

# AGENDA

## SCHEDULED MEETING OF COUNCIL

Tuesday, 20 October 2020

To be held Swan Hill Town Hall  
McCallum Street, Swan Hill  
Commencing at 2pm

**COUNCIL:**

Cr B Moar – Mayor

Cr A Young

Cr LT McPhee

Cr J Benham

Cr C Jeffery

Cr L Johnson

Cr N McKay

SECTION A – PROCEDURAL MATTERS .....3

SECTION B – REPORTS.....4

B.20.78 PARLIAMENTARY INQUIRY ON MIGRATION IN REGIONAL AUSTRALIA.....4

B.20.79 2019/20 SERVICE PERFORMANCE REPORT – INCLUDING LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK INDICATORS ..... 19

B.20.80 COUNCIL LOAN SUPPORT POLICY .....47

B.20.81 COUNCIL PLAN – PROGRESS REPORT FOR THE FIRST QUARTER OF 2020/21 .....51

B.20.82 IN-PRINCIPLE ADOPTION OF FINANCIAL AND PERFORMANCE STATEMENTS..... 103

SECTION C – DECISIONS WHICH NEED ACTION/RATIFICATION ..... 173

C.20.17 SIGN & SEAL REPORT ..... 173

C.20.18 COUNCILLOR ASSEMBLIES - RECORD OF ATTENDANCE AND AGENDA ITEMS ..... 175

SECTION D – NOTICES OF MOTION..... 179

SECTION E – FORESHADOWED ITEMS ..... 179

SECTION F – URGENT ITEMS NOT INCLUDED IN AGENDA ..... 179

SECTION G – TO CONSIDER & ORDER ON COUNCILLOR REPORTS..... 179

SECTION H – IN CAMERA ITEMS ..... 179

**SECTION A – PROCEDURAL MATTERS**

- **Welcome**
  
- **Acknowledgement of Country**
  
- **Prayer**
  
- **Apologies/Leaves of Absence**
  
- **Directors/Officers Present**
  
- **Confirmation of Minutes**
  - 1) Scheduled Meeting Of Council held on 15 September 2020
  - 2) Unscheduled Meeting of Council held on 18 September 2020
  
- **Disclosures of Conflict of Interest**
  
- **Joint Letters and Reading of Petitions**
  
- **Public Question Time**
  
- **Open Forum**

## **SECTION B – REPORTS**

### **B.20.78 PARLIAMENTARY INQUIRY ON MIGRATION IN REGIONAL AUSTRALIA**

**Responsible Officer:** Director Development and Planning  
**File Number:** S20-06-06  
**Attachments:** 1 A1. Swan Hill Rural City Council Submission

#### **Declarations of Interest:**

Heather Green - as the responsible officer, I declare that I have no disclosable interests in this matter.

#### **Summary**

This report is to brief Council regarding a response to the Parliamentary Inquiry on Migration in Regional Australia as requested by some Councillors. This report will also give Council some background on the Safe Haven Enterprise Visa (SHEV).

#### **Discussion**

##### **Parliamentary Inquiries:**

Council lodged a submission to the Parliamentary Inquiry on Migration in Regional Australia in September 2019 as attached. On 25 March 2020, the Committee suspended the inquiry. This decision was made in light of COVID-19 and the economic impacts of the public health situation potentially changing the needs of regional communities.

For this reason, the Committee does not seek to draw conclusions or make recommendations on the matters raised in this report. As the public hearings were curtailed Committee members did not have the opportunity to interrogate or fully consider much of the evidence received, some of which expressed conflicting views.

However a total of 131 submissions were received and a copy of the report outlining the findings can be found at:

[https://parlinfo.aph.gov.au/parlInfo/download/committees/reportjnt/024490/toc\\_pdf/ReportoftheInquiryintoMigrationinRegionalAustralia.pdf;fileType=application%2Fpdf](https://parlinfo.aph.gov.au/parlInfo/download/committees/reportjnt/024490/toc_pdf/ReportoftheInquiryintoMigrationinRegionalAustralia.pdf;fileType=application%2Fpdf)

In addition, as a result of COVID-19, the Government announced that the number of migrants coming to Australia would be reduced by 30 per cent in 2019-20, and by as much as 85 per cent in 2020-21.

At the same time the unemployment rate is predicted to reach as much as 10 per cent. The changed economic circumstances mean that an inquiry which sought to

encourage more migrants to come to and remain in regional Australia would not be as useful in the present economic environment.

Another Parliamentary Inquiry into the Working Holiday Maker program was announced on 20<sup>th</sup> of June 2020 and closed on the 24<sup>th</sup> of July 2020. Council did not provide a submission for this inquiry.

[https://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Migration/WorkingHolidayMaker](https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Migration/WorkingHolidayMaker)

It is to be noted that a number of submissions are related to SHEV, such as the submission by the Refugee Council of Australia (<https://www.refugeecouncil.org.au/wp-content/uploads/2020/08/202007-Working-Holiday-Maker-Inquiry-RCOA.pdf>) and the Jesuit Refugee Service (JRS) Australia ([https://www.jrs.org.au/wp-content/uploads/2019/10/Sub-094-Jesuit-Refugee-Service-Australia\\_Joint-Standing-Committee-on-Migration\\_October-2019.pdf](https://www.jrs.org.au/wp-content/uploads/2019/10/Sub-094-Jesuit-Refugee-Service-Australia_Joint-Standing-Committee-on-Migration_October-2019.pdf))

### **Background on the Safe Haven Enterprise Visa**

In 2014, the Australian Government created a new temporary protection visa, to be known as a Safe Haven Enterprise Visa (SHEV) which would be available to refugees that had arrived illegally by boat if they face a real chance of persecution, or a real risk of significant harm, in their country of origin.

A SHEV holder is allowed to:

- stay in Australia for up to five years
- work in Australia
- enrol in Medicare
- receive some social security payments
- access short-term counselling for torture and trauma
- access the Adult Migrant English Program; and
- have access to government-funded education if a minor.

SHEV holders must apply for approval to travel overseas and show compassionate or compelling circumstances that justify the travel. They are not able to travel to the country from which they have been granted protection.

SHEV holders can apply for some other types of visas if they have held a SHEV for at least three and a half years and if, during that time:

- they have lived in certain regional areas of Australia;
- they have not accessed certain Centrelink payments; and
- they have worked or studied full time at certain education institutions.

SHEV holders who are able to work in regional Australia without requiring access to income support for three and a half years will be able to apply for other onshore migration visas such as a family or skilled visa as well as a student visa, but not a

permanent protection visa. It has been reported that it is extremely difficult for SHEV holders to obtain permanent residency and therefore to be able to bring their families to Australia.

At the Ordinary Meeting of Council of April 2016, Swan Hill Rural City Council opted to participate in the Safe Haven Enterprise Visa program.

It is estimated by Mallee Family Care that 16 residents are SHEV holders in Swan Hill municipality. Of these, the majority are Afghanis.  
There are approximately 10,000 SHEV holders in Victoria<sup>1</sup>

### **Pilot program to bring refugees in the Mallee region to fill agricultural vacancies**

The Try, Test and Learn Bridge to Regional Employment and Opportunities Project is a pilot project that links migrant/refugees currently residing in Melbourne at risk of long term welfare dependency to regional employers looking for a reliable workforce to foster industry growth.

The project is administered by Sunraysia Mallee Ethnic Community Council and aims to bring 20 families to the region. Due to COVID-19, the committee has decided to halt the relocation of families to the region, as it was felt that it would have negative connotations with the community. The project will recommence as soon as the restrictions on Melbourne residents have lessened.

### **Consultation**

Consultations were held with the Parliamentary Inquiry Secretary, Mallee Family Care and Sunraysia Mallee Ethnic Community Council (SMECC)

### **Financial Implications**

Not applicable.

### **Social Implications**

SHEV holders are unlikely to be reunited with their families for a considerable length of time. Family separation is psychologically and emotionally distressing.

### **Economic Implications**

Council encourages the relocation of people who can fill a variety of employment opportunities, in particular in the agricultural and manufacturing sector.

---

<sup>1</sup> [http://refugeehealthnetwork.org.au/wp-content/uploads/Data-bulletin\\_2018\\_November\\_Victorian-Refugee-Health-Network-statewide-meeting.pdf](http://refugeehealthnetwork.org.au/wp-content/uploads/Data-bulletin_2018_November_Victorian-Refugee-Health-Network-statewide-meeting.pdf)

### **Environmental Implications**

Not applicable.

### **Risk Management Implications**

Not applicable.

### **Council Plan Strategy Addressed**

***Community enrichment*** - Help all people to find a place in our community.

### **Options**

1. That Council notes this report and monitors the outcomes of the recommendations of the Parliamentary Inquiries to ensure any positive changes to migration laws are of benefit to the region.
2. That Council provides a submission to the department of Home affairs outside of the Parliamentary Inquiry process

### **Recommendation**

**That Council notes this report and monitors the outcomes of the recommendations of the Parliamentary Inquiries to ensure any positive changes to migration laws are of benefit to the region.**

REF: 1682/19/

AY/MS

25 September 2019



James Bunce  
Inquiry Secretary  
Joint Standing Committee on Migration  
Department of the House of Representatives  
PO Box 6021  
R1.116 Parliament House  
CANBERRA ACT 2600

Dear James

PARLIAMENTARY INQUIRY ON REGIONAL MIGRATION  
SUBMISSION BY SWAN HILL RURAL CITY COUNCIL

Thank you for the invitation to provide a submission to the Committee regarding the inquiry into Regional Migration.

The Swan Hill municipality has experienced unprecedented levels of investment over the past decade, with renewed confidence in the horticultural and agricultural sector driving this positive trend. With population growth, low unemployment and record levels of investment, the region is cementing its position as a preferred regional location to live, work and invest.

However, labour shortage is threatening this enviable position and Council is seeking solutions to remedy this situation. Regional migration is one of the possible solutions.

The enclosed submission summarises Council's position and recommendations on regional migration and Council hopes that the submission will assist informing the Committee on this important and topical issue

Should you need any further information, please do not hesitate to contact Muriel Scholz at Council

Yours sincerely

Cr Ann Young  
Mayor

45 Splatt Street SWAN HILL VIC 3585  
PO Box 488 SWAN HILL VIC 3585  
DX30166 Swan Hill  
Telephone: (03) 5036 2333 Fax: (03) 5036 2340  
Email: council@swanhill.vic.gov.au  
ABN 97435620016



Inquiry into migration in regional Australia  
Submission 82



# Submission: Inquiry into migration in regional Australia



## Contents

Background.....	2
Labour needs.....	2
Horticulture industry.....	3
Manufacturing and construction industry.....	4
Health industry.....	4
Meeting the region’s needs.....	5
Housing shortages.....	5
The horticulture industry: A call for the “Ag Visa”.....	6
Regional and outer regional.....	7
Perception.....	7
Support services.....	8
Conclusion.....	9

Swan Hill Rural City Council would like to make the following submission in response to the call for the inquiry into migration in regional Australia by the Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs, the Hon. David Coleman MP.

## Background

Swan Hill Rural City Council in Victoria covers 6,116 square kilometres and is home to 20,759 people.

It includes the townships of Swan Hill, Robinvale, Lake Boga, Nyah, Nyah West, Piangil, Woorinen, Ultima, Manangatang, Boundary Bend and Tresco. It is 350kms North West of Melbourne

The Swan Hill Rural City economy is driven by agriculture and manufacturing.

Almost 20% of the total economic output from the region comes from agricultural production, or \$525M and the same for manufacturing with an output of \$527M. The total output for the region is \$2,697M with export revenue of \$930M (Remplan economic modelling 2019).

Irrigated farming (including stone fruit, grapes, nuts, olives and vegetable production) accounts for over 11% of the total economic output for the municipality and more than 18% of all jobs in the city are directly related to agriculture.

Additionally food manufacturing (processing) accounts for almost 10% of the municipality's economic output.

Located along the Murray River, tourism plays an important role in the region's economy. Its climate and natural beauty attracts around 750,000 visitors each year.

## Labour needs

The Swan Hill region is part of the Mallee region where it has been identified by the Victorian Skills Commissioner (Vic2017 Regional Skills Demand Profile: The Mallee) that, fuelled by investment in horticulture, solar and other industries, the region is forecast to experience strong near term growth in demand for labour.

The report estimates future workforce demand of between 2,900 and 4,400 new workers from 2017 to 2020 to support growth and replace anticipated retirements.

It should be noted that should estimates be realised, the region is likely to face significant labour shortages. High labour market participation, low unemployment rates and the ageing workforce present challenges to filling vacancies. Without continued workforce growth and attraction of new resources, economic progress in the region will stall. As such, sustained and collaborative action from industry, schools and training providers is imperative.

Currently Swan Hill region's unemployment rate is 3.2%. This is a very low unemployment rate. In economic terms, "full employment" or the "non-accelerating-inflation rate of unemployment (NAIRU)," is the level to which unemployment can fall before labour

shortages start to trigger wage inflation. The NAIRU in Australia is widely considered to be in the order of 4%.

The most recent migrant settlement data from the Australian Bureau of Statistics showed that 85% of migrants settled in Australia's capital cities in 2017-18, with 65% of total migrants settling in Sydney and Melbourne. Only 15% settled in regional areas. In 2018, the greater Sydney area added more than 93,000 residents, or 256 people daily.

From November 2019 with the introduction of two new regional visa subclasses, the 491 and 494, the 'regional' definition will change and be expanded and simplified to include all areas of Australia except the metropolitan areas of Sydney, Melbourne, Brisbane, Gold Coast and Perth.

## Horticulture industry

The horticultural crops grown in the region include table grapes, stone fruit, wine grapes, processing tomatoes, vegetables, asparagus, nuts, olives, citrus, avocados and nursery supplies. The total output of agriculture combined with food processing and manufacturing in the Swan Hill region is \$739 million (Remplan economic modelling, 2019) with export a significant component. This is without taking into account the flow on effect generated through transport and manufacturing.

The governments of Australia both State and Federal, together with industry bodies of the horticultural sector have worked hard to obtain new export markets. Within this initiative there has been a corresponding increase in the size and scale of Australian horticultural and agricultural enterprises.

The traditional family farms have significantly reduced in number and importance in the sector, along with the extended families which were once a secure source of labour on these farms. Many children are now tertiary educated and have moved away from the farm to secure employment.

The growth of the industry undertaken over the past 25 years has been enormous with extensive growth from the development of corporate and family farms.

The opportunities linked to export (particularly the expansion of the Chinese market) have grown substantially and growers have undertaken large hectare areas plantings of specific varieties to suit overseas tastes.

The large areas plantings often need to be harvested with very short time frames because of weather (rain, heat) predictions. Farms rely on contractors to supply labour at short notice. The contractors attract workers, mainly using social media, assist them to come to Australia and in many cases provide or assist them to find positions, accommodation and transport to the farms. The contractor option has been the main supplier of workers to the horticultural industry in the region. However the new Labour Hire Licensing Laws introduced in Victoria this year are throwing uncertainty in the supply of labour through this avenue.

There is an acute shortage of farm labour required for watering, thinning, harvesting, pruning, picking and packaging for the domestic and export markets. It is well documented that horticultural labour is not an occupation of choice for many as it is a very physical and demanding work in arduous conditions.

It is well known that a large cohort of workers is undocumented and provides labour to farms between Swan Hill and Mildura. The VFF estimates that about 28% of the horticultural workforce in the region does not possess the necessary visas to legally work in Australia.

## Manufacturing and construction industry

Manufacturing in the Swan Hill region is largely linked to horticultural and agricultural needs but not exclusively so.

There is a large cohort of large manufacturers with their headquarters located in Swan Hill. These include Polymaster, Entegra, Larnec Doors, Floorex, Grizzly, SwanBuild and Pumpa Manufacturing who are all multimillion turnover companies with national and international markets.

Manufacturers have expressed a severe shortage of labour in the skilled and semi skilled areas. They need skilled workers such as electricians, mechanics, boilermakers, engineers, draftsmen, middle managers as well as labourers and assembly workers.

The construction and service trade also experiences difficulties filling skilled trade positions, in line with the trend in Australia where over 50% of employers are reporting the same.

The main issues with attracting workers include lack of skills, lack of willingness to acquire skills even if paid for by employers and general shortage of applicants. Employers report that advertisements in local papers often do not attract any interest, as there is mainly no response from potential job seekers.

This lack of workers' availability leads to chronic shortages in productivity and the inability to expand, prosper and export.

## Health industry

The health care and social assistance industry employed almost 14% of the Swan Hill population in 2016, just below the agriculture and manufacturing sectors. Health is responsible for the employment of 1,100 people, an increase of 18% from the 2010 figure of 920. The growth in the health sector of Swan Hill forms part of the broader increase in service based economies, reflecting the increasing significance of Swan Hill as a regional service centre. The health sector also contributes 8.3% of the value added to the local economy, to the value of \$89.4 million.

There is a chronic shortage of health professionals in the Swan Hill municipality and indeed across the Mallee region. This is illustrated by recent figures from the Rural Workforce Agency Victoria (September 2019) showing that the doctor to patient ratio in Melbourne is 1:900 whereas in the Mallee region it is 1:7,48

## Meeting the region's needs

This submission looks at recently arrived migrants (less than five years in Australia) as well as overseas migrants and centres around five main issues:

- Housing shortages
- Specific issues of the Horticulture Industry: A call for the "Ag Visa"
- Differentiate Regional and Outer Regional
- Perception
- Support services

## Housing shortages

Council has been aware for some times thanks to feedback from employers and real estate agents that one of the main problems to secure a workforce, being people moving from other parts of Australia or overseas migrants, is the lack of suitable housing and workers' accommodation.

To obtain a snapshot of the issues pertaining to housing, Council commissioned a report centring on the Robinvale area as it had been identified as the main area of concern regarding housing and accommodation in the district with no rental accommodation available, a very limited amount of properties for sale and overbooked temporary accommodation.

(<https://www.swanhill.vic.gov.au/about/overview/plans-and-strategies/robinvale-housing-strategy/>)

The situation although exacerbated in the Robinvale region is endemic to the municipality and indeed the whole of the Sunraysia Mallee area.

Council seeks Commonwealth assistance to solve the housing and accommodation issue by providing investors and developers with incentives to build:

- Quality rental homes for skilled and managerial staff
- Low cost accommodation for seasonal workers
- Entry level houses for new and recent migrants to start a life in the area

Real estate investors need a return on their investments. Unfortunately due to the tyranny of distance, building real estate in the Swan Hill and Robinvale region is more costly than in metropolitan areas.

There is also an ingrained perception that investing in regional areas is riskier and less profitable than in metropolitan Melbourne or larger provincial cities. This belief is shared by the banking sector that is reluctant to consent to loans for private homes or investment ventures. A package to encourage investors coupled with an awareness campaign may alleviate this perception.

**Recommendations:**

***That the Commonwealth Government offers incentives to property developers prepared to consider outer regional areas.***

***That the Commonwealth Government offers grants to Local Government, State Government and Non for Profit organisations to build affordable housing in regions demonstrating accommodation shortages***

## The horticulture industry: A call for the “Ag Visa”

As previously discussed, Horticulture needs access to large quantities of casual labour for brief but intense periods of time. The work is at times physically demanding and there is an insufficient supply of this type of labour in Australia presently.

The horticultural sector has met its labour needs for many years by tapping overseas labour supplies, primarily from Southeast Asia and the South Pacific islands and Labour hire contractors have established to meet this need. They have been the agent between the grower and the labourer.

The Victorian Government has established the Labour Hire Authority to ensure all workers are properly paid and treated. There is plenty of evidence that workers were exploited by some contractors. A key factor leading to the exploitation of these workers is that many are illegal over stayers making them vulnerable and reluctant to approach authorities for assistance. If enforced effectively the Victorian Labour Hire Licensing Scheme should eliminate worker exploitation.

However, the horticultural sector in Northern Victoria has grave fears that the labour hire contractors that have serviced their needs will no longer operate in Victoria. The fear is that the contractors will move their operations interstate or offshore. It is therefore important to extend the Labour Hire Licensing Laws, currently only in force in Queensland and Victoria to a nationwide model to create a level playing field and to offer the same protection to all workers, regardless of location.

A solution favoured by growers, Victorian Farmers Federation, National Farmers Federation, horticultural peak bodies and supported by Swan Hill Rural City Council and the Murray River Group of Councils is an Agricultural Workers Visa.

The sector needs this Visa because:

- The casual labour needs of agriculture will need to come from overseas for the foreseeable future, as the labour supply does not exist in Australia.
- An Agricultural Workers Visa will legitimise the workforce, thus reducing exploitation.
- The Agricultural Workers Visa could lead to permanent settlement thus strengthening regional communities and economies.

**Recommendation:**

- ***That the Commonwealth Government introduces an Agriculture specific visa with the following features:***
  - ***Applicants to be no older than 40 years on entry.***
  - ***Visa holders must reside in a regional community.***
  - ***Visa holders must be engaged in work in the agricultural sector for an average of at least 20 hours per week.***
  - ***Visa holders to be provided access to permanent residency after five years service in the agricultural sector.***
  - ***Visa holders should have access to Medicare services.***
  - ***Visa holders to be subject to normal character assessments on application.***
  - ***Applicants for agricultural workers Visa is to be selected from South Pacific nations, South East Asia and Central and South America.***

## Regional and outer regional

As noted previously in this document, the definition of regional is everywhere except the biggest urban concentrations. This makes it very difficult for regions such as Swan Hill to compete on an even keel with areas such as the Barossa Valley, the Yarra Valley or Coffs Harbour and even more with larger cities such as Adelaide, Darwin or Hobart which are better known from overseas. These areas are favoured because of their ease of access and with much more choice in accommodation, access to big cities and existing community links.

**Recommendation:**

- ***That the Commonwealth Government considers extra incentives for migrants choosing to settle in outer regional (as defined by the ARIA Accessibility/Remoteness Index of Australia) as opposed to Major Cities and Inner Regional areas, such as priority access to a visa and quicker pathway to residency.***

## Perception

Directly linked with the reluctance described above from potential migrants to relocate in rural areas, often erroneous or largely exaggerated reports in social media of conditions for workers, particularly agricultural workers are creating the wrong perceptions. A five minute scan of Facebook posts and websites reveal headlines such as “Hell for working holiday visas”, “Sexual exploitation of horticultural workers”, “Migrants trapped in slave like conditions in Aussie farms” and “Systemic exploitation of migrant workers”.



In addition to enforcing a Labour Hire Licencing Scheme nationwide, a marketing campaign reinforcing the positive experience of the majority of migrant and backpackers workers is needed.

**Recommendation:**

- ***That the Commonwealth Government invests in a positive marketing campaign to highlight the benefits of working in outer regional Australia***

## Support services

There are networks of services to support recently arrived migrants and refugees in regional and rural areas and these migrant and refugee-specific services are complemented by mainstream services that are bound under Access and Equity Policies to ensure that all their clients receive services related to their needs.

However, it is important to note that while being eligible for services is one thing, knowing about their existence is another, as is negotiating the often complex entry pathways. Migrants and refugees who move into regional areas have high need of scaffolded support.

In addition, many employers in rural and regional locations have had little or no experience of employing migrant/refugee workers – especially of working with people with low levels of English.

A significant service gap manifests itself when client communities and potential jobs are not based in the same geographic locations.

“There is currently no systematic way for migrant workers to link up with rural employers, nor is there a systematic policy or integrated support mechanism to facilitate secondary migration away from metropolitan cities.” (Regional Australia Institute, May 2018)

Projects such as the “Try Test and Learn” program (<https://www.dss.gov.au/review-of-australias-welfare-system/australian-priority-investment-approach-to-welfare/try-test-and-learn-fund>), about to be implemented by AMES in Swan Hill and Mildura, can bridge this gap and resource a service to work with both the target groups and the regional resettlement locations. It will broker a raft of services and supports for both relocating jobseekers and their families, and rural/regional communities and local employers. This will include community engagement with the target group/s and their leaders, providing information about jobs and local regional community services and life style and assist with matching jobseekers with employers’ labour needs. At regional level it will engage employers, local government, housing/estate agencies, schools, health services, English language providers, faith organisations, etc to prepare for and support new residents to transition into the local community.

**Recommendation:**

- ***It is recommended that this type of initiative be widely encouraged and be continued after its pilot phase.***

**Conclusion**

Swan Hill Rural City Council is thankful for the opportunity offered by the Parliamentary Inquiry into Regional Migration to contribute to the search towards solutions.

This submission was developed in consultation with the employer community, the migrant community and numerous Government and Non Government agencies.

Council hopes that this document can make a positive contribution to this very important issue to our area. Swan Hill has recently been recognised in the Australian (<https://www.theaustralian.com.au/business/property/the-small-towns-in-australia-that-mean-business/news-story/8359380e6e2c2c49d72f469ef58ba6c0>) as the most entrepreneurial town in Australia, ahead of Sydney and Melbourne. In order to keep this momentum going, and to contribute to the prosperity of the Nation, the region needs to access a stable and engaged workforce.

**B.20.79 2019/20 SERVICE PERFORMANCE REPORT – INCLUDING LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK INDICATORS**

**Responsible Officer:** Acting Director Corporate Services  
**File Number:** S16-39-01  
**Attachments:** 1 2019/20 Service Performance

**Declarations of Interest:**

Helen Morris - as the responsible officer, I declare that I have no disclosable interests in this matter.

**Summary**

The setting of Quality and Cost Standards for Council services and annual reporting against these standards to the community is a requirement of the Service performance principles s106 of the Local Government Act 2020.

This report contains the actual performance for Council services against the quality and cost targets and Local Government Performance Reporting Framework Indicators set for 2019/20

**Discussion**

The Local Government Act 2020 requires Council to review its operations to ensure that the services provided to the community represent 'Good Value'.

Good Value requires that quality and cost standards be developed for each major service area. The standards assist the community in determining whether a service is effective (quality) and efficient (cost). Quality and Cost standards and targets are prepared for each major service area, and recommendations have been made to review selected targets for the 2019/20 reporting period.

With the introduction of the Local Government Performance Reporting Framework (LGPRF) and mandatory reporting indicators, officers have taken the opportunity to review and align our standards with the LFPRF and have included the results in the Service Performance report.

The attached report details the actual result achieved and explanations on variations where targets have not been achieved.

Council currently reports on 138 Quality and Cost Standards across 10 service groups and 40 service performance measures from the Local Government Performance Indicators.

The tables below provide a brief summary of achievements for the year. Details and variance explanations can be found in the attached report.

**SECTION B - REPORTS**

20 October 2020

Service Group	Number of standards/indicators				Total
	Exceeded	Achieved	Not achieved	Not applicable	
Transport Services (page 3)	6	2	3	-	11
Family and Children's Services (page 5)	3	1	1	2	7
Economic Prosperity (page 7)	3	2	2	-	7
Community Care Services (page 8)	1	3	4	-	8
Community Wellbeing (page 9)	3	-	4	-	7
Waste Management (page 12)	1	-	2	-	3
Community Amenity (page 14)	5	-	4	-	9
Recreation, Culture and Leisure Services (page 16)	5	1	31	-	37
Organisational Support (page 21)	9	11	20	-	40
Governance and Leadership (page 25)	3	1	5	-	9
<b>Total</b>	<b>40</b>	<b>21</b>	<b>75</b>	<b>2</b>	<b>138</b>
<b>Achieved in 2019/20</b>	<b>29%</b>	<b>15%</b>	<b>54.5%</b>	<b>1.5%</b>	<b>100%</b>
<b>Achieved in 2018/19</b>	<b>35%</b>	<b>19%</b>	<b>46%</b>	<b>-</b>	<b>100%</b>

Service Group	Number of standards/indicators			Total
	Within expected range	Outside expected range	Not applicable	
<b>LGPRF</b>				
Transport Services (page 4)	4	1	-	5
Family and Children's Services (page 6)	5	0	-	5
Community Wellbeing (page 10)	12	1	-	13
Waste Management (page 12)	5	0	-	5
Recreation, Culture and Leisure Services (page 17, 19)	6	1	-	7
Leadership and Governance (page 26)	5	0	-	5
<b>Total</b>	<b>37</b>	<b>3</b>	<b>-</b>	<b>40</b>
<b>Achieved in 2019/20</b>	<b>92.5%</b>	<b>7.5%</b>	<b>-</b>	<b>100%</b>
<b>Achieved in 2018/19</b>	<b>93%</b>	<b>7%</b>	<b>-</b>	<b>100%</b>

**Consultation**

The Quality and Cost Standards and LGPRF indicators have been reviewed in consultation with the employees responsible for each service and members of the Executive Leadership Team.

The Quality and Cost Standards and LGPRF indicators were reviewed at Council assembly 22 September 2020.

### **Financial Implications**

Measuring Council's performance assists in providing best value for the community. This in turn leads to a more efficient service delivery.

### **Social Implications**

Measuring Council's performance assists in providing best value for the community.

### **Economic Implications**

Not applicable for this item.

### **Environmental Implications**

Not applicable for this item.

### **Risk Management Implications**

Failing to report on Councils Service Performance would not comply with the Local Government Act 2020.

### **Council Plan Strategy Addressed**

***Governance and leadership*** - Effective advocacy and strategic planning.

### **Options**

Council can adopt or amend the recommendations.

### **Recommendations**

#### **That Council:**

- 1. Adopt the Service Performance Report as presented**
- 2. Adjust the 2020/21 targets as indicated in the report**

# Swan Hill Rural City Council Service Performance Report 2019/20

## Quality and Cost Standards and Local Government Performance Reporting Framework Indicators

Service Group	Number of standards/indicators				
Quality/Cost Standard	Exceeded	Achieved	Not achieved	Not applicable	Total
Transport Services (page 2)	6	2	3	-	11
Family and Children's Services (page 4)	3	1	1	2	7
Economic Prosperity (page 6)	3	2	2	-	7
Community Care Services (page 7)	1	3	4	-	8
Community Wellbeing (page 8)	3	-	4	-	7
Waste Management (page 11)	1	-	2	-	3
Community Amenity (page 13)	5	-	4	-	9
Recreation, Culture and Leisure Services (page 15)	5	1	31	-	37
Organisational Support (page 20)	9	11	20	-	40
Governance and Leadership (page 24)	4	1	4	-	9
<b>Total</b>	<b>40</b>	<b>21</b>	<b>75</b>	<b>2</b>	<b>138</b>
<b>Achieved in 2019/20</b>	<b>29%</b>	<b>15%</b>	<b>54.5%</b>	<b>1.5%</b>	<b>100%</b>
<b>Achieved in 2018/19</b>	<b>35%</b>	<b>19%</b>	<b>46%</b>	<b>-</b>	<b>100%</b>

Service Group	Number of standards/indicators			
LGPRF	Within expected range	Outside expected range	Not applicable	Total
Transport Services (page 2)	4	1	-	5
Family and Children's Services (page 5)	5	0	-	5
Community Wellbeing (page 8)	12	1	-	13
Waste Management (page 11)	5	0	-	5
Recreation, Culture and Leisure Services (page 15)	6	1	-	7
Governance and Leadership (page 24)	5	0	-	5
<b>Total</b>	<b>37</b>	<b>3</b>	<b>-</b>	<b>40</b>
<b>Achieved in 2019/20</b>	<b>92.5%</b>	<b>7.5%</b>	<b>-</b>	<b>100%</b>
<b>Achieved in 2018/19</b>	<b>93%</b>	<b>7%</b>	<b>-</b>	<b>100%</b>

## Transport Services

(Report adopted by Council December 2002)

Programs included within this service group:

Footpaths

Aerodromes

Roads - sealed and unsealed

### Footpaths

Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Grinding metres/year	100	79 <sup>(1)</sup>	94	29
Replacement square metres/year	1,500	1,365 <sup>(2)</sup>	1,680	225
Average response time to address service requests Weeks	2	1	1	1
Number of service requests received that address issues on footpaths	50	44	47	45
Average maintenance expenditure per square metre of footpath Total cost to maintain footpaths / Total square metres of footpaths	\$2.20	\$0.81 <sup>(3)</sup>	\$1.00	0.88

Variance comments:

- (1) Council's Road Management Plan inspections identified less defects that require grinding.
- (2) Council's Road Management Plan inspections identified less defects requiring replacement.
- (3) An increase in new footpath projects resulted in less maintenance on the existing footpath network.

