contributions for estates including Marlboro Drive, Kialla Greens, Maley Court, Sevens Creeks and Mooroopna West Growth Corridor.  |
| 4            | Net gain/(loss) on disposal of property, infrastructure, plant and equipment | Less than budget by \$1.29m largely due to the write off of infrastructure assets.  |
| 5            | Share of net profits of associates and joint ventures                        | Share of net profits of Goulburn Valley Regional Library Corporation, not budgeted.   |
| 6            | Other income   | Less than budget by \$396k largely due to reduced interest income on investments due to lower interest rates than forecast.   |
| 7            | Materials and services   | Less than budget by \$11.20m largely due to a reduction in the Working for Victoria program based on final staff numbers (\$7.67m). Also impacted by savings in non-council asset works including Victoria Park Lake intersection, Ford Road/Wanganui Road roundabout landscaping contribution and Stadium/Munarra utilities upgrade, both of which were rebudgeted into 2021/2022. Savings in staff training and fuel also impacted this variance. |
| 8            | Amortisation - intangible assets   | Variance \$1.34m due to the amortisation of Cosgrove Landfill airspace intangible asset recorded at 30 June 2020 not finalised at the time of adopting the 2021 budget.   |
| 9            | Bad and doubtful debts   | Less than budget by \$126k largely due to lower number of parking infringements issued during 'Free Parking' initiatives and COVID-19 pandemic restrictions.  |
| 10           | Borrowing costs  | Less than budget by \$13.07m due to fair value movements for Cosgrove 3 landfill and employee provisions totalling \$12.9m as a result of a reduction in discount and inflation factors.  |
| 11           | Other expenses   | Less than budget by \$152k largely due to lower internal audit fees and reduced landfill audit services.  |

| <b>1.2 CAPITAL WORKS</b>                       | <b>BUDGET<br/>2021<br/>\$'000</b> | <b>ACTUAL<br/>2021<br/>\$'000</b> | <b>VARIANCE<br/>\$'000</b> | <b>VARIANCE<br/>%</b> | <b>REF</b> |
|--|-----------------------------------|-----------------------------------|----------------------------|-----------------------|------------|
| <b>PROPERTY</b>                                |                                   |                                   |                            |                       |            |
| Land   |                                   |                                   |                            |                       |            |
| Land improvements                              | 100                               | 73                                | (27)                       | <b>(27.0%)</b>        |            |
| Buildings                                      | 20,038                            | 18,541                            | (1,497)                    | <b>(7.5%)</b>         |            |
| <b>Total property</b>                          | <b>20,138</b>                     | <b>18,614</b>                     | <b>(1,524)</b>             | <b>(7.6%)</b>         |            |
| <b>PLANT AND EQUIPMENT</b>                     |                                   |                                   |                            |                       |            |
| Plant, machinery and equipment                 | 4,617                             | 2,895                             | (1,722)                    | <b>(37.3%)</b>        | <b>1</b>   |
| Fixtures, fittings and furniture               | 335                               | 265                               | (70)                       | <b>(20.9%)</b>        |            |
| Computers and telecommunications               | 750                               | 546                               | (204)                      | <b>(27.2%)</b>        | <b>2</b>   |
| <b>Total plant and equipment</b>               | <b>5,702</b>                      | <b>3,706</b>                      | <b>(1,996)</b>             | <b>(35.0%)</b>        |            |
| <b>INFRASTRUCTURE</b>                          |                                   |                                   |                            |                       |            |
| Roads  | 18,170                            | 15,691                            | (2,479)                    | <b>(13.6%)</b>        | <b>3</b>   |
| Bridges  | 450                               | 433                               | (17)                       | <b>(3.8%)</b>         |            |
| Footpaths and cycleways                        | 2,712                             | 2,241                             | (471)                      | <b>(17.4%)</b>        | <b>4</b>   |
| Drainage                                       | 3,921                             | 2,575                             | (1,346)                    | <b>(34.3%)</b>        | <b>5</b>   |
| Recreational, leisure and community facilities | 3,930                             | 4,550                             | 620                        | <b>15.8%</b>          | <b>6</b>   |
| Waste management                               | 3,288                             | 184                               | (3,104)                    | <b>(94.4%)</b>        | <b>7</b>   |
| Parks, open space and streetscapes             | 1,036                             | 1,070                             | 34                         | <b>3.3%</b>           |            |
| Aerodromes                                     | 592                               | 963                               | 371                        | <b>62.7%</b>          | <b>8</b>   |
| Off street car parks                           | 120                               | 250                               | 130                        | <b>108.3%</b>         | <b>9</b>   |
| Other infrastructure                           | 533                               | 482                               | (51)                       | <b>(9.6%)</b>         |            |
| <b>Total infrastructure</b>                    | <b>34,752</b>                     | <b>28,439</b>                     | <b>(6,313)</b>             | <b>(18.2%)</b>        |            |
| <b>Project Management Office</b>               | 1,125                             | -                                 | (1,125)                    | <b>(100.0%)</b>       | <b>10</b>  |
| <b>Total capital works expenditure</b>         | <b>61,717</b>                     | <b>50,759</b>                     | <b>(10,958)</b>            | <b>(17.8%)</b>        |            |
| <b>REPRESENTED BY:</b>                         |                                   |                                   |                            |                       |            |
| New asset expenditure                          | 22,897                            | 21,868                            | (1,029)                    | <b>(4.5%)</b>         |            |
| Asset renewal expenditure                      | 26,400                            | 21,602                            | (4,798)                    | <b>(18.2%)</b>        |            |
| Asset expansion expenditure                    | 10,445                            | 2,425                             | (8,020)                    | <b>(76.8%)</b>        |            |
| Asset upgrade expenditure                      | 1,975                             | 4,864                             | 2,889                      | <b>146.3%</b>         |            |
| <b>Total capital works expenditure</b>         | <b>61,717</b>                     | <b>50,759</b>                     | <b>(10,958)</b>            | <b>(17.8%)</b>        |            |

**(i) Explanation of material variations**

| VARIANCE REF | ITEM   | EXPLANATION   |
|--------------|--|---|
| 1            | Plant, machinery and equipment                 | Less than budget by \$1.72m largely due to large plant items not being delivered before 30 June.  |
| 2            | Computers and telecommunications               | Less than budget by \$204k largely due to the customer facing application refresh (\$200k) being deferred.  |
| 3            | Roads  | Less than budget by \$2.48m largely due to projects budgeted for in 2020/2021, now to be completed in 2021/2022, including: <ul style="list-style-type: none"><li>- Maude Street upgrade</li><li>- Hayes Street upgrade stage 3</li><li>- Knight and Hawdon Street upgrade</li><li>- Fryers Street and Railway Parade upgrade</li><li>- Kialla West School Crossing</li><li>- Katandra Main Road/Labuan Road intersection</li></ul> |
| 4            | Footpath and cycleways                         | Less than budget by \$471k largely due to projects budgeted for in 2020/2021, now to be completed in 2021/2022, including shared path extension route 3 (The Flats) and route 5 (Botanic Gardens bridge).   |
| 5            | Drainage                                       | Less than budget by \$1.35m largely due to projects budgeted for in 2020/2021, now to be completed in 2021/2022 including: <ul style="list-style-type: none"><li>- Stadium/Munarra wetland and drainage upgrade</li><li>- Orchard Circuit retardation basin</li><li>- localised drainage program</li></ul>  |
| 6            | Recreational, leisure and community facilities | More than budget by \$620k largely due to Deakin Reserve master plan netball precinct receiving grant funding during the year and included in the Q1 Adopted Forecast.  |
| 7            | Waste management                               | Less than budget by \$3.10m largely due to Cosgrove 2 Landfill Cell 4 capping budgeted for in 2020/2021, now to be completed in 2021/2022.  |
| 8            | Aerodromes                                     | More than budget by \$371k largely due to additional grant funded works for the aerodrome plane parking and concrete helipad project.   |
| 9            | Off street car parks                           | More than budget by \$130k largely due to Tom Collins drive landscaping, parking and revegetation works budgeted for in 2019/2020, completed in 2020/2021.  |
| 10           | Project Management Office                      | Less than budget by \$1.13m due to Project Management Office costs (incurred solely in the management of Council's capital works) being allocated to the actual capital works at 30 June. This is not known at the time of budget adoption and leads to a variance at year end once the costs are allocated.  |





## Note 2 – Results by program

### Analysis of Council results by program

Council delivers its functions and activities through the following Directorates.

#### (a) Community

The Community Directorate includes services for Community, Early Years, Active Living, Performing Arts, Shepparton Art Museum, Library and Emergency Management.

#### Corporate Services

The Corporate Services Directorate includes Finance and Rates, Information and Communication Technology, Communications and Engagement, People and Development and Corporate Governance.

#### Infrastructure

The Infrastructure Directorate services includes Works and Waste, Projects, Parks, Sport and Recreation and managing Strategic Assets.

#### Sustainable Development

The Sustainable Development Directorate provides Building, Planning and Compliance, Environment and Economic Development Services.

#### (b) Summary of revenues, expenses, assets and capital expenses by program

|                         | INCOME<br>\$'000 | EXPENSES<br>\$'000 | SURPLUS/<br>(DEFICIT)<br>\$'000 | GRANTS<br>INCLUDED<br>IN INCOME<br>\$'000 | TOTAL<br>ASSETS<br>\$'000 |
|-------------------------|------------------|--------------------|---------------------------------|---|---------------------------|
| <b>2021</b>             |                  |                    |                                 |   |                           |
| Community               | 15,029           | (27,076)           | (12,047)                        | 11,001                                    | 1,603                     |
| Corporate Services      | 89,421           | (45,768)           | 43,653                          | 10,197                                    | 71,100                    |
| Infrastructure          | 46,201           | (37,253)           | 8,948                           | 20,420                                    | 1,299,295                 |
| Sustainable Development | 6,273            | (15,649)           | (9,376)                         | 1,366                                     | 22                        |
|                         | <b>156,924</b>   | <b>(125,746)</b>   | <b>31,178</b>                   | <b>42,984</b>                             | <b>1,372,020</b>          |
| <b>2020</b>             |                  |                    |                                 |   |                           |
| Community               | 17,608           | (29,174)           | (11,566)                        | 11,135                                    | 1,475                     |
| Corporate Services      | 92,643           | (43,705)           | 48,938                          | 9,581                                     | 61,318                    |
| Infrastructure          | 42,586           | (44,107)           | (1,520)                         | 20,303                                    | 1,195,164                 |
| Sustainable Development | 6,564            | (15,394)           | (8,831)                         | 571                                       | 34                        |
|                         | <b>159,401</b>   | <b>(132,380)</b>   | <b>27,021</b>                   | <b>41,590</b>                             | <b>1,257,991</b>          |

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

| 3.1 RATES AND CHARGES                    | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| General rates                            | 65,508         | 62,555         |
| Municipal charge                         | 6,040          | 5,961          |
| Waste management charge                  | 10,318         | 10,034         |
| Supplementary rates and rate adjustments | 1,457          | 1,659          |
| Interest on rates and charges            | -              | 183            |
| <b>Total rates and charges</b>           | <b>83,323</b>  | <b>80,392</b>  |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation was first applied in the rating year commencing 1 July 2020.

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          | 2021<br>\$'000 | 2020<br>\$'000 |
|---------------------------------------|----------------|----------------|
| Infringements and costs               | 1,017          | 1,370          |
| Town planning fees                    | 652            | 466            |
| Land information certificates         | 87             | 69             |
| Permits                               | 1,461          | 1,274          |
| Other                                 | 6              | 4              |
| <b>Total statutory fees and fines</b> | <b>3,223</b>   | <b>3,183</b>   |

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

| <b>3.3 USER FEES</b>      | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---------------------------|------------------------|------------------------|
| Aged and health services  | 377                    | 708                    |
| Animal control            | 66                     | 77                     |
| Aquatic facilities        | 1,270                  | 2,695                  |
| Arts and culture          | 82                     | 208                    |
| Child services            | 1,424                  | 1,411                  |
| Development facilities    | 706                    | 683                    |
| Environmental health      | 15                     | 18                     |
| Financial services        | 119                    | 117                    |
| Parking                   | 563                    | 907                    |
| Recreation facilities     | 219                    | 710                    |
| Saleyards                 | 1,238                  | 1,489                  |
| Tourism                   | 565                    | 711                    |
| Waste management services | 9,684                  | 6,505                  |
| Other fees and charges    | 337                    | 561                    |
| <b>Total user fees</b>    | <b>16,665</b>          | <b>16,800</b>          |

#### USER FEES BY TIMING OF REVENUE RECOGNITION

|   |               |               |
|---|---------------|---------------|
| User fees recognised at a point in time | <b>16,665</b> | <b>16,800</b> |
| <b>Total user fees</b>                  | <b>16,665</b> | <b>16,800</b> |

