



**Swan Hill Rural  
City Council**

# **SCHEDULED COUNCIL MEETING**

**Tuesday 19 September 2023  
to be held at 2:00 PM  
Council Chambers  
Swan Hill Town Hall  
53 – 57 McCallum Street, Swan Hill.  
VIC 3585**

## **AGENDA**

### **PUBLIC ACCESS**

Open to the public and  
Live streaming from Council's  
website: [www.swanhill.vic.gov.au](http://www.swanhill.vic.gov.au)

## Governance Rules

A copy of Swan Hill Rural City Council's governance rules can be found at <https://www.swanhill.vic.gov.au/about/overview/policies/governance-rules-2020/>

## Executive Leadership Team

Scott Barber, Chief Executive Officer

Bruce Myers, Director of Community and Cultural Services

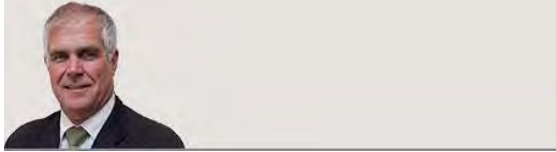
Heather Green, Director of Development and Planning

Bhan Pratap, Director of Corporate Services

Leah Johnston, Director of Infrastructure

## Swan Hill Elected Members

### Mayor

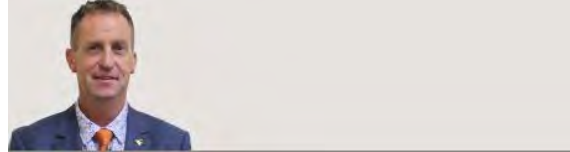


**Cr Les McPhee**

0427 319 394

[les.mcphee@swanhill.vic.gov.au](mailto:les.mcphee@swanhill.vic.gov.au)

### Deputy Mayor

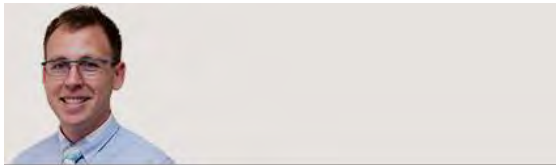


**Cr Stuart King**

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[stuart.king@swanhill.vic.gov.au](mailto:stuart.king@swanhill.vic.gov.au)

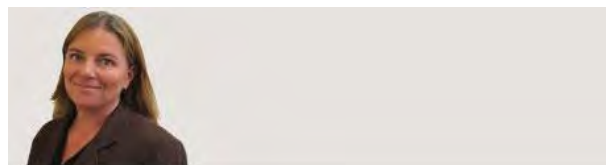
### Councillors



**Cr Chris Jeffery**

0429 447 802

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**Cr Nicole McKay**

0436 299 842

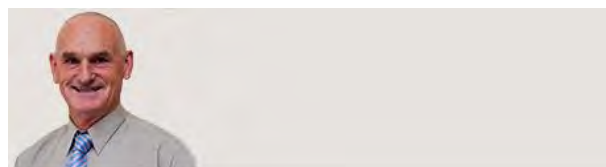
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**Cr Jacquie Kelly**

0436 804 012

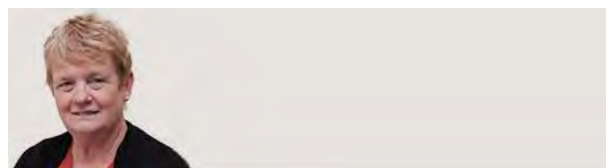
[jacquie.kelly@swanhill.vic.gov.au](mailto:jacquie.kelly@swanhill.vic.gov.au)



**Cr Bill Moar**

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[bill.moar@swanhill.vic.gov.au](mailto:bill.moar@swanhill.vic.gov.au)



**Cr Ann Young**

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[ann.young@swanhill.vic.gov.au](mailto:ann.young@swanhill.vic.gov.au)

## Vision Statement

Built on strong foundations that embrace our rich History and natural environment, our region will be a place of progressions and possibility. We are a community that is happy, healthy and harmonious - we are empowered, we are respectful and we are proud.

## Our Mission

We will lead, advocate, partner and provide efficient services and opportunities for growth and the wellbeing of our community, environment and economy.

## Our Values

Council values our residents and community and will be responsive to their needs. In pursuing our objectives, we believe in, and are committed to, the following values:

**Community engagement** - We will ensure that our communities are consulted, listened to and informed.

**Leadership** - We will be at the centre of our community and by actively engaging our community we will form the collective view on strategic issues and will then express our views through strong advocacy and action.

**Fairness** - We will value and embrace the diversity of our community and ensure that all people are treated equally.

**Accountability**- We will be transparent and efficient in our activities and we will always value feedback.

**Trust** - We will act with integrity and earn the community's trust by being a reliable partner in delivering services, projects and providing facilities.

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## 1 Procedural Matters

### 1.1 Welcome

### 1.2 Acknowledgement Of Country

*“Swan Hill Rural City Council acknowledges the traditional custodians of the land on which we meet, and pays its respects to their elders, past and present.”*

### 1.3 Prayer

*“We beseech you Lord, that we may be granted wisdom, understanding and sincerity of purpose, in the decisions we are called on to make for the welfare of the people of the Rural City of Swan Hill.”*

### 1.4 Apologies / Leaves of Absence

None when the Agenda was distributed.

### 1.5 Directors / Officers Present

### 1.6 Confirmation of Minutes

#### 1.6.1 Confirmation of Minutes

#### Recommendation/s

**That the minutes for the Scheduled Meeting held 15 August 2023 and Unscheduled Meeting held on 22 August 2023 be confirmed.**

### 1.7 Disclosures of Conflict of Interest

## **1.8 Joint Letters and Reading of Petitions**

### **1.8.1 Petition - Concerns in relation to the current state of the Robinvale retail and business district**

**Responsible Officer:** Chief Executive Officer

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

Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

#### **Summary**

On 8 September 2023, Council received by email a petition expressing concerns in relation to the current state of the Robinvale retail and business district (Perrin Street, Herbert Street and Latje Road). The petition was submitted by concerned members of the Robinvale Op Shop (Kaylene Connor, President) which contained 24 signatures in total.

**Attachments:** 1. Petition [1.8.1.1 - 2 pages]

#### **Recommendation/s**

##### **That Council:**

- 1. Receive the petition, and**
- 2. Refer the petition to the Chief Executive Officer for a report to a future Council meeting.**



Mr Scott Barber  
 CEO Swan Hill Rural City Council  
 PO Box 488  
 Swan Hill Vic 3585  
 14-08-2023

Dear Mr Barber,

At a recent meeting of the Robinvale Op Shop, members resolved to express their concerns in relation to the current state of the Robinvale retail and business district. As a group of volunteers, we take pride in the appearance of our shop and receive positive feedback from visitors to the town. Sadly, this is too often followed by negative comments about the state of the main street.

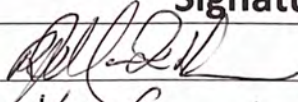
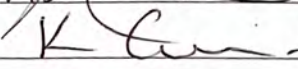
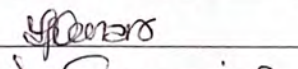
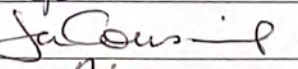
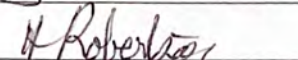
The general appearance of Perrin Street and, to a lesser extent, Herbert Street and Latje Road is unsatisfactory. There is rubbish on the streets, the pavements and footpaths are dirty, shopfronts are unkempt and the general appearance is unpleasant and unwelcoming. The hotel has stood in ruins for an unacceptably long period of time.

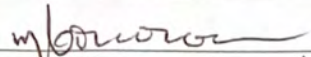
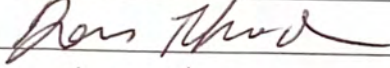
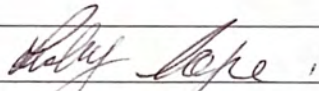
Both Council and many property owners have shown total neglect and disregard for the town of Robinvale. The Robinvale community has a proud history of civic responsibility – the town was built from virtually nothing by Returned Service men and women. This legacy is currently being significantly devalued.

In contrast, the development of Bromley Road has created a welcoming entrance to the town. This progress shows what can be achieved with some commitment, investment and care and needs to be replicated in Perrin and Herbert Street and Latje Road.

A walk-through to see the areas of concern and identify how Council can act to rectify the situation would be a good starting point. Council leadership could take the form of liaising with property owners and ensuring by laws are adhered to and requesting action plans for property maintenance and cleanliness. Funding for internal window screens depicting Robinvale's history would be a cost effective way to overcome the problem of unsightly shop fronts.

We, the undersigned, request that Council takes urgent action to work with freehold and business owners to address the issues noted above.

Name	Signature
Raymond MacIntosh	
Kaylene Connor	
Leanne Denaro	
J.A. COUSINS	
HELEN ROBERTSON	

Name	Signature
Maia Corcoran	
FRAN AIKMAN	Francis E Aik
MARY CORDONIA	M. Cordoniu
TOMY POON CHITTSORN	-comy poon
Joan Walsh	J Walsh.
Marg Curran	ob Curran.
Anne Rhoden	ARhoden.
	Denis Rhoden
Lois Hally	Lois Hally
Barrie Williams	ob Williams
Linda Stevens.	LINDA STEVENS
<del>am orshan</del> PATRICIA O'BRIEN	<del>am orshan</del> Patricia
Pat O'Brien	Pat O'Brien
Lina Manna	L Manna
<del>Marg Curran</del>	<del>ob Curran</del>
	LESLIE COPE
Jenny Manna	Jenny Manna.
Lorraine Tyrrell	L. Tyrrell
Sue Smith.	Sue Smith.

## 1.9 Public Questions Time

You can access the form **Public Question Time** form from:

<https://forms.swanhill.vic.gov.au/council-meeting-public-question-time/>

### **Please note**

- Only ONE question per form submission.
- Submission must be received no later than 10:00am on the day prior to the meeting.
- A time is set aside for public questions during a Council meeting at which time each question will be read after the Chairman has looked at its contents and determined that the question is appropriate.
- Statements and opinions are not permitted during question time and will not be read to the meeting.
- The Chairman may disallow any question. This may be because the question is repetitive of a question already asked, objectionable, irrelevant, raises an issue of a confidential nature or is asked to embarrass a Councillor or Council officer. The Chairman will provide reasons where a question is disallowed. Questions considered to be inappropriate will be made available to Councillors on request.
- The Chairman will nominate the appropriate Councillor or Council officer to answer the question or elect to answer it himself/herself.
- No debate or discussion of the questions or answers is permitted.
- The Chairman may elect to take a question on notice in which case a written response will generally be provided within 10 working days.
- A summary of the text of the question and the response will be recorded in the minutes of the Council meeting.

### **Who can use this form**

- Any community member

### **While completing this form, we will request**

- Your contact details (including your name, address, phone and email)
- Your question

It will take about 5 minutes to complete this form.

### **After you submit this form**

- We will send you an email receipt to confirm we have received your submission

### **What happens with your information?**

The information requested in this form is collected by Swan Hill Rural City Council to assist us in responding to your question.

Your name, suburb and question may be read out at the Council meeting and will be recorded in the Council meeting minutes but will not be used for any other purpose unless required by law.

We will handle any personal information you provide on this form in accordance with the Privacy and Data Protection Act 2014. We record this information on our customer databases and make it available to relevant Council staff in line with our Privacy Statement.

You can access your personal information by contacting our Privacy Officer.

## 1.10 Open Forum

Please see below “Governance Rules 2023 – Section 7 referring to Open Forum” which outlines the rules and procedure of open forum.

### **7. Community questions and submissions**

#### **7.1. Open Forum and Questions Of Council Time To Be Held**

- (1) The Council will hold Open Forum and Questions of Council Time for up to 30 minutes duration at the beginning of each Scheduled Meeting to allow public submissions and questions of Council. Extension of time may be granted by resolution of Council.
- (2) Open Forum is an opportunity for the general public to present to Council on a matter listed on the Agenda or any other matter.
- (3) Questions of Council are an opportunity for the general public to submit a question prior to the Scheduled Meeting and receive a response from Council in the Questions of Council time.
- (4) Council meetings are recorded and broadcasted to the public; this includes community questions and submissions.

#### **Open forum and questions of council guidelines**

**7.2.** Questions of Council time and Open Forum will not apply during any period when the Council has resolved to close the meeting in respect of a matter under section 66 (1) of the Act.

**7.3.** Submissions as part of Open Forum and Questions of Council may be on any matter except if it:

- (a) is considered malicious, defamatory, indecent, abusive, offensive, irrelevant, trivial, or objectionable in language or substance;
- (b) relates to confidential information as defined under the Act;
- (c) relates to the personal hardship of any resident or ratepayer; or
- (d) relates to any other matter which the Council considers would prejudice the Council or any person;
- (e) If a person has submitted more than 2 questions to a meeting, the third and further questions may, at the discretion of the Chairperson be deferred until all other person who have asked a question have had their questions asked and answered and not be asked if the time allotted for public question time has expired.

**7.4.** Where the Mayor does not accept a question, the submitter is to be informed of the reason or reasons for which their question was not accepted.

**7.5.** The Mayor reserves the right to cease a submission as part of Open Forum if they deem the submission inappropriate.

**7.6.** Where possible Copies of all questions allowed by the Mayor will be provided in writing to all Councillors.

- 7.7. A submission or question submitted in writing by a member of the public, which has been disallowed by the Mayor will be provided to any Councillor on request.

#### **Open forum**

- 7.8. For any member of the public who wishes to be heard at Open Forum they must give prior notice:
- (a) in written form;
  - (b) contain the name, address and email or contact telephone number of the person to be heard;
  - (c) by online request <https://www.swanhill.vic.gov.au/>;
  - (d) in a letter to the Chief Executive Office, 45 Splatt Street, Swan Hill, Vic 3585; or
  - (e) in an email [council@swanhill.vic.gov.au](mailto:council@swanhill.vic.gov.au); or
  - (f) hand delivery to the Council's Office, 45 Splatt Street, Swan Hill or 72 Herbert Street, Robinvale.
- 7.9. It is preferable for any group or association that wishes to be heard at Open Forum to nominate a spokesperson for an issue upon which the group or association may wish to be heard.

#### **Open Forum Procedure**

##### **7.10. Public addressing the Meeting**

- (1) Any member of the public addressing Council must extend due courtesy and respect to Council and the processes under which it operates and must take direction from the Chairperson whenever called on to do so.
- (2) Council may suspend standing orders to hear from a community member or representative of an organisation, on matters of significance to the Council, only if prior arrangements have been made by written request to the Mayor or Chief Executive Officer.

- 7.11. The Chair will allocate a maximum of 3 minutes to each person who wishes to address Council.

- 7.12. The Chair will first invite any person who has given prior notice to present to Council.

- 7.13. The Chair will then invite members of the gallery who would like to present to Council.

- 7.14. The Chair has the discretion to alter the order of persons to be heard.

- 7.15. The person in addressing the Council:

- (a) must confine their address to the 3-minute allocation of time;
- (b) shall extend due courtesy and respect to the Council and the processes under which it operates; and
- (c) shall take direction from the Chair whenever called upon to do;
- (d) There will be no discussion or debate with the attendees to Open Forum however Councillors may ask questions of clarification of the attendee;
- (e) Standing Orders do not need to be suspended to allow discussion for the purposes of clarification.

## 2 Officer Reports for Decision

### 2.1 Councillors Expenses Report 1 April 2023 - 30 June 2023

**Directorate:** Corporate Services  
**File Number:** 00-00-00  
**Purpose:** Information Only

#### Council Plan Strategy Addressed

**4. Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

#### 4.1 Excellent management and administration

4.1.3 Sound, sustainable:

- Financial management • Excellence in service delivery • Strategic planning

#### Current Strategic documents

No strategic documents applicable.

#### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

#### Summary

In accordance with Council's Council Expenses Policy POL/GOV004, Councillor expenses are reported quarterly to an Ordinary Meeting of Council. This report presents Councillor Expenses for the period 1 March 2023 – 30 June 2023.

#### Discussion

The report has been prepared in accordance with the Council Expense Policy POL/GOV004.

Summarised in the document attached are figures for allowances and expenses for the Mayor and Councillors for the period of 1 March 2023 – 30 June 2023.

#### Consultation

Councillors have been provided with a summary report on their expenses.

#### Financial Implications

Financial costs are in accordance with Council's 2022/23 Operational Budget.

#### Social Implications

There are no social impacts associated with this report.

### **Economic Implications**

There are no economic impacts associated with this report.

### **Environmental Implications**

There are no environmental impacts associated with this report.

### **Risk Management Implications**

By adopting the recommendation, Council will not be exposed to any significant risk.

**Attachments:** 1. Councillor Exp June 23 Qtr [2.1.1 - 1 page]

### **Options**

Council may choose to adopt or amend the recommendation.

### **Recommendation/s**

**That Council note the contents of this report, which details Councillor Expenses for the period 1 January 2023 – 31 March 2023.**



**Councillor Expenses for the period 1 April 2023 to 30 June 2023**

Councillor	1. Allowance	2. Travel & Accommodation	3. Car Mileage	4. Information and Communication	5. Conference and Training	6. Catering / Meals	7. Misc
Cr Bill Moar	7,838.25			219.00			
Cr Les McPhee (Mayor)	18,909.24	846.95	636.28	247.08	280.82	291.46	
Cr Ann Young	7,838.25		134.74	256.00	86.36		
Cr Chris Jeffery	7,838.25			219.00			
Cr Nicole McKay	7,838.25			198.00	197.79		
Cr Jacquie Kelly	7,838.25	1,278.88	1,290.94	145.50	1,499.30	232.06	
Cr Stuart King	12,579.75	1,176.98	1,156.32	198.00	1,102.66	210.44	
	<b>\$ 70,680.24</b>	<b>\$ 3,302.81</b>	<b>\$ 3,218.28</b>	<b>\$ 1,482.58</b>	<b>\$ 3,166.94</b>	<b>\$ 733.96</b>	<b>\$ -</b>

**Definition of Expenses**

1. Swan Hill Rural City Council is a Category Two Council and must set allowances within range in line with the Local Government Act 2020. An adjustment is made annually and gazetted by the Minister. Allowances must also include amount in lieu of superannuation.
2. Travel Costs include cost of flights, taxis, public transport fees, and accommodation etc associated with undertaking duties of a Councillor.
3. Car mileage includes the costs of the Council provided vehicle for the Mayor, and recognises the private vehicles costs associated with Councillors travelling and fulfilling Council duties. Rates are set at State Public Service Levels.
4. Communication expenses include costs associated with provision equipment, phone reimbursements and monthly telecommunications charges.
5. These include registration fees, educational/training costs and meeting expenses.
6. Catering costs associated with undertaking responsibilities of Councillor including meal reimbursements.
7. Includes carer expenses, printing, and other expenditure/reimbursements associated with responsibilities in performing Councillor role.

## 2.2 In-principle adoption of financial and performance statements 2022-23

**Directorate:** Corporate Services  
**File Number:** S15-28-02  
**Purpose:** For Decision

### Council Plan Strategy Addressed

**4. Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

#### 4.1 Excellent management and administration

4.1.1 Well managed resources for a sustainable future

4.1.2 Provide robust governance and effective leadership

4.1.3 Sound, sustainable:

- Financial management • Excellence in service delivery • Strategic planning

### Current Strategic documents

Annual Report

### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

The Local Government Act requires that Council adopt its Annual Statements incorporating the Performance Statement and General Purpose Financial Statements '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

The Performance Statement and General Purpose Financial Statements for 2022/23 have been prepared and presented for audit.

Council's Audit Committee met to review the Draft Statements on 7 September 2023. 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 (Cr McPhee and Cr King). The Statements can then be included in the Annual Report.

Once signed and an audit opinion is issued by the Victorian Auditor General Office (VAGO), these statements will form part of Council's Annual Report which will most likely be adopted at the Ordinary Council Meeting on 17 October 2023.

### **Consultation**

The draft Annual Financial Statements and Performance Statement were presented to the Audit and Risk Committee for review and endorsement on 7 September 2023.

Both statements have been reviewed by Crowe Australasia, who are contracted by the Victorian Auditor General's Office to undertake the external audit.

Both the Financial Statement and Performance Statement form part of the Annual Report

### **Financial Implications**

Nil.

### **Social Implications**

Nil.

### **Economic Implications**

Nil.

### **Environmental Implications**

Nil.

### **Risk Management Implications**

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

- Attachments:**
1. Updated Swan Hill - Final Draft Annual Financial Report [2.2.1 - 67 pages]
  2. Part 7 performance reporting 2022-2023.pub [2.2.2 - 18 pages]

### Options

1. Adopt 'in-principle' the Draft Performance Statement and General Purpose Financial Statements for the 2022/23 financial year as presented.
2. Failure to adopt the statements 'in-principle' will delay the audit of the Statements and may put Council outside the deadline for adoption of the Annual Report by the 31 October 2023.

### Recommendation/s

#### That Council:

- 1. Adopt 'in-principle' the Draft Performance Statement and General Purpose Financial Statements for the 2022/23 financial year as presented.**

# Swan Hill Rural City Council

ANNUAL FINANCIAL REPORT  
for the year ended 30 June 2023

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Swan Hill Rural City Council

2022/2023 Financial Report

Annual Financial Report  
for the year ended 30 June 2023

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for the year ended 30 June 2023

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for the year ended 30 June 2023

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Certification of the Financial Statements

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

---

Bhan Pratap FCPA  
**Principal Accounting Officer**  
**Date:** 19 September 2023  
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 2023 and the financial position of the Council as at that date.

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

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

---

Mr Les McPhee  
**Councillor (Mayor)**  
**Date:** 19 September 2023  
Swan Hill Rural City Council

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Mr Stuart King  
**Councillor**  
**Date:** 19 September 2023  
Swan Hill Rural City Council

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Mr Scott Barber  
**Chief Executive Officer**  
**Date:** 19 September 2023  
Swan Hill Rural City Council



Swan Hill Rural City Council

2022/2023 Financial Report

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for the year ended 30 June 2023

Victorian Auditor-General's Office Report

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Swan Hill Rural City Council

2022/2023 Financial Report

Annual Financial Report

for the year ended 30 June 2023

Victorian Auditor-General's Office Report (continued)

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## Swan Hill Rural City Council

2022/2023 Financial Report

### Annual Financial Report

for the year ended 30 June 2023

## Understanding Council's Financial Statements

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### Introduction

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

### What you will find in the Report

The financial report set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

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

### About the Certification of the Financial Statements

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

### About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

#### 1. Comprehensive Income Statement

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

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

#### 2. Balance Sheet

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

#### 3. Statement of Changes in Equity

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

#### 4. Statement of Cash Flows

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

#### 5. Statement of Capital Works

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

### About the Notes to the Financial Report

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

### About the Auditor's Reports

Council's financial statements are required to be audited by the Victorian Auditor General's office.

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

### Who uses the Financial Report?

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

The financial statements must be presented at a Council meeting no later than 1 month after submitting the annual report to the Minister.

Swan Hill Rural City Council

2022/2023 Financial Report

Comprehensive Income Statement

for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>Income / Revenue</b>			
Rates and charges	3.1	30,809	30,101
Statutory fees and fines	3.2	955	1,077
User fees	3.3	4,497	4,156
Grants - operating	3.4	18,142	15,307
Grants - capital	3.4	2,520	10,452
Contributions - monetary	3.5	337	295
Contributions - non monetary	3.5	33	39
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	60	211
Other income	3.7	4,176	3,563
<b>Total income / revenue</b>		<b>61,529</b>	<b>65,201</b>
<b>Expenses</b>			
Employee costs	4.1	20,570	20,468
Materials and services	4.2	19,821	20,614
Depreciation	4.3	12,400	9,911
Amortisation - right of use assets	4.4	277	424
Bad and doubtful debts	4.5	45	70
Borrowing costs	4.6	70	163
Finance Costs - leases	4.7	14	24
Other expenses	4.8	1,533	820
<b>Total expenses</b>		<b>54,730</b>	<b>52,494</b>
<b>Surplus/(deficit) for the year</b>		<b>6,799</b>	<b>12,707</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/(decrement)	6.1	45,359	69,524
<b>Total other comprehensive income</b>		<b>45,359</b>	<b>69,524</b>
<b>Total comprehensive result</b>		<b>52,158</b>	<b>82,231</b>

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

Swan Hill Rural City Council

2022/2023 Financial Report

Balance Sheet

as at 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	5,348	10,590
Other financial assets	5.1	50,450	40,554
Trade and other receivables	5.1	4,805	3,936
Inventories	5.2	184	231
Other assets	5.2	2,092	319
<b>Total current assets</b>		<b>62,879</b>	<b>55,630</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	6.1	617,264	571,739
Right-of-use assets	5.8	236	408
Intangible assets	5.2	3,840	3,840
Other assets	5.2	50	50
<b>Total non-current assets</b>		<b>621,390</b>	<b>576,037</b>
<b>Total assets</b>		<b>684,269</b>	<b>631,667</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	2,880	3,025
Trust funds and deposits	5.3	485	468
Unearned income/revenue	5.3	5,442	4,276
Provisions	5.5	6,858	5,016
Interest-bearing liabilities	5.4	278	271
Lease liabilities	5.8(b)	132	259
<b>Total current liabilities</b>		<b>16,075</b>	<b>13,315</b>
<b>Non-current liabilities</b>			
Provisions	5.5	1,243	3,234
Interest-bearing liabilities	5.4	2,069	2,347
Lease liabilities	5.8(b)	120	167
<b>Total non-current liabilities</b>		<b>3,432</b>	<b>5,748</b>
<b>Total liabilities</b>		<b>19,507</b>	<b>19,063</b>
<b>Net assets</b>		<b>664,762</b>	<b>612,604</b>
<b>Equity</b>			
Accumulated surplus		337,961	331,162
Reserves	9.1	326,801	281,442
<b>Total Equity</b>		<b>664,762</b>	<b>612,604</b>

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

Swan Hill Rural City Council

2022/2023 Financial Report

Statement of Changes in Equity

for the year ended 30 June 2023

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000
<b>2023</b>				
<b>Balance at beginning of the financial year</b>		612,604	331,162	281,442
<b>Surplus/(deficit) for the year</b>		6,799	6,799	–
<b>Other comprehensive income</b>				
Net asset revaluation increment/(decrement)	6.1	45,359	–	45,359
<b>Other comprehensive income</b>		45,359	–	45,359
<b>Total comprehensive income</b>		52,158	6,799	45,359
<b>Balance at end of the financial year</b>		664,762	337,961	326,801
<b>2022</b>				
<b>Balance at beginning of the financial year</b>		530,373	318,455	211,918
<b>Surplus/(deficit) for the year</b>		12,707	12,707	–
<b>Other comprehensive income</b>				
Net asset revaluation increment/(decrement)	6.1	69,524	–	69,524
<b>Other comprehensive income</b>		69,524	–	69,524
<b>Total comprehensive income</b>		82,231	12,707	69,524
<b>Balance at end of the financial year</b>		612,604	331,162	281,442

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

Swan Hill Rural City Council

2022/2023 Financial Report

Statement of Cash Flows

for the year ended 30 June 2023

	Notes	2023 Inflows/ (Outflows) \$ '000	2022 Inflows/ (Outflows) \$ '000
<b>Cash flows from operating activities</b>			
Rates and charges		29,957	29,336
Statutory fees and fines		895	1,077
User fees		4,479	4,165
Grants - operating		18,398	17,043
Grants - capital		3,448	6,438
Contributions - monetary		337	295
Interest received		1,822	452
Trust funds and deposits taken		17	184
Other receipts		1,431	3,167
Net GST refund/(payment)		2,596	2,664
Employee costs		(20,585)	(20,274)
Materials and services		(19,129)	(21,116)
Other payments		(5,331)	(2,201)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<u>18,335</u>	<u>21,230</u>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.1	(14,961)	(16,241)
Proceeds from sale of property, infrastructure, plant and equipment		1,914	305
Payments for investments		(9,896)	(7,600)
<b>Net cash provided by/(used in) investing activities</b>		<u>(22,943)</u>	<u>(23,536)</u>
<b>Cash flows from financing activities</b>			
Finance costs		(70)	(163)
Repayment of borrowings		(271)	(5,168)
Interest paid - lease liability		(14)	(24)
Repayment of lease liabilities		(279)	(447)
<b>Net cash flow provided by/(used in) financing activities</b>		<u>(634)</u>	<u>(5,802)</u>
<b>Net Increase (decrease) in cash and cash equivalents</b>		<u>(5,242)</u>	<u>(8,108)</u>
Cash and cash equivalents at the beginning of the financial year		10,590	18,698
<b>Cash and cash equivalents at the end of the financial year</b>		<u>5,348</u>	<u>10,590</u>
Financing arrangements	5.6	2,547	2,818

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

Swan Hill Rural City Council

2022/2023 Financial Report

Statement of Capital Works

for the year ended 30 June 2023

	2023 \$ '000	2022 \$ '000
<b>Property</b>		
Land	539	1,298
<b>Total land</b>	<u>539</u>	<u>1,298</u>
Buildings	5,434	2,317
<b>Total buildings</b>	<u>5,434</u>	<u>2,317</u>
<b>Total property</b>	<u>5,973</u>	<u>3,615</u>
<b>Plant and equipment</b>		
Plant, machinery and equipment	913	1,688
Fixtures, fittings and furniture	472	19
Computers and telecommunications	530	61
Artworks	1	12
Library books	125	131
<b>Total plant and equipment</b>	<u>2,041</u>	<u>1,911</u>
<b>Infrastructure</b>		
Sealed Roads	3,050	5,313
Unsealed Roads	1,119	2,165
Footpaths and cycleways	617	781
Drainage	234	1,133
Recreational, leisure and community facilities	197	38
Waste management	31	25
Parks, open space and streetscapes	845	1,106
Other infrastructure	996	110
<b>Total infrastructure</b>	<u>7,089</u>	<u>10,671</u>
<b>Total capital works expenditure</b>	<u>15,103</u>	<u>16,197</u>
<b>Represented by:</b>		
New asset expenditure	5,005	6,767
Asset renewal expenditure	6,780	7,807
Asset upgrade expenditure	3,318	1,623
<b>Total capital works expenditure</b>	<u>15,103</u>	<u>16,197</u>

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



## Swan Hill Rural City Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 1. 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 Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

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

##### Significant accounting policies

###### 1.1 Basis of accounting

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

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

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

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

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

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

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

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Overview (continued)

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

**Goods and Services Tax (GST)**

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

**1.2 Impact of Covid-19**

The Coronavirus (Covid-19) was declared a world-wide pandemic by the World Health Organisation in March 2020. The Victorian Government advised that as of 11:59pm 12 October 2022 the pandemic declaration ended, no longer requiring positive cases to isolate.

Throughout 2022/23 Council continued to receive further economic support with funding for programs including Local Roads and Community Infrastructure, that aim to assist with the economic recovery from the pandemic.

During 2022-23 the COVID-19 pandemic continued to impact on Council's operations. Council has noted the following impacts:

- Council suspended their debt collection activities during the pandemic, resulting in increased levels of outstanding debtors. Debt collection activities resumed in June 2023.
- Increased staff turnover and competition for positions, has resulted in staff shortages and increased costs due to the need to hire temporary/agency staff.

The above impacts on the financial statements for the year ended 30 June 2023, have led to a reduction in income and expenditure in many areas, but has not resulted in a negative impact to Council's 30 June 2023 financial result.