### Aerodromes

Quality/Cost Standard	Target	2019/20	2018/19	2018/19
Maintain Swan Hill and Robinvale aerodromes in accordance with Civil Aviation Regulation	100%	100%	100%	100%
Cost increase in maintenance of aerodromes Cost increase in Net Operating Result does not exceed 6% to previous year.	6%	16.28% <sup>(1)</sup>	12.7%	(7%)

Variance comment:

- (1) Major Grading works on Grass runway, Natural Surface runway, taxiway with weed spray works on natural surfaces. These required increased maintenance, indicate renewal of the assets are essential.

## Service Performance Report 2019/20 – Transport Services

<b>Roads</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Completion of asset inspection as per the Road Management Plan	100%	100%	100%	100%
Average response time to address service requests Weeks	3	1	1	1
Number of Service Requests received that address issues on unsealed roads:	100	123 <sup>(1)</sup>	128	121
Average cost to re-sheet a square metre of unsealed road Total cost of re-sheeting / Square metre of re-sheeting	\$4.20	\$7.14 <sup>(2)</sup>	\$5.65	\$6.42
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>Sealed local road requests</b> Number of sealed local road requests per 100 kilometres of sealed local roads. Expected range: 10 to 120 requests.	10-120	6.87 <sup>(3)</sup>	5.54	8.47
<b>Sealed local roads below the intervention level</b> Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads. Expected range: 80 - 100%	80-100%	99.28%	98.76%	98.31%
<b>Cost of sealed local road reconstruction</b> Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed. Expected range: \$20 - \$200.	\$20 - \$200	\$30.75 <sup>(4)</sup>	\$25.14	\$45.45
<b>Cost of sealed local road resealing</b> Direct cost of sealed local road resealing / Square metres of sealed local roads resealed. Expected range: \$4 - \$30.	\$4 - \$30	\$4.98 <sup>(5)</sup>	\$6.84	\$5.72
<b>Satisfaction with sealed local roads</b> Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads. Expected range: 50 – 100.	50-100	44	46	50

## Variance comments:

- (1) The number of unsealed road requests was above target in 2019/20 due to below average rainfall and lack of resources to maintain unsealed roads in dry conditions.
- (2) Utilising external quarry products and extended distances to haul materials has resulted in a higher square metre rate to resheet an unsealed road.
- (3) Council has been encouraging residents to report road maintenance issues to enable Council to provide a better level of service to its community.
- (4) The cost of sealed local road reconstruction increased in 2019/20 due to several projects being undertaken in urban areas which involved utilising asphalt treatments instead of a spray seal.
- (5) A decrease in resealing sealed roads is due to resealing several large rural roads which only require a single coat seal.



## Service Performance Report 2019/20 – Family and Children's Services

## Family and Children's Services

(Report adopted by Council September 2002)

*Programs within this service:*

Out Of School Hours Child Care consisting of:

- Before and After School Child Care
- Vacation Child Care
- Mobile Vacation Child Care

Preschools

Maternal and Child Health

Out of School Hours Child Care				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Meet the outcomes of the funding and service agreements Including licensing, children's regs and accreditation	100%	100%	100%	100%
Average cost to families per hour of care	\$4.61	\$2.56 <sup>(1)</sup>	\$3.79	\$4.52

Variance comment:

<sup>(1)</sup> The Average Cost to families per hour of care for 2019/2020 is significantly below the Target. This is due to the impact of the COVID-19 pandemic from March end of June (and ongoing).

1. With the first wave of the pandemic government imposed a range of restrictions on the population where people were required to work from home if possible and families could access approved child care if they met eligibility criteria.
2. The Federal Government introduced free childcare from April – 30 June 2020.

Family Day Care				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Meet the outcomes of the funding and service agreements Including licensing, children's regs and accreditation	100%	- <sup>(1)</sup>	100%	100%
Average cost to families per hour of care	\$4.38	- <sup>(1)</sup>	\$3.88	\$4.30

Variance comment:

<sup>(1)</sup> Council ceased to operate the Family Day Care program at the end of 2018/2019.

## Service Performance Report 2019/20 – Family and Children's Services

<b>Maternal and Child Health</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Percentage of children enrolled from birth notifications received	98%	100%	99%	100%
Percentage of children attending for 3.5 - 4 year old developmental assessment	70%	59% <sup>(1)</sup>	73%	65%
Net cost to Council per consultation.	\$112.50	\$109.19	\$99.55	\$113.91
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>Participation in first MCH home visit</b> Number of first MCH home visits / Number of birth notifications received. Expected range: 90 - 110%	90-110%	- <sup>(2)</sup>	94.90%	90.35%
<b>Infant enrolments in MCH service</b> Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received. Expected range: 90 - 110%	90-110%	102.13%	100.00%	100.00%
<b>Cost of MCH service</b> Cost to Council of the MCH service / Hours worked by MCH nurses. Expected range: \$50 - \$200	\$50 - \$200	\$91.19 <sup>(3)</sup>	\$81.12	\$94.60
<b>Participation in the MCH service</b> Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service. Expected range: 70 - 100%	70-100%	75.04%	73.14%	73.03%
<b>Participation in MCH service by Aboriginal children</b> Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service. Expected range: 60 - 100%	60-100%	66.20% <sup>(4)</sup>	60.08%	62.18%
<b>Participation in 4-week key age and stage visit</b> The percentage of infants enrolled in the MCH service who participated in 4-week key age and stage visit	90-110%	96.65 <sup>(5)</sup>	-	-

## Variance comments:

- (1) This is due to the impact / restrictions of the COVID-19 pandemic. The DHHS recommended prioritise services to infants 0-8 weeks, Aboriginal infants and children with additional needs and concerns. From March – 30 June 2020 there was reduced numbers of children having developmental assessments conducted including the 3.5-4 year old developmental assessment.
- (2) Participation in first MCH home visit was retired for 2019/20 and replaced with Participation in 4-week key age and stage visit.
- (3) The increase to the cost of the MCH service in 2019/2020 is largely due to the salary of the Manager being included. In previous years the managers salary was included in the Family Day Care budget. Council ceased to operate the Family Day Care program at the end of 2018/2019.
- (4) Mallee District Aboriginal Service in Swan Hill has their own MCH Service but over the past 12 months they have not had a permanent MCH nurse. Aboriginal families that would normally attend the MDAS Service have been accessing our MCH service during this period.
- (5) New Indicator for 2019/20.

## Service Performance Report 2019/20 – Economic Prosperity Services

## Economic Prosperity Services

(Report adopted by Council February 2003)

*Programs within this service:*

Economic Development Unit

Swan Hill Livestock Exchange

Tower Hill Estate development

Economic Development				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Achieve population growth for the municipality	0.1%	-0.5%	-0.4%	2.4%
Achieve an unemployment rate lower than the average for Rural and Regional Victoria	4%	3.8%	3.2%	4%
Total number of visitors to the Swan Hill Region Information Centre	-	13,410 <sup>(1)(2)</sup>	18,859	42,312

Variance comment:

- (1) The Information Centre was closed from 23 March 2020 to 1 June 2020 due to COVID-19 and numbers started declining from January as the threat of COVID-19 was making people unwilling to travel.
- (2) Visitor numbers provided in 2017/18 came from a door counter, which proved to be very unreliable given the recording of staff moments within the building. Since July 2018/19 manual visitor counting commenced and has proved to be a more accurate representation. The Swan Hill Region Information Centre continues to use this more reliable method.

Swan Hill Livestock Exchange				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Maintain National Saleyards Quality Assurance (NSQA) and Meat Standards Australia (MSA) accreditation	100%	100%	100%	100%
Total turnover (Cattle plus Sheep and Goats) demonstrating contribution to the local economy	\$54.6m	\$53.54m	\$54.6m	-
Ratio of cost to operate the livestock exchange verses income generated (income from sales of cattle, sheep, goats, truck wash and agistment divided by the operational costs including depreciation and reserves)	1.00	0.89	1.27	-

Tower Hill Estate				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Subdivide and sell lots	18	32 <sup>(1)</sup>	12	5
Subdivision and sale costs of properties within Budget targets	Yes	Yes	Yes	Yes

Variance comments:

- (1) Stage 12 lots sold out in 1 week. Home builders grant stimulated sale of vacant land.

## Service Performance Report 2019/20 – Community Care Services

## Community Care Services

(Report adopted by Council February 2003)

*Programs within this service:*

Client assessments

General Home, Personal and Respite Care

Food services

Aged Accommodation

Senior Citizen centres

Community Care Services				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
<b>Client Needs</b>				
Review of existing clients to assess appropriateness of service levels, whether service standards are being achieved and to reassess the needs of the client				
<ul style="list-style-type: none"> <li>High needs clients</li> <li>Medium needs clients</li> <li>Low needs clients</li> </ul>	100%	100%	100%	100%
	80%	80%	80%	80%
	70%	70%	70%	70%
<b>Average cost per hour of service:</b>				
<ul style="list-style-type: none"> <li>General Home Care</li> <li>Personal Care</li> <li>Respite Care</li> </ul>	\$51.54	\$59.14 <sup>(1)</sup>	\$64.92	\$60.10
	\$53.72	\$64.28 <sup>(1)</sup>	\$69.21	\$71.25
	\$54.00	\$53.45 <sup>(1)</sup>	\$65.00	\$58.36
<b>Average cost per meal</b>				
Total cost of Food Services Program / Number of meals delivered to clients	\$12.02	\$12.87 <sup>(2)</sup>	\$11.00	\$13.70
<b>Senior Citizen Centre's</b>				
Total cost to operate Senior Citizen Centre's and related activities	\$11,500	\$15,019.11 <sup>(3)</sup>	\$18,088	\$11,278

Variance comments:

- (1) Cost per hour of services: There has been a drop in the hourly rate due to service cancellations and changes of services as a result of COVID-19.
- (2) Meals on Wheels: There has been a slight increase in the cost of meals due to an increase in people using meals.
- (3) Senior Citizens Centres: There is a drop in operating costs due to COVID-19 and the centres not being used. And only small increases in Insurance/Utilities and Cleaning costs.

## Service Performance Report 2019/20 – Community Wellbeing Services

## Community Wellbeing Services

(Report adopted by Council June 2003)

*Programs within this service:*

Planning  
 Building Department  
 Regulatory Services – Animal Management  
 Parking Control  
 Food safety

<b>Planning</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Average number of days required to issue planning permits	58	49	47	57
Cost per capita to maintain currency and appropriateness of the Planning Scheme Gross cost to Council / Population of the municipality	\$20	\$28 <sup>(1)</sup>	\$25	\$24
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>Time taken to decide planning applications</b> The median number of days between receipt of a planning application and a decision on the application. Expected range: 30 – 110 days	30-110	49	47	57
<b>Planning applications decided within 60 days</b> Number of planning application decisions made within 60 days/Number of planning application decisions made. Expected range: 40 – 100%	40-100%	85.53%	82.63%	70.55%
<b>Cost of statutory planning service</b> Direct cost of the statutory planning service/Number of planning applications received. Expected range: \$500 - \$4,000	\$500 - \$4,000	\$3,417 <sup>(2)</sup>	\$2,540	\$2,866
<b>Planning decisions upheld at VCAT</b> Number of VCAT decisions that did not set aside council's decision in relation to a planning application/Number of VCAT Council decisions in relation to planning applications. Expected range: 30 – 100%	30-100%	0%	0%	0%

Variance comments:

- (1) The budget increase in proportion to the population over the same time frame is larger, hence the increase in cost per capita (increased budget and slight decline in population).
- (2) The increase to the cost of the service is due to additional training costs, equipment purchases and higher legal fees due to unforeseen planning issues.

## Service Performance Report 2019/20 – Community Wellbeing Services

<b>Building Department</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Average number of days required to issue building permits	18	24.8 <sup>(1)</sup>	25	20.9
Net cost to Council per building permit (Profit)	\$305	\$56 <sup>(2)</sup>	\$752	\$378

## Variance comments:

- (1) The actual average number of days to issue/process building permit applications for 2019/20 is up in relation to the target (18 days) due to Building Surveyor staff resourcing issues experienced during 2019/20 and the difficulties experienced in recruiting a Municipal Building Surveyor.
- (2) The actual number of building permits issued by Council for 2019/20 was slightly down from the previous year. The actual cost per permit for 2019/20 is less than target due to a decrease in total operating cost due to staff shortages.

<b>Regulatory Services – Animal Management</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Average cost to Council to enforce Local Laws per registered animal	\$89.00	\$70.02	\$69.73	\$67.01
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>Time taken to action animal management requests</b> Number of days between receipt and first response action for all animal management requests / Number of animal management requests. Expected range: 1 to 10 days	1 - 10	1.47 <sup>(1)</sup>	2	1
<b>Animals reclaimed</b> Number of animals reclaimed / Number of animals collected. Expected range: 30 – 90%	30-90%	22.22%	21.88%	31.16%
<b>Animals rehomed</b> Number of animals rehomed / Number of animals collected. Expected range: 30 – 90%	30-90%	67.27% <sup>(2)</sup>	-	-
<b>Cost of animal management service</b> Direct cost of the animal management service/Number of registered animals. Expected range: \$10 - \$70	\$10-\$70	- <sup>(3)</sup>	\$69.73	\$67.01
<b>Animal management prosecutions</b> Number of successful animal management prosecutions. Expected range: 0 to 50 prosecutions	0 - 50	0	0	2
<b>Cost of animal management service per population</b> The direct cost of the animal management service per municipal population. Expected range: \$3 to \$40	\$3-\$40	\$10.01 <sup>(4)</sup>	-	-

## Variance comments:

- (1) Responsive service delivery was a focus for 2019/20.
- (2) New indicator for 2019/20.
- (3) Cost of animal management service retired for 2019/20 and replaced with cost of animal management service per population.
- (4) New indicator for 2019/20.

## Service Performance Report 2019/20 – Community Wellbeing Services

<b>Parking Control</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Hours ticket machines are not functional	1.0%	2.6% <sup>(1)</sup>	0.6%	0.7%
Net operating cost to Council per restricted car park space per annum Restricted car parks consist of all parks excluding those privately owned.	(\$90)	\$45.90 <sup>(2)</sup>	(\$85.65)	(\$24)

## Variance comments:

- (1) From July 1 2019 – 26 March 2020 the downtime was 0.59% in line with previous years. From 27 March 2020 free parking was in place to ease the burden of COVID-19 bringing the overall total for the year to 2.6%.
- (2) Previous years parking costs resulted in a Net profit to Council, in 2019/20 there was nearly a \$100k difference income (infringements and parking fees) due to COVID-19 resulting in a Net cost of \$45.90.

<b>Food Safety</b>				
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>Time taken to action food complaints</b> Number of days between receipt and first response action for all food complaints / Number of food complaints. Expected range: 1 to 10 days	1 - 10	1.80 <sup>(1)</sup>	1.10	1.82
<b>Food safety assessments</b> 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. Expected range: 50 – 100%	50-100%	84.97%	93.17%	87.15%
<b>Cost of food safety service</b> Direct cost of the food safety service/Number of food premises registered or notified in accordance with the Food Act 1984. Expected range: \$300 - \$1,200	\$300- \$1,200	\$488.61	\$455.11	\$498.68
<b>Critical and major non-compliance notifications</b> 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. Expected range: 60 – 100%	60-100%	100% <sup>(2)</sup>	81.25%	94.74%

## Variance comments:

- (1) Public Health team actioned food complaints on the same day the complaint was received, or following working day. Due to the small numbers the variance percentage shows as very high even through data change is very small (0.6 of a day).
- (2) In 2018 one follow-up inspection did not occur due to an oversight and one premise ceased trading after the initial inspection meaning a follow-up could not be conducted. All major-non compliance's from 2018 and 2019 received follow-up inspections in 2019.

## Service Performance Report 2019/20 – Waste Management Services

## Waste Management Services

(Report adopted by Council June 2003)

*Programs within this service:*

Kerbside collection service

Landfills

Waste Collection				
LGPRF Indicator	Target	2019/20	2018/19	2017/18
<b>Kerbside bin collection requests</b> Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households x 1000. Expected range: 10 to 300 requests	10-300	28.37	30.88	22.86
<b>Kerbside collection bins missed</b> Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts x 10,000. Expected range: 1 – 20 bins	1-20	1.76 <sup>(1)</sup>	2.37	3.19
<b>Cost of kerbside garbage bin collection service</b> Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins Expected range: \$40 - \$150	\$40-\$150	\$81.12 <sup>(2)</sup>	\$57.09	\$55.79
<b>Cost of kerbside recyclables bin collection service</b> Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins Expected range: \$10 - \$80	\$10 - \$80	\$42.38 <sup>(3)</sup>	\$28.49	\$27.81
<b>Kerbside collection waste diverted from landfill</b> Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins. Expected range: 20 – 60%	20-60%	27.67%	30.26%	30.55%

Variance comments:

- (1) Council's waste department has worked closely with the contractor to ensure improvements to service levels. This has resulted in an overall decrease in kerbside collection bins being missed.
- (2) The increase in the cost of the service is due to the previous years calculation not reflecting costs of staff wages, levies and internal charges which are directly related to the kerbside garbage collection service.
- (3) The increase in the cost of the service is due to the previous years calculation not reflecting costs of staff wages, processing fees and internal charges which are directly related to the kerbside recyclables collection service.



## Service Performance Report 2019/20 – Waste Management Services

Landfill				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Net cost per capita of waste deposited at Swan Hill landfill sites	\$25.33	\$24.39 <sup>(1)</sup>	\$23.77	\$23.21
Net cost per capita of waste deposited at Robinvale landfill sites (exc GST)	\$62.00	\$63.03 <sup>(2)</sup>	\$63.17	\$61.67
Net cost per capita to maintain rural landfill sites (exc GST)	\$9.55	\$9.74 <sup>(3)</sup>	\$9.59	\$9.36
*Net cost per capita = Budgeted contract cost OR actual contract cost / Population served				

## Variance comment:

- (1) Swan Hill landfill contract expenditure increased by CPI increase only, contract was managed tight without any increase for China Sword Policy as such actual expenditure increase was less than the target expenditure.
- (2) The 2019/2020 figure has reduced from the previous years reporting. The population estimation that is used for this reports calculation comes from the Australian Bureau of Statistics. The Robinvale population figure used has increased from previous years reporting hence reduction in cost per capita. The landfill contract management fee has an annual CPI increase clause so it is reasonably expected that the cost will increase each year, so the target should reflect this. The target for Robinvale landfill expenditure was less than the actual figure of 2018/19 reflecting actual growth was less than the anticipated population growth. Recommend increasing the cost target by CPI.
- (3) The target for Rural transfer stations was set at less than the actual figure of 2018/19. The transfer station contract management fee has an annual CPI increase clause so it is reasonably expected that the cost will increase each year, so the target should reflect this, however actual population growth was less than the anticipated growth. Recommend increasing the cost target by CPI.

## Service Performance Report 2019/20 – Community Amenity

## Community Amenity

(Report adopted by Council June 2004)

*Programs within this service:*

Environmental Standards

Street Beautification

Public Lighting

Environmental Standards				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Maintain potable water consumption below 2011/12 levels for parks and gardens annually Source: 2012 - 2016 Sustainable Water Use Plan	37,000kL	57,797kL <sup>(1)</sup>	45,820kL	46,201kL
Maintain current power usage in Council's 8 highest energy use buildings:	1.07M	0.842M	0.979M	0.978M
• Kilowatts	kWh	kWh	kWh	kWh
• Greenhouse gas emissions	1,262T	799T <sup>(2)</sup>	1,048T	1,154T
Total cost to Council for stationary energy of Council owned infrastructure Including street lighting	\$674,950	\$551,386 <sup>(3)</sup>	\$528,847	\$603,579

Variance comment:

- (1) Increase in water consumption would be the result of the drought conditions the area is experiencing.
- (2) Reduction in electricity use and Greenhouse Gas Emissions most likely to COVID-19 impacts.
- (3) The reason is due to a cost increase in small and public sites.

Street Beautification				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
The number of changeovers to water wise medians and gardens developed throughout the municipality	4	6	4	5
Number of community street tree theme consultations Minimum of two annually	2	1	2	3
Cost to Council to maintain garden beds and grass in public areas per hectare of grass maintained	\$59,500	\$61,800 <sup>(1)</sup>	\$59,210	\$60,580

Variance comment:

- (1) The increase in net operating cost per hectare for Street Beautification is due to a greater focus on cleaning footpaths and maintenance on street furniture.

## Service Performance Report 2019/20 – Community Amenity

<b>Public Lighting</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Net increase in number of streetlights to existing network per year New light and pole assembly	3	1 <sup>(1)</sup>	4	12
Cost to Council for public lighting per streetlight Electricity costs are increasing and it is expected they will continue to increase over coming years	\$100.00	\$97.04 <sup>(2)</sup>	\$82.64	\$84.12

## Variance comments:

- (1) The one light due to its location was more than 3 times higher in cost than normal at just under \$20k.
- (2) The costs have increased due to increases in utility charges of electricity and maintenance of 12%.

## Service Performance Report 2019/20 – Recreation, Culture and Leisure Services

## Recreation, Culture and Leisure Services

(Report adopted by Council June 2004)

*Programs within this service:*

Art Gallery  
 Performing Arts  
 Pioneer Settlement  
 Library  
 Community Centres and Swan Hill Town Hall PACC  
 Parks, Gardens, Recreation Reserves and Other Sporting Facilities  
 Indoor Sports Facilities and Swimming Pools

Art Gallery				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Number of visitors to the Art Gallery per annum	11,000	7612 <sup>(1)</sup>	12,359	15,723
Number of exhibitions	25	17 <sup>(1)</sup>	17	19
Number of events other than exhibitions Concerts, conferences, functions etc	30	29	28	40
Net cost to Council to operate the Gallery per visitor	\$26.14	\$44.51 <sup>(1)</sup>	\$28.70	\$17.20

Variance comments:

<sup>(1)</sup> Programs, exhibitions and visitation have been severely impacted by COVID-19.

Performing Arts				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Number of people attending performing arts events per annum	3,000	2,813 <sup>(1)</sup>	2,400	3,875
Net cost to Council to operate the performing arts program per patron Final net cost for year / Number of attendees	\$61.95	\$41.47 <sup>(1)</sup>	\$102.29	\$11.36

Variance comment:

<sup>(1)</sup> Performances scheduled for March to June 2020 were not conducted as a result of COVID-19, some staff were stood down, and the venue closed to public access, resulting in less expenditure accrued for the period, (staffing, utilities and subsidising of events). Cancelled events requiring payment of deposits or cancellation fees were also negotiated as a result of COVID-19.

Pioneer Settlement				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Number of visitors to the Pioneer Settlement per annum	80,000	56,691 <sup>(1)</sup>	81,954	76,104
Net cost to Council to operate the Pioneer Settlement Museum per visitor	\$9.20	\$15.85 <sup>(1)</sup>	\$10.17	\$9.78

Variance comments:

<sup>(1)</sup> Due to COVID-19 Pioneer Settlement was shut to the public from 23 March 2020 and did not reopen until 25 June 2020.

## Service Performance Report 2019/20 – Recreation, Culture and Leisure Services

<b>Libraries</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Visits to service points Includes Swan Hill and Mobile Library. Does not include Wakool Council library branches	80,500	53,391 <sup>(1)</sup>	75,663	80,187
Number of special events held in Library	15	35 <sup>(1)</sup>	58	84
<b>LGPRF Indicator</b>	<b>Target</b>		<b>2018/19</b>	<b>2017/18</b>
Library collection usage Number of library collection item loans / Number of library collection items. Expected range: 1 to 10 items	1-10	1.24 <sup>(2)</sup>	1.61	1.67
Standard of library collection Number of library collection items purchased in the last 5 years / Number of library collection items. Expected range: 40 – 90%	40-90%	48.61% <sup>(3)</sup>	54.28%	53.41%
Cost of library service Direct cost to Council of the library service / Number of visits Expected range: \$3 - \$15	\$3-\$15	- <sup>(4)</sup>	\$14.21	\$16.23
Active library members Number of active library members/Municipal population Expected range: 10 – 40%	10-40%	16.28%	16.90%	18.08%
Cost of library service Direct cost to Council of the library service per population Expected range: \$10 - \$90	\$10-\$90	\$46.96 <sup>(5)</sup>	-	-

## Variance comments:

- (1) The lower number of visits to service points and special events in the library in 2019/20 is due to COVID-19 restrictions. The library building and mobile library were closed to public access from 23 March 2020 to 1 June 2020. From 1 June 2020 to 30 June 2020 there was limited access and restrictions on numbers of visitors into the library spaces.
- (2) The usage of the library collection decreased in 2019/20 as the library service was closed to the public from 23 March 2020 to 1 June 2020 therefore no items could be borrowed during this time and the due dates of all items on loan at this time were extended rather than renewed.
- (3) During the library's closure to the public, a larger portion of the budget than usual was allocated to the purchase of e-audio books for the library's online collection. These items are more expensive than physical items therefore fewer collection items were purchased in 2019/20.
- (4) Cost of library service retired for 2019/20 and replaced with cost of library service per population.
- (5) New indicator 2019/20.

## Service Performance Report 2019/20 – Recreation, Culture and Leisure Services

Community Centres and Swan Hill Town Hall PACC				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Number of times the community centre/facility is used by the community each year:				
• Manangatang	150	59 <sup>(1)</sup>	114	138
• Nyah	100	191 <sup>(2)</sup>	108	173
• Lake Boga	100	58 <sup>(1)</sup>	81	63
• Robinvale	180	68 <sup>(1)</sup>	186	115
• Swan Hill Town Hall PACC	250	169 <sup>(3)</sup>	229	434
Number of people attending events, functions or performances at the Swan Hill Town Hall PACC	18,000	11,550 <sup>(4)</sup>	16,497	31,374
Net operating cost to Council per usage of the facility:				
• Manangatang	\$250	\$114 <sup>(1)</sup>	\$92	\$90
• Nyah	\$400	\$216 <sup>(2)</sup>	\$376	\$407
• Lake Boga	\$250	\$490 <sup>(1)</sup>	\$156	\$385
• Robinvale	\$600	\$2,213 <sup>(1)</sup>	\$792	\$591
• Swan Hill Town Hall PACC	\$1,054	\$2,469 <sup>(5)</sup>	\$1,769	\$1,144
Net operating cost to Council per person using the Swan Hill Town Hall PACC	\$14.65	\$40.62 <sup>(6)</sup>	\$24.55	\$15.79
Actual net cost / Number of people attending				

## Variance comments:

- (1) Community Centres were closed for booking due to COVID-19 resulting in a decrease of the number of times the community centre/facility is used and an increase in operating costs per usage.
- (2) The bookings for 2019/20 are much higher than the previous year as in 2018/19 the cricket club did not make any bookings. The reduction in operating costs per usage is the result of the increase in bookings for 2019/20.
- (3) The Swan Hill Town Hall PACC was closed to the public from March 2020, and there were 45 confirmed cancellations as a result, excluding bookings that would have normally been made during the March - June period.
- (4) Due to venue closure from March and restricted Council staff access from March to June.
- (5) Due to considerably less usages due to venue closure from March to June inclusive.
- (6) Due to venue closure from March and restricted Council staff access from March to June.

Parks, Gardens, Recreation Reserves and Other Sporting Facilities				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Maintain grass height between 25 – 60 mm	100%	100%	100%	100%
Net operating cost per hectare:				
• Parks and gardens	\$13,000	\$14,640 <sup>(1)</sup>	\$12,825	\$11,200
• Recreation reserves	\$12,500	\$13,900 <sup>(2)</sup>	\$16,030	\$13,200

## Variance comments:

- (1) The increase in net operating cost per hectare for Parks and Gardens is due to the construction of new developments which require additional maintenance.
- (2) The increase in net operating cost per hectare for Recreation Reserves is due to Council focusing on renovating several sportsfield surfaces.

## Service Performance Report 2019/20 – Recreation, Culture and Leisure Services

<b>Indoor Sports Facilities and Swimming Pools</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Number of visitors/users of the indoor sports facilities/swimming pools:				
• Swan Hill Leisure Centre and Indoor Pool	80,000	61,639 <sup>(1)</sup>	80,623	74,641
• Swan Hill Indoor Sport and Recreation Centre	42,000	30,303 <sup>(1)</sup>	51,977	41,748
• Robinvale Leisure Centre and Pool	27,000	25,895 <sup>(1)</sup>	27,636	26,659
Number of visitors/users of outdoor swimming pools:				
• Swan Hill Outdoor Pool	20,000	16,349 <sup>(1)</sup>	17,772	19,645
• Nyah Pool	9,000	6,311 <sup>(1)</sup>	7,264	6,343
• Manangatang Pool	7,000	4,236 <sup>(1)</sup>	3,847	5,723
Net cost to Council per visitor to operate indoor facilities:				
• Swan Hill Leisure Centre and Indoor Pool	\$6	\$7.99 <sup>(1)</sup>	\$6.42	\$8
• Swan Hill Indoor Sport and Recreation Centre	\$1	\$2.67 <sup>(1)</sup>	\$2.25	\$3
• Robinvale Leisure Centre and Pool	\$10	\$15.39 <sup>(1)</sup>	\$14.91	\$14
Net Operating expenditure / Number of visitors/users				
Net cost to Council per visitor to operate outdoor pools:				
• Swan Hill Outdoor Pool	\$11	\$17.40 <sup>(1)</sup>	\$14.95	\$12.78
• Nyah Pool	\$7	\$9.48 <sup>(1)</sup>	\$6.96	\$7.44
• Manangatang Pool	\$10	\$19.41 <sup>(1)</sup>	\$16.07	\$11.12
Net Operating expenditure / Number of visitors/users				
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
<b>User satisfaction with aquatic facilities (optional)</b> User satisfaction with how council has performed on provision of aquatic facilities. Expected range: 0 to 100	-	-	-	-
<b>Health inspections of aquatic facilities</b> Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities. Expected range: 1 – 4	1-4	.6 <sup>(2)</sup>	1	0
<b>Reportable safety incidents at aquatic facilities</b> Total number of WorkSafe reportable aquatic facility safety incidents Expected range: 0 to 20 incidents	0-20	-(3)	0	1
<b>Cost of indoor aquatic facilities</b> Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities. Expected range: -\$3-\$10	-\$3-\$10	-(4)	\$7.13	\$7.85
<b>Cost of outdoor aquatic facilities</b> Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities. Expected range: \$3 - \$20	\$3-\$20	-(5)	\$22.57	\$18.11
<b>Utilisation of aquatic facilities</b> Number of visits to aquatic facilities / Municipal population Expected range: 1 to 10 visits	1-10	4.56 <sup>(6)</sup>	5.57	5.51
<b>Cost of aquatic facilities</b> Direct cost less any income received of providing aquatic facilities per visit. Expected range: \$0-\$30	\$0-\$30	\$13.69 <sup>(7)</sup>	-	-

## Variance comments:

- (1) Decrease in number of visits due to facility closure from 23 March 2020 to 15 June 2020 due to COVID-19.
- (2) Public Health was unable to complete inspections on all aquatic facilities due to facility closure from 23 March 2020 to 15 June 2020 due to COVID-19.
- (3) Reportable safety incidents at aquatic facilities retired for 2019/20.

Service Performance Report 2019/20 – Recreation, Culture and Leisure Services

- (4) Cost of indoor aquatic facilities retired for 2019/20 and replaced with Cost of aquatic facilities.
- (5) Cost of outdoor aquatic facilities retired for 2019/20 and replaced with Cost of aquatic facilities.
- (6) Decrease in number of visits due to facility closure from 23 March 2020 to 15 June 2020 due to COVID-19.
- (7) New Indicator 2019/20.