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

| <b>3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT</b> | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|--|------------------------|------------------------|
| Grants were received in respect of the following:  |                        |                        |
| <b>SUMMARY OF GRANTS</b>                           |                        |                        |
| Commonwealth funded grants                         | 27,600                 | 31,093                 |
| State funded grants                                | 15,384                 | 10,497                 |
| <b>Total grants received</b>                       | <b>42,984</b>          | <b>41,590</b>          |

| 3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT    | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>(A) OPERATING GRANTS</b>                    |                |                |
| <i>RECURRENT - COMMONWEALTH GOVERNMENT</i>     |                |                |
| Financial Assistance Grants                    | 10,131         | 9,657          |
| Early Years                                    | 3,656          | 3,209          |
| Community Wellbeing                            | 773            | 2,635          |
| Projects                                       | 3,201          | 3,217          |
| Environmental Health                           | 6              | 7              |
| <i>RECURRENT - STATE GOVERNMENT</i>            |                |                |
| Community Wellbeing                            | 133            | 546            |
| Early Years                                    | 4,812          | 4,120          |
| Environmental Health                           | 244            | 80             |
| Arts and Culture                               | -              | 120            |
| Emergency Management                           | 313            | 120            |
| Economic Development                           | 123            | 33             |
| Building, Planning and Compliance              | 79             | 161            |
| <b>Total recurrent operating grants</b>        | <b>23,471</b>  | <b>23,905</b>  |
| <i>NON-RECURRENT - COMMONWEALTH GOVERNMENT</i> |                |                |
| Early Years                                    | 28             | 5              |
| Parks, Sport and Recreation                    | 432            | 37             |
| Works and Waste                                | 10             | -              |
| Economic Development                           | 174            | -              |
| Building, Planning and Compliance              | 75             | -              |
| <i>NON-RECURRENT - STATE GOVERNMENT</i>        |                |                |
| Early Years                                    | 825            | 71             |
| Performing Arts and Conventions                | 125            | 146            |
| Community Wellbeing                            | 4              | 54             |
| Director Community                             | 120            | 48             |
| Active Living                                  | 210            | 60             |
| Environmental                                  | -              | 45             |
| Finance and Rates                              | 66             | 65             |
| Economic Development                           | 667            | 186            |
| Infrastructure                                 | 4,122          | -              |
| Projects                                       | 44             | -              |
| Building, Planning and Compliance              | -              | 60             |
| Parks, Sport and Recreation                    | 92             | 104            |
| Works and Waste                                | -              | 17             |
| <b>Total non-recurrent operating grants</b>    | <b>6,994</b>   | <b>898</b>     |
| <b>Total operating grants</b>                  | <b>30,465</b>  | <b>24,803</b>  |

| <b>3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT</b>                                      | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| <b>(B) CAPITAL GRANTS</b>   |                        |                        |
| <i>RECURRENT - COMMONWEALTH GOVERNMENT</i>  |                        |                        |
| Infrastructure  | 2,033                  | 2,033                  |
| <b>Total recurrent capital grants</b>   | <b>2,033</b>           | <b>2,033</b>           |
| <i>NON-RECURRENT - COMMONWEALTH GOVERNMENT</i>  |                        |                        |
| Infrastructure  | 581                    | 1,793                  |
| Arts and Culture  | 6,500                  | 8,500                  |
| <i>NON-RECURRENT - STATE GOVERNMENT</i>   |                        |                        |
| Arts and Culture  | 2,000                  | 2,500                  |
| Infrastructure  | 925                    | 1,349                  |
| Property  | -                      | 365                    |
| Plant and equipment   | 480                    | 240                    |
| Recreation and Parks  | -                      | 7                      |
| <b>Total non-recurrent capital grants</b>   | <b>10,486</b>          | <b>14,754</b>          |
| <b>Total capital grants</b>   | <b>12,519</b>          | <b>16,787</b>          |
| <b>(C) UNSPENT GRANTS RECEIVED ON CONDITION THAT THEY BE SPENT IN A SPECIFIC MANNER</b> |                        |                        |
| <i>OPERATING</i>  |                        |                        |
| Balance at start of year  | 1,165                  | 156                    |
| Received during the financial year and remained unspent at balance date                 | 313                    | 1,026                  |
| Received in prior years and spent during the financial year                             | (192)                  | (17)                   |
| <b>Balance at year end</b>  | <b>1,286</b>           | <b>1,165</b>           |
| <i>CAPITAL</i>  |                        |                        |
| Balance at start of year  | 317                    | 1,841                  |
| Received during the financial year and remained unspent at balance date                 | 7,037                  | 176                    |
| Received in prior years and spent during the financial year                             | -                      | (1,700)                |
| <b>Balance at year end</b>  | <b>7,354</b>           | <b>317</b>             |

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement. If the grant agreement does not specify performance obligations, the grant is recognised when it is received.

| <b>3.5 CONTRIBUTIONS</b>  | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| Monetary  | 3,700                  | 3,160                  |
| Non-monetary  | 5,650                  | 11,655                 |
| <b>Total contributions</b>  | <b>9,350</b>           | <b>14,815</b>          |
| <i>Contributions of non monetary assets were received in relation to the following asset classes.</i> |                        |                        |
| Land  | 55                     | 74                     |
| Roads   | 3,008                  | 6,072                  |
| Other infrastructure  | 2,587                  | 5,509                  |
| <b>Total non-monetary contributions</b>   | <b>5,650</b>           | <b>11,655</b>          |

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

| <b>3.6 NET LOSS ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|--|------------------------|------------------------|
| Proceeds of sale   | 1,048                  | 452                    |
| Written down value of assets disposed  | (1,708)                | (944)                  |
| <b>Total net loss on disposal of property, infrastructure, plant and equipment</b> | <b>(660)</b>           | <b>(492)</b>           |

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

| <b>3.7 OTHER INCOME</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---------------------------|------------------------|------------------------|
| Interest                  | 120                    | 781                    |
| Rent                      | 280                    | 364                    |
| Other                     | 828                    | 1,422                  |
| <b>Total other income</b> | <b>1,228</b>           | <b>2,567</b>           |

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.

## Note 4 – The cost of delivering services

| <b>4.1 (A) EMPLOYEE COSTS</b> | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|-------------------------------|------------------------|------------------------|
| Wages and salaries            | 46,592                 | 45,684                 |
| WorkCover                     | 384                    | 888                    |
| Superannuation                | 4,600                  | 4,427                  |
| Fringe benefits tax           | (6)                    | 175                    |
| <b>Total employee costs</b>   | <b>51,570</b>          | <b>51,174</b>          |

### (B) SUPERANNUATION

Council made contributions to the following funds:

#### DEFINED BENEFIT FUND

|  |            |            |
|--|------------|------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 130        | 129        |
| Employer contributions - other funds   | 9          | 9          |
|  | <b>139</b> | <b>138</b> |

Employer contributions payable at reporting date.

#### ACCUMULATION FUNDS

|  |              |              |
|--|--------------|--------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 2,730        | 2,685        |
| Employer contributions - other funds   | 1,731        | 1,604        |
|  | <b>4,461</b> | <b>4,289</b> |

Employer contributions payable at reporting date.

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

| <b>4.2 MATERIALS AND SERVICES</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|-------------------------------------|------------------------|------------------------|
| Utilities                           | 2,610                  | 3,118                  |
| Training and development            | 401                    | 661                    |
| Information technology              | 2,351                  | 1,984                  |
| Building maintenance                | 2,307                  | 2,257                  |
| Motor vehicle expenses              | 1,570                  | 1,636                  |
| General maintenance                 | 4,828                  | 4,021                  |
| Insurance                           | 1,265                  | 1,015                  |
| Waste management                    | 8,676                  | 10,067                 |
| Advertising and marketing           | 1,032                  | 1,341                  |
| Consultants                         | 1,720                  | 2,001                  |
| EPA Levy                            | 2,194                  | 2,016                  |
| Legal fees                          | 911                    | 1,052                  |
| Sponsorships and contributions      | 7,313                  | 4,028                  |
| Non-Council asset works             | 3,956                  | 2,019                  |
| Operational supplies and services   | 9,017                  | 13,220                 |
| <b>Total materials and services</b> | <b>50,151</b>          | <b>50,436</b>          |

| <b>4.3 DEPRECIATION</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---------------------------|------------------------|------------------------|
| Property                  | 2,582                  | 1,994                  |
| Plant and equipment       | 2,173                  | 2,296                  |
| Infrastructure            | 28,480                 | 22,984                 |
| <b>Total depreciation</b> | <b>33,235</b>          | <b>27,274</b>          |

Refer to note 6.2 for a more detailed breakdown of depreciation charges and accounting policy.

| <b>4.4 AMORTISATION - INTANGIBLE ASSETS</b>     | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| Cosgrove Landfill Airspace                      | 1,341                  | -                      |
| <b>Total Amortisation - Right of use assets</b> | <b>1,341</b>           | <b>-</b>               |

| <b>4.5 AMORTISATION - RIGHT OF USE ASSETS</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| Property  | 13                     | 51                     |
| Vehicles  | 257                    | 296                    |
| Other   | 23                     | 23                     |
| <b>Total Amortisation - Right of use assets</b> | <b>293</b>             | <b>370</b>             |

| <b>4.6 BAD AND DOUBTFUL DEBTS</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|-------------------------------------|------------------------|------------------------|
| Parking fine debtors                | 59                     | 60                     |
| Other debtors                       | 1                      | 9                      |
| <b>Total bad and doubtful debts</b> | <b>60</b>              | <b>69</b>              |

#### **MOVEMENT IN PROVISIONS FOR DOUBTFUL DEBTS**

|   |              |              |
|---|--------------|--------------|
| Balance at the beginning of the year                          | (296)        | (285)        |
| New provisions recognised during the year                     | (60)         | (71)         |
| Amounts already provided for and written off as uncollectible | 66           | 60           |
| <b>Balance at end of year</b>                                 | <b>(290)</b> | <b>(296)</b> |

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

COVID-19 Disclosure - excluding one-off items, year end sundry debtor balances have not escalated above 2019 and 2020 levels. When using the expected credit loss model, in addition to 'base expectations', Council has also applied to other debts great than 30 days outstanding a factor of between 0.5% to 1% in consideration of potential economic impacts and further restrictions due to COVID-19. For Parking Infringements (tickets issues, penalty reminder notices issues and final notices) a factor of 4.5% has been applied.

| <b>4.7 BORROWING COSTS</b>            | <b>2020<br/>\$'000</b> | <b>2019<br/>\$'000</b> |
|---------------------------------------|------------------------|------------------------|
| Interest - Borrowings                 | 751                    | 885                    |
| Fair value movements (Refer Note 5.5) | (12,896)               | 1,061                  |
| <b>Total borrowing costs</b>          | <b>(12,145)</b>        | <b>1,946</b>           |

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

2021 fair value movement gains related to the calculation of Employee and Landfill Rehabilitation provisions. Reductions in discount and indexation figures, in addition to an adjustment to the landfill's useful life, has been favourable movements. Refer note 5.5.

| <b>4.8 FINANCE COSTS - LEASES</b> | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|-----------------------------------|------------------------|------------------------|
| Interest - Lease liabilities      | 27                     | 38                     |
| <b>Total finance costs</b>        | <b>27</b>              | <b>38</b>              |

| <b>4.9 OTHER EXPENSES</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 72                     | 85                     |
| Auditors' remuneration - Internal   | 53                     | 70                     |
| Councillors' allowances   | 302                    | 316                    |
| Other Lease expense   | 127                    | 110                    |
| <b>Total other expenses</b>   | <b>554</b>             | <b>581</b>             |



## Note 5 – Our financial position

| 5.1 FINANCIAL ASSETS   | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>(A) CASH AND CASH EQUIVALENTS</b>   |                |                |
| Cash on hand   | 10             | 9              |
| Cash at bank   | 42,975         | 20,683         |
| Cash equivalent deposits   | -              | 14,000         |
| <b>Total cash and cash equivalents</b>   | <b>42,985</b>  | <b>34,692</b>  |
| Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:  |                |                |
| <b>FUNDS HELD ON A STATUTORY BASIS</b>   |                |                |
| Cash in lieu of car parks - Developer contributions  | 1,250          | 1,208          |
| Civil works developer contributions fund   | 900            | 829            |
| Recreational land contributions fund   | 94             | 151            |
| <b>Total funds held on a statutory basis</b>   | <b>2,244</b>   | <b>2,188</b>   |
| <b>Total trust funds and deposits (Note 5.3)</b>   | <b>3,656</b>   | <b>2,740</b>   |
| <b>Total restricted funds</b>  | <b>5,900</b>   | <b>4,928</b>   |
| <b>Total unrestricted cash and cash equivalents</b>  | <b>37,085</b>  | <b>29,764</b>  |
| <b>INTENDED ALLOCATIONS</b>  |                |                |
| Although not externally restricted the following amounts have been allocated for specific purposes by Council:   |                |                |
| - cash held to fund carried forward capital works  | 7,214          | 9,035          |
| - conditional grants unspent (note 3.4(c))   | 8,498          | 1,482          |
| <b>Total funds subject to intended allocations</b>   | <b>15,712</b>  | <b>10,517</b>  |
| Cash and cash equivalents included cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less net of outstanding bank overdrafts. |                |                |
| <b>(B) OTHER FINANCIAL ASSETS</b>  |                |                |
| Term deposits - current  | 8,000          | 10,000         |
| <b>Total other financial assets</b>  | <b>8,000</b>   | <b>10,000</b>  |
| <b>Total financial assets (a) + (b)</b>  | <b>50,985</b>  | <b>44,692</b>  |

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.

| 5.1 FINANCIAL ASSETS                         | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>(C) TRADE AND OTHER RECEIVABLES</b>       |                |                |
| <b>CURRENT</b>                               |                |                |
| <i>STATUTORY RECEIVABLES</i>                 |                |                |
| Rates debtors                                | 6,692          | 5,102          |
| Infringement debtors                         | 2,045          | 1,785          |
| Provision for doubtful debts - infringements | (278)          | (277)          |
| Net GST receivable                           | 979            | 2,230          |
| <i>NON STATUTORY RECEIVABLES</i>             |                |                |
| Other debtors                                | 8,892          | 6,007          |
| Provision for doubtful debts - other debtors | (12)           | (19)           |
| <b>Total trade and other receivables</b>     | <b>18,318</b>  | <b>14,828</b>  |

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

COVID-19 Disclosure - Rates debtors year end balance has increased compared to prior year mainly due to the flexibility Council afforded its ratepayers (no penalty interest and no referral of outstanding debts to formal debt collectors) and in line with the budgeted increase in total rates and charges. Council has a high level of assurance on future collectability of these balances. The 30 June 2021 ending balance for Other Debtors is influenced by \$1.5 million grant funding from the Federal Government for the construction of the New Shepparton Art Museum building, \$1.284 million grant funding from the State Government for the Working for Victoria Program (paid post 30 June 2021) and \$528,000 grant funding from the State Government for the Shepparton free WIFI project (paid post 30 June 2021). Council will continue to monitor sundry debtors and report monthly on outstanding balances.

#### **(D) AGEING OF RECEIVABLES**

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

|  |              |              |
|--|--------------|--------------|
| Current (not yet due)                    | 4,826        | 5,429        |
| Past due by up to 30 days                | 572          | 335          |
| Past due between 31 and 180 days         | 1,507        | 72           |
| Past due between 181 and 365 days        | 1,646        | 122          |
| Past due by more than 1 year             | 341          | 49           |
| <b>Total trade and other receivables</b> | <b>8,892</b> | <b>6,007</b> |

#### **AGEING OF INDIVIDUALLY IMPAIRED RECEIVABLES**

At balance date, other debtors including sundry debtors with a nominal value of \$8,891,854 (2020: \$6,006,513).

