



# GANNAWARRA

## *Shire Council*

**Wednesday, 17 September 2025**

**6:00 PM**

**Senior Citizens Centre**

**Kerang**

## **AGENDA**

### **Council Meeting**

**Order Of Business**

<b>1</b>	<b>Welcome to Country.....</b>	<b>3</b>
<b>2</b>	<b>Opening Declaration.....</b>	<b>3</b>
<b>3</b>	<b>Apologies and Leave of Absence .....</b>	<b>3</b>
<b>4</b>	<b>Confirmation of Minutes .....</b>	<b>3</b>
<b>5</b>	<b>Declaration of Conflict of Interest .....</b>	<b>4</b>
<b>6</b>	<b>Briefing Sessions.....</b>	<b>5</b>
6.1	Records of Councillor Briefings - 21 August 2025 to 17 September 2025 .....	5
<b>7</b>	<b>Business Reports for Decision .....</b>	<b>9</b>
7.1	Mayoral Election Date 2025 .....	9
7.2	Christmas Closure Dates 2025.....	11
7.3	Draft Financial Plan.....	14
7.4	2025 Annual Financial Statements.....	39
7.5	Corporate Performance Reporting Framework .....	117
7.6	Incontinence Bin Trial.....	134
7.7	Council Policies 058-Bus Certificates and 060-Waste Management .....	137
7.8	Council Policy No. 107 - Public Interest Disclosure .....	154
7.9	Policy No. 109 - Procurement .....	184
7.10	Policy No. 110 - Investments.....	207
7.11	Council Policy No. 142 - Artwork and Public Art .....	214
7.12	Council Policy No. 144 - Councillor Gifts .....	220
<b>8</b>	<b>Urgent Business.....</b>	<b>229</b>
<b>9</b>	<b>Notices of Motion.....</b>	<b>229</b>
<b>10</b>	<b>Question Time.....</b>	<b>230</b>
<b>11</b>	<b>Delegates Reports .....</b>	<b>231</b>
11.1	Delegates Reports .....	231
<b>12</b>	<b>Confidential Items .....</b>	<b>234</b>

**Geoff Rollinson**  
**CHIEF EXECUTIVE OFFICER**



## **1 WELCOME TO COUNTRY**

Playing of the Welcome to Country video clip.

## **2 OPENING DECLARATION**

We, the Councillors of the Shire of Gannawarra, declare that we will undertake the duties of the office of Councillor, in the best interests of our community, and faithfully, and impartially, carry out the functions, powers, authorities and discretions vested in us, to the best of our skill and judgement.

## **3 APOLOGIES AND LEAVE OF ABSENCE**

## **4 CONFIRMATION OF MINUTES**

Ordinary Meeting - 20 August 2025

## 5 DECLARATION OF CONFLICT OF INTEREST

### General conflict of interest

Unless exempt under Section 129 of the *Local Government Act 2020* (the Act) or regulation 7 of the Local Government (Governance and Integrity) Regulations 2020, a Councillor or member of Council staff has a general conflict of interest in a matter if an impartial, fair-minded person would consider that the person's private interests (as defined in Section 127(2) of the Act) could result in that person acting in a manner that is contrary to their public duty.

### Material conflict of interest

Unless exempt under Section 129 of the *Local Government Act 2020* or regulation 7 of the Local Government (Governance and Integrity) Regulations 2020, a Councillor or member of Council staff has a material conflict of interest in respect of a matter if an affected person (as defined in Section 128(3) of the Act) would gain a benefit or suffer a loss depending on the outcome of the matter.

### Disclosure of a conflict of interest

A Councillor who has a conflict of interest and is attending a meeting of the Council must make a full disclosure of that interest by either advising:

- a) the Council at the meeting immediately before the matter is considered at the meeting; or
- b) the Chief Executive Officer in writing before the meeting –

whether the interest is a general conflict of interest or a material conflict of interest; and the nature of the interest.

Note: If a Councillor advises the Chief Executive Officer of the details under b) above, the Councillor must make a disclosure of the class of interest only to the meeting immediately before the matter is considered at the meeting.

In accordance with Section 130 of the Act, a councillor who has disclosed a conflict of interest in respect of a matter must exclude themselves from the decision making process in relation to the matter, including any discussion or vote on the matter at any Council meeting, and any action in relation to the matter.

Failure to comply with Section 130 of the Act may result in a penalty of 120 penalty units

## **6 BRIEFING SESSIONS**

### **6.1 RECORDS OF COUNCILLOR BRIEFINGS - 21 AUGUST 2025 TO 17 SEPTEMBER 2025**

**Author:** Jodie Basile, Executive Assistant to CEO

**Authoriser:** Geoff Rollinson, Chief Executive Officer

**Attachments:** 1 Council Briefing Record - 1 September 2025

#### **RECOMMENDATION**

**That Council note the records of Councillor Briefings from 21 August 2025 to 17 September 2025.**

---

#### **EXECUTIVE SUMMARY**

This report presents to Council written records of Councillor Briefings in accordance with Clause 31 of the Gannawarra Shire Council Governance Rules.