## Service Performance Report 2019/20 – Organisational Support

## Organisational Support

(Report adopted by Council June 2004)

*Programs within this service:*

Customer Service Revenue Control  
 Robinvale Resource Centre  
 Information Management  
 Information Technology Services  
 Finance Services  
 Asset Management  
 Human Resources  
 Commercial Services and Risk Management  
 Plant and Fleet Management

### Customer Service Revenue Control and Robinvale Resource Centre

Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Rate debtor collections as a percentage of Total Rate Income	96%	94% <sup>(1)</sup>	95%	96%
Cost of providing Customer Service and Revenue Control Services <small>Net Customer Services and Revenue Control Program Costs / Total Council Operating Expenditure</small>	1.20%	1.28% <sup>(2)</sup>	1.16%	1.59%
Cost of providing customer services from the Robinvale Resource Centre per head of population <small>Net Robinvale Resource Centre Program Costs / Population of Robinvale and surrounding district</small>	\$63.50	\$73.37 <sup>(3)</sup>	\$71.26	\$62.28

Variance comments:

- (1) Rates, Special Rates, Garbage and FSPL Debtors have increased by 1% when compared to 2018/2019 collections. This has been due primarily to Commercial properties being able to defer payment of their 4th Instalments to 30 November 2020, free of interest penalty. Also, debt collection practices have been stayed for a similar period. The collection percentage is 2% below the pre COVID-19 set target. The industry standard across the state is generally between 95-96%. Recommend the target set for 2020/2021 be 95%.
- (2) A marginal increase of 0.12% compared to the previous year, but still below the 2017/2018 figure.
- (3) The net cost of operating the Robinvale Resource Centre has increased by \$9,441.32 over the previous twelve month reporting period. This was a 2.9% increase over the previous year, in accordance with general salary movements, and utilizing the ABS population census data 2016.

### Information Management

Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Service meets agreed timeframes for incoming correspondence registration:				
• 3.40pm Monday	Yes	Yes	Yes	Yes
• 2.20pm Tuesday – Friday	Yes	Yes	Yes	Yes
Cost of service as a percentage of total operating expenses (excluding major projects). <small>Information Management Program / Total Operating Expenditure</small>	<0.81%	0.52%	0.58%	0.71%

## Service Performance Report 2019/20 – Organisational Support

Information Technology Services				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Authority System available	98%	99%	97%	100%
Network Services available	98%	98%	99%	98%
Internet Services available	98%	100%	100%	100%
Cost of providing IT services as a percentage of total operating expenses IT program (bottom line 3345) / Total operating expenditure	<3.0%	2.15%	2.5%	2.9%
Cost of IT services per connected user IT program (bottom line 3345) / Number of personal devices supported	\$3,870	\$3,766 <sup>(1)</sup>	\$3,856	\$3,870

## Variance comments:

- <sup>(1)</sup> Cost per connected user is calculated off 290 devices. This includes desktops, laptops, meeting room devices and tablets (iPads etc.) but does not include smart phones. Smart phones have become more than just a mobile phone and require IT resources to configure and maintain for Council staff. If smart phones were included as devices the per device cost would be lower.

Finance Services				
Quality/Cost Standard	Target	2019/20	2018/19	2017/18
Meet all statutory reporting obligations:				
• Annual Report	Yes	Yes	Yes	Yes
• Business Plan and Annual Budget	Yes	Yes	Yes	Yes
• Victoria Grants and Commission Return	Yes	Yes	Yes	Yes
• Local Government Sector Borrowings Surveys	Yes	Yes	Yes	Yes
• Taxation (PAYG, GST and FBT)	Yes	Yes	Yes	Yes
Cost of providing financial services as a percentage of Total Council Operating Expenses Finance Program Costs (Bottom Line P3340) / Total Operating Expenditure (excluding depreciation)	1.98% <sup>(1)</sup>	2.03% <sup>(2)</sup>	2.14%	2.11%

## Variance comments:

- <sup>(1)</sup> Recommend that the target is increased to 2.04% for 2020/21.
- <sup>(2)</sup> The target for FY2020 was exceeded by 0.05% (Target 1.98%, Actual 2.03%) primarily because overall Council Operating expenses were \$2.12 million lower than budget. The Financial Services program bottom-line is \$1,504 greater than budget due to additional temporary staff to fill vacancy of AP Officer who took extended leave and then resigned (net cost \$4,798). Council's Operating expenses is significantly lower than budget primarily because of the savings in unfilled staff positions (\$1.03M).

## Service Performance Report 2019/20 – Organisational Support

<b>Asset Management</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
National Asset Management Framework scorecard that allocates a score depending on the policies and processes in place:				
• Strategic Planning	85	67 <sup>(1)</sup>	63	64
• Annual Budget	100	94	94	94
• Annual Report	95	95	95	95
• Asset Management Policy	90	65	65	65
• Asset Management Strategy	100	50 <sup>(2)</sup>	50	50
• Asset Management Plans	75	60 <sup>(3)</sup>	57	13
• Governance and Management	60	46	46	39
• Levels of Service	60	38 <sup>(1)</sup>	25	25
• Data and Systems	80	69 <sup>(4)</sup>	59	60
• Skills and Processes	65	45 <sup>(5)</sup>	43	43
• Evaluation	60	33 <sup>(6)</sup>	-	33
Cost index: Full Cost of provision of the service / Total replacement value of assets managed. Total Operating Expenditure (Budget) / Total replacement cost all assets (Annual Report)	0. 90	0. 74	0. 64	0. 72

## Variance comments:

- (1) Ratification of the Public Convenience Strategy which will provide a template for service level planning for other asset services has raised scores moderately in strategic planning and levels of service.
- (2) Initial Asset Maturity assessment completed and to be reviewed by Asset Management Steering Group.
- (3) Transport Asset Management Plan and Open Space and Parks Asset Management plan in progress. Expected by end of year to ISO55000 standards which include risk, technical levels of service and demand forecasting. This will cover approx 77% of Council infrastructure.
- (4) Revaluation of Transports infrastructure, parks, open space, recreation, drainage and other infrastructure has improved data significantly.
- (5) Development of the Asset Disposal Policy has improved skills and processes moderately.
- (6) Asset Data Dictionary being prioritised and implemented in 2020-2021. Initial data structure review completed.

<b>Human Resources</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Number of staff issues referred to Fair Work Australia	Nil	Nil	Nil	Nil
Number of organisational training hours provided per EFT	7 hours	24.8	22	24
Cost of providing Human Resource Services as a per cent of total operating expenses	1.20%	1.27% <sup>(1)</sup>	1.19%	1.00%

## Variance comment:

- (1) The hours of the governance officer had been increased in the 19/20 financial year due to the additional resources required for the implementation of the Local Government Act 2020.

## Service Performance Report 2019/20 – Organisational Support

<b>Commercial Services and Risk Management</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
All tendering and acquisitions undertaken by Procurement and Property is done in accordance with adopted Council policy.	Yes	Yes	Yes	Yes
Cost of providing Procurement and Property as a percentage of Total Council Operating Expenses. Total cost of Program (less Insurance Premiums) / Total operating cost of Council	<1.2%	0.78%	1.09%	0.90%
Risk Management (insurance)– WorkCover (EFT to premiums)	\$2,300	\$2,368	\$2,303	2,278
Risk Management (insurance)– Property (Value of property v Premium)	\$0.0020	\$0.0012	\$0.0012	\$0.0013
Risk Management (insurance)– Registered Motor Vehicles Unit cost	\$425	\$581 <sup>(1)</sup>	\$505	\$372

Variance Comment:

- <sup>(1)</sup> There was a 10% premium rate increase due to the firming Motor market and inflationary pressures on repair costs.

<b>Plant and Fleet Management</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Percentage of occasions actual service times on all major plant and vehicle items meet manufacturers set standard time	90%	89%	89%	90%
Average cost of scheduled services for passenger and light commercial vehicles Total service costs (excluding oils and parts) divided by total number of services as recorded in Fleet Management Services	\$124	\$144 <sup>(1)</sup>	\$138	\$125
Average cost of scheduled services for major plant items Total service costs (excluding oils and parts) divided by total number of services as recorded in Fleet Management Services	\$218	\$239 <sup>(1)</sup>	\$244	\$229

Variance Comment:

- <sup>(1)</sup> During the period 2019/20 several items had higher usage than forecast and required additional services meaning an increase to the average cost to both heavy plant and fleet service.

## Service Performance Report 2019/20 – Governance and Leadership

## Governance and Leadership

(Report adopted by Council May 2005)

*Programs within this service:*

Elected Members  
Community Development  
Corporate Governance  
Media and Events

<b>Elected Members</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Community satisfaction with Council's advocacy role per annual Local Government Survey	54	52	52	55
Community satisfaction rating for overall performance generally of Council as per Local Government Community Satisfaction Survey	55	54	54	59

<b>Community Development</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Government and other funding attracted during the year to supplement community and Council activities	\$800,000	\$14,158,871 <sup>(1)</sup>	\$3,270,000	\$2,072,419
Number of actions implemented out of community plans At least one action per plan	30	19 <sup>(2)</sup>	24	25
Net program cost as a percentage of operating budget Net program cost: Total operating expenditure less revenue / Rates determination statement net operating result	<1%	0.94%	0.87%	0.75%

Variance comment:

- (1) The increase of funding attracted in 2019/20 is due to the delivery of significant parts of Our Region Our Rivers funding - Our Place, Monash Drive Upgrade and Beautify Bromley Road, and recent new funding schemes made available due to drought (\$2M) and COVID-19.
- (2) Community members have not been able to meet to deliver projects due to lockdowns and restrictions imposed on their groups.

## Service Performance Report 2019/20 – Governance and Leadership

<b>Corporate Governance</b>				
<b>LGPRF Indicator</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Council decisions made at Council Meetings closed to the Public Number of Council resolutions made at an ordinary or special meeting of Council, consisting only of Councillors, closed to the public / Number of Council resolutions made at an ordinary or special meeting of Council, consisting only of Councillors Expected range: 0 – 30%	0-30%	4.37% <sup>(1)</sup>	5.56%	7.73%
Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement Expected range: 40 – 70%	40-70%	52	54	55
Councillor attendance at Council Meetings Sum of number of Councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of Councillors elected at last Council general election. Expected range: 80 – 100%	80-100%	95.92% <sup>(2)</sup>	96.64%	97.96%
Cost of Governance Direct cost of Governance service / Number of Councillors elected at last Council general election. Expected range: \$30,000 - \$80,000	\$30K-\$80K	\$43,941	\$43,621	\$41,456
Satisfaction with Council decisions Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community Expected range: 40 – 70%	40-70%	45 <sup>(3)</sup>	51	54

## Variance comments:

- (1) 9 resolutions were made in 2019/20 compared to 12 resolutions in 2018/19, at Council meetings closed to the public.
- (2) Swan Hill Rural City Council have consistently achieved a high result over the past four years which shows the commitment of our Councillors.
- (3) At the time the survey was completed Council was responding to some community concerns in relation to the Our Place project and the Swan Hill aerodrome. These issues are likely to have impacted on the score for community decisions.

<b>Media and Events</b>				
<b>Quality/Cost Standard</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>
Number of media releases distributed annually	130	165 <sup>(1)</sup>	123	115
Number of social media post annually	1,700	1,546 <sup>(2)</sup>	1,417	1,683
Production and distribution of Council's Community Newsletter Twice per year	2	2	2	1
Cost of providing media and events unit services As a percentage of total Council operating expenses	<0.5%	0.3%	0.4%	0.4%

## Variance comments:

- (1) Increase in media releases due to COVID-19 alerts, including closing and re-opening of Council services and facilities.
- (2) Social media posts under target due to decrease in posts following COVID-19 closures of Swan Hill Regional Art Gallery, Swan Hill Regional Library, Swan Hill Town Hall PACC and Big Green Shed.

## **B.20.80 COUNCIL LOAN SUPPORT POLICY**

**Responsible Officer:** Acting Director Corporate Services  
**File Number:** 65-06-99  
**Attachments:** 1 Council Loan Support Policy

### **Declarations of Interest:**

Helen Morris - as the responsible officer, I declare that I have no disclosable interests in this matter.

### **Summary**

The Council Loan Support Policy has been reviewed and is presented for the approval of Council. The policy outlines the requirements that should be followed when Council loan support is requested by community organisations.

### **Discussion**

This policy outlines the requirements for the provision of Council loan support to community organisations in the municipality.

There is no change to the intent of this Policy.

### **Consultation**

No community consultation has been undertaken in relation to this policy. All members of the Executive Leadership Team have reviewed the Policy. Councillors have also reviewed the draft policy at Councillor Assembly.

### **Financial Implications**

These will vary dependent upon the extent to which the Policy is applied in practice.

### **Social Implications**

The Policy will assist community organisations to improve facilities.

### **Economic Implications**

The Policy provides the opportunity for community organisations to complete projects that they normally would not be able to perform. This in turn makes the Swan Hill municipality a more vibrant place to live.

### **Environmental Implications**

Nil

### **Risk Management Implications**

Council will need to be prudent to ensure any funds loaned to community organisation are repaid.

### **Council Plan Strategy Addressed**

***Governance and leadership*** - Effective and efficient utilisation of resources.

### **Options**

Council can choose to adopt or amend the recommendation.

### **Recommendation**

**That Council adopt the Council Loan Support Policy as presented.**



Date adopted	March 2001
Last review	September 2020
Next review	September 2023
Responsible Officer	Director Corporate Services

Fully compliant with Victorian  
Charter of Human Rights and  
Responsibilities Act 2006



**POLICY TITLE                    COUNCIL LOAN SUPPORT**

**POLICY NUMBER                CPOL/CORP202**

### 1. PURPOSE

To provide a rationale for Swan Hill Rural City Council (Council) to selectively support organisations by way of direct loan finance.

### 2. SCOPE

This policy applies to all Councillors and employees of Council.

### 3. POLICY

Council may provide loan support for new facilities or facility upgrade to not for profit Community Organisations where clear economic, social or environmental benefits will accrue to a broad range of Council residents.

Council will develop a procedure to be used when considering if Council may provide loan funds to various organisations. The procedure will:-

- a) Require organisations to provide sufficient information to show they can repay the debt.
- b) Require a contribution from the organisation that at least matches the amount of the loan.
- c) Specify a maximum loan amount of \$100,000 and maximum term of the loan of seven years.
- d) Specify that organisations which have failed to honour past commitments will not be funded.

### 4. RELATED POLICIES/PROCEDURES/DOCUMENTS

PRO/CORP202P Council Loan Support Procedure

### 5. RELATED LEGISLATION

Nil

Council Loan Support Policy CPOL/CORP202		
Version: 2.0	This document is uncontrolled when printed	Page 1 of 2

6. DOCUMENT HISTORY

Version Number	Issue Date	Description of Change
1.0	March 2001	Initial release
1.1	March 2013	Review
1.2	June 2016	Review
0.2 DRAFT		

Signed: \_\_\_\_\_ Mayor Date: \_\_\_\_\_

## **B.20.81 COUNCIL PLAN – PROGRESS REPORT FOR THE FIRST QUARTER OF 2020/21**

**Responsible Officer:** Acting Director Corporate Services  
**File Number:** S16-28-03  
**Attachments:** 1 Council Plan – Progress Report September 2020

### **Declarations of Interest:**

Helen Morris - as the responsible officer, I declare that I have no disclosable interests in this matter.

### **Summary**

The purpose of this report is to present the first quarter progress update of Council's performance against the Council Plan 2017-2021. The period reported is from 1 July 2020 to 30 September 2020.

The quarterly progress report, provided as an attachment, offers a summary of the progress against the five Council Plan areas; Economic Growth, Community Enrichment, Infrastructure, Governance and Leadership, and Environment. The report also provides updates for any actions carried over from previous years.

The intent of this report is to give Councillors and the community the confidence that Council is on track to meet its published commitments.

### **Discussion**

In accordance with Section 125 of the *Local Government Act 1989*, Council developed and adopted a four-year Council Plan on 27 June 2017.

The plan is a strategic document outlining what Swan Hill Rural City Council will do to help achieve Council's and the community's vision for the municipality.

The plan describes Council's priorities and outcomes for its four-year term and how these will be resourced.

The plan has been divided into five areas:



Economic Growth



Community Enrichment



Infrastructure



Governance and Leadership



Environment

**SECTION B - REPORTS**

20 October 2020

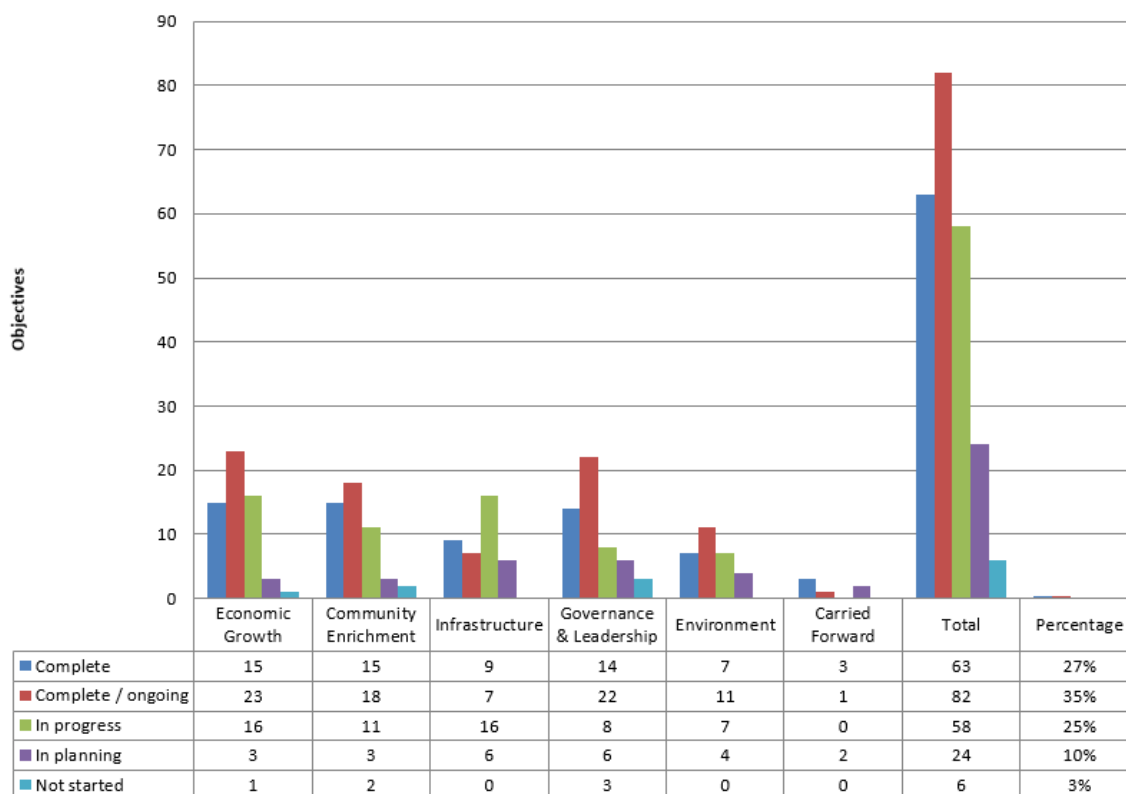
This report provides the first quarter update in relation to the actions taken and progress made to achieve these goals and strategic objectives in the 2020/21 financial year.

Regular reporting to Councillors and the community is a key principle of transparency and good governance. This report will be provided to Council on a quarterly basis and published online for the community to access.

Some of the key highlights from the fourth quarter include:

- OHS Framework and OHS Management Plan 2020-2022 endorsed by ELT and the OHS committee.
- Designs underway and landscape architects appointed for the redevelopment of the Swan Hill Regional Art Gallery (Our Place).
- Building works are nearly completed for the Robinvale Library Project.
- Transport Asset Management Plan, Parks and Open Space Asset Management Plan, Asset Framework are being finalised.
- Subdivision works have commenced for the subdivision of land to build houses in Ronald Street Robinvale.
- Missing Links Strategy has been adopted by Council.
- Funding identified and cattle loading ramp update complete.
- Successful funding application from Natural Disaster Resilience Grants Scheme.
- Council has identified additional buildings to connect to renewable energies.

**Progress Report Graph**



## **Consultation**

Council consulted the community during the development of the Council Plan 2017/21.

## **Financial Implications**

This report contains no financial implications, however many of the initiatives contained within the Council Plan requires Council to allocate funds in its 2020/21 budget to implement the Council Plan.

## **Social Implications**

The report is provided and made available to the community to increase awareness of the activities of Council, provide a mechanism for transparency and could increase community involvement in decision making at Council level.

## **Economic Implications**

Implementation of the actions will improve a number of economic outcomes for our community.

## **Environmental Implications**

Implementation of the actions will improve a number of environmental outcomes for our community.

## **Risk Management Implications**

Council is required to be compliant with the *Local Government Act 1989* in regards to the Council Plan and annual reporting. This quarterly report supports that compliance.

## **Council Plan Strategy Addressed**

***Governance and leadership*** - Effective and efficient utilisation of resources.

## **Options**

Council may choose to adopt or amend the recommendation.

## **Recommendation**

**That Council adopts the first quarter Council Plan - Progress Report 2020/21.**



# Council Plan Progress Report - September 2020



# Contents

## Introduction

What is the Council Plan	3
How we will track and measure our progress	3
Overall results snapshot	4
Key result area snapshot	5

## Key Results Areas

Carried forward objectives	6
Economic Growth	8
Community Enrichment	17
Infrastructure	27
Governance and Leadership	34
Environment	42

# Introduction

## What is the Council Plan?

The Council Plan is a strategic document outlining what the Swan Hill Rural City Council (Council) will do to achieve Council’s and the community’s vision for the municipality. The 2017-2021 plan describes Council’s Strategic Initiatives for its four-year term.

The Council Plan is an important document that drives everything the Swan Hill Rural City Council does over a four-year period. It sets the vision, priorities and outcomes for Council’s term and lists how progress will be measured. The plan guides Council’s annual budget, which determines the projects, services, events and other initiatives that will be funded and delivered in the next financial year.






Council is held accountable for its progress on the Council Plan’s outcomes through quarterly progress reports, and annually in the Swan Hill Rural City Council’s Annual Report.



## How we will track and measure our progress

Each of the Council Plan Initiatives has a number of objectives that will track Council’s progress. Council will report on its progress in completing the four-year priorities quarterly with updated progress commentary.

All objectives will be marked with the following symbols to represent their current status:

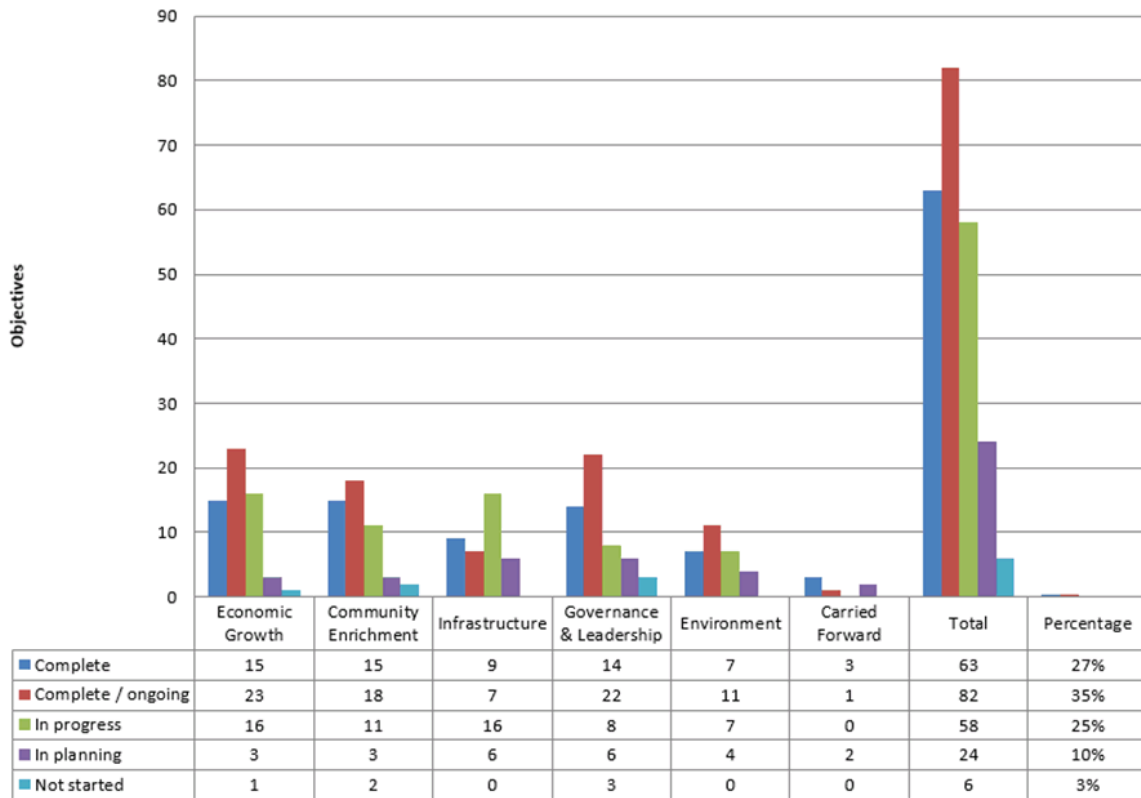
-  Complete - the objective has been completed.
-  Completed/Ongoing - objectives/actions that span over a number of years that cannot be marked as completed until later years.
-  In progress - these objections are past the planning phase, and are in progress towards completion.
-  In planning - objectives that are not complete or in progress but actions have been taken are marked as in planning stage.
-  Not started - objectives that have not been commenced at the time of reporting.



### Overall results snapshot

The Council Plan 2017-21 includes 92 initiatives and 233 actions through which the achievement of the Council Plan may be measured over its four-year term. Each action has a nominated responsible officer who is a member of the Leadership Team, reflecting the importance placed on achieving targets. As some objectives/actions span over a number of years they cannot be marked as completed until later years.

**Progress Report Graph**







The following objectives were marked as complete during the first quarter:



- The Public Convenience Strategy was adopted in June 2020 (8.6.3).
- Missing Links Strategy has been adopted by Council (8.5.2).
- Funding identified and cattle loading ramp update complete (9.3.2).
- Successful funding application from Natural Disaster Resilience Grants Scheme (15.4.3).
- Council has identified additional buildings to connect to renewable energies (15.5.1).
- Develop and implement OHS Framework - OHS Framework and OHS Management Plan 2020-2022 endorsed by ELT and the OHS committee (12.1.2).
- Pursue funding for the redevelopment of the Swan Hill Regional Art Gallery - Designs underway and landscape architects appointed September 2020 (12.1.1 2013-17 Strategic Initiatives).

Council has made progress on the following:

- Develop and implement Small Town Strategy- Residential Land Review strategy is underway (4.5.1).
- Investigate and advocate for ways of skilled people attaining permanent residency (included as part of 18/19 review) - Three families have been relocated to Mildura with three additional families pending (5.3.4).
- Scope, fund and complete Robinvale Library Project within limitations - Building works are nearly completed (6.6.1).
- Develop and update policies, strategies and registers - Transport Asset Management Plan, Parks and Open Space Asset Management Plan, Asset Framework are being finalised (10.4.2).

## Objectives carried forward from Council Plan 2013-17

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
12.1 Pursue funding for the redevelopment of the Swan Hill Regional Art Gallery	12.1.1 Provide final designs and all costs and contingencies	Complete 	Our Region Our Rivers funding secured. On 17 September Council endorsed Option 1 concept for further design work by architects, and the project is proceeding. Further opportunities for funding are being sought on an ongoing basis. As of April 2020 two potential sites with two possible designs each have been considered in response to public submissions. <b>Site selected. Designs underway and landscape architects appointed September 2020.</b>
12.5 Develop and implement a Cultural Plan	12.5.3 Development continues	Complete 	October 2018 The Creative Strategy was adopted by Council.
13.1 Review and implement identified actions following the review of Aboriginal Partnership Plan	13.1.2 Implement actions identified in Aboriginal Partnership Plan	Complete/ongoing 	Aboriginal Community Partnership Strategy adopted September 2017. The Actions within the Plan will continue to be implemented. New strategy in draft format. Murray River Cultural Centre Feasibility Study has commenced.
15.3 Review of the Municipal Strategic Statement (MSS) taking into consideration appropriate accommodation options	15.3.1 Commence MSS review	Complete 	Review of MSS is complete. Amendment C73 has been authorised by the Minister subject to conditions. C73 went to a panel hearing on 19 November 2019 and has been adopted by Council.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
19.2 Actively pursue suitable alternative opportunities arising from decommissioned irrigation infrastructure	19.2.6 Modernisation undertaken, Channel decommissioned.	In planning 	Finalising options for opportunities and land ownership. Have received a contract from DHHS for purchase of land. Council has received legal advice concerning acquisition of deceased estates. Concepts are being developed of possible uses for the land and high level cost estimates. The options will be presented to Council for consideration in October 2020.
	19.2.7 Gain ownership of the available land for future development	In planning 	Finalising options for opportunities and land ownership. Have received a contract from DHHS for purchase of land. In discussions with GMW in regards to transfer of their land. Project scope to be developed and presented to Council in October 2020. Council has received legal advice concerning acquisition of deceased estates.







## Key result area Economic growth











*“We will encourage new business development, provide support for business expansion and will continuously seek to help our existing businesses”.*








We will:







1. Encourage and attract new business to our region.
2. Assist existing businesses to expand and increase their efficiency.
3. Have a region with an equipped and productive workforce.
4. Provide land use planning that is responsive and which proactively encourages appropriate development.

### What have we done







STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
1.1 Formulate new ways to encourage new business development.	1.1.1 Identify and investigate suitable land parcels for new business.	Complete 	March 2018. Economic and Community Development Unit continue to work with Planning to identify opportunities to expand new businesses.
	1.1.2 Apply for funding through Regional Development Victoria (RDV).	In planning 	Council were successful in obtaining \$3.98M funding from both RDV and BBRF that will support new commercial activities within the Swan Hill Riverfront Precinct. Works include providing improved public access infrastructure from CBD to riverfront and the creation of new public spaces / facilities such as the active play precinct.
	1.1.3 Develop a business expansion or relocation strategy.	Complete 	April 2018 Business Expansion and Retention Strategy completed and presented to Council. Follow up work is being completed by monitoring jobs and talking to employers on barriers.
	1.1.4 Commence an Investment Attraction campaign.	Completed/ongoing 	Ongoing through business visits and networking. Working closely with RDV Industry Engagement Officers. <b>Postponed due to COVID-19.</b>





STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
1.2 Identify the types of businesses suited to this region and develop investment prospectuses.	1.2.1 Perform an industry gap analysis.	Completed/ongoing 	The industry gap analysis is scheduled to be presented to Council later this year.
	1.2.2 Review the Investment Attraction Policy.	In progress 	Currently reviewed and will be presented to Council later this year.
	1.2.3 Develop suite of industry and business prospectuses.	In progress 	Development has commenced.
	1.2.4 Market the opportunities available.	Completed/ongoing 	Working on possible investment by developers to construct residential and commercial ventures, in particular short term residential. Working with manufacturing industry to attract new businesses to the region. <b>Several accommodation and commercial projects have started in the region.</b>
1.3 Investigate and identify potential export opportunities and facilitate connections.	1.3.1 Analyse the region's products and identify where we have competitive advantages that may provide opportunities for growth.	In progress 	To be completed as part of the Liveability Campaign.
	1.3.2 Investigate what role Council can play with development of new markets.	In progress 	Assistance with agriculture export opportunities.
	1.3.3 Facilitate connections and partnerships to achieve market access.	In progress 	Organised information sessions on labour related issues. Continue to inform the horticulture industry of available export opportunities through grants and training programs
	1.3.4 Encourage the establishment of value adding industries.	In progress 	Assisting horticulture producers to enter the export market or strengthen existing markets through assisting with sourcing funding for new infrastructure and facilitating planning processes. Identifying training and advice opportunities for the agriculture sector.
1.4 Pursue new businesses that are upstream processors for our local produce.	1.4.1 Engage with local industry to identify opportunities.	In progress 	Assisting retail businesses to expand premises. Facilitating for local goods and services industries to be competitive in tendering contracts for new developments such as solar farms.
	1.4.2 Work with industry to establish new businesses.	In progress 	Working with interstate composting business to establish new composting business in Swan Hill region. Working with new businesses in retail, hospitality and construction.









STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
1.5 Promote new technologies and new ways of working.	1.5.1 Investigate and market opportunities for internet based business.	Completed/ongoing 	Delivery of a series of training programs for businesses. Information sessions and mentoring also facilitated.
	1.5.2 Promote and educate industry and the community to encourage the uptake of new technologies through training and workshops.	Completed/ongoing 	September 2019 Training for job readiness delivered through Connect U. Business training in conjunction with Australian Small Business Advisory Services around Digital Solutions. Workshops held on drone technology and combat online shopping. Delivered ATO workshops with a component explaining new online tools for Businesses.
1.6 Increase the availability of appropriate housing to support growth of industry and agriculture.	1.6.1 Investigate the housing needs and identify appropriate solutions.	Completed/ongoing 	The amount of available housing in both Swan Hill and Robinvale is of concern. A housing strategy is complete for Robinvale. An action plan has been developed and some actions commenced. Officers are working with a range of government agencies to assist in investment. A Planning permit has been issued for the subdivision of land to build houses in Ronald Street Robinvale. <b>Subdivision works have commenced.</b>
	1.6.2 Facilitate combined public and private sector investment to diversify housing stock.	Completed/ongoing 	Officers have been liaising with owners of land ready for development to assist in progressing development - both in Swan Hill and Robinvale. Advocacy is underway with the state government to ensure diversity in housing types is achieved across the municipality. Further stages of development at Tower Hill, are in the planning stage
2.1 Encourage the growth of agriculture through appropriate advocacy and strategic planning.	2.1.1 Advocate for improved transport links.	Complete 	Central Murray Regional Transport Strategy adopted.
	2.1.2 Review the Municipal Strategic Statement (MSS) to ensure the growth of agriculture is supported.	Completed/ongoing 	Review of MSS is complete. Amendment C73 includes the implementation of the commendations within the Rural Land Use Strategy, which is used to protect agriculture. Amendment C73 has been authorised by the Minister subject to conditions. Exhibition period for C73 has ended. Received 15 submissions. Panel hearing was 19 November 2019. Council adopted the amendment on 17 March 2020. Amendment is sent to the minister for approval. 26/06/2020 - still awaiting on the Minister's approval.
	2.1.3 Implement the Rural Land Use Strategy.	In progress 	Will be implemented as part of Amendment C73 excluding the Rural Living Zone areas.









STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
2.2 Investigate opportunities for Agricultural businesses to establish new enterprises.	2.2.1 Engage with local industry to identify opportunities, for example clean energy on farms.	Complete 	Working with OLAM to establish telecommunications towers in Wemen and Annuello, and looking at possibility of point-to-point laser technology. Wemen and Bannerton solar farms operating on land leased from farmers. <b>Started the scoping of the Environmental Upgrade Finance project.</b>
	2.2.2 Investigate opportunities for agri-tourism products and experiences e.g. paddock to plate, farm stays.	Completed/ongoing 	Initial audit of Farm Gates between Robinvale and Swan Hill has been undertaken. Next stage is to develop product / experiences based on seasonality and product type and location. Audit to be undertaken in other outlying areas and stage the implementation.
2.3 Encourage organisations to joint tender for works and services.	2.3.1 Investigate, and where possible implement, shared contracts and services with the region's Councils.	Completed/ongoing 	Ongoing discussion and liaison via Loddon Mallee Procurement Excellent Network. Council has recently engaged with 6 other Councils for new procurement contracts. Council are currently participating in a joint Power Purchase Agreement with 47 other Councils. Council has made all Municipal Association of Victoria (MAV) contracts available to staff as an alternative to Council's own tender procurement process.
	2.3.2 Conduct workshops and provide advice to local business and tenderers to improve their tendering processes.	Completed/ongoing 	Procurement Policy reviewed and adopted at December 2019 Council Meeting. Several sessions on a range of topics have been conducted by EDU with local businesses. <b>How to do business</b> with Council information sessions held in June 2019. Vendor Panel will make it easier for businesses to quote and tender for Council works and works from all other Vendor Panel members.
2.4 Actively pursue opportunities for regionally focused infrastructure.	2.4.1 Advocate for additional and upgraded infrastructure that will improve efficiency of local businesses e.g. rail freight.	Completed/ongoing 	Council maintains an active role in the Victorian Rail Freight Alliance and is the coordinating member of the Central Murray Regional Transport Forum.
	2.4.2 Advocate for adequate and alternative utilities supplies.	In progress 	Council continues to advocate to both state and federal governments and agencies about major infrastructure requirements for the municipality. Submissions are either made or supported in this regard





STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
2.5 Investigate options for investment in renewable energy technologies for the municipality.	2.5.1 Complete and adopt a study.	Completed/ongoing 	The Social Access Solar Garden Project led by the Institute of Sustainable Futures is now complete. However more work is required on site selection and the business model SHRCC was interested in testing was not adequately tested through the project. No further investigation has taken place since November 2018. Opportunities for landholders and businesses do exist however through the Mallee Sun Solar Bulk Buy to lower energy costs.
	2.5.2 Facilitate renewable energy projects.	In planning 	Meetings have been held with State and Federal politicians to raise awareness of the need to fund a network upgrade to allow more solar energy to enter the grid and be used in Melbourne and parts of the state and interstate.
2.6 Encourage and assist existing business to pursue value adding to their industry.	2.6.1 Undertake forums and discussions with industry to understand opportunities.	Completed/ongoing 	The Connect U program has included the manufacturing industry on the website/portal. This portal has been established as an alternative to setting up a committee.
	2.6.2 Complete an analysis of relevant industry data.	Completed/ongoing 	Data recorded and analysed after each business visit.
	2.6.3 Identify and prioritise government grant applications.	Completed/ongoing 	Ongoing Applied for and received the following grants: Federal Government Drought Funding – Round 1 Successful Federal Government Drought Funding – Round 2 Successful Applied for the following grants: Murray Darling Basin Economic Development Fund (pending) Regional Airports Program Successful Victorian Camping Grants (For Robinvale , Swan Hill and Lake Boga) Successful Agrilinks: Upgrade to Winlaton Road (pending)
	2.6.4 Develop business prospectus.	Not started 	

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
2.7 Improve the commercial position of the Pioneer Settlement.	2.7.1 Implement the Day Product Review.	Complete 	Works at LMI, Pyap, Towninnie and Iron House now complete.
	2.7.2 Review the promotion plan.	Complete 	Plan presented to Council Assembly in June 2018. Plan now in place for 2018-19 financial year onwards.
	2.7.3 Enhance the Heartbeat of the Murray night time product by improving operational effectiveness and adding additional elements to the visitor experience.	Complete 	New evening soundscapes implemented enhancing the walk to and from the Paragon. Long term plan for new entry building will include the 'Heartbeat holding area'.
2.8 Utilise Swan Hill Incorporated, market and promote the region as a place to live, work and invest.	2.8.1 Continue agreement with Swan Hill Incorporated.	Complete 	A Special Rate for marketing and business development programs in the Swan Hill region was declared at the April 2019 Council Meeting. The agreement between Council and Swan Hill Inc. was adopted by Council at the September Council Meeting.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
3.1 Assist local businesses to up-skill and retrain their workforce.	3.1.1 Identify skills shortages and training gaps.	Completed/ongoing 	Connect U program being reviewed due to resignation of coordinator. Meeting with SuniTAFE and MMLLEN to determine direction to happen in new year. SuniTAFE Swan Hill has a new program called Skills and Job Centre that will fulfil some of this object. EDC is on Committee
	3.1.2 Advocate for support for regional training opportunities.	In progress 	EDC attending meeting with SuniTAFE re Nursing training. Council has input in the Skills and Job Centre program.
	3.1.3 Create partnerships to deliver short courses and training.	Completed/ongoing 	Training for job readiness delivered through Connect U. Business training in conjunction with Australian Small Business Advisory Services around Digital Solutions.
3.2 Promote the benefits of the region as a place to live, work and invest.	3.2.1 Participate in regional expos.	Completed/ongoing 	Attendance at Country Tennis Week in Albury to showcase region.
	3.2.2 Support regional promotion of the municipality.	Completed/ongoing 	Council signed new MoU with Murray Regional Tourism Board in August 2017 and continues partnership with Swan Hill Inc to leverage and collaborate on regional promotional opportunities. Dream Swan Hill campaign launched in October 2019 and ramping up in 2020
	3.2.3 Advertised all job vacancies with a link to a website that outlines regional information.	Completed 	Job advertisements contain links to the New Residents Guide and Discover Swan Hill sections on Council's website.
	3.2.4 Develop New Residents Guide.	Completed 	Launched in September 2017. Media release published in The Guardian on 27/08/17. Guides available for Swan Hill and Robinvale, printed and online and updated when needed.
3.3 Implement the Workforce Development Strategy.	3.3.1 Complete a project to quantify labour force data from within the municipality, with a particular focus on agricultural sector.	In progress 	Constant monitoring via Agribusiness committee and industry visits. SunRise 21 has completed a report on growth in horticulture which will allow extrapolation of data re employment. <b>Broadacre report due October 2020.</b>

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
3.4 Encourage the development of appropriate accommodation for various workforces.	3.4.1 Review the Municipal Strategic Statement (MSS) and Planning Scheme to ensure diverse housing and land is available.	In progress 	Review of MSS is complete. Diverse housing and land availability was considered during this review. Additional land was not required due to the approval of the C58 Amendment: South West Development. Continuing to review rural living land supply, this will form part of the Residential Land Strategy that is currently underway.
	3.4.2 Investigate opportunities for improved public transport.	Completed/ongoing 	Continued support and involvement in Mallee Local Transport Forum.
	3.4.3 Investigate alternative ways to provide accommodation.	Completed/ongoing 	Robinvale Housing Strategy and Population Determination completed and implementation planned. Dec 2019 Council is in the process of subdividing Ronald Street Robinvale and continues with Stage 12 development of Tower Hill. Working with DFAT to develop accommodation options
3.5 Improve the employability skills of the long term unemployed and unskilled in Robinvale and district.	3.5.1 Continue to facilitate the Robinvale Employment Network project.	Completed 	Council no longer facilitates the Robinvale Employment Network project.
4.1 Review of the Municipal Strategic Statement (MSS).	4.1.1 Revise Municipal Strategic Statement (MSS) and refer back to the Minister for approval.	Completed 	MSS has been re-written removing the need for a review in 2018.
4.2 Identify and zone appropriate land for future development.	4.2.1 Identified land through strategic work program.	Completed/ongoing 	Rural living land has been identified in the Rural Land Use Strategy to be rezoned. The Minister for Planning requested that the Rural Living Zone areas be taken out of Amendment C73. A further review of the Rural Residential land supply of the municipality will be undertaken to justify rural living rezonings. <b>Residential Land Strategy is underway.</b>
	4.2.2 Rezone land as approved by Council.	In progress 	Rural Living land has been identified in the Rural Land Use Strategy to be rezoned. A further rural residential review will be undertaken to justify any rezoning of land to Rural Living Zone. <b>Prepare a Residential Land Strategy that identifies and recommends rural residential and rural living development opportunities.</b>
	4.2.3. Prepare a Settlement Strategy that identifies and recommends rural residential and rural living development opportunities (included as part of 19/20 review)	In progress 	A brief has been completed and approved by the State Government. Once a consultant is selected work is expected to commence in August 2020

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
4.3 Investigate and develop options for de-watered farming land.	4.3.1 Complete audit of areas with de-watered land.	Complete 	An audit was completed and further strategic work is to be undertaken.
	4.3.2 Develop and implement strategy to address issues.	In planning 	Further strategic work to be undertaken.
4.4 Review of the availability and suitability of industrial land in Swan Hill and Robinvale.	4.4.1 Complete an Industrial Zones Strategy.	Complete 	The review has been completed and adopted by Council.
	4.4.2 Amend planning scheme as appropriate.	Complete 	No amendment required as a result of the strategy.
4.5 Review Small towns for further housing development.	4.5.1 Develop and implement Small Town Strategy.	In progress 	Residential Land Review strategy is underway.





## Key results area Community Enrichment







*“We will provide a range of services to individuals and to the broader community that assist all in our community to live healthy, fulfilling lives. We will embrace our role as a regional centre by providing a range of cultural opportunities ”*






We will:

1. Help all people to find a place in our community.
2. Provide services and support initiatives that create a healthy and safe community.
3. Develop a community with a sense of pride and responsibility/ownership that strives to achieve its aspirations.







### What have we done










STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
5.1 Review and implement the Aboriginal Partnership Plan.	5.1.1 Undertake initiatives with the intent to work toward developing a Registered Aboriginal Party.	In progress 	<p>Council continues to support the development of the Wandarrah Action Committee - WAC has completed a review of its Terms of Reference, Code of Conduct, Membership policy and nomination forms and is now keen to work towards the development of a Reconciliation Action Plan.</p> <p>Council has enhanced its engagement with the Aboriginal community through the development of Our Place. COVID-19 has impacted on how Council undertakes its meetings and community consultation with the local Aboriginal community however. The Aboriginal Liaison Officer continues to assist to develop Our Place - on a needs base. (Identifying an Aboriginal language name and business model remain the key focus).</p>
5.2 Investigate opportunities to develop Aboriginal leadership capabilities.	5.2.1 Investigate leadership opportunities e.g. scholarship, grants, host a forum with young people and local service providers.	Completed/ongoing 	Koori Youth Council of Victoria held their Blackout event in Swan Hill in June 2017, and was targeted at engaging young Aboriginal community members. Around 90 attended on the day. Koori traineeship in Business Administration set up in July 2017. Koori scholarships advertised in 2019 with no applications received. Council to look at other options when there are no applicants, such as commencing a Koori trainee position. Scholarship program in 2020 on hold due to COVID-19.







STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
5.3 Establish and maintain partnership with organisations that support Culturally and Linguistically Diverse (CALD) communities.	5.3.1 Participate in the Settlement Services Group to provide support to new arrivals through adapting how services are provided.	Completed/ongoing 	June 2019: Council is represented on local refugee groups, including attendance at forums, consultations with Sunraysia Mallee Ethnic Communities Council and other groups. Regular updates to refugee groups on Council services, guidance and assistance is provided.
	5.3.2 Assist with the delivery of multi-cultural events.	Completed/ongoing 	Annual Swan Hill Harmony Day community celebrations take place (cancelled in 2020 due to Covid-19). The library meeting room is used weekly by a volunteer community group to run English conversation sessions for migrant women.
	5.3.3 Review of service access plans to ensure inclusion.	Complete 	Plans reviewed and adopted in December 2017. Quarterly reports on achievements to be presented to Councillor Assembly, with six-monthly reports to Council Meeting.
	5.3.4 Investigate and advocate for ways of skilled people attaining permanent residency (included as part of 18/19 review).	In Progress 	Council is a partner in the Try Test and Learn program, a Federal initiative auspiced by the Sunraysia Mallee Ethnic Communities Council to relocate underemployed and unemployed refugees from metropolitan areas to regional Victoria. <b>Three families have been relocated to Mildura with three additional families pending.</b>
5.4 Develop and implement Disability Action Plan.	5.4.1 Adopt the plan.	Complete 	Adopted at December 2017 Council Meeting.
	5.4.2 Implement the actions within timelines.	Complete 	The Community Access and Inclusion Strategy (CAIS) and its implementation plan was adopted by Council at the December 2017 meeting. The Community Access and Inclusion Strategy (CAIS) have been integrated into Council's core business. The Rural Access Officers role ceased at 31 December 2019. Council no longer receives external funding for this program. Infrastructure will be inclusive of all abilities as a way of doing things. This was recently exemplified by the Swan hill Riverside Park adventure playground - all abilities status.






STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
5.5 Implement actions from the Youth Strategy 2015-19.	5.5.1 Review make up and role of Youth Council.	Complete 	A review of the make up and role of Youth Council was undertaken by Youth Council and discussed at Council Assembly in July and September 2017.
	5.5.2 Implement actions in the Youth Strategy within budget and timelines.	Complete 	2017-2018 Annual Operational Plan prepared and actions for 2017-18 were implemented. 2018-19 Operational Plan prepared and actions being implemented. Operational plan was developed for 2019-2020 and is being implemented.
	5.5.3 Improve partnerships and relationships with other youth services.	Completed/ongoing 	Youth Support Program staff record all activities undertaken on an annual reporting / evaluation template in chronological order that is cross referenced with the 2018-19 Annual Operational Plan. All events are evaluated.
	5.5.4 Hold youth specific events.	Completed/ongoing 	Youth Support Program staff record all activities undertaken on an annual reporting / evaluation template in chronological order that is cross referenced with the 2018-19 Annual Operational Plan. Events held include Youth Week Leadership Camp, Youth Ball, and Empower Project has commenced.
	5.5.5 Review Youth Strategy (included as part of 18/19 review).	Complete 	Local Logic Place has been appointed to conduct the new Youth Strategy 2020-2025. New Strategy complete and adopted by council June 2020










STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
5.6 Strengthen our connection with youth.	5.6.1 Review the structure of the Youth Council with young people.	Complete 	A review of the make up and role of Youth Council was undertaken by Youth Council and discussed at Council Assembly in July and September 2017.
	5.6.2 Deliver a responsive and relevant program of Youth Services.	Completed/ongoing 	Youth Support Program staff record all activities undertaken on an annual reporting / evaluation template in chronological order that is cross referenced with the 2019-2020 Annual Operational Plan.
	5.6.3 Deliver the actions within the Youth Strategy.	In progress 	Events held include Youth Week Leadership Camp, Youth Ball, and Empower Project has commenced. Up Skilling and leadership opportunities have been delivered to young people.
	5.6.4 Develop work placement and work experience programs.	Completed/ongoing 	2019 - 6 Scholarship places advertised and 5 were awarded into the following workgroups: Engineering, Economic Development x 2, Youth Inc, and Depot.
	5.6.5 Implement the Robinvale Employment Program in accordance with the funding agreement.	Complete 	Council has exited out of the Robinvale Employment Network program.
	5.6.6 Maintain and develop our partnerships with youth agencies.	Completed/ongoing 	YACVic Rural Officer is co-located at Youth Inc. Youth Support Program staff attend relevant network meetings including Southern Mallee Sub Regional Group, Child Youth and Family Network, Victorian Rural Youth Services, and Swan Hill College Wellbeing Team. Empower Project has started and will continue over four years.




STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
5.7 Develop and implement Cultural Services Plan.	5.7.1 Develop and adopt a plan.	Complete 	The Creative Strategy was adopted by Council at the October 2018 Council meeting.
	5.7.2 Implement initiatives within timeframes and subject to adequate resourcing.	Completed/ongoing 	Sept 2019 The Library, Art Gallery and Performing Arts programs have delivered a range of programs, activities and exhibitions.
6.1 Review and implement actions within the Public Health and Wellbeing Plan.	6.1.1 Review the Plan, including actions, to address violence against women.	Complete 	Adopted at the October 2017 Council Meeting. An annual operational action plan for quarterly reporting has been developed.
	6.1.2 Report on status of actions biannually.	Completed/ongoing 	Reporting undertaken bi-annually, beginning in February 2018. Ongoing: No formal reporting is required linked to funding, but reports to key representative groups are provided.
6.2 Strategically position Council's ongoing role regarding the community-based aged care reforms.	6.2.1 Produce an options paper on integration of Commonwealth Home Support Program to National Standards.	Complete 	Options paper completed - investigation of findings and responses to be developed.
	6.2.2 Ascertain how HACC/Commonwealth Home Support Program services can be delivered within funding levels.	In progress 	In progress, due to uncertainty and lack of definitive information from the Commonwealth.
	6.2.3 Develop positive Aging Plan.	Not started 	
6.3 Review and determine Council's role in early years and child care services.	6.3.1 Review early years services.	In planning 	Local Logic Place is the consultant appointed to undertake the Municipal Early - Middle Years Plan in August 2019. One of the objectives of this project is to define Council's role and investment in early - middle years services.
	6.3.2 Produce a report on outcomes and provide recommendations.	In progress 	Local Logic Place provided an overview of MEMYP consultation at Council Assembly on 26th November 2019. A draft MEMYP was presented at Council Meeting on 18th February 2020 where it was approved to be circulated for public comment for three weeks. The period for public comment has now passed and the MEMYP will be presented at the April Council Meeting 2020

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
6.3 Review and determine Council's role in early years and child care services (continued).	6.3.3 Develop an Early Years Plan (EYP).	Completed 	The engagement commenced in August 2019 and was completed in February 2020. Council's first Municipal Early to Middle Years Plan was adopted at the April 2020 Council Meeting.
	6.3.4 Implement EYP actions within timeframes and resources.	In Progress 	SHRCC adopted the Municipal Early-Middle Years Plan (2020-2029) in April 2020. An Annual Operational Plan <b>has been</b> developed for implementation in 2020/2021.
6.4 Improve personal and community safety by working with partners on community safety issues.	6.4.1 Promote awareness of the Community Charter for the Prevention of Violence against Women.	In planning 	Council participated in the '16 Days of Action' facilitated by the State, and undertook Orange events that were promoted on social media and in the press. Council will be undertaking a gender equity audit and assessing White Ribbon compliance during 2018-19. June 2019: gender equity audit delayed due to lack of resources, but with assistance of Women's Health Loddon Mallee, will take place during 2019-2020. Council will be required to develop a Gender Equity Action Plan (GEAP) during 2020-21, and preliminary work began by engaging with local and state-wide groups during April-May 2020.
	6.4.2 Implement the requirements of Child Safety Standards.	Completed 	Revised Child Safe Standards Policy presented for adoption at the December 2017 Council meeting. Ongoing actions to remain compliant will continue. DHHS conducted an audit of Child Safe Standards in June 2018, and determined Council is compliant.
	6.4.3 Expand and continue CCTV operation.	In progress 	Requirements and opportunities are monitored and investigated with relevant stakeholders.
	6.4.4 Enforce local laws and develop a MOU with Victoria Police to support additional community crime prevention measures.	Completed/ongoing 	Council has attended Police call out sessions to educate and update Officers on the new Local Law No.2 2017 and provided resources in Robinvale and Swan Hill. Council and Police MoU has been updated.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
6.5 Plan for the future provision of sport and recreation facilities and services.	6.5.1 Support the development of sport and recreation clubs across the municipality.	Completed/ongoing 	Swan Hill Recreation Reserves Master Plan was endorsed at the Council meeting in May 2018. A Recreation Implementation Plan was developed and was endorsed by Council on 19 March 2019. Ongoing support is provided via Council's Community Grants Programs. COVID-19 support packages have been provided and assistance with return to play procedures including deferring payment user group annual fee for winter period.
	6.5.2 Complete and implement the Recreation Reserve Master Plan.	In progress 	Prioritising projects for future funding opportunities including Swan Hill Leisure Centre and Robinvale Leisure Centre New Facility for Soccer Lake Boga Netball Change room Swan Hill Leisure Centre – fitness room Lake Boga Equestrian Swan Hill Stadium Renovation Robinvale Netball Court Robinvale Netball Change room Manangatang Pool
6.6 Expand library services in Robinvale and review the delivery of library services in our small communities.	6.6.1 Scope, fund and complete Robinvale Library Project within limitations.	In progress 	The funding secured by the Education Department. An architectural firm engaged by the Education Department to manage the project. Community survey conducted to determine the library programming and opening hours the Robinvale community would like for the community library. The Design Brief developed. The project continues to remain on track with the schematic design phase completed mid June and the design development phase completed and signed off in August. Building works commenced in February 2020. At 30 June building works on track and within budget. Building works are nearly completed.
	6.6.2 Develop an effective partnership arrangement with Robinvale College.	In planning 	June 2018: Draft Community Joint Use Agreement (CJUA) developed. June 2019: the joint use agreement with the Education Department is nearly completed, and initial concept drawings and schematics are agreed by all parties. The next piece of work is to finalise the operational needs of the facility. Building works commenced in February 2020. with works to be completed in late 2020 and opening in early 2021. At 30 June 2020, the building was on schedule, within budget and set for an October 2020 practical completion, allowing for planning the January 2021 opening.
	6.6.3 Confirm that the new library is meeting the Robinvale community's needs.	Not started 	This can only be completed after the library opens which is expected to be in early 2021. Community consultation to determine the Robinvale community's needs was completed in late 2018 to determine the community's needs and incorporate these in the library design.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
6.7 Investigate the need for an off leash dog park.	6.7.1 Survey community needs for off-leash dog park.	Complete 	Survey completed in May 2017. The survey results were taken to Council in November 2017 and resulted in Council adopting to trial four off leash areas for two years. At the half way point of the trial, a survey was completed to assess how the community thought that the trial was working. The survey was completed online in late January 2019.
	6.7.2 Develop a project scope if the community need is identified.	Completed/ongoing 	In November 2017, Council adopted to trial four off leash areas for two years. Signage, rubbish bins, dog waste dispensers/bags were installed in all areas. Council conducted a media campaign to educate dog and non-dog owners about the use of these areas. Over the two year trial, quarterly assessments will be undertaken to gauge use, compliance and complaints. The community had the opportunity to provide feedback through a survey at the half way point of the trial that was made available through Council's website and Facebook. 103 responses were received from the community. At the September Council meeting Council resolved to cease the trial and continue only with one off leash area. Council also resolved to budget in the future for off leash parks in Robinvale and Swan Hill.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
7.1 Support the capacity of communities to self-manage and self-regulate.	7.1.1 Review and renew Community plans as appropriate.	Completed/ongoing 	Robinvale Plan - reviewed and updated Aug 2017 Lake Boga - Plan-reviewed and updated Nov 2017 Swan Hill - No review needed, Council does not want a Swan Hill Community Plan Piangil - reviewed 2018 Woorinen - review completed 2018 Nyah - reviewed 2018 Boundary Bend - review complete Feb 2020 Beverford - working to re establishing the group, possibility of joining with Speewa and Tyntynder focus for 2020 Ultima - completed 2017 Manangatang - review complete 2018 Wemen - review complete 2018
	7.1.2 Implement ways to encourage all communities to actively participate in the community grants program.	Completed/ongoing 	All communities are encouraged via email and by Council representatives at TRG meetings to apply for the community grants. TRG are encouraged to distribute the grant info throughout their community and networks encouraging other local community groups to be involved.
	7.1.3 Advocate on behalf of our communities for priority issues and opportunities.	Completed/ongoing 	Continue to work with the TRG to prioritise their projects, updating implementation plans on a yearly basis to reflect their hopes and aspirations. The "Vibrant Villages" funding application was successful, \$500K from RDV. Tenders have been received and are currently being assessed. These plans will guide Council and the TRG for funding applications and provide a structure 5 year plan
	7.1.4 Sponsor Loddon Murray Community Leadership Program.	Completed/ongoing 	Support is provided on an annual basis, subject to the Annual Budget process.
7.2 Review each of our Community Plans.	7.2.1 Develop and publish new Community Plans.	Completed/ongoing 	Robinvale Plan-reviewed and updated Aug 2017 Lake Boga-Plan-reviewed and updated Nov 2017 Swan Hill - No review needed, Council does not want a SHCP Piangil - reviewed 2018 Woorinen - review completed 2018 Nyah - review completed 2018 Boundary Bend - review complete 2018 Beverford - working to re establishing the group, possibility of joining with Speewa and Tyntynder Ultima completed 2017 Manangatang - review complete 2018 Wemen - review complete 2018. In conjunction to the reviews, each community plan has been vital in the development of the Vibrant Villages milk bar plans. This has provided Council with a mini review of priorities for each of the towns, not including Wemen and Robinvale. The Milk Bar plans will be reviewed annually, keeping priorities up to date.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
7.3 Plan for the development of the Swan Hill Regional Art Gallery precinct.	7.3.1 Determine the long-term site for Swan Hill Regional Art Gallery.	Complete 	Reviewing two potential sites as a result of public concerns and a council resolution. Designs and options are being investigated.
	7.3.2 Prepare final Gallery designs for approval and costed.	In progress 	Sept 2019 Council endorsed Option 1 concept for further design work by architects. Alternative designs on alternative sites are due for Council decisions early in the 2020-21 period. <b>Alternative designs on alternative sites were considered by Council in July and detailed designs for the Pioneer Settlement site have begun.</b>
	7.3.3 Secure funding and complete the project.	In progress 	Funding has been secured.






## Key results area Infrastructure

*“We will provide and maintain publicly accessible infrastructure that is appropriate for the community’s needs in the most effective and efficient manner possible.”*







We will have:







1. Infrastructure that appropriately services community needs.
2. Infrastructure that is provided and appropriately maintained in accordance with agreed
3. standards.
4. A strong focus on asset management systems and planning.