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2. Analysis of our results

Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent 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 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

	Budget 2023 \$ '000	Actual 2023 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.1 Income / Revenue and expenditure</b>					
<b>Income / Revenue</b>					
Rates and charges	30,763	30,809	46	0.15%	
Statutory fees and fines	1,095	955	(140)	(12.79)%	1
User fees	4,640	4,497	(143)	(3.08)%	
Grants - operating	11,909	18,142	6,233	52.34%	2
Grants - capital	6,744	2,520	(4,224)	(62.63)%	3
Contributions - monetary	217	337	120	55.30%	4
Contributions - non monetary	-	33	33	∞	5
Net gain on disposal of property, infrastructure, plant and equipment	368	60	(308)	(83.70)%	6
Other income	4,885	4,176	(709)	(14.51)%	7
<b>Total income / revenue</b>	<b>60,621</b>	<b>61,529</b>	<b>908</b>	<b>1.50%</b>	
<b>Expenses</b>					
Employee costs	21,569	20,570	999	4.63%	
Materials and services	16,992	19,821	(2,829)	(16.65)%	8
Depreciation	11,357	12,400	(1,043)	(9.18)%	9
Amortisation - right of use assets	237	277	(40)	(16.88)%	10
Bad and doubtful debts	12	45	(33)	(275.00)%	11
Borrowing costs	70	70	-	0.00%	
Finance costs - leases	9	14	(5)	(55.56)%	12
Other expenses	1,285	1,533	(248)	(19.30)%	13
<b>Total expenses</b>	<b>51,531</b>	<b>54,730</b>	<b>(3,199)</b>	<b>(6.21)%</b>	
<b>Surplus/(deficit) for the year</b>	<b>9,090</b>	<b>6,799</b>	<b>(2,291)</b>	<b>(25.20)%</b>	

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

**Variance Explanation**  
**Ref**

1. Building and planning permit fees were \$185,000 below forecast due to a downturn in the levels of building activity and also a reduction in the services provided by Council due to the issues associated with recruiting suitably qualified building and planning staff.
2. Operating grants favourable variance includes Grants Commission funding (\$3,140,000), flood relief (\$1,500,000), Robinvale Resource Centre - Community Recovery Hub (\$454,000) and additional funds received for the Our Region Our Rivers project. Our Region Our Rivers funds were received by Council and passed on to partner Councils as their projects were completed.
3. The budget included capital grants for Our Regions Our Rivers (\$3,400,000) and Local Roads and Community Infrastructure (\$1,300,000), as at 30 June only \$310,000 of this funding was received due to project delays.
4. Council was able to attract additional contributions towards the Robinvale Workers Bus Pilot (\$25,000), Sealed Roads - Freight Road Mapping (\$13,000), L2P program (\$50,000) and the Waste Management Kerbside Audit (\$15,000).
5. The Swan Hill Art Gallery received donated artworks to the value of \$28,000 and the Swan Hill Library received donated books valued at \$5,000.
6. Renewal of plant and equipment assets were below forecast due to production and delivery delays on a number of significant plant items. At year end Council has a number of items on order that are yet to finish production or be delivered.
7. The budget projected Tower Hill sales of (\$3.4M), actual sales were below forecast at \$936,000. This unfavourable variance is offset by increases in interest rates and above forecast cash holdings that resulted in interest income being \$1.4M above forecast.
8. The majority of this variance (\$1,645,000) relates to works budgeted as capital expenditure, but deemed not to meet capitalisation thresholds and requirements and was therefore expensed. In addition to this Council incurred \$653,000 in costs relating to the October 2022 flood event and fuel costs for the year were \$190,000 above forecast.
9. Following the revaluation of roads and footpaths at 30 June 2022, the depreciaton expense was higher than forecast due to the movement in unit rates.
10. The lease of an additional facility (McCrae St public toilets) and renewal of the Maternal Child Health building had not been forecast.
11. The provision for doubtful debts relating to parking infringements and fines has increased above forecast.
12. As per note 10 above, the new and renewal of leases was not forecast.
13. The disposal of land assets no longer controlled by Council.

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2.1 Performance against budget (continued)

	Budget 2023 \$ '000	Actual 2023 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.2 Capital works</b>					
<b>Property</b>					
Land	2,500	539	(1,961)	(78.44)%	1
<b>Total land</b>	<b>2,500</b>	<b>539</b>	<b>(1,961)</b>	<b>(78.44)%</b>	
Buildings	12,705	5,434	(7,271)	(57.23)%	2
<b>Total buildings</b>	<b>12,705</b>	<b>5,434</b>	<b>(7,271)</b>	<b>(57.23)%</b>	
<b>Total property</b>	<b>15,205</b>	<b>5,973</b>	<b>(9,232)</b>	<b>(60.72)%</b>	
<b>Plant and equipment &amp; Culture and heritage</b>					
Plant, machinery and equipment	1,492	913	(579)	(38.81)%	3
Fixtures, fittings and furniture	330	472	142	43.03%	4
Computers and telecommunications	1,150	530	(620)	(53.91)%	5
Library books	160	125	(35)	(21.88)%	6
Artworks	-	1	1	∞	7
<b>Total plant and equipment &amp; Culture and heritage</b>	<b>3,132</b>	<b>2,041</b>	<b>(1,091)</b>	<b>(34.83)%</b>	
<b>Infrastructure</b>					
Sealed Roads	4,262	3,050	(1,212)	(28.44)%	8
Unsealed Roads	1,088	1,119	31	2.85%	
Footpaths and cycleways	584	617	33	5.65%	
Drainage	289	234	(55)	(19.03)%	9
Recreational, leisure and community facilities	44	197	153	347.73%	10
Waste management	1,117	31	(1,086)	(97.22)%	11
Parks, open space and streetscapes	360	845	485	134.72%	12
Other infrastructure	174	996	822	472.41%	13
<b>Total infrastructure</b>	<b>7,918</b>	<b>7,089</b>	<b>(829)</b>	<b>(10.47)%</b>	
<b>Total capital works expenditure</b>	<b>26,255</b>	<b>15,103</b>	<b>(11,152)</b>	<b>(42.48)%</b>	
<b>Represented by:</b>					
New asset expenditure	12,378	5,005	(7,373)	(59.57)%	
Asset renewal expenditure	10,365	6,780	(3,585)	(34.59)%	
Asset upgrade expenditure	3,512	3,318	(194)	(5.52)%	
<b>Total capital works expenditure</b>	<b>26,255</b>	<b>15,103</b>	<b>(11,152)</b>	<b>(42.48)%</b>	

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	The budget allowed (\$2,500,000) for the development of Tower Hill stage 15, works have commenced with expenditure of \$329,000.
2.	The budget allowed (\$7,197,000) for the Swan Hill Art Gallery and Visitation Centre and Swan Hill Tourism and Cultural Hub projects, with only design and consultation works being undertaken to date.
3.	Delivery delays and challenges in sourcing plant, machinery and equipment replacements resulted in actual expenditure (\$913,000) being below budget (\$1,492,000).
4.	Robinvale Leisure Centre fit out (\$330,000) has commenced with expenditure of \$181,000 to date. Other expenditure includes \$179,000 for Town Hall Auditorium air-conditioning renewal and \$65,000 for parking meter upgrades.
5.	Computers and telecommunications budget included IT equipment replacement (\$160,000), implementation of the IT Strategy (\$660,000) and activation of lighting and digital content at the Pioneer Settlement (\$330,000). Actual expenditure included IT equipment replacement of \$120,000 and activation of lighting and digital content at the Pioneer Settlement of \$439,000. IT Strategy expenditure of \$360,000 was expensed due to not meeting capitalisation rules or thresholds.
6.	Purchases made to provide non-book material for the Library were made from the library collection capital purchases budget. These were expensed to 'materials and services', as they could not be capitalised in accordance with our asset recognition thresholds and useful life criteria.
7.	Council was able to purchase Artwork, funded by donations to the Art Gallery acquisitions trust.
8.	The sealed roads budget included \$1,033,000 for the renewal of Butterworth Street, works have not yet commenced.
9.	The majority of the variance relates to works completed on the Robinvale Town Levee being below budget.
10.	The budget (\$44,000) allowed for design and cricket wicket works at Gurnett Oval, with works not commenced to date. Actual expenditure includes works in progress for Robinvale Leisure Centre Splash Park, shade sails for Nyah Swimming Pool and irrigation renewal works.
11.	Waste management budget (\$1,117,000) included the construction of a new waste cell and boundary fence at Swan Hill landfill. Actual expenditure includes initial design works for new cell and Ultima compost facility.
12.	Parks, open space and streetscapes variance relates to works on McCallum Street footpath \$340,000 and Robinvale skate park \$81,000.
13.	Other infrastructure budget (\$174,000) included Livestock exchange anti-slip rubber mats and Swan Hill power upgrades. Actual expenditure includes renewal works to Swan Hill Aerodrome lighting and runway, anti-slip rubber mats at the Livestock exchange and replacement of material bins at Swan Hill depot.

Swan Hill Rural City Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 2.2 Analysis of Council results by program

2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

**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.

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

Functions/activities	Income / Revenue \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income / revenue \$ '000	Total assets \$ '000
<b>2023</b>					
Economic Growth	6,766	17,964	(11,198)	2,680	8,448
Community enrichment	5,589	9,050	(3,461)	4,088	2,818
Infrastructure	13,964	19,862	(5,898)	7,945	608,311
Governance and leadership	35,210	7,854	27,356	5,949	64,692
<b>Total functions and activities</b>	<b>61,529</b>	<b>54,730</b>	<b>6,799</b>	<b>20,662</b>	<b>684,269</b>
<b>2022</b>					
Economic Growth	15,189	14,645	544	11,141	9,217
Community enrichment	5,079	8,095	(3,016)	3,716	2,781
Infrastructure	13,899	19,857	(5,958)	6,911	563,060
Governance and leadership	31,034	9,897	21,137	3,991	56,609
<b>Total functions and activities</b>	<b>65,201</b>	<b>52,494</b>	<b>12,707</b>	<b>25,759</b>	<b>631,667</b>

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 3. Funding for the delivery of our services

	2023 \$ '000	2022 \$ '000
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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 2022/23 was \$5,561 million (2021/22 \$4,756 million).

Residential	11,212	11,052
Commercial	1,691	1,638
Industrial	795	879
Farm/rural	12,580	11,998
Supplementary rates and rate adjustments	244	192
Garbage charge	3,822	3,680
Special Marketing Rates	379	370
Rate agreements - Electricity Industry Act	82	296
Abandonments	(13)	(18)
Other	17	14
<b>Total rates and charges</b>	<b>30,809</b>	<b>30,101</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2022, and the valuation will be first applied in the rating year commencing 1 July 2022.

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.

	2023 \$ '000	2022 \$ '000
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3.2 Statutory fees and fines

Infringements and costs	47	65
Building and planning fees	523	676
Animal registration and release fees	167	160
Health registration fees	134	99
Other fees and fines	84	77
<b>Total statutory fees and fines</b>	<b>955</b>	<b>1,077</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.



Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
<b>3.3 User fees</b>		
Aged and health services	687	760
Administration fees	134	134
Child care/children's programs	144	120
Parking	182	177
Sales - Admissions	1,345	1,239
Sales - merchandising, catering, other sales	596	446
Hire & Leasing fees	724	637
Livestock Exchange	414	429
Other fees and charges	271	214
<b>Total user fees</b>	<b>4,497</b>	<b>4,156</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised over time	724	637
User fees recognised at a point in time	3,773	3,519
<b>Total user fees</b>	<b>4,497</b>	<b>4,156</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.

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	15,252	17,439
State funded grants	5,410	8,320
<b>Total grants received</b>	<b>20,662</b>	<b>25,759</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants - general purpose *	7,306	6,613
Financial Assistance Grants - local roads *	3,391	2,889
Home and community care	1,583	1,537
Out of school hours care	259	246
<b>Recurrent - State Government</b>		
Art Gallery and performing arts	100	150
Libraries	217	214
Maternal and child health	545	408
Public health	98	64
School crossing supervisors	59	49
Other	116	120
<b>Total recurrent operating grants</b>	<b>13,674</b>	<b>12,290</b>
<b>Non-recurrent - Commonwealth Government</b>		
Home & community care	112	108
Our Region Our Rivers	1,318	911
<b>Non-recurrent - State Government</b>		
Community projects	870	327
Cultural heritage	50	296
Economic development	124	520
Emergency management/response	1,500	-
Employment subsidies	-	75
Environmental protection	85	163
Family and children	359	481
Libraries	31	12
Waste management	-	64
Other	19	60
<b>Total non-recurrent operating grants</b>	<b>4,468</b>	<b>3,017</b>
<b>Total operating grants</b>	<b>18,142</b>	<b>15,307</b>

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	793	1,372
<b>Total recurrent capital grants</b>	<b>793</b>	<b>1,372</b>
<b>Non-recurrent - Commonwealth Government</b>		
Aerodrome	–	960
Local roads and community infrastructure program	160	2,173
Our Region Our Rivers	330	630
<b>Non-recurrent - State Government</b>		
Art and heritage	43	7
Buildings	94	2,607
Drainage	–	224
Livestock exchange	–	3
Parks playgrounds and street beautification	640	1,302
Recreation, leisure and community facilities	302	691
Roads	–	128
Waste management	25	40
Other	133	315
<b>Total non-recurrent capital grants</b>	<b>1,727</b>	<b>9,080</b>
<b>Total capital grants</b>	<b>2,520</b>	<b>10,452</b>

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023	2022
	\$ '000	\$ '000

**(c) Recognition of grant income**

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

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

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

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

<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	7,306	6,613
Other specific purpose grants	8,813	6,927
Specific purpose grants to acquire non-financial assets	2,519	10,452
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	2,023	1,767
	<u>20,661</u>	<u>25,759</u>

**(d) Unspent grants received on condition that they be spent in a specific manner**

<b>Operating</b>		
Balance at start of year	1,767	31
Received during the financial year and remained unspent at balance date	350	9,140
Received in prior years and spent during the financial year	(94)	(7,404)
<b>Balance at year end</b>	<u>2,023</u>	<u>1,767</u>
<b>Capital</b>		
Balance at start of year	2,490	6,504
Received during the financial year and remained unspent at balance date	1,782	2,150
Received in prior years and spent during the financial year	(854)	(6,164)
<b>Balance at year end</b>	<u>3,418</u>	<u>2,490</u>

Unspent grants are determined and disclosed on a cash basis.

(\*) 2023, 100% of the 2023/24 allocation was received prior to June 30 (2022, 75% of the 2022/23 allocation received prior to June 30)

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
<b>3.5 Contributions</b>		
<b>Monetary contributions</b>		
Monetary	337	295
<b>Total monetary contributions</b>	<b>337</b>	<b>295</b>
<b>Non-monetary contributions</b>		
Non-monetary	33	39
<b>Total non-monetary contributions</b>	<b>33</b>	<b>39</b>
<b>Total contributions</b>	<b>370</b>	<b>334</b>

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

Library Books	5	4
Artworks	28	35
<b>Total non-monetary contributions</b>	<b>33</b>	<b>39</b>

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

	2023 \$ '000	2022 \$ '000
<b>3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
<b>Property, infrastructure, plant and equipment</b>		
Proceeds of sale	1,914	305
Written down value of assets disposed	(1,854)	(94)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>60</b>	<b>211</b>
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>60</b>	<b>211</b>

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

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

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

	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>3.7 Other income</b>		
Interest	1,822	452
Reimbursements	960	769
Tower Hill land sales	936	2,018
Less - Tower Hill costs of goods sold	(51)	-
Revenue from volunteer services	329	174
Other	180	150
<b>Total other income</b>	<b>4,176</b>	<b>3,563</b>

Interest is recognised as it is earned.

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

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. The cost of delivering services

	2023 \$ '000	2022 \$ '000
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4.1 Employee costs

(a) Employee costs

Wages and salaries	16,475	15,796
WorkCover	224	1,113
Superannuation	2,357	1,986
Fringe benefits tax	40	31
Agency staff	897	969
Long service leave	291	320
Staff training	168	135
Other	118	118
<b>Total employee costs</b>	<b>20,570</b>	<b>20,468</b>

(b) Superannuation

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	73	103
	<b>73</b>	<b>103</b>

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,209	1,828
	<b>2,209</b>	<b>1,828</b>

**Total superannuation costs**

	<b>2,282</b>	<b>1,931</b>
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Refer to Note 9.3. for further information relating to Council's superannuation obligations.

	2023 \$ '000	2022 \$ '000
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4.2 Materials and services

Contract payments	7,756	10,297
Building maintenance	913	734
General maintenance	2,443	1,644
Utilities	1,294	1,208
Office administration	777	656
Information technology	708	628
Insurance	1,047	987
Consultants	769	689
Community grants sponsorship and contributions	2,244	2,046
Volunteer services - cost of service	329	174
Other	1,541	1,551
<b>Total materials and services</b>	<b>19,821</b>	<b>20,614</b>

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

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. The cost of delivering services (continued)

	2023 \$ '000	2022 \$ '000
<b>4.3 Depreciation</b>		
<b>Property</b>		
Buildings - specialised	1,295	1,252
Buildings - non specialised	80	78
<b>Total depreciation - property</b>	<b>1,375</b>	<b>1,330</b>
<b>Plant and equipment</b>		
Plant machinery and equipment	933	892
Fixtures fittings and furniture	286	321
Computers and telecomms	98	95
Artworks	18	18
Library Collection	130	128
Pioneer Settlement vehicles & vessels	58	58
Pioneer Settlement site exhibits	26	26
Pioneer Settlement buildings	11	11
<b>Total depreciation - plant and equipment</b>	<b>1,560</b>	<b>1,549</b>
<b>Infrastructure</b>		
Footpaths and cycleways	516	390
Drainage	650	596
Recreational, leisure and community	368	368
Waste management	97	97
Parks open spaces and streetscapes	417	345
Sealed roads	5,325	3,644
Unsealed roads	1,861	1,363
Other infrastructure	231	229
<b>Total depreciation - infrastructure</b>	<b>9,465</b>	<b>7,032</b>
<b>Total depreciation</b>	<b>12,400</b>	<b>9,911</b>

Refer to note 5.2( c ), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

	2023 \$ '000	2022 \$ '000
<b>4.4 Amortisation - right of use assets</b>		
Property	277	424
<b>Total Amortisation - Right of use assets</b>	<b>277</b>	<b>424</b>

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. The cost of delivering services (continued)

	2023 \$ '000	2022 \$ '000
<b>4.5 Bad and doubtful debts</b>		
Parking fine debtors	43	48
Rates debtors	–	20
Other debtors	2	2
<b>Total bad and doubtful debts - allowance for impairment losses</b>	<b>45</b>	<b>70</b>
<b>Movement in allowance for impairment losses in respect of debtors</b>		
Balance at the beginning of the year	338	278
New provisions recognised during the year	35	60
Amounts already provided for and written off as uncollectible	(10)	(10)
Amounts provided for but recovered during the year	10	10
<b>Balance at end of year</b>	<b>373</b>	<b>338</b>

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

	2023 \$ '000	2022 \$ '000
<b>4.6 Borrowing costs</b>		
Interest - Borrowings	70	163
<b>Total borrowing costs</b>	<b>70</b>	<b>163</b>

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

	2023 \$ '000	2022 \$ '000
<b>4.7 Finance Costs - leases</b>		
Interest - Lease Liabilities	14	24
<b>Total finance costs</b>	<b>14</b>	<b>24</b>

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. The cost of delivering services (continued)

	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>4.8 Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	56	60
Auditors' remuneration - Internal Audit	62	16
Councillors' allowances	256	267
Assets written-off / impaired	574	96
Operating lease rentals	190	27
Vehicle registrations	109	83
Bank Charges	62	55
Legal Costs	77	98
Fire Services Levy	80	65
Others	67	53
<b>Total other expenses</b>	<b>1,533</b>	<b>820</b>

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position

	2023 \$ '000	2022 \$ '000
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
<b>Current</b>		
Cash on hand	13	13
Cash at bank	5,335	7,536
Term deposits	–	3,041
<b>Total current cash and cash equivalents</b>	<u>5,348</u>	<u>10,590</u>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits - current	50,450	40,554
<b>Total current other financial assets</b>	<u>50,450</u>	<u>40,554</u>
<b>Total current financial assets</b>	<u>55,798</u>	<u>51,144</u>

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

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

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

Swan Hill Rural City Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>(c) Trade &amp; Other Receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	3,367	2,515
Infringement debtors	389	336
Private scheme debtors	4	4
Net GST receivable	135	368
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	48	48
Other debtors	1,235	1,003
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - rates debtors	(77)	(75)
Provision for doubtful debts - infringements	(290)	(254)
Provision for doubtful debts - other debtors	(6)	(9)
<b>Total current trade and other receivables</b>	<b>4,805</b>	<b>3,936</b>
<b>Non-Current</b>		
<i>Non-statutory receivables</i>		
<b>Total trade and other receivables</b>	<b>4,805</b>	<b>3,936</b>

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

Swan Hill Rural City Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023	2022
	\$ '000	\$ '000

**(d) Ageing of receivables**

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

Current (not yet due)	467	130
Past due between 31 and 180 days	215	629
Past due between 181 and 365 days	71	137
Past due by more than 1 year	524	149
<b>Total trade and other receivables</b>	<b>1,277</b>	<b>1,045</b>

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

At balance date, other debtors representing financial assets with a nominal value of \$6,414 (2022: \$8,741) were impaired. The amount of the provision raised against these debtors was \$6,414 (2022: \$8,741). 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 by more than 1 year	6	9
<b>Total trade and other receivables</b>	<b>6</b>	<b>9</b>

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>5.2 Non-financial assets</b>		
<b>(a) Inventories</b>		
<b>Current</b>		
Inventories held for distribution	39	152
Inventories held for sale	47	35
Tower Hill Estate	98	44
<b>Total current inventories</b>	<b>184</b>	<b>231</b>
<p>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.</p>		
<b>(b) Other assets</b>		
<b>Current</b>		
Prepayments	277	125
Accrued income	1,780	159
Other	35	35
<b>Total current other assets</b>	<b>2,092</b>	<b>319</b>
<b>Non-current</b>		
Other	50	50
<b>Total non-current other assets</b>	<b>50</b>	<b>50</b>
<b>(c) Intangible assets</b>		
Water rights	3,840	3,840
<b>Total intangible assets</b>	<b>3,840</b>	<b>3,840</b>

	Water Rights \$ '000
<b>Gross Carrying Amount</b>	
Balance at 1 July 2022	3,840
<b>Balance at 30 June 2023</b>	<b>3,840</b>
<b>Net book value at 30 June 2022</b>	<b>3,840</b>
<b>Net book value at 30 June 2023</b>	<b>3,840</b>

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.

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>5.3 Payables, trust funds and deposits and unearned income/revenue</b>		
<b>(a) Trade and other payables</b>		
<b>Current</b>		
<i>Non-statutory payables</i>		
Trade payables	1,177	380
Salaries and wages	391	941
Accrued expenses	1,312	1,704
<b>Total current trade and other payables</b>	<b>2,880</b>	<b>3,025</b>
<b>(b) Trust funds and deposits</b>		
<b>Current</b>		
Refundable deposits	213	150
Fire services property levy	12	-
Retention amounts	260	318
<b>Total current trust funds and deposits</b>	<b>485</b>	<b>468</b>
<b>(c) Unearned income/revenue</b>		
<b>Current</b>		
<b>Grants received in advance:</b>		
Grants received in advance - operating	2,023	1,767
Grants received in advance - capital	3,418	2,490
<b>Total grants received in advance</b>	<b>5,441</b>	<b>4,257</b>
<b>User fees received in advance:</b>		
Other	1	19
<b>Total user fees received in advance</b>	<b>1</b>	<b>19</b>
<b>Total current unearned income/revenue</b>	<b>5,442</b>	<b>4,276</b>

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of grant income payable to external partner Council's and capital works projects. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

**Purpose and nature of items**

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 services property Levy - Council is the collection agent for fire services property 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.

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for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>5.4 Interest-bearing liabilities</b>		
<b>Current</b>		
Other borrowings - secured	278	271
<b>Total current interest-bearing liabilities</b>	<b>278</b>	<b>271</b>
<b>Non-current</b>		
Other borrowings - secured	2,069	2,347
<b>Total non-current interest-bearing liabilities</b>	<b>2,069</b>	<b>2,347</b>
<b>Total</b>	<b>2,347</b>	<b>2,618</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	278	271
Later than one year and not later than five years	1,913	1,988
Later than five years	156	359
	<b>2,347</b>	<b>2,618</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.



Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	Employee provisions \$ '000	Landfill restoration \$ '000	Total \$ '000
<b>5.5 Provisions</b>			
<b>2023</b>			
Balance at the beginning of the financial year	5,156	3,094	8,250
Additional provisions	1,468	(53)	1,415
Amounts used	(1,672)	–	(1,672)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	189	(81)	108
<b>Balance at the end of the financial year</b>	<b>5,141</b>	<b>2,960</b>	<b>8,101</b>
<b>Provisions</b>			
Provisions - current	4,976	1,882	6,858
Provisions - non-current	165	1,078	1,243
<b>Total Provisions</b>	<b>5,141</b>	<b>2,960</b>	<b>8,101</b>
<b>2022</b>			
Balance at the beginning of the financial year	5,349	1,558	6,907
Additional provisions	1,134	1,442	2,576
Amounts used	(1,471)	–	(1,471)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	144	94	238
<b>Balance at the end of the financial year</b>	<b>5,156</b>	<b>3,094</b>	<b>8,250</b>
<b>Provisions</b>			
Provisions - current	5,016	–	5,016
Provisions - non-current	140	3,094	3,234
<b>Total Provisions</b>	<b>5,156</b>	<b>3,094</b>	<b>8,250</b>

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	1,322	1,280
Long service leave	280	283
	1,602	1,563
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	300	315
Long service leave	3,074	3,138
	3,374	3,453
<b>Total current employee provisions</b>	4,976	5,016
<b>Non-Current</b>		
Long service leave	165	140
<b>Total Non-Current Employee Provisions</b>	165	140
Aggregate Carrying Amount of Employee Provisions:		
Current	4,976	5,016
Non-current	165	140
<b>Total Aggregate Carrying Amount of Employee Provisions</b>	5,141	5,156

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

*Annual leave*

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

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

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

*Long service leave*

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

Key assumptions:

- discount rate	4.06%	3.85%
- index rate	4.35%	3.69%

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023 \$ '000	2022 \$ '000
<b>(b) Landfill restoration</b>		
<b>Current</b>		
Current	1,882	–
<b>Total current</b>	<b>1,882</b>	<b>–</b>
<b>Non-current</b>		
Non-current	1,078	3,094
<b>Total non-current</b>	<b>1,078</b>	<b>3,094</b>

Council is obligated to restore 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. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.03%	3.16%
- index rate	6.00%	6.10%

**Total provisions**

<b>Current</b>		
Employee provisions	4,976	5,016
Landfill restoration	1,882	–
<b>Total current provisions</b>	<b>4,976</b>	<b>5,016</b>
<b>Non-current</b>		
Employee provisions	165	140
Landfill restoration	1,078	3,094
<b>Total non-current provisions</b>	<b>3,125</b>	<b>3,234</b>

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2023.

Credit card facilities	200	200
Loans and borrowings	2,347	2,618
<b>Total Facilities</b>	<b>2,547</b>	<b>2,818</b>
Used facilities	2,378	2,650
<b>Used facilities</b>	<b>2,378</b>	<b>2,650</b>
<b>Unused facilities</b>	<b>169</b>	<b>168</b>

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

5.7 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
<b>2023</b>					
<b>Operating</b>					
Building and property maintenance	110	–	–	–	110
Cleaning - council buildings, public toilets, barbeques	337	–	–	–	337
Cultural and heritage	14	–	–	–	14
Licenses	76	–	–	–	76
Management & operations of the PS Pyap	307	–	–	–	307
Materials and supplies	721	–	–	–	721
Office equipment and supplies	85	–	–	–	85
Other Infrastructure	35	–	–	–	35
Professional services	685	20	16	–	721
Recreation, leisure and community facilities	1,462	2,230	2,230	–	5,922
Uniforms	15	–	–	–	15
Waste management operation and kerbside collection	181	508	508	704	1,901
<b>Total</b>	<b>4,028</b>	<b>2,758</b>	<b>2,754</b>	<b>704</b>	<b>10,244</b>
<b>Capital</b>					
Buildings	722	–	–	–	722
Cultural and heritage	91	–	–	–	91
Drainage	34	–	–	–	34
Footpaths	–	–	–	–	–
Land	19	–	–	–	19
Other infrastructure	802	–	–	–	802
Materials and supplies	–	–	–	–	–
Parks and open spaces	115	–	–	–	115
Plant & equipment	618	–	–	–	618
Professional services	–	–	–	–	–
Recreation and leisure assets	3,461	–	–	–	3,461
Sealed roads	3,895	1,303	–	–	5,198
<b>Total</b>	<b>9,757</b>	<b>1,303</b>	<b>–</b>	<b>–</b>	<b>11,060</b>

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
<b>2022</b>					
<b>Operating</b>					
Building and property maintenance	496	–	–	–	496
Cleaning - council buildings, public toilets, barbeques	226	–	–	–	226
Cultural and heritage	–	–	–	–	–
Licenses	83	–	–	–	83
Management & operations of the PS Pyap	621	–	–	–	621
Materials and supplies	1,060	25	22	4	1,111
Office equipment and supplies	72	–	–	–	72
Other Infrastructure	24	–	–	–	24
Professional services	2,688	–	–	–	2,688
Recreation, leisure and community facilities	–	–	–	–	–
Uniforms	23	–	–	–	23
Waste management operation and kerbside collection	2,301	–	–	–	2,301
<b>Total</b>	<b>7,594</b>	<b>25</b>	<b>22</b>	<b>4</b>	<b>7,645</b>
<b>Capital</b>					
Buildings	5,100	–	–	–	5,100
Cultural and heritage	887	–	–	–	887
Drainage	319	–	–	–	319
Footpaths	163	–	–	–	163
Land	32	–	–	–	32
Other infrastructure	7,026	151	–	–	7,177
Materials and supplies	539	–	–	–	539
Parks and open spaces	641	–	–	–	641
Plant & equipment	543	–	–	–	543
Professional services	5	–	–	–	5
Recreation and leisure assets	5,179	–	–	–	5,179
Sealed roads	1,149	–	–	–	1,149
<b>Total</b>	<b>21,583</b>	<b>151</b>	<b>–</b>	<b>–</b>	<b>21,734</b>

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

	2023	2022
	\$ '000	\$ '000

**(b) Operating lease receivables**

**Operating lease receivables**

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

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

Not later than one year	375	448
Later than one year and not later than five years	920	1,250
Later than five years	73	671
	1,368	2,369

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

5.8 Leases

At inception of a contract, Council assesses 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;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council 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.

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to 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 in the area in known as 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	25 years	\$0
Lake Boga Boat Ramps and Jetty	2 years	\$1
Various parcels of VicTrack Land (parks & reserves)	Various terms	\$1 each
Joint User Agreements - Department of Education	Various terms	\$0 - \$1 each

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 5. Our financial position (continued)

(a) Right-of-Use Assets

	Property \$ '000	Total \$ '000
<b>2023</b>		
Balance at 1 July	408	408
Additions	104	104
Amortisation charge	(276)	(276)
<b>Balance at 30 June</b>	<b>236</b>	<b>236</b>
<b>2022</b>		
Balance at 1 July	444	444
Additions	388	388
Amortisation charge	(424)	(424)
<b>Balance at 30 June</b>	<b>408</b>	<b>408</b>
	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>

(b) Lease Liabilities

Maturity analysis - contractual undiscounted cash flows		
Less than one year	132	264
One to five years	118	154
More than five years	6	29
<b>Total undiscounted lease liabilities as at 30 June:</b>	<b>256</b>	<b>447</b>
<b>Lease liabilities included in the Balance Sheet at 30 June:</b>		
Current	132	259
Non-current	120	167
<b>Total lease liabilities</b>	<b>252</b>	<b>426</b>

**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of \$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.

Variable lease payments are those that depend on an index or a rate, for example payments linked to the consumer price index, a benchmark interest rate or changes in market rental rates.