In determining the value of the provision for doubtful debts required, and expected credit loss model was used, incorporating a combination of historical trends, knowledge of individual issues and forward-looking expected losses. The amount of the provision raised against these debtors was \$11,789, (2020: \$18,675). Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

|  |           |           |
|--|-----------|-----------|
| Current (not yet due)                    | -         | 3         |
| Past due by up to 30 days                | 1         | 2         |
| Past due between 31 and 60 days          | 3         | 1         |
| Past due between 61 and 90 days          | 4         | 7         |
| Past due by more than 91 days            | 4         | 6         |
| <b>Total trade and other receivables</b> | <b>12</b> | <b>19</b> |

| <b>5.2 NON-FINANCIAL ASSETS</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| <b>(A) INVENTORIES</b>  |                        |                        |
| Inventories held for distribution   | 156                    | 89                     |
| <b>Total inventories</b>  | <b>156</b>             | <b>89</b>              |
| Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition. |                        |                        |
| <b>(B) OTHER ASSETS</b>   |                        |                        |
| Prepayments   | 1,565                  | 1,088                  |
| Accrued income  | 14                     | 171                    |
| <b>Total other assets</b>   | <b>1,579</b>           | <b>1,259</b>           |
| <b>(C) INTANGIBLE ASSETS</b>  |                        |                        |
| Landfill air space  | 29,051                 | 32,276                 |
| Water right shares  | 128                    | -                      |
| <b>Total intangible assets</b>  | <b>29,179</b>          | <b>32,276</b>          |

|  | <b>WATER RIGHT<br/>SHARES<br/>\$'000</b> | <b>LANDFILL AIR<br/>SPACE<br/>\$'000</b> | <b>TOTAL<br/>\$'000</b> |
|--|--|--|-------------------------|
| <b>GROSS CARRYING AMOUNT</b>                   |  |  |                         |
| Balance at 1 July 2020                         | -  | 32,276                                   | 32,276                  |
| Additions/(Reductions) for period              | 128                                      | (1,884)                                  | (1,756)                 |
| <b>Balance at 1 July 2021</b>                  | <b>128</b>                               | <b>30,392</b>                            | <b>30,520</b>           |
| <b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b> |  |  |                         |
| Balance at 1 July 2020                         | -  | -  | -                       |
| Amortisation expense                           | -  | 1,341                                    | 1,341                   |
| <b>Balance at 1 July 2021</b>                  | <b>-</b>                                 | <b>1,341</b>                             | <b>1,341</b>            |
| Net book value at 30 June 2020                 | -  | 32,276                                   | 32,276                  |
| <b>Net book value at 30 June 2021</b>          | <b>128</b>                               | <b>29,051</b>                            | <b>29,179</b>           |

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

| 5.3 PAYABLES  | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| <b>(A) TRADE AND OTHER PAYABLES</b>   |                |                |
| Trade payables  | 4,452          | 2,907          |
| Prepaid income  | 24             | 44             |
| Accrued expenses  | 9,259          | 15,714         |
| Other payables  | 1,743          | 1,882          |
| <b>Total trade and other payables</b>   | <b>15,478</b>  | <b>20,547</b>  |
| <p>2021 trade payables includes \$1.316 million payable to the State Revenue Office for the fourth quarter remittance of collected Fire Services Property Levy. Paid post 30 June 2021.</p> <p>COVID-19 Disclosure - creditor balances are assessed as not having been materially impacted by COVID-19. With the majority of Council suppliers being local, small to medium enterprises, a concerted effort continues to be made to pay suppliers earlier than the standard 30 day payment terms.</p> |                |                |
| <b>(B) TRUST FUNDS AND DEPOSITS</b>   |                |                |
| Refundable deposits   | 2,506          | 1,888          |
| Fire services levy  | 493            | 391            |
| Retention amounts   | 657            | 461            |
| <b>Total trust funds and deposits</b>   | <b>3,656</b>   | <b>2,740</b>   |
| <b>(C) UNEARNED INCOME</b>  |                |                |
| Grants received in advance - operating  | 1,086          | 1,000          |
| Grants received in advance - capital  | 7,354          | 317            |
| <b>Total unearned income</b>  | <b>8,440</b>   | <b>1,317</b>   |

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.

#### *PURPOSE AND NATURE OF ITEMS*

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

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

| 5.4 INTEREST-BEARING LIABILITIES   | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>CURRENT</b>   |                |                |
| Borrowings - secured   | 2,662          | 1,613          |
|  | <b>2,662</b>   | <b>1,613</b>   |
| <b>NON-CURRENT</b>   |                |                |
| Borrowings - secured   | 21,245         | 13,973         |
|  | <b>21,245</b>  | <b>13,973</b>  |
| <b>Total</b>   | <b>23,907</b>  | <b>15,586</b>  |
| <i>Borrowings are secured by general rates as per the Local Government Act 1989 Section 148 (1)(a)</i> |                |                |
| <b>(A) THE MATURITY PROFILE FOR COUNCIL'S BORROWINGS IS:</b>   |                |                |
| Not later than one year  | 2,662          | 1,613          |
| Later than one year and not later than five years  | 11,578         | 7,134          |
| Later than five years  | 9,667          | 6,839          |
|  | <b>23,907</b>  | <b>15,586</b>  |

#### PRIOR PERIOD ADJUSTMENT

2020 maturity profile for Council's borrowings have been restated, to correct the allocated split between 'Later than one year and not later than five years' and 'Later than five years' categories. 2020 total borrowings remains unchanged.

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 at initial recognition.

| 5.5 PROVISIONS  | EMPLOYEE<br>\$'000 | LANDFILL<br>RESTORATION<br>\$'000 | TOTAL<br>\$'000 |
|---|--------------------|-----------------------------------|-----------------|
| <b>2021</b>   |                    |                                   |                 |
| Balance at beginning of the financial year  | 12,343             | 41,486                            | 53,829          |
| Additions/(Reductions) to provisions  | 3,917              | (2,056)                           | 1,861           |
| Amounts used  | (2,815)            | (62)                              | (2,877)         |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (214)              | (12,682)                          | (12,896)        |
| <b>Balance at the end of the financial year</b>   | <b>13,231</b>      | <b>26,686</b>                     | <b>39,917</b>   |
| <b>2020</b>   |                    |                                   |                 |
| Balance at beginning of the financial year  | 11,123             | 7,211                             | 18,334          |
| Additions to provisions   | 4,028              | 33,403                            | 37,431          |
| Amounts used  | (2,941)            | (55)                              | (2,996)         |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | 133                | 927                               | 1,060           |
| <b>Balance at the end of the financial year</b>   | <b>12,343</b>      | <b>41,486</b>                     | <b>53,829</b>   |

| 5.5 PROVISIONS   | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>(A) EMPLOYEE PROVISIONS</b>   |                |                |
| <i>CURRENT PROVISIONS EXPECTED TO BE WHOLLY SETTLED WITHIN 12 MONTHS</i>   |                |                |
| Annual leave   | 3,521          | 3,183          |
| Long service leave   | 1,085          | 1,106          |
|  | <b>4,606</b>   | <b>4,289</b>   |
| <i>CURRENT PROVISIONS EXPECTED TO BE WHOLLY SETTLED AFTER 12 MONTHS</i>  |                |                |
| Annual leave   | 1,469          | 1,071          |
| Long service leave   | 5,694          | 5,529          |
|  | <b>7,163</b>   | <b>6,600</b>   |
| <b>Total current employee provisions</b>   | <b>11,769</b>  | <b>10,889</b>  |
| <i>NON-CURRENT</i>   |                |                |
| Long service leave   | 1,462          | 1,454          |
| <b>Total non-current employee provisions</b>   | <b>1,462</b>   | <b>1,454</b>   |
| <i>AGGREGATE CARRYING AMOUNT OF EMPLOYEE PROVISIONS:</i>   |                |                |
| Current  | 11,769         | 10,889         |
| Non-current  | 1,462          | 1,454          |
| <b>Total aggregate carrying amount of employee provisions</b>  | <b>13,231</b>  | <b>12,343</b>  |
| The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.   |                |                |
| <i>Annual leave</i>  |                |                |
| Liabilities for annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.  |                |                |
| 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. |                |                |
| <i>Long service leave</i>  |                |                |
| Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. 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.             |                |                |
| Key assumptions:   |                |                |
| - discount rate  | 1.491%         | 0.872%         |
| - index rate   | 1.800%         | 1.500%         |

| 5.5 PROVISIONS                    | 2021<br>\$'000 | 2020<br>\$'000 |
|-----------------------------------|----------------|----------------|
| <b>(B) LANDFILL RESTORATION</b>   |                |                |
| Current                           | 3,463          | 3,514          |
| Non-current                       | 23,223         | 37,972         |
| <b>Total landfill restoration</b> | <b>26,686</b>  | <b>41,486</b>  |

Council is obligated to restore the Cosgrove landfill 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. In 2021, in response to actual rates of landfill and remaining capacity, the useful life of the Cosgrove 3 Landfill was adjusted from 60 plus 30 years to 45 plus 30 years. Refer note 4.7. 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.

Key assumptions:

|                                  |                |               |
|----------------------------------|----------------|---------------|
| - discount rate                  | -0.02% - 2.12% | 0.24% - 1.72% |
| - index rate                     | 1.10%          | 2.20%         |
| - estimated cost to rehabilitate | 33,771         | 34,179        |

Discount rate was obtained from Reserve Bank of Australia (Indicative mid rates of Australian Government Securities) and indexation rate was obtained from the Australian Bureau of Statistics (Consumer Price Index).

| 5.6 FINANCING ARRANGEMENTS  | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| The Council has the following funding arrangements in place as at 30 June 2021. |                |                |
| Bank guarantees   | 200            | 200            |
| Credit card facilities  | 100            | 100            |
| Interest bearing loans  | 25,907         | 17,586         |
| <b>Total facilities</b>   | <b>26,207</b>  | <b>17,886</b>  |
| <i>USED FACILITIES</i>  |                |                |
| Bank guarantees   | 30             | 30             |
| Credit card facilities  | 17             | 16             |
| Interest bearing loans  | 23,907         | 15,586         |
| <b>Total used facilities</b>  | <b>23,954</b>  | <b>15,632</b>  |
| <b>Unused facilities</b>  | <b>2,253</b>   | <b>2,254</b>   |

| <b>5.7 COMMITMENTS</b> | <b>NOT LATER THAN 1 YEAR \$'000</b> | <b>LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS \$'000</b> | <b>LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS \$'000</b> | <b>LATER THAN 5 YEARS \$'000</b> | <b>TOTAL \$'000</b> |
|------------------------|-------------------------------------|--|---|----------------------------------|---------------------|
|------------------------|-------------------------------------|--|---|----------------------------------|---------------------|

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.

|  |               |               |              |            |               |
|--|---------------|---------------|--------------|------------|---------------|
| <b>2021</b>                              |               |               |              |            |               |
| <i>OPERATING</i>                         |               |               |              |            |               |
| Kerbside collection and disposal         | 6,541         | 6,672         | 2,266        | -          | 15,479        |
| Open space management                    | 341           | 370           | -            | -          | 711           |
| Operational supplies and services        | 4,999         | 3,848         | 5,678        | -          | 14,525        |
| Home care services                       | -             | -             | -            | -          | -             |
| Cleaning contracts for council buildings | 510           | 510           | 510          | -          | 1,530         |
| <b>Total</b>                             | <b>12,391</b> | <b>11,400</b> | <b>8,454</b> | <b>-</b>   | <b>32,245</b> |
| <i>CAPITAL</i>                           |               |               |              |            |               |
| Buildings                                | 1,811         | -             | -            | -          | 1,811         |
| Waste                                    | 47            | -             | -            | -          | 47            |
| Other                                    | 1,865         | -             | -            | -          | 1,865         |
| <b>Total</b>                             | <b>3,723</b>  | <b>-</b>      | <b>-</b>     | <b>-</b>   | <b>3,723</b>  |
| <b>2020</b>                              |               |               |              |            |               |
| <i>OPERATING</i>                         |               |               |              |            |               |
| Kerbside collection and disposal         | 6,205         | 6,329         | 6,456        | -          | 18,990        |
| Open space management                    | 281           | 290           | 430          | -          | 1,001         |
| Operational supplies and services        | 2,831         | 1,915         | 1,857        | 290        | 6,893         |
| Home care services                       | 250           | -             | -            | -          | 250           |
| Cleaning contracts for council buildings | 489           | -             | -            | -          | 489           |
| <b>Total</b>                             | <b>10,056</b> | <b>8,534</b>  | <b>8,743</b> | <b>290</b> | <b>27,623</b> |
| <i>CAPITAL</i>                           |               |               |              |            |               |
| Buildings                                | 16,555        | -             | -            | -          | 16,555        |
| Waste                                    | 125           | -             | -            | -          | 125           |
| Other                                    | 4,490         | -             | -            | -          | 4,490         |
| <b>Total</b>                             | <b>21,170</b> | <b>-</b>      | <b>-</b>     | <b>-</b>   | <b>21,170</b> |



## 5.8 LEASES

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

| <b>RIGHT-OF-USE ASSETS</b>     | <b>PROPERTY<br/>\$'000</b> | <b>VEHICLES<br/>\$'000</b> | <b>OTHER<br/>\$'000</b> | <b>TOTAL<br/>\$'000</b> |
|--------------------------------|----------------------------|----------------------------|-------------------------|-------------------------|
| Balance at 1 July 2019         | 85                         | 432                        | 51                      | 568                     |
| Additions                      | -                          | 736                        | -                       | 736                     |
| Amortisation charge            | (51)                       | (296)                      | (23)                    | (370)                   |
| <b>Balance at 30 June 2020</b> | <b>34</b>                  | <b>872</b>                 | <b>28</b>               | <b>934</b>              |
| Balance at 1 July 2020         | 34                         | 872                        | 28                      | 934                     |
| Additions                      | -                          | 2                          | -                       | 2                       |
| Amortisation charge            | (13)                       | (257)                      | (23)                    | (293)                   |
| <b>Balance at 30 June 2021</b> | <b>21</b>                  | <b>617</b>                 | <b>5</b>                | <b>643</b>              |

| <b>LEASE LIABILITIES</b>                                  | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|---|------------------------|------------------------|
| Maturity analysis - contractual undiscounted cash flows   |                        |                        |
| Less than one year  | 262                    | 314                    |
| One to five years   | 440                    | 702                    |
| <b>Total undiscounted lease liabilities as at 30 June</b> | <b>702</b>             | <b>1,016</b>           |

2020 maturity analysis of contractual undiscounted cash flows has been restated to align with 2021 representation of maturity analysis.