### What have we done








STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
8.1 Manage Council's roads and road related infrastructure in line with the Road Management Plan.	8.1.1 Complete 100% of inspections outlined in Road Management Plan (RMP) by identified time frames.	Completed/ongoing 	New Road Management Plan (RMP) commenced on 1 July 2017. Council Officers are meeting all timeframes set out in the RMP <b>which was updated in November 2019.</b>
	8.1.2 Ensure 100% defects are repaired in line with RMP timeframes	In progress 	All defect repair timeframes are being met in accordance with RMP. An internal 'Safety Action Plan' process has been implemented and shall be used in instances where appropriate warning of a defect is required until a suitable repair or treatment can be completed.
8.2 Advocate for funding for an active trail between Lake Boga and Swan Hill.	8.2.1 Complete project scope and plan to enable future funding submission	In progress 	Preliminary work only undertaken—significant scoping needs to be undertaken before grants could be applied for—eg detailed design, CHMP, tree assessment, formal Vic Track Approval















STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
8.3 Advocate for improved transport routes across the region.	8.3.1 Work with the Central Murray Regional Transport Forum (CMRTF) to identify regional priority projects.	Complete 	Strategy endorsed by Council in September 2018.
	8.3.2 Advocate with CMRTF for funding for identified projects.	In progress 	Advocacy brochures are being finalised to assist in sourcing funding. The projects also have been incorporated in the draft Murray Valley Hwy and Calder Hwy transport corridor strategies
	8.3.3 Advocate with the Rail Freight Alliance for funding for suitable rail projects.	In progress 	Ongoing as opportunities arise
	8.3.4 Advocate for the full implementation of the Murray Basin Rail Project.	In progress 	Letters have been written to relevant Ministers and the CEO has spoken with the media.
8.4 Pursue funding for a levee bank at Robinvale.	8.4.1 Complete detailed design.	Complete 	<p>Comments as on 30 Jun 20</p> <ol style="list-style-type: none"> <li>1. Robinvale Levee Upgrade and Associated drainage works tender closed on Thursday 28 May2020, good number of response received.</li> <li>2. Shortlisted tenders evaluation meeting was held on 23 June 2020 and clarification response received on 26 June.</li> <li>3. Tender is in approval stage.</li> <li>4. Planning approval is in final stage.</li> </ol> <p>Comments on Sep 2020</p> <ol style="list-style-type: none"> <li>1. Contractor assigned for the Levee construction works</li> <li>2. CHMP approved by Aboriginal Victoria</li> <li>3. DEWLP provided Council planning department "No Objection" to issue a planning permit</li> </ol>
	8.4.2 Lodge funding application.	Complete 	Council secured \$710,000 through the 2016-17 NDRGS and first instalment of \$355,000 received. Council has applied for additional funding through DEWLP, which was successful. Project is at planning permit stage.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
8.5 Review the Swan Hill Active Transport Strategy.	8.5.1 Review the Strategy.	In planning 	The Active Transport Strategy (ATS) is part of the Missing Links Strategy. To support the construction of Anniversary Drive path in Robinvale, this has received funding through the LCIF.
	8.5.2 Adopt the reviewed Strategy.	Complete 	The Missing Links Strategy has been adopted by Council.
8.6 Review the way that we procure and maintain our Infrastructure.	8.6.1 Continuously improve the efficiency of our works and maintenance crew.	In progress 	Tablet computers are progressively being rolled out to Works teams. These enable staff to record daily completion of tasks.
	8.6.2 Identify opportunities to rationalise assets and facilities that do not have an identified service need.	In progress 	Completed and adopted Public Convenience Facilities Strategy and Urban Trees management Plan. Asset rationalisation strategy will be developed following asset management plan development. Asset Disposal policy adopted in September.
	8.6.3 Conduct a review of public facilities including public toilets (included as part of 18/19 review).	Completed/ongoing 	The Public Convenience Strategy was adopted June 2020.
8.7 Maximise community benefits from the opportunities presented at the Chisholm Motor Sports Complex.	8.7.1 Continue to work with Community Groups of Chisholm Motor Sports complex.	Completed/ongoing 	Lease agreement and sub-leases finalised. The CRC have signed the lease agreement and 1 of the 6 motor sports clubs have returned signed sub-leases. Reminders have been sent to return sub-leases by March meeting. Name change to Swan Hill MotorPlex approved and Gazetted. CRC have reviewed master plan and developed an implementation plan 2019/20 which will be presented to Council in April for adoption. External funding was applied for lighting and fencing (unsuccessful)

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
9.1 Implement Swan Hill and Robinvale Riverfront Masterplan.	9.1.1 Identify and successfully apply for funding opportunities.	Completed/ongoing 	In December 2019 SHRCC was successful in obtaining \$260k from the PSIF funding stream to Light Up Riverside Park. Project is progressing as planned, with path construction and light tender awarded to preferred contractor. Robinvale Riverfront Master plan was been awarded to GSA and are currently scoping up engagement plan re:COVID 19
	9.1.2 Ensure projects complete in accordance with timelines.	In progress 	Active Play Precinct and Skate Park has been completed at Swan Hill Riverside Park.
	9.1.3 Identify and encourage private sector investment.	In progress 	Commercial Development Strategy completed. Currently pursuing land acquisition opportunities.
9.2 Ensure developers comply with the Infrastructure Design Manual where relevant to local standards.	9.2.1 Improve internal and external stakeholders understanding of the Infrastructure Design Manual.	Completed/ongoing 	Ongoing communication with developers and Council's Planning Department through pre-application meetings and post-application Engineering referrals to Planning. Improved engineering process by organising pre-planning permit application meetings with developers to conceptually approve drainage and other infrastructure provisions.
	9.2.2 Develop local policy position in areas where the Infrastructure Design Manual can be varied.	In planning 	<ol style="list-style-type: none"> <li>1. Ongoing discussions and consultation with key stakeholders including; IDM Author, Design and Development Consultants and Council Staff.</li> <li>2. A report was presented to Council meeting in this regard.</li> <li>3. Old policy named Footpath on Road Reserve has been cancelled and replaced by the IDM requirement.</li> <li>4. It was recommended that the current IDM is to be reviewed over time to Councils particular needs.</li> </ol> <p>Recently Council requested some improvement in IDM related to road and footpath classification based on traffic volume which was successful</p>

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
9.3 Upgrade Swan Hill Livestock Selling Complex.	9.3.1 Implement upgrade project.	Complete 	Completed September 2019.
	9.3.2 Identify funding opportunities for future stages.	Complete 	Funding identified and cattle loading ramp update completed.
9.4 Review the Road network and classify each road.	9.4.1 Complete a service review of the road network.	Complete 	Completed and incorporated in the Road Management Plan
	9.4.2 Identify and pursue funding opportunities for upgrades.	In progress 	<p>Round one grants have included: Lake Boga Ultima Road Reconstruction and Dead Horse Lane project design. The total contribution from the State Government to Swan Hill Rural City Council is \$700,000.</p> <p>Round two grants have included: - Dead Horse Lane (construct 2.3km from Sea Lake Swan Hill Road to EOS). \$336,250 has been budgeted for in the 2019/20 financial year. - Kenley Road (widen 4.1m seal to 6.2m for approximately 4km starting from MVH) \$210,000 has been budgeted for in the 2019/20 financial year. - Lutzies Road Ext (resheet 1.2km and realign intersection onto Sea Lake Swan Hill Rd) \$81,550 has been budgeted for in the 2019/20 financial year Council received \$1,200,000 in extra funds from the second round to compliment SHRCC's budget.</p>
9.5 Plan and deliver Council's capital works program and Major Project Plan.	9.5.1 Minimise capital works and major project carry over from year to year.	In planning 	Work in progress.
	9.5.2 Complete Major Projects Plan review each year.	Complete/ongoing 	Major Projects Plan is reviewed annually in Nov/Dec.
	9.5.3 Minimise project budget overruns.	In planning 	Work in progress.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
10.1 Actively pursue opportunities from decommissioned irrigation infrastructure.	10.1.1 Work with Goulburn Murray Water to decommission channel number 9.	Complete 	Work on decommissioning is complete.
	10.1.2 Identify opportunities for land parcels taken over by Council.	In progress 	Initial discussions held with ELT and Council. 10-Year Major Projects Plan includes funding for scoping, design and implementation. A list of property owners, easements and GMW intentions for each separate parcel of land has been prepared. Advice has been obtained on the process to acquire unused land with former channels from deceased estates. Concept plan and cost estimates on possible pathway(s) were discussed by ELT June 2020.
	10.1.3 Identify funding opportunities to upgrade newly available land.	In planning 	Concept plans are being prepared for discussion with Council.
10.2 Complete the Recreation Reserve Masterplan.	10.2.1 Adopt the Recreation Reserves Masterplan.	Complete 	Completed and endorsed at May 2018 Council meeting.
	10.2.2 Establish a long term operational maintenance program for Council managed reserves.	In planning 	Working through the Recreation Reserve Masterplan to identify key areas.
	10.2.3 Investigate funding options to implement actions within the Masterplan.	Completed/ongoing 	Cricket practice nets at Robinvale Completed Cricket practice nets at Gurnett Oval Completed Robinvale Moto X Arena Cross Track Funding Variation Request Showgrounds Change Room Upgrade Completed Stadium Renovation Swan Hill Completed New netball courts Nyah Recreation Reserve Under construction Robinvale Netball Precinct Design Completed Aquatics Needs Analysis 2019/29 Completed Indoor Recreation Centres Development Plan Completed (Draft version)
	10.2.4 Review and update user agreements between Council and recreation reserve users groups.	In progress 	Council's User Group Agreements is currently under review - exploring best practice approach in regards to - Risk Management Plan, Risk Management Policy, Medical Emergency Plan, Insurance, Oval inspection report, Building inspection report and collate information.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
10.3 Review current use of council facilities.	10.3.1 Produce usage report, including analysis of non-Council facilities that provide similar services.	In progress 	<ul style="list-style-type: none"> <li>Ways to better calculate accurate usage are being investigated.</li> <li>The public Convenience Strategy utilised toilet paper usage to better gauge and rank usage to assist with decision making.</li> </ul>
	10.3.2 Identify opportunities to rationalise Council assets.	In progress 	<ol style="list-style-type: none"> <li>Asset Management Plans are being developed as assets are conditioned rated for valuation purposes. Asset management plans are to ISO55000 standard and include rationalisation discussion.</li> <li>Toilet Strategy has been approved and a number of rationalisations have been identified</li> <li>Multi-use options are considered for all new facilities.</li> <li>Road network assessment currently being conducted and will be incorporated into the RMP due within 6 months of Council. This assessment will include downgrades and rationalisation.</li> </ol>
10.4 Plan and deliver assets for the current and future needs of our growing community and changing environment.	10.4.1 Implement an effective asset management system.	Completed/ongoing 	<ol style="list-style-type: none"> <li>Asset Management Working Group has been reconvened to investigate the Asset Systems used within Council.</li> <li>Asset Framework to be developed which will drive the asset systems.</li> </ol>
	10.4.2 Develop and update policies, strategies and registers.	In progress 	<p>Asset Management Plan adopted in December 2017.</p> <ul style="list-style-type: none"> <li>Asset Naming Policy and Procedure approved 2019</li> <li>Public Convenience Strategy - completed</li> </ul> <p>Further discussions and development of policy being undertake to incorporate Recreation Reserve Agreements.</p> <p>The following policies, plans and strategies are being finalised</p> <ul style="list-style-type: none"> <li>Transport Asset Management Plan - expected completion NOV 2020</li> <li>Parks and Open Space Asset Management Plan</li> <li>Asset Framework</li> <li>Asset Data Dictionary - in progress</li> </ul> <p>The Asset Framework will lead to reviewed Asset Policy and strategies.</p>
	10.4.3 Complete a centralised asset register.	In progress 	<ul style="list-style-type: none"> <li>Ways to better calculate accurate usage are being investigated.</li> <li>An Asset Data Dictionary will be developed over 2020-2021 and the Asset Register cleaned up to ensure that the data is accurate and usable. An asset data dictionary will consider all reporting requirements and what data is required to make good decisions.</li> </ul>



## Key results area Governance and Leadership








*“We will represent the interests of our community, conduct our affairs openly, with integrity, reflecting the high levels of governance expected by our community. We will plan for the long term growth and development of our municipality by committing to a robust program of strategic planning.”*

We will have:







1. Positive community engagement through appropriate and constructive consultation.
2. Effective and efficient utilisation of resources.
3. Effective partnerships and relationships with key stakeholders and staff.
4. Effective advocacy and strategic planning.






### What have we done









STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
11.1 Develop Council's systems and processes to improve our customer service, efficiency and effectiveness of our operations	11.1.1 Undertake Council Services Review.	In progress 	Staff realignment occurred during November 2018. Ongoing Aged Care Reform. FDC program re-auspiced from July 2019. Multi-purpose building proposed as part of Our Place Development
	11.1.2 Implement the new IT Strategy.	In progress 	Council has completed the improved Customer Services processes for Statutory Planning applications and are continually improving the web based solution for planning applications. Council has introduced online payment methods for various Council processes and have also installed a new web based Chat function and Customer Service model.
	11.1.3 Implement Customer Service Strategy actions.	Completed/ongoing 	Ongoing.








STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
11.2 Use social media as a medium for community consultation and communication.	11.2.1 Introduce Facebook advertising.	Complete 	Facebook advertising is regularly used and posts are continuing to be used to consult and communicate with the public. A new Facebook page for the Swan Hill Big Green Shed was launched in June 2019.
	11.2.2 Increase the use of online survey tools.	Completed/ongoing 	Online surveys have been used as a community consultation tool for Council's - Communication and Engagement Strategy 2019-22 - 212 responses, Off-leash Dog Park - 103 responses, and Robinvale Community Library - 146 responses.
11.3 Establish new and alternative methods of consultation.	11.3.1 Research and report to council on contemporary consultation methods.	Completed/ongoing 	A discussion paper has been developed and was presented to Council Assembly in October 2017.
	11.3.2 Investigate the use of multilingual publications.	Not started 	
	11.3.3 Increase the use of social media, online survey tools.	Complete 	Council has been increasing the use of social media for public information (Facebook), an online survey was used effectively for the consultation regarding the communication strategy in July 2018. This will continue to occur. Council are also investigating use of other social media platforms, like Twitter and Instagram.
	11.3.4 Increase the use of current and professional networks and contacts to canvass opinion and share information.	In planning 	MRGC CEOs continues to be a useful forum.
	11.3.5 Review Councils Communication strategy.	Complete 	A Communication Survey was completed in July 2018 with 212 responses from the community. New Communication and Engagement Strategy adopted by Council in December 2018.




















STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
11.4 Champion a culture that values strong community engagement.	11.4.1 Include effective community engagement processes in all planning and project delivery plans.	Completed/ongoing 	As an organisation Council are increasing our commitment to engage with the community affected by our projects. Nyah Road reconstruction and line- marking are recent examples. An online survey was used to consult with the community regarding the recently adopted Communication and Engagement Strategy.
	11.4.2 Conduct training for staff.	In planning 	Investigating the possibility of updating Councils Have Your Say section, that will include new marketing material and a project and community consultation site
	11.4.3 Implement a project management system.	In planning 	The workflow and policies and procedures are currently under review.
11.5 Develop a strong positive message and image for Council and the region.	11.5.1 Publish two community newsletters a year.	Completed/ongoing 	Winter newsletters published and distributed in July 2019. Summer newsletter distributed 2020.
	11.5.2 Use Facebook advertising and social media to promote Council.	Complete 	Promotion continues through regular use of Council's Facebook page. A new Facebook page was created for the Swan Hill Big Green Shed was launched in June 2019.
	11.5.3 Use established connections/partnerships to promote a positive Council image.	Complete 	Council seek opportunities to reinforce the message that Council are here for the community through our media engagement and in our Mayoral Columns in local newspapers.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
12.1 Continually improve workplace safety and staff health and wellbeing.	12.1.1 Participate in MAV Workcover self-insurance scheme.	Complete 	Officially commenced in this scheme November 2017.
	12.1.2 Develop and implement an OH&S framework.	Completed/ongoing 	Initial audit has been completed. OHS Management plan adopted by ELT and OHS committee in August 2018. Worksafe occupational health and safety management system (OHSMS) audit in November 2019, 68% conformance. Remedial Action plan submitted and approved. February and May actions completed for desk Audit. OHS Framework and OHS Management Plan 2020-2022 endorsed by ELT and the OHS committee June 2020.
	12.1.3 Implement National Assessment Tool (NAT) auditing across the organisation.	Complete 	Auditing schedule adopted by ELT October 2017. Four internal audits completed to date.
	12.1.4 Test the Business Continuity Plan.	Complete 	Business Continuity Plan testing Completed November 2017 and November 2019.
	12.1.5 Review and develop Councils Risk Framework and Strategy.	Complete 	Council's Risk Management Framework adopted by Council in July 2019 , Policy, and Risk Register have been reviewed. Council's Business Continuity Management Framework and plans have been reviewed and approved by ELT. Risk Management for Risk Owners training has commenced. Risk management roles and responsibilities have been included in induction training for all staff and risk management responsibility statements for position descriptions have been developed. Risk reporting to the Audit Committee continues.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
12.2 Review results of community satisfaction survey, submissions and community consultations to identify and respond to changes in service demand or expectations.	12.2.1 Participate in annual community satisfaction survey.	Completed/ongoing 	Community survey completed March 2019. Results presented to Council in August 2019
	12.2.2 Review, report and act as appropriate on survey results, formal submissions and specific consultations.	Completed/ongoing 	Community Satisfaction Survey results are analysed and reported to Council annually. Complete for 2017, 2018 and 2019.
12.3 Implement a Project Management System.	12.3.1 Review and improve current processes.	In planning 	The workflow and policies and procedures are currently under review.
	12.3.2 Implement a centralised Project Management System utilised throughout the organisation.	In planning 	The workflow and policies and procedures are currently under review.
12.4 Review council services for efficiency, effectiveness and quality.	12.4.1 Prioritise services for a detailed review.	In progress 	Staff realignment occurred during November 2018. Councils involvement in Family Day Care ceased on 30 June 2019. Ongoing review of Councils role in Aged Care.
	12.4.2 Identify relevant benchmarks for a service review.	Not started 	
	12.4.3 Implement an improvement plan.	Not started 	
	12.4.4 Implement the IT Strategy.	Completed/ongoing 	Council are continually reviewing and improving Council's external facing business processes, the community portal, planning processes and an online payment methods, Council has introduced a online rostering system for staff at the PS, Council now capture all calls coming into Council for Customer Service and are working to integrate existing corporate applications, in the coming months Council will be introducing online ordering and payment methods for garbage bin services and changes.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
13.1 Engage and partner with organisations, business and individuals to increase co-operation and avoid duplication of resources when common objectives are identified.	13.1.1 Conduct skills audit of community organisations.	In planning 	Work with community organisations to identify gaps.
	13.1.2 Identify areas in which to increase co-operation.	In progress 	Council has engaged and partnered with organisations and businesses, holding business breakfasts and training sessions.
	13.1.3 Form strategies and partnerships for key issues / projects.	Completed/ongoing 	Some examples include the Saleyards redevelopment, advocacy for the Swan Hill Bridge replacement, housing in Robinvale, and the Swan Hill hospital.
13.2 Encourage and support Council representatives to obtain positions on relevant boards that support council's activities, providing these duties do not conflict with Council responsibilities.	13.2.1 Identify Key Board positions.	Completed/ongoing 	Council has a number of staff on boards including the Swan Hill Hospital Board, Robinvale Hospital Board, the local school boards and community sporting group boards. Councillors sit on a variety of boards which is determined following Mayoral elections each November.
	13.2.2 Discuss Board position opportunities regularly at Councillor Assemblies and Management meetings.	In progress 	As opportunities arise these are discussed and relevant officers identified.
	13.2.3 Develop advocacy strategies.	Complete 	A number of advocacy strategies have been developed including Our River – Our Region, Our Hospital, Central Murray Region Central Transport Strategy, and Our Top Five Projects. These documents are used when advocating for strategic projects with government bodies.
	13.2.4 Train staff and Councillors on Governance responsibilities and industry based awareness.	Completed/ongoing 	Presentations given to Councillors on Conflict of Interest and Principal Conduct Officer provisions of Local Government Act in November 2017, and draft new Local Government Bill in February 2018. Audit of Returns of Interest conducted in January 2018. Presentation on return of Interest forms conducted in June 2018. Training session on Local Law No. 1 delivered to Councillors in May 2019. Review of Local Law No 1 was presented to Council Assembly in March 2020.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
13.3 Ensure regular dialogue with neighbouring municipalities and other stakeholders.	13.3.1 Schedule regular meetings with Murray River Shire, Balranald Shire and Murray River Group of Councils.	Complete/ongoing 	The CEO regularly attends Murray River Group of Councils meetings. Latest meeting was held in June 2019.
	13.3.2 Schedule meetings with State Government Representatives.	In progress 	Meeting held regularly with local members. Meetings held prior to recent elections. CEO and Councillors attend the National General Assembly in June each year.
13.4 Ensure we have appropriately skilled staff that are aligned to the organisational values of Council and are recognised accordingly.	13.4.1 Implement ongoing training and education program.	Completed/ongoing 	Training needs database developed post annual performance reviews in July each year and organisational training plan implemented. More than 4,500 hours of organisational training was provided to staff during the 2018-19 year, or 22 hours per EFT, this is due to additional online learning modules being assigned to staff.
	13.4.2 Recognise achievements in innovation and best practice, including through the staff awards.	Completed/ongoing 	Staff awards were held in August 2017, 2018 and 2019. Commenced a regular innovation section in the Staff Matters Newsletter. Two staff recognised in December 2017 for innovative Occupational Health and Safety practices. 2019 Staff Awards held August 2019.
	13.4.3 Pursue industry and professional recognition for staff.	Completed/ongoing 	2018 Councils Youth Support Co-ordinator was inducted into the Youth Affairs Council Victoria Hall of Fame. 2018 and 19 recognition in the Premiers Active April. Recognition in the Vic Health Healthy Workplaces Program for Smoking, Physical Activity and Mental Health and Wellbeing.
	13.4.4 Utilise management and leadership development programs.	Completed/ongoing 	The CEO, Directors and Managers were engaged in a leadership development program for 2017/18. Coordinators completed a Leadership Development program in 2017/18. Senior Accountant participating in LGFin Pro mentoring program.
	13.4.5 Increase cross-organisational awareness and resource sharing.	In progress 	Staff short term vacancies filled internally in the first instance. Resource sharing occurs on an ongoing basis. Staff filling in across different work groups to up-skill.
	13.4.6 Invite Councillors to all staff recognition events.	Completed/ongoing 	Councillors attended Staff Recognition Awards 2017, 2018, 2019 and the Staff/Councillor Christmas event in 2017, 2018 and 2019.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
13.5 Council to lead the conversation on Bridge placement with the community.	13.5.1 Represent councils views at stakeholder meeting.	In progress 	Council has requested a review of the heritage values of the Swan Hill bridge and has requested authorities review the location of a new bridge in light of the BPAC Engineers Australia Report.
	13.5.2 Conduct public engagement and awareness campaign.	In progress 	Council regularly issues media releases. The Swan Hill bridge is part of Councils state and federal advocacy strategy.
14.1 Improve effectiveness of Council's advocacy.	14.1.1 Identify the key issues to be advocated for.	Complete 	The Advocacy Strategy outlining key issues was adopted by Council in May 2019.
	14.1.2 Develop and implement an Advocacy Strategy.	Complete 	The Advocacy Strategy outlining key issues was adopted by Council in May 2019.
14.2 Work with Swan Hill District Health and Robinvale District Health Services to develop joint advocacy strategies for improved health services for our community.	14.2.1 Adopt the health precinct plan into the Swan Hill Planning Scheme.	Complete 	Council adopted Health Precinct Plan into Swan Hill Planning Scheme in November 2017.
	14.2.2 Regular meetings with relevant bodies to determine needs.	Completed/ongoing 	A 'Swan Hill needs a new Hospital' group has been operational for some time and includes officers and Councillors working with the community to advocate for a new hospital. The Group will continue to advocate to the newly elected State and Federal Government as appropriate.
	14.2.3 Advocate State and Federal Government.	Completed/ongoing 	Swan Hill District Health and the proposed redevelopment is a key part of Council's Advocacy Strategy. Swan Hill Needs a New Hospital campaign was initiated in June 2018, and the process has continued with various activities, and presentation of petition/letters to Minister, post-June.
14.3 Advocate to State and Federal governments to fund priorities in Community Plans, Major Projects Plan and other key Council plans and strategies.	14.3.1 Develop marketing material on key issues.	Complete 	A prospectus of potential government investment opportunities has been prepared and will continue to be updated.
	14.3.2 Strategically meet with key stakeholders and policy makers.	Completed/ongoing 	The Murray River Group of Councils has been particularly useful for Council in regional advocacy.







## Key results area Environment






*“We will adopt work practices and implement policies that reduce the environmental impact, advocate for the protection of our environment and fulfil our regulatory obligations.”*

We will have:



1. Sound policies and practices that protect and enhance our environment.
2. A waste management program that is environmentally and financially sustainable.




### What have we done





STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.1 Be actively involved in external discussions that affect the Murray River, its tributaries and lake systems.	15.1.1 Nominate a Councillor to represent Council on the Murray Darling Association.	Complete 	Swan Hill Rural City Council has withdrawn its membership to the Murray Darling Association.
	15.1.2 Lodge submissions to Federal agencies via Murray River Group of Councils and report to Council.	In progress 	CEO has contributed to the Murray River Group of Councils advocacy campaign ACT 2017. MRGC continues to have a voice on the socio-economic impacts of the Murray Darling Basin Plan.
15.2 Maintain and improve the condition of Lake Boga foreshore and its environs within our area of control in collaboration with other stakeholders.	15.2.1 Continue restoration works.	In planning 	Discussions with other stakeholders will begin on who is responsible for certain areas.
	15.2.2 Chair and attend Lake Boga Land and On Water Management Plan meetings.	Completed/ongoing 	Meetings of the committee have been less regular with a significant number of projects completed. Goulburn Murray Water is considering a review of the Lake Boga land and on Water Management Plan.




STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.3 Seek to influence how environmental water is used within the municipality.	15.3.1 Attain membership to Catchment Management Authorities (CMA).	In progress 	A Council position on MDBP is under development.
	15.3.2 Seek a position on CMA committees.	In progress 	No positions were filled at the last CMA elections.
15.4 Investigate opportunities to improve stormwater runoff from townships into the River.	15.4.1 Complete an investigation.	Completed/ongoing 	1. Updates on IDM adoptions, issues and progress were provided to Council Assembly on 9 June 2020.  2. To further assist developers, surveyors and consultants a stormwater engineering guide was widely circulated in May 2020 to further clarify the IDM requirements in an easy to follow steps.  3. No further actions requested by the Council
	15.4.2 Action recommendations.	In progress 	1. On-going improvement of stormwater networks  2. Completed stormwater network design for Butterworth Street, Graemar Drive, Suttie drive, Berry Bank drive and Yvonne Close to support growth in Swan Hill
	15.4.3 Identify funding opportunities and submit applications.	Complete 	Successful funding application for \$410,000 from NDRGS with \$205,000 from Council.










STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.5 Investigate alternative energy for council buildings, and a community solar option.	15.5.1 Identify additional buildings to connect to renewable energies.	<p>Complete</p> 	<p>Council has joined Sustainability Victoria Local Government Energy Saver Program to take advantage of initiatives targeted at identified resource constrained municipalities.</p> <p>Stream 1: Establish Local Government Corporate Emissions Profile and Reduction Plan.</p> <p>Stream 2: Local Government owned facility energy audits.</p> <p>Stream 3: Implementation of Retrofit Work (funding opportunities of up to \$100,000). Ongoing investigation into solar options for facilities. Investigation of natural gas connection to Council owned buildings where possible.</p> <p>Detailed audits on selected facilities have now been completed ELT have approved priority works.</p>
	15.5.2 Prepare a business case for each option.	<p>In progress</p> 	<p>Sustainability Victoria has made available funding to identified resource constrained councils including the Swan Hill Rural City Council to participate in the Local Government Energy Saver Program and Council has accepted the invitation to participate.</p> <p>Stream 3 works are now underway and is expected to completed by June 2020. Works include solar installs on Swan Hill Depot, Nyah Community Centre, Lake Boga Community Centre, Robinvale Community Centre and Swan Hill Basket Ball Stadium. LED lighting installs will occur on main office building in Splatt St, Swan Hill Depot and Robinvale community centre.</p> <p>Variable speed drives will be installed at Nyah Pool and Manangatang Pool. The Splatt St main office also receive 30kWh battery install. Finally all sites that have upgrades will have installed a Solar Analytics monitoring system that will enable staff to monitor electricity systems to help quantify the benefits of the upgrades and provide useful data on where further improvements can occur. The monitoring install is expected to be completed by the 26 June 2020. All installations are completed but reporting still needs to be finalised.</p>

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.6 Advocate for improved control on private and public land of feral pests and weeds (continued)	15.6.1 Engage with local Landcare groups	Completed/ongoing 	Continue to provide support to landcare groups through landcare facilitators to support landholders in controlling pests and weeds. Council has also partnered with the Mallee Catchment Management Authority to undertake pest and weed works on roadsides that support on farm control. Most of this work is concentrated around Robinvale, Sea Lake and Waitche area to support identified Biodiversity Corridors. Rabbit, African Boxthorn and Cactus are the main targets with other minor weed species.
	15.6.2 Identify and reduce box thorn infestations.	Completed/ongoing 	Boxthorn control between Piangil and Swan Hill west of the Murray Valley Hwy has been undertaken with over 10,000 individual plants being treated. Currently the area between Swan Hill - Ultima and Lake Boga west of the Murray Valley Hwy is being treated.
	15.6.3 Extend fruit fly program.	Completed/ongoing 	New funding applied for at local and regional level. Good results with the tree removal program. SHRCC staff on executive committee board. Funding received

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.7 Review our work methods to reduce the environmental impact of what we do.	15.7.1 Review our fuel usage.	Completed/ongoing 	Fuel consumption figures captured and reports being established within fleet management system. Consumption data provided to Council's Environmental Officer for inclusion in energy and green house gas reduction study. Preliminary report received and discussed. Main recommendation to replace 32 vehicles with electric (impractical). Other suggestions for reduction of fuel will be further investigated.
	15.7.2 Review plant and corporate fleet requirements.	Complete 	Established plant committee to review plant and equipment requirements, current and future. Utilisation of all plant and vehicles captured and reports being established. Car pool booking system established and accessible for all Council staff. Adjusted replacement program to reflect altered priorities. Identifying potentially underutilised plant, for discussion and action.
15.7 Review our work methods to reduce the environmental impact of what we do (continued).	15.7.3 Investigate and use where possible sustainable building practices.	In progress 	Council are electing to use (where possible) less obtrusive means of auguring so as to minimise damage to earth integrity and use compaction rather than concrete. Removing excess sprinklers to eliminate excessive watering, ongoing investigations into reclaiming storm water.
	15.7.4 Investigate and use where possible recycled materials.	Complete/ongoing 	Recycled materials used in Nyah Road median strip, (recycled material borders, drought tolerant plants, low maintenance landscaping). In April 2019, the resurfacing of Perrin Street, Robinvale was completed with asphalt incorporating crumbed rubber, made from recycled tyres. This material comes with a predicted life span of five to 10 extra years, compared with traditional asphalt.

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
15.8 Define Councils approach to fulfilling our environmental enforcement obligations.	15.8.1 Develop a clear Policy.	In progress 	The planning scheme covers all the requirements for Council's environmental enforcement obligations. The Senior Environmental Officer assists the Planning Department with illegal native vegetation removal. DELWP have developed amended native vegetation management rules which are now in force. The Planning Scheme will need to be amended to incorporate all relevant changes. Council staff have completed training to acquaint themselves with the new regulations. Additional training has been provided to field staff and Council was successful in securing the Roadside Maintenance Exemption within defined envelopes depending on classification assigned to particular roads throughout the municipality.
16.1 Review and implement the Waste Management Plan.	16.1.1 Approve a revised and updated Waste Management Plan.	Complete/ongoing 	<p>Victorian Government's release of the State's circular economy policy - Recycling Victoria. The policy outlines a 10-year action plan, with more than \$300 million committed to fundamentally transform Victoria's recycling sector, reduce waste, and set Victoria up for a more sustainable future.</p> <p>Recycling Victoria commits \$49.5 million in new funding to target infrastructure for priority materials; paper and cardboard, plastic, glass and hazardous waste (solvents). This commitment builds on the \$28 million already committed in the 2019- 20 budget delivering a record investment in Victoria's recycling infrastructure.</p> <p>The Recycling Victoria Infrastructure Fund is designed to assist businesses to improve the quality of materials recovered and increase the capacity and capability of Victoria's resource recovery sector.</p> <p>Council currently reviewing its position with respect to circular economy policy and in discussion with Veolia to explore short-term extension of the current contract.</p> <p>The joint procurement process has been discontinued by the Regional Waste Management Group as limited benefit to any Council.</p>
	16.1.2 Implement identified actions.	Complete/ongoing 	<ol style="list-style-type: none"> <li>1. Ongoing progressive capping</li> <li>2. Ongoing investigation into relocating the Materials Recycling Facility from Gray Street to the Swan Hill Landfill site.</li> <li>3. Construction of the e-waste sheds is completed.</li> <li>4. Ongoing works to ensure compliance with EPA/ Licence conditions.</li> <li>5. Ongoing works with DELWP to support circular economy policy.</li> </ol>

STRATEGIC INITIATIVES	ACTION	PROGRESS	COMMENTARY
16.2 Investigate opportunities for green waste and organic collection service.	16.2.1 Review data for current green waste service.	Complete 	Green waste service in place and it is expanding. Organics has been investigated by EDU. (Ongoing).
	16.2.2 Develop and implement a green waste information campaign.	Complete 	Council officers are running a green waste management media campaign in September each year. A plan in place for promoting free green waste disposal at Robinvale and Swan Hill Landfill one weekend per year. Council need to launch new campaign in Lake Boga and Robinvale townships. Calendar of Green waste collection circulated to the participated residents every year.
	16.2.3 Investigate organic waste disposal opportunities.	Completed/ongoing 	Grant applied for to fund a business plan for regional composting facility between Buloke, Yarriambiack and Swan Hill to be completed April 2020. Completed
16.3 Continue to lobby for a state-wide container deposit scheme.	16.3.1 Have the container deposit scheme identified as a priority in the Loddon Mallee Waste Resource Recovery Forum	Complete 	Loddon Mallee Waste Resource Recovery Forum continues to lobby government. Now this has been announced as state wide policy to be implemented by 2023
16.4 Develop projects that can be funded from the Victoria Sustainability Fund that provide environmental benefits for our community.	16.4.1 Identify projects.	In planning 	No viable projects identified at this stage.
	16.4.2 Secure funding for identified projects.	In planning 	No viable projects identified at this stage.
	16.4.3 Investigate opportunities for recycling industry within the municipality (included as part of 18/19 review).	Completed/ongoing 	Working with a new business trying to establish a demolition recycling business in Swan Hill. <b>Business was established.</b>



**Swan Hill Rural City Council**

**Postal Address**

PO Box 488, Swan Hill, Victoria 3585

**Swan Hill Business Centre**

45 Splatt Street Swan Hill, Victoria 3585

Phone: (03) 5036 2333 Fax: (03) 5036 2340

## **B.20.82 IN-PRINCIPLE ADOPTION OF FINANCIAL AND PERFORMANCE STATEMENTS**

**Responsible Officer:** Acting Director Corporate Services  
**File Number:** S15-28-13  
**Attachments:**  
1 Annual Financial Report 2019/20  
2 Performance Statement

### **Declarations of Interest:**

Helen Morris - as the responsible officer, I declare that I have no disclosable interests in this matter.

### **Summary**

The Local Government Act requires that Council adopt its Annual Statements incorporating the General Purpose Financial Statements and Performance Statement “in principle” prior to the Auditor General issuing an Audit Opinion on the Statements.

Officers have prepared a draft set of Statements, ready for “in principle adoption”, and request that Council adopt these Statements “in principle”.

### **Discussion**

General Purpose Financial Statements and Performance Statement for 2019/20 have been prepared and presented for audit.

Council's Audit Committee met to review the Draft Statements on 8 October 2020. The Audit Committee recommended that Council adopt the statements “in-principle”. Accordingly, as required under the Local Government Act these draft statements are attached and are presented to Council for “in-principle” adoption.

The Auditor General and Local Government Victoria both accept that adoption is “in-principle” and is therefore not seen as a certification by Council as to the complete accuracy of the information being adopted.

It is anticipated that the final audit process will be completed shortly after Council adopts the Statements in-principle, at which time the Statements will be available for signing by the two appointed Councillors. The Statements can then be included in the Annual Report.