**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	1
Later than one year but not later than five years	2	3
Later than five years	3	2
<b>Total lease commitments</b>	<b>6</b>	<b>6</b>



## Swan Hill Rural City Council

2022/2023 Financial Report

## Notes to the Financial Statements

for the year ended 30 June 2023

## Note 6. Assets we manage

## 6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2022 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Depreciation \$ '000	Disposal \$ '000	Write-off \$ '000	Transfers \$ '000	Carrying amount 30 June 2023 \$ '000
Property	126,554	2,481	–	17,001	(1,375)	(1,681)	(713)	2,541	144,808
Plant and equipment/Culture and heritage assets	17,120	2,041	32	(561)	(1,560)	(173)	–	660	17,559
Infrastructure	420,748	5,837	–	28,919	(9,465)	–	–	2,356	448,395
Work in progress	7,317	4,744	–	–	–	–	–	(5,557)	6,504
<b>Total</b>	<b>571,739</b>	<b>15,103</b>	<b>32</b>	<b>45,359</b>	<b>(12,400)</b>	<b>(1,854)</b>	<b>(713)</b>	<b>–</b>	<b>617,266</b>

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	3,662	3,492	(2,541)	4,613
Plant and equipment	619	–	(660)	(41)
Infrastructure	3,036	1,252	(2,356)	1,932
<b>Total</b>	<b>7,317</b>	<b>4,744</b>	<b>(5,557)</b>	<b>6,504</b>

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## Swan Hill Rural City Council

## Notes to the Financial Statements

for the year ended 30 June 2023

## Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Total land and land improvements \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
<b>(a) Property</b>								
At fair value 1 July 2022	69,527	7,668	<b>77,195</b>	105,512	4,436	<b>109,948</b>	3,662	<b>190,805</b>
Accumulated depreciation at 1 July 2022	-	-	-	(60,353)	(236)	<b>(60,589)</b>	-	<b>(60,589)</b>
	<u>69,527</u>	<u>7,668</u>	<u><b>77,195</b></u>	<u>45,159</u>	<u>4,200</u>	<u><b>49,359</b></u>	<u>3,662</u>	<u><b>130,216</b></u>
<b>Movements in fair value</b>								
Additions	539	-	<b>539</b>	1,942	-	<b>1,942</b>	3,492	<b>5,973</b>
Revaluation	12,951	1,326	<b>14,277</b>	26,602	1,528	<b>28,130</b>	-	<b>42,407</b>
Disposal	-	-	-	-	(1,681)	<b>(1,681)</b>	-	<b>(1,681)</b>
Write-off	(313)	(248)	<b>(561)</b>	(464)	-	<b>(464)</b>	-	<b>(1,025)</b>
Transfers	458	-	<b>458</b>	2,083	-	<b>2,083</b>	(2,541)	-
	<u>13,635</u>	<u>1,078</u>	<u><b>14,713</b></u>	<u>30,163</u>	<u>(153)</u>	<u><b>30,010</b></u>	<u>951</u>	<u><b>45,674</b></u>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	-	-	-	(1,393)	18	<b>(1,375)</b>	-	<b>(1,375)</b>
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-
Accumulated depreciation on revaluation	-	-	-	(22,526)	(2,880)	<b>(25,406)</b>	-	<b>(25,406)</b>
Accumulated depreciation of write offs	-	-	-	312	-	<b>312</b>	-	<b>312</b>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,607)</u>	<u>(2,862)</u>	<u><b>(26,469)</b></u>	<u>-</u>	<u><b>(26,469)</b></u>
At fair value 30 June 2023	83,162	8,746	<b>91,908</b>	135,674	4,283	<b>139,957</b>	4,613	<b>236,478</b>
Accumulated depreciation at 30 June 2023	-	-	-	(83,861)	(3,196)	<b>(87,057)</b>	-	<b>(87,057)</b>
<b>Carrying amount</b>	<u>83,162</u>	<u>8,746</u>	<u><b>91,908</b></u>	<u>51,813</u>	<u>1,087</u>	<u><b>52,900</b></u>	<u>4,613</u>	<u><b>149,421</b></u>

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## Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements  
for the year ended 30 June 2023

## Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Artworks \$ '000	Library Collection \$ '000	Pioneer Settlement vehicles & vessels \$ '000	Pioneer Settlement site exhibits \$ '000	Pioneer Settlement buildings \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment/c ulture and heritage assets \$ '000
<b>(b) Plant and Equipment &amp; Culture and heritage assets</b>											
At fair value 1 July 2022	12,806	4,460	1,200	1,829	2,193	5,730	2,607	7,814	38,639	619	39,258
Accumulated depreciation at 1 July 2022	(8,514)	(3,113)	(995)	(70)	(1,562)	(58)	(26)	(7,181)	(21,519)	–	(21,519)
	4,292	1,347	205	1,759	631	5,672	2,581	633	17,120	619	17,739
<b>Movements in fair value</b>											
Additions	913	472	530	1	125	–	–	–	2,041	–	2,041
Contributions	–	–	–	27	5	–	–	–	32	–	32
Revaluation	–	–	–	–	–	–	–	(2,216)	(2,216)	–	(2,216)
Disposal	(1,315)	–	(23)	–	(38)	–	–	–	(1,376)	–	(1,376)
Transfers	433	54	173	–	–	–	–	–	660	(660)	–
	31	526	680	28	92	–	–	(2,216)	(859)	(660)	(1,519)
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	(933)	(286)	(98)	(18)	(130)	(21)	(52)	(22)	(1,560)	–	(1,560)
Accumulated depreciation of disposals	1,142	–	23	–	38	–	–	–	1,203	–	1,203
Accumulated depreciation on revaluation	–	–	–	–	–	–	–	1,655	1,655	–	1,655
	209	(286)	(75)	(18)	(92)	(21)	(52)	1,633	1,298	–	1,298
At fair value 30 June 2023	12,837	4,986	1,880	1,857	2,285	5,729	2,607	5,599	37,780	(41)	37,739
Accumulated depreciation at 30 June 2023	(8,305)	(3,400)	(1,070)	(88)	(1,655)	(115)	(52)	(5,538)	(20,223)	–	(20,223)
<b>Carrying amount</b>	<b>4,532</b>	<b>1,586</b>	<b>810</b>	<b>1,769</b>	<b>630</b>	<b>5,614</b>	<b>2,555</b>	<b>61</b>	<b>17,557</b>	<b>(41)</b>	<b>17,516</b>

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Swan Hill Rural City Council

Notes to the Financial Statements  
for the year ended 30 June 2023

Note 6. Assets we manage (continued)

	Sealed roads \$ '000	Unsealed roads \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and community \$ '000	Waste management \$ '000	Parks open spaces and streetscapes \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total infrastructure \$ '000
<b>(c) Infrastructure</b>											
At fair value 1 July 2022	308,678	115,291	32,437	58,491	18,536	6,819	13,415	13,787	567,454	3,036	570,490
Accumulated depreciation at 1 July 2022	(72,990)	(14,623)	(15,205)	(21,062)	(6,320)	(6,625)	(5,927)	(3,954)	(146,706)	-	(146,706)
	<u>235,688</u>	<u>100,668</u>	<u>17,232</u>	<u>37,429</u>	<u>12,216</u>	<u>194</u>	<u>7,488</u>	<u>9,833</u>	<u>420,748</u>	<u>3,036</u>	<u>423,784</u>
<b>Movements in fair value</b>											
Additions	2,706	999	288	234	51	-	675	884	5,837	1,252	7,089
Revaluation	15,434	5,765	1,621	9,943	3,151	1,023	2,280	2,344	41,561	-	41,561
Disposal	-	-	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-	-	-	-
Transfers	1,406	134	368	2	-	-	446	-	2,356	(2,356)	-
	<u>19,546</u>	<u>6,898</u>	<u>2,277</u>	<u>10,179</u>	<u>3,202</u>	<u>1,023</u>	<u>3,401</u>	<u>3,228</u>	<u>49,754</u>	<u>(1,104)</u>	<u>48,650</u>
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	(5,325)	(1,861)	(516)	(650)	(368)	(97)	(417)	(231)	(9,465)	-	(9,465)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation on revaluation	(3,650)	(731)	(760)	(3,580)	(1,137)	(994)	(1,078)	(712)	(12,642)	-	(12,642)
Revaluation	-	-	-	-	-	-	-	-	-	-	-
	<u>(8,975)</u>	<u>(2,592)</u>	<u>(1,276)</u>	<u>(4,230)</u>	<u>(1,505)</u>	<u>(1,091)</u>	<u>(1,495)</u>	<u>(943)</u>	<u>(22,107)</u>	<u>-</u>	<u>(22,107)</u>
At fair value 30 June 2023	328,224	122,190	34,714	68,670	21,739	7,841	16,816	17,016	617,210	1,932	619,142
Accumulated depreciation at 30 June 2023	(81,965)	(17,216)	(16,481)	(25,292)	(7,826)	(7,715)	(7,422)	(4,898)	(168,815)	-	(168,815)
<b>Carrying amount</b>	<u>246,259</u>	<u>104,974</u>	<u>18,233</u>	<u>43,378</u>	<u>13,913</u>	<u>126</u>	<u>9,394</u>	<u>12,118</u>	<u>448,395</u>	<u>1,932</u>	<u>450,327</u>

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Assets we manage (continued)

*Acquisition*

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

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

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

**Asset recognition thresholds and depreciation periods**

	<b>Depreciation Period years</b>	<b>Threshold Limit \$ '000</b>
<b>Land and land improvements</b>		
<b>Buildings</b>		
Buildings	30 to 100 years	10
Building improvements	30 to 100 years	10
Leasehold improvements	5 to 15 years	10
<b>Plant and Equipment</b>		
Plant machinery and equipment		
Large plant	10 years	3
Small plant	2 years	3
Fixtures, fittings and furniture	5 years	3
Computers and telecommunications	3 to 5 years	2
<b>Cultural and heritage</b>		
Artworks	100 years	-
Library Collection	5 to 100 years	-
Pioneer Settlement vehicles & vessels	100 years	5
Pioneer Settlement site exhibits	100 years	5
Pioneer Settlement buildings	100 years	10
<b>Infrastructure</b>		
Sealed road formation	-	10
Sealed road pavements	60 to 100 years	10
Sealed road seals	15 to 80 years	10
Road ancillary assets	20 to 25 years	10
Unsealed road natural surface	-	10
Unsealed road gravel surface	30 years	10
Kerb and channel	25 to 50 years	10
Footpaths and cycleways	20 to 100 years	10
Drainage	20 to 100 years	10
Recreation, leisure and community facilities	10 to 90 years	10
Waste management	10 years	10
Parks, open space and streetscapes	10 to 60 years	10
Other infrastructure	10 to 150 years	10

*Land under roads*

Council recognises land under roads it controls at fair value.

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Assets we manage (continued)

*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 Campbell Kennon AAPI Reg. 103503. 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 unserved) 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 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 2023 are as follows:

Swan Hill Rural City Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Assets we manage (continued)

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Land	–	–	8,746	30/06/2023	Full revaluation
Specialised land	–	–	83,162	30/06/2023	Full revaluation
Buildings	–	–	1,087	30/06/2023	Full revaluation
Building - specialised	–	–	51,813	30/06/2023	Full revaluation
<b>Total</b>	–	–	<b>144,808</b>		

**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 current replacement cost less accumulated depreciation as at the date of valuation. Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Sealed roads	–	–	246,259	30/06/2023	Index based
Unsealed roads	–	–	104,974	30/06/2023	Index based
Footpaths and cycleways	–	–	18,233	30/06/2023	Index based
Drainage	–	–	43,378	30/06/2023	Index based
Recreational, leisure & community facilities	–	–	13,913	30/06/2023	Index based
Waste management	–	–	126	30/06/2023	Index based
Parks, open space & streetscapes	–	–	9,394	30/06/2023	Index based
Other Infrastructure	–	–	12,118	30/06/2023	Index based

**Cultural and heritage assets**

Details of the Council's cultural and heritage assets and information about the fair value hierarchy as at 30 June 2023 are as follows:

Artworks	–	–	1,769	30/06/2018	Full revaluation
Pioneer Settlement vehicles and vessels	–	–	5,614	30/06/2021	Full revaluation
Pioneer Settlement site exhibits	–	–	2,555	30/06/2021	Full revaluation
Pioneer Settlement buildings	–	–	61	30/06/2023	Full revaluation
<b>Total</b>	–	–	<b>458,394</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 2021.

Valuation of Pioneer Settlement buildings were undertaken by qualified independent valuer, Campbell Kennon AAPI Reg. 103503 as at 30 June 2023.

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

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Assets we manage (continued)

**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 \$0.12 and \$450.10 per square metre.

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

**Reconciliation of specialised land**

	2023 \$ '000	2022 \$ '000
Land under roads	52,195	43,158
Parks and reserves	19,894	16,725
Crown Land	11,073	9,644
<b>Total specialised land</b>	<b>83,162</b>	<b>69,527</b>

(c) Community Asset Committee

All entities controlled by Council that have material income, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.



Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Related Parties

*Parent entity*

Swan Hill Rural City Council is a single entity.

*Subsidiaries and Associates*

Council has no interests in subsidiaries and associates.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

<b>Councillors</b>	Mayor Les McPhee	08/12/2008 to 30/06/2023
	Deputy Mayor Stuart King	17/11/2020 to 30/06/2023
	Cr Bill Moar	15/11/2016 to 30/06/2023
	Cr Ann Young	15/11/2016 to 30/06/2023
	Cr Chris Jeffery	15/11/2016 to 30/06/2023
	Cr Nicole McKay	16/04/2019 to 30/06/2023
	Cr Jade Benham	19/03/2019 to 19/07/2022
	Cr Jacquie Kelly	24/01/2023 to 30/06/2023
<b>Chief Executive Officer</b>	Mr Scott Barber	06/06/2022 to 30/06/2023
<b>Directors</b>	Mr Bruce Myers (Community and Cultural Services)	28/02/1994 to 30/06/2023
	Ms Heather Green (Planning and Development)	03/07/2017 to 30/06/2023
	Ms Svetla Petkova (Infrastructure)	11/12/2017 to 10/12/2022
	Ms Leah Johnston (Infrastructure)	03/04/2023 to 30/06/2023
	Ms Helen Morris (Acting Corporate Services)	17/01/2022 to 15/07/2022
	Mr Bhan Pratap (Corporate Services)	18/07/2022 to 30/06/2023

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
<b>Total Number of Councillors</b>	8	7
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	7	8
<b>Total Number of Key Management Personnel</b>	15	15

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2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 7. People and relationships (continued)

**(c) Remuneration of Key Management Personnel**

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

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

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

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

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

	2023 \$ '000	2022 \$ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,186	1,487
Other long-term employee benefits	65	45
Post-employment benefits	115	113
<b>Total</b>	<b>1,366</b>	<b>1,645</b>

	2023 No.	2022 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	1	-
\$10,000 - \$19,999	2	1
\$20,000 - \$29,999	1	5
\$30,000 - \$39,999	3	-
\$40,000 - \$49,999	2	-
\$50,000 - \$59,999	1	1
\$70,000 - \$79,999	-	1
\$80,000 - \$89,999	-	1
\$90,000 - \$99,999	1	-
\$130,000 - \$139,999	-	1
\$180,000 - \$189,999	-	1
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	-	1
\$220,000 - \$229,999	2	2
\$290,000 - \$299,999	-	1
\$300,000 - \$309,999	1	-
	<b>15</b>	<b>15</b>

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 7. People and relationships (continued)

**(d) Remuneration of other senior staff**

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 and who report directly to a member of the KMP. \*

Total remuneration of other senior staff was as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>
Short-term employee benefits	872	445
Other long-term employee benefits	81	37
Post-employment benefits	109	47
Termination benefits	-	-
<b>Total</b>	<b>1,062</b>	<b>529</b>

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Income Range:		
\$170,000 - \$179,999	3	2
\$180,000 - \$189,999	3	1
	<b>6</b>	<b>3</b>

	<b>2023</b>	<b>2022</b>
	<b>\$ '000</b>	<b>\$ '000</b>
Total Remuneration for the reporting year for Senior Officers included above amounted to:	1,062	529

\* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the Local Government Act 1989.

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 7. People and relationships (continued)

7.2 Related party disclosure

(a) Transactions with related parties

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

Cr Stuart King	Swan Hill Hire - \$70,065 Plant and equipment hire. Cr King has a controlling interest in Swan Hill Hire.
Cr Nicole McKay	Sustainable Living in the Mallee - \$1,000 Event Support Fund.

(b) Outstanding balances with related parties

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

2023 = Nil

2022 = Nil

(c) Loans to/from related parties

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:

2023 = Nil

2022 = Nil

(d) Commitments to/from related parties

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

2023 = Nil

2022 = Nil

## Swan Hill Rural City Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 8. Managing uncertainties

##### 8.1 Contingent assets and liabilities

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

###### (a) Contingent assets

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

###### (b) Contingent liabilities

Contingent liabilities are:

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

###### 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 (2021/22 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 are \$48,288.

###### Landfill

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

###### (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.

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## Swan Hill Rural City Council

2022/2023 Financial Report

### Notes to the Financial Statements

for the year ended 30 June 2023

#### Note 8. Managing uncertainties

##### 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

##### 8.3 Financial instruments

###### (a) Objectives and policies

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

###### (b) Market risk

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

###### *Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 2020.

Council manages interest rate risk by adopting an investment policy that ensures:

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

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

Interest rate increases have significantly affected the return expected on invested funds during the year. This impacted the surplus by \$1.4m.

###### (c) Credit risk

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

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

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## Swan Hill Rural City Council

2022/2023 Financial Report

## Notes to the Financial Statements

for the year ended 30 June 2023

**Note 8. Managing uncertainties (continued)**

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

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

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

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

**(d) Liquidity risk**

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to 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 - 1.50% in market interest rates (AUD) from year-end rates of 4.10%.

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.

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 8. Managing uncertainties (continued)

8.4 Fair value measurement

*Fair Value Hierarchy*

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

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

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

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

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

*Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

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

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

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 8. Managing uncertainties (continued)

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the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

*Impairment of assets*

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

8.5 Events occurring after balance date

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

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Balance at end of reporting period \$ '000
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2023</b>			
<b>Property</b>			
Land and land improvements	31,764	14,277	46,041
Buildings	29,320	2,724	32,044
	<u>61,084</u>	<u>17,001</u>	<u>78,085</u>
<b>Culture and heritage assets</b>			
Pioneer Settlement vehicles & vessels	1,674	-	1,674
Pioneer Settlement site exhibits	1,390	-	1,390
Artworks	1,635	-	1,635
Pioneer Settlement buildings	4,002	(561)	3,441
Water rights	3,196	-	3,196
	<u>11,897</u>	<u>(561)</u>	<u>11,336</u>
<b>Infrastructure</b>			
Footpaths and cycleways	11,789	861	12,650
Drainage	17,723	6,363	24,086
Recreational, leisure and community facilities	7,374	2,014	9,388
Waste management	102	29	131
Parks, open space and streetscapes	2,831	1,202	4,033
Sealed roads	141,891	11,784	153,675
Unsealed roads	23,547	5,034	28,581
Other infrastructure	3,204	1,632	4,836
	<u>208,461</u>	<u>28,919</u>	<u>237,380</u>
<b>Total asset revaluation reserves</b>	<u>281,442</u>	<u>45,359</u>	<u>326,801</u>

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Balance at end of reporting period \$ '000
<b>2022</b>			
<b>Property</b>			
Land and land improvements	25,415	6,349	31,764
Buildings	29,320	–	29,320
	<u>54,735</u>	<u>6,349</u>	<u>61,084</u>
<b>Culture and heritage assets</b>			
Pioneer Settlement vehicles & vessels	1,674	–	1,674
Pioneer Settlement site exhibits	1,390	–	1,390
Artworks	1,635	–	1,635
Pioneer Settlement buildings	4,002	–	4,002
Water rights	2,429	767	3,196
	<u>11,130</u>	<u>767</u>	<u>11,897</u>
<b>Infrastructure</b>			
Footpaths and cycleways	15,283	(3,494)	11,789
Drainage	17,723	–	17,723
Recreational, leisure and community facilities	7,374	–	7,374
Waste management	102	–	102
Parks, open space and streetscapes	2,831	–	2,831
Sealed roads	83,561	58,330	141,891
Unsealed roads	15,976	7,571	23,547
Other infrastructure	3,204	–	3,204
	<u>146,054</u>	<u>62,407</u>	<u>208,461</u>
<b>Total asset revaluation reserves</b>	<u>211,919</u>	<u>69,523</u>	<u>281,442</u>

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

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Other matters (continued)

	2023 \$ '000	2022 \$ '000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	6,799	12,707
Depreciation/amortisation	12,677	10,335
Impairment losses	574	96
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(60)	(211)
Contributions - non monetary assets	(33)	(39)
Amounts disclosed in financing activities	84	187
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(869)	(571)
(Increase)/decrease in inventories	47	(138)
(Increase)/decrease in prepayments	(152)	(51)
Increase/(decrease) in accrued income	(1,621)	(68)
Increase/(decrease) in other assets	-	(35)
Increase/(decrease) in trade and other payables	(145)	(240)
Increase/(decrease) in provisions	(149)	1,343
(Decrease)/increase in other liabilities	17	184
Increase/(decrease) in unearned income/revenue	1,166	(2,269)
<b>Net cash provided by/(used in) operating activities</b>	<b>18,335</b>	<b>21,230</b>

9.3 Superannuation

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

**Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10.0%).

**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 investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa  
Salary information 3.5% pa

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## Swan Hill Rural City Council

2022/2023 Financial Report

## Notes to the Financial Statements

for the year ended 30 June 2023

## Note 9. Other matters (continued)

Price inflation (CPI) 2.8% pa.

As at 30 June 2022, 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 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.5% pa

Salary information 2.5% pa to 30 June 2023, and 3.5% pa thereafter

Price inflation (CPI) 3.00% pa.

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

**Employer contributions****(a) Regular contributions**

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

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

**(b) Funding calls**

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

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

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

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

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

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

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Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Other matters (continued)

**The 2022 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 2022 and the last full investigation was conducted as at 30 June 2020.

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

	2022 (Interim) \$m	2021 (Interim) \$m
- A VBI Surplus	44.6	214.7
- A total service liability surplus	105.8	270.3
- A discounted accrued benefits surplus	111.9	285.2

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 2022.

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 2022.

The discounted accrued benefits 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 2022.

**Superannuation contributions**

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

Scheme	Type of scheme	Rate	2023 \$ '000	2022 \$ '000
Vision Super	Defined benefit	10.5% (2022:10.0%)	73	103
Vision Super	Accumulation fund	10.5% (2022:10.0%)	2,209	1,828

Swan Hill Rural City Council

2022/2023 Financial Report

Notes to the Financial Statements  
for the year ended 30 June 2023

Note 10. Change in accounting policy

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There have been no changes to accounting policies in the 2022-23 year.



# Part seven

## Performance Statement



## Description of municipality

Swan Hill Rural City Council covers 6,116 square kilometres and is home to 21, 207 people.

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

The Swan Hill municipality has experienced significant growth over the past decade, led by the expansion of horticultural/agricultural practices and supported by an innovative manufacturing sector.

This success is depicted by the fact that the region is Australia's largest producer of table grapes, pistachios and olives, responsible for one quarter of all carrots nationwide, a top contributor to the stone fruit industry and accounts for approximately 70 percent of Australia's Almonds and Olive Oil production.

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, while traditional livestock and broadacre farming accounts for almost 5 per cent. 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 574,000 visitors each year as reported in the Murray Regional Tourism (MRT) Snapshot Report- December 2021.

## Operational summary

The Comprehensive Income Statement reports a surplus of \$6.8m. This includes depreciation and other non-monetary contributions, but excludes capital payments of \$14.9m and loan repayments of \$0.3m.

Our operating and capital revenue returned to what would be considered a more normal level of funding this year, following increases in the 2021 and 2022 years from various economic stimulus programs during the coronavirus pandemic (COVID-19). A number of these projects were still ongoing at the end of the 2023 year, and Council has endeavored to complete these projects as soon as possible. It should be noted that \$8.6m of the \$18.1m reported for Grants – operating, is the prepayment received for Councils allocation of the 2023-24 Financial Assistance Grant.

A significant issue faced by Council during 2023 was the attraction and retention of staff, which resulted in employee costs being \$1.0m less than forecast. Council experienced a number of positions which remained vacant for extended periods due to issues faced with recruiting suitably qualified staff. For a number of Council services there are considerable shortages within the industry, and Council has been competing with private industry to attract these staff. Areas such as building and planning, engineers, and project management staff have been difficult to recruit.

Another impact increasing our operational revenue and expenses relates to Council's lead role in administering a Commonwealth Regional Growth Fund on behalf of six partner councils. Our operational income and expenditure includes \$1.6m from this arrangement in 2023.

Council remains active in the residential land development at Tower Hill Estate in Swan Hill, having a new stage made available for sale during the year. The development continues to be cash-flow positive, and provide a return on investment of \$330k.

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

PERFORMANCE STATEMENT

Sustainable Capacity Indicators

Service/indicator/ measure	Results				Material variations
	2020	2021	2022	2023	
<b>Population</b>					
<i>Expenses per head of municipal population</i> [Total expenses/ Municipal population]	\$2,362.58	\$2,525.03	\$2,604.00	\$2,580.75	No Material variation
<i>Infrastructure per head of municipal population</i> [Value of infrastructure/ Municipal population]	\$20,331.95	\$20,751.24	\$24,532.17	\$24,772.76	No Material variation
<i>Population density per length of road</i> [Municipal population/ Kilometres of local roads]	5.65	5.62	6.45	6.16	No Material variation
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue/ Municipal population]	\$1,763.31	\$1,902.26	\$1,939.98	\$1,909.61	No Material variation

Sustainable Capacity Indicators cont...

Service/indicator/ measure	Results				Material variations
	2020	2021	2022	2023	
<b>Recurrent grants</b>					No Material variation
<i>Recurrent grants per head of municipal population</i> [Recurrent grants/Municipal population]	\$569.62	\$586.59	\$677.71	\$682.18	
<b>Disadvantage</b>					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic disadvantage by decile]	2.00	2.00	2.00	1.00	Socio-Economic Indexes for Areas (SEIFA) is a product developed by the ABS that ranks areas in Australia according to relative socio-economic advantage and disadvantage. They indicate the collective socio-economic characteristics of the people living in an area.
<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] x 100	10.81%	14.40%	21.16%	13.91%	Due to Councils aging workforce staff movement and changes during COVID-19 our turnover rate is beginning to stabilise.

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 above.

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

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

"population" means the resident population estimated by council.

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control 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.

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

Service Performance Indicators

PERFORMANCE STATEMENT

Service/indicator/measure	Results				Material variations
	2020	2021	2022	2023	
<b>Aquatic Facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.56	3.43	5.58	6.17	Utilisation of aquatic facilities has increased due to COVID-19 restrictions being lifted in late 2022, allowing full use of facilities. Previous years had restrictions which decreased usage of these venues.
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Number of animal management prosecutions] x 100	0.00%	100.00%	0.00%	0.00%	There were no animal management prosecutions in 2022/23
<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%	66.67%	40.00%	100.00%	Increase in outcomes is due to a dedicated Environmental Health Officer was employed to complete Food and Safety Inspections. All critical major and crucial non-compliance outcome notifications were followed up within the 2022 calendar year.
<b>Governance</b>					
<b>Satisfaction</b>					
<i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	45	48	45	45	No Material variation

Service Performance Indicators cont...

Service/indicator/measure	Results				Material variations
	2020	2021	2022	2023	
<b>Libraries</b>					
<b>Participation</b>					
<i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / the sum of the population for the last three years] x 100	16.28%	14.52%	13.35%	13.41%	No material variation
<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	75.04%	80.05%	82.74%	89.19%	Slight increase due to increased capacity to follow up on overdue Key Ages & Stages visits each month
<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	66.20%	76.26%	77.50%	83.57%	Council have an agreement to provide MCH services on behalf of MDAS in Swan Hill. It is noted that there is an increase in Aboriginal children/families enrolling in mainstream services over the 22/23 year
<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]	44	52	51	44	The decrease on the previous year's satisfaction with sealed roads can be attributed to the major flood event combined with localised flooding in what has proven to be one of the wettest years on record.

PERFORMANCE STATEMENT

Service/indicator/measure	Results				Material variations
	2020	2021	2022	2023	
<b>Statutory Planning</b>					
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100	0.00%	0.00%	0.00%	75.00%	In 2022/23 Council had 5 Planning applications referred to VCAT with 3 being upheld and 2 were not compared to previous years where we had no planning decisions upheld at VCAT.
<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	27.67%	29.51%	30.92%	29.28%	No Material variation

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 borrower" means a member of a library who has borrowed a book from the library.

"annual report" means an annual report prepared by a council under section 98 of the Act.

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act.

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act.

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council

by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health.

"food premises" has the same meaning as in the *Food Act 1984*.

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

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

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

"population" means the resident population estimated by council.

Financial Performance Indicators

Dimension/ indicator/measure	Results				Forecasts				Material variations	
	2020	2021	2022	2023	2024	2025	2026	2027		
<b>Efficiency</b>										
<b>Expenditure level</b>										
<i>Expenses per property assessment</i>	\$4,051.22	\$4,276.56	\$4,309.14	\$4,486.07	\$4,740.00	\$4917.79	\$4925.20	\$5021.13		No Material variation
[Total expenses / Number of property assessments]										
<b>Revenue level</b>										
<i>Average rate per property assessment</i>	\$2,028.86	\$2,060.62	\$2,113.86	\$2,173.93	\$2,270.80	\$2,355.00	\$2,402.44	\$2450.81		No Material variation
[General rates and Municipal charges / Number of property assessments]										

PERFORMANCE STATEMENT

Dimension/ indicator/	Results				Forecasts				Material variations	
	2020	2021	2022	2023	2024	2025	2026	2027		
<b>Liquidity</b>										
<b>Working capital</b>	372.96%	388.38%	417.80%	391.16%	205.50%	220.48%	234.14%	228.73%	No Material variation	
<i>Current assets compared to current liabilities</i>										
[Current assets / Current liabilities] x100										
<b>Unrestricted cash</b>										
<i>Unrestricted cash compared to current liabilities</i>										
[Unrestricted cash / Current liabilities] x100	267.21%	266.18%	269.50%	269.09%	169.56%	186.46%	97.49%	192.34%	Council received the entire 2023/24 Grants Commission allocation prepaid in June 2023. This additional \$8.9M paid upfront significantly increased our cash balances.	



Financial Performance Indicators cont...

Dimension/indicator/ measure	Results				Forecasts				Material variations	
	2020	2021	2022	2023	2024	2025	2026	2027		
<b>Obligations</b>										
<b>Loans and borrowings</b>	28.35%	27.00%	8.81%	7.71%	6.52%	5.21%	2.81%	1.92%		Council repaid an interest only loan of \$4.795M in 2021/22 and has no further borrowings forecast. This ratio will continue to reduce until all loans are paid out in 2030/31.
<i>Loans and borrowings compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>										
<b>Loans and borrowings repayments compared to rates</b>	3.01%	3.08%	17.93%	1.12%	1.06%	0.99%	2.35%	0.87%		Council repaid an interest only loan of \$4.795M in 2021/22. This is a significant variance to past and future years results as Council has not had an interest only loan of this size previously.
<i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>										

PERFORMANCE STATEMENT

Dimension/indicator/ measure	Results					Forecasts				Material variations
	2020	2021	2022	2023	2024	2025	2026	2027		
<b>Indebtedness</b> Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	25.82%	11.54%	14.70%	8.47%	11.21%	9.11%	8.17%	7.32%	Council has continued its plan of no future borrowings from the 2021 year, therefore this ratio will continue to reduce until all loans are repaid in full in the 2030/31 year.	
<b>Asset renewal and upgrade</b> Asset renewal and upgrade compared to depreciation [Asset renewal and upgrade expense / Asset depreciation] x100	93.29%	101.54%	95.15%	81.44%	87.87%	35.36%	69.37%	91.61%	Delays in a number of capital renewal projects in 2023 had an impact on the reduced ratio. Future years will see this ratio fluctuate dependant upon projects scheduled in our capital works plan and whether they are renewal/upgrade or new assets. Significant new assets within the year reduce available funding for renewal/upgrade projects.	

Financial Performance Indicators cont...

Dimension/indicator/ measure	Results				Forecasts				Material variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Operating position</b>									
<b>Adjusted underlying result</b>	5.01%	12.71%	6.32%	8.34%	-2.76%	-0.10%	2.26%	1.64%	The 2021/22 year included a significant value of grant funding for Capital Grants mostly tied to the Local Roads and Community Infrastructure funding. Capital grant funding in 2021/22 was \$10.4M compared to \$2.5M in 2022/23.
<i>Adjusted underlying surplus (or deficit)</i>									
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									
<b>Stability</b>									
<b>Rates concentration</b>	54.30%	48.54%	53.06%	50.96%	56.58%	57.38%	57.63%	58.23%	No Material variation
<i>Rates compared to adjusted underlying revenue</i>									
[Rate revenue / Adjusted underlying revenue] x100									

PERFORMANCE STATEMENT

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Rates effort</b> Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.65%	0.64%	0.62%	0.55%	0.50%	0.54%	0.56%	0.57%	Property CIV increased 16.9%, however the value of rates raised is limited by the rate cap, which for the 2022/23 year was 1.75%. Therefore the value of rates raised as a percentage of our CIV continues to diminish.

Former Indicators

Service/indicator/measure	Results		
	2018	2019	2020
<b>Animal management</b>			
<b>Health and safety</b>			
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	2	0	Retired in 2020.
<b>Efficiency</b>			
<b>Revenue level</b>			
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,636.84	\$1,690.08	Retired in 2020.
<b>Obligations</b>			
<b>Asset renewal</b>			
<i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	90.90%	116.77%	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 above.

"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 Australian Accounting Standards (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 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by Council in its financial plan on 20 July 2021 and which forms part of the Council Plan. The financial 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 financial 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 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

.....  
Bhan Pratap FCPA

**Principal Accounting Officer**

**Dated:** 19 September 2023

In our opinion, the accompanying performance statement of the Swan Hill Rural City Council for the year ended 30 June 2022 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

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

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

.....  
William Moar

**Councillor (Acting Mayor)**

**Dated:** 19 September 2023

.....  
Les McPhee

**Councillor**

**Dated:** 19 September 2023

.....  
Scott Barber

**Chief Executive Officer**

**Dated:** 19 September 2023

PERFORMANCE STATEMENT

Auditor General's Report - Performance Statement





## 2.3 SH Tourism & Cultural Hub - Updated Plans

**Directorate:** Development and Planning  
**File Number:** NA  
**Purpose:** For Decision

### Council Plan Strategy Addressed

**1. Liveability** - We will be a healthy, connected and growing community supported by a range of infrastructure and services.

#### **1.4 Foster Creative and Cultural opportunities**

1.4.1 Promote and celebrate the creative and cultural pursuits within the region

### Current Strategic documents

Council Plan  
10 Year Major Project Plan  
Economic Development Strategy 2017 - 2022  
Swan Hill Riverfront Masterplan 2013

### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

The design of a new Tourism and Cultural Hub at the Pioneer Settlement is well advanced. The new building will house the entry to the Pioneer Settlement including the nightly light show, river cruises on the PS Pyap (Paddle Steamer), visitor information services and First Nations cultural and tourism support.

The designs for the Swan Hill Tourism and Cultural Hub have been amended in response to input provided by Council, key stakeholders and the community. The next step in the process is to seek a heritage permit from Heritage Victoria. Detailed design will commence once a permit is issued.

This project must continue to move forward and delays must be avoided as much as possible. The heritage application process can take in the order of 3 to 6 months and all efforts will be made to minimise this time. Following the issuing of a permit Council must progress with detailed designs, procurement of building contractors and then construction will commence and take significant time. The project must be completed by 30 June 2025 which is a very tight timeframe.

## Discussion

Council has partnered with Common Studio (architects) as the design collaborator for the Swan Hill Tourism and Cultural Hub, situated within a Heritage registered precinct. The design development process has incorporated input gathered from presentation at Council Assembly, key Stakeholder engagement, community consultation sessions and First Nations Advisory Committee meeting.