#### **DECLARATIONS OF CONFLICT OF INTEREST**

The Officer preparing this report declares that they have no conflict of interest in regard to this matter.

#### **COUNCIL PLAN**

Council Plan 2021-2025:

- Be a creative employer of choice through our adherence to good governance and our inclusive culture.

#### **BACKGROUND INFORMATION**

In accordance with Clause 32 of the Gannawarra Shire Council Governance Rules, a written record of a meeting held under the auspices of Council is, as soon as practicable, reported at a meeting of the Council and incorporated in the minutes of that Council meeting.

The record must include:

- The names of all Councillors and members of Council staff attending
- The matters considered
- Any conflict-of-interest disclosures made by a Councillor attending
- Whether a Councillor who has disclosed a conflict of interest left the meeting.

#### **CONSULTATION**

Consultation with Councillors and staff has occurred to ensure the accuracy of the Councillor Briefing records.

**CONCLUSION/WAY FORWARD**

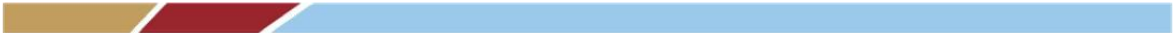
To ensure compliance with Clause 32 of the Gannawarra Shire Council Governance Rules, it is recommended that Council note the Councillor Briefing records as attached to this report.

## RECORD OF A COUNCILLOR BRIEFING



Type of Meeting	Councillor Briefing Session	
Date:	Monday 1 <sup>st</sup> September, 2025	
Time:	8.45am – 5.00pm	
Location:	Council Chambers, Kerang	
In Attendance: (Councillors)	Cr Garner Smith, Mayor Cr Ross Stanton, Deputy Mayor Cr Daniel Bolitho Cr Charlie Gillingham Cr Lisa Farrant Cr Keith Link Cr Pat Quinn	
Apologies:	Geoff Rollinson	
In Attendance: (Officers)	Wade Williams, Phil Higgins, Paul Fernee, Jodie Basile, Craig Maffescioni, Deanne Caserta, Leigh Hollingworth	
In Attendance:	Amy Pepper – <i>Lead Engagement and Social Performance VNI West</i>	
Matters Discussed:	Councillor Only Session Mayoral Election Date 2025 Christmas Closure Dates 2025 Draft Financial Plan 2025 Annual Statements Corporate Performance Reporting Framework Incontinence Bin Trial Policy No. 58 – Bus Certificates Policy No. 60 – Waste Management Policy No. 107 – Public Disclosure Policy No. 109 – Procurement Policy No. 110 – Investments Policy No. 142 – Public Art Policy No. 144 – Councillor Gifts Policy No. 146 – Climate Change 2024/2025 Cap Ex Year in Review Road Management Plan Cohuna and Leitchville Recreation Reserves Update Australia Day Arrangements Koondrook Retreat and Caravan Park Update VHM Memorandum of Understanding (MOU) Update Victorian Government Treaty Negotiations Future Listing Report Councillors/CEO/Directors Discussion CEO & Councillors Discussion	
Conflict of Interest Disclosures		
Matter No.	Councillor/Officer making disclosure	Councillor left meeting for the discussion

Nil	Nil	Nil
Completed By:	Geoff Rollinson – Chief Executive Officer	
		



## **7 BUSINESS REPORTS FOR DECISION**

### **7.1 MAYORAL ELECTION DATE 2025**

**Author:** Phil Higgins, Acting Director Corporate Services

**Authoriser:** Geoff Rollinson, Chief Executive Officer

**Attachments:** Nil

#### **RECOMMENDATION**

**That Council conduct the Mayoral Election at the 19 November 2025 meeting commencing at 6pm.**

---

#### **EXECUTIVE SUMMARY**

In accordance with Section 26 of the *Local Government Act 2020* (the Act) and Rules 6 and 7 of Council's Governance Rules, Council needs to undertake the election of the Mayor.

#### **PURPOSE**

The purpose of this report is for Council to determine the meeting date for the Mayoral election.

#### **ATTACHMENTS**

Nil

#### **DISCUSSION**

In accordance with Section 26 of the Act, and Rules 6 and 7 of Council's Governance Rules, if the Mayor is elected for a 1 year term, the next election of the Mayor must be held on a day to be determined by the Council that is as close to the end of the 1 year term as is reasonably practicable.

The election of the Mayor in 2024 was held on 18 November 2024. The Council meeting for November is scheduled for 19 November 2025.

#### **RELEVANT LAW**

Local Government Act 2020 Section 26.

#### **RELATED COUNCIL DECISIONS**

The past practice has been to elect the Mayor for a one-year term. There is no limitation on Council re-electing the same person as Mayor during the Council term.

#### **OPTIONS**

The Council could call an unscheduled meeting or an emergency meeting to deal with the Mayoral election on a date other than the already specified ordinary meetings.

### **COMMUNITY ENGAGEMENT**

The Mayoral Election Meeting will be an open Council Meeting allowing attendance by the community.

### **COUNCIL PLANS AND POLICIES**

Gannawarra Shire Council Governance Rules – Rule 6 – *When a Mayor