A formal advertising process will then take place, with the Annual Report most likely to be adopted at the Ordinary Council Meeting on 15 December 2020.

### **Consultation**

The Statements form part of the Annual Report.

### **Financial Implications**

Not applicable.

### **Social Implications**

Not applicable.

### **Economic Implications**

Not applicable.

### **Environmental Implications**

Not applicable.

### **Risk Management Implications**

Failure to adopt the Statement 'In-Principle' will contravene the Local Government Act.

### **Council Plan Strategy Addressed**

***Governance and leadership*** - Effective and efficient utilisation of resources.

### **Options**

Failure to adopt the statements "in-principle" will delay the audit of the Statements and may put Council outside the deadline for lodgment of the Annual Report with the Local Government Minister, which is 30 November 2020.

### **Recommendation**

**That Council adopt "in-principle" the Draft General Purpose Financial Statements and Performance Statement for the 2019/20 financial year as presented.**



Swan Hill Rural City Council  
ANNUAL FINANCIAL REPORT

*For the Year Ended 30 June 2020*

**Swan Hill Rural City Council  
Financial Report  
Table of Contents**

<b>FINANCIAL REPORT</b>		<b>Page</b>
Certification of the Financial Statements		129
<b>Financial Statements</b>		
Comprehensive Income Statement		132
Balance Sheet		133
Statement of Changes in Equity		134
Statement of Cash Flows		135
Statement of Capital Works		136
<b>Overview</b>		137
<b>Notes to Financial Statements</b>		
Note 1	Performance against budget	138
	1.1. Income and expenditure	138
	1.2. Capital works	139
Note 2	Analysis of Council results by program	140
Note 3	Funding for the delivery of our services	142
	3.1. Rates and charges	142
	3.2. Statutory fees and fines	142
	3.3. User fees	142
	3.4. Funding from other levels of government	143
	3.5. Contributions	144
	3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	144
	3.7. Other income	144
Note 4	The cost of delivering services	145
	4.1. Employee costs	145
	4.2. Materials and services	145
	4.3. Depreciation	145
	4.4. Amortisation - Right of use assets	145
	4.5. Bad and doubtful debts	146
	4.6. Borrowing costs	146
	4.7. Finance Costs - Leases	146
	4.8. Other expenses	146
Note 5	Our financial position	146
	5.1. Financial assets	146
	5.2. Non-financial assets	148
	5.3. Payables	148
	5.4. Interest-bearing liabilities	149
	5.5. Provisions	150
	5.6. Financing arrangements	151
	5.7. Commitments	152
	5.8. Leases	153
Note 6	Assets we manage	156
	6.1. Property, infrastructure plant and equipment	156
Note 7	People and relationships	165
	7.1. Council and key management remuneration	165
	7.2. Related party disclosure	166
Note 8	Managing uncertainties	167
	8.1. Contingent assets and liabilities	167
	8.2. Change in accounting standards	168
	8.3. Financial instruments	169
	8.4. Fair value measurement	171
	8.5. Events occurring after balance date	171
Note 9	Other matters	172
	9.1. Reserves	172
	9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	173
	9.3. Superannuation	173
Note 10	Change in accounting policy	175

---

### 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.

<Principal Accounting Officer Name & Qualifications>  
**Principal Accounting Officer**

**Date :** <Date>  
*Swan Hill Rural City Council*

In our opinion the accompanying financial statements present fairly the financial transactions of Swan Hill Rural City Council for the year ended 30 June 2020 and the financial position of the Council as at that date.

As 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.

*Mr Bill Moar*  
**Councillor (Mayor)**  
**Date :** <Date>  
*Swan Hill Rural City Council*

*Mr Chris Jeffery*  
**Councillor**  
**Date :** <Date>  
*Swan Hill Rural City Council*

*John McLinden*  
**Chief Executive Officer**  
**Date :** 0  
*Swan Hill Rural City Council*

Swan Hill Rural City Council  
2019/2020 Financial Report

---

<INSERT VAGO REPORT - PAGE 1>

<INSERT VAGO REPORT - PAGE 2>

**Comprehensive Income Statement  
For the Year Ended 30 June 2020**

	Note	2020 \$	2019 \$
<b>Income</b>			
Rates and charges	3.1	28,245,339	27,691,421
Statutory fees and fines	3.2	983,904	1,036,820
User fees	3.3	3,642,813	4,517,110
Grants - operating	3.4	12,502,242	10,881,813
Grants - capital	3.4	7,048,287	3,650,527
Contributions - monetary	3.5	377,350	264,508
Contributions - non monetary	3.5	44,612	475,683
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	190,598	1,004,644
Other income	3.7	3,347,954	2,636,625
<b>Total income</b>		<b>56,383,099</b>	<b>52,159,151</b>
<b>Expenses</b>			
Employee costs	4.1	19,053,001	19,194,683
Materials and services	4.2	18,486,441	15,136,864
Depreciation	4.3	9,420,218	8,534,709
Amortisation - right of use assets	4.4	366,666	-
Bad and doubtful debts	4.5	49,648	51,072
Borrowing costs	4.6	342,436	326,443
Finance costs - leases	4.7	31,732	6,012
Other expenses	4.8	1,034,700	1,514,182
<b>Total expenses</b>		<b>48,784,842</b>	<b>44,763,965</b>
<b>Surplus for the year</b>		<b>7,598,257</b>	<b>7,395,186</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	31,326,049	7,906,425
<b>Total comprehensive result</b>		<b>38,924,306</b>	<b>15,301,611</b>

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

**Balance Sheet**  
**As at 30 June 2020**

	Note	2020 \$	2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	11,380,969	7,989,911
Trade and other receivables	5.1	3,608,840	2,653,132
Other financial assets	5.1	26,328,818	21,589,437
Inventories	5.2	171,629	161,558
Other assets	5.2	253,683	389,015
<b>Total current assets</b>		<b>41,743,939</b>	<b>32,783,053</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1	27,066	60,850
Other assets	5.2	50,000	50,000
Property, infrastructure, plant and equipment	6.1	490,752,374	458,720,968
Right-of-use assets	5.8	850,369	-
Intangible assets	5.2	3,072,000	2,764,800
<b>Total non-current assets</b>		<b>494,751,809</b>	<b>461,596,618</b>
<b>Total assets</b>		<b>536,495,748</b>	<b>494,379,671</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	2,501,190	2,737,383
Trust funds and deposits	5.3	291,990	238,715
Unearned income	5.3	2,221,943	-
Provisions	5.5	5,193,011	5,130,074
Interest-bearing liabilities	5.4	557,219	481,922
Lease liabilities	5.8	427,132	81,360
<b>Total current liabilities</b>		<b>11,192,485</b>	<b>8,669,454</b>
<b>Non-current liabilities</b>			
Provisions	5.5	1,620,677	1,371,941
Interest-bearing liabilities	5.4	7,293,919	7,358,930
Lease liabilities	5.8	485,015	-
<b>Total non-current liabilities</b>		<b>9,399,611</b>	<b>8,730,871</b>
<b>Total liabilities</b>		<b>20,592,096</b>	<b>17,400,325</b>
<b>Net assets</b>		<b>515,903,652</b>	<b>476,979,346</b>
<b>Equity</b>			
Accumulated surplus		305,910,924	298,312,667
Reserves	9.1	209,992,728	178,666,679
<b>Total Equity</b>		<b>515,903,652</b>	<b>476,979,346</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 2020**

2020	Note	Total \$	Accumulated Surplus \$	Revaluation Reserve \$
Balance at beginning of the financial year		476,979,346	298,312,667	178,666,679
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	-	-	-
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities	10	-	-	-
Impact of change in accounting policy - AASB 16 Leases	5.8	-	-	-
Adjusted Opening balance		<u>476,979,346</u>	<u>298,312,667</u>	<u>178,666,679</u>
Surplus for the year		7,598,257	7,598,257	-
Net asset revaluation increment	9.1	31,326,049	-	31,326,049
		<u>38,924,306</u>	<u>7,598,257</u>	<u>31,326,049</u>
<b>Balance at end of the financial year</b>		<b><u>515,903,652</u></b>	<b><u>305,910,924</u></b>	<b><u>209,992,728</u></b>

2019		Total \$	Accumulated Surplus \$	Revaluation Reserve \$
Balance at beginning of the financial year		461,677,735	290,917,481	170,760,254
Surplus for the year		7,395,186	7,395,186	-
Net asset revaluation increment	9.1	7,906,425	-	7,906,425
<b>Balance at end of the financial year</b>		<b><u>476,979,346</u></b>	<b><u>298,312,667</u></b>	<b><u>178,666,679</u></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 2020**

	2020	2019
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$	\$
<b>Cash flows from operating activities</b>		
Rates and charges	27,776,508	27,486,617
Statutory fees and fines	983,904	1,036,820
User fees	3,112,205	3,679,894
Grants - operating	14,724,185	10,881,813
Grants - capital	7,048,287	3,650,527
Contributions - monetary	377,350	254,358
Interest received	732,406	853,635
Other receipts	2,615,548	1,814,031
Net GST refund/payment	2,060,629	1,808,368
Employee costs	(19,160,446)	(19,255,459)
Materials and services	(20,371,020)	(15,560,674)
Other payments	(427,084)	(748,425)
<b>Net cash provided by operating activities</b>	<b>9.2</b> <b>19,472,472</b>	<b>15,901,505</b>
<b>Cash flows from investing activities</b>		
Payments for property, infrastructure, plant and equipment	6.1 (10,903,088)	(12,155,369)
Proceeds from sale of property, infrastructure, plant and equipment	329,367	1,180,290
Payments for investments	(4,739,381)	(486,854)
<b>Net cash used in investing activities</b>	<b>(15,313,102)</b>	<b>(11,461,933)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(348,448)	(332,455)
Proceeds from borrowings	500,000	1,800,000
Repayment of borrowings	(489,714)	(494,557)
Interest paid - lease liability	(25,720)	-
Repayment of lease liabilities	(404,430)	-
<b>Net cash provided by financing activities</b>	<b>(768,312)</b>	<b>972,988</b>
Net increase in cash and cash equivalents	3,391,058	5,412,560
Cash and cash equivalents at the beginning of the financial year	7,989,911	2,577,351
<b>Cash and cash equivalents at the end of the financial year</b>	<b>11,380,969</b>	<b>7,989,911</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 2020**

	Note	2020 \$	2019 \$
<b>Property</b>			
Land		8,000	-
Buildings		1,116,199	1,091,629
<b>Total property</b>		<u>1,124,199</u>	<u>1,091,629</u>
<b>Plant and equipment</b>			
Plant, machinery and equipment		1,110,637	1,280,357
Fixtures, fittings and furniture		72,419	42,128
Computers and telecommunications		134,955	61,918
<b>Total plant and equipment</b>		<u>1,318,011</u>	<u>1,384,403</u>
<b>Infrastructure</b>			
Sealed Roads		5,148,126	5,017,981
Unsealed Roads		1,055,230	1,043,741
Footpaths and cycleways		368,450	307,463
Drainage		156,363	376,379
Recreational, leisure and community facilities		182,530	245,924
Parks, open space and streetscapes		1,161,212	263,081
Other infrastructure		243,419	2,134,211
<b>Total infrastructure</b>		<u>8,315,330</u>	<u>9,388,780</u>
<b>Culture and heritage</b>			
Library books		140,339	129,721
Artworks		5,209	2,000
Pioneer Settlement - buildings		-	63,188
Pioneer Settlement - vehicles and vessels		-	95,648
<b>Total plant and equipment</b>		<u>145,548</u>	<u>290,557</u>
<b>Total capital works expenditure</b>		<u>10,903,088</u>	<u>12,155,369</u>
<b>Represented by:</b>			
New asset expenditure		2,115,428	1,077,545
Asset renewal expenditure		7,448,354	9,966,264
Asset expansion expenditure		-	-
Asset upgrade expenditure		1,339,306	1,111,560
<b>Total capital works expenditure</b>		<u>10,903,088</u>	<u>12,155,369</u>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

**OVERVIEW****Introduction**

The Swan Hill Rural City Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate.

The Council's main office is located at 45 Splatt St Swan Hill.

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

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on Council based on known information. The consideration extends to the nature of services offered, facilities and assets Council manages and operates, Council staffing, ratepayers and the geographic area that Council operates in. The key area of estimate and judgement associated with COVID-19 and Council's financial statements is detailed in Note 6.1 regarding fair value of property, infrastructure, plant and equipment.

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 (except where transitional requirements of *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities* do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**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 the lower of 10 percent or \$1,000,000 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 2020 \$	Actual 2020 \$	Variance 2020 \$	Variance 2020 %	Ref
<b>Income</b>					
Rates and charges	28,297,000	28,245,339	(51,661)	0%	
Statutory fees and fines	961,000	983,904	22,904	2%	
User fees	4,638,000	3,642,813	(995,187)	-21%	1
Grants - operating	15,015,000	12,502,242	(2,512,758)	-17%	2
Grants - capital	4,103,000	7,048,287	2,945,287	72%	3
Contributions - monetary	121,000	377,350	256,350	212%	4
Contributions - non monetary	-	44,612	44,612	100%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	189,000	190,598	1,598	1%	
Other income	3,514,000	3,347,954	(166,046)	-5%	
<b>Total income</b>	<b>56,838,000</b>	<b>56,383,099</b>	<b>(454,901)</b>	<b>-1%</b>	
<b>Expenses</b>					
Employee costs	20,083,000	19,053,001	1,029,999	-5%	6
Materials and services	19,942,000	18,486,441	1,455,559	-7%	7
Depreciation	9,297,000	9,420,218	(123,218)	1%	
Amortisation - Right of use assets	-	366,666	(366,666)	100%	8
Bad and doubtful debts	2,000	49,648	(47,648)	2382%	9
Borrowing costs	362,000	342,436	19,564	-5%	
Finance costs - Leases	-	31,732	(31,732)	100%	10
Other expenses	1,099,000	1,034,700	64,300	-6%	
<b>Total expenses</b>	<b>50,785,000</b>	<b>48,784,842</b>	<b>2,000,158</b>	<b>-4%</b>	
<b>Surplus/(deficit) for the year</b>	<b>6,053,000</b>	<b>7,598,257</b>	<b>(2,455,059)</b>	<b>26%</b>	

**(i) Explanation of material variations**

- 1 The majority of this variance comes from the closure of operations due to the COVID-19 Pandemic. Reductions in parking fee income (\$53,000), Pioneer Settlement admissions and other sales were \$532,000 below budget, and hire and leasing fees were reduced by \$153,000.
- 2 This variance relates to the Our Region Our Rivers grant. The budget allows for the receipt of the full funding, however the grant will only be paid to Council upon submission of milestone reports. To date the milestones have been met and receipt of grants has totalled \$1,999,000 of the \$4,499,000 budgeted grant (\$2,500,000 variance).
- 3 Additional funding for the Roads to Recovery program of \$1,004,000 and \$1,600,000 for the Fixing Country Roads program were received. Grants for the Swan Hill Skate Park (\$151,000) and Swan Hill Riverside Park Adventure Playground (\$805,000) had been forecast to be received in the prior financial year but not received until 2019/20.
- 4 The budget allowed for contributions for capital projects only. The result correctly reflects contributions for operational Council services that had previously been reported in user fees and charges.
- 5 Council received Artworks donated to the Gallery Collection. Donation of assets isn't budgeted for.
- 6 A number of staff vacancies for extended periods of time and delays in recruitment resulted in savings across the year. There was also reductions in employee costs due to a number of Council services having to stand down staff due to the COVID-19 Pandemic.
- 7 The most significant variance is the payment of the Our Region Our Rivers grants to the partner Councils. The budget has allowed \$4,499,000, where as to date payments have totalled \$1,999,000. Refer Note 2.
- 8 Amortisation of finance lease assets being reported for the first time to comply with AASB 16 Leases.
- 9 The budget was based on the forecast value of debt write offs. It does not include the movement in provision which amounted to \$35,542.
- 10 Finance lease costs reported as per AASB 16 Leases. Refer Note 8 above.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

## 1.2 Capital works

	Budget 2020 \$	Actual 2020 \$	Variance \$	Variance %	Ref
<b>Property</b>					
Land	650,000	8,000	(642,000)	-99%	1
Buildings	3,401,000	1,116,199	(2,284,801)	-67%	2
<b>Total property</b>	<b>4,051,000</b>	<b>1,124,199</b>	<b>(2,926,801)</b>	<b>-72%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,093,000	1,110,637	17,637	2%	
Fixtures, fittings and furniture	18,000	72,419	54,419	302%	3
Computers and telecommunications	310,000	134,955	(175,045)	-56%	4
<b>Total plant and equipment</b>	<b>1,421,000</b>	<b>1,318,011</b>	<b>(102,989)</b>	<b>-7%</b>	
<b>Infrastructure</b>					
Sealed roads	4,702,000	5,148,126	446,126	9%	
Unsealed roads	1,024,000	1,055,230	31,230	3%	
Footpaths and cycleways	344,000	368,450	24,450	7%	
Drainage	666,000	156,363	(509,637)	-77%	5
Recreational, leisure and community facilities	651,000	182,530	(468,470)	-72%	6
Parks, open space and streetscapes	4,066,000	1,161,212	(2,904,788)	-71%	7
Other infrastructure	1,156,000	243,419	(912,581)	-79%	8
<b>Total infrastructure</b>	<b>12,609,000</b>	<b>8,315,330</b>	<b>(4,293,670)</b>	<b>-34%</b>	
<b>Cultural and heritage</b>					
Library books	145,000	140,339	(4,661)	-3%	
Artworks	-	5,209	5,209	100%	9
<b>Total plant and equipment</b>	<b>145,000</b>	<b>145,548</b>	<b>548</b>	<b>0%</b>	
<b>Total capital works expenditure</b>	<b>18,226,000</b>	<b>10,903,088</b>	<b>(7,322,912)</b>	<b>-40%</b>	
<b>Represented by:</b>					
New asset expenditure	9,071,000	2,115,428	(6,955,572)	-77%	
Asset renewal expenditure	9,014,000	7,448,354	(1,565,646)	-17%	
Asset upgrade expenditure	141,000	1,339,306	1,198,306	850%	
<b>Total capital works expenditure</b>	<b>18,226,000</b>	<b>10,903,088</b>	<b>(7,322,912)</b>	<b>-40%</b>	

## (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	The budget allowed \$500,000 for the Tower Hill development. These funds were spent and the works capitalised as drainage, and sealed roads.
2	Buildings	The most significant building works in the budget were the Ken Harrison Reserve Soccer Pavilion (\$565,505), Swan Hill Leisure Centre Group Fitness Room (\$450,000), and the Our Place Building (\$1,467,590). These projects were yet to have any significant works completed on them at year end.
3	Fixtures, fittings and furniture	Works completed at the Swan Hill Town Hall and Splatt St Municipal Office had been forecast as building works, however the capitalisation of the assets was assessed as furniture and fittings.
4	Computers and telecommunications	The majority of this variance is due to budgeted costs that could not be capitalised. This included software and items that didn't meet capitalisation thresholds.
5	Drainage	Construction of the Robinvale Levee had only begun in June and the budget of \$486,935 is to be spent in the 2020/21 year.
6	Recreational, leisure and community	Works at the Nyah Recreation Reserve for netball court resurfacing and lighting was underway in June but had not been completed at year end.
7	Parks, open space and streetscapes	This variance relates to the Swan Hill Riverfront Masterplan Connecting the CBD to the Riverfront project. This project is dependant on grant funding and various approvals and permits, with works continuing to get the projects underway as soon as possible.
8	Other infrastructure	This variance is due to redevelopment works at the Swan Hill Aerodrome (\$504,000) being delayed and Community Plan projects not being ready for construction.
9	Artworks	Council was able to purchase a number of works funded by donations to the Art Gallery acquisitions fund.

---

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

**Note 2 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

**2 (a) Economic growth**

Economic growth will encourage new business development, provide support for business expansion and will continuously seek to help our existing businesses to prosper. This function provides, building and planning statutory services, management of caravan parks, economic development programs, regulatory services and parking control, management of the Pioneer Settlement and regional visitor information centre.

**Community enrichment**

Community enrichment function will provide a range of services to individuals and to the broader community that assist all in our community to live healthy, fulfilling lives. We will embrace our role as a regional centre by providing a range of cultural opportunities. The community enrichment function includes aged care services, maternal and child health, after school and vacation programs, libraries, art gallery and performing arts.

**Infrastructure**

Infrastructure will provide and maintain publicly accessible infrastructure that is appropriate for the community's needs in the most effective and efficient manner possible. The infrastructure function is responsible for constructing new infrastructure and maintaining existing infrastructure across the municipality.

**Governance and leadership**

Governance and leadership provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The function will plan for our municipality's long term growth and development by committing to a robust program of strategic planning while representing our community's interests and conducting our affairs openly and with integrity, reflecting the high levels of governance our community expects.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

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

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total Assets
2020	\$	\$	\$	\$	\$
Economic Growth	8,445,624	(11,469,069)	(3,023,445)	3,191,650	7,875,911
Community enrichment	6,454,999	(10,029,775)	(3,574,776)	3,872,027	2,841,493
Infrastructure	12,976,237	(20,879,742)	(7,903,505)	7,730,298	482,392,271
Governance and leadership	28,506,239	(6,406,255)	22,099,984	4,756,554	43,386,072
	56,383,099	(48,784,841)	7,598,258	19,550,529	536,495,747

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total Assets
2019	\$	\$	\$	\$	\$
Economic Growth	4,479,187	(9,760,775)	(5,281,588)	780,810	7,561,158
Community enrichment	4,451,807	(7,028,927)	(2,577,120)	3,200,417	2,441,398
Infrastructure	10,999,539	(20,754,761)	(9,755,222)	5,817,781	449,569,851
Governance and leadership	32,228,618	(7,219,502)	25,009,116	4,733,330	34,807,264
	52,159,151	(44,763,965)	7,395,186	14,532,338	494,379,671

**2 (c) COVID-19 impact on 2019-20 Operations of Council**

The Coronavirus (COVID-19) was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had an impact on the Australian and local economy.

As at the date of preparation of these financial statements the impact of the Coronavirus (COVID-19) pandemic is ongoing and the situation is rapidly changing, developing. The speed and recovery of economic activity is largely dependent on measures imposed by the Australian Government, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

COVID-19, as well as measures including government directives to slow the spread of the virus in Australia, have impacted Council operations in the following areas:

- the leisure centre facilities, library, art gallery, town hall and public halls, community centres, municipal offices and the Pioneer Settlement (museum) were closed to the public during stage 3 restrictions. These closures resulted in a redeployment of Council staff from closed facilities to other Council roles and a number of staff stand-downs. User charge based items such as parking meters and associated fines have also reduced due to stay at home measures. Closure of some of Council's facilities and reduction in user charge based items and fines, has resulted in a decrease in Council's user fee revenue and also decreased associated expenses.
- Council paused all commercial rent agreements on caravan parks and sporting and social club leases for the last four months of the year. This resulted in a decrease in rent revenue and also associated maintenance and outgoing expenses.
- Council's rate revenue has been impacted by deferrals and interest free periods provided to all commercial properties and to rate payers who have lodged hardship claims.
- some capital works projects and budgeted capital expenditure have been delayed, deferred or withdrawn, and include:
  - \$144,000 building major repairs and maintenance
  - \$100,000 footpath major repairs and replacement
  - \$47,000 playground shade sails
  - \$40,000 irrigation upgrades
  - \$31,000 disabled kerb crossings
  - \$36,000 from cancelled events such as Harmony Day and Sister City Exchanges
- Council received State government funding under the Working for Victoria Jobs Program. This grant provides employment opportunities for 54 people for up to six months, and Council received approval to engage 20% from our stood down workforce (10.8 EFT).

The above impacts on the financial statements for the year ended 30 June 2020, have led to a reduction in income and expenditure in some areas, however overall there has not been a significant impact to Council's 30 June 2020 financial statements.

Given the dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic on the preparation of these financial statements, changes to the estimates and judgements that have been applied in the measurement of assets and liabilities may arise in the future. Other than adjusting events that provide evidence of conditions that existed at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future reporting periods.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

Note 3 Funding for the delivery of our services	2020	2019
3.1 Rates and charges	\$	\$

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is the value of its land, buildings and improvements.

The valuation base used to calculate general rates for 2019/20 was \$4,238 million (2018/19 \$3,938 million).

Residential	10,384,602	10,224,264
Commercial	1,728,091	1,741,150
Industrial	901,764	741,090
Farm/rural	11,442,039	11,301,265
Supplementary rates and rate adjustments	98,431	167,542
Garbage charge	3,150,850	3,122,662
Special Marketing Rates	359,187	362,347
Rate agreements - Electricity Industry Act	288,538	132,217
Other	(93,087)	(86,288)
Abandonments	(15,076)	(14,828)
<b>Total rates and charges</b>	<b>28,245,339</b>	<b>27,691,421</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be 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

Infringements and costs	46,988	90,275
Building and planning fees	572,356	512,722
Valuation data fees	-	120,516
Animal Registration and release fees	154,107	146,306
Health Registration Fees	124,591	122,612
Other Fees and Fines	85,862	44,389
<b>Total statutory fees and fines</b>	<b>983,904</b>	<b>1,036,820</b>

Statutory fees and fines (including parking fees and 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.

### 3.3 User fees

Aged and health services	665,751	648,604
Administration fees	132,958	104,063
Child care/children's programs	102,577	136,621
Parking	202,143	255,497
Sales - Admissions	769,265	1,110,595
Sales - merchandising, catering, other sales	371,782	540,398
Hire & Leasing fees	516,960	731,127
Livestock Exchange	636,462	635,366
Other fees and charges	244,915	354,839
<b>Total user fees</b>	<b>3,642,813</b>	<b>4,517,110</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised over time	516,960	731,127
User fees recognised at a point in time	3,125,853	3,785,983
<b>Total user fees</b>	<b>3,642,813</b>	<b>4,517,110</b>

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



**Notes to the Financial Report  
For the Year Ended 30 June 2020**

3.4 Funding from other levels of government	2020	2019
Grants were received in respect of the following :	\$	\$
<b>Summary of grants</b>		
Commonwealth funded grants	13,564,281	8,414,023
State funded grants	5,986,248	6,118,317
<b>Total grants received</b>	<u>19,550,529</u>	<u>14,532,340</u>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants - general purpose*	4,756,554	4,732,893
Financial Assistance Grants - local roads*	2,239,120	2,266,908
Family day care	340	222,649
Out of school hours care	202,283	164,353
Home and community care	1,493,320	-
<b>Recurrent - State Government</b>		
Employment subsidies	-	438
Public health	17,478	23,457
Home and community care	-	1,526,588
Art Gallery and performing arts	150,000	150,000
School crossing supervisors	43,218	48,328
Libraries	202,000	197,073
Maternal child health	381,395	457,008
Other	125,041	115,569
<b>Total recurrent operating grants</b>	<u>9,610,749</u>	<u>9,905,264</u>
*50% of the 2020/21 allocation was received prior to June 30 (2019, 50% received prior to June 30)		
<b>Non-recurrent - Commonwealth Government</b>		
Our Region Our Rivers	1,998,942	-
Home & community care	30,977	-
<b>Non-recurrent - State Government</b>		
Community Projects	75,070	228,387
Environmental protection	75,000	85,000
Waste management	16,000	800
Indigenous affairs	23,084	5,688
Cultural heritage	-	17,600
Libraries	11,500	4,726
Economic development	21,707	98,750
Home & community care	105,407	181,907
Family and children	286,306	271,182
Working for Victoria	240,000	-
Other	7,500	82,509
<b>Total non-recurrent operating grants</b>	<u>2,891,493</u>	<u>976,549</u>
<b>Total operating grants</b>	<u>12,502,242</u>	<u>10,881,813</u>
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	2,151,237	1,027,220
<b>Total recurrent capital grants</b>	<u>2,151,237</u>	<u>1,027,220</u>
<b>Non-recurrent - Commonwealth Government</b>		
Our Region Our Rivers	691,508	-
<b>Non-recurrent - State Government</b>		
Roads	2,445,720	679,683
Drainage	10,000	447,980
Parks playgrounds and street beautification	923,136	560,228
Art and heritage	7,331	116,731
Buildings	230,000	320,610
Waste management	126,280	60,000
Livestock exchange	463,075	438,075
<b>Total non-recurrent capital grants</b>	<u>4,897,050</u>	<u>2,623,307</u>
<b>Total capital grants</b>	<u>7,048,287</u>	<u>3,650,527</u>

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

	2020	2019
	\$	\$
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
<b>Operating</b>		
Balance at start of year	4,308,024	3,720,566
Received during the financial year and remained unspent at balance date	(3,732,051)	4,142,879
Received in prior years and spent during the financial year	4,195,274	(3,555,421)
Balance at year end	<u>4,771,247</u>	<u>4,308,024</u>
<b>Capital</b>		
Balance at start of year	1,645,510	1,048,945
Received during the financial year and remained unspent at balance date	(332,125)	1,122,700
Received in prior years and spent during the financial year	1,425,835	(526,135)
Balance at year end	<u>2,739,220</u>	<u>1,645,510</u>
Total unspent grants (refer note 5.1 intended allocations)	<u>7,510,467</u>	<u>5,953,534</u>

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

### 3.5 Contributions

Monetary	377,350	264,508
Non-monetary	44,612	475,683
<b>Total contributions</b>	<u>421,962</u>	<u>740,191</u>

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

Library Books	7,062	2,955
Buildings	-	220,000
Artworks	37,550	-
Plant and equipment	-	252,728
<b>Total non-monetary contributions</b>	<u>44,612</u>	<u>475,683</u>

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

### 3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	329,367	1,180,290
Written down value of assets disposed	(138,769)	(175,646)
<b>Total net gain on disposal of property, infrastructure, plant and equipment</b>	<u>190,598</u>	<u>1,004,644</u>

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

### 3.7 Other income

Interest	732,406	853,635
Reimbursements	549,635	461,758
Tower Hill land sales	1,504,546	1,087,273
Less - Tower Hill costs of goods sold	(29,076)	(24,629)
Revenue from volunteer services (refer Note 4.2)	375,058	-
Other	215,385	258,588
<b>Total other income</b>	<u>3,347,954</u>	<u>2,636,625</u>

Interest is recognised as it is earned.