The plans have been amended in response to the suggestions and concerns raised. The following is a list of changes made.

1. Increased veranda width, from 3m to 4m at north-east end, to accommodate larger groups and potential for smoking ceremonies.
2. Introduced gap to the north-eastern corner between 'chimney' and façade of building to provide pedestrian access and visibility to southern side of the Coach House.
3. Repositioned service bay gates further west to provide pedestrian access to southern side of the Coach House
4. Repositioned building to be 3.5m clear of existing eucalyptus tree at southwest corner of site
5. Lobby space reconfigured to provide increased access to merchandising and lounge for all visitors, while maintaining ticketing control for access to Pioneer Settlement precinct
6. Reconfigured the back of house area to improve layout.
7. Introduced direct external access to/from Pioneer Settlement to the Aboriginal tourism business/office space.
8. Reconfigured 'chimney' elements with flat tops, in response to feedback from Council and community.
9. Introduced north facing glazing to the back of house staff offices
10. Introduced skylight to the lobby space to provide daylight
11. Introduced retractable wall between the main lobby space and multi-purpose space
12. Introduced external doors to the multi-purpose space to provide direct access to the Pioneer Settlement
13. Revision of public toilet location, revision of 3 pans for male and female (1 ambulant compliant toilet in each); and

14. Reduced the length of building and overall area (from 600m<sup>2</sup> to 549m<sup>2</sup>), increased distance from edge of building to Tree 1 by 1.5m, in accordance with arborist recommendation.

To proceed to the next stage and submit a permit application with Heritage Victoria, the concepts require endorsement.

If Heritage Victoria approves the permit, Council must then;

- Progress with the detailed designs, source cost estimates, review the scope and budget (if required)
- Undertake a market Call for Tenders for the procurement of building contractors, who are difficult to get, and ensure the work can be delivered within budget, which may require another review of scope
- Select contractors and report to Council for the potential award of the contract; and
- then commence the building's construction

### **Consultation**

The preferred design option incorporating early feedback from Heritage Victoria, was presented for feedback and comments to the following:

- a) Council Assembly – July 25, 2023
- b) Key stakeholder engagement session – July 25, 2023, including Visitor Information staff and volunteers, Pioneer Settlement staff, Friends of Pioneer Settlement, First Nations Community Advisory Committee
- c) Community Consultation Session – July 26, 2023
- d) First Nations Community Advisory Committee – August 2, 2023
- e) Council Assembly – August 22, 2023
- f) Let's talk portal on Council website

### **Financial Implications**

There will be a cost in preparing the application for a heritage permit and in submitting it for approval, which will be absorbed by the project budget.

### **Social Implications**

Following a series of community consultation sessions Council has adapted and refined the concept plan, in response to community feedback.

### **Economic Implications**

Helps support Council's Economic Strategy 2017-2022 by progressing towards development of an asset which will support Tourism in the region.

## **Environmental Implications**

The building design process is incorporating environmental and sustainability issues.

## **Risk Management Implications**

All stakeholders and community members who have participated have been listened to and the Architect has addressed the concerns or suggestion where possible within the constraints of Heritage Victoria guidelines.

It is expected that the application when submitted to Heritage Victoria, is likely to be well received.

**Attachments:** 1. 0067 Swan Hill Visitor Centre Design Update Set 230907  
[2.3.1 - 14 pages]

## **Options**

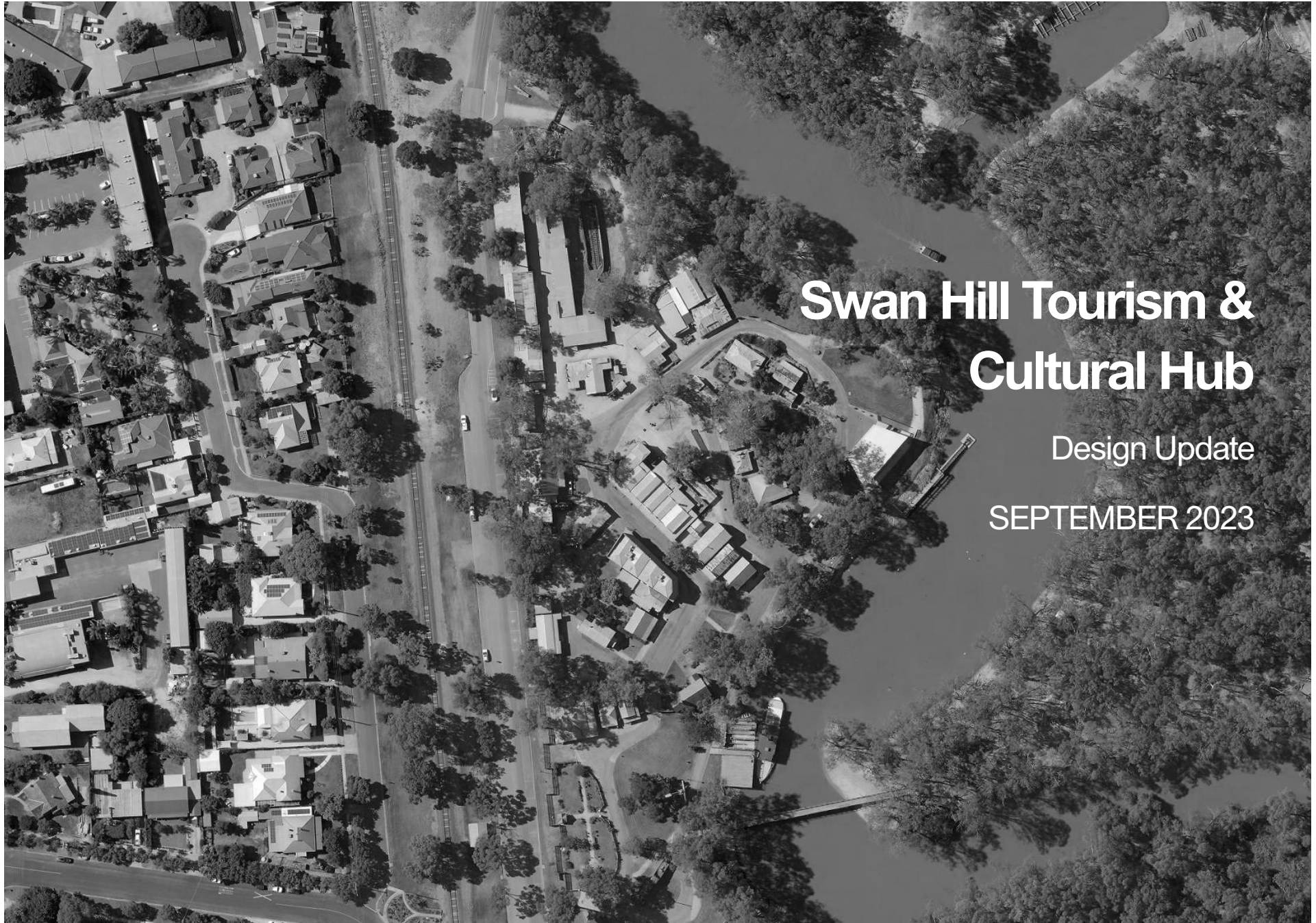
### **That Council:**

- 1. Approves the updated plans for the purpose of Common Design Studio lodging an application for a permit with Heritage Victoria.**
- 2. Does not approve the updated plans for the purpose of Common Design Studio lodging an application for a permit with Heritage Victoria.**

## **Recommendation/s**

### **That Council:**

- 1. Approves the updated plans for the purpose of Common Design Studio lodging an application for a permit with Heritage Victoria.**
- 2. Thank all members of the community and key stakeholders for their interest, comments, and suggestions to date, in relation to this important project.**



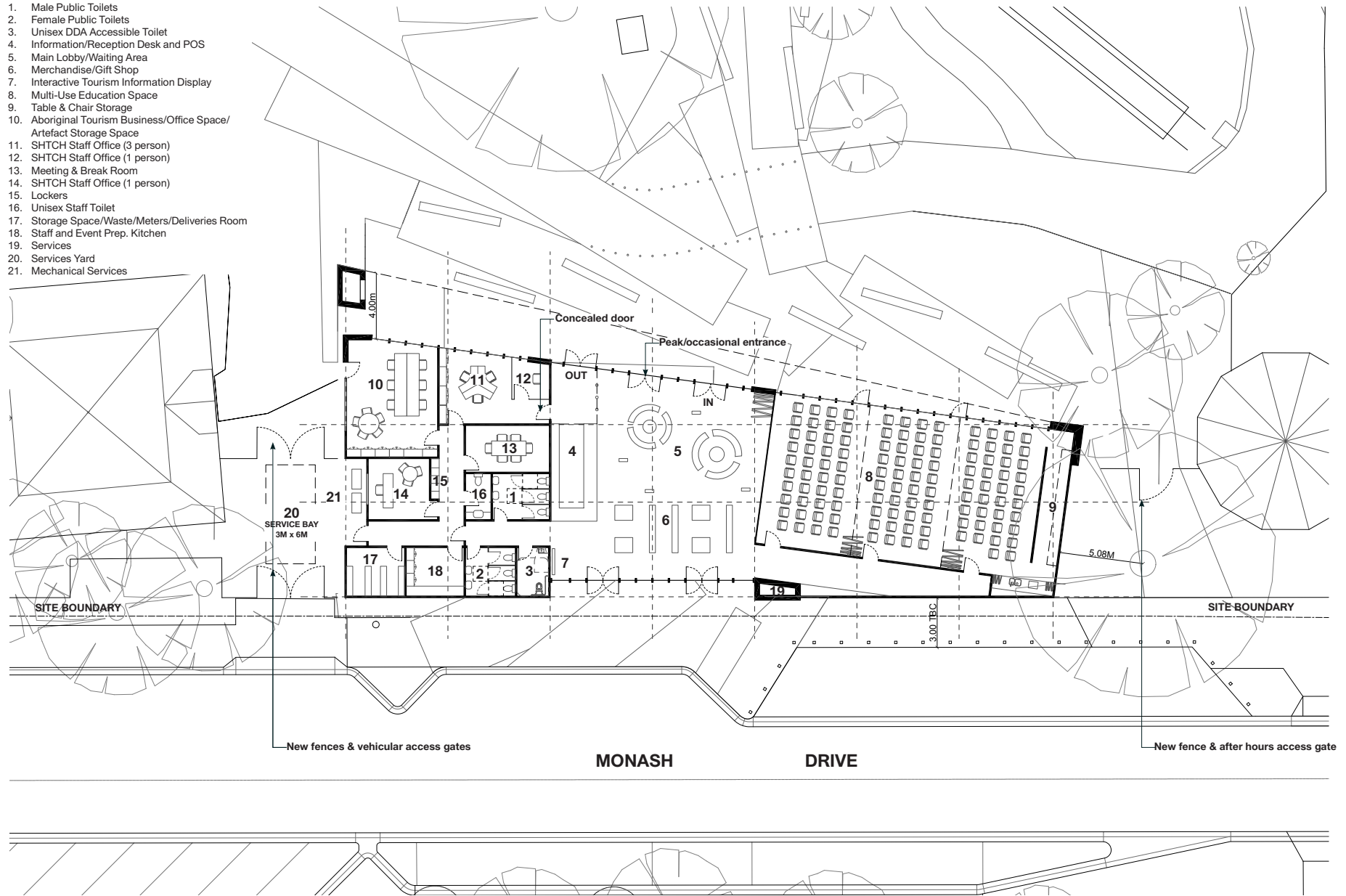
# Swan Hill Tourism & Cultural Hub

Design Update

SEPTEMBER 2023

<b>NO. CHANGE</b>	
<b>DATE OF ISSUE - 16/08/2023</b>	
1	Increased veranda width, from 3m to 4m at north-east end, to accommodate larger groups and potential for smoking ceremonies.
2	Introduced gap to the north-eastern corner between 'chimney' and façade of building to provide pedestrian access and visibility to southern side of the Coach House
3	Repositioned service bay gates further west to provide pedestrian access to southern side of the Coach House
4	Repositioned building to be 3.5m clear of existing eucalyptus tree at south west corner of site (viability of tree to be confirmed by council arborist)
5	Lobby space reconfigured to provide increased access to merchandising and lounge for all visitors, while maintaining ticketing control for access to Pioneer Settlement precinct
6	Reconfigured back of house area to include additional staff offices.
7	Introduction of direct external access to/from Pioneer Settlement to the Aboriginal tourism business/office space.
8	Reconfigured 'chimney' elements with flat tops, in response to feedback from Council and community.
9	Introduced north facing glazing to the back of house staff offices
10	Introduced skylight to the lobby space to provide daylight
11	Introduced retractable wall between the main lobby space and multi-purpose space
12	Introduced external doors to the multi-purpose space to provide direct access to the Pioneer Settlement
13	Investigation of use of recycled materials (ongoing) for landscape and building elements.
<b>DATE OF ISSUE - 04/09/2023</b>	
1	Revision of public toilet location, revision of 3 pans for male and female (1 ambulant compliant toilet in each)
2	Relocation of staff break room, revision of break room to prep kitchen
3	Introduction of meeting room for up to 6 users
4	Revision of provision for staff offices to the following <ul style="list-style-type: none"> <li>• 1 x office for 1 person</li> <li>• 1 x office for 1 person, with direct access to bundling ,reception/ ticketing desk</li> <li>• 1 x office for 3 person, with direct access to bundling reception/ticketing desk</li> </ul>
5	Removal of shower from accessible toilet facility
6	Indication of location for interactive tourism information display
7	Relocation of staff lockers
<b>DATE OF ISSUE - 16/08/2023</b>	
1	Reduction in length of building and overall area (from 600m <sup>2</sup> to 549m <sup>2</sup> ), increase distance from edge of building to Tree 1 by 1.5m, in accordance with arborist recommendation

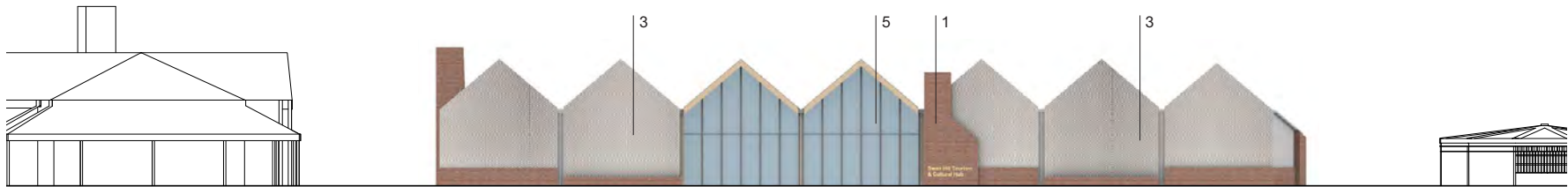
1. Male Public Toilets
2. Female Public Toilets
3. Unisex DDA Accessible Toilet
4. Information/Reception Desk and POS
5. Main Lobby/Waiting Area
6. Merchandise/Gift Shop
7. Interactive Tourism Information Display
8. Multi-Use Education Space
9. Table & Chair Storage
10. Aboriginal Tourism Business/Office Space/  
Artefact Storage Space
11. SHTCH Staff Office (3 person)
12. SHTCH Staff Office (1 person)
13. Meeting & Break Room
14. SHTCH Staff Office (1 person)
15. Lockers
16. Unisex Staff Toilet
17. Storage Space/Waste/Meters/Deliveries Room
18. Staff and Event Prep. Kitchen
19. Services
20. Services Yard
21. Mechanical Services



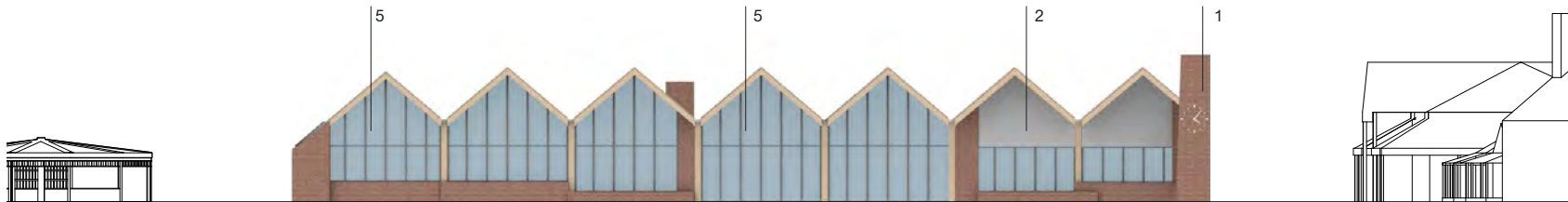
COMMON 024 EM 033 LM 047 JD 049 AUDR  
 ^ 36 CORDEN ST, NORTH MELBOURNE, VIC, AUSTRALIA 3051 \* COMMON-AUDR.COM \* COMMON.AUDR  
 & CONTACT@COMMON-AUDR.COM \* 03 9020 1007

Swan Hill Tourism & Cultural Hub | Proposed Ground Floor Plan | Scale 1:200 @ A3 | 06/09/2023

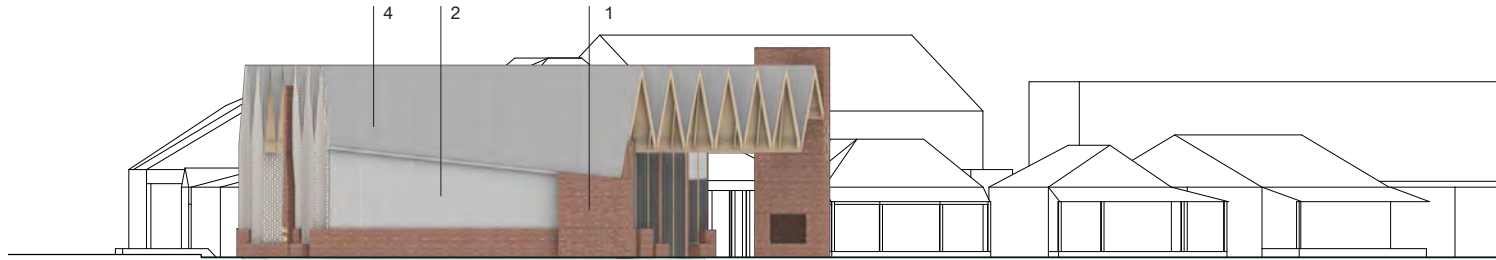




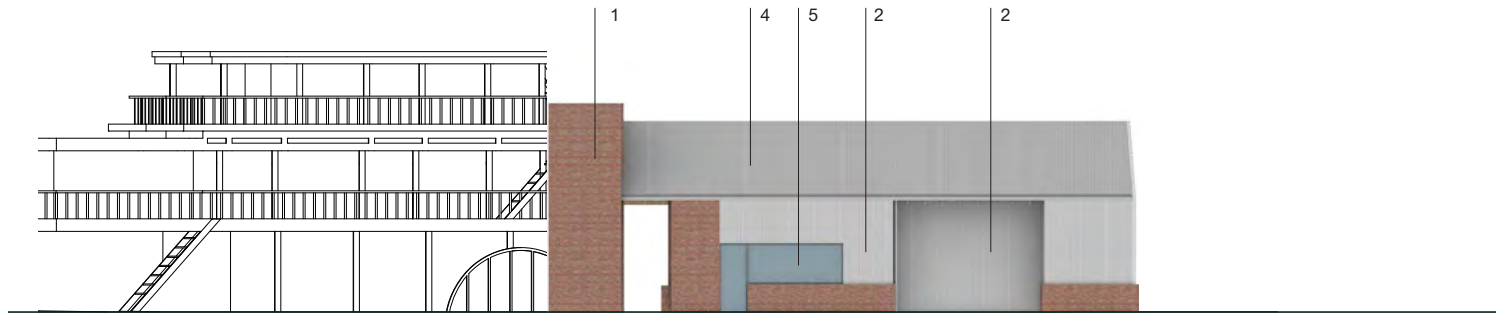
**West Elevation**



**East Elevation**



**North Elevation**



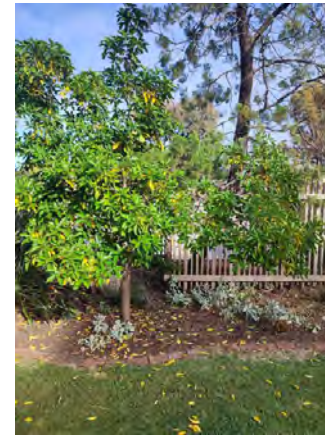
**South Elevation**



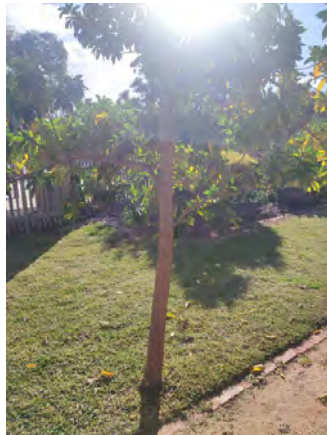
TREE 1



TREE 2



TREE 3



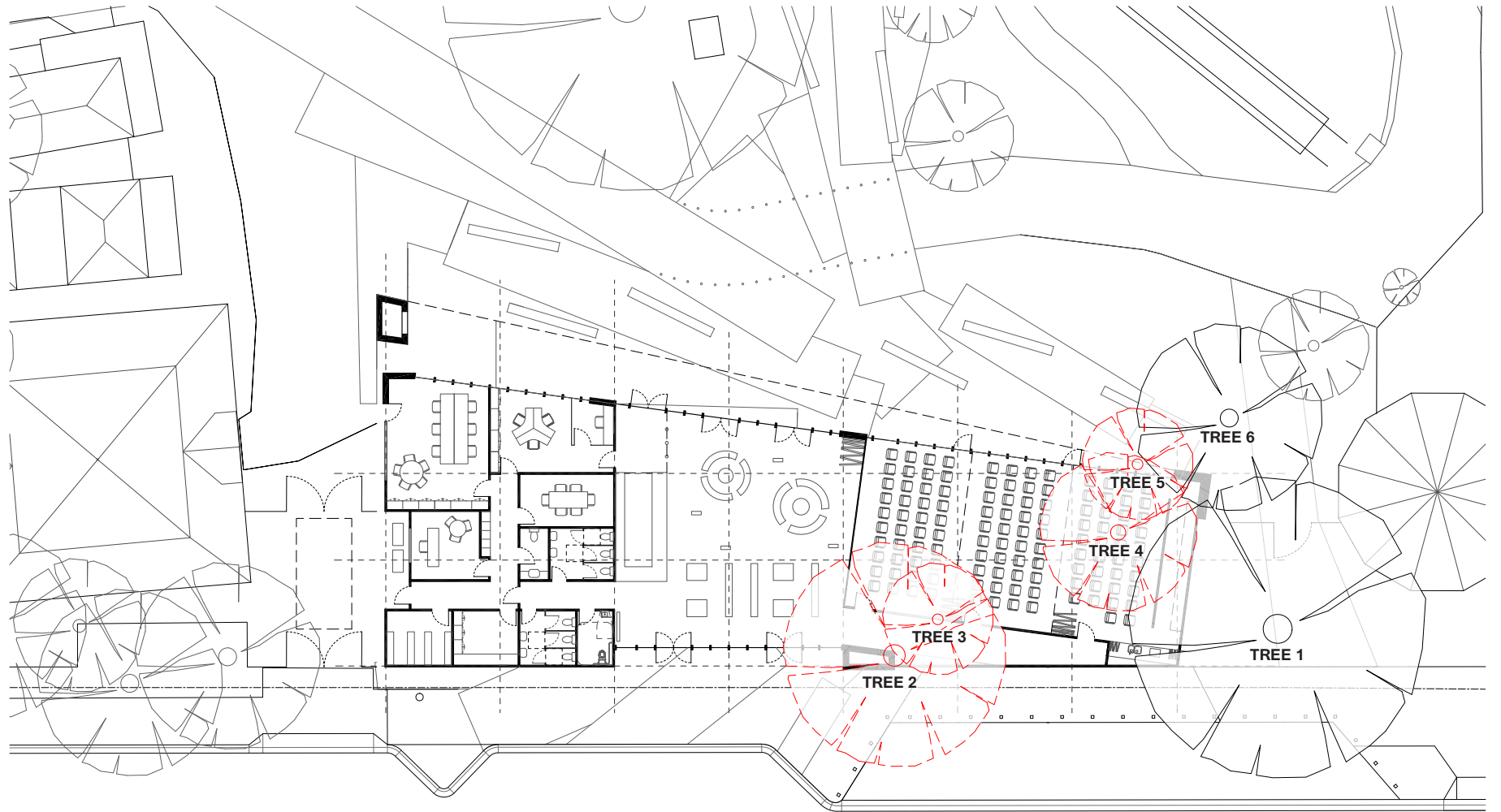
TREE 4



TREE 5



TREE 6



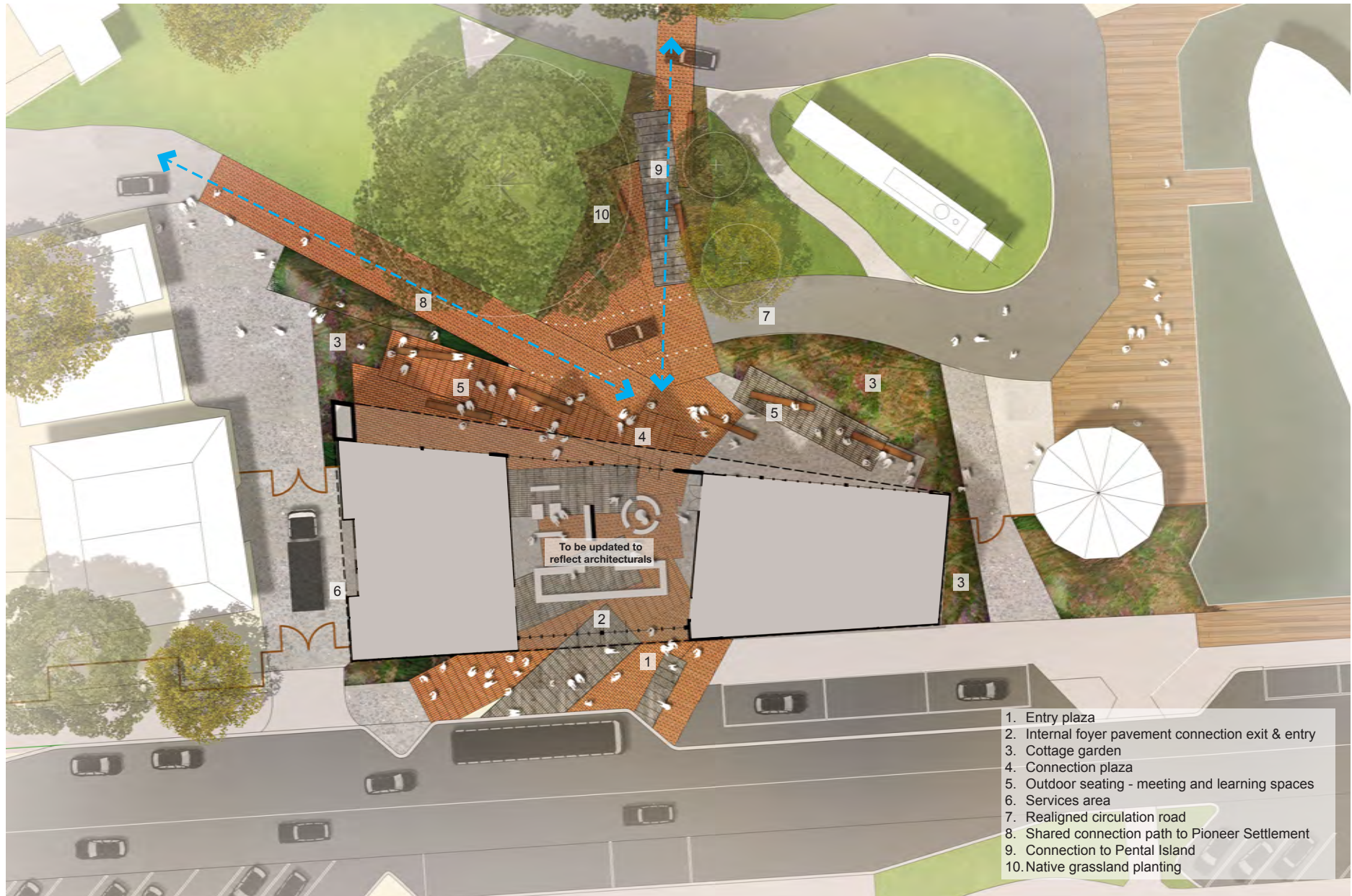
New fences & vehicular access gates

MONASH

DRIVE

New fence & after hours access gate







1. Red brick paver stacker bond



2. Red brick paver stretcher bond



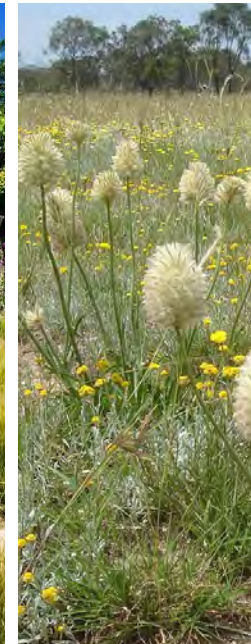
3. Mottled grey masonry brick stacker bond



4. Milled hardwood timber seating block with inset powder coated steel



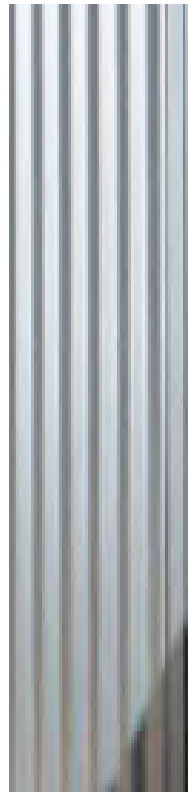
5. Cottage garden



5. Native Grassland Planting



1. Pressed Reds  
Brickwork



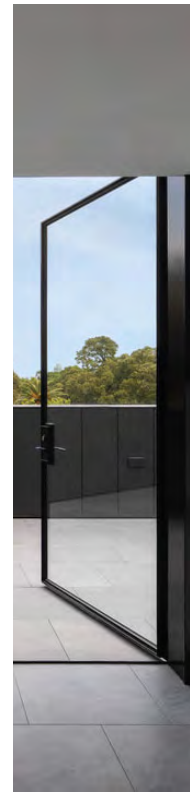
2. Heritage Zinc  
Wall Cladding



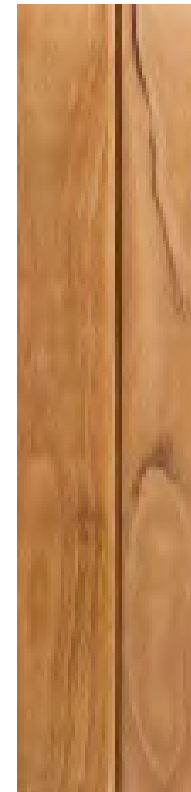
3. Perforated Heritage  
Zinc visual screening



4. Heritage Zinc Roof  
Sheeting



5. Aluminum framed  
windows and glazed  
doors



6. Timber soffits/eave  
linings (not shown)











## 2.4 Swan Hill Australia Day 2024 and Beyond

**Responsible Officer:** Director of Development and Planning  
**File Number:** S12-02-151  
**Purpose:** For Discussion

### Council Plan Strategy Addressed

**1. Liveability** - We will be a healthy, connected, and growing community supported by a range of infrastructure and services.

1.4 Foster Creative and Cultural opportunities

1.4.1 Promote and celebrate the creative and cultural pursuits within the region

### Current Strategic documents

Annual Report  
Budget

### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

The purpose of this report is to provide details on the review of the 2023 Swan Hill Australia Day Event to determine the format of the event for future years and to consider any issues related to the staging of future Australia Day events.

### Discussion

#### 2023 Evaluation

The 2023 Swan Hill Australia Day event at the Town Hall attracted more than 200 people and provided an opportunity for the Citizen of the Year, some school awardees and those receiving their citizenship to be formally recognized.

As part of this event there was;

- An Acknowledgement of Country
- A moving Welcome to Country
- Concert band performance; and
- Morning tea.

Some members of the community expressed a desire for an event at Riverside Park, Swan Hill.

Council made a budget allocation for Australia Day activities of \$20,000. Of this amount \$5,000 goes towards the smaller town's events and advertising. For the 2023, Australia Day cost Council \$7150.12 (this includes small town contributions etc.). This lesser amount is

reflective of the changes introduced and the fact that the event was significantly different to the past events that were staged in Riverside Park.

From all reports the various smaller communities all staged a variety of very successful Australia Day events right across the Municipality.

It is important to understand that there is a great reluctance from our First Nations Community to be involved in events on the 26<sup>th</sup> of January, as this day is seen from a different perspective. This reluctance is reflected within the National debate about the possibility of a change to the date that the Nation reflects upon our identity.

If Council wishes to consider ways of how to be more inclusive of the Indigenous Community, it can take steps to make a positive contribution to the ongoing discussion.

### Staging of Future Events

Council might consider the following changes as a step forward on the path to reconciliation.