Lease liabilities included in the Balance Sheet at 30 June 2021:

|                                |            |            |
|--------------------------------|------------|------------|
| Current                        | 244        | 288        |
| Non-current                    | 419        | 661        |
| <b>Total lease liabilities</b> | <b>663</b> | <b>949</b> |

#### *SHORT-TERM AND LOW VALUE LEASES*

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

| <b>EXPENSES RELATING TO:</b>   | <b>2021<br/>\$'000</b> | <b>2020<br/>\$'000</b> |
|--|------------------------|------------------------|
| Short-term leases  | 34                     | 27                     |
| Leases of low value assets   | 93                     | 84                     |
| <b>Total</b>   | <b>127</b>             | <b>111</b>             |
| Variable lease payments (not included in measurement of lease liabilities) | -                      | -                      |

#### **NON-CANCELLABLE LEASE COMMITMENTS - SHORT-TERM AND LOW-VALUE LEASES**

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:

|   |            |            |
|---|------------|------------|
| Within one year                                   | 94         | 119        |
| Later than one year but not later than five years | 231        | 338        |
| <b>Total lease commitments</b>                    | <b>325</b> | <b>457</b> |

## Note 6 – Assets we manage

| 6.1 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE          | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| Cost of acquisition   | 52             | 450            |
| Revaluation   | 11             | -              |
| <b>Total non current assets classified as held for sale</b> | <b>63</b>      | <b>450</b>     |

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

### 6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

#### SUMMARY OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

|                     | AT FAIR VALUE<br>30 JUNE 2020<br>\$'000 | ADDITIONS<br>\$'000 | CONTRIBUTIONS<br>\$'000 | REVALUATION<br>\$'000 | DEPRECIATION<br>\$'000 | DISPOSAL<br>\$'000 | WRITE-OFF<br>\$'000 | TRANSFERS<br>FROM WIP<br>\$'000 | TRANSFERS<br>\$'000 | AT FAIR VALUE<br>30 JUNE 2021<br>\$'000 |
|---------------------|---|---------------------|-------------------------|-----------------------|------------------------|--------------------|---------------------|---------------------------------|---------------------|---|
| Property            | 79,803                                  | -                   | 55                      | 36,801                | (375)                  | (63)               | -                   | 954                             | 425                 | <b>117,600</b>                          |
| Buildings           | 77,414                                  | 12,435              | -                       | 15,929                | (2,207)                | (164)              | -                   | 37,430                          | -                   | <b>140,837</b>                          |
| Plant and equipment | 29,399                                  | 2,514               | -                       | 70                    | (2,173)                | (401)              | -                   | 3,298                           | (425)               | <b>32,282</b>                           |
| Infrastructure      | 914,656                                 | 16,443              | 5,467                   | 32,947                | (28,480)               | (1,080)            | -                   | 11,292                          | 398                 | <b>951,643</b>                          |
| Work in progress    | 60,744                                  | 19,367              | -                       | -                     | -                      | -                  | -                   | (52,974)                        | -                   | <b>27,137</b>                           |
| <b>Total</b>        | <b>1,162,016</b>                        | <b>50,759</b>       | <b>5,522</b>            | <b>85,747</b>         | <b>(33,235)</b>        | <b>(1,708)</b>     | <b>-</b>            | <b>-</b>                        | <b>398</b>          | <b>1,269,499</b>                        |

#### SUMMARY OF WORK IN PROGRESS

|                     | OPENING WIP<br>\$'000 | ADDITIONS<br>\$'000 | WRITE-OFF<br>\$'000 | TRANSFERS<br>\$'000 | CLOSING WIP<br>\$'000 |
|---------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------|
| Property            | 40,218                | 6,880               | -                   | (38,585)            | 8,513                 |
| Plant and equipment | 4,410                 | 707                 | -                   | (3,338)             | 1,779                 |
| Infrastructure      | 16,116                | 11,780              | -                   | (11,051)            | 16,845                |
| <b>Total</b>        | <b>60,744</b>         | <b>19,367</b>       | <b>-</b>            | <b>(52,974)</b>     | <b>27,137</b>         |

## 6.2

## (A) PROPERTY

|  | LAND - SPECIALISED<br>\$'000 | LAND - NON SPECIALISED<br>\$'000 | LAND IMPROVEMENTS<br>\$'000 | TOTAL LAND & LAND IMPROVEMENTS<br>\$'000 | HERITAGE BUILDINGS<br>\$'000 | BUILDINGS - SPECIALISED<br>\$'000 | TOTAL BUILDINGS<br>\$'000 | WORK IN PROGRESS<br>\$'000 | TOTAL PROPERTY<br>\$'000 |
|--|------------------------------|----------------------------------|-----------------------------|--|------------------------------|-----------------------------------|---------------------------|----------------------------|--------------------------|
| At fair value 1 July 2020                    | 26,587                       | 45,980                           | 8,259                       | <b>80,826</b>                            | 29,983                       | 97,003                            | <b>126,986</b>            | 40,218                     | <b>248,030</b>           |
| Accumulated depreciation at 1 July 2020      | -                            | -                                | (1,023)                     | <b>(1,023)</b>                           | (11,980)                     | (37,592)                          | <b>(49,572)</b>           | -                          | <b>(50,595)</b>          |
|  | <b>26,587</b>                | <b>45,980</b>                    | <b>7,236</b>                | <b>79,803</b>                            | <b>18,003</b>                | <b>59,411</b>                     | <b>77,414</b>             | <b>40,218</b>              | <b>197,435</b>           |
| <i>MOVEMENTS IN FAIR VALUE</i>               |                              |                                  |                             |  |                              |                                   |                           |                            |                          |
| Additions                                    | -                            | -                                | -                           | -  | 15                           | 12,420                            | <b>12,435</b>             | 6,880                      | <b>19,315</b>            |
| Additions - WIP                              | -                            | 552                              | 402                         | <b>954</b>                               | 13                           | 37,417                            | <b>37,430</b>             | (38,585)                   | <b>(201)</b>             |
| Contributions                                | 48                           | -                                | 7                           | <b>55</b>                                | -                            | -                                 | -                         | -                          | <b>55</b>                |
| Revaluation                                  | 13,058                       | 16,660                           | 7,175                       | <b>36,893</b>                            | 2,406                        | 7,166                             | <b>9,572</b>              | -                          | <b>46,465</b>            |
| Disposal                                     | -                            | -                                | (88)                        | (88)                                     | (6)                          | (324)                             | <b>(330)</b>              | -                          | <b>(418)</b>             |
| Transfers                                    | -                            | -                                | 425                         | <b>425</b>                               | -                            | -                                 | -                         | -                          | <b>425</b>               |
|  | <b>13,106</b>                | <b>17,212</b>                    | <b>7,921</b>                | <b>38,239</b>                            | <b>2,428</b>                 | <b>56,679</b>                     | <b>59,107</b>             | <b>(31,705)</b>            | <b>65,641</b>            |
| <i>MOVEMENTS IN ACCUMULATED DEPRECIATION</i> |                              |                                  |                             |  |                              |                                   |                           |                            |                          |
| Depreciation and amortisation                | -                            | -                                | (375)                       | <b>(375)</b>                             | (610)                        | (1,597)                           | <b>(2,207)</b>            | -                          | <b>(2,582)</b>           |
| Accumulated depreciation of disposals        | -                            | -                                | 25                          | <b>25</b>                                | 3                            | 163                               | <b>166</b>                | -                          | <b>191</b>               |
| Revaluation                                  | -                            | -                                | (92)                        | <b>(92)</b>                              | 1,433                        | 4,924                             | <b>6,357</b>              | -                          | <b>6,265</b>             |
|  | -                            | -                                | <b>(442)</b>                | <b>(442)</b>                             | <b>826</b>                   | <b>3,490</b>                      | <b>4,316</b>              | -                          | <b>3,874</b>             |
| At fair value 30 June 2021                   | 39,693                       | 63,192                           | 16,180                      | <b>119,065</b>                           | 32,411                       | 153,682                           | <b>186,093</b>            | 8,513                      | <b>313,671</b>           |
| Accumulated depreciation at 30 June 2021     | -                            | -                                | (1,465)                     | <b>(1,465)</b>                           | (11,154)                     | (34,102)                          | <b>(45,256)</b>           | -                          | <b>(46,721)</b>          |
|  | <b>39,693</b>                | <b>63,192</b>                    | <b>14,715</b>               | <b>117,600</b>                           | <b>21,257</b>                | <b>119,580</b>                    | <b>140,837</b>            | <b>8,513</b>               | <b>266,950</b>           |

## 6.2

**(B) PLANT AND EQUIPMENT**

|  | PLANT<br>MACHINERY<br>AND<br>EQUIPMENT<br>\$'000 | FIXTURES<br>FITTINGS<br>AND<br>FURNITURE<br>\$'000 | COMPUTERS<br>AND<br>TELECOMMS<br>\$'000 | WORK IN<br>PROGRESS<br>\$'000 | TOTAL<br>PLANT AND<br>EQUIPMENT<br>\$'000 |
|--|--|--|---|-------------------------------|---|
| At fair value 1 July 2020                    | 16,168   | 22,414   | 2,023                                   | 4,410                         | <b>45,015</b>                             |
| Accumulated depreciation at 1 July 2020      | (8,360)  | (2,182)  | (664)                                   | -                             | <b>(11,206)</b>                           |
|  | <b>7,808</b>                                     | <b>20,232</b>                                      | <b>1,359</b>                            | <b>4,410</b>                  | <b>33,809</b>                             |
| <i>MOVEMENTS IN FAIR VALUE</i>               |  |  |   |                               |   |
| Additions                                    | 2,507  | -  | 7                                       | 707                           | <b>3,221</b>                              |
| Additions - WIP                              | 1,527  | 67   | 1,704                                   | (3,338)                       | <b>(40)</b>                               |
| Revaluation                                  | -  | 70   | -                                       | -                             | <b>70</b>                                 |
| Disposal                                     | (2,244)  | (30)   | (2)                                     | -                             | <b>(2,276)</b>                            |
| Transfers                                    | -  | (425)  | -                                       | -                             | <b>(425)</b>                              |
|  | <b>1,790</b>                                     | <b>(318)</b>                                       | <b>1,709</b>                            | <b>(2,631)</b>                | <b>550</b>                                |
| <i>MOVEMENTS IN ACCUMULATED DEPRECIATION</i> |  |  |   |                               |   |
| Depreciation and amortisation                | (1,721)  | (43)   | (409)                                   | -                             | <b>(2,173)</b>                            |
| Accumulated depreciation of disposals        | 1,845  | 30   | -                                       | -                             | <b>1,875</b>                              |
|  | <b>124</b>                                       | <b>(13)</b>  | <b>(409)</b>                            | -                             | <b>(298)</b>                              |
| At fair value 30 June 2021                   | 17,958   | 22,096   | 3,732                                   | 1,779                         | <b>45,565</b>                             |
| Accumulated depreciation at 30 June 2021     | (8,236)  | (2,195)  | (1,073)                                 | -                             | <b>(11,504)</b>                           |
|  | <b>9,722</b>                                     | <b>19,901</b>                                      | <b>2,659</b>                            | <b>1,779</b>                  | <b>34,061</b>                             |

## 6.2

## (C) INFRASTRUCTURE

|  | ROADS<br>\$'000 | BRIDGES<br>\$'000 | FOOTPATHS AND<br>CYCLEWAYS<br>\$'000 | DRAINAGE<br>\$'000 | RECREATIONAL,<br>LEISURE AND<br>COMMUNITY \$'000 | WASTE MANAGEMENT<br>\$'000 | PARKS OPEN SPACES<br>AND STREETSCAPES<br>\$'000 | AERODROMES<br>\$'000 | OFF STREET CAR<br>PARKS<br>\$'000 | OTHER<br>INFRASTRUCTURE<br>\$'000 | WORK IN PROGRESS<br>\$'000 | TOTAL<br>INFRASTRUCTURE<br>\$'000 |
|--|-----------------|-------------------|--------------------------------------|--------------------|--|----------------------------|---|----------------------|-----------------------------------|-----------------------------------|----------------------------|-----------------------------------|
| At fair value 1 July 2020                    | 760,125         | 21,786            | 84,615                               | 181,989            | 153,084  | 32,590                     | 54,699  | 8,332                | 12,573                            | 14,184                            | 16,116                     | <b>1,340,093</b>                  |
| Accumulated depreciation at 1 July 2020      | (231,964)       | (7,895)           | (25,351)                             | (62,869)           | (62,076)   | (3,905)                    | (7,487)   | (345)                | (1,184)                           | (6,245)                           | -                          | <b>(409,321)</b>                  |
|  | <b>528,161</b>  | <b>13,891</b>     | <b>59,264</b>                        | <b>119,120</b>     | <b>91,008</b>                                    | <b>28,685</b>              | <b>47,212</b>                                   | <b>7,987</b>         | <b>11,389</b>                     | <b>7,939</b>                      | <b>16,116</b>              | <b>930,772</b>                    |
| <i>MOVEMENTS IN FAIR VALUE</i>               |                 |                   |                                      |                    |  |                            |   |                      |                                   |                                   |                            |                                   |
| Additions                                    | 12,499          | -                 | 946                                  | 260                | 2,342  | -                          | 192   | -                    | 118                               | 86                                | 11,780                     | <b>28,223</b>                     |
| Additions - WIP                              | 3,657           | -                 | 1,227                                | 1,283              | 3,267  | 963                        | 449   | -                    | 142                               | 304                               | (11,051)                   | <b>241</b>                        |
| Contributions                                | 3,008           | -                 | 919                                  | 1,527              | -  | -                          | 4   | -                    | -                                 | 9                                 | -                          | <b>5,467</b>                      |
| Revaluation                                  | -               | -                 | (445)                                | 583                | 11,189   | 680                        | 6,005   | 2,201                | 853                               | -                                 | -                          | <b>21,066</b>                     |
| Disposal                                     | (177)           | -                 | (125)                                | (836)              | (190)  | -                          | (158)   | -                    | (35)                              | (339)                             | -                          | <b>(1,860)</b>                    |
| Transfers                                    | -               | -                 | 14                                   | 398                | (14)   | -                          | -   | -                    | -                                 | -                                 | -                          | <b>398</b>                        |
|  | <b>18,987</b>   | <b>-</b>          | <b>2,536</b>                         | <b>3,215</b>       | <b>16,594</b>                                    | <b>1,643</b>               | <b>6,492</b>                                    | <b>2,201</b>         | <b>1,078</b>                      | <b>60</b>                         | <b>729</b>                 | <b>53,535</b>                     |
| <i>MOVEMENTS IN ACCUMULATED DEPRECIATION</i> |                 |                   |                                      |                    |  |                            |   |                      |                                   |                                   |                            |                                   |
| Depreciation and amortisation                | (19,683)        | (237)             | (1,340)                              | (2,003)            | (3,220)  | (857)                      | (646)   | (35)                 | (59)                              | (400)                             | -                          | <b>(28,480)</b>                   |
| Accumulated depreciation of disposals        | 57              | -                 | 49                                   | 315                | 103  | -                          | 80  | -                    | 12                                | 164                               | -                          | <b>780</b>                        |
| Revaluation                                  | -               | -                 | 999                                  | -                  | 11,226   | (35)                       | 348   | (662)                | 5                                 | -                                 | -                          | <b>11,881</b>                     |
|  | <b>(19,626)</b> | <b>(237)</b>      | <b>(292)</b>                         | <b>(1,688)</b>     | <b>8,109</b>                                     | <b>(892)</b>               | <b>(218)</b>                                    | <b>(697)</b>         | <b>(42)</b>                       | <b>(236)</b>                      | <b>-</b>                   | <b>(15,819)</b>                   |
| At fair value 30 June 2021                   | 779,112         | 21,786            | 87,151                               | 185,204            | 169,678  | 34,233                     | 61,191  | 10,533               | 13,651                            | 14,244                            | 16,845                     | <b>1,393,628</b>                  |
| Accumulated depreciation at 30 June 2021     | (251,590)       | (8,132)           | (25,643)                             | (64,557)           | (53,967)   | (4,797)                    | (7,705)   | (1,042)              | (1,226)                           | (6,481)                           | -                          | <b>(425,140)</b>                  |
|  | <b>527,522</b>  | <b>13,654</b>     | <b>61,508</b>                        | <b>120,647</b>     | <b>115,711</b>                                   | <b>29,436</b>              | <b>53,486</b>                                   | <b>9,491</b>         | <b>12,425</b>                     | <b>7,763</b>                      | <b>16,845</b>              | <b>968,488</b>                    |

### ACQUISITION

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

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 | THRESHOLD LIMIT (\$) |
|--|---------------------|----------------------|
| <i>ASSET RECOGNITION THRESHOLDS AND DEPRECIATION PERIODS</i> |                     |                      |
| Land & land improvements                                     |                     |                      |
| land   | -                   | 1                    |
| land improvements  | 15 - 60 years       | 10,000               |
| land under roads   | -                   | 1                    |
| Buildings  |                     |                      |
| buildings  | 10 - 100 years      | 5,000                |
| Heritage Assets  |                     |                      |
| heritage assets  | 10 - 100 years      | 5,000                |
| Plant and Equipment  |                     |                      |
| plant, machinery and equipment                               | 2 - 10 years        | 500                  |
| furniture, equipment and computers                           | 2 - 13 years        | 1,500                |
| art collection and civic regalia                             | -                   | 3,000                |
| Roads  |                     |                      |
| roads - surface and seal                                     | 12 - 60 years       | 20,000               |
| spray seal   | -                   | 500m <sup>2</sup>    |
| asphalt  | -                   | 150m <sup>2</sup>    |
| concrete   | -                   | 55m <sup>2</sup>     |
| road pavement  | 53 - 60 years       | 290m <sup>2</sup>    |
| roads - kerb, channel and minor culverts                     | 60 - 90 years       | 1                    |
| Bridges and major culverts                                   | 40 - 100 years      | 1                    |
| Footpaths and cycleways                                      |                     |                      |
| footpaths  | 15 - 70 years       | 1                    |
| bike paths   | 15 - 60 years       | 1                    |
| Drainage   | 50 - 90 years       | 1                    |
| Other infrastructure   |                     |                      |
| naturestrip trees  | 50 years            | 1                    |
| regulatory signs   | 7 - 35 years        | 1                    |
| street furniture   | 5 - 50 years        | 1                    |

#### LAND UNDER ROADS

Council recognises land under roads it controls at fair value.