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

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

<b>Note 4 The cost of delivering services</b>	<b>2020</b>	<b>2019</b>
<b>4.1 (a) Employee costs</b>	<b>\$</b>	<b>\$</b>
Wages and salaries	15,232,820	15,440,504
WorkCover	427,950	407,707
Agency staff	864,259	665,688
Long service leave	476,677	657,937
Staff training	150,899	179,382
Superannuation	1,718,809	1,685,142
Fringe benefits tax	57,580	59,504
Other	124,007	98,819
<b>Total employee costs</b>	<b>19,053,001</b>	<b>19,194,683</b>
<b>(b) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	173,591	174,985
	<u>173,591</u>	<u>174,985</u>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,501,385	1,421,610
	<u>1,501,385</u>	<u>1,421,610</u>
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>		
Contract payments	7,132,733	5,802,525
Community grants sponsorship and contributions	3,128,044	1,242,166
Building maintenance	799,041	794,787
General maintenance	2,201,479	1,911,679
Utilities	1,356,678	1,561,798
Office administration	597,105	817,089
Information technology	502,754	642,198
Insurance	746,431	673,426
Consultants	560,742	494,426
Volunteer services - cost of service (refer note 3.7)	375,058	-
Other materials and services	1,086,376	1,196,770
<b>Total materials and services</b>	<b>18,486,441</b>	<b>15,136,864</b>
<b>4.3 Depreciation</b>		
Property	784,761	760,499
Plant and equipment	1,324,299	1,338,027
Infrastructure	7,075,555	6,204,993
Culture and heritage assets	235,603	231,190
<b>Total depreciation</b>	<b>9,420,218</b>	<b>8,534,709</b>
<i>Refer to note 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.</i>		
<b>4.4 Amortisation - Right of use assets</b>		
Property	366,666	-
<b>Total Amortisation - Right of use assets</b>	<b>366,666</b>	<b>-</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

<b>4.5 Bad and doubtful debts</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Parking fine debtors	32,243	53,023
Rates debtors	17,050	(2,816)
Other debtors	355	865
<b>Total bad and doubtful debts</b>	<b>49,648</b>	<b>51,072</b>
<b>Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	240,745	200,172
New provisions recognised during the year	74,066	75,912
Amounts already provided for and written off as uncollectible	(14,106)	(10,499)
Amounts provided for but recovered during the year	(24,418)	(24,840)
Balance at end of year	<u>276,287</u>	<u>240,745</u>
<p>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.</p> <p>- Historical rate has been used in the calculations for the rates and other debtor categories.</p> <p>- A forward looking adjustment rate has been used for parking and infringement debtors. This rate factors the likely collection of continually ageing debtors.</p>		
<b>4.6 Borrowing costs</b>		
Interest - Borrowings	342,436	326,443
<b>Total borrowing costs</b>	<b>342,436</b>	<b>326,443</b>
<p>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.</p>		
<b>4.7 Finance Costs - Leases</b>		
Interest - Lease Liabilities	31,732	6,012
<b>Total finance costs</b>	<b>31,732</b>	<b>6,012</b>
<b>4.8 Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	55,800	54,300
Auditors' remuneration - Internal	25,295	24,848
Councillors' allowances	248,835	236,700
Operating lease rentals	23,373	372,087
Assets write-offs and adjustments	303,758	513,562
Vehicle registrations	84,775	79,836
Bank Charges	52,604	52,368
Legal Costs	120,691	62,850
Fire Services Levy	64,059	60,916
Others	55,510	56,715
<b>Total other expenses</b>	<b>1,034,700</b>	<b>1,514,182</b>
<b>Note 5 Our financial position</b>		
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	11,795	11,795
Cash at bank	5,305,174	2,941,942
Term deposits	6,064,000	5,036,174
<b>Total cash and cash equivalents</b>	<b>11,380,969</b>	<b>7,989,911</b>
<b>(b) Other financial assets</b>		
Term deposits - current	26,328,818	21,589,437
<b>Total other financial assets</b>	<b>26,328,818</b>	<b>21,589,437</b>
<b>Total financial assets</b>	<b>37,709,787</b>	<b>29,579,348</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

	2020	2019
	\$	\$
- Trust funds and deposits (Note 5.3)	291,990	238,715
Total restricted funds	<u>291,990</u>	<u>238,715</u>
Total unrestricted cash and cash equivalents	<u>11,088,979</u>	<u>7,751,196</u>

**Intended allocations**

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- unspent conditional grants received (Note 3.4(c))	7,510,467	5,953,534
- cash held to fund carried forward capital works	<u>4,773,200</u>	<u>4,224,515</u>
Total funds subject to intended allocations	<u>12,283,667</u>	<u>10,178,049</u>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

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

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

	2020	2019
	\$	\$
- Trust funds and deposits (Note 5.3)	291,990	238,715
Total restricted funds	291,990	238,715
Total unrestricted cash and cash equivalents	11,088,979	7,751,196

**Intended allocations**

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- unspent conditional grants received	7,510,467	5,953,534
- cash held to fund carried forward capital works	4,773,200	4,224,515
Total funds subject to intended allocations	12,283,667	10,178,049

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

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

**(c) Trade and other receivables**

**Current**

Rates debtors	1,701,908	1,233,077
Provision for doubtful debts - rates debtors	(43,389)	(26,339)
Private scheme debtors	3,537	9,834
Net GST receivables	299,942	685,184
Infringement debtors	251,719	216,484
Provision for doubtful debts - infringements	(227,609)	(205,947)

*Non statutory receivables*

Loans and advances to community organisations	22,200	-
Other debtors	1,605,821	749,298
Provision for doubtful debts - other debtors	(5,289)	(8,459)
Total current trade and other receivables	<u>3,608,840</u>	<u>2,653,132</u>

**Non-current**

*Non statutory receivables*

Loans and advances to community organisations	25,788	51,911
Private scheme debtors	1,278	8,939
Total non-current trade and other receivables	<u>27,066</u>	<u>60,850</u>
<b>Total trade and other receivables</b>	<u>3,635,906</u>	<u>2,713,982</u>

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.

**(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)	1,331,986	131,523
Past due between 31 and 180 days	193,737	533,476
Past due between 181 and 365 days	5,765	44,095
Past due by more than 1 year	96,533	40,202
Total trade and other receivables	<u>1,628,021</u>	<u>749,296</u>

**(e) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$5,289 (2019: \$8,459) were impaired. The amount of the provision raised against these debtors was \$5,289 (2019: \$8,459). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Past due between 31 and 180 days	-	3,867
Past due between 181 and 365 days	-	1,844
Past due by more than 1 year	5,289	2,748
Total trade & other receivables	<u>5,289</u>	<u>8,459</u>

**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

5.2 Non-financial assets	2020	2019
(a) Inventories	\$	\$
Inventories held for distribution	30,543	30,543
Inventories held for sale	40,790	41,412
Tower Hill Estate	100,296	89,603
<b>Total inventories</b>	<b>171,629</b>	<b>161,558</b>

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

**(b) Other assets**

**Current**

Prepayments	98,528	139,244
Accrued income	155,155	249,771
<b>Total current other assets</b>	<b>253,683</b>	<b>389,015</b>

**Non-current**

Other	50,000	50,000
<b>Total non-current other assets</b>	<b>50,000</b>	<b>50,000</b>

**(c) Intangible assets**

Water rights	3,072,000	2,764,800
<b>Total intangible assets</b>	<b>3,072,000</b>	<b>2,764,800</b>

**Water Rights**  
**\$**

**Gross carrying amount**

Balance at 1 July 2019	2,764,800
Asset revaluations	9.1(a) 307,200
Balance at 1 July 2020	3,072,000

Net book value at 30 June 2019	2,764,800
Net book value at 30 June 2020	3,072,000

Water rights are valued at current market rates. The valuation is based on market transactions being the trading of water shares within the relevant water trading region. Prices are sourced from the Victorian Water Register for water traded within trading zone 7 VIC Murray - Barmah to SA.

5.3 Payables	2020	2019
(a) Trade and other payables	\$	\$
Trade payables	431,076	201,321
Salaries and wages	779,023	828,923
Accrued expenses	1,291,091	1,707,139
<b>Total trade and other payables</b>	<b>2,501,190</b>	<b>2,737,383</b>

**(b) Trust funds and deposits**

Refundable deposits	89,019	82,177
Fire services levy	5,172	1,333
Retention amounts	197,799	155,205
<b>Total trust funds and deposits</b>	<b>291,990</b>	<b>238,715</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.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Purpose and nature of items**

Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

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.

	2020	2019
<b>(c) Unearned income</b>	<b>\$</b>	<b>\$</b>
Grants received in advance - operating	509,991	-
Grants received in advance - capital	1,700,137	-
Other	11,815	-
<b>Total unearned income</b>	<b>2,221,943</b>	<b>-</b>

**5.4 Interest-bearing liabilities**

**Current**

Borrowings - secured	557,219	481,922
	<b>557,219</b>	<b>481,922</b>

**Non-current**

Borrowings - secured	7,293,919	7,358,930
	<b>7,293,919</b>	<b>7,358,930</b>

<b>Total</b>	<b>7,851,138</b>	<b>7,840,852</b>
--------------	------------------	------------------

Borrowings are secured by Swan Hill Rural City Council General Rates

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

Not later than one year	557,219	481,922
Later than one year and not later than five years	8,048,836	5,930,049
Later than five years	1,245,083	1,428,881
	<b>7,851,138</b>	<b>7,840,852</b>

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.



**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**5.5 Provisions**

	Annual leave	Long service leave	Landfill restoration	Other	Total
<b>2020</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at beginning of the financial year	1,328,696	3,841,487	1,213,407	118,425	6,502,015
Additional provisions	1,239,602	411,308	273,252	-	1,924,162
Amounts used	(1,108,378)	(288,914)	-	(118,425)	(1,515,717)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	2,458	(64,786)	(34,444)	-	(96,772)
Balance at the end of the financial year	<b>1,462,378</b>	<b>3,899,095</b>	<b>1,452,215</b>	<b>-</b>	<b>6,813,688</b>

<b>2019</b>					
Balance at beginning of the financial year	1,332,138	3,716,453	1,190,900	-	6,239,491
Additional provisions	1,128,835	380,780	(535)	118,425	1,627,505
Amounts used	(1,133,752)	(283,857)	-	-	(1,417,609)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	1,475	28,111	23,042	-	52,628
Balance at the end of the financial year	<b>1,328,696</b>	<b>3,841,487</b>	<b>1,213,407</b>	<b>118,425</b>	<b>6,502,015</b>

	2020	2019
	\$	\$
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	1,164,846	1,106,403
Long service leave	179,884	211,866
	<u>1,344,730</u>	<u>1,318,269</u>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	297,532	222,293
Long service leave	3,483,551	3,415,813
	<u>3,781,083</u>	<u>3,638,106</u>
Total current employee provisions	<u>5,125,813</u>	<u>4,956,375</u>
<b>Non-current</b>		
Long service leave	235,660	213,808
Total non-current employee provisions	<u>235,660</u>	<u>213,808</u>
Aggregate carrying amount of employee provisions:		
Current	5,125,813	4,956,375
Non-current	235,660	213,808
Total aggregate carrying amount of employee provisions	<u>5,361,473</u>	<u>5,170,183</u>

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

**Wages and salaries and annual leave**

Liabilities for wages and salaries, including non-monetary benefits and 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.

**Long service leave**

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.

**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

	2020	2019
	\$	\$
<b>(b) Landfill restoration</b>		
Current	67,198	55,274
Non-current	1,385,017	1,158,133
	<u>1,452,215</u>	<u>1,213,407</u>

Council is obligated to restore the Swan Hill and Robinvale sites to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- discount rate	0.991% - 0.997%	0.96% - 1.03%
- index rate	-0.30%	1.30%

**(c) Other provisions**

Current	-	118,425
	<u>-</u>	<u>118,425</u>

**Total Provisions**

Current	5,193,011	5,130,074
Non Current	1,620,677	1,371,941
	<u>6,813,688</u>	<u>6,502,015</u>

Key assumptions:

- discount rate	0.25% - 0.26%	0.96% - 1.03%
- index rate	-0.30%	1.30%

**5.6 Financing arrangements**

The Council has the following funding arrangements in place as at 30 June 2020.

Credit card facilities	200,000	200,000
Loans and borrowings	7,851,138	7,840,852
Total facilities	<u>8,051,138</u>	<u>8,040,852</u>
Used facilities	7,866,138	7,861,678
Unused facilities	<u>185,000</u>	<u>179,174</u>

**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

**5.7 Commitments**

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

2020	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
<b>Operating</b>					
Building and property maintenance	124,832	-	-	-	124,832
Cleaning - council buildings, public toilets, barbecues	1,909,887	-	-	-	1,909,887
Licenses	68,787	-	-	-	68,787
Materials and supplies	330,522	-	-	-	330,522
Office equipment leases	196,661	-	-	-	196,661
Professional services	1,691,759	-	-	-	1,691,759
Management & operations of the PS Pyap	53,405	-	-	-	53,405
Recreation, leisure and community facilities	738,083	-	-	-	738,083
Uniforms	13,214	8,964	-	-	22,178
Waste management operation and kerbside collection	2,342,582	48,000	36,000	-	2,426,582
<b>Total</b>	<b>7,469,732</b>	<b>56,964</b>	<b>36,000</b>	<b>-</b>	<b>7,562,696</b>
<b>Capital</b>					
Buildings	265,954	-	-	-	265,954
Drainage	30,597	-	-	-	30,597
Footpaths	1,004,483	-	-	-	1,004,483
Parks and open spaces	62,453	-	-	-	62,453
Recreation and leisure assets	623,728	-	-	-	623,728
Sealed roads	4,450,406	1,976,055	823,356	-	7,249,817
<b>Total</b>	<b>6,437,621</b>	<b>1,976,055</b>	<b>823,356</b>	<b>-</b>	<b>9,237,032</b>
<b>2019</b>					
	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
<b>Operating</b>					
Building and property maintenance	642,353	438,572	-	-	1,080,925
Cleaning - council buildings, public toilets, barbecues	9,239	-	-	-	9,239
Materials and supplies	1,013,743	481,250	267,500	-	1,762,493
Office equipment leases	94,048	62,287	94,048	-	250,383
Professional services	465,468	-	-	-	465,468
Management & operations of the PS Pyap	185,000	190,550	196,300	-	571,850
Recreation, leisure and community facilities	1,086,311	1,135,024	7,500	-	2,228,835
Uniforms	15,215	-	-	-	15,215
Waste management operation and kerbside collection	1,731,005	1,672,851	77,028	-	3,480,884
<b>Total</b>	<b>5,242,382</b>	<b>3,980,534</b>	<b>642,376</b>	<b>-</b>	<b>9,865,292</b>
<b>Capital</b>					
Buildings	64,100	-	-	-	64,100
Drainage	247,151	-	-	-	247,151
Plant & equipment	591,211	-	-	-	591,211
Sealed roads	1,079,959	1,400,000	-	-	2,479,959
Parks and open spaces	263,160	-	-	-	263,160
Waste management	200,000	200,000	-	-	400,000
Other infrastructure	145,408	-	-	-	145,408
Cultural and heritage	48,975	-	-	-	48,975
<b>Total</b>	<b>2,639,964</b>	<b>1,600,000</b>	<b>-</b>	<b>-</b>	<b>4,239,964</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

### 5.8 Leases

#### Policy applicable before 1 July 2019

As a lessee, council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

#### Policy applicable after 1 July 2019

Council has applied AASB 16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The Council applied the approach consistently to all leases in which it is a lessee.

On transition to AASB 16 Lease, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. Council has applied this practical expedient to all of its contracts and therefore applied AASB 16 Leases only to contracts that were previously identified as 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.

Council has a number of Peppercorn Leases for parcels of crown land or land controlled by other entities. The leases of land are used to provide open space and recreation areas to residents along with a major tourist attraction to the area in the Pioneer Settlement.

Details of Peppercorn Leases held by Council are as follows:

Land Details	Remaining Term of Lease	\$ Per Annum
Crown Land - Pioneer Settlement	28 years	\$0
Lake Boga Boat Ramps and Jetty	5 years	\$1
Various parcels of VicTrack Land (parks & reserves)	Various terms	\$1 each

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

<b>Right-of-Use Assets</b>	Property
	\$
Balance at 1 July 2019	743,919
Additions	473,116
Amortisation charge	<u>(366,666)</u>
Balance at 30 June 2020	<u>850,369</u>

<b>Lease Liabilities</b>	<b>2020</b>
	\$
Maturity analysis - contractual undiscounted cash flows	
Less than one year	421,292
One to five years	441,208
More than five years	<u>52,000</u>
Total undiscounted lease liabilities as at 30 June:	<u>914,500</u>

Lease liabilities included in the Balance Sheet at 30 June:	
Current	<b>427,132</b>
Non-current	<b>485,015</b>
Total lease liabilities	<u>912,147</u>

**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of \$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>2020</b>
	\$
<b>Expenses relating to:</b>	
Leases of low value assets	<u>1,162</u>
<b>Total</b>	<u>1,162</u>
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	1,162
Later than one year but not later than five years	3,969
Later than five years	<u>2,415</u>
Total lease commitments	<u>7,546</u>

**i. Leases classified as operating leases under AASB 117 Leases**

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117 Leases.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

**ii. Leases previously classified as finance leases**

For leases that were classified as finance leases under AASB 117 Leases, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Impact on financial statements**

On transition to AASB 16 Leases, Council recognised an additional \$743,919 of right-of-use assets and \$743,919 of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate effective at the time the lease was entered into. The weighted-average rate applied is 4.91%.

	<b>\$</b>
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	2,679,071
- Extension of lease option not reasonably certain to exercise	(1,905,399)
- Recognition exemption for:	
leases of low-value assets	(4,830)
- Discounted using the incremental borrowing rate at 1 July 2019	(24,923)
- Lease liabilities recognised as at 1 July 2019	743,919

Notes to the Financial Report  
For the Year Ended 30 June 2020

Note 6 Assets we manage  
6.1 Property, Infrastructure, plant and equipment

Summary of property, Infrastructure, plant and equipment

	At Fair Value 30 June 2019												At Fair Value 30 June 2020		
	\$	\$	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers						
Property	101,082,463	730,327	-	19,463,055	(784,761)	(47,211)	(994)	11,591	120,454,470						
Plant and equipment	6,261,422	1,246,604	-	(1,324,298)	(136,469)	-	32,666	6,079,925							
Infrastructure	340,323,319	8,061,546	-	11,649,686	(7,076,112)	-	(319,328)	690,727	353,329,838						
Culture and heritage assets	9,792,382	145,548	44,612	(93,891)	(235,046)	-	-	(28,700)	9,624,905						
Work in progress	1,261,382	719,064	-	-	-	-	(10,926)	(706,284)	1,263,236						
	458,720,968	10,903,089	44,612	31,018,860	(9,420,217)	(183,680)	(331,248)	-	490,752,374						

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$	\$	\$	\$	\$
Property	141,494	393,872	-	-	535,366
Plant and equipment	32,666	71,407	-	(32,666)	71,407
Infrastructure	1,087,232	253,785	(10,926)	(673,618)	656,473
Total	1,261,382	719,064	(10,926)	(706,284)	1,263,236

Notes to the Financial Report  
For the Year Ended 30 June 2020

	<b>(a) Property</b>						<b>Work in progress</b>
	<b>Land - specialised</b>	<b>Land - non specialised</b>	<b>Total Land</b>	<b>Buildings - specialised</b>	<b>Buildings - non specialised</b>	<b>Total Buildings</b>	
At fair value 1 July 2019	58,502,398	6,422,317	64,924,715	102,528,385	4,284,580	106,812,965	171,737,680
Accumulated depreciation at 1 July 2019	-	-	-	(70,458,256)	(196,981)	(70,655,217)	(70,655,217)
	58,502,398	6,422,317	64,924,715	32,070,129	4,087,619	36,157,748	101,082,463
<b>Movements in fair value</b>							
Additions	8,000	-	8,000	687,883	34,444	722,327	730,327
Revaluation	5,988,233	44,183	6,032,436	1,048,685	9,997	1,058,682	7,091,098
Disposal	-	(47,211)	(47,211)	-	-	-	(47,211)
Write-off	-	-	-	(408,574)	-	(408,574)	(408,574)
Transfers	(354)	354	-	48,492	-	48,492	48,492
	5,995,899	(2,674)	5,993,225	1,376,486	44,441	1,420,907	7,414,132
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	-	-	-	(707,070)	(77,691)	(784,761)	(784,761)
Accumulated depreciation of write offs	-	-	-	407,580	-	407,580	407,580
Revaluation	-	-	-	12,176,862	195,095	12,371,957	12,371,957
Transfers	-	-	-	(36,901)	-	(36,901)	(36,901)
	-	-	-	11,840,471	117,404	11,957,875	11,957,875
At fair value 30 June 2020	64,498,297	6,419,643	70,917,940	103,904,851	4,329,021	108,233,872	179,151,812
Accumulated depreciation at 30 June 2020	-	-	-	(58,617,785)	(79,557)	(58,697,342)	(58,697,342)
	64,498,297	6,419,643	70,917,940	45,287,066	4,249,464	49,536,530	120,454,470



**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

<b>(b) Plant and Equipment</b>		<b>Plant machinery and equipment</b>	<b>Fixtures fittings and furniture</b>	<b>Computers and telecomms</b>	<b>Total plant and equipment</b>	<b>Work in progress</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
At fair value 1 July 2019		11,722,463	4,225,428	1,294,188	17,242,079	32,666
Accumulated depreciation at 1 July 2019		(7,755,852)	(2,132,880)	(1,091,925)	(10,980,657)	-
		3,966,611	2,092,548	202,263	6,261,422	32,666
<b>Movements in fair value</b>						
Additions		1,084,277	27,372	134,955	1,246,604	71,407
Disposal		(977,427)	(7,935)	(126,772)	(1,112,134)	-
Transfers		32,666	-	-	32,666	(32,666)
		139,516	19,437	8,183	167,136	38,741
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation		(873,280)	(350,032)	(100,986)	(1,324,298)	-
Accumulated depreciation of disposals		840,958	7,935	126,772	975,665	-
		(32,322)	(342,097)	25,786	(348,633)	-
At fair value 30 June 2020		11,861,979	4,244,865	1,302,371	17,409,215	71,407
Accumulated depreciation at 30 June 2020		(7,788,174)	(2,474,977)	(1,066,139)	(11,329,290)	-
		4,073,805	1,769,888	236,232	6,079,925	71,407

**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

(c) Infrastructure											Work in Progress
	Sealed roads	Unsealed roads	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management	Parts open spaces and streetscapes	Other Infrastructure	Total Infrastructure	Total Infrastructure	\$
At fair value 1 July 2019	254,766,276	101,742,138	30,438,144	59,813,599	12,828,626	6,097,092	10,096,626	11,900,012	487,682,513	1,087,232	-
Accumulated depreciation at 1 July 2019	(81,598,567)	(9,254,188)	(9,551,715)	(24,921,884)	(6,570,040)	(5,447,362)	(6,810,925)	(3,204,513)	(147,358,194)	-	-
	\$ 173,167,709	\$ 92,487,950	\$ 20,886,429	\$ 34,891,715	\$ 6,258,586	\$ 649,730	\$ 3,285,701	\$ 8,695,499	\$ 340,323,319	1,087,232	-
<b>Movements in fair value</b>											
Additions	5,103,626	1,055,230	368,450	95,697	71,000	-	1,161,212	206,331	8,061,546	253,785	-
Revaluation	-	-	-	(3,783,012)	4,414,733	-	971,600	1,487,967	3,091,288	-	(10,926)
Write-off	-	-	-	(30,416)	(236,145)	-	(163,134)	(288,435)	(719,130)	-	(673,618)
Transfers	(3,889,187)	26,838	134,683	38,291	1,950	-	117,110	128,378	(3,441,937)	-	(430,759)
	1,214,439	1,082,068	503,133	(3,679,440)	4,251,538	-	2,086,788	1,533,241	6,991,767	-	-
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	(3,337,640)	(1,327,710)	(370,066)	(826,383)	(319,309)	(230,584)	(400,910)	(263,510)	(7,076,112)	-	-
Accumulated depreciation of write-off	-	-	-	3,362	168,995	-	62,343	165,102	399,802	-	-
Revaluation	-	-	-	5,858,326	1,047,529	-	1,859,285	(206,742)	8,558,398	-	-
Transfers	4,097,063	-	-	-	-	-	38,901	(1,300)	4,132,664	-	-
	759,423	(1,327,710)	(370,066)	5,035,305	897,215	(230,584)	1,557,619	(306,450)	6,014,752	-	-
At fair value 30 June 2020	255,980,715	102,824,206	30,941,277	56,134,159	17,080,164	6,097,092	12,183,414	13,433,253	494,674,280	656,473	-
Accumulated depreciation at 30 June 2020	(80,839,144)	(10,581,898)	(9,921,781)	(19,886,579)	(5,672,825)	(5,677,946)	(5,253,306)	(3,510,963)	(141,344,442)	-	-
	\$ 175,141,571	\$ 92,242,308	\$ 21,019,496	\$ 36,247,580	\$ 11,407,339	\$ 419,146	\$ 6,930,108	\$ 9,922,290	\$ 353,329,838	656,473	-

**Notes to the Financial Report**  
**For the Year Ended 30 June 2020**

(d) Culture and heritage assets

	Artworks	Library Collection	Pioneer Settlement vehicles & vessels	Pioneer Settlement site exhibits	Pioneer Settlement buildings	Total Culture and heritage assets
At fair value 1 July 2019	1,725,150	1,968,700	4,818,116	2,082,360	7,186,537	17,780,963
Accumulated depreciation at 1 July 2019	(17,231)	(1,342,196)	(148,519)	(69,423)	(6,411,212)	(7,988,581)
	\$ 1,707,919	\$ 626,504	\$ 4,669,597	\$ 2,012,937	\$ 775,425	\$ 9,792,382
<b>Movements in fair value</b>						
Additions	5,209	140,339	-	-	-	145,548
Contributions	37,550	7,062	-	-	-	44,612
Revaluation	-	-	-	-	627,362	627,362
Disposal	-	(75,890)	-	-	-	(75,890)
Transfers	-	-	-	(30,000)	-	(30,000)
	42,759	71,511	-	(30,000)	627,362	711,632
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(17,260)	(121,711)	(48,245)	(20,829)	(27,001)	(235,046)
Accumulated depreciation of disposals	-	75,890	-	-	-	75,890
Revaluation	-	-	-	-	(721,253)	(721,253)
Transfers	-	-	-	1,300	-	1,300
	(17,260)	(45,821)	(48,245)	(19,529)	(748,254)	(879,109)
At fair value 30 June 2020	1,767,909	2,040,211	4,818,116	2,052,360	7,813,999	18,492,595
Accumulated depreciation at 30 June 2020	(34,491)	(1,388,017)	(196,764)	(88,952)	(7,159,466)	(8,867,690)
	\$ 1,733,418	\$ 652,194	\$ 4,621,352	\$ 1,963,408	\$ 654,533	\$ 9,624,905

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

*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 under roads	-	1
Buildings		
buildings	30 to 100 years	10,000
building improvements	30 to 100 years	10,000
leasehold improvements	5 to 15 years	10,000
Plant and equipment		
plant machinery and equipment		
large plant	10 years	2,500
small plant	2 to 4 years	2,500
fixtures, fittings and furniture	5 years	2,500
computers and telecommunications	3 to 5 years	1,500
Infrastructure		
sealed road formation	-	10,000
sealed road pavements	60 years	10,000
sealed road seals	15 to 20 years	10,000
road ancillary assets	20 to 25 years	10,000
unsealed road natural surface	-	10,000
unsealed road gravel surface	30 years	10,000
kerb and channel	25 to 50 years	10,000
footpaths and cycleways	20 to 50 years	10,000
drainage	20 to 80 years	10,000
recreation, leisure and community facilities	10 to 60 years	10,000
waste management	10 years	10,000
parks, open space and streetscapes	10 to 100 years	10,000
other infrastructure	10 to 100 years	10,000
Cultural and heritage		
artworks	100 years	1
library books	5 to 100 years	1
Pioneer Settlement		
- vehicles and vessels	100 years	5,000
- site exhibits	100 years	5,000
- buildings	100 years	10,000

*Land under roads*

Council recognises land under roads it controls at fair value.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

*Depreciation and amortisation*

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

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

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

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

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

*Repairs and maintenance*

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

*Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 5 to 15 year period.

**Valuation of land and buildings**

Valuation of land and buildings were undertaken by a qualified independent valuer Benjamin Sawyer AAPI Reg. 63163. 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.

The land and buildings were subject to full independent valuation in 2020 by our accredited independent valuer. Council does not believe there has been a material movement in fair value since the 30 June 2020 valuation date.

The valuation was performed during the COVID-19 pandemic, with limited market activity and low sales volumes. While the valuer's independent valuation report did not indicate impairment of land and buildings, it does present estimation uncertainty regarding the valuation of land and buildings by acknowledging that past cycles indicate a lag for property markets to react to economic events, and that the extent of any decline in value is presently uncertain, and may depend on the length of the COVID-19 pandemic. Also, there is not yet any comparable market evidence available to determine what, if any, impact the current COVID-19 pandemic may have on the value or marketability of the subject property, particularly in the short and medium terms.

The fair value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the date of valuation). Refer to Significant accounting policies under Overview section and Note 8.4 for further information on fair value measurement.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Land	-	6,419,643	-	June 2020
Specialised land	-	-	64,498,297	June 2020
Buildings	-	4,249,464	-	June 2020
Buildings - specialised	-	-	45,287,066	June 2020
Total	-	10,669,107	109,785,363	

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance by applying the most recent unit rates as calculated from a sample of internal and external projects.

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

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 2020 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Sealed roads	-	-	175,141,571	June 2019
Unsealed roads	-	-	92,242,308	June 2017
Footpaths and cycleways	-	-	21,019,496	June 2019
Drainage	-	-	36,247,580	June 2020
Recreational, leisure and community facilities	-	-	11,407,339	June 2020
Waste management	-	-	419,146	June 2015
Parks, open space and streetscapes	-	-	6,930,108	June 2020
Other infrastructure	-	-	9,922,290	June 2020
<b>Total</b>	-	-	<b>353,329,838</b>	

**Valuation of cultural and heritage assets****Artworks**

Valuation of artwork assets has been determined in accordance with an independent valuation undertaken by Warren Joel Auction and Valuation Services. The effective date of the valuation was 30 June 2018.

Valuation of the assets was determined by analysing comparable sales of an artist's work, knowledge of the collections history and condition of the collection.

**Pioneer Settlement**

Valuation of Pioneer Settlement vehicles and vessels and site exhibit assets was conducted by qualified independent valuer Mr David Freeman, member of Auctioneers and Valuers Association of Australia, and Chief Executive Officer of Amanda Adams Auctions, Bulleen, Victoria. The valuation is based on average market realisation prices that should be obtained if the items were sold via private treaty or auction sales. The effective date of the valuation is 30 June 2016.

Valuation of Pioneer Settlement buildings were undertaken by qualified independent valuer, Benjamin Sawyer AAPI Reg. 63163 as at 30 June 2020. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's cultural and heritage assets and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Artworks	-	-	1,733,418	April 2018
Pioneer Settlement vehicles and vessels	-	-	4,621,352	June 2016
Pioneer Settlement site exhibits	-	-	1,963,408	June 2016
Pioneer Settlement buildings	-	-	654,533	June 2018
<b>Total</b>	-	-	<b>8,972,711</b>	

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

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 25% and 75% for specialised land and between 85% and 95% for land under roads. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.10 and \$450 per square metre.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary 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 0 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.

**Artwork assets** are valued based on the market based direct comparison approach. Significant unobservable inputs include the rarity of the item, historical significance and the history of the artist. If there are events that determine certain pieces of the collection to be of historical significance, if the artist has works that have increased in popularity or the item is considered to be rare and in demand, this would result in a higher fair value.

**Pioneer Settlement vehicles and vessels and site exhibit assets** are valued based on the market based direct comparison approach. Significant unobservable inputs include the rarity of the item and historical significance. If there are events that determine certain pieces of the collection to be of historical significance or the item is considered to be rare and in demand, this would result in a higher fair value.

**Pioneer Settlement 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 cost is calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 54 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 their useful lives.

	2020	2019
	\$	\$
<b>Reconciliation of specialised land</b>		
Land under roads	42,311,977	37,473,698
Parks and reserves	14,080,520	13,202,600
Crown Land	8,105,800	7,826,100
<b>Total specialised land</b>	<b>64,498,297</b>	<b>58,504,417</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

<b>Note 7 People and relationships</b>	<b>2020</b>	<b>2019</b>
<b>7.1 Council and key management remuneration</b>	<b>No.</b>	<b>No.</b>
<b>(a) Related Parties</b>		
<i>Parent entity</i>		
Swan Hill Rural City Council is a single entity.		
<i>Subsidiaries and Associates</i>		
Council has no interests in subsidiaries and associates.		
<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>	Mayor Bill Moar Cr Ann Young Cr Les McPhee Cr Chris Jeffery Cr Lea Johnson Cr Jade Benham Cr Nicole McKay	15/11/2016 to 30/06/2020 15/11/2016 to 30/06/2020 08/12/2008 to 30/06/2020 15/11/2016 to 30/06/2020 15/11/2016 to 30/06/2020 19/03/2019 to 30/06/2020 16/04/2019 to 30/06/2020
<b>Chief Executive Officer</b>	Mr John McLinden	21/03/2016 to 30/06/2020
<b>Directors</b>	Mr David Lenton (Corporate Services) Mr Bruce Myers (Community and Cultural Services) Ms Heather Green (Planning and Development) Ms Svetlana Petkova (Infrastructure)	21/12/1992 to 30/06/2020 28/02/1994 to 30/06/2020 03/07/2017 to 30/06/2020 11/12/2017 to 30/06/2020
<b>Total Number of Councillors</b>	7	9
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	5	5
<b>Total Number of Key Management Personnel</b>	12	14
<b>(c) Remuneration of Key Management Personnel</b>		
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,199,288	1,158,541
Long-term benefits	87,892	35,697
Post employment benefits	96,610	167,369
Termination benefits	-	-
Total	1,383,790	1,361,607
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
\$0 - \$9,999	-	2
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	4	4
\$30,000 - \$39,999	2	-
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	1	1
\$180,000 - \$189,999	-	1
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	2	1
\$230,000 - \$239,999	1	1
\$280,000 - \$289,999	1	1
	12	14



**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**(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:	2020 No.	2019 No.
\$145,000 - \$149,999	-	1
\$150,000 - \$159,999	3	5
\$160,000 - \$169,999	2	3
\$170,000 - \$179,999	2	-
	<b>7</b>	<b>9</b>

Total Remuneration for the reporting year for Senior Officers included above, amounted to:	1,143,708	1,422,183
--	-----------	-----------

7.2 Related party disclosure	2020 \$	2019 \$
<b>(a) Transactions with related parties</b>		
During the period Council entered into the following transactions with related parties.	-	-
<b>(b) Outstanding balances with related parties</b>		
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties.	-	-
<b>(c) Loans to/from related parties</b>		
The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:	-	-
<b>(d) Commitments to/from related parties</b>		
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:	-	-

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Note 8 Managing uncertainties****8.1 Contingent assets and liabilities****(a) Contingent assets**

Council has no contingent assets at balance date (2019, \$0)

**Operating lease receivables**

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

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

	2020	2019
	\$	\$
Not later than one year	384,930	402,344
Later than one year and not later than five years	1,253,618	1,315,336
Later than five years	627,770	885,562
	<u>2,266,318</u>	<u>2,603,242</u>

**(b) Contingent liabilities**

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

**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.

**Future superannuation contributions**

In addition to the disclosed contributions, Council has paid unfunded liability payments to Vision Super totalling \$0 (2018/19 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2020. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 are \$137,876.