**For the 2024 event the following is suggested to reflect a respectful and inclusive approach. A packaged series of events over the 25-26 January 2024:**

- **25 January:** Night before 'Awards Ceremony' at the Swan Hill Town Hall. Potential in future for the event to move around to the other towns in the municipality, providing an opportunity for the towns to host it. The First Nations community will also be able to comfortably celebrate community achievements together and be part of the citizenship awards by welcoming everyone into the community and onto Country. Robinvale's citizenship ceremony will also be hosted earlier in the day.
- **26 January:** Small towns continue to undertake Australia Day events across the municipality and will be supported with annual allocations of funding to help run their events. Indigenous led displays (stories, images etc.) may be organised, including an opportunity for anyone to pay respect to elders and ancestors. This supports and is respectful to the indigenous community on their day of mourning. This event should also receive an allocation of funding to assist with costs with the funding to come from the Australia Day allocation.

In future years, other events may be considered but this will require further community engagement to develop a proposal for how this would further bring the community together and what financial assistance may be provided.

Benefits to the Community and Council

Community	Council
<ul style="list-style-type: none"> <li>• Encouraging all community to come together</li> <li>• Greater respect and consideration towards the indigenous community</li> <li>• Greater indigenous involvement</li> <li>• Equality – awards could see an increase in the nomination of members of the Indigenous Community</li> </ul>	<ul style="list-style-type: none"> <li>• Progressive approach in a respectful and inclusive manner</li> <li>• Leading by example to the smaller towns</li> <li>• Opportunity to allow everyone to be involved</li> <li>• Promote reconciliation</li> </ul>

**Examples of other similar Australia Day activities:**

Buloke Shire Council

- Runs an awards ceremony the night prior to Australia Day altering locations to allow the opportunity for different towns to host it;
- On Australia Day each town runs its own activities.

Canberra

- The Australian of the Year Ceremony is held the day before Australia Day

City of Greater Bendigo

- Will move its Australia Day citizenship and awards ceremony to 25 January;
- Work with the local First Nations community to plan for more inclusive events on 26 January.

<https://www.bendigo.vic.gov.au/About/Media-Releases/council-adopts-january-26-statement-intent>

**Consultation**

- Online
- First Nations Community Advisory Committee – to be completed. The First Nations Community Advisory Committee will continue to discuss the proposal and provide its support for the plan or make suggestions to enhance it.

**Financial Implications**

Australia Day Breakfast funding for 2024 is \$20,000. Of this amount \$5,000 goes towards the smaller town's events and advertising.

**Social Implications**

- Encouraging community to come together
- Council taking a progressive approach in respectful and inclusive manner
- Improved respect and consideration towards First Nation community

- Improved First Nation involvement

## **Economic Implications**

A broader range of celebrations may attract visitors to the municipality.

## **Environmental Implications**

Event organizers must consider and minimize the environmental impact that their event will have on the environment. Designated supplier arrangements will assist in ensuring events have adequate waste arrangements in place.

## **Risk Management Implications**

All events on Council owned and/or managed grounds must go through Council's Events Approval Process, which includes risk management.

**Attachments:** Nil

## **Options**

1. Council makes no change to Australia Day Activities as per past practice, for 2024.
2. Council commences the introduction of changes as outlined in the report and continues to support small towns with their Australia Day events.

## **Recommendation/s**

### **That Council;**

1. **Commences the introduction of changes as outlined in the report and continues to support small towns with their Australia Day events. This includes:**

#### **25 January 2024**

- Night before 'Awards Ceremony' at the Swan Hill Town Hall.
- Robinvale's citizenship ceremony to be hosted earlier in the day.

#### **26 January 2024**

- Small towns continue to undertake Australia Day events across the municipality and will be supported with annual allocations of funding to help run their events.
  - First Nations led displays (stories, images etc.) and may seek funding to assist with costs, with the funding to come from the Australia Day allocation.
2. **Prepares a detailed communications plan explaining the reasons that Council is making the proposed changes and encourages all the community to support the planned changes by attending the various events.**
  3. **Conducts a review of the 2024 event to obtain community feedback on the format and help determine the future format of events; and**
  4. **Continues to support the First Nation community and its involvement in events**

## 2.5 Murray Regional Tourism Board

**Directorate:** Development and Planning  
**File Number:** S12-22-03  
**Purpose:** For Decision

### Council Plan Strategy Addressed

2. **Prosperity** - We will continue to build and strengthen a prosperous local economy, through sustainable growth and education. We will focus on creating jobs and wealth through adding value to existing strengths in all areas of our economy.

#### 2.2 A thriving diverse economy

2.2.1 Encourage the growth and development of our economy

4. **Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

#### 4.1 Excellent management and administration

4.1.3 Sound, sustainable:

- Financial management • Excellence in service delivery • Strategic planning

4. **Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

#### 4.3 Bold leadership, strong partnerships and effective advocacy

4.3.1 Create meaningful partnerships across our communities

4.3.2 Strong relationship with State and Federal governments to influence advocacy and funding opportunities

4.3.3 Working together in promotion of the municipality

### Current Strategic documents

Council Plan

Economic Development Strategy 2017 - 2022

Swan Hill Rural City Council Tourism Advocacy Document 2020

### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

The purpose of this report is to recommend the signing of a new Memorandum of Understanding (MoU) for membership of the Murray Regional Tourism (MRT). In addition, the report outlines the process being undertaken by the Victorian State Government to transition Tourism Boards to Visitor Experience Partnerships.

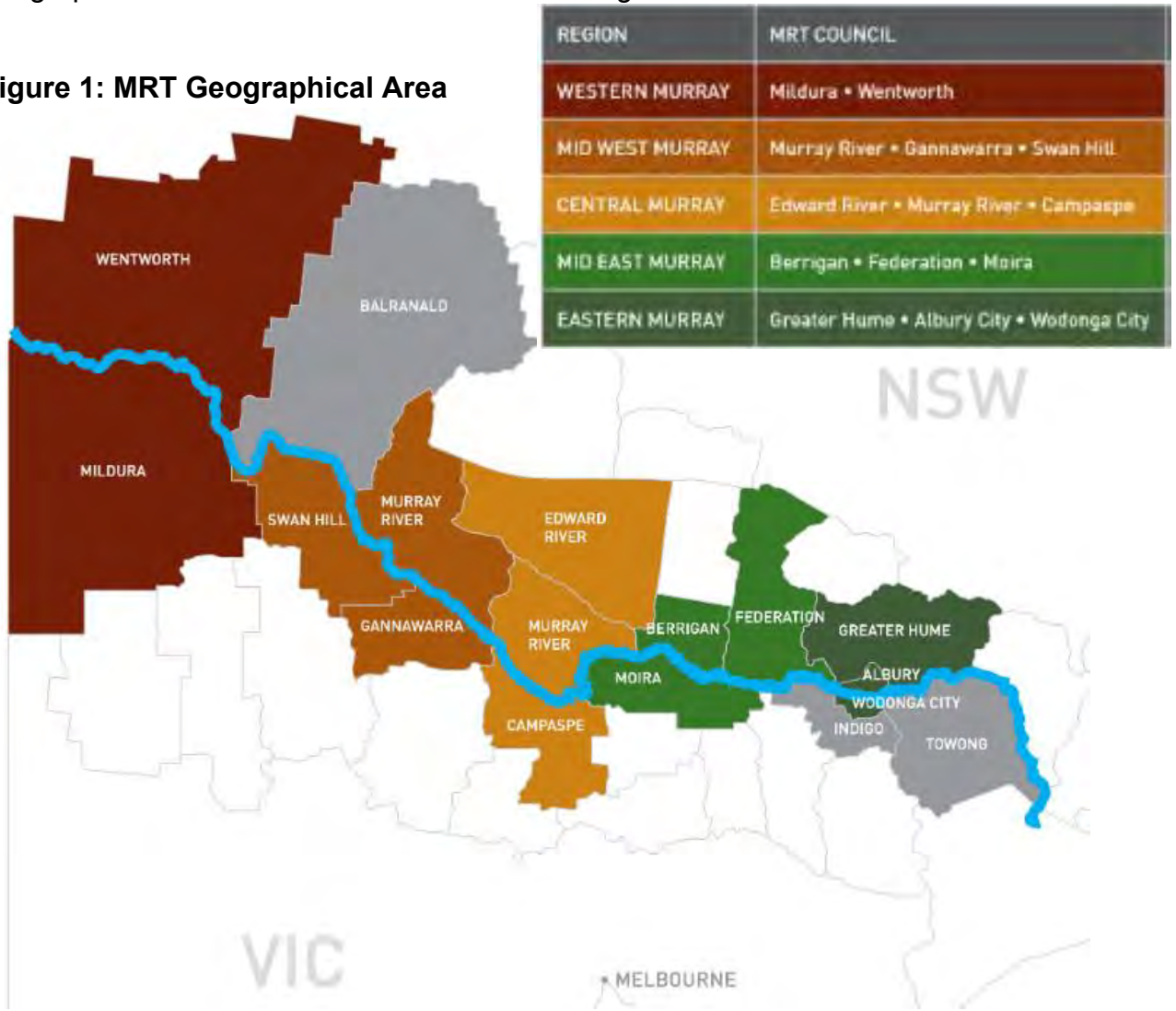


**Discussion**

Swan Hill Rural City Council has been a member of the Murray Regional Tourism (MRT) since its inception in 2010.

The MRT is unique in that it is the only cross border association in existence servicing the tourist needs of Victoria and News South Wales, covering a wide geographic location on both sides as shown in Figure 1.

**Figure 1: MRT Geographical Area**



Source: <https://www.murrayregionaltourism.com.au/homepage/about-us/>

This is both a positive and a negative as the geographical area on both sides of the Murray River is vast and the needs of the various tourist destinations varied but do have the common denominator of the Murray River.

**Memorandum of Understanding (MoU)**

Council currently has signed a MoU that is due to expire on the 30 June 2024 and will make a financial contribution of \$31,380 in the current financial year. In addition a further \$8,000 contribution towards the MRT digital platform is made and reimbursed by Swan Hill Inc.

The proposed new MoU (attached) would commence on the 1 July 2024 and expire on the 30 June 2027. The new MoU has largely the same content, but it is arranged differently with more detail. Council's obligations continue with membership contribution and a 3% increase, together with working with the Board and Officers of the MRT.

The financial membership fee is based upon a formula relating to the number of visitors to the region multiplied and adjusted in each year of the agreement.

Council participates in a variety of forums and members meetings whilst also being included in marketing and advertising for the MRT region.

Council was involved in the development of the Swan Hill Local Area Plan (attached) which investigated key issues around current and future tourism markets together with a variety of issues that would assist in the development of our tourism potential. The document that has been prepared will need to be reviewed, reprioritised with some suggested actions potentially being removed and presented to Council for it to be considered, agreed to, and actioned. This will be brought to a future Council meeting for consideration.

The MRT is currently involved in discussions with other Victorian Tourism Boards, Local Government and the Victorian State Government Department Jobs, Skills, Industry and Regions regarding the transition from Tourism Boards to Visitor Economy Partnerships (VEP's).

These discussions are only on the Victorian side of the Murray Regional Tourism Region with no changes anticipated for New South Wales.

The proposed changes are in response to a detailed review of the Tourism Industry within Victoria and the need to continue to recover from the negative impacts of the COVID Pandemic.

The new partnerships will provide for employment creation and the ability to revitalise regional towns and cities.

The new VEP's will be the peak official voice for tourism within a defined region and will plan for the delivery of services that are aligned to the Victorian State Governments goals and objectives for tourism.

The new partnerships will come with a supporting funding model and the region will attract \$590,000, as there are more than six Councils involved in the current MRT.

The MRT in moving to this new Victorian model needs all Victorian Councils sign off for the new MoUs by the end of the year, so that the Minister can then consider acceptance of the new model and then execute the new funding agreement.

Based on the advice of the State Government it will be difficult for Council to have its tourism industry development take place outside of the VEP structure, particularly in terms of being eligible for funding opportunities and support.

Tourism is a growing sector in the economy of the municipality and region. To ensure the sector benefits from funding and marketing opportunities, membership of a regional peak body is essential. In addition, the MRT has experienced and specialist staff that provide a great benefit to smaller Councils.

Attached is a value proposition document prepared by MRT for Council to consider.

### **Consultation**

Council Officers have contact with MRT and have had discussions with Swan Hill Inc to ascertain the value that is being provided by being a member of MRT, and work closely with tourism industry businesses to determine how best to support their needs.

Both Swan Hill Inc. and Council will need to ensure an ongoing relationship with the Board and officers of the MRT.

### **Financial Implications**

Council under the current MoU agreement is required to make a financial contribution towards the MRT. The current financial contribution for this financial year will be \$31,380.00 together with the \$8,000.00 digital platform contribution, which is reimbursed by Swan Hill Inc.

If Council continues to be a member of the MRT, there will be an annual contribution required to made and which is yet to be determined.

### **Social Implications**

Our community benefits from being involved in activities that show case our region including highlighting our cultural heritage, natural settings and activities.

### **Economic Implications**

Increased visitor numbers to the Municipality have a positive impact on business and the local economy through support of attractions, accommodation, goods, and services.

### **Environmental Implications**

Both Council and MRT have strategies in pace that respect our natural environment whilst pursuing increased tourism activities.

### **Risk Management Implications**

Nil

- Attachments:**
1. Swan Hill Local Area Plan 220223 (3) [2.5.1 - 28 pages]
  2. Murray - LGA Mtg - 2023-07-18 - Copy (1) [2.5.2 - 14 pages]
  3. MRT Local Government Partner Value Proposition F Y 24 - 26 [2.5.3 - 10 pages]

4. Mo U Murray Regional Tourism Contract F Y 24 [2.5.4 - 29 pages]

**Options**

1. Council can continue to support the regional tourism brand by recommitting to the MRT by signing a new MoU.
2. Council may choose to advise the MRT that it no longer wishes to be a member of the organisation.

**Recommendation/s**

**That Council continue to support the regional tourism brand by recommitting to the MRT by signing the new MoU.**

FEBRUARY 2023



# SWAN HILL LOCAL AREA PLAN AND RECOMMENDED ACTIONS



Destination  
Riverina Murray NSW



**ACKNOWLEDGEMENT OF COUNTRY**

We acknowledge the Traditional Custodians of the land and waters that surround the Murray River. We acknowledge and respect their history, culture and continuous connection to Country.

We pay our respects to elders – past, present and emerging who have cared for this Country for over 60,000 years.

This landscape, rich in story and opportunity, plays a pivotal part in our visitor economy and we thank Victoria and New South Wales' First Peoples for sharing this with us all.



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ACRONYMS

DMP	Destination Management Plan
DN	Destination Networks
DRNSW	Department of Regional NSW
DRM	Destination Riverina Murray
GMW	Goulburn Murray Water
LAP	Local Area Plan
LGA	Local Government Area
MDBA	Murray-Darling Basin Authority
MRAT	Murray River Adventure Trail
MRT	Murray Regional Tourism
NPWS	NSW National Parks and Wildlife Services
NVS	National Visitor Survey
PTV	Public Transport Victoria
RDV	Regional Development Victoria
TRA	Tourism Research Australia
VFR	Visiting Friends and Relatives

GLOSSARY OF TERMS

<b>Daytrip Visitor</b>	Those who travel for a round trip distance of at least 50 kilometres, are away from home for at least 4 hours, and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded.
<b>Overnight Visitor</b>	People aged 15 years and over who undertake an overnight trip of one night or more and at least 40 kilometres away from home are referred to as overnight visitors. Only those trips where the respondent is away from home for less than 12 months are in scope of the NVS.
<b>International Visitor</b>	A person is defined as an international visitor to Australia if they are currently a resident overseas, have been in Australia less than one year and are aged 15 years or over.



## EXECUTIVE SUMMARY

### OVERVIEW

Murray Regional Tourism and Destination Riverina Murray have prepared Local Area Plans for 10 of the Murray region's prominent destinations.

The Local Area Plans are strategic documents that capture local aspirations and directions at a high-level to inform the Murray Region Destination Management Plan 2023-27 (available [here](#)) and NSW Riverina Murray Destination Management Plan 2023-30. This has ensured local needs and priorities have been captured across both Destination Management Plans.

The Local Area Plans provide the framework for local stakeholders to work collaboratively and in partnership with Murray Regional Tourism and Destination Riverina Murray towards strengthening the regional visitor economy.

**This Plan has been prepared for the destination of Swan Hill. This includes the destinations in proximity, as described in Section 1.**

### ANNUAL VISITOR ECONOMY SNAPSHOT

491K

Visitors

\$125M

Spend

### UNIQUE SELLING PROPOSITION WITHIN THE MURRAY REGION

The one aspect that is somewhat unique about Swan Hill is the unregulated natural waterway, which makes it popular for fishing and paddle sports.



**RECOMMENDED ACTIONS FOR THIS DESTINATION**

A range of recommended actions have been identified through consultation with industry and local government stakeholders during the Local Area Plan workshops, assessment of existing local documents and strategies, and in response to visitor economy needs and opportunities for the destination.

These actions are a guide only. It is the role of stakeholders to further investigate the viability and opportunity of each project.

The table below provides a summary of the recommended actions.

Product, Experience and Events	Infrastructure and Planning	Branding, Marketing and Visitor Servicing	Industry Development and Workforce
<ul style="list-style-type: none"> <li>Chisholm Reserve Motorsport Complex</li> <li>Cruising Experience Investment</li> <li>Development of the Mallee Almond Blossom Festival</li> <li>First Nations Experience</li> <li>Riverside Splash Park</li> <li>Signature Events Calendar</li> <li>Waterfront Activation Precinct</li> <li>"On Farm" Experiences</li> <li>Lake Boga Active Trail</li> <li>Pental Island Aboriginal Tourism Experience</li> <li>Family Friendly Attractions</li> <li>Accommodation Investment</li> <li>Murray River Adventure Trail</li> <li>Link to Lake Tyrrell</li> </ul>	<ul style="list-style-type: none"> <li>Amenity to Service Campers</li> <li>Sporting Infrastructure</li> <li>Swan Hill Streetscape</li> <li>Access and Transport Advocacy</li> <li>Infrastructure Servicing</li> <li>Water Access Infrastructure</li> <li>Advocacy to Address Housing Crisis</li> </ul>	<ul style="list-style-type: none"> <li>Bookable Product and Packaging</li> <li>Marketing Plan</li> <li>Visitor Information Review and Delivery</li> <li>Murray Region Local Ambassador Project</li> </ul>	<ul style="list-style-type: none"> <li>Regional Workforce Pathways and Promotion Program</li> <li>Skills Development Plan</li> <li>Digital Literacy for Operators</li> <li>Weekend Trading</li> </ul>

# 1. SWAN HILL LOCAL AREA PLAN

## 1.1. THIS PROJECT

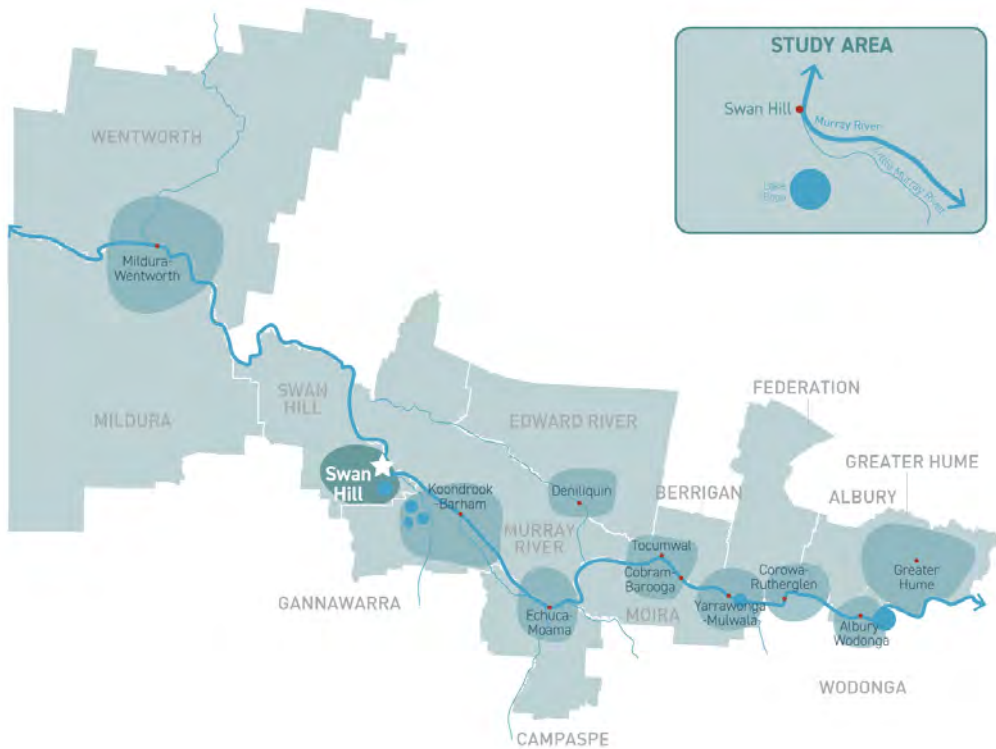
Murray Regional Tourism (MRT) and Destination Riverina Murray (DRM) have prepared Local Area Plans (Plan) for 10 of the Murray region’s prominent destinations, as shown in the map below.

These are strategic documents that capture local aspirations and directions at a high-level to inform the Murray Region Destination Management Plan (DMP) 2023-27 and the NSW Riverina Murray Destination Management Plan 2023-30. This has ensured local needs and priorities have been captured across both DMPs.

The Local Area Plans provide the framework for local stakeholders to work collaboratively and in partnership with MRT and DRM towards strengthening the regional visitor economy.

This Plan has been prepared for the destination of Swan Hill. This includes the destinations in proximity, as shown in the map below, and does not encompass all towns within the relevant Local Government Areas (LGAs).

F1. STUDY AREA



*This project has been funded by Murray Regional Tourism, Destination Riverina Murray, the Victorian State Government and Destination NSW.*

## PURPOSE AND INTENDED USE OF THE LOCAL AREA PLANS

The Local Area Plans are a partnership between MRT, DRM, Local Government, and industry stakeholders.

The purpose of these Plans is to respond to visitor economy needs and opportunities for key Murray region destinations, through a range of recommended actions and suggested next steps. It is intended that stakeholders will collaborate to further define the project specifics and drive the outcomes, in line with local priorities and resourcing.

The Plans are intended to be a reference document and a tool for local stakeholders and partners to collaborate at the destination level. The Plans do not replace local tourism plans and internal council plans.

## METHOD

An overview of the project method is shown adjacent.

This Plan has been informed by engagement with local visitor economy stakeholders, review of existing local documentation, and destination research using Tourism Research Australia (TRA) and market research undertaken for the Murray region.

A full-day workshop was undertaken with key stakeholders from industry, local government and other agencies as relevant to the destination. The purpose of the workshop was to identify local issues and opportunities, identify the unique selling proposition for the destination, and develop ideas and solutions for the visitor economy.

This process has ensured the Plan is grounded in local needs and aspirations for the destination.



### Context

Review of state, regional and local research, strategics and plans.  
*A full list of documents reviewed can be found in Appendix A.*



### Destination Snapshot

Review of visitation data, key products and experiences, market research and target markets.



### Key Stakeholder Workshop

1 workshop with 15 operators and government stakeholders.



### Project Identification and Prioritisation

Development of projects unique for this destination.

## 2. DESTINATION SNAPSHOT

### 2.1. VISITOR ECONOMY

This section provides a snapshot of the Swan Hill visitor profile, drawing on data from Tourism Research Australia (TRA), the widely accepted Australian Government data source tracking visitation across Australia.

A profile of existing domestic daytrip and overnight visitation has been provided for the 2019 calendar year<sup>1</sup>, in order to reflect a business-as-usual scenario prior to the COVID-19 pandemic.

Data has been provided for the Swan Hill Local Government Area.

#### OVERVIEW

Swan Hill attracts an average of 491,000 visitors, accounting for 8% of total visitation to the Murray region.

Visitation to this destination is primarily driven by daytrip visitors (51%), who spend approximately \$51 million in the region per annum. Daytrip visitors to Swan Hill are relatively high yielding (\$199 per person) when compared to the average for the Murray region (\$138 per person). This is likely due to a large number of day-trippers travelling to Swan Hill for shopping, health care and other services from within the broader region.

Although accounting for a smaller proportion of total visitation, overnight visitors to Swan Hill generate greater expenditure than daytrip visitors (\$74.2 million), with an average visitor spend of \$313 per person per trip, which is lower than the Murray day-trip visitors (\$401 per person).

#### DOMESTIC VISITOR PROFILE

Domestic visitation to Swan Hill is primarily driven by holiday and leisure travellers, accounting for 35% of daytrip visitors and 44% of overnight visitors. The region also attracts a smaller number of visiting friends and relatives (VFR) visitors (22% of day trip and 26% of overnight visitation).

Due to Swan Hill's role as a service centre for the wider region, the town attracts a high proportion of daytrip visitors for other reasons (24%), which likely includes activities such as medical services, personal appointments, entertainment and shopping.

Visitors engage in a variety of activities whilst visiting the destination, including dining out at restaurants and cafes, shopping, visiting pubs and clubs and visiting museums or heritage attractions.

There is also high engagement with passive activities, including VFR, general sightseeing and fishing. These activities are generally low yielding and contribute to the overall low visitor spend in the destination.

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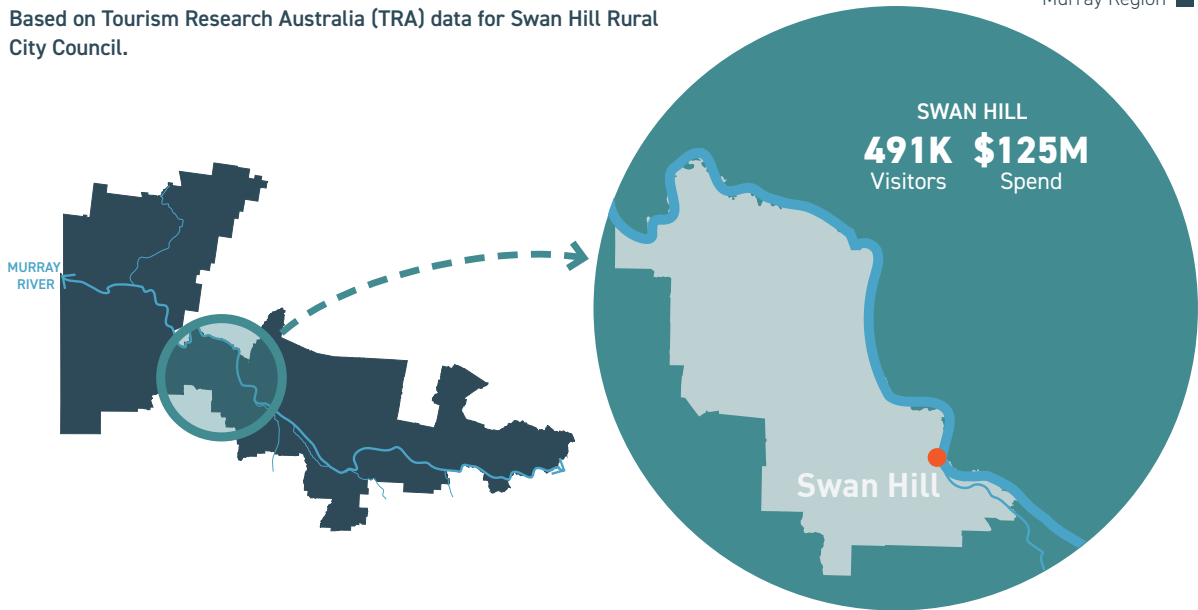
<sup>1</sup> Source: TRA. Visitor numbers, TRA, 2019, based on 2017-19 3 year average. Average spend per visitor, TRA LGA Profile, 2019, based on 2016-19 4 year average. Total spend, calculated by Urban Enterprise, average spend applied to visitor numbers.

## VISITOR ECONOMY OVERVIEW

### SWAN HILL

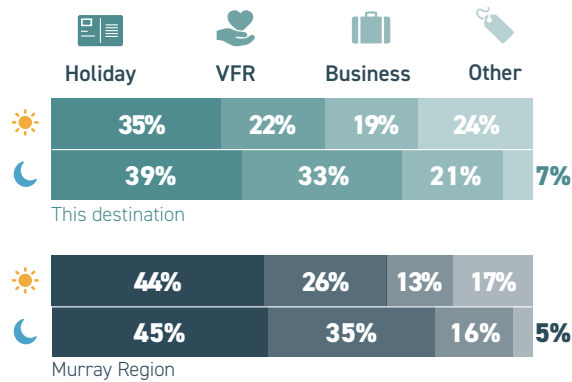
Based on Tourism Research Australia (TRA) data for Swan Hill Rural City Council.

This destination ■  
Murray Region ■

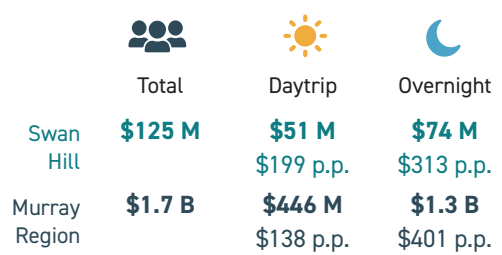


## DOMESTIC VISITOR PROFILE

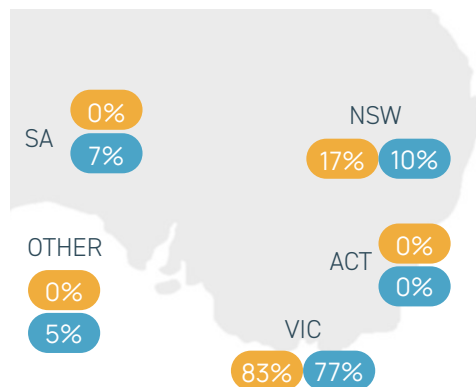
### PURPOSE OF VISIT



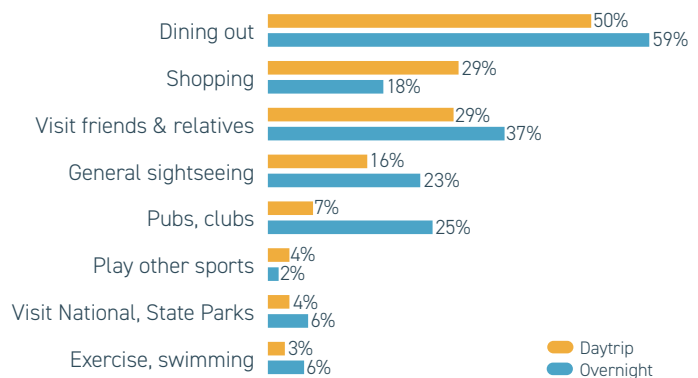
### VISITOR SPEND



### VISITOR ORIGIN



### VISITOR ACTIVITIES



Source: Tourism Research Australia (TRA). Visitor numbers, TRA, 2019, based on 2017-19 3 year average. Average spend per visitor, TRA LGA Profile, 2019, based on 2016-19 4 year average. Total spend, calculated by Urban Enterprise, average spend applied to visitor numbers.

**2.2. TARGET MARKETS**

The Murray region has a market of 5.1 million Australians. This represents past and potential visitors to the region, as identified through representative market research undertaken of 2,000 Australian residents.

These are visitors that travel regularly to regional Australia (at least once every two years pre-COVID) and are highly likely to book a future trip to the Murray region.

Segmentation of the Australian market for the Murray region is shown below, which helps to identify the current and target markets for this destination, to provide a focus for investment and marketing.

Each markets alignment with this destination has been determined below.

T1. TARGET MARKET OVERVIEW

Proportion of Murray Region Target Market and Market Size				
Murray Habituals 38%	Back to Basics 8%	Road Trip 8%	Explorer and Discoverer 35%	Luxury Travellers 10%
				
1.93 Million	0.43 Million	0.40 Million	1.78 Million	0.52 Million
The traditional Murray visitor who travels to the Murray at least once every two years - the Murray's biggest advocate.	The simple traveller, the free spirit - escaping to nature to press pause on real life, spend time with loved ones, and hit reset.	Inspired by the freedom of a road trip, this market wants to explore the country, see new destinations and escape the city.	Socially conscious and adventurous travellers, open to travelling to new destinations and seeking new, unique experiences.	With a holiday mindset of indulgence, the luxury traveller seeks relaxation achieved through high quality experiences.
Strength of Market Alignment to Swan Hill and Reason for Target				
Strong	Strong	Strong	Moderate	Weak
<ul style="list-style-type: none"> <li>- Self-sufficient travellers who typically self-cater and stay in holiday homes, caravan parks or free camping.</li> <li>- Stay for long trips during peak periods.</li> <li>- Travel in large groups, typically family groups, friend groups or multi-generational family groups.</li> </ul>	<ul style="list-style-type: none"> <li>- High overlap in characteristics with Murray Habituals, but don't regularly visit or have a strong allegiance to the region.</li> <li>- Seek a relaxing nature-based experience away from the hustle and bustle of town.</li> <li>- Camping and caravanning.</li> </ul>	<ul style="list-style-type: none"> <li>- Travel for longer periods than other segments - opportunity to increase yield and length of stay.</li> <li>- Most likely to travel midweek and off peak – assist in reducing seasonality.</li> <li>- Opportunity for dispersal across the region as open to exploring all the Murray region's destinations.</li> </ul>	<ul style="list-style-type: none"> <li>- The largest market segment, predominately Millennials, not yet fully captured by the Murray region.</li> <li>- Young and open to new experiences, most likely to engage in a diverse range of experiences.</li> <li>- Want to pack their trip with activities and experiences - a key opportunity to increase visitor yield.</li> </ul>	<ul style="list-style-type: none"> <li>- Critical market opportunity to grow visitor yield and support investment in more boutique offerings.</li> <li>- Attracted to food and wine, so growth in this sector is an opportunity to support local producers.</li> <li>- A shift in the perception of Murray region destinations.</li> </ul>

Source: Murray Region Market Research, Urban Enterprise, 2022.

**2.3. AWARENESS**

The following section demonstrates the awareness and reputation of the Murray River and its surrounding regions through consumer research of a representative sample of 2,000 Australians, undertaken in 2022.

**Awareness**

Swan Hill has relatively high awareness among the Australian population (36% of the population have heard of Swan Hill and have interest in visiting), partially due to the isolated location of this destination.

Additionally, Swan Hill has undertaken destination marketing over the years which has contributed largely to the high levels of awareness for this destination. Key to this is Swan Hill leading its marketing activities with the destination name and persistently pushing a consistent message and brand.

Having established relatively high awareness across the Australian market, Swan Hill has potential to grow the visitor economy with the development of new and contemporary products and experiences.

There is very low awareness of Lake Boga (17%), which is a potential hero asset for this destination. Product and experience development and promotion will help to activate these natural assets and increase their awareness.

The Murray River has the highest levels of awareness within the Australian market (73%), which highlights the importance of connection to the Murray River to strengthen destination awareness and association. However, the Murray River is a key feature of all destinations across the Murray region, therefore destinations cannot rely on the river as a point of difference.

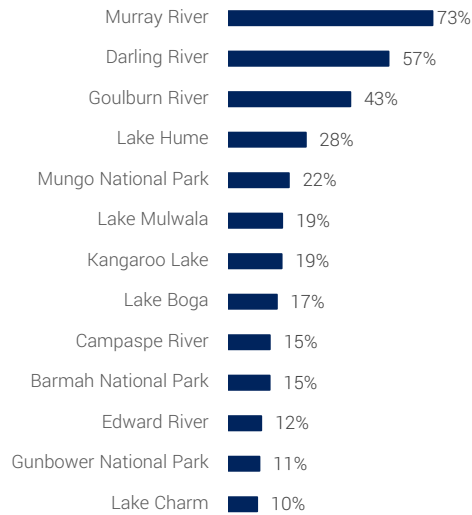
Destinations must develop hero products and experiences to differentiate themselves from the rest of the Murray region, which reinforces the potential role of Lake Boga as a hero experience for Swan Hill.

T2. AWARENESS OF DESTINATIONS IN THE MURRAY

Destination	I have heard the name and have interest in visiting	I have never heard of this place
Albury Wodonga	29%	23%
Cobram-Barooga	28%	43%
Cohuna	21%	55%
Corowa-Wahgunyah	23%	50%
Deniliquin	26%	39%
Echuca-Moama	26%	35%
Holbrook	23%	49%
Koondrook-Barham	19%	60%
Mildura	38%	12%
Rutherglen	24%	47%
Swan Hill	36%	22%
Tocumwal	19%	55%
Wentworth	31%	33%
Yarrawonga-Mulwala	23%	47%

Source: Murray Region Market Research by Urban Enterprise, 2022.

F3. CONSUMER AWARENESS OF MURRAY REGION NATURE-BASED ASSETS



Source: Murray Region Market Research by Urban Enterprise, 2022.



**2.4. MURRAY REGION PRODUCT STRENGTHS AND MARKET ASSOCIATIONS**

**Murray Region Product Strengths**

A number of regional product strengths within the Murray region were identified in the 2018 Murray Region DMP. These have been highlighted in the below figure.

The Murray River is the key strength of the Murray region. With this, a number of products and experiences have been developed to capitalise on this natural asset, including camping, bushwalking, water sports, fishing and river cruising and houseboating.

**F4. MURRAY REGION PRODUCT STRENGTHS**

Primary Strengths	Secondary Strengths
Water Sports	Nature based
Food, Wine and Produce	Business Events
Fishing	
Houseboats/River Cruise	<b>Emerging Strengths</b>
Golf	Indigenous
Festivals and Events	Arts and Culture
History and Heritage	Adventure

Source: Murray Region Destination Management Plan, 2018.

**What is the Murray Known for?**

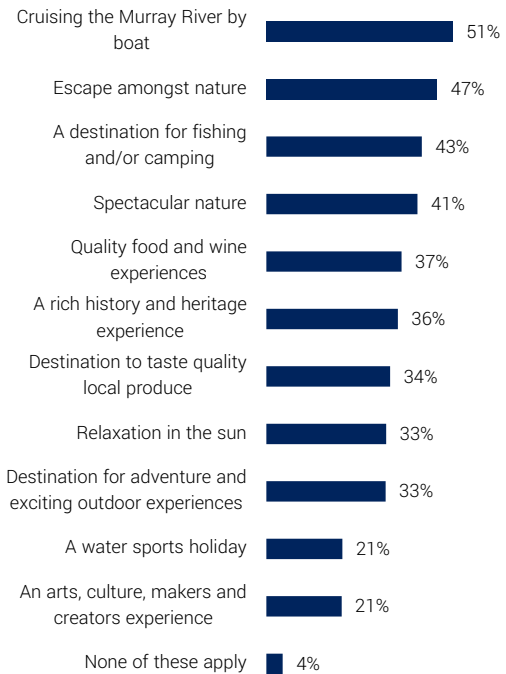
Nature-based attractions and experiences are at the core of what the Australian market perceives to be the "Murray experience".

The below figure shows the broader Australian market expects to cruise the Murray River by boat (51%), escape to nature (47%) and fish or camp (43%) when visiting the Murray region.

The broader Australian market lacks understanding of the breadth of products and experiences currently offered in the Murray region, as indicated by comparatively low perception of the Murray region as a destination for quality food and wine experiences (37%) and quality local produce (37%).

**Nature based experiences are considered a primary strength of Swan Hill. There is opportunity for further investment and development of nature based experiences and cruising to meet the expectations of the contemporary Australian market.**

**F5. PERCEPTION OF THE MURRAY REGION**



Source: Murray Region Market Research by Urban Enterprise, 2022.

## 2.5. DESTINATION STRENGTHS AND UNIQUE SELLING PROPOSITION

### Product Strengths and Potential Hero Experiences for this Destination

The Swan Hill region is a well-developed visitor destination that has strong foundations in regard to infrastructure, nature-based assets and heritage attractions, however, requires more diversity in product and experience to grow the visitor market

Product strengths of this destination include:

- Nature-based tourism and waterway recreation experiences including the Murray River and Lake Boga, as well as River Red Gum Parks.
- Unique location along the most unregulated and natural part of the river, which is highly suited to paddle sports.
- Post settlement history and heritage, including Pioneer Settlement and paddle steamers.
- Rich indigenous history and emerging strengths in Aboriginal tourism.
- Experiencing art through the Swan Hill Regional Art Gallery.
- Emerging strengths in golf experiences, including Murray Downs Golf and Country Club.

Swan Hill Unique Selling Proposition (USP) within the Murray Region

**It is difficult to pinpoint a unique selling proposition for Swan Hill in the context of the Murray. The one aspect that is somewhat unique is the unregulated natural waterway, which makes it popular for fishing and paddle sports.**



How to build on the destination USP?

**As identified above the lack of unique product development in Swan Hill impacts on the ability for a clear and distinct USP. Murray Downs and Pioneer Settlement are the two key products that are motivational drivers of visitation in addition to the Murray River.**

**Further development of products and experiences in Swan Hill needs to be the focus. In particular, those that leverage the competitive strengths and emerging opportunities for Swan Hill, such as nature based tourism, arts, agritourism, indigenous tourism and recreation.**

**Opportunities include:**

- Development of new, high quality accommodation experiences.
- Indigenous cultural experiences.
- Contemporary boutique food and wine experiences.
- Facilitate development of more grass roots artisan and cultural development experiences that add richness to the experience.
- Investment in beautifying the town centre.

**2.6. GOVERNANCE**

The table below outlines the governance structure for tourism in this destination and the responsibilities for each of the key organisations.

Local Government plays a crucial role in supporting the visitor economy, particularly in working closely with industry to support product and experience development and industry growth.

**Swan Hill Rural City Council has the foundations of a strong and sustainable destination. Being a visitor destination governed by a single Council is an advantage as it allows Council to develop a clear approach to tourism development and marketing.**

T3. GOVERNANCE OVERVIEW

Organisation	Overview	Activities
<b>Destination NSW</b>	Lead government agency for the NSW tourism and major events sectors. Major role in positioning NSW as one of the world's premier tourism events destinations, as well as achieving the NSW Government's goal of tripling visitation expenditure by 2030.	<ul style="list-style-type: none"> <li>• Destination marketing.</li> <li>• Industry support and engagement.</li> <li>• Industry training.</li> <li>• Product development.</li> </ul>
<b>Visit Victoria</b>	Primary tourism and events company for the State Government, involved in research, advocacy and domestic and international marketing. Visit Victoria is a key partner in promotion and strategic planning for the tourism sector. Council should maintain a strong relationship to ensure alignment with Visit Victoria marketing initiatives.	<ul style="list-style-type: none"> <li>• Destination marketing.</li> <li>• Industry support and engagement.</li> <li>• Industry training.</li> <li>• Product development.</li> </ul>
<b>Office of the NSW Cross-Border Commissioner</b>	The Office of the Cross Border Commissioner advocates and represents cross border communities and businesses. The NSW Cross-Border Commissioner works alongside local, state and federal bodies to ensure cross-border communities and businesses are not negatively impacted by two sets of legislations and policies.	<ul style="list-style-type: none"> <li>• Advocacy.</li> <li>• Industry support.</li> </ul>
<b>Victoria's Cross Border Commissioner</b>	Victoria's Cross Border Commissioner works with residents, businesses and community organisations along Victoria's border to identify and advocate for change. The Cross Border Commissioner also works with the Office of the NSW Cross-Border Commissioner to ensure economic and community benefits for border towns.	<ul style="list-style-type: none"> <li>• Advocacy.</li> <li>• Industry support.</li> </ul>
<b>Murray Regional Tourism</b>	The Regional Tourism Board and peak tourism organisation for the Murray region in NSW and Victoria. MRT is the lead cross boarder entity for strategic planning in the Murray region and collaborates with government and industry partners to undertake planning, marketing, product, industry and infrastructure development, and advocacy	<ul style="list-style-type: none"> <li>• Destination marketing.</li> <li>• Industry support and engagement.</li> <li>• Product development.</li> <li>• Investment attraction and facilitation.</li> </ul>

Organisation	Overview	Activities
<b>Destination Riverina Murray</b>	DRM is one of seven Destination Networks (DNs) established by the NSW state government to represent the visitor economy in regional NSW. Its principal role is to represent and coordinate the growth and development of the NSW Riverina Murray visitor economy.	<ul style="list-style-type: none"> <li>• Advocacy</li> <li>• Product development.</li> <li>• Industry training.</li> <li>• Industry support and engagement.</li> <li>• Investment attraction and facilitation.</li> </ul>
<b>Local Government</b> <i>Swan Hill Rural City Council</i>	Councils act as enabler for the visitor economy by providing the foundations, including strategic planning, infrastructure services, assistance in product development, investment attraction, and support to the local industry.	<ul style="list-style-type: none"> <li>• Visitor services.</li> <li>• Destination marketing.</li> <li>• Investment attraction/facilitation.</li> <li>• Industry training.</li> <li>• Product development.</li> </ul>
<b>Swan Hill Incorporated</b>	Swan Hill Incorporated is a representative body responsible for marketing and promoting Swan Hill as a place to visit, shop and enjoy. The membership-based organisation aims to increase visitation to and spend in Swan Hill, advocate on behalf of businesses and provide support and directions to encourage quality service.	<ul style="list-style-type: none"> <li>• Advocacy.</li> <li>• Destination marketing.</li> <li>• In-region gift-card.</li> <li>• Industry networking and support.</li> <li>• Industry training and professional development.</li> <li>• Promotion and marketing.</li> </ul>

### 3. CONSIDERATIONS FOR TOURISM DEVELOPMENT

The following section examines the challenges and opportunities for this destination, which have been identified through research and engagement with local visitor economy stakeholders, and review of Council documentation.

These considerations have been used to inform the recommended actions for this destination.

#### T4. CONSIDERATIONS FOR TOURISM DEVELOPMENT

Markets
<ul style="list-style-type: none"> <li>• Existing product offering is well suited to older demographics, nature-based visitors and multi-generational family travel.</li> <li>• Visitation is highly seasonal, revolving around key holiday and summer periods.</li> <li>• Need for investment in product and experience to attract the younger millennial and higher spend markets.</li> <li>• Key drivers of current visitation are Swan Hill's river location, history and heritage and golf courses.</li> <li>• Opportunity to engage habitual travellers in new products and experiences to expand yield.</li> </ul>
Product, Experience and Events
<ul style="list-style-type: none"> <li>• Lack of progressive, contemporary and inspiring product and experience.</li> <li>• Need for retail and dining businesses to expand opening hours to better meet the expectations of visitors.</li> <li>• Capitalise on the region's strengths in primary produce to deliver experiential dining and farm based experiences.</li> <li>• Increase indigenous nature-based tourism through storytelling, guided tours and experiences co-designed with the Aboriginal community.</li> <li>• Need for investment and maintenance into park infrastructure with Redgum Parks, led by Parks Victoria.</li> <li>• Need to increase provision of family friendly product and experience to meet the needs and expectations of the family market.</li> <li>• Leverage Swan Hill's existing rail infrastructure to deliver unique rail experiences.</li> <li>• Expand the region's arts and cultural offering to enrich the experience of visitors.</li> <li>• Lack of retail suited to visitors.</li> <li>• Opportunity to create a suite of coordinated events to showcase the region and attract new visitors.</li> </ul>
Accommodation
<ul style="list-style-type: none"> <li>• Overall lack of accommodation supply.</li> <li>• Need for more formalised camping opportunities along the Murray River, particularly in the Redgum Parks.</li> <li>• Lacking supply of quality midscale self-contained accommodation to service business and holiday/leisure visitors.</li> <li>• Need for reinvestment in outdated motel accommodation stock.</li> <li>• Opportunity to deliver high quality riverfront accommodation that can attract high-end luxury markets.</li> <li>• Opportunity to provide pet-friendly accommodation.</li> </ul>

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**Infrastructure and Planning**

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- Expand and improve shared trails and connections between the river and town centre.
- Deliver infrastructure to enhance nature-based attributes and promote engagement with the region's nature-based assets.
- Improve water-access and infrastructure such as wharves, boat ramps and moorings to meet the needs of visitors engaging in fishing, water sports and other water-based activities.
- Need for port or wharfing infrastructure between Swan Hill and Robinvale to encourage commercial boating.
- Opportunity to develop high quality sporting infrastructure and facilities to attract sporting events.
- Need for streetscape improvements and placemaking in Swan Hill.
- Improve public transport between Swan Hill and Melbourne.
- Investment in formalised amenity for caravan and camping visitors.
- Poor road infrastructure throughout the region.

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**Brand, Marketing and Visitor Servicing**

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- Clear brand, however a lack of destination identity.
- Outdated and sparse visitor signage and wayfinding points.
- Opportunity to elevate market awareness of the region and its visitor market offering.
- Improve online visitor servicing.
- Need to educate local operators to become ambassadors for the destination.
- Expand the number of bookable products and experiences available in the region.
- Explore the opportunity to develop packages that include a combination of experiences, products and/or accommodation to attract new visitors.
- Increase digital presence of operators and utilisation of digital marketing.

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**Industry Development and Workforce**

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- Labour shortages, including skilled and unskilled workers, exacerbated by lack of international migration.
  - Lack of affordable accommodation to support attraction and retention of workforce.
  - Improve engagement between the Indigenous community and tourism industry.
  - Collaboration and communication between operators is required to promote and elevate the destination.
  - Need to connect job seekers with education and training opportunities aligned to workforce needs.
  - Poor perception of hospitality and tourism as a career is a barrier to workforce attraction.
-

## 4. RECOMMENDED ACTION PLAN

### READING THIS ACTION PLAN

Recommended actions have emerged as a result of consultation with industry and local government stakeholders during the Local Area Plan workshops, an assessment of existing local documents and strategies, and in response to considerations for tourism development.

The following provides a guide for interpreting the Recommended Action Plan.

#### Recommended Actions

Each of the recommended actions have been identified in response to the key considerations for tourism development in this destination, and aim to address visitor economy needs and opportunities over the next 5 years.

It is the role of key stakeholders to further investigate the viability and opportunity of each project.

#### Suggested Next Steps

The identified next steps are a suggestion to enable stakeholders to take forward the recommended actions.

The next steps are to be used as a guide, and will be informed by local resourcing and priorities.

#### Priority

The priority level for each of the recommended actions have been identified by determining their level of importance, logical staging, as well as which actions can be achieved relatively quickly.

The following priority levels have been used:

Short-term within 1 year	Medium-term 1-3 years	Long-term 4-5 years +
Ongoing		

#### Key Partners

Key partners have been identified for each of the recommended actions. Current roles and responsibilities of these stakeholders are identified in the Destination Snapshot section of this document.

Key partners include:

- Murray Regional Tourism
- Destination Riverina Murray
- State and Federal Governments and agencies, including:
  - Regional Development Victoria
  - Public Transport Victoria
  - VicRoads
  - Parks Victoria (Parks Vic)
- Local Government agencies, including:
  - Swan Hill Rural City Council (Council)
- Swan Hill Incorporated (Swan Hill Inc)
- First Nations Group
- Industry

**4.1. PRODUCT, EXPERIENCE AND EVENTS**

T5. RECOMMENDED ACTIONS

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<p><b>Chisholm Reserve Motorsport Complex</b>                      Deliver upon the Chisholm Reserve masterplan to ensure the growth and success of the motor sports industry.</p>	<ul style="list-style-type: none"> <li>- Deliver infrastructure priorities.</li> <li>- Continue to attract major motor sports events.</li> </ul>	Council Industry	Ongoing
<p><b>Cruising Experience Investment</b>                      Refer to the Murray Cruising Strategy for key project opportunities. Specific need include:</p> <ul style="list-style-type: none"> <li>- Water equipment hire locations</li> <li>- Paddle sports hubs</li> <li>- Fishing tours</li> </ul>	<ul style="list-style-type: none"> <li>- Council and stakeholders to facilitate cruising investment.</li> <li>- Work with existing cruise operators to elevate offering and address barriers to operation.</li> </ul>	Industry Council MRT DRM	Short term
<p><b>Development of the Mallee Almond Blossom Festival</b>                      Increase the festival offering in the region by developing the Mallee Almond Blossom Festival.</p>	<ul style="list-style-type: none"> <li>- Develop a strategic action plan for enhancement of the Mallee Almond Blossom Festival.</li> </ul>	Industry Council MRT DRM	Short term
<p><b>First Nations Experience</b>                      Building on the rich Aboriginal culture and history strengths of Swan Hill there is opportunity to develop a first nations experience. This may focus on the Murray River and include nature based and cruising opportunity.</p>	<ul style="list-style-type: none"> <li>- Work with First Nations peoples to establish a year round cultural experience.</li> </ul>	First Nations Group Council	Short term
<p><b>Riverside Splash Park</b>                      Develop a state of the art interactive splash park targeted towards children 5yrs+ in Swan Hill's Riverside Park which runs alongside the Murray River. The splash park creative look would be designed by a local Aboriginal Artist and could tell the story of Pondi (a Murray Cod Aboriginal story), linking into Swan Hill's Giant Murray Cod statue and Heartbeat of the Murray Laser light show story.</p>	<ul style="list-style-type: none"> <li>- Plan and design splash park.</li> <li>- Seek funding and implement.</li> </ul>	Council	Short term
<p><b>Signature Events Calendar</b>                      Swan Hill should review their events calendar with a focus on supporting new signature events including arts and culture, sport, music and family-friendly events.</p>	<ul style="list-style-type: none"> <li>- Review the events calendar and seek to provide funding to support new signature events that strengthen the Swan Hill brand.</li> </ul>	Council Industry	Short term



Recommended Actions	Suggested Next Steps	Key Partners	Priority
<b>Waterfront Activation Precinct</b>			
Develop an enclosed swimming pool on the Little Murray River and provide commercial activation through investment in shipping containers to support food and beverage operations.	- Undertake a concept plan, feasibility and location study for the precinct.	Council Industry	Short term
<b>“On Farm” Experiences</b>			
Promote local produce by supporting development of farm open days, on-farm experiences and farm gates, and paddock to plate dining experiences.	- MRT to share agri-tourism research and recommendations with industry through further engagement with the sector.	Local producers	Medium term
<b>Lake Boga Active Trail</b>			
The proposed Lake Boga Trail consists of a 16km trail between Swan Hill and Lake Boga and includes the construction of 12.6km sealed trail that will run alongside the Murray Valley Highway and VicTrack Rail Reserve connecting the townships.	- Seek funding and commence construction.	Council	Medium term
<b>Pental Island Aboriginal Tourism Experience</b>			
Pental Island is a small island separated by the Little Murray River from Swan Hill’s Pioneer Settlement by a pedestrian bridge. There is extensive potential to develop the island as a community led Aboriginal tourism experience incorporating an education space and yarning space. This project would support Aboriginal employment and empowerment and offer a new Aboriginal tourism experience for visitors. It would also enhance the overall offering of Pioneer Settlement, Swan Hill’s number one attraction.	- Repair pedestrian bridge. - Continue planning and designing experiences. - Work with traditional owner groups to develop experiences. - Seek funding and implement.	Council First Nations Group	Medium term
<b>Family Friendly Attractions</b>			
There is a need for product development to service the family market. This will help to strengthen the family visitor market to the region.	- Promote the attraction of a family orientated visitor experience.	Council Industry	Long term
<b>Accommodation Investment</b>			
Refer to the Murray Region Accommodation Study for project details to attract investment in the identified priority projects: - Serviced apartment/hotel, Swan Hill Riverfront - Eco accommodation, Pental Island - Resort Accommodation, Murray Downs - Waterfront accommodation development, Lake Boga - Motel upgrades	- Council should facilitate investment by identifying suitable sites, with consideration of suitable zoning / need for rezoning. - Promote the opportunity to a developer and facilitate planning process.	Industry Council	Ongoing

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<b>Murray River Adventure Trail</b>			
Investment in the Murray River Adventure Trail is underway across the Murray region. Some stages have been funded, however there is further design and construction work required to deliver on stages 2 and 3 of the trail.	<ul style="list-style-type: none"> <li>- Develop trail design for the Swan Hill-Nyah Section.</li> <li>- Continue to advocate for funding.</li> </ul>	<ul style="list-style-type: none"> <li>Council</li> <li>Parks Vic</li> </ul>	Ongoing
<b>Link to Lake Tyrrell</b>			
There is opportunity to create a touring loop that connects Swan Hill to Lake Tyrrell and Sea Lake, to leverage the growing international touring market. This experience will incorporate silo art and could include aboriginal cultural experiences led by Traditional Owners.	<ul style="list-style-type: none"> <li>- Develop touring route and engage with operators that could provide experiences.</li> <li>- Work in partnership with Buloke Shire and Visit Victoria to deliver promotions and marketing campaigns.</li> </ul>	<ul style="list-style-type: none"> <li>Council</li> <li>Industry</li> <li>Swan Hill Inc</li> <li>Visit Victoria</li> </ul>	Short-medium term

**4.2. INFRASTRUCTURE AND PLANNING**

T6. RECOMMENDED ACTIONS

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<p><b>Amenity to Service Campers</b> Investment in formalised amenity to service caravan and camping visitors, including toilets, picnic tables and BBQs.</p>	<ul style="list-style-type: none"> <li>- Develop a plan to identify gaps in amenity for the caravan market.</li> </ul>	Council	Short term
<p><b>Sporting Infrastructure</b> There is a need to improve infrastructure at major events precincts including toilet upgrades, power upgrades and lighting upgrades.</p>	<ul style="list-style-type: none"> <li>- Undertake a plan for infrastructure upgrades at event facilities.</li> <li>- Advocate for investment.</li> </ul>	Council	Short term
<p><b>Swan Hill Streetscape</b> Swan Hill’s streetscape requires improvement to realise the town’s potential as a visitor and lifestyle destination, and to meet the needs and expectations of visitors.</p>	<ul style="list-style-type: none"> <li>- Develop concept plans aiming to improve the Swan Hill town centre and facilitate connections between the Murray River, civic buildings and key visitors attractions.</li> <li>- Develop modern streetscape and landscaping consistent with the local brand.</li> </ul>	Council	Short term
<p><b>Access and Transport Advocacy</b> The public transport linkages and road infrastructure for access to Swan Hill are poor. This impacts on the ability for workers and visitors to access the town.</p>	<ul style="list-style-type: none"> <li>- Undertake population and visitation modelling to provide a case for public transport links and road upgrades.</li> </ul>	PTV VicRoads Council	Medium term
<p><b>Infrastructure Servicing</b> Services infrastructure to allow new development and business investment, including:</p> <ul style="list-style-type: none"> <li>- Address water pressure constraints for new development.</li> <li>- Mobile network and coverage / NBN.</li> <li>- Sewerage and water capacity where required.</li> </ul>	<ul style="list-style-type: none"> <li>- Work with servicing authorities to deliver required infrastructure.</li> </ul>	Servicing authorities Council	Medium term
<p><b>Water Access Infrastructure</b> Improve access to the Murray River at Swan Hill. Opportunities include:</p> <ul style="list-style-type: none"> <li>- Development of a public wharf at Swan Hill with mooring points.</li> <li>- Investment in standardised water access points.</li> <li>- Weir at Swan Hill.</li> </ul>	<ul style="list-style-type: none"> <li>- Undertake a study which audits and identifies required moorings, jetties, fishing platforms and marinas across the Murray River and Lake Boga.</li> <li>- This should include identification and design and consider private and public sector cruising opportunities.</li> </ul>	Council GMW MDBA	Medium term

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<p><b>Advocacy to Address Housing Crisis</b> Continued advocacy to State and Federal Government to address housing crisis.</p>	<p>- MRT and Councils to work with regional stakeholders to quantify housing needs and delivery of programs to meet required demand.</p>	<p>MRT DRM RDV Council</p>	<p>Ongoing</p>

**4.3. BRAND, MARKETING AND VISITOR SERVICING**

T7. RECOMMENDED ACTIONS

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<p><b>Bookable Product and Packaging</b> There are limited online bookable products in Swan Hill. This presents an opportunity to increase length of stay and improve visitor experience.</p>	<ul style="list-style-type: none"> <li>- Develop bookable product and product packages including accommodation and dining packages.</li> </ul>	<p>Industry Council</p>	<p>Short term</p>
<p><b>Marketing Plan</b> Prepare a Swan Hill Marketing Plan with consideration of:</p> <ul style="list-style-type: none"> <li>- Targeting social media to certain demographics.</li> <li>- Influencers to the region and knowing target markets.</li> <li>- Podcasts like story towns and using this as a platform to showcase the region.</li> <li>- Digital advertising - not visible in region.</li> <li>- Opportunities to leverage MRT cooperative marketing activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Deliver a marketing plan with consideration of digital marketing.</li> </ul>	<p>Swan Hill Inc Council</p>	<p>Short term</p>
<p><b>Visitor Information Review and Delivery</b> Undertake a visitor information and signage review across the destination, and prepare a strategy to deliver the following needs as one destination:</p> <ul style="list-style-type: none"> <li>- Signage (wayfinding and tourism).</li> <li>- Gateway enhancements and interventions.</li> <li>- Visitor information touchpoints throughout the visitor journey.</li> </ul>	<ul style="list-style-type: none"> <li>- Undertake a visitor information services review.</li> </ul>	<p>Swan Hill Inc Council</p>	<p>Medium term</p>
<p><b>Murray Region Local Ambassador Project</b> MRT to develop a region-wide program to encourage local knowledge of and local pride in the tourism industry. This should include ongoing initiatives that aim to educate local industry and residents about the product offering and events, including notification of new business, events and promotional activities to create engagement. This may include:</p> <ul style="list-style-type: none"> <li>- Incentive system for residents and industry to engage in tourism offerings and promote through social media.</li> <li>- MRT branded business swap card system to encourage cross-business promotion and visitor information.</li> <li>- Local area tourism industry communication framework.</li> </ul>	<ul style="list-style-type: none"> <li>- MRT to develop and deliver plan.</li> <li>- Councils to deliver actions at local level.</li> </ul>	<p>MRT DRM Council Industry Swan Hill Inc</p>	<p>Ongoing</p>

**4.4. INDUSTRY DEVELOPMENT AND WORKFORCE**

T8. RECOMMENDED ACTIONS

Recommended Actions	Suggested Next Steps	Key Partners	Priority
<b>Regional Workforce Pathways and Promotion Program</b>			
MRT to develop and implement a framework that promotes the attractiveness of the tourism industry and attracts new workforce. The program should be twofold:			
- Work in the Murray promotion to attract new tourism industry workforce (think Want To Work in Paradise promotion from Tourism Queensland). This should consider non-monetary incentives for new workers to the region.	- MRT to develop a regional workforce skills gap analysis and campaigns.	MRT DRM Council Secondary schools Higher education Employment networks	Short term and Ongoing
- Development of pathways program to attract and retain staff, including: <ul style="list-style-type: none"> <li>o Attraction of secondary students.</li> <li>o Communication of clear progression pathways within and between business.</li> <li>o Encouraging use of staff sharing platform to provide consistency of work.</li> </ul>	- MRT to work with local Councils and other stakeholders (jobs boards, LLENs etc) to promote opportunities.		
<b>Skills Development Plan</b>			
Using the outcomes of the regional workforce gap analysis and feedback from industry, collaborate with TAFE's, LLEN's and higher education providers to deliver tailored and location-based industry training solutions.	- Undertake workshop with industry to identify specific skill and training needs. - Work with higher education providers to develop courses and course material.	Council Industry Swan Hill Inc MRT DRM Higher Education TAFEs	Short term and Ongoing
<b>Digital Literacy for Operators</b>			
Improve the capability of operators to utilise online visitor services, such as online booking services, social media and motivational websites.	- Deliver a digital literacy program for industry.	MRT DRM Council Swan Hill Inc	Ongoing
<b>Weekend Trading</b>			
There is a need to address the very limited trading hours of businesses within the region, including restaurants, cafes and retail stores. This includes extending businesses hours when major events are occurring in the region.	- Work with retail and hospitality businesses to encourage longer weekend trading hours during events, as a first step in extending trading hours.	Swan Hill Inc Council Industry	Ongoing

## APPENDICES

### APPENDIX A DOCUMENTS REVIEWED

#### Regional Documents

- Murray Regional Tourism Annual Report 2019-20
- Murray Regional Tourism Strategic Plan 2021-24
- Murray Region Destination Management Plan 2018-2022
- Murray Region Cruising Strategy 2022
- Murray Region Accommodation Study 2022
- Murray Region Consumer Research 2022
- RDA Murray Strategic Plan 2019
- NSW Visitor Economy Strategy 2030
- Riverina Murray Destination Management Plan 2023-30
- Riverina Murray Accommodation Market Assessment 2019

#### Swan Hill Rural City Council

- Swan Hill Destination Marketing Strategy, 2021
- Swan Hill Community Vision and Council Plan, 2021-2025
- Swan Hill Rural City Council Investment Prospectus Snapshot, Swan Hill Rural City Council, 2020
- Economic Development Insights Report, Swan Hill Rural City Council, 2021
- Victorian Visitor Economy Master Plan Priority and Project Development: Pental Island, Swan Hill – Lake Boga Path and Riverside Splash Park
- Swan Hill Chisolm Reserve Complex Development Masterplan, 2016



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## Growing the Murray's visitor economy

18 July 2023





# Context for change

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## Why do RTBs need to evolve to VEPs?

### Reforms are key to:

- Respond to the Regional Tourism Review (RTR) and other consultations
- Social and economic recovery
- Job creation
- Vitality of regional towns and cities
- Realise a 2026 Commonwealth Games legacy



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## How extensive consultation, research and insight has informed the VEP approach



### Consultation

RTBs  
Local Government  
Visit Victoria  
Regional Development Victoria  
Victorian Tourism Industry Council



### Research



### Engagement and program insights

Engaging non-networked councils  
Facilitating capacity and capability building of RTBs  
Developing an enhanced focus on destination planning  
Regular communication and engagement

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# Introducing the VEP Framework

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## What are Visitor Economy Partnerships (VEPs)?