#### DEPRECIATION AND AMORTISATION

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

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

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

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

Depreciation periods used are listed above and are consistent with the prior year except for footpaths and bike paths which were both 10 - 70 years in 2020.

#### 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.

#### VALUATION OF LAND AND BUILDINGS

Valuation of land and buildings were undertaken by a qualified independent valuer LG Valuations (Principal Marcus Hann, Valuer No. 62901). 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.

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.

A full revaluation of these assets was conducted during 2020/21.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2021 are as follows:

|                    | LEVEL 1<br>\$'000 | LEVEL 2<br>\$'000 | LEVEL 3<br>\$'000 | DATE OF VALUATION |
|--------------------|-------------------|-------------------|-------------------|-------------------|
| Land               | -                 | 63,192            | -                 | April 2021        |
| Specialised land   | -                 | -                 | 39,692            | April 2021        |
| Land improvements  | -                 | -                 | 14,715            | April 2021        |
| Heritage buildings | -                 | -                 | 21,257            | April 2021        |
| Buildings          | -                 | -                 | 119,580           | April 2021        |
| <b>Total</b>       | <b>-</b>          | <b>63,192</b>     | <b>195,244</b>    |                   |

#### VALUATION OF INFRASTRUCTURE

Valuation of infrastructure assets has been determined in accordance with an internal valuation undertaken by Team Leader Strategic Assets (Associate Diploma Civil Engineering, Bachelor Technology Civil Engineering).

The valuation is at fair value based on 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 2021 are as follows:

|  | LEVEL 1<br>\$'000 | LEVEL 2<br>\$'000 | LEVEL 3<br>\$'000 | DATE OF VALUATION |
|--|-------------------|-------------------|-------------------|-------------------|
| Roads  | -                 | -                 | 527,522           | March 2021        |
| Bridges  | -                 | -                 | 13,654            | June 2018         |
| Footpaths and cycleways                        | -                 | -                 | 61,508            | March 2021        |
| Drainage                                       | -                 | -                 | 120,646           | March 2021        |
| Recreational, leisure and community facilities | -                 | -                 | 115,711           | March 2021        |
| Waste management                               | -                 | -                 | 29,437            | March 2021        |
| Parks, open space and streetscapes             | -                 | -                 | 53,486            | March 2021        |
| Aerodromes                                     | -                 | -                 | 9,491             | March 2021        |
| Off street car parks                           | -                 | -                 | 12,425            | March 2021        |
| Other infrastructure                           | -                 | -                 | 7,763             | March 2021        |
| <b>Total</b>                                   | <b>-</b>          | <b>-</b>          | <b>951,643</b>    |                   |

COVID-19 Disclosure - non-current asset values are not expected to be materially impacted as at 30 June 2021. Formal revaluations were undertaken by independent, appropriately qualified valuers on Land and Building assets during 2020/21 with no specific disclosures of significant uncertainty. Infrastructure assets (Roads, Footpaths, Drains) were informally reviewed against unit rates from Developer gifted assets and remains largely immune to the impacts of COVID-19. Infrastructure asset values are not considered to be impaired due to COVID-19.

#### 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 50% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.03 and \$889.01 per square metre.

**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 from \$175 to \$18,030 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 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 from 2 years to 100 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.

|   | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| <i>RECONCILIATION OF SPECIALISED LAND</i> |                |                |
| Land under roads                          | 39,692         | 26,587         |
| <b>Total specialised land</b>             | <b>39,692</b>  | <b>26,587</b>  |

| 6.3 INVESTMENTS IN ASSOCIATES  | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <b>(A) INVESTMENTS IN ASSOCIATES</b>   |                |                |
| - Goulburn Valley Regional Library Corporation (GVRLC)   | 1,598          | 1,447          |
| <b>Fair value of Council's investment in Goulburn Valley Regional Library Corporation (GVRLC)</b>  | <b>1,598</b>   | <b>1,447</b>   |
| <b>GOULBURN VALLEY REGIONAL LIBRARY CORPORATION (GVRLC)</b>  |                |                |
| <i>BACKGROUND</i>  |                |                |
| The Goulburn Valley Regional Library Corporation is an entity which has been established to serve three northern Victorian councils; the Greater Shepparton City Council, Moira Shire Council and Strathbogie Shire Council. Each Council has two committee representatives on the Board of Directors.   |                |                |
| Each Member council contributes financial to the operation of the Corporation based on the ratio of their population base. Contribution payments are considered a 'fee for service' on a commercial basis and are relative to the services the Corporation provides. The amount of financial contributions does not bring with it any additional voting rights or influence on the library activities and therefore no greater power or control. |                |                |
| <b>COUNCIL'S SHARE OF ACCUMULATED SURPLUS/(DEFICIT)</b>  |                |                |
| Council's share of accumulated deficit at start of year  | (333)          | (387)          |
| Reported surplus for year  | 151            | 54             |
| Council's share of accumulated deficit at end of year  | <b>(182)</b>   | <b>(333)</b>   |
| <b>COUNCIL'S SHARE OF RESERVES</b>   |                |                |
| Council's share of reserves at start of year   | 1,780          | 1,780          |
| Council's share of reserves at end of year   | <b>1,780</b>   | <b>1,780</b>   |
| <b>MOVEMENT IN CARRYING VALUE OF SPECIFIC INVESTMENT</b>   |                |                |
| Carrying value of investment at start of year  | 1,447          | 1,393          |
| Share of surplus for year  | 151            | 54             |
| Carrying value of investment at end of year  | <b>1,598</b>   | <b>1,447</b>   |

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

## Note 7 – People and relationships

| 7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION   |  | 2021<br>NO.  | 2020<br>NO.  |
|---|--|--------------|--------------|
| <b>(A) RELATED PARTIES</b>  |  |              |              |
| <i>PARENT ENTITY</i>  |  |              |              |
| Greater Shepparton City Council is the parent entity.   |  |              |              |
| <i>SUBSIDIARIES AND ASSOCIATES</i>  |  |              |              |
| Interests in subsidiaries and associates are detailed in Note 6.3.  |  |              |              |
| <b>(B) KEY MANAGEMENT PERSONNEL</b>   |  |              |              |
| Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are: |  |              |              |
| <b>Councillors</b>  | Councillor Seema Abdullah (Mayor - Jul to Oct) |              |              |
|   | Councillor Kim O'Keeffe (Mayor - Nov to Jun)   |              |              |
|   | Councillor Fern Summer                         |              |              |
|   | Councillor Dinny Adem (retired Oct)            |              |              |
|   | Councillor Bruce Giovanetti (retired Oct)      |              |              |
|   | Councillor Chris Hazelman (retired Oct)        |              |              |
|   | Councillor Les Oroszvary (retired Oct)         |              |              |
|   | Councillor Dennis Patterson (retired Oct)      |              |              |
|   | Councillor Shelley Sutton (retired Oct)        |              |              |
|   | Councillor Sam Spinks (from Nov)               |              |              |
|   | Councillor Shane Sali (from Nov)               |              |              |
|   | Councillor Anthony Brophy (from Nov)           |              |              |
|   | Councillor Geoffrey Dobson (from Nov)          |              |              |
|   | Councillor Greg James (from Nov)               |              |              |
|   | Councillor Robert Priestly (from Nov)          |              |              |
| <b>Executive Management</b>   | Chief Executive Officer                        |              |              |
|   | Director - Community                           |              |              |
|   | Director - Corporate Services                  |              |              |
|   | Director - Infrastructure                      |              |              |
|   | Director - Sustainable Development             |              |              |
| <b>Total Number of Councillors</b>  |  | 15           | 9            |
| <b>Total of Chief Executive Officer and other Key Management Personnel</b>  |  | 5            | 5            |
| <b>Total Number of Key Management Personnel</b>   |  | <b>20</b>    | <b>14</b>    |
| <b>(C) REMUNERATION OF KEY MANAGEMENT PERSONNEL</b>   |  |              |              |
| Total remuneration of key management personnel was as follows:  |  |              |              |
|   | Short-term benefits                            | 1,473        | 1,404        |
|   | Long-term benefits                             | (4)          | 20           |
|   | Post employment benefits                       | 138          | 135          |
| <b>Total</b>  |  | <b>1,607</b> | <b>1,559</b> |

Long-term benefits decreased in 2021 due to amounts of Long Service Leave and Annual Leave taken by KMP during the year (more was taken than accrued)

| <b>7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION</b> | <b>2021<br/>NO.</b> | <b>2020<br/>NO.</b> |
|--|---------------------|---------------------|
|--|---------------------|---------------------|

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

|                       |           |           |
|-----------------------|-----------|-----------|
| \$0 - \$9,999         | 6         | -         |
| \$10,000 - \$19,999   | 6         | -         |
| \$20,000 - \$29,999   | 1         | 7         |
| \$40,000 - \$49,999   | 1         | 1         |
| \$60,000 - \$69,999   | 1         | 1         |
| \$170,000 - \$179,999 | 1         | -         |
| \$220,000 - \$229,999 | -         | 2         |
| \$230,000 - \$239,999 | 1         | 2         |
| \$250,000 - \$259,999 | 1         | -         |
| \$260,000 - \$269,999 | 1         | -         |
| \$330,000 - \$339,999 | -         | 1         |
| \$380,000 - \$389,999 | 1         | -         |
|                       | <b>20</b> | <b>14</b> |

**(D) SENIOR OFFICER REMUNERATION**

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

The number of Senior Officers are shown below in their relevant income bands:

Income Range:

|                       |           |          |
|-----------------------|-----------|----------|
| \$151,000 - \$159,999 | 1         | 2        |
| \$160,000 - \$169,999 | 4         | 4        |
| \$170,000 - \$179,999 | 2         | -        |
| \$180,000 - \$189,999 | 1         | 1        |
| \$200,000 - \$209,999 | 2         | -        |
|                       | <b>10</b> | <b>7</b> |

|  | <b>\$'000</b> | <b>\$'000</b> |
|--|---------------|---------------|
| Total Remuneration for the reporting year for Senior Officers included above, amounted to: | 1,800         | 1,153         |

| 7.2 RELATED PARTY DISCLOSURE  | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| <b>(A) TRANSACTIONS WITH RELATED PARTIES</b>  |                |                |
| During the period Council entered into the following transactions with related parties.   |                |                |
| <i>Payments to Goulburn Valley Regional Library Corporation</i>   | 1,689          | 1,660          |
| Annual fees paid for the provision of library services to the Council. Library services were provided to Shepparton, Mooroopna and Tatura townships, whilst a mobile library serviced nine additional towns within the municipality of the Greater Shepparton City Council. |                |                |
| <i>Payments to Goulburn Valley Regional Library Corporation</i>   | 168            | 67             |
| Annual fees received for the provision of financial and human resource services, being accounts payable, accounts receivable, asset management, treasury, financial reporting and payroll services.   |                |                |
| <sup>1,2,3,4,5</sup> Payments to entities controlled by key management personnel  | 3,028          | 504            |
| Payments to entities influenced by key management personnel   | -              | 2              |
| <sup>6,8,9,10,12,13</sup> Receipts from entities controlled by key management personnel   | 312            | 279            |
| <sup>7,11,14</sup> Receipts from entities influenced by key management personnel  | 43             | -              |

Notes:

1. Payment of \$13,200 to GM Community Leadership Program for course fees (Cr Hazelman has an interest).
2. Payment of \$2,264,319 to Shepparton Art Museum (SAM) Ltd for funding under agreement and transfer of employee entitlements (CEO and Director Corporate Services have interest).
3. The Council made payments to publicly listed companies Woolworths \$18,420 and Telstra \$660,574 for goods and services. The CEO holds shares in these companies.
4. Payment of \$57,808 to Goulburn Valley Waste and Resource Recovery Group (Cr Abdullah and Cr James have interests).
5. Payment of \$13,294.68 to Gouge Linen Services (Cr Priestly has interest).
6. Receipt of \$50.00 from Shepparton Harness Racing Club (Cr Hazelman as an interest).
7. Receipt of \$56.53 from Tallygaroopna Recreation Reserve Committee of Management for Community Liability Premiums (Cr Hazelman has interest).
8. Receipt of \$1,244.82 from AFL Goulburn Murray for utility and rental invoices (Director Sustainable Development has an interest).
9. Receipts from SAM Ltd totalling \$236,756, including \$200,000 as contribution for new building, \$32,836 in salary related recoveries, \$604 in advertising and marketing expenses and \$3,216 in lease expenses (CEO and Director Corporate Services have interests).
10. Receipt of \$50,665 from Goulburn Valley Waste and Resource Recovery Group (Cr Abdullah and Cr James have interests).
11. Receipt of \$42,692 from Goulburn Valley Grammar School (Cr Priestly has interest).
12. Receipt of \$22,753.30 for Telstra lease of a portion of the Mooroopna Recreation Reserve (CEO has interest).
13. Receipt of \$973.80 from Wilmot Rd Primary School (CEO has interest).
14. Receipt of \$90.00 from Nathan Sali (Cr Sali has interest).