**Landfill**

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

**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.

**MAV WorkCare**

Council is a participant of the MAV WorkCare Scheme. The MAV WorkCare scheme provides workers compensation insurance. The MAV WorkCare 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.

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

Council is not the guarantor for any loans.

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

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

**8.2 Change in accounting standards**

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

**AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)**

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in *AASB 13 Fair Value Measurement*. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with *AASB 116 Property, Plant and Equipment* or *AASB 138 Intangible Assets*, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

**AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)**

The Standard principally amends *AASB 101 Presentation of Financial Statements* and *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

**AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)**

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**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.

**(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(b).

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.

---

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

**(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 financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

**(e) Sensitivity disclosure analysis**

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

- A parallel shift of + 0.50% and -0.25% in market interest rates (AUD) from year-end rates of 0.25%.

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

---

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

---

**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 2 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**

There have been no significant events occurring after the balance date which may affect the Council's operations or the results of those operations, except for noting that the COVID-19 pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date.

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**Note 9 Other matters**

9.1 Reserves (a) Asset revaluation reserves	Balance at beginning of reporting period \$	Increment (decrement) \$	Balance at end of reporting period \$
<b>2020</b>			
<b>Property</b>			
Land and land improvements	19,382,229	6,032,435	25,414,664
Buildings	15,889,738	13,430,619	29,320,357
	<u>35,271,967</u>	<u>19,463,054</u>	<u>54,735,021</u>
<b>Infrastructure</b>			
Sealed roads	83,560,866	-	83,560,866
Unsealed roads	15,975,607	-	15,975,607
Footpath and cycleways	15,282,543	-	15,282,543
Drainage	15,647,453	2,075,314	17,722,767
Recreation leisure and community facilities	1,912,153	5,462,263	7,374,416
Parks open spaces and streetscapes	-	2,830,885	2,830,885
Other infrastructure	1,923,169	1,281,224	3,204,393
	<u>134,301,791</u>	<u>11,649,686</u>	<u>145,951,477</u>
<b>Culture and heritage assets</b>			
Artworks	1,634,596	-	1,634,596
Pioneer Settlement	5,336,281	(93,891)	5,242,390
	<u>6,970,877</u>	<u>(93,891)</u>	<u>6,876,986</u>
Water rights	2,122,044	307,200	2,429,244
<b>Total asset revaluation reserves</b>	<b><u>178,666,679</u></b>	<b><u>31,326,049</u></b>	<b><u>209,992,728</u></b>
<b>2019</b>			
<b>Property</b>			
Land and land improvements	19,382,229	-	19,382,229
Buildings	15,889,738	-	15,889,738
	<u>35,271,967</u>	<u>-</u>	<u>35,271,967</u>
<b>Infrastructure</b>			
Sealed roads	83,065,693	495,173	83,560,866
Unsealed roads	15,975,607	-	15,975,607
Footpath and cycleways	8,792,891	6,489,652	15,282,543
Drainage	15,647,453	-	15,647,453
Recreation leisure and community facilities	1,912,153	-	1,912,153
Other infrastructure	1,923,169	-	1,923,169
	<u>127,316,966</u>	<u>6,984,825</u>	<u>141,286,616</u>
<b>Culture and heritage assets</b>			
Artworks	1,634,596	-	1,634,596
Pioneer Settlement	5,336,281	-	5,336,281
	<u>6,970,877</u>	<u>-</u>	<u>6,970,877</u>
Water rights	1,200,444	921,600	2,122,044
<b>Total asset revaluation reserves</b>	<b><u>170,760,254</u></b>	<b><u>7,906,425</u></b>	<b><u>185,651,504</u></b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2020 \$	2019 \$
Surplus/(deficit) for the year	7,598,257	7,395,186
Depreciation/amortisation	9,786,884	8,534,709
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(190,598)	(1,004,644)
Assets written off / asset adjustments	303,758	513,562
Contributions - Non-monetary assets	(44,612)	(475,683)
Reallocation of borrowing costs to financing activities	348,448	332,455
Works in progress expensed	10,926	-
Other	52,876	19,345
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(921,924)	(970,057)
(Increase)/decrease in other assets	187,830	313,248
Increase/(decrease) in trade and other payables	2,039,025	1,048,037
(Increase)/decrease in inventories	(10,071)	(67,177)
Increase/(decrease) in provisions	311,673	262,524
Net cash provided by/(used in) operating activities	<b>19,472,472</b>	<b>15,901,505</b>

### 9.3 Superannuation

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

#### Accumulation

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5% as required under Superannuation Guarantee legislation. The 2018 Staff Enterprise Bargaining Agreement enables staff to elect to have an additional 1.0% (0.5%, 2019) in lieu of cash paid into their superannuation. This option commenced on 6 July 2019 and is applicable to the majority of staff.

#### 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 is currently underway for the Defined Benefit category as at 30 June 2020 and is expected to be completed by 31 December 2020.

As at 30 June 2019, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 107.1%. The financial assumptions used to calculate the VBIs were:

- Net investment returns 6.0% pa
- Salary information 3.5% pa
- Price inflation (CPI) 2.0% pa.

Vision Super has advised that the estimated VBI at 30 June 2020 was 104.6%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### Employer contributions

##### Regular contributions

On the basis of the results of the 2017 full 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 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate is expected to increase in line with any increases in the SG contribution rate and 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.



**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**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 2019 interim actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and a full actuarial investigation was conducted as at 30 June 2017.

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

	2019	2017
	\$	\$
- A VBI Surplus	151.3	69.8
- A total service liability surplus	233.4	193.5
- A discounted accrued benefits surplus	256.7	228.8

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 2019.

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 2019.

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 2019.

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

**The 2020 triennial actuarial investigation**

An triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed by 31 December 2020. The financial assumptions for the purposes of this investigation are:

	2020	2017
Triennial investigation		
Net investment return	5.6%	6.5%
Salary inflation (for the first two years and 2.75% thereafter)	2.5%	3.5%
Price inflation	2.0%	2.5%

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of Scheme	Rate	2020	2019
			\$	\$
Vision super	Defined benefit	9.50%	173,591	174,985
Vision super	Accumulation fund	9.50%	1,501,385	1,421,610

**Notes to the Financial Report  
For the Year Ended 30 June 2020**

**10 Change in accounting policy**

Council has adopted *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities*, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

**a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption**

*AASB 15 Revenue from Contracts with Customers* applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted *AASB 15 Revenue from Contracts with Customers* using the modified (cumulative catch up) method. Revenue for 2019 as reported under *AASB 118 Revenue* is not adjusted, because the new standard is only applied from the date of initial application.

*AASB 15 Revenue from Contracts with Customers* requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

**b) AASB 16 Leases**

*AASB 16 Leases* requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Comprehensive Income Statement is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

**c) AASB 1058 Income of Not-for-Profit Entities**

*AASB 1058 Income of Not-for-Profit Entities* applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted *AASB 1058 Income of Not-for-Profit Entities* using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

*AASB 1058 Income of Not-for-Profit Entities* requires income to be recognised as Council satisfies the performance obligations under the contract.

**d) Transition impacts**

The following table summarises the impact of transition to the new standards on retained earnings at 1 July 2019.

	2019
	\$
Retained earnings at 30 June 2019	298,312,667
Revenue adjustment - impact of <i>AASB 15 Revenue from Contracts with Customers</i>	-
Income Adjustment - impact of <i>AASB 1058 Income of Not-for-Profit Entities</i>	-
Retained earnings at 1 July 2019	298,312,667

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019. As such there was no impact on retained earnings on the adoption of *AASB 16 Leases*.

The following table summarises the impacts of transition to the new standards on Council's balance sheet for the year ending 30 June 2019.

	As reported 30 June 2019	Adjustments	Post adoption
	\$	\$	\$
<b>Assets</b>			
Right of use assets	-	743,919	743,919
Grants receivable	-	-	-
	-	743,919	743,919
<b>Liabilities</b>			
Unearned income - operating grants	-	509,991	509,991
Unearned income - capital grants	-	1,700,137	1,700,137
Lease liability - current	-	417,429	417,429
Lease liability - non-current	-	326,490	326,490



# Part seven

## Performance Statement

## Description of municipality

Swan Hill Rural City Council covers 6,116 square kilometres and is home to 20,649 people.

It includes the townships of Swan Hill, Robinvale, Lake Boga, Nyah, Nyah West, Piangil, Woorinen, Ultima, Manangatang, Boundary Bend and Tresco.

The Swan Hill Rural City economy is driven by agriculture and manufacturing.

Almost 22 per cent of the total economic output from the region comes from agricultural production.

Irrigated farming (including stone fruit, grapes, nuts, olives and vegetable production) accounts for over 15 per cent of the total economic output for the municipality and more than 17 per cent of all jobs in the city are directly related to agriculture.

Additionally food manufacturing (processing) accounts for almost 9 per cent of the municipality's economic output.

Located along the Murray River, tourism plays an important role in our region's\* economy. Our climate and natural beauty attract around 917,500 visitors each year based on the Murray Regional Tourism (MRT) Snapshot Report- March 2020, for domestic overnight travel, international overnight travel and domestic daytrips. This report covers 8 months of the financial year. MRT has not collated a report for the YE June 2020 due to the COVID-19 pandemic and low visitation across regions.

## Operational summary

This year's performance results have been impacted by a number of different and varying circumstances.

The coronavirus pandemic (COVID-19) restrictions have affected our ability to provide business as-usual (see commentary under COVID-19).

First time recognition of three new accounting standards also influenced our operating revenue and expenditure with \$0.38M in volunteer services, \$0.37M amortization on right of use assets, and a reduction in grant income of \$2.2M (unearned income) previously measured upon receipt of the funds to now being after the 'delivery of performance obligations'.

Another impact inflating our operational revenue and expenses relates to Council's lead role in administering a Commonwealth Government Regional Growth Funding on behalf of six partner councils. Our operational income and expenditure includes \$2M from this arrangement in 2020.

\* Swan Hill Region includes the Swan Hill Rural City, Gannawarra Shire and Balranald Shire

## COVID-19

The COVID-19 pandemic has impacted everyone in our community - including front-line workers who deliver our services. To keep everyone safe, some Council services such as tourism venues, performing arts, library and playgrounds were closed, while others such as Youth and Maternal and Child Health took their programs online. Fortunately, some of Council's front-line services such as waste collections and road construction, were able to continue as normal with little impact on services. Some of the actions in this report have been impacted by the COVID-19 pandemic in some way, mostly as the result of some operations being closed and scheduled community events being cancelled. However, a significant amount of actions and services were able to continue through a shift to remote delivery.

## Sustainable Capacity Indicator definitions

"adjusted underlying revenue" means total income other than

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

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

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

"population" means the resident population estimated by Council

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

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

## Sustainable Capacity Indicators

## PERFORMANCE STATEMENT

Service/indicator/	Results				Material variations
	2017	2018	2019	2020	
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue/ Municipal population]	\$1,736.26	\$1,680.88	\$1,776.90	\$1,763.31	This is a relatively stable value, influenced in 2020 by a decline in our population and reduced income from leased facilities and parking fees and fines due to the coronavirus pandemic.
<b>Recurrent grants</b>					
<i>Recurrent grants per head of population</i> [Recurrent grants/ Municipal population]	\$835.57	\$552.94	\$526.64	\$569.62	In 2017 Council received 150% of Victoria Grants Commission income (100% of 2017 and 50% early payment of 2018). The increase in Roads to Recovery funding of \$1.12 million and the small decline in our population improved the level of grants received per head of population in 2020.
<b>Population</b>					
<i>Expenses per head of population</i> [Total expenses/ Municipal population]	\$2,311.87	\$2,159.48	\$2,156.36	\$2,362.58	The increase of 9.56% (2020) in expenses per head of population is a result of a decline in population against an increase in operating expenses of \$4M. Operating expenses include the recognition of Amortisation on Right of Use Assets (\$0.37M) and \$2M of non-recurrent grants received on behalf of six partner councils to the Our Region Our Rivers Commonwealth funding agreement.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure/ Municipal population]	\$18,679.83	\$18,388.46	\$18,969.90	\$20,331.95	The increase in the value of infrastructure assets (IPP&E excluding land assets) has increased by \$26M, while our population has decreased from 20,759 to 20,649 in 2020.

## Sustainable Capacity Indicators continued

Service/indicator/measure	Results				Material variations
	2017	2018	2019	2020	
<p><i>Population density per length of road</i> [Municipal population/ Kilometres of local roads]</p>	5.83	5.94	5.92	5.65	The reduction in 2020 is primarily due to a decline in municipal population.
<p><b>Disadvantage</b> <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic disadvantage by decile]</p>	2.00	2.00	2.00	2.00	This score is determined by the Australian Bureau of Statistics. The Socio-Economic Indexes for Areas (SEIFA) provides measures of social-economic conditions by local government geographic area.
<p><b>Workforce turnover</b> <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]</p>	-	-	-	10.81%	The workforce turnover rate in 2020 is much lower than normal, as our ability to recruit has been affected by restrictions imposed by government on social distancing, travel and other quarantining measures connected with the coronavirus pandemic.  New Indicator in 2020 (Previous indicator on page 117).

## Service Performance Indicators

Service/indicator/measure	Results				Material variations
	2017	2018	2019	2020	
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community]	53	54	51	45	At the time the survey was completed, Council was responding to some community concerns in relation to the location of the Our Place building and the Flight School at the Swan Hill aerodrome. These issues are likely to have impacted on the score for community decisions.
<b>Statutory Planning</b> <b>Decision making</b> <i>Council's planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100	50.00%	0.00%	0.00%	0.00%	No planning application decisions were reviewed by VCAT in 2020.
<b>Roads</b> <b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	49	50	46	44	This score is determined through a state-wide community satisfaction survey conducted by the Victorian State Government. A minimum of 400 interviews are undertaken within each participating municipality.
<b>Libraries</b> <b>Participation</b> <i>Active library borrowers</i> [The sum of the number of active library borrowers in the last 3 financial years / the sum of the Municipal population in the last 3 financial years] x 100	19.91%	18.08%	16.90%	16.28%	Library participation decreased in 2020 as the library service was closed to the public from 23 March 2020 to 1 June 2020 due to COVID-19 restrictions.  Indicator change in 2020: From 'Active library members' to 'Active library borrowers'.

## Service Performance Indicators continued

## PERFORMANCE STATEMENT

Service/indicator/measure	Results				Material variations
	2017	2018	2019	2020	
<b>Waste collection</b>					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	34.53%	30.55%	30.26%	27.67%	Although Council offers a popular green waste collection which diverts waste from landfill, our community is not sufficiently engaged in recycling household materials. The 8.53% reduction in 2020 was primarily caused by the shut down of our recycling facility for one month due to no market for recycled materials.
<b>Aquatic Facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	6.15	5.51	5.57	4.56	Decrease in number of visits due to facility closure in 2020 due to COVID-19.
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	1	2	0	-	Indicator retired in 2020.
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Total number of animal management prosecutions] x 100	-	-	-	0	There were no animal management prosecutions in 2020.  New Indicator in 2020.
<b>Food and safety</b>					
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i> [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] x 100	100.00%	94.74%	81.25%	100.00%	In 2018 one follow-up inspection did not occur due to an oversight and one premise ceased trading after the initial inspection meaning a follow-up could not be conducted. All major-non compliance's from 2018 and 2019 received follow-up inspections in 2019.



Service/indicator/measure	Results				Material variations
	2017	2018	2019	2020	
<b>Maternal and Child Health</b>					
<b>Participation</b>					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	73.28%	73.03%	73.14%	75.04%	Increased participation came from aboriginal families unable to consult with the Mallee District Aboriginal Service due to difficulties in recruitment of MCH nurses.
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	41.88%	62.18%	60.08%	66.20%	Mallee District Aboriginal Service (MDAS) in Swan Hill has their own MCH Service but over the past 12 months they have not had a permanent MCH nurse. Aboriginal families that would normally attend the MDAS Service have been accessing our MCH service during this period.

### Service Performance Indicator 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 borrower of a library who has borrowed a book or other resource 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 authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health and must be followed up by the Council. This includes situations where there is a serious risk of food being sold that is unsafe to eat. Each case must be examined on its merits, in deciding what outcome to assign to a compliance check.

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

“local road” means a sealed or unsealed road for which 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 authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

until school age

“population” means the resident population estimated by council

“WorkSafe reportable aquatic facility safety incident” means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

PERFORMANCE STATEMENT

Financial Performance Indicators

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Operating position</b> <b>Adjusted underlying result</b> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	11.65%	5.24%	8.38%	5.01%	2.12%	5.45%	4.11%	5.23%	The actual result for 2020 includes 50% of the current year and 50% early payment of next year's Victoria Grants Commission allocation. This was the same scenario in 2018 and 2019. The 2017 actual had 150% of Victoria Grants Commission income (100% of 2017 and 50% of 2018).  A combination of savings due to reduced borrowings and a return to normal grant receipts from the Victoria Grants Commission is budgeted for our underlying result in

Dimension/ indicator/measure	Results					Forecasts					Material variations	
	2017	2018	2019	2020	2021	2022	2023	2024				
<b>Liquidity</b>												
<b>Working capital</b>												
Current assets compared to current liabilities [Current assets / Current liabilities] x100	293.45%	360.07%	380.53%	372.96%	155.92%	207.67%	219.41%	234.85%				The forecast reduction in 2021 is due to an interest only loan maturing the following year. Once repaid, the ratio recovers in 2022.
<b>Unrestricted cash</b>												
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	205.40%	258.37%	271.46%	267.21%	131.31%	156.03%	173.33%	186.57%				The forecast reduction in 2021 is due to an interest only loan maturing the following year. Once repaid, the ratio recovers in 2022.

## Financial Performance Indicators continued

## PERFORMANCE STATEMENT

Dimension/ indicator/measure	Results					Forecasts				Material variations	
	2017	2018	2019	2020	2021	2022	2023	2024			
<b>Obligations Loans and borrowings</b>											
<i>Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100</i>	29.45%	25.22%	28.99%	28.35%	27.06%	8.77%	7.61%	6.55%			Council deferred \$1.3 million in new borrowings from 2017 and 2018 until 2019. The deferred borrowings of \$1.3 million along with new borrowings of \$0.5 million were taken up in 2019 and restore the ratio to its previous expected level. An ongoing reduction in borrowings is planned from 2022 onwards.
<i>Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	4.57%	5.16%	3.03%	3.01%	3.22%	17.95%	1.12%	1.09%			Council is continuing with a strategy to progressively reduce borrowings. This reflects in a reduced loan repayment compared to rates each year. In 2022, the first Local Government Funding Vehicle interest only loan matures (\$4.795M) and Council will have sufficient cash available to repay this loan. The 2018 slight increase in the ratio was due to repayment in full at the eighth year of a loan originally borrowed on a ten year repayment schedule with interest rate renegotiated at the fourth and eighth year. No new borrowings is expected after 2021.

Dimension/ indicator/ measure	Results						Forecasts				Material variations
	2017	2018	2019	2020	2021	2022	2023	2024			
<b>Indebtedness</b> Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	23.30%	21.54%	23.82%	25.82%	10.63%	9.36%	8.57%	7.65%			<p>Taking up deferred borrowings from 2017 (\$0.5 million) and 2018 (\$0.8 million) along with new borrowings of \$0.5 million budgeted in 2019, has increased the ratio. The ongoing repayment of borrowings over the forecast period will then see a reduction in our interest bearing liabilities and in 2021 our first LGFV interest only loan of \$4.795 million will become a current liability, with full repayment in 2022.</p>

## Financial Performance Indicators continued

## PERFORMANCE STATEMENT

Dimension/indicator/ measure	Results						Forecasts				Material variations
	2017	2018	2019	2020	2021	2022	2023	2024			
<b>Asset renewal</b> Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	76.92%	90.90%	116.77%	-	-	-	-	-	-	-	Indicator retired in 2020.
<b>Asset renewal</b> Asset renewal and upgrade expense compared to depreciation [Asset renewal and asset upgrade expenditure / Asset depreciation] x100	-	-	-	93.29%	107.01%	85.40%	81.32%	90.99%	-	-	New Indicator in 2020.
<b>Stability</b> <b>Rates concentration</b> Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	47.87%	55.45%	55.93%	54.30%	55.20%	56.78%	60.55%	60.14%	-	-	Rate revenue remains a positive trend in the forward projection years of between 2% and 3.8%, whereas the 'adjusted underlying revenue' is influenced by a number of other income streams. The 'adjusted underlying revenue' is forecast to decrease and increase with a range of -2.8% (2023) to 3.75% (2024). A reduction of \$2.47M from aged care reforms (\$0.79M in user fees and \$1.68M recurrent grants) explain the increased dependence on rates in 2023.

Dimension/ indicator/ measure	Results					Forecasts				Material variations
	2017	2018	2019	2020	2021	2022	2023	2024		
<b>Rates effort</b> Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.71%	0.72%	0.69%	0.65%	0.65%	0.67%	0.69%	0.71%	In 2020 property values increased by 7.3% and rate revenue increased by 2.0% compared to the previous year. CIV is generally increasing at a faster rate than the increase from rate revenue, as rate revenue increases are capped by the Minister for Local Government.  This indicator remains within a +/- 10% window, with the rate in the dollar reducing as overall CIV increases. Swan Hill property assessment values, particularly dry land farming continues to see strong prices and capital improvement across all rating sectors.	
<b>Efficiency</b> <b>Expenditure level</b> Expenses per property assessment [Total expenses / Number of property assessments]	\$3,966.00	\$3,765.72	\$3,727.22	\$4,051.22	\$4,251.50	\$4,110.25	\$4,022.09	\$4,094.54	The increase from 2020 is due to Council being the coordinating Council for a regional project. Grant income will be received by Council and redirected to six partner councils under the Commonwealth Regional Growth Fund as an operational expense until 2022.	

## Financial Performance Indicators continued

## PERFORMANCE STATEMENT

Dimension/ indicator/measure	Results					Forecasts				Material variations
	2017	2018	2019	2020	2021	2022	2023	2024		
<b>Revenue level</b> Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,586.96	\$1,636.84	\$1,690.08	-	-	-	-	-	-	Indicator retired in 2020.
<b>Revenue level</b> Average rate per property assessment [Total rate revenue / Number of property assessments]	-	-	-	\$2,028.86	\$2,078.90	\$2,122.75	\$2,164.33	\$2,215.94	-	New indicator in 2020.
<b>Workforce turnover</b> Resignations and terminations [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100	16.29%	12.97%	12.11%	-	-	-	-	-	-	Indicator retired in 2020.



### Financial Performance Indicator 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.

## PERFORMANCE STATEMENT

## 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.

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by 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 materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 21 July 2020 and which forms part of the Council Plan. 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 contacting Council.

### 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*.

.....

Warren Snyder

**Principal Accounting Officer**

**Dated:**

In our opinion, the accompanying performance statement of the Swan Hill Rural City Council for the year ended 30 June 2020 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*.

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

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

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

.....

**Councillor**

**Dated:**

.....

**Councillor**

**Dated:**

.....

John McLinden

**Chief Executive Officer**

**Dated:**

PERFORMANCE STATEMENT

Auditor General's Report - Performance Statement

## SECTION C – DECISIONS WHICH NEED ACTION/RATIFICATION

### C.20.17 SIGN & SEAL REPORT

**Responsible Officer:** Chief Executive Officer

**Attachments:** Nil.

**Declarations of Interest:**

John McLinden - as the responsible officer, I declare that I have no disclosable interests in this matter.

**Summary**

The following documents and agreements have been signed and sealed by the Councillors and the Chief Executive Officer on the respective dates. Those actions require the ratification of the Council.

**Discussion**

During the course of any month Council is required to sign and seal a range of documents arising from decisions made on a previous occasion(s). Examples include sale of land, entering into funding arrangements for Council programs etc.

As the decision to enter into these agreements has already been made, these documents are signed and sealed when received, with Council ratifying the signing and sealing at the next Council meeting.

The following documents were signed and sealed since the last Council meeting:

No.	Document Type	Document Description	Date signed/ sealed
1009	Section 173 Agreement 95 and 108 Hungerford Lane Vinifera, Lot 1 and 2 TP:164465 and CE:51A Sec 1 Parish of Tyntynder West	Between Swan Hill Rural City Council and M.T.Jones, J.R.Jones, R.A.Shadbolt and K.A.Shadbolt	15/9/2020
1010	Robinvale Levee Upgrade and associated drainage works – contract 20361501	Between Swan Hill Rural City Council and S&R Engineering and Construction Pty Ltd	1
1011	Section 173 – Ongoing ownership and maintenance responsibilities for a private pipeline – Darwin Road, Robinvale	Between Swan Hill Rural City Council and A.Lazzara and M.Lazzara	15/9/2020

**DECISIONS WHICH NEED ACTION/RATIFICATION**

20 October 2020

1012	Section 173 – Ongoing ownership and maintenance responsibilities for a private pipeline – Tyntynder Central Road	Between Swan Hill Rural City Council and K.J.Burge.	15/9/2020
1013	Deed of Variation of Lease – Spoons Restaurant – Horseshoe Bend	Between Swan Hill Rural City Council and Murray Downs Golf and Country Club	22/9/2020
1014	Deed of Variation of Lease – 11 Monash Drive, Riverside Park, Swan Hill	Between Swan Hill Rural City Council and Swan Hill Canoe Club	02/10/2020
1015	Deed of Variation of Lease – Nyah West and District Senior Citizens	Between Swan Hill Rural City Council and Nyah West and District Senior Citizens	02/10/2020
1016	Deed of Variation of Lease – Pioneer Settlement General Store – 133 Monash Drive, Swan Hill	Between Swan Hill Rural City Council and S.M.Tantau.	02/10/2020
1017	Contract 21376202 – Swan Hill Rural City Council Waste and Recycling Collection and Recycling Processing Services	Between Swan Hill Rural City Council and	02/10/2020
1018	Deed of Variation of Lease – Robinvale Riverside Caravan Park	Between Swan Hill Rural City Council and LW.Hockey	02/10/2020

**Conclusion**

Council authorise the signing and sealing of the above documents.

**Recommendation**

**That Council notes the actions of signing and sealing the documents under delegation as scheduled.**

## **C.20.18 COUNCILLOR ASSEMBLIES - RECORD OF ATTENDANCE AND AGENDA ITEMS**

**Responsible Officer:** Chief Executive Officer  
**File Number:** S15-05-06  
**Attachments:** 1 Councillor Assembly Attendance

### **Declarations of Interest:**

John McLinden - as the responsible officer, I declare that I have no disclosable interests in this matter.

### **Summary**

The Local Government Act 1989 requires that the details of Councillor Assemblies be reported to Council meetings on a monthly basis.

### **Discussion**

The State Government has amended the Local Government Act 1989 which requires Council to report on Councillor Assemblies.

Whilst Minutes do not have to be recorded, Agenda items and those in attendance must be, and a report presented to Council.

An assembly of Councillors is defined as a meeting that is planned or scheduled at which at least half of the Council and one Officer are in attendance, and where the matters being considered that are intended or likely to be the subject of a Council decision.

No formal decisions can be made at an assembly but rather direction can be given that is likely to lead to a formal decision of Council.

Details of the most recent assemblies of Council are attached.

### **Consultation**

Not applicable.

### **Financial Implications**

Not applicable.

### **Social Implications**

Not applicable.

### **Economic Implications**

Not applicable.

**Environmental Implications**

Not applicable.

**Risk Management Implications**

Not applicable.

**Council Plan Strategy Addressed**

*Governance and leadership* - Effective advocacy and strategic planning.

**Options**

Council must comply with the requirements of the Local Government Act 1989.

**Recommendation**

**That Council note the contents of the report.**



**COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA**  
**22 September 2020 at 1pm, Swan Hill Town Hall, Council Chambers**

**AGENDA ITEMS**

- Best Value Report/Service Performance Report
- Mildura Planning Scheme Amendment
- CVGA Councillor Update
- Rural Worker Accommodation – State Government Planning Scheme amendment
- Review of the Economic Development Strategy and Development of An Investment Attraction Strategy and Action Plan
- Shared Path McCallum Street
- Sale of Annuello and Natya Halls
- Drag Strip Geotechnical Investigation of the Pavement
- Lane 79 Chapman Road Obstruction

**ADDITIONAL ITEMS DISCUSSED**

- Nil

**ATTENDANCE**

Councillors

- Cr Les McPhee
- Cr Jade Benham
- Cr Bill Moar
- Cr Nicole McKay
- Cr Ann Young
- Cr Chris Jeffery
- Cr Lea Johnson

**Apologies**

- Nil

**OFFICERS**

- John McLinden, Chief Executive Officer
- Heather Green, Director Development and Planning
- Helen Morris, Acting Director Corporate Services
- Svetla Petkova, Director Infrastructure
- Stefan Louw, Development Manager
- Fiona Gormann, Economic and Community Development Manager
- Nathan Keighran, Liveability and Project Development Coordinator
- Julie Wiggins, Procurement and Properties Coordinator
- Nazrul Islam, Engineering and Capital Projects Manager
- Jessica Chislett, Acting Organisational Development Manager

Other

- Nil

**CONFLICT OF INTEREST**

- Cr Lea Johnson declared a indirect conflict of interest in item 7 (Sale of Annuello and Natya Halls) and left the Council Chambers for this item

**COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA  
6 October 2020 at 1pm, Swan Hill Town Hall, Council Chambers**

**AGENDA ITEMS**

- Business Model for Aboriginal Tourism Commercial Services in a Multifaceted Facility
- KSI 1st Quarter
- Channel 9 land
- Recreation Implementation Plan - Update 2020
- Floodplain Harvesting Proposal
- Our Place Landscaping Design
- Councillor Only session

**ADDITIONAL ITEMS DISCUSSED**

- Nil

**ATTENDANCE**

Councillors

- Cr Les McPhee
- Cr Jade Benham
- Cr Bill Moar
- Cr Nicole McKay
- Cr Ann Young
- Cr Chris Jeffery
- Cr Lea Johnson

**Apologies**

- Nil

**OFFICERS**

- John McLinden, Chief Executive Officer
- Heather Green, Director Development and Planning
- Helen Morris, Acting Director Corporate Services
- Svetla Petkova, Director Infrastructure
- Laura O'Dwyer, Enterprise Assets Manager
- Nathan Keighran, Liveability and Project Development Coordinator
- Candis Fraser, Project Manager Our Place
- Dione Heppell, Construction Project Manager Regional Livestock Exchange Redevelopment

Other

- Albert Stafford – Our Place (virtually – video conference)

**CONFLICT OF INTEREST**

- Nil

**SECTION D – NOTICES OF MOTION**

**SECTION E – FORESHADOWED ITEMS**

**SECTION F – URGENT ITEMS NOT INCLUDED IN AGENDA**

**SECTION G – TO CONSIDER & ORDER ON COUNCILLOR REPORTS**

**SECTION H – IN CAMERA ITEMS**