Destination management entities that collaborate with the Victorian Government, councils, industry and key stakeholders

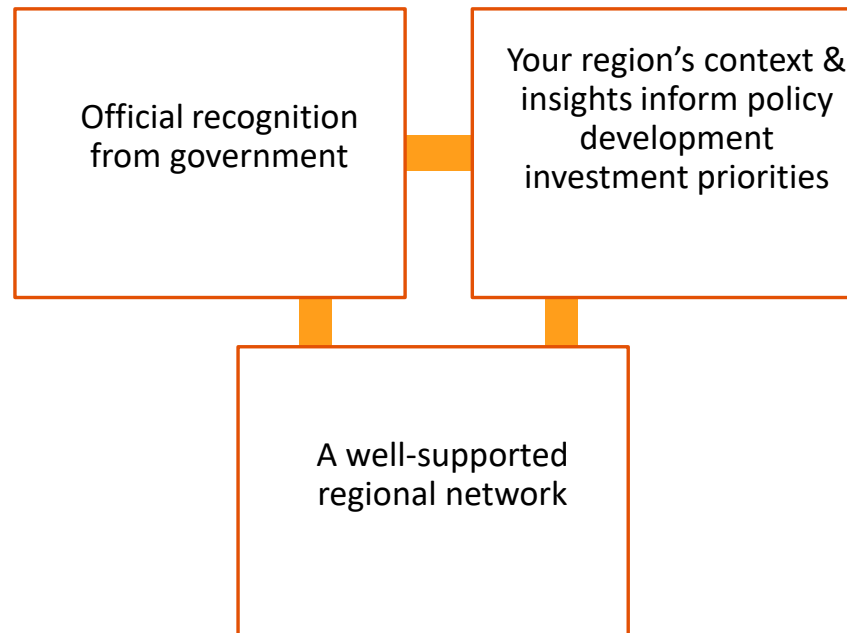


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## Benefits of this way of working



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## How will VEPs grow the visitor economy?

1	2	3
By responding to the distinctive needs and priorities of each region	By advocating for tourism industry needs and expectations	By harnessing the advantages of one connected state-wide regional tourism network



### VEPs will:

- Support industry - boost regional businesses, support job growth
- flow-on effects to local community pride and connectivity
- assist more people to experience the best Victoria has to offer.

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# Overview of VEP fundamentals

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## Key features of VEPs

Defined responsibilities

Organisational sustainability

Strong governance

Leverages benefits of scale

Regional focus and collaborative  
action

Balanced focus on supply and  
demand



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## Governance will be strengthened

### The reforms will be enacted through VEP Agreements

<b>Board expectations</b>  (Clearer lines of communication and information exchange)	<b>Annual implementation plans</b>  (defines KPIs)	<b>Simplified reporting, tools and templates</b>  (enables consistency and efficiencies)	<b>Funding agreements</b>  (Purpose built, simpler – overarching heads of agreement with project annexures)
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## Funding is simple and transparent

Council <sup>^</sup> partners	Victorian Government Funding commitment
Three or more regional councils, including a regional city <sup>#</sup>	\$350,000 a year
Six or more regional councils	\$590,000 a year*

<sup>^</sup> Refers to Victorian Councils

<sup>#</sup> Regional city has a population greater than 60,000

\* Victorian Government budget cycle

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# What's next

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## When can the Murray transition?

The process can start now



- DMP
- Constitution
- Council commitment

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Local Government Partners  
Value Proposition  
FY 2024 - 2026



## MRT Local Government Partner Value Proposition

### Why Partner with MRT

10 years prior to introduction of Murray Regional Tourism (MRT), the Murray River saw a decline in tourism across the region due to a fragmented approach to the visitor economy amongst local governments, tourism operators and tourism bodies.

Since the inception of MRT as the region's peak tourism body, tourism has continued to grow to be worth \$4.27b per year across the region for Year ending March 2023. This is due to the coordinated region based approach that MRT takes in advocating for, promoting, and advancing tourism and the visitor economy, across the Murray River region. These decisions have helped to shape and strengthen the region's tourism sector, empowering it to progress and thrive.

The transition to the new Visitor Economy Partnership model, as announced recently by the Victorian Government, will result in MRT almost doubling its state government annual funding (to \$590,000) allowing it to further strengthen and enhance its tourism development activities. To achieve this increase however, it requires all six Victorian LGAs to continue their commitment to partnering with MRT.

There has never been a more important time to work collaboratively to maximise government funding and continue to build our region together.

### Introduction

Murray Regional Tourism (MRT) is the peak cross border tourism entity for the Murray region. Its inception in 2010 came from a partnership between the Local Governments within the broader Murray region along with Visit Victoria (formerly Tourism Victoria) and Destination NSW.

The foundation of MRT and more broadly regional tourism boards, was to address the fragmented approach to growing the visitor economy over extended periods of time by both State and Local Government partners. That fragmented approach resulted in a decline in visitation over the proceeding 10 year period.

### MRT Structure

MRT is structured as a Company Limited by Guarantee and operates with a long term strategic plan to grow the visitor economy, a clearly defined charter, and Memorandum of Understandings and funding agreements to protect all organisations involved in the partnership.

The Board has an Independent Chair, Skills Based Directors and Directors appointed by the Riverina & Murray Joint Organisation, and Murray River Group of Councils to ensure a strong cross section of skills from both the private and public sector.





## MRT Local Government Partner Value Proposition

The organisation is managed by a Chief Executive Officer, supported by a small team that includes an Administration assistant, and internal and contracted marketing, digital, and industry development specialists as required to deliver our Strategic Plan and associated annual programs.

### Purpose

MRT's mission is to lead, grow, promote, and sustain visitation, tourism development, advancement, and tourism investment across the Murray River region.

Our vision is that the Murray River region is Australia's iconic regional tourism destination. We believe that:

1. The Murray River region, with its iconic river and waterways, extensive natural environment, inspiring holiday locations, and wealth of experiences for visitors of all ages, is Australia's most exciting regional tourism destination.
2. Tourism is vital to the economic prosperity of the Murray River region and the best way to achieve this is with a vibrant and progressive sector that not only meets, but surpasses, visitor expectations.
3. The interests of the Victorian and New South Wales Governments, local governments, and tourism operators are best served by a progressive regional tourism board that has extensive knowledge of the Murray River region and a deep understanding of the region's current and potential visitor economy.

To achieve our mission, vision and beliefs, we focus on the following four key strategic pillars:

- 1. Industry development** – Improving the quality of tourism experiences in the region through industry education and support.
- 2. Product development**- Facilitating investment in infrastructure, new products and experiences that revitalise the Region's tourism offer.
- 3. Regional marketing**- Leading and supporting the Murray Region in the development of collaborative marketing programs.
- 4. Leadership and advocacy**- Leading the growth and development of the Murray Region through expert knowledge, advocacy and industry engagement.



## MRT Local Government Partner Value Proposition

### What our stakeholders say-

A stakeholder survey conducted in May/June 2023 (Mellor Olsen, 2023) revealed that MRT has overwhelmingly positive support amongst the majority of stakeholders surveyed who cited:

1. They agree that MRT provides a unified and effective voice on all issues relating to tourism as well as advocating tourism and growing the local economy.
2. MRT took a key role in crisis preparation and recovery of tourism and that our marketing campaigns and advocacy regarding flooding events were particularly beneficial to the region's recovery and visitor economy.
3. MRT's education programs and workshops are well supported, accessible and continue to fostering increased engagement and involvement amongst stakeholders.
4. MRT's efforts to increase cooperation and collaboration are held in high regard.
5. MRT's efforts to communicate with stakeholders was considered one of the organisation's top strengths.

In addition to the four strategic pillars MRT provides:

6. Clear leadership for what was a previously fragmented industry by leading crisis management, advocating for event support, being the authoritative voice on all tourism related matters.
7. Formal partnership for local government authorities to work together on visitor economy opportunities and identified issues
8. Strong advocacy at all levels of Government on behalf of the sector
9. Better coordination between all the key organisations involved within the visitor economy and a reduced duplication of effort across the region
10. Improved communication between government and all industry stakeholders operating across the region
11. Professional tourism leadership with direct links to key funding organisations - both State and Federal Governments
12. A central point of contact for State and Federal Governments on visitor economy related issues
13. Regional ownership of the strategic direction of the visitor economy through the locally managed approach and not by the state tourism offices



## MRT Local Government Partner Value Proposition

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### Why a Regional Tourism Board

MRT unites the Murray region's tourism industry ensuring memorable visitor experiences within this beautiful river destination. Since its inception in 2010, MRT has positively impacted the sector with its work focused on addressing many issues including fragmentation, poor resourcing, crisis management, heavy reliance on volunteers, increased investment, cross border issues and a duplication of resources and effort.

MRT develops an overarching tourism strategy in conjunction with its stakeholders, provides clear developmental direction, focused product development and support for infrastructure developments within the region. These relationships with levels of government enable consistent results.

Since 2010 MRT has delivered:

- A regional and coordinated approach to managing the visitor economy across the Murray region
- Significant growth in the visitor economy, employment and infrastructure development through our effective partnerships.
- Reduction of duplication of effort through improved efficiencies in resource utilisation, for example the delivery and development of The Murray River Adventure Trail which enables a centralised team at MRT to deliver the project on behalf of multiple councils.
- Increased investment from State government in the region's visitor economy by advocating for and supporting grant applications and investments which align to state and regional strategies.
- A region wide sharing of tourism knowledge and skills through delivery of region wide workshops, industry development, tourism manager forums, region familiarisations with key travel buyers and marketers.
- A strong representative voice for the visitor economy in the Murray region that supports advocacy and responds to local market conditions and issues.
- Strong working relationships with State Governments and a lead agency for Local Government to address issues of regional wide significance for example Parks Victoria/ NSW Parks relationships which affect multiple Council areas.
- Coordinated approach to create benefits and efficiencies that have delivered a sustainable return on investment to the LGAs. E.g., Co-operative marketing opportunities that enable access to scalable campaigns for accessible buy in



## MRT Local Government Partner Value Proposition

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amounts.

- Provision of expertise not necessarily available within each Local Government organisation  
Eg access to funding, investment attraction, strategic tourism development support.
- A coordinated approach to the management of crisis impacting the tourism sector, our role is pivotal in ensuring a consistent approach to crisis management of the visitor economy and resolving issues through State Government departments for the benefit of the whole region.

### Key Outcomes of our current MoU

1. Secured funding for Stage 2 & 3 Detailed Design of the Murray River Adventure Trail, in partnership with our Victorian LGA's
2. Delivered over \$200,000 of industry development programs across the Murray Region
3. Implementation of the 2021-2024 Strategic Plan
4. Navigated industry through Covid challenges
5. Delivered Flood Recovery Marketing Campaigns
6. Generated over \$2 million in direct investment by our NSW and Victorian government into the regional tourism partnership and leverage LGA investments
7. Continued as the lead cross border tourism body for growing the visitor economy in the Murray region in partnership with both State and Local Governments
8. Developed the Murray region Destination Management Plan to set long term strategic direction for the region and support destinations
9. Developed Local Area Plans to support coordinated visitor and tourism cross border focused development
10. Supported significant projects and aided investment in various key infrastructure priorities
11. Facilitated whole of region tourism crisis management plan and associated crisis management committee to respond to and deal with crisis events. Activities have included, delivery of crisis media training, advocacy, research and marketing activation as examples along with specific detailed work to address COVID 19, the associated border closures and Floods.
12. Updated the Crisis Communication Plan
13. Continued to deliver strong advocacy support on behalf of the sector to all levels of government to reduce barriers and impediments to growth of the region
14. Invested in focused research programs providing valuable research to our partners, industry and government to assist monitor and assess the performance and strength of the visitor economy
15. Implemented Industry Development programs to build skills and capacity of the sector

MRT continues to be one of the longest standing and reputable tourism boards through its history of performance, highest levels of strong governance, equity amongst partners and



## MRT Local Government Partner Value Proposition

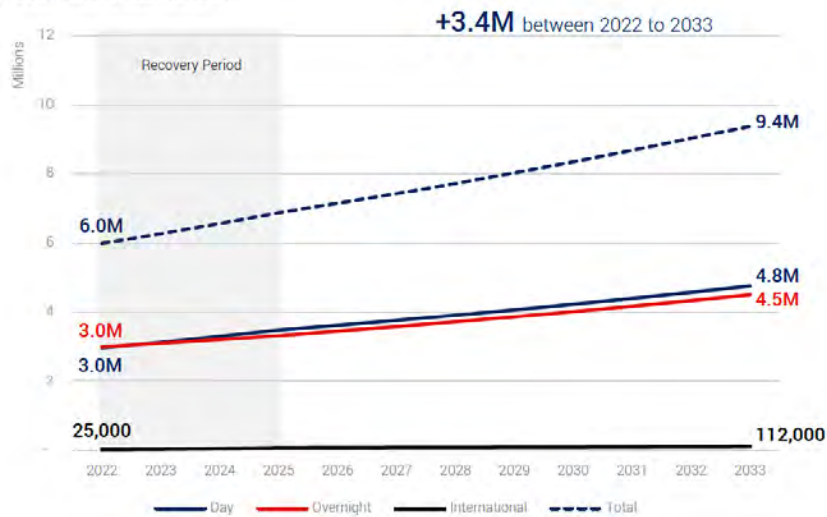
demonstrated engagement with industry. Our relationships with government, industry and private enterprise are invaluable to growing the visitor economy and supporting our partner councils.

### The Future

We are excited to present the compelling value proposition for MRT, starting from the financial year 2024/25 for a period of three years. Together, we have a shared goal of regaining visitation levels to pre-COVID and floods by 2025. In this challenging economic environment, our collaborative efforts are more critical than ever. Here's why partnering with us is a high-value investment and an opportunity to shape the future of our region's tourism industry:

### 1.2. VISITATION PROJECTIONS

F1. VISITATION PROJECTIONS



Source: Urban Enterprise 2023, based on Tourism Research Australia (TRA) National Visitor Survey (NVS) and International Visitor Survey (IVS); ABS Regional Population Estimates.

#### Collective Growth and Recovery:

Working together, we can successfully restore visitation levels to pre-COVID and flood levels by 2025. Our joint efforts will leverage the strength of our partnership, combining resources, expertise, and marketing power to attract visitors back to our region. By joining forces, we can expedite the recovery process and ensure the sustainable growth of our visitor economy.

The focus of the organisation will be to continue to work in collaboration with both our LGA and State government partners to create region wide solutions to restore the visitor economy and set about building a viable and sustainable regional economy.

Key deliverables are:



## MRT Local Government Partner Value Proposition

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1. Implementation of the 2024-2026 Strategic Plan ensuring a holistic focus on the overall management of the destination through input from our partners.
2. Continuing as the lead cross border tourism entity for rebuilding the visitor economy in the Murray region in partnership with both State and Local Governments.
3. Delivery (in partnership) of the Murray Region Destination Management Plan and Local Area Plans, which will deliver improved visitor experiences, facilities and infrastructure across the region.
4. Working with our LGA partners and the private sector to identify a pipeline of infrastructure and investment opportunities for the region to strengthen the region's visitor experience. This critical aspect of our work drives growth across the region.
5. Working with partners to maximise marketing spend against shared objectives to drive increased visitation and yield with integrated marketing planning. Leveraging State Local and Regional marketing dollars.
6. Deliver the detailed concept design of Stages 2 & 3 of the Murray River Adventure Trail project. Including advocating for future funding of the trail build which will continue to grow the dispersal of visitors across the Murray Region.
7. Continuing to build industry capacity through delivery of best practice education and training initiatives across the Murray Region with scale to support the growth of business and upskilling of the workforce.
8. Coordinating access to timely and relevant research which provides shared benefits to our partners and industry
9. Continuing to be the key organisation between the local industry, LGAs and government on tourism marketing, destination management planning, industry development and tourism product priorities ensuring proactive advocacy, and leveraging of funding and marketing opportunities.
10. Providing strategic advice, access to skills and information from a whole of region perspective to avoid duplication of effort and maximise resources
11. Coordinating and delivering a digital program to ensure a visitor focused whole of Murray experience.
12. Assisting LGAs and industry with procurement of funding for key initiatives and events
13. Facilitating the implementation of the Murray Region Wide Strategies including Revitalising the Murray Strategy
14. Advocating on whole of region cross border issues impacting the sector including workforce training, access to river, licensing, business support and emergency cross



**MRT Local Government Partner Value Proposition**

border issues.

**15. Assisting with implementation of the NSW Visitor Economy Strategy 2030 and Victorian Experience Victoria 2033 Tourism Strategy**

In addition to the above strategic initiatives, at the commencement of each financial year, MRT will provide a detailed annual plan to our Local Government partners outlining the key projects and activities MRT will deliver in partnership with our stakeholders and as aligned to our strategic plan. With the current strategic plan ending in June 2024, we commit to providing LGA partners with feedback opportunities on our new three-year strategic plan which will commence on 1 July 2024.

This is an extremely important time to continue investing in regional tourism, as we have the best ever funding opportunity from the Victorian Government, in particular, to grow our visitor economy with increased investment which would provide more resources we can invest in across the region.

**Sustainable Funding Model**

The funding model was designed in consultation with and agreed to by our Local Government partners based on ensuring it provided an opportunity for strong collaboration along with a high level of equity.

This model has been in existence since formation in 2010 and based on feedback from LGA partners. MRT acknowledge the cost pressures our LGA partners are experiencing across their budgets and as such we have minimised our increase to 3% from FY2024/25 for each year based on the current FY2023/24 contribution. This provides certainty across the life of the agreement.

This fair and transparent approach ensures equitable support and fosters collaborative growth across the region.

A detailed funding table is provided below outlining each of our partners total respective investment:

PARTNER COUNCILS	2024-2025 \$ <i>3% Increase</i>	2025-2026 \$ <i>3% Increase</i>	2026-2027 \$ <i>3% Increase</i>
Albury City Council	56,877	58,583	60,340
Berrigan Shire Council	25,111	25,865	26,641
Campaspe Shire Council	66,311	68,301	70,350
Federation Council	26,389	27,180	27,996
Edward River Council	18,643	19,202	19,778
Gannawarra Shire Council	20,579	21,197	21,883



**MRT Local Government Partner Value Proposition**

Greater Hume Shire Council	13,246	13,643	14,052
Mildura Rural City Council	69,649	71,738	73,089
Moira Shire Council	55,682	57,352	59,073
Murray River Council	29,355	30,236	31,143
Swan Hill Rural City Council	32,321	33,291	34,290
Wodonga City Council	28,243	29,090	29,963
Wentworth Shire Council	15,265	15,723	16,194
<b>Total</b>	<b>\$457,670</b>	<b>\$471,400</b>	<b>\$485,542</b>



# 2024-2027 PARTNER COUNCILS' FUNDING AGREEMENT

## Between

### **Murray Regional Tourism Limited (trading as Murray Regional Tourism Board)**

(ABN 12 150 739 647) of 2 Heygarth Street, Echuca VIC 3564

## And

### **Albury City Council**

(ABN 92 965 474 349) of 553 Kiewa St, Albury NSW 2640

### **Berrigan Shire Council**

(ABN: 53 900 833 102) of 56 Chanter Street, Berrigan NSW 2712

### **Campaspe Shire Council**

(ABN: 23 604 881 620) of 2 Heygarth St, Echuca VIC 3564

### **Federation Council**

(ABN: 30 762 048 084) of 100 Edward St, Corowa NSW

### **Edward River Council**

(ABN: 90 407 359 958) of 180 Cressy Street, Deniliquin NSW 2710

### **Gannawarra Shire Council**

(ABN: 98 993 182 937) of 47 Victoria St, Kerang VIC 3579

### **Greater Hume Shire Council**

(ABN: 44 970 341 154) of 39 Young Street, Holbrook NSW 2644

### **Mildura Rural City Council**

(ABN: 42 498 937 037) of 76 Deakin Avenue, Mildura Vic 3502

### **Moira Shire Council**

(ABN: 20 538 141 700) of 44 Station St, Cobram VIC 3644

### **Murray River Council**

(ABN: 30 308 161 484) of 21-25 Conargo Street, Mathoura NSW 2170

### **Swan Hill Rural City Council**

(ABN: 97 435 620 016) of 45 Splatt Street, Swan Hill, VIC 3585

### **Wodonga City Council**

(ABN: 63 277 160 265) of 104 Hovell St, Wodonga, VIC 3690

### **Wentworth Shire Council**

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(ABN: 96 283 886 815) of 26-28 Adelaide Street, Wentworth NSW 2648

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## Agreement Terms and Conditions

### 1. Background

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- A. The Company is a company Limited by Guarantee and is governed by a Board of Directors whose members must operate in accordance with the Company Constitution, and Australian regulatory and governance laws.

The Company is the peak tourism organisation that advocates for, promotes, and advances tourism and the visitor economy, across the Murray River region in both Victoria and New South Wales. Its mission is to lead, grow, promote, and sustain visitation, tourism development, advancement, and tourism investment across the Murray River region. The Company is part of a highly cooperative federal, state and local government tourism ecosystem that works proactively together to advocate for and influence a robust and sustainable regional tourism sector.

- B. Partner Councils support tourism development through the involvement of local government personnel and departments including tourism, economic development, Visitor Information Centres and other relevant departments in delivery strategic outcomes for their jurisdictions.
- C. Partner Councils wish to support the Company to foster a robust, vibrant and sustainable regional tourism sector, through the allocation of funds on the terms specified in this Agreement.

IT IS AGREED

### 2. Definitions and Interpretation

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#### 2.1 Definitions

In this Agreement:

**Agreement** means this Agreement including any schedule or annexure to it.

**Business Day** means:

- a. for the purpose of sending or receiving a notice, a day which is not a Saturday, Sunday, bank holiday or public holiday in the city where the notice is received; and
- b. for all other purposes, a day which is not a Saturday, Sunday, bank holiday or public holiday in Victoria, Australia.

**Company** means Murray Regional Tourism Limited (trading as Murray Regional Tourism Board) (ABN 12 150 739 647).

**Commencement Date** means the date on which this Agreement commences being 1 July 2024.

**Confidential Information** means Intellectual Property or confidential information of either Party or its Related Body Corporate and includes without limitation, whether or not reduced to writing and whether or not considered alone or incorporating any other Confidential Information:

- a. the terms of and Schedules and any annexures to this Agreement;

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- b. financial information (including trading figures, expenses, margins, unpublished prices or costs, borrowings and other similar information);
- c. information concerning the practices, goals, personnel, methodologies, projects or policies of the Parties or any of their subsidiaries;
- d. trade secrets, information, ideas, concepts, know-how, technologies, processes and knowledge which is confidential or of a sensitive nature; and
- e. any other information which would reasonably be considered to be confidential in nature in relation to either Party,

but does not include any information that is, or has become, knowledge publicly available within Australia (other than as a result of any breach of the either Party's obligations under this Agreement).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**DJSIR** means the Department of Jobs, Skills, Industry and Regions.

**Expiration Date** means 30 June 2027.

**Funding Year** means the period between and including 1 July of a year and 30 June of the following year, for the years between the Commencement Date and the Expiration Date.

**Intellectual Property** includes, but is not limited to, all trademarks, patents, inventions, designs, still and moving images and footage, broadcasts and recordings, brochures, works of authorship and website designs.

**Partner Council** means any one or more of the following:

- o Albury City Council (ABN 92 965 474 349)
- o Berrigan Shire Council (ABN 53 900 833 102)
- o Campaspe Shire Council (ABN 23 604 881 620)
- o Federation Council (ABN 30 762 048 084)
- o Edward River Council (ABN 90 407 359 958)
- o Gannawarra Shire Council (ABN 98 993 182 937)
- o Greater Hume Shire Council (ABN 44 970 341 154)
- o Mildura Rural City Council (ABN 42 498 937 037)
- o Moira Shire Council (ABN 20 538 141 700)
- o Murray River Council (ABN 30 308 161 484)
- o Swan Hill Rural City Council (ABN 97 435 620 016)
- o Wodonga City Council (ABN 63 277 160 265)
- o Wentworth Shire Council (ABN 96 283 886 815)

**Partner Councils** means collectively all of the Partner Councils.

**Party** means a party to this Agreement.

**Related Body Corporate** has the meaning given to that term in the Corporations Act.

**Schedule** means a schedule to this Agreement.

**Strategic Plan** means the Company's three-year strategic plan adopted by it from time to time.

**2021-2024 Funding Agreement** means the previous funding agreement between the Parties.

## 2.2 Interpretation

In this Agreement:

- a. clause headings are for convenience only and do not affect interpretation;
- b. amounts referred to are in Australian dollars;

- c. any Schedule or annexure to this Agreement forms part of the Agreement;
- d. and unless the context otherwise requires:
  - i. references to a clause are references to a clause of this Agreement;
  - ii. references to this Agreement or to any specified provision of this Agreement or to any other agreement or document will be construed as references to this Agreement or the specified provision of this Agreement or that other Agreement or document as amended or substituted with the Agreement of the relevant parties and in force at any relevant time
  - iii. references to any statute, ordinance or other law include all regulations and other enactments there under and all consolidations, amendments, re-enactments, or replacements thereof; and
  - iv. words importing the singular include the plural and vice versa, words importing a gender include other genders and references to a person will be construed as including an individual, the estate of an individual, firm, body corporate, association (whether incorporated or not), government and governmental, semi-governmental and local authority or agency.

### 2.3 Parties to the Agreement

The Parties to this Agreement (“**Agreement**”) are:

- Murray Region Tourism Board (“**Company**”) on the one hand; and
- Subject to clause 4.1, Partner Councils:
  - Albury City Council (ABN 92 965 474 349)
  - Berrigan Shire Council (ABN 53 900 833 102)
  - Campaspe Shire Council (ABN 23 604 881 620)
  - Federation Council (ABN 30 762 048 084)
  - Edward River Council (ABN 90 407 359 958)
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  - Swan Hill Rural City Council (ABN 97 435 620 016)
  - Wodonga City Council (ABN 63 277 160 265)
  - Wentworth Shire Council (ABN 96 283 886 815)

(“**Partner Council**”, or collectively “**Partner Councils**”, unless individually named).

### 3. Totality of Agreement

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This Agreement incorporates the following documents:

- a. Agreement Terms & Conditions;
  - b. Agreement Schedule A: Partner Council Funding Schedule;
  - c. Agreement Schedule B: Murray Regional Tourism Board Obligations;
  - d. Agreement Schedule C: Partner Council Obligations; and
-

- e. Agreement Signing Page/s.

#### **4. Relationship of Parties**

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##### **4.1 No contract between Partner Councils**

For the sake of certainty this Agreement:

- a. constitutes an agreement between the Company and each of the Partner councils individually (not jointly); and
- b. Does not give rise to contractual relations as between each of the Partner councils, and as such does not give rise to any enforceable rights or obligations as between Partner Councils. A Partner Council's only rights or obligations relate to the Company.

##### **4.2 Relationship generally**

- a. Nothing in this Agreement creates any special relationship between the Parties, such as a partnership, joint venture, or employee/employer relationship.
- b. No Party has the authority to, and will not, act as agent for or on behalf of the other Party or represent or bind the other Party in any manner other than as specifically allowed for in this Agreement.

#### **5. Agreement term**

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- a. This Agreement commences on the Commencement Date and concludes on the Expiration Date unless terminated earlier pursuant to clause 8.
- b. By mutual agreement between the Company and one, or any number of Partner Councils, this Agreement may continue beyond the Expiration Date for those Partner Councils wishing to remain bound, provided that the extension is recorded in writing and signed by all Parties who wish to continue with the Agreement. Any extension will form an appendix of this Agreement and will be subject to the same terms and conditions.

#### **6. Funding terms**

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- a. Each Partner Council agrees to fund the Company as per Schedule A.
- b. Payments are to be made annually by the Partner Council subject to it having received a tax invoice from the Company.
- c. Invoices provided by the Company to the Partner Council pursuant to this clause must contain all information required by law or pursuant to any relevant Australian Taxation Office guidelines to qualify as a tax invoice for the purposes of GST.
- d. Payments by the Partner Council to the Company are to be made no later than 1 September each year and in accordance with Schedule A for the amount specified under that Funding Year, with the first payment to be made by 1 September 2024 for Funding Year 1.
- e. Additional funding may be provided by one or more Partner Councils, upon written agreement, for the delivery of specific programs decided jointly between the Company and the Partner Council or Partner Councils.

## 7. Obligations of the Parties

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In addition to their obligations otherwise set out in this Agreement:

- a. The Company agrees to meet its obligations as set out in sections 2.0 and 3.0 in Schedule B.
- b. Partner Councils agree to meet their obligations as set out in Schedule C.

## 8. Termination

---

### 8.1 Priority of clause

This clause 8 prevails over any other clause in this Agreement and is not limited by any other provision of this Agreement (including implied terms). Termination under this clause does not affect any accrued rights or remedies that a Party may have.

### 8.2 Termination by a Partner Council

A Partner Council may withdraw from the Agreement ("**Withdrawing Partner Council**") where:

- a. both the Company and the Withdrawing Partner Council mutually agree in writing;
- b. the Withdrawing Partner Council provides the Company with written proof of a clear breach to the terms of this Agreement by the Company;
- c. the Company has provided the Withdrawing Partner Council with false or misleading information, and the provision of such information is to the detriment of the Withdrawing Partner Council; or
- d. Due to Victorian or New South Wales Government directives that result in a change of the Company name, ABN or structure, the Withdrawing Partner Council reasonably believes that these changes render the Agreement void.

("Withdrawal").

### 8.3 Termination by the Company

The Company may terminate this Agreement with a Partner Council or the Partner Councils ("**Exiting Partner Council**") where:

- a. both the Company and the Exiting Partner Council mutually agree in writing;
- b. the Company provides the Exiting Partner Council with written proof of a clear breach to the terms of this Agreement by the Exiting Partner Council;
- c. The Exiting Partner Council has provided the Company with false or misleading information, and the provision of such information is to the detriment of the Company; or
- d. Due to Victorian or New South Wales Government directives that result in a change of the Company name, ABN or structure, the Company reasonably believes that these changes render the Agreement void.

### 8.4 Remaining Partner Councils

Termination under clause 8.2 or 8.3 has the effect of termination of the Agreement between the Exiting/Withdrawing Partner Council on the one hand and the remaining Partner Councils ("**Remaining Partner Councils**") and the Company on the other. For the sake of certainty, the

Agreement as between the Remaining Partner Councils and the Company does not terminate and remains on foot.

#### **8.5 Notice of Termination**

- a. Where a Party wishes to terminate in accordance with this clause 8, it must provide the other Party it is terminating the Agreement with, with 60 Business Days written notice stating the reasons for the termination ("**Notice of Termination**").
- b. A Notice of Termination must be served on the other Party referred to in clause 8.5a above at the address specified on the first page of this Agreement, or to another address, including an email address, as the other Party may from time to time notify it for the purposes of this clause.

#### **8.6 Effect of Notice of Termination**

- a. Where a Notice of Termination is served to the Company by a Partner Council, the Partner Council will forfeit any right to a pro rata refund of monies already paid to the Company for the current Funding Year.
- b. Where a Notice of Termination is served to the Company by a Partner Council, and where the Partner Council has received, but not paid an annual fee invoice as per clause 6, the Partner Council will remain responsible for full payment of this invoice.
- c. If a Notice of Termination is served by the Company on a Partner Council, then the Partner Council shall be entitled to a pro rata refund of monies already paid to the Company for the current funding year, unless the termination results from a breach of this Agreement by the Partner Council.

#### **8.7 Dispute Resolution**

Where appropriate, the Company, the Withdrawing Partner Council and/or the Exiting Partner Council can seek to enter into a dispute resolution process to resolve issues relating to the termination of the Agreement. Where this occurs, the other Party will, in good faith, agree to enter into the dispute resolution process under clause 12.

### **9. Indemnity**

---

#### **9.1 Indemnity from the Company**

- a. The Company agrees to indemnify and hold harmless Partner Councils' officers and employees from any claims and suits by third parties for damages, injuries to persons (including death), property damages, losses and expenses including court costs and reasonable attorney's fees, arising out of, or resulting from, the Company's breach of its obligations under this Agreement including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Company, its officers, employees, agents, subcontractors, licensees, or invitees.

#### **9.2 Partner Councils**

- a. Each Partner Council and Partner Councils agree to indemnify and hold harmless the Company's officers and employees from any claims and suits by third parties for damages, injuries to persons (including death), property damages, losses and expenses including



court costs and reasonable attorney's fees, arising out of, or resulting from, a Partner Council or Partner Councils breach of its obligations under this Agreement including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of a Partner Council or Partner Councils, their officers, employees, agents, subcontractors, licensees, or invitees.

### 9.3 Extent of liability

The extent of liability of any party pursuant to this clause 9 shall be limited to the extent of the proportion of losses caused by its breach of this Agreement.

## 10. Force Majeure

---

If a Party is unable to perform an obligation under this Agreement because of a matter beyond its control, including without limitation:

- a. acts of God, government or accidents;
- b. inability to source personnel;
- c. pandemic or epidemic including government imposed-lockdowns;
- d. acts or threats of terrorism or war;
- e. failure of bank payment systems; or
- f. industrial disputes or strikes.

**("Force Majeure Event")**

then:

- g. as soon as reasonably practicable (and in any event no later than 20 business days after the Force Majeure Event arises), that Party must notify the other Party of the extent to which the notifying Party is unable to perform its obligation;
- h. where a Party complies with clause 10.g above, that Party's obligation to perform that obligation under this Agreement will be suspended for the duration of the delay arising directly out of the Force Majeure Event; and
- i. in all cases, the Parties must use their best endeavours to minimise the impact of any Force Majeure Event.

A Partner Council party is not excused from any obligation to pay money, including in accordance with clause 6, to the Company because of a Force Majeure Event, despite any other provision of this Agreement.