**(B) OUTSTANDING BALANCES WITH RELATED PARTIES**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

|  | 2021<br>\$'000 | 2020<br>\$'000 |
|--|----------------|----------------|
| <sup>1,2</sup> Outstanding payments to entities controlled by key management personnel   | 3              | 127            |
| <sup>3,4,5</sup> Outstanding receipts from entities controlled by key management personnel   | 39             | 1              |
| 1. The Council made payments to publicly listed company Telstra \$660,574 for goods and services and a further \$700 was outstanding as at 30 June 2021. The CEO holds shares in this company. |                |                |
| 2. Payment of \$13,294.68 to Gouge Linen Services and a further \$2,726.02 was outstanding as at 30 June 2021 (Cr Priestly has interest).  |                |                |
| 3. Receipts from SAM Ltd totalling \$236,756 and a further \$34,838.10 was outstanding as at 30 June 2021 (CEO and Director Corporate Services have interests).                                |                |                |
| 4. La Trobe University Advisory Board had an amount outstanding of \$3,590.50 as at 30 June 2021 (Director Sustainable Development has an interest).   |                |                |
| 5. Cr Dinny Adem has an amount outstanding of \$530.00 as at 30 June 2021.   |                |                |

**(C) LOANS TO/FROM RELATED PARTIES**

There were no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

**(D) COMMITMENTS TO/FROM RELATED PARTIES**

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

1. Provision of flu vaccinations to Goulburn Valley Regional Library Corporation (GVRLC) staff by Greater Shepparton City Council (GSCC).
2. MOU for the provision of administrative services and payment of Admin fees between GSCC and GVRLC.
3. GSCC is committed to paying the annual contributions to GVRLC.
4. GSCC is committed to paying the annual contribution to Shepparton Art Museum (SAM) limited.

## Note 8 – Managing uncertainties

### 8.1 CONTINGENT LIABILITIES

#### *SUPERANNUATION*

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

#### *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 liability will continue whether or not the participant remains a participant in future insurance years.

### 8.2 CHANGE IN ACCOUNTING STANDARDS

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. 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.

## 8.3 FINANCIAL INSTRUMENTS

### (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 have 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 have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

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

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

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

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions 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:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set 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 any financial guarantees disclosed in Note 8.1, 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 + 0.00% and -0.25% in market interest rates (AUD) from year-end rates of 0.85%.

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



## 8.4 FAIR VALUE MEASUREMENT

### *FAIR VALUE HIERARCHY*

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

### *REVALUATION*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

### *IMPAIRMENT OF ASSETS*

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

## 8.5 EVENTS OCCURRING AFTER BALANCE DATE

On 20th August 2021 the Victorian State Government in response to COVID-19 imposed a full state-wide lockdown on the entire state of Victoria as of Saturday 21st August 2021.

In response Council was required to close a number of facilities such as Aquamoves, Sports Stadiums and Riverlinks, whilst services such as Early Learning Education experienced greatly reduced capacity and reverted some of its operations (such as customer service) back to remote or non-contact. No adjustments to balances are required as at 30 June 2021. The 2021/2022 Adopted Budget (adopted 15 June 2021) assumed a continuation of conditions as at April 2021 through the 2021/2022 financial year. The lockdowns experienced far in 2021/2022 are expected to have an impact on budgeted user fees income in the areas of Aquamoves, Sports Stadiums, Riverlinks and Early Childhood Education. Impacts of any COVID-19 related events in 2021/2022 will be reported at future Quarterly Forecast Reviews.

## Note 9 – Other matters

| 9.1 RESERVES                                   | BALANCE AT<br>BEGINNING OF<br>REPORTING PERIOD<br>\$'000 | INCREMENT<br>(DECREMENT)<br>\$'000 | BALANCE AT END OF<br>REPORTING PERIOD<br>\$'000 |
|--|--|------------------------------------|---|
| <b>(A) ASSET REVALUATION RESERVES</b>          |  |                                    |   |
| <b>2021</b>                                    |  |                                    |   |
| <b>PROPERTY</b>                                |  |                                    |   |
| Land - specialised                             | -  | 13,057                             | 13,057  |
| Land - non specialised                         | 5,905  | 16,661                             | 22,566  |
| Land and land improvements                     | 5,657  | 7,083                              | 12,740  |
| Buildings - Heritage                           | 1,390  | 3,838                              | 5,228   |
| Buildings                                      | 7,205  | 12,091                             | 19,296  |
|  | <b>20,157</b>  | <b>52,730</b>                      | <b>72,887</b>                                   |
| <b>PLANT &amp; EQUIPMENT</b>                   |  |                                    |   |
| Artwork and regalia                            | 14,165   | 70                                 | 14,235  |
|  | <b>14,165</b>  | <b>70</b>                          | <b>14,235</b>                                   |
| <b>INFRASTRUCTURE</b>                          |  |                                    |   |
| Roads  | 459,454  | -                                  | 459,454   |
| Bridges  | 19,042   | -                                  | 19,042  |
| Footpaths and cycleways                        | 56,995   | 554                                | 57,549  |
| Drainage                                       | 61,722   | 594                                | 62,316  |
| Recreational, leisure and community facilities | 52,531   | 22,415                             | 74,946  |
| Waste management                               | 465  | 645                                | 1,110   |
| Parks, open space and streetscapes             | 22,356   | 6,353                              | 28,709  |
| Aerodromes                                     | 2,271  | 1,540                              | 3,811   |
| Off-street car parks                           | 7,408  | 857                                | 8,265   |
| Other infrastructure                           | 2,164  | -                                  | 2,164   |
|  | <b>684,408</b>   | <b>32,958</b>                      | <b>717,366</b>                                  |
| <b>Total asset revaluation reserves</b>        | <b>718,730</b>   | <b>85,758</b>                      | <b>804,488</b>                                  |

| 9.1 RESERVES                                   | BALANCE AT<br>BEGINNING OF<br>REPORTING PERIOD<br>\$'000 | INCREMENT<br>(DECREMENT)<br>\$'000 | BALANCE AT END OF<br>REPORTING PERIOD<br>\$'000 |
|--|--|------------------------------------|---|
| <b>2020</b>                                    |  |                                    |   |
| <b>PROPERTY</b>                                |  |                                    |   |
| Land - specialised                             | 5,905  | -                                  | 5,905   |
| Land - non-specialised                         | 5,657  | -                                  | 5,657   |
| Land and land improvements                     | 1,390  | -                                  | 1,390   |
| Buildings                                      | 7,205  | -                                  | 7,205   |
|  | <b>20,157</b>  | -                                  | <b>20,157</b>                                   |
| <b>PLANT &amp; EQUIPMENT</b>                   |  |                                    |   |
| Artwork and regalia                            | 14,165   | -                                  | 14,165  |
|  | <b>14,165</b>  | -                                  | <b>14,165</b>                                   |
| <b>INFRASTRUCTURE</b>                          |  |                                    |   |
| Roads  | 409,837  | 49,617                             | 459,454   |
| Bridges  | 19,042   | -                                  | 19,042  |
| Footpaths and cycleways                        | 52,702   | 4,293                              | 56,995  |
| Drainage                                       | 60,369   | 1,353                              | 61,722  |
| Recreational, leisure and community facilities | 51,967   | 564                                | 52,531  |
| Waste management                               | 394  | 71                                 | 465   |
| Parks, open space and streetscapes             | 21,887   | 469                                | 22,356  |
| Aerodromes                                     | 2,271  | -                                  | 2,271   |
| Off-street car parks                           | 7,247  | 161                                | 7,408   |
| Other infrastructure                           | 2,848  | (684)                              | 2,164   |
|  | <b>628,564</b>   | <b>55,844</b>                      | <b>684,408</b>                                  |
| <b>Total asset revaluation reserves</b>        | <b>662,886</b>   | <b>55,844</b>                      | <b>718,730</b>                                  |

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

The total movement in the Asset revaluation reserve above (\$85,758k) is made up of \$85,747k in Note 6.2 Property, infrastructure, plant and equipment and \$11k as noted in Note 6.1 Assets held for sale.

| 9.2 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS | 2021<br>\$'000 | 2020<br>\$'000 |
|---|----------------|----------------|
| Surplus for the year  | 31,178         | 27,021         |
| Depreciation  | 33,235         | 27,644         |
| Amortisation of ROU Assets  | 293            | -              |
| Amortisation of Intangible assets                                     | 1,341          | -              |
| Loss on disposal of property, infrastructure, plant and equipment     | 660            | 492            |
| Finance Costs   | 27             | 38             |
| Borrowing Costs   | 751            | 885            |
| Assets written off  | -              | 2,001          |
| Bad debts   | 60             | 69             |
| Share of net profits of associates and joint ventures                 | (151)          | (54)           |
| Contributions - Non-monetary assets                                   | (5,650)        | (11,655)       |
| Fair value adjustments for employee provisions                        | (214)          | 1,061          |
| Fair value increases in - Landfill rehabilitation provision           | (12,682)       | -              |
| <i>CHANGE IN ASSETS AND LIABILITIES:</i>                              |                |                |
| (Increase)/decrease in trade and other receivables                    | (3,550)        | (7,176)        |
| (Increase)/decrease in prepayments and other assets                   | (320)          | 45             |
| Increase/(decrease) in trade and other payables                       | 2,060          | 8,393          |
| Increase/(decrease) in other liabilities                              | 916            | (65)           |
| (Increase)/decrease in inventories                                    | (67)           | 18             |
| (Increase)/decrease in intangibles                                    | -              | (32,276)       |
| Increase/(decrease) in employee provisions                            | 1,102          | 1,087          |
| Increase/(decrease) in landfill provisions                            | (62)           | 33,347         |
| <b>Net cash provided by operating activities</b>                      | <b>48,927</b>  | <b>50,875</b>  |

### 9.3 SUPERANNUATION

Council makes the majority 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 Comprehensive Operating Statement when they are made or due.

#### ACCUMULATION

Council makes both employer and employee contributions to The Fund's accumulation category, Vision MySuper/Vision Super Saver, on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, this was 9.5% as required under Superannuation Guarantee (SG) legislation). The Superannuation Guarantee (SG) rate will increase to 10% from 1 July 2021 based on the current SG legislation, and eventually to 12% from 1 July 2025.

#### DEFINED BENEFIT

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 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.

#### FUNDING ARRANGEMENTS

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.6% pa

Salary information 2.5% pa for two years and 2.75% pa thereafter

Price inflation (CPI) 2.0% pa.

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7%.

Net investment returns 4.8% pa

Salary information 2.75% pa

Price inflation (CPI) 2.25% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 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.

## 9.3 SUPERANNUATION

### EMPLOYER CONTRIBUTIONS

#### REGULAR CONTRIBUTIONS

On the basis of the results of the 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019/2020). 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 2020 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.

#### FUNDING CALLS

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

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

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

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

#### THE 2020 TRIENNIAL ACTUARIAL INVESTIGATION SURPLUS AMOUNTS

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

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

|   | 2020 (TRIENNIAL)<br>\$M | 2019 (INTERIM)<br>\$M |
|---|-------------------------|-----------------------|
| - A VBI Surplus                         | 100.0                   | 151.3                 |
| - A total service liability surplus     | 200.0                   | 233.4                 |
| - A discounted accrued benefits surplus | 217.8                   | 256.7                 |

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 2020.

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 2020.

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 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

### THE 2021 INTERIM ACTUARIAL INVESTIGATION

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

Council was notified of the 30 June VBI during August 2021(2020: August 2020).

### SUPERANNUATION

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

| SCHEME                  | TYPE OF SCHEME    | RATE  | 2021<br>\$'000 | 2020<br>\$'000 |
|-------------------------|-------------------|-------|----------------|----------------|
| Vision super            | Defined benefit   | 9.50% | 130            | 129            |
| Other than Vision super | Defined benefit   | 9.50% | 9              | 9              |
| Vision super            | Accumulation fund | 9.50% | 2,730          | 2,685          |
| Other than Vision super | Accumulation fund | 9.50% | 1,731          | 1,604          |

There were \$36k contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$172k.

## Note 10 – Change in accounting policy

### AASB 1059 SERVICE CONCESSION ARRANGEMENTS: GRANTORS (AASB 1059) (APPLIES 2020/21 FOR LG SECTOR)

Council has adopted AASB 1059 Service Concession Arrangements: Grantors, from 1 July 2020. AASB 1059 specifies the accounting treatment for a service concession agreement by a grantor that is a public sector agency from the grantor's perspective.

### AASB 2018-7 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS - DEFINITION OF MATERIAL (APPLIES 2020/21 FOR LG SECTOR)

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020. AASB 2018-7 amended paragraph 1 of AASB101 and paragraph 6 AASB 108 and clarified the definition of Materiality.

### AASB 2019-1 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS - REFERENCES TO THE CONCEPTUAL FRAMEWORK (APPLIES 2020/21 FOR LG SECTOR)

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework from 1 July 2020. AASB 2019-1 amends various Account Standards to include additional references to the Conceptual Framework issued in 2019.

**These standards did not have any significant impact on Council.**

# PERFORMANCE STATEMENT

## For the year ended 30 June 2021

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 1989 and Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020).

## Description of municipality

Greater Shepparton is a vibrant, diverse community located approximately two hours north of Melbourne in the heart of the Goulburn Valley, the food bowl of Australia.

As a growing regional centre with a vibrant cultural mix of people, the community comprises approximately 66,000 residents living within 60 localities. However Shepparton services a much larger population of approximately 250,000 people as the main service centre for northern Victoria.

Greater Shepparton enjoys a young demographic with growing families, with 2016 census data showing the proportion of couples with children was nearly three per cent above the regional Victorian average, at 27.8 per cent.

Our community is culturally rich with a large proportion of the population born overseas (13 per cent), with many residents immigrating from India, Afghanistan, Sudan, Italy, Iraq, Turkey, New Zealand and the Philippines.

Italian, Arabic, Persian/Dari, Turkish, Albanian, Punjabi, Greek, Macedonian, Mandarin and Filipino/Tagalog are the most commonly spoken languages other than English.

Greater Shepparton is also the home to regional Victoria's largest Aboriginal community, making up approximately 3.5 per cent of the population.

Two hours north of Melbourne, Greater Shepparton's central location is a major

advantage and has seen our urban centre emerge as the retail, industry and services hub for central Victoria. Located at the intersection of the Midland and Goulburn Valley Highways, Greater Shepparton provides easy access to Adelaide, Sydney, Brisbane and Melbourne.

The City of Greater Shepparton acts as a major industrial, employment and service centre for a wide catchment, including many rural settlements within and beyond its municipal boundaries, with its gross regional product totalling \$3.6 billion per annum.

Greater Shepparton forms part of the 'Food Bowl of Australia', which accounts for 25 per cent of the total value of Victoria's agricultural production. We are a national centre for dairy and horticulture, exporting reliable premium quality fresh and value-added produce via innovative practices and a world class irrigation system.

Shepparton is also often referred to as the transport hub of regional Victoria due to its extensive road transport industry.

Major industries for the region include manufacturing, retail trade, health care and social assistance, agriculture and construction. Greater Shepparton is home to several multinational and iconic companies such as Campbell's Soups, SPC, Tatura Milk Industries (Bega), Unilever, Visy, Pental Soaps and Freedom Foods.

Several multinational companies also reside just outside of the Greater Shepparton municipal boundary, such as Murray Goulburn Co-operative and Bega.

These companies utilise Shepparton as their major hub and home to their transport and logistics operations.



## **COVID-19 Disclosure**

On 30 January 2020, COVID-19 was declared as a global pandemic by the World Health Organisation. In March 2020, the State of Victoria declared a state of emergency to respond to the COVID-19 outbreak. During 2020/2021 a number of lockdowns and various restrictions saw the closure of several facilities or the reduced operations of non-essential services.

Some of the Council services and facilities impacted were Aquamoves, Sports Stadiums, Performing Arts, Children's Services, KidsTown and Victoria Park Lake Caravan Park. The financial impact of COVID-19 on Greater Shepparton City Council has been disclosed in the notes to the financial statements.

Council adopted two separate economic responses to COVID-19 for the community. Stage 1 (March 2020) was estimated at \$1.5 million providing timely financial and direct support to businesses and the broader community. In June 2020, Stage 2 was announced estimated at \$2 million support for the community. In June 2021, Council adopted a zero rate rise as part of the 2021/2022 to help support the community and businesses in their recovery from the COVID-19 pandemic.

Council will continue to monitor revenue and expenditure levels during 2021/2022 and provide ongoing support where possible and feasible to the community.



## REPORT OF OPERATIONS

### Service Performance Indicators

For the year ended 30 June 2021

| SERVICE / INDICATOR / MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS  |
|---|--------------|--------------|--------------|--------------|---|
| <b>AQUATIC FACILITIES</b>   |              |              |              |              |   |
| <i>SERVICE STANDARD</i>   |              |              |              |              |   |
| Health inspections of aquatic facilities<br>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]                             | 0.00         | 1.00         | 1.25         | 1.00         |   |
| <i>UTILISATION</i>  |              |              |              |              |   |
| Utilisation of aquatic facilities   | 9.69         | 9.41         | 7.18         | 1.89         | Significant decrease in number of visits as Aquamoves closed due to COVID-19 restrictions.  |
| <i>SERVICE COST</i>   |              |              |              |              |   |
| Cost of aquatic facilities<br><br>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]   | New in 2020  | New in 2020  | \$2.58       | \$14.75      | Increase due to significantly less visitors and income due to COVID-19 restrictions<br><br><i>Note: From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities'; see retired measures.</i> |
| <b>ANIMAL MANAGEMENT</b>  |              |              |              |              |   |
| <i>TIMELINESS</i>   |              |              |              |              |   |
| Time taken to action animal management requests<br>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests] | 1.00         | 1.00         | 1.00         | 1.00         |   |
| <i>SERVICE STANDARD</i>   |              |              |              |              |   |
| Animals reclaimed<br>[Number of animals reclaimed / Number of animals collected] x100   | 39.97%       | 47.14%       | 46.25%       | 38.64%       | In 2020-21 dogs have been returned directly to their home rather be impounded during times of lockdown.   |
| Animals rehomed<br>(Number of animals rehomed / number of animals collected) x 100  | New in 2020  | New in 2020  | 41.93%       | 45.33%       |   |

| SERVICE / INDICATOR / MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS   |
|---|--------------|--------------|--------------|--------------|--|
| <b>SERVICE COST</b>   |              |              |              |              |  |
| Cost of animal management service<br>[Direct cost of the animal management service / Population]  | New in 2020  | New in 2020  | \$16.22      | \$16.51      | Note: This measure is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals, see retired measures. |
| <b>HEALTH AND SAFETY</b>  |              |              |              |              |  |
| Animal management prosecutions<br>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100  | New in 2020  | New in 2020  | 100.00%      | 100.00%      | Note: This measure is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion, see retired measures.               |
| <b>FOOD SAFETY</b>  |              |              |              |              |  |
| <b>TIMELINESS</b>   |              |              |              |              |  |
| Time taken to action food complaints<br>[Number of days between receipt and first response action for all food complaints / Number of food complaints]  | 2.18         | 2.58         | 2.02         | 1.70         | Faster response time due to less complaints managed.   |
| <b>SERVICE STANDARD</b>   |              |              |              |              |  |
| Food safety assessments<br>[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 | 82.37%       | 67.31%       | 82.20%       | 37.32%       | There has been a reduction in food safety assessments due to lengthy covid restrictions affecting the number of premises attended.                           |
| <b>SERVICE COST</b>   |              |              |              |              |  |
| Cost of food safety service<br>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]   | \$635.09     | \$641.69     | \$577.27     | \$579.72     |  |
| Critical and major non-compliance outcome notifications<br>[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%      | 0.00%        | 100.00%      | 0.00%        | In 2020 there was 1 notification whilst in 2021 there were no critical or major non-compliance notifications.  |

| SERVICE / INDICATOR / MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS |
|---|--------------|--------------|--------------|--------------|----------|
| <b>GOVERNANCE</b>   |              |              |              |              |          |
| <i>TRANSPARENCY</i>   |              |              |              |              |          |
| Council decisions made at meetings closed to the public<br>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100 | 2.59%        | 1.40%        | 1.55%        | 1.60%        |          |
| <i>CONSULTATION AND ENGAGEMENT</i>  |              |              |              |              |          |
| Satisfaction with community consultation and engagement<br>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement   | 57.00        | 55.00        | 54.00        | 52.00        |          |
| <i>ATTENDANCE</i>   |              |              |              |              |          |
| Councillor attendance at council meetings<br>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100  | 92.36%       | 85.42%       | 92.06%       | 94.07%       |          |
| <i>SERVICE COST</i>   |              |              |              |              |          |
| Cost of elected representation<br>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]  | \$40,364.78  | \$41,253.44  | \$43,002.78  | \$45,196.33  |          |
| <i>SATISFACTION</i>   |              |              |              |              |          |
| Satisfaction with council decisions<br>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]   | 55.00        | 53.00        | 52.00        | 51.00        |          |

| SERVICE / INDICATOR / MEASURE  | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS   |
|--|--------------|--------------|--------------|--------------|--|
| <b>LIBRARIES</b>   |              |              |              |              |  |
| <i>UTILISATION</i>   |              |              |              |              |  |
| Physical library collection usage<br>[Number of physical library collection item loans / Number of physical library collection items]                              | 3.28         | 3.42         | 2.78         | 2.16         | The reduction in collection usage is directly attributable to Library closures to the public as a result of Covid-19 restrictions.<br><br>Note: From 2019-20, this indicator measures the performance of physical library items as a subset of the wider library collection. |
| <i>RESOURCE STANDARD</i>   |              |              |              |              |  |
| Recently purchased library collection<br>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100              | 45.98%       | 49.70%       | 51.70%       | 53.27%       |  |
| <i>PARTICIPATION</i>   |              |              |              |              |  |
| Active library borrowers in municipality<br>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100 | 9.49%        | 9.70%        | 9.88%        | 9.16%        |  |
| <i>SERVICE COST</i>  |              |              |              |              |  |
| Cost of library service per population<br>[Direct cost of the library service / Population]  | New in 2020  | New in 2020  | \$18.42      | \$19.03      | Note: This measure is replacing the previous 'Cost of library service' indicator which measured based on number of visits, see retired measures.   |

| SERVICE / INDICATOR / MEASURE  | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS   |
|--|--------------|--------------|--------------|--------------|--|
| <b>MATERNAL AND CHILD HEALTH (MCH)</b>   |              |              |              |              |  |
| <i>SERVICE STANDARD</i>  |              |              |              |              |  |
| Infant enrolments in the MCH service<br>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100  | 100.00%      | 100.00%      | 99.88%       | 101.07%      |  |
| <i>SERVICE COST</i>  |              |              |              |              |  |
| Cost of the MCH service<br>[Cost of the MCH service / Hours worked by MCH nurses]  | \$62.88      | \$62.48      | \$63.17      | \$82.28      | The cost of service has increased due to less hours worked due to COVID-19 restrictions. |
| <i>PARTICIPATION</i>   |              |              |              |              |  |
| Participation in the MCH service<br>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100  | 79.15%       | 76.78%       | 80.35%       | 81.17%       |  |
| <i>PARTICIPATION</i>   |              |              |              |              |  |
| Participation in the MCH service by Aboriginal children<br>[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 | 76.64%       | 74.85%       | 88.33%       | 84.99%       |  |
| <i>SATISFACTION</i>  |              |              |              |              |  |
| Participation in 4-week Key Age and Stage visit<br>[Number of 4-week key age and stage visits / Number of birth notifications received] x100   | New in 2020  | New in 2020  | 94.10%       | 97.02%       |  |

| SERVICE / INDICATOR / MEASURE  | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS   |  |
|--|--------------|--------------|--------------|--------------|--|--|
| <b>ROADS</b>   |              |              |              |              |  |  |
| <i>SATISFACTION OF USE</i>   |              |              |              |              |  |  |
| Sealed local road requests<br>[Number of sealed local road requests / Kilometres of sealed local roads ] x100  | 24.13        | 19.48        | 17.73        | 19.77        | The 2020/21 Number of enquiries is very close to the trend line for over the last 7 years of recorded data and the average number of enquiries per year over the 7 years is 247, which is near the value for this year (2020/21) of 236. |  |
| <i>CONDITION</i>   |              |              |              |              |  |  |
| Sealed local roads maintained to condition standards<br>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 97.05%       | 97.07%       | 96.74%       | 98.85%       |  |  |
| <i>SERVICE COST</i>  |              |              |              |              |  |  |
| Cost of sealed local road reconstruction<br>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]  | \$186.75     | \$28.40      | \$80.73      | \$135.33     | The increase in cost in 2020-21 can be attributed to the Weddell Street reconstruction. The cost was increased due to the requirement to construct with three different layers of Asphalt totalling 140mm thick.                         |  |



| SERVICE / INDICATOR / MEASURE  | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS  |
|--|--------------|--------------|--------------|--------------|---|
| <b>SERVICE COST</b>  |              |              |              |              |   |
| Cost of sealed local road resealing<br>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]   | \$4.29       | \$5.21       | \$4.79       | \$4.63       |   |
| <b>SATISFACTION</b>  |              |              |              |              |   |
| Satisfaction with sealed local roads<br>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]   | 55.00        | 57.00        | 57.00        | 57.00        |   |
| <b>STATUTORY PLANNING</b>  |              |              |              |              |   |
| <b>TIMELINESS</b>  |              |              |              |              |   |
| Time taken to decide planning applications<br>[The median number of days between receipt of a planning application and a decision on the application]  | 53.00        | 55.00        | 43.00        | 47.00        |   |
| <b>SERVICE STANDARD</b>  |              |              |              |              |   |
| Planning applications decided within required time frames<br>[(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 | 73.50%       | 58.29%       | 73.71%       | 75.81%       |   |
| <b>SERVICE COST</b>  |              |              |              |              |   |
| Cost of statutory planning service<br>[Direct cost of the statutory planning service / Number of planning applications received]   | \$2,516.59   | \$3,147.81   | \$2,032.00   | \$1,020.04   | The decrease in the cost of the statutory planning service is due to a reduction in the statutory planning direct costs and also there has been an increase in the number of applications from 435 in 2019-20 to 588 in 2020-21 |
| <b>DECISION MAKING</b>   |              |              |              |              |   |
| Council planning decisions upheld at VCAT<br>[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   | 100.00%      | 50.00%       | 100.00%      | 100.00%      |   |

| SERVICE / INDICATOR / MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | COMMENTS  |
|---|--------------|--------------|--------------|--------------|---|
| <b>WASTE COLLECTION</b>   |              |              |              |              |   |
| <i>SATISFACTION</i>   |              |              |              |              |   |
| Kerbside bin collection requests<br>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000   | 24.12        | 30.51        | 28.06        | 29.39        |   |
| <i>SERVICE STANDARD</i>   |              |              |              |              |   |
| Kerbside collection bins missed<br>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000                            | 9.22         | 3.03         | 2.69         | 5.36         | Increase of missed bins due to road closures (for accidents / Powercor / NBN works) and COVID-19 restrictions |
| <i>SERVICE COST</i>   |              |              |              |              |   |
| Cost of kerbside garbage bin collection service<br>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]  | \$44.94      | \$43.91      | \$45.83      | \$45.41      |   |
| <i>SERVICE COST</i>   |              |              |              |              |   |
| Cost of kerbside recyclables collection service<br>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]  | \$36.09      | \$51.13      | \$49.32      | \$54.05      |   |
| <i>WASTE DIVERSION</i>  |              |              |              |              |   |
| Kerbside collection waste diverted from landfill<br>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 49.56%       | 51.42%       | 51.33%       | 51.24%       |   |

| RETIRED INDICATORS<br>SERVICE / INDICATOR / MEASURE  | RESULTS<br>2018 | RESULTS<br>2019 | RESULTS<br>2020    |                    | COMMENTS  |
|--|-----------------|-----------------|--------------------|--------------------|---|
| <b>AQUATIC FACILITIES</b>  |                 |                 |                    |                    |   |
| <i>SERVICE COST</i>  |                 |                 |                    |                    |   |
| Cost of indoor aquatic facilities<br>[Direct cost of indoor aquatic facilities<br>less income received / Number of<br>visits to indoor aquatic facilities]       | \$0.79          | \$1.33          | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by AF7 from 1 July 2019. |
| Cost of outdoor aquatic facilities<br>[Direct cost of outdoor aquatic<br>facilities less income received /<br>Number of visits to outdoor aquatic<br>facilities] | \$9.79          | \$13.31         | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by AF7 from 1 July 2019. |
| <b>ANIMAL MANAGEMENT</b>   |                 |                 |                    |                    |   |
| <i>SERVICE COST</i>  |                 |                 |                    |                    |   |
| Cost of animal management service<br>[Direct cost of the animal<br>management service / Number of<br>registered animals]   | \$65.24         | \$65.92         | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by AM6 from 1 July 2019. |
| <i>HEALTH AND SAFETY</i>   |                 |                 |                    |                    |   |
| Animal management prosecutions<br>[Number of successful animal<br>management prosecutions]   | 4               | 6               | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by AM7 from 1 July 2019. |
| <b>LIBRARIES</b>   |                 |                 |                    |                    |   |
| <i>SERVICE COST</i>  |                 |                 |                    |                    |   |
| Cost of library service<br>[Direct cost of the library service /<br>Number of visits]  | \$7.82          | \$8.14          | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by LB5 from 1 July 2019. |
| <b>MATERNAL AND CHILD HEALTH<br/>(MCH)</b>   |                 |                 |                    |                    |   |
| <i>SATISFACTION</i>  |                 |                 |                    |                    |   |
| Participation in first MCH home visit<br>[Number of first MCH home visits /<br>Number of birth notifications received]<br>x100                                   | 101.4%          | 101.9%          | Retired in<br>2020 | Retired in<br>2020 | This measure was replaced<br>by MC6 from 1 July 2019. |