## 11. Intellectual Property

---

- a. Each Party shall retain all rights, title and ownership of its own Intellectual Property whether existing or developed during this Agreement.
- b. For the sake of certainty, unless otherwise agreed by a separate agreement, where the Company has developed Intellectual Property, titles or rights, to promote tourism within a Partner Council, or Partner Council jurisdictions, the Company shall maintain ownership of that Intellectual Property.

- c. For the sake of certainty, unless otherwise agreed by separate agreement, where a Partner Council, or Partner Councils, have developed Intellectual Property, titles or rights, to promote tourism within a Partner Council, or Partner Council jurisdictions, and where that Partner Council, or Partner Councils have assigned the Company the right to use that Intellectual Property, the Partner Council, or Partner Councils, shall maintain ownership of that Intellectual Property.

## **12. Dispute Resolution**

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### **12.1 Disputes Resolution Committee**

Any disputes arising from this Agreement will be first referred to a Disputes Resolution Committee comprising of:

- a. the Chair of the Company;
- b. two Partner Council representatives; and
- c. a representative of each of DJSIR and Destination New South Wales.

DJSIR or Destination New South Wales will convene and manage this process, and its say on the makeup of the committee or the process to be followed shall be final.

### **12.2 Agreement Dispute Committee**

If the Disputes Resolution Committee are unable to resolve the dispute, the committee will refer the dispute to a be referred to an Agreement Dispute Committee consisting of one representative from:

- a. Partner Councils;
- b. the Company;
- c. DJSIR;
- d. Destination New South Wales; and
- e. an independent industry representative ("**Independent Industry Representative**").

DJSIR or Destination New South Wales will convene the meeting and chair the Agreement Dispute Committee and its say on the makeup of the committee or the process to be followed shall be final.

### **12.3 Independent Industry Representative**

The Independent Industry Representative will be appointed by a group consisting of a representative from:

- a. Partner Councils;
- b. the Company;
- c. DJSIR; and
- d. Destination New South Wales.

### **12.4 Mediation**

In the event that the Agreement Dispute Committee are unable to resolve the dispute, the dispute may be referred by any party to the dispute to an independent mediator selected by the Agreement Dispute Committee. Where the majority of disputing parties are:

- a. Based in New South Wales, the mediator will also be based in New South Wales. In the event that this mediator is unable to resolve the dispute, the mediator may refer the matter to the New South Wales judicatory for resolution.
- b. Based in Victoria, the mediator will also be based in Victoria. In the event that this mediator is unable to resolve the dispute, the mediator may refer the matter to the Victorian judicatory for resolution.
- c. The mediator shall be entitled to determine the mediation process to be followed.
- d. If the dispute is not resolved by mediation within 30 days of the mediator's appointment, then any party may commence legal proceedings to enforce its rights should it wish to do so.

### **13. Parties agree to be bound**

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It is the intention that this Agreement be binding on all of the Parties which have signed this Agreement, without the right of withdrawal from the Agreement except where the withdrawal and/or termination is in accordance with clause 8 of this Agreement.

### **14. Confidential information**

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#### **14.1 Non-Disclosure**

The Parties agree and undertake:

- a. To keep the Confidential Information of the other Parties secret and confidential; and
- b. Not to disclose, divulge or communicate any Confidential Information of any other Party to any third party, or to place at the disposal of any third party any Confidential Information, without the prior written consent of the Party to which the Confidential Information belongs.

#### **14.2 No Rights**

Except as expressly granted in this Agreement, the Parties agree that no right or licence is granted by or in this Agreement to any other Party in relation to any Confidential Information.

#### **14.3 Duty to Inform**

If a Party suspects or has reason to believe that any Confidential Information has been disclosed to any third party without the authorisation of the Party to which the Confidential Information belongs, it must immediately inform that Party.

#### **14.4 Exceptions**

Notwithstanding the other provisions of this clause, Confidential Information may be disclosed where its disclosure is required by law or otherwise with the written consent of the Party to which the Confidential Information belongs.

#### **14.5 Survival**

The Parties acknowledge that the terms of this clause survive and apply beyond the termination of this Agreement for whatever reason.

**Schedule A: Partner Council Funding Schedule**

In accordance with clause 6, Partner Councils agree to paying the following funds to the Company for the period 1 July 2024 to 30 June 2027.

Partner Council contributions are based on a 3% increase on the 2021-2024 Funding Agreement, and a 3% increase each Funding Year over the length of the Agreement.

	Year 1 Payment date 1/9/24	Year 2 Payment Date 1/9/25	Year 3 Payment date 1/9/26
	3% Increase	3% Increase	3% Increase
Councils	FY 24/25	FY 25/26	FY 26/27
Albury	\$56,877	\$58,583	\$60,340
Berrigan	\$25,111	\$25,865	\$26,641
Campaspe	\$66,311	\$68,301	\$70,350
Federation	\$26,389	\$27,180	\$27,996
Edward River	\$18,643	\$19,202	\$19,778
Gannawarra	\$20,579	\$21,197	\$21,833
Greater Hume	\$13,246	\$13,643	\$14,052
Mildura	\$69,649	\$71,738	\$73,890
Moira	\$55,682	\$57,352	\$59,073
Murray River	\$29,355	\$30,236	\$31,143
Swan Hill	\$32,321	\$33,291	\$34,290
Wodonga	\$28,243	\$29,090	\$29,963
Wentworth	\$15,265	\$15,723	\$16,194
	\$457,670	\$471,400	\$485,542

## **Schedule B: Murray Regional Tourism Board Obligations**

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### **1.0 Overarching strategic objectives**

1.1 The Murray Regional Tourism Board (“**Company**”) aims to:

- (1) Work with the tourism sector to lead and manage the strategic direction for the region’s cross border visitor economy.
- (2) Be a strong and uniting voice for the regional tourism sector.
- (3) Make a strong contribution to regional prosperity by growing and sustaining a vibrant, viable and robust visitor economy.
- (4) Promote the Murray River region as a prime regional tourism destination.
- (5) Facilitate investment and reinvestment in new or existing products and facilities.
- (6) Take a lead role in supporting, guiding and mentoring those involved in the regional tourism sector.
- (7) Allocate New South Wales, Victorian Government and Partner Council funds to activities that grow, promote and sustain visitation, tourism development, advancement and tourism investment across the Murray River region.
- (8) Be a proactive and collaborative tourism partner to Partner Councils, working with them individually and jointly to develop tourism initiatives and solutions.
- (9) Garner greater cooperation and collaboration across the region’s tourism sector in an effort to reduce duplication and provide greater efficiencies for the industry and that improve the visitor experience.
- (10) Identify and manage issues and risks that may impact the regional tourism sector.
- (11) Provide insights and research into regional visitation trends.

### **2.0 Specific Agreement obligations**

2.1 The Company commits to:

- (1) Consulting with each Partner Council when developing its Strategic Plan and subsequently, maintaining, implementing, reviewing the plan’s delivery against quantifiable success measures. Each Partner Council will be provided with a copy of the Strategic Plan.
- (2) Each Partner Council will be provided with a copy of the annual business plan.
- (3) Providing each Partner Council with reasonable access to visitation research data to assist make informed decisions.
- (4) Providing each Partner Council updates on issues or activities as appropriate relating to the Murray region visitor economy.
- (5) Working with Partner Councils to manage issues and/or crisis situations impacting the region and subsequently the tourism sector.
- (6) Between July-September 2027, undertaking an independent review of the Murray Regional Tourism to determine its effectiveness in delivering its Strategic Plan. The Parties acknowledge that this subclause (6) is intended to survive and apply beyond the Expiration Date of the Agreement.

### **3.0 Reporting obligations**

3.1 The Company commits to:

- (1) Providing Partner Councils with a summary annually on how it is progressing the delivery of its Strategic Plan as measured against quantifiable key performance indices outlined in the Strategic Plan. This report will be delivered to Partner Councils by end of September each year.
- (2) Providing Partner Councils with a summary of outcomes delivered against quantifiable key performance indices outlined in its annual business plan. This report will be delivered to Partner Councils by the end of September each year.

(3) Providing Partner Councils with a copy of the independent review it conducts in 2027 to determine its effectiveness in delivering its Strategic Plan. This review will be delivered to Partner Councils by 31 October 2027 and it will include the reviewer's findings in terms of the Company's:

- i. Performance against its commitments as set out in Schedule B.
- ii. Governance and management processes.
- iii. Level of stakeholder satisfaction of the Company.

The Parties acknowledge that this subclause (3) is intended to survive and apply beyond the Expiration Date of the Agreement.

## **Schedule C: Partner Councils' Obligations**

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### **1.0 Specific Agreement obligations**

1.1 Partner Councils and each Partner Council commit to:

- (1) Where relevant and when approached by Murray Regional Tourism Board ("Company"), supporting Company activities through the involvement of Partner Council personnel, particularly those personnel who are involved in tourism outcomes ("Personnel").
- (2) Integrating the Company's tourism initiatives into the annual work plans of Personnel.
- (3) Advocating the Company and the work that the Company undertakes in fostering tourism, to industry and government, as appropriate.
- (4) Allocating funding, in-kind support, or personnel to facilitate the delivery of agreed projects and programs.
- (5) Paying their annual invoice from the Company, as per clause 6, no later than the date required under this Agreement.
- (6) Making opportunities for Company representatives to present to, and engage with, Partner Councils.
- (7) Making opportunities for Partner Council senior representatives and executives to present to, and engage with the Company.
- (8) Where relevant, including the Company in decisions impacting key tourism programs and strategic tourism developments.
- (9) Sharing with the Company pertinent information relevant to the development of the regional tourism industry.
- (10) Partnering with the Company for visits and to attend tourism related forums within Partner Council areas.
- (11) Informing the Company of any known or suspected issues or crisis that may impact visitation to a Partner Council jurisdiction.
- (12) Supporting Partner Council staff who have been appointed to the Company Board, by enabling them the time required to meet their Board commitments.
- (13) Recognising the independent role, structure and purpose of the Company including in its advocacy for regional tourism as an independent voice to local, state, national and international media.
- (14) Unless granted specific permission by the Company, maintaining confidentiality of Company reports and reviews where these have not been made public by the Company.

**Signing Pages**

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**Murray Regional Tourism Board**

The Murray Regional Tourism Board agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Murray Regional Tourism Board (ABN 12 150 739 647)**

.....

Name:

Title:

Date:

In the presence of:

.....

Name:

Dated:



**Albury City Council**

The Albury City Council agrees to the terms and conditions set out in this Agreement:

.

Signed on behalf of the **Albury City Council (ABN 92 965 474 349)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Berrigan Shire Council**

The Berrigan Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Berrigan Shire Council (ABN 53 900 833 102)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Campaspe Shire Council**

The Campaspe Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Campaspe Shire Council (ABN 23 604 881 620)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Federation Council**

The Federation Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Federation Council (ABN 30 762 048 084)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Edward River Council**

The Edward River Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Edward River Council (ABN 90 407 359 958)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Gannawarra Shire Council**

The Gannawarra Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Gannawarra Shire Council (ABN 98 993 182 937)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Greater Hume Shire Council**

The Greater Hume Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Greater Hume Shire Council (ABN 44 970 341 154)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Mildura Rural City Council**

The Mildura Rural City Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Mildura Rural City Council (ABN 42 498 937 037)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:



**Moira Shire Council**

The Moira Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Moira Shire Council (ABN 20 538 141 700)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Murray River Council**

The Murray River Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Murray River Council (ABN 30 308 161 484)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Swan Hill Rural City Council**

The Swan Hill Rural City Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Swan Hill Rural City Council (ABN 97 435 620 016)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Wodonga City Council**

The Wodonga City Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Wodonga City Council (ABN 63 277 160 265)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

**Wentworth Shire Council**

The Wentworth Shire Council agrees to the terms and conditions set out in this Agreement:

Signed on behalf of the **Wentworth Shire Council (ABN 96 283 886 815)**

.....

Name:

Title:

In the presence of:

.....

Name:

Dated:

## 2.6 Audit and Risk Committee Meeting Minutes 7 September 2023

**Directorate:** Corporate Services  
**File Number:** S15-28-01  
**Purpose:** Information Only

### Council Plan Strategy Addressed

**4. Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

#### 4.1 Excellent management and administration

4.1.2 Provide robust governance and effective leadership

### Current Strategic documents

Council Plan

### Declarations of Interest:

Council Officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

Council's Audit Committee met on 7 September 2023 and this report summarises the items that were discussed at this meeting.

### Discussion

The Audit Committee met on 7 September 2023 and as well as the usual procedural items the agenda items included:

1. Departmental Presentation - Project Management Office Update
2. Swan Hill Art Gallery and Visitation Centre and Swan Hill Tourism and Cultural Hub
3. Risk Management Report
4. Internal Audit updates on recommendations
5. 2022/23 Asset Revaluations – Fair Value Report
6. Annual Financial Report FY2023
7. Performance Statement FY2023
8. VAGO Closing Report to Audit Committee FY 2023
9. VAGO Final Management Letter
10. Accounts payable internal audit report
11. Introduction of Internal Auditor, AFS and presentation

12. Report of suspected and Actual Frauds, Thefts and Breaches of the Law by Management – Nil Items to Report

13. Independent Member Self-Assessment Survey Results

### **Consultation**

Not applicable.

### **Financial Implications**

The sitting fees paid to independent members on the Audit Committee is adjusted annually by CPI. Sitting fees are included in Council's Budget.

### **Social Implications**

Nil.

### **Economic Implications**

Nil.

### **Environmental Implications**

Nil.

### **Risk Management Implications**

The Audit Committee helps to oversee Council's risk management practices. Internal and other audits are routinely done to reduce the risk to Council.

**Attachments:** 1. AC Placeholder [2.6.1 - 1 page]

### **Options**

Not applicable.

### **Recommendation/s**

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

## **Confidential attachment**

- Audit Committee Confidential unconfirmed Minutes 7 September 2023 (attachment will be included into the in-camera agenda)



### 3 Officer Report for Noting

### 4 Decisions Which Need Action / Ratification

#### 4.1 Sign and Seal

**Directorate:** Chief Executive Officer  
**File Number:** S16-05-01  
**Purpose:** For Noting

#### Declarations of Interest:

Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

#### 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 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
1146	Section 173 Agreement – pipe in road – Wearne Road, Pentel Island.	Between Swan Hill Rural City Council and Wearne Road Properties Pty Ltd.	05/09/23
1147	Lease: Paragon Café, Pioneer Settlement	Between Swan Hill Rural City Council and Siddiqi Family Investments Pty Ltd.	05/09/23
1148	Section 173 Agreement – 36 Algie Road and	Between Swan Hill Rural City Council and S.DeMaio and C.A.Arblaster and J.Arblaster	11/09/23

	Hodges Road Wood, Wood		
--	---------------------------	--	--

Note: A Section 173 Agreement is typically a contract between the Council and a landowner that places use or development restrictions on the land.

They are intended to ensure compliance with conditions contained in permits granted by the Council and are often used in subdivision matters. These agreements refer to Section 173 of the Planning and Environment Act 1987.

### **Consultation**

Council authorise the signing and sealing of the above documents.

### **Recommendation/s**

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

## 4.2 Councillor Assemblies - Record of Attendance and Agenda Items

**Directorate:** Chief Executive Officer  
**File Number:** S15-05-06  
**Purpose:** For Noting

### Declarations of Interest:

Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

### Summary

The following report provides attendance details of Councillor Assemblies on a monthly basis.

### Discussion

Whilst Minutes have not been recorded, Agenda items and those in attendance are reported and 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.

### Council Plan Strategy Addressed

**4. Leadership** - We will ensure accountable leadership, advocacy and transparent decision making.

4.1 Excellent management and administration

4.1.1 Well managed resources for a sustainable future

4.1.2 Provide robust governance and effective leadership

4.1.3 Sound, sustainable:

- Financial management • Excellence in service delivery • Strategic planning

### Current Strategic documents

No strategic documents applicable.

### Key Legislation

There is no key legislation applicable

**Attachments:** 1. COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA  
September [4.2.1 - 3 pages]

**Options**

Council Assemblies are reported to ensure good governance and transparency.

**Recommendation**

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

**COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA**  
**22 August 2023 at 1.00pm, Swan Hill Town Hall – Council Chambers**

**AGENDA ITEMS**

- Waste Management Fees and Charges
- Swan Hill Tourism Cultural Hub
- Operation Sandon IBAC Report – Summary
- Continuation of building services provision
- Councillor/Directors question time

**ADDITIONAL ITEMS DISCUSSED**

- Nil

**ATTENDANCE**

**Councillors**

- Cr Jacquie Kelly
- Cr Ann Young
- Cr Nicole McKay
- Cr Stuart King
- Cr Chris Jeffery
- Cr Les McPhee

**Apologies**

- Cr Bill Moar

**Leave of Absence**

- Nil

**OFFICERS**

- Scott Barber, Chief Executive Officer
- Bruce Myers, Director Community and Cultural Services
- Leah Johnston, Director Infrastructure
- Heather Green, Director Development and Planning
- Bhan Pratap, Director Corporate Services
- Ron Gibbs, Strategic Waste Coordinator
- Peter Ross, Engineering and Strategic Projects Manager
- Azum Suleman, Projects Manager
- Jay Jeyakanthan, Manager Project Management Office
- Helen Morris, Organisational Development Manager
- Kate Jewell, Development Manager

**Other**

- Ben Millbourne – Common Design

**CONFLICT OF INTEREST**

Nil

**COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA**  
**29 August 2023 at 1.00pm, Swan Hill Town Hall – Council Chambers**

**AGENDA ITEMS**

- Swan Hill Art Gallery Concept Presentations
- Tennis Victoria, Tennis Australia and Council Proposal
- 10 Year Major Project ideas received Jan to June
- Robinvale Centenary Park
- Treaty presentation and discussion - First Nations Peoples Assembly
- Spoons Lease Variation
- Councillor/Directors question time

**ADDITIONAL ITEMS DISCUSSED**

- Nil

**ATTENDANCE**

**Councillors**

- Cr Bill Moar
- Cr Jacquie Kelly
- Cr Ann Young
- Cr Nicole McKay
- Cr Stuart King
- Cr Chris Jeffery
- Cr Les McPhee

**Apologies**

- Nil

**Leave of Absence**

- Nil

**OFFICERS**

- Scott Barber, Chief Executive Officer
- Bruce Myers, Director Community and Cultural Services
- Heather Green, Director Development and Planning
- Bhan Pratap, Director Corporate Services
- Peter Ross, Acting Director Infrastructure / Engineering and Strategic Projects Manager
- Dione Heppell, Liveability and Project Development Coordinator
- Jay Jeyakanthan, Manager Project Management Office
- Ash Free, Finance Manger
- Nathan Keighran, Economic Development Coordinator
- Jess Chislett Procurement and Properties Coordinator
- Jacinta Chaplin, Aboriginal Community Development Officer

**Other**

- First Nations Peoples Assembly – Co Chair Rueben Berg
- Brandrick Architects
- Lawrence Robertson - Director of Pathways & Game Development - Tennis Australia, Bree Sharp - Head of Tennis Operations, Tennis Victoria, Fiona Luscombe, Pro Tour Manager, Tennis Australia, Christian Devlin, Swan Hill Tennis and Croquet Club

**CONFLICT OF INTEREST**

Nil

**COUNCILLOR ASSEMBLIES ATTENDANCE AND AGENDA**  
**5 September 2023 at 1.00pm, Swan Hill Town Hall – Council Chambers**

**AGENDA ITEMS**

- Murray Regional Tourism
- Native Title Claim Wamba Wamba
- Local Government Performance Reporting 2022-23
- Labor Hire Services contract
- Request to lease Council Land – telecommunications
- Lake Boga Caravan Parl 0 update
- Councillor/Director question time

**ADDITIONAL ITEMS DISCUSSED**

- Panel Contract – supply and hire/plant equipment
- Rate Notices
- 300 River Road, Swan Hill – Planning application

**ATTENDANCE**

**Councillors**

- Cr Jacquie Kelly
- Cr Nicole McKay
- Cr Stuart King
- Cr Les McPhee
- Cr Bill Moar

**Apologies**

- Cr Chris Jeffery
- Cr Ann Young

**Leave of Absence**

- Nil

**OFFICERS**

- Scott Barber, Chief Executive Officer
- Bruce Myers, Director Community and Cultural Services
- Leah Johnston, Director Infrastructure
- Heather Green, Director Development and Planning
- Bhan Pratap, Director Corporate Services
- Helen Morris, Organisational Development Manager
- Jess Chislett Procurement and Properties Coordinator
- Grant Jones, Development Officer Facilities

**Other**

- Cameron Sutton, CEO – Murray Regional Tourism

**CONFLICT OF INTEREST**

Cr Stuart King had a direct conflict of interest with “Panel Contract – supply and hire/plant equipment” and left the chambers when this item was being discussed.

## 5 Notices of Motion

### 5.1 Community consultation process for the Sustainable Diversion Limit (SDL) - Victorian Murray Floodplain Restoration Projects

Having given due notice, **Councillor Nicole McKay MOVED**  
**That Council accepts community input, or conducts a community consultation process, regarding the proposed Victorian Murray Floodplain Restoration Projects that are planned to be built within the River Redgum Parks in the Swan Hill Rural City Municipality.**

#### ***Preamble***

The Victorian Murray Floodplain Restoration Projects (VMFRP) are a suite of heavy engineering projects planned to be built on the floodplain within the Redgum Parks. These are areas of public land specifically reserved for the preservation of the environment and cultural heritage. These public areas are highly valued for recreation and enjoyment by their local communities, and tourism by the wider Victorian population.

In Swan Hill Rural City Council VMFRP, engineered projects are planned for Belsar Island, south of Robinvale, Burra Creek between Piangil and Narrung, and Nyah and Vinifera Park. They will involve: the building of extensive levy banks, creating huge change to the visual and ecological components of the parks; the building of regulators, with pumpstands, on creeks where water flows into the floodplain when a higher river flows, and the removal of some barriers to waterflow.

Engineering projects have been implemented in the past at: Barmah Forest; Gunbower Island and Koondrook Perricoota, as part of The Living Murray program. These projects and their implementation have not achieved the promoted environmental outcomes that were their justification. It is highly likely that they, and this approach to managing environmental water, may have contributed to a range of negative outcomes.

Systemic and localised water quality is a concern related to the practice of 'watering' isolated sites via pumps. It is recognised and understood that this method can cause localised cyanobacteria, (Blue-Green Algae) and hypoxic water (blackwater) events, and that this can impact water quality downstream. Any positive environmental results have been inconsistent and insignificant. Thus far engineered and pumped watering of the small areas of the floodplain has been quite good at over-producing Redgums, and very little else, in terms of sustaining wildlife.

It is of national environmental and economic significance that the only systemic wide blackwater events known to the Murray Darling have occurred three times in the past



thirteen years. These blackwater events have caused hundreds of thousands of Murray Cod to die. The Murray Crayfish population in this region declined by 80% following the 2011 Blackwater event. In 2016 the Edwards-Wakool system experienced massive fish kills due to blackwater discharging through Koondrook-Perricoota and Barmah Forests, as well as other areas. During the Murray Darling Flood of 2021-2022 this area of the Murray Darling was visited by fish deaths in the floodplain between Swan Hill and Narrung, and horrifically Kangaroo Lake.

The VMFRP appears to be a continuation of river management policies that have produced these catastrophic events. Managing the floodplain as a series of isolated irrigation bays is fraught with risk as they promote stagnation of water. There are also concerns that the previously implemented projects (Koondrook-Perricoota) have altered the hydrology of regionally, reducing flows in some areas, and increasing them in others.

The Basin Plan is at a turning point. Continuing to do the same thing will get the same results, declining water quality and sporadic catastrophic fish and crayfish deaths. It is time to turn to our own community and their historic, cultural and traditional knowledge for guidance.

The river communities between Swan Hill and Robinvale have with long-standing involvement and understanding of the river system in this region. They would appreciate having their input into the future management of: the river system; the Redgum Parks, and in particular the highly impactful VMFRP.

By consulting with river communities: Traditional Owners, the fishermen and women of the region, tourism and recreational users, it is possible that we can improve on the management of the Murray Darling in this region. It is time to use our collective knowledge as river people to work together for better outcomes. Our citizens are tired of being directed by a bureaucracy disconnected from our communities and the river itself.

It is a policy of Council that consults the community on issues that affect them and appropriate that we source the wisdom of our citizens to inform our position.

<https://www.csu.edu.au/research/ilws/research/environmental-water/edward-wakool-research-project/Blackwater-event-in-the-Murray-in-2016.pdf>

<https://www.abc.net.au/news/2023-04-01/kangaroo-lake-fish-kill-clean-up-continues-businesses-lose-money/102172186>

[www.mdba.gov.au/publications/mdba-reports/living-murray-icon-site-condition-report](http://www.mdba.gov.au/publications/mdba-reports/living-murray-icon-site-condition-report)

<https://socialfishing.com.au/2016-fish-kill-find-out-the-reason-behind-the-devastating-fish-kill/>



[2016 Fish Kill – Find out the reason behind the devastating fish kill – Social Fishing](#)

Picture above credit: Andy Wise  
socialfishing.com.au

**Attachments:** Nil

## 5.2 Climate Summit for Local Government 2023 6-8 September Melbourne - Cities Power Partnership

Having given due notice, **Councillor Jacquie Kelly MOVED**

**That Council receives a report on options to establish a cash reserve where money from savings from renewable energy initiatives goes back into the reserve, in that way ring fencing cost savings so that we can invest in a clean energy future.**

### ***Preamble***

**Report from Cr Jacquie Kelly**  
**Climate Summit for Local Government 2023**  
**6-8 September Melbourne**  
Cities Power Partnership

The Cities Power Partnership has 185 member Councils covering 34% of Australia and 75% of population, ie. 18 million people.

The Climate Summit was opened by Dr Portia Odell from the Climate Council. Keynote address was from Greg Mullins, former Commissioner of Fire and Rescue NSW, Climate Councillor.

He spoke about Pyroconvective storms and his fears for cascading effects of climate change.

The Climate Science keynote was from Professor Emeritus, David Karoly, FAA, Climate Councillor. This was enlightening and sobering.

The gathering was attended by Councillors and Local Government staff from all States and Territories. The cost of the ticket was \$1300. The first afternoon gave an opportunity to test drive electric vehicles and see in action other Council fleet that can be electric or hydrogen.

It was a great forum to make new connections, network and hear from energy and climate industry thought leaders.

The Awards Gala Dinner at the State Library, celebrated the incredible work that Australian Councils are doing on climate.

The summit saw presentations from the following councils: Wellington Shire, Burnett Regional Council, Kempsey Shire, Melbourne City, Mundaring, Glen Eira City Council,

Shoalhaven City Council, City of Hobart, Merri-bek Council, Bayside Council, Bendigo Council, Darebin City Council, Shire of Augusta Margaret River, ACT Government, Yarra City, Brighton Council, City of Canning, Knox Maroondah and Yarra Ranges, City of Mitcham, Orange, Mildura Rural City, Brighton Council.

We heard many Community Energy Case studies from leading councils and experts around Australia. In the West, WALGA has 40 Councils in a power purchasing sharing partnership. Melbourne City Council explained their 'Melbourne Renewable Energy Project' has decreased emissions by 80% by constructing an 80MW wind farm, noting that it takes years to set this type of project up. Alice Springs future grid. Mundaring has Solar powered pool.

Mildura Rural City was a finalist for their project 'Electrifying Mildura'.

Mitcham City Council SA is an outstanding case study on the path to creating a solar powered community. They won the Award for their 'Community Renewables Program'.

Shepparton City Council has prepared a plan to prepare for a changing climate and to make the most of the opportunities it will bring. The plan, 'Our Climate Safe Future-Climate Emergency Action Plan', identifies the key impacts of climate change, how they are responding and what else they need to do.

Craig Milburn, CEO Kempsey Shire, presented on how they have had an Environmental Levy for 20 years. (Kempsey has 370 staff) Decisions based on economics and savings. Keeping people away from risk of flooding. What is the best adaptation pathway? For example, if ground that is flooded stays permanently wet, then let it go back to nature for setting up ecosystem services.

Paige McNeil from Mundaring Shire, WA (39K population) told us they declared Climate Emergency in 2018 and established a cash reserve where money from savings goes back into the reserve. Ring fence cost savings and invest in clean energy future.

Climate change is amplifying the intensity and frequency of weather events. Heatwaves are deadliest weather event. Communities are getting less time to recover between one event and the next. The good news is that we know the cause and how to solve it.

Reaching a threshold or tipping point is a concern. Is it too late? Are we taking decisive action?

Climate change is happening right now and effecting everyone. It is a human issue, right in front of us. Action is desirable and do-able. Councils realise that change is necessary and we all have a role to play. Councils are preparing communities for a clean economy. Local Government holds the keys to a sustainable future. Community must be at heart of action, balancing urgency with understanding and gaining social

licence. Each community will have a different journey, as can be seen from the case studies.

To be ready to apply for funding to do this work, including the newly announced Federal Funding (\$100b over 10 years), Councils must have their emissions reduction and renewables policy, strategy and plans ready.

Councils should be taking a broad view of identifying and mitigating risks like Climate Change which has potentially significant and damaging consequences. Risk due to financial cost and impacts on infrastructure and disruptions of extreme weather events are already being felt.

It makes economic sense to decarbonise and transition to a zero emissions economy.

Refer to Saul Griffiths- Electrify Everything and his work on the US Anti-Inflation Act.

### **Role of Local Councils**

- Regional planning and approvals. Heat mapping, Urban Tree Canopy. Waste. Where is growth long term? Keeping people safe.
- Help households and businesses access programs and services.
- Procurement process will consider low emissions. EV adoption policy- Procurement guidelines. Will reach EV price parity by 2025/26.
- Determine how we assist with an equitable energy transition by helping residents who cannot afford to electrify, get solar and retrofit. Community battery projects.
- Set Council up as a trusted source of information on mitigation (efficient use of energy, zero carbon source, carbon sinks, lifestyle and behaviour changes) and adaptation.
- Make it a priority to review existing policy settings in regard to reducing emissions across council operations. Solar on all new buildings. Retrofit Council buildings. Consider the need for targets, eg. 100% renewables for Council by 2035, as this puts focus on the effect and internal discipline.
- Advocacy- to realise enormous renewable energy potential.
- Need collaborative approach- join with neighbours to do bulk buy, seek funding, do plans. Pool funds.

### How Climate Action Affects Councils Bottom Line

Consideration of climate risks in Council operations. Insurance premiums.  
Collaborate with neighbours in bulk buys and joint power purchase agreements.  
Make bills cheaper by pooling your purchasing power, partners, consortium.  
Electrify in a smart way- timers. Rewiring boom, cleaner transport  
Tender tool kit. Public private collaboration  
Solar 2.0 for Councils, do it in an integrated way. Bulk buy, EV charging, virtual power plant  
What is the cost of inaction? Cost of doing nothing is very high.  
The most vulnerable are the most at risk.  
Costs of Climate Change: all bad outcomes, so can undermine bottom line.  
- work related injuries  
- damage to assets, need to upgrade, stormwater.  
- cost of insurance  
- higher operating costs, increased use of aircon, increase power  
Extreme heat, increase hospital admissions.  
Disaster response and disaster preparedness.

Benefits of Electrification:

- cost savings \$1000s /year
- decrease emissions, cheaper renewable Energy.
- electric appliances are cleaner, better for chefs.

Benefits: nicer communities, happier, greener, lower cost households.

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### **Council Plan**

1.2.1 Engage, empower and mobilise communities to prepare for, adapt to and mitigate the effects of a changing climate.

1.2.1.2 Prepare an advocacy document for renewable energy resources in the municipality.

**Attachments:** Nil

## 6 Foreshadowed Items

## 7 Urgent Items Not Included In Agenda

## 8 To Consider and Order on Councillor Reports

## 9 In-Camera Items

### 9.1 Spoons Riverside Lease Variation

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (a) of the Local Government Act 2020, this item is to be considered in an incamera meeting on the grounds that the item concerns Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.*

### 9.2 Contract - Plant and Equipment Supply including Wet and Dry Hire Options

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (a) of the Local Government Act 2020, this item is to be considered in an incamera meeting on the grounds that the item concerns Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.*

### 9.3 Tender Approval - Provision of Labour Hire Services

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (a) of the Local Government Act 2020, this item is to be considered in an incamera meeting on the grounds that the item concerns Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.*

### 9.4 Request to Lease Council Land - Telecommunications Tower

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (a) of the Local Government Act 2020, this item is to be considered in an incamera meeting on the grounds that the item concerns*

Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

## **9.5 Probity Audit out-comes**

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (h) of the Local Government Act 2020, on the grounds that the item concerns confidential meeting information, being the records of meetings closed to the public under section 66(2)(a).*

## **9.6 Building Functions at Swan Hill Rural City Council**

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (h) of the Local Government Act 2020, on the grounds that the item concerns confidential meeting information, being the records of meetings closed to the public under section 66(2)(a).*

## **9.7 Waste Landfill Fees and Charges**

CONFIDENTIAL ITEM *This item is to be considered at an In Camera meeting in accordance with Section 3(1) (a) of the Local Government Act 2020, this item is to be considered in an incamera meeting on the grounds that the item concerns Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.*

## **10 Close of Meeting**