## PERFORMANCE STATEMENT

### Sustainable Capacity Indicators

For the year ended 30 June 2021

| INDICATOR/MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | MATERIAL VARIATIONS   |
|---|--------------|--------------|--------------|--------------|---|
| <b>POPULATION</b>   |              |              |              |              |   |
| Expenses per head of municipal population<br>[Total expenses / Municipal population]  | \$1,815      | \$1,903      | \$1,991      | \$2,067      |   |
| Infrastructure per head of municipal population<br>[Value of infrastructure / Municipal population]   | \$14,616     | \$14,809     | \$16,783     | \$17,168     |   |
| Population density per length of road<br>[Municipal population / Kilometres of local roads]   | 29           | 29           | 29           | 29           |   |
| <b>OWN-SOURCE REVENUE</b>   |              |              |              |              |   |
| Own-source revenue per head of municipal population<br>[Own-source revenue / Municipal population]  | \$1,492      | \$1,548      | \$1,549      | \$1,752      | Upwards trend from 2020 to 2021 influenced by favourable fair value movement of Cosgrove 3 Landfill Rehabilitation Provision. |
| <b>RECURRENT GRANTS</b>   |              |              |              |              |   |
| Recurrent grants per head of municipal population<br>[Recurrent grants / Municipal population]  | \$388        | \$366        | \$390        | \$380        |   |
| <b>DISADVANTAGE</b>   |              |              |              |              |   |
| Relative socio-economic disadvantage<br>[Index of Relative Socio-economic Disadvantage by decile]   | 2            | 2            | 2            | 2            |   |
| <b>WORKFORCE TURNOVER</b>   |              |              |              |              |   |
| Percentage of staff turnover<br>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | 11%          | 9%           | 10%          | 10%          |   |

## Definitions

“infrastructure” means non-current property, plant and equipment excluding land

“local road” means a sealed or unsealed road for which the Council is the responsible road authority under the *Road Management Act 2004*

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of Council (including government grants)

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

“relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

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

## Service Performance Indicators

For the year ended 30 June 2021

| INDICATOR/MEASURE   | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | MATERIAL VARIATIONS   |  |
|---|--------------|--------------|--------------|--------------|---|--|
| <b>AQUATIC FACILITIES</b>   |              |              |              |              |   |  |
| <i>UTILISATION</i>  |              |              |              |              |   |  |
| Utilisation of aquatic facilities<br>[Number of visits to aquatic facilities /<br>Municipal population]   | 10           | 9            | 7            | 2            | Significant decrease in number of visits as Aquamoves closed due to COVID-19 restrictions.                    |  |
| <b>ANIMAL MANAGEMENT</b>  |              |              |              |              |   |  |
| <i>HEALTH AND SAFETY</i>  |              |              |              |              |   |  |
| Animal management prosecutions<br>[Number of successful animal management prosecutions / Number of animal management prosecutions) x 100  | New in 2020  | New in 2020  | 100%         | 100%         |   |  |
| <b>FOOD SAFETY</b>  |              |              |              |              |   |  |
| <i>HEALTH AND SAFETY</i>  |              |              |              |              |   |  |
| Critical and major non-compliance notifications<br>[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100 | 100%         | 0%           | 100%         | 0%           | In 2020 there was 1 notification whilst in 2021 there were no critical or major non-compliance notifications. |  |
| <b>GOVERNANCE</b>   |              |              |              |              |   |  |
| <i>SATISFACTION</i>   |              |              |              |              |   |  |
| Satisfaction with Council decisions<br>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]   | 55           | 53           | 52           | 51           |   |  |
| <b>LIBRARIES</b>  |              |              |              |              |   |  |
| <i>PARTICIPATION</i>  |              |              |              |              |   |  |
| Active library members<br>[Number of active library members / Municipal population] x100  | 9%           | 10%          | 10%          | 9%           |   |  |

| INDICATOR/MEASURE  | RESULTS 2018 | RESULTS 2019 | RESULTS 2020 | RESULTS 2021 | MATERIAL VARIATIONS |
|--|--------------|--------------|--------------|--------------|---------------------|
| <b>MATERNAL AND CHILD HEALTH (MCH)</b>   |              |              |              |              |                     |
| <i>PARTICIPATION</i>   |              |              |              |              |                     |
| Participation in the MCH service<br>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100  | 79%          | 77%          | 80%          | 81%          |                     |
| Participation in the MCH service by Aboriginal children<br>[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           | 77%          | 75%          | 88%          | 85%          |                     |
| <b>ROADS</b>   |              |              |              |              |                     |
| <i>SATISFACTION</i>  |              |              |              |              |                     |
| Satisfaction with sealed local roads<br>[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]   | 55           | 57           | 57           | 57           |                     |
| <b>STATUTORY PLANNING</b>  |              |              |              |              |                     |
| <i>DECISION MAKING</i>   |              |              |              |              |                     |
| Council planning decisions upheld at VCAT<br>[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 | 100%         | 50%          | 100%         | 100%         |                     |
| <b>WASTE COLLECTION</b>  |              |              |              |              |                     |
| <i>WASTE DIVERSION</i>   |              |              |              |              |                     |
| Kerbside collection waste diverted from landfill<br>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100            | 50%          | 51%          | 51%          | 51%          |                     |



## 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 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

“critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

“food premises” has the same meaning as in the Food Act 1984

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

“major non-compliance outcome notification” means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

“MCH” means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

“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.

## Financial Performance Indicators

For the year ended 30 June 2021

| DIMENSION/<br>INDICATOR/<br>MEASURE  | RESULTS     |             |         |         |         |         | FORECASTS |         | MATERIAL<br>VARIATIONS   |
|--|-------------|-------------|---------|---------|---------|---------|-----------|---------|--|
|  | 2018        | 2019        | 2020    | 2021    | 2022    | 2023    | 2024      | 2025    |  |
| <b>EFFICIENCY</b>  |             |             |         |         |         |         |           |         |  |
| <i>EXPENDITURE LEVEL</i>   |             |             |         |         |         |         |           |         |  |
| Expenses per property assessment<br>[Total expenses / Number of property assessments]                          | \$3,867     | \$4,076     | \$4,186 | \$4,308 | \$4,469 | \$4,359 | \$4,350   | \$4,467 |  |
| <b>REVENUE LEVEL</b>   |             |             |         |         |         |         |           |         |  |
| Average rate per property assessment<br>(General rates and Municipal charges / Number of property assessments) | New in 2020 | New in 2020 | \$2,542 | \$2,269 | \$2,089 | \$2,110 | \$2,131   | \$2,153 | 2020 Actual incorrectly reported as \$2,542 with other rates and charges such as Waste Kerbside Collection service fees included in error. Correct 2020 figure \$2,219.<br><br>Future year projections are impacted by significant expenditure on capital works programs, ongoing impacts of a zero percent rate rise in 2022 and a slow/gradual recovery of user fee income from COVID. |
| <b>LIQUIDITY</b>   |             |             |         |         |         |         |           |         |  |
| <i>WORKING CAPITAL</i>   |             |             |         |         |         |         |           |         |  |
| Current assets compared to current liabilities<br>[Current assets / Current liabilities] x100                  | 270%        | 271%        | 150%    | 156%    | 132%    | 113%    | 113%      | 103%    |  |

| DIMENSION/<br>INDICATOR/<br>MEASURE   | RESULTS |      |      |      |      | FORECASTS |      |      | MATERIAL<br>VARIATIONS  |
|---|---------|------|------|------|------|-----------|------|------|---|
|   | 2018    | 2019 | 2020 | 2021 | 2022 | 2023      | 2024 | 2025 |   |
| <b>UNRESTRICTED CASH</b>  |         |      |      |      |      |           |      |      | Future year projections are impacted by significant expenditure on capital works programs, ongoing impacts of a zero percent rate rise in 2022 and a slow/gradual recovery of user fee income from COVID. |
| Unrestricted cash compared to current liabilities<br>[Unrestricted cash / Current liabilities] x100   | 164%    | 48%  | 47%  | 47%  | 55%  | 24%       | 24%  | 24%  |   |
| <b>OBLIGATIONS</b>  |         |      |      |      |      |           |      |      |   |
| <b>LOANS AND BORROWINGS</b>   |         |      |      |      |      |           |      |      | \$10 million of new borrowings in 2021 adopted budget. \$12 million of new borrowings in 2022 adopted budget.   |
| Loans and borrowings compared to rates<br>[Interest bearing loans and borrowings / Rate revenue] x100   | 25%     | 22%  | 19%  | 29%  | 40%  | 36%       | 32%  | 28%  |   |
| Loans and borrowings repayments compared to rates<br>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | 3%      | 3%   | 3%   | 3%   | 4%   | 4%        | 4%   | 4%   |   |
| <b>INDEBTEDNESS</b>   |         |      |      |      |      |           |      |      | Reduction from 2020 to 2021 due to fair value movement in Cosgrove 3 Landfill Rehabilitation Provision. Future year projections assumed 2020 provision valuation.   |
| Non-current liabilities compared to own source revenue<br>[Non-current liabilities / Own source revenue] x100   | 25%     | 24%  | 52%  | 39%  | 65%  | 61%       | 57%  | 53%  |   |

| DIMENSION/<br>INDICATOR/<br>MEASURE   | RESULTS     |             |      |      |      | FORECASTS |      |      | MATERIAL<br>VARIATIONS   |
|---|-------------|-------------|------|------|------|-----------|------|------|--|
|   | 2018        | 2019        | 2020 | 2021 | 2022 | 2023      | 2024 | 2025 |  |
| <b>ASSET RENEWAL<br/>AND UPGRADE</b>  |             |             |      |      |      |           |      |      |  |
| Asset renewal and upgrade compared to depreciation<br>[Asset renewal and upgrade expenses / Asset depreciation] x100          | New in 2020 | New in 2020 | 108% | 80%  | 160% | 106%      | 82%  | 155% | Reduction from 2020 to 2021 due to rebudgeting of Cosgrove 2 Landfill Cell 4 works. Future year projections influenced largely by timing of renewals at Cosgrove Landfill.   |
| <b>OPERATING POSITION</b>   |             |             |      |      |      |           |      |      |  |
| <b>ADJUSTED UNDERLYING RESULT</b>   |             |             |      |      |      |           |      |      |  |
| Adjusted underlying surplus (or deficit)<br>[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100         | 5%          | 4%          | -1%  | 8%   | -11% | -5%       | -4%  | -3%  | Upwards trend from 2020 to 2021 influenced by favourable fair value movement of Cosgrove 3 Landfill Rehabilitation Provision and early receipt of 50% of 2022 Federal Financial Assistance Grants (impacts 2022 projection). |
| <b>STABILITY</b>  |             |             |      |      |      |           |      |      |  |
| <b>RATES CONCENTRATION</b>  |             |             |      |      |      |           |      |      |  |
| Rates compared to adjusted underlying revenue<br>[Rate revenue / Adjusted underlying revenue] x100                            | 59%         | 59%         | 61%  | 55%  | 66%  | 65%       | 65%  | 64%  | Downwards trend from 2020 to 2021 influenced by 2021 Adjusted Underlying Surplus (see OP1).  |
| <b>RATES EFFORT</b>   |             |             |      |      |      |           |      |      |  |
| Rates compared to property values<br>[Rate revenue / Capital improved value of rateable properties in the municipality ] x100 | 0.8%        | 0.8%        | 0.7% | 0.7% | 0.7% | 0.7%      | 0.7% | 0.7% |  |

## Retired Financial Performance Indicators

For the year ended 30 June 2021

| DIMENSION/INDICATOR/MEASURE   | RESULTS |         |                 |                 |
|---|---------|---------|-----------------|-----------------|
|   | 2018    | 2019    | 2020            | 2021            |
| <b>EFFICIENCY</b>   |         |         |                 |                 |
| <i>REVENUE LEVEL</i>  |         |         |                 |                 |
| Average residential rate per residential property assessment<br>[Residential rate revenue / Number of residential property assessments] | \$1,919 | \$1,920 | Retired in 2020 | Retired in 2020 |
| <b>OBLIGATIONS</b>  |         |         |                 |                 |
| <i>ASSET RENEWAL</i>  |         |         |                 |                 |
| Asset renewal compared to depreciation<br>[Asset renewal expenses / Asset depreciation] x100  | 76%     | 101%    | Retired in 2020 | Retired in 2020 |

### 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)

“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.

## Other Information

### 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 1989 and Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020).

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

The performance statement presents the actual results for the current year for the prescribed financial performance indicators and measures as well as the results forecast by the council's strategic resource plan.

The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted the materiality thresholds as per Appendix B – Materiality Guidelines of the Local Government Better Practice Guide 2020-21 Performance Statement. Explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material of its nature.

The forecast figures included in the performance statement are those adopted by council in its adopted budget and strategic resource plan on 15 June 2021. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by visiting [www.greatershepparton.com.au](http://www.greatershepparton.com.au)

**Certification of the Performance Statement**

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).



Matthew Jarvis CPA  
Principal Accounting Officer

Dated: 21 September 2021

In our opinion, the accompanying performance statement of the Greater Shepparton City Council for the year ended 30 June 2021 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).

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

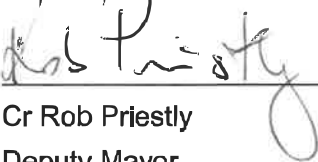
At the date of signing, we are not aware of any circumstances that would render the particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Cr Kim O'Keeffe  
Mayor

Dated: 21 September 2021



Cr Rob Priestly  
Deputy Mayor

Dated: 21 September 2021



Peter Harriott  
Chief Executive Officer

Dated: 21 September 2021

# Independent Auditor's Report

## To the Councillors of Greater Shepparton City Council

|   |   |
|---|---|
| <p><b>Opinion</b></p>   | <p>I have audited the accompanying performance statement of Greater Shepparton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2021</li> <li>• sustainable capacity indicators for the year ended 30 June 2021</li> <li>• service performance indicators for the year ended 30 June 2021</li> <li>• financial performance indicators for the year ended 30 June 2021</li> <li>• other information and</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>  |
| <p><b>Basis for Opinion</b></p>   | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p> |
| <p><b>Councillors' responsibilities for the performance statement</b></p>           | <p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>  |
| <p><b>Auditor's responsibilities for the audit of the performance statement</b></p> | <p>As required by the <i>Audit Act 1994</i>, 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.</p>  |



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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 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.

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MELBOURNE  
28 September 2021



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*





## CONTACT US

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**Web:** [www.greatershepparton.com.au](http://www.greatershepparton.com.au)

Join the conversation:    

Greater Shepparton City Council is NRS friendly. If you are deaf, hearing-impaired, or speech-impaired, we ask that you call us via the National Relay Service:

**TTY users:** 133 677 then ask for (03) 5832 9700.

**Speak & Listen users:** (speech-to-speech relay) 1300 555 727 then ask for (03) 5832 9700.

**Internet relay users:** Connect to the National Relay Service via [www.relayservice.com.au](http://www.relayservice.com.au) and then ask for (03) 5832 9700.

A hearing loop is also available at Council's customer service centre and Council meeting rooms.



Interpreter service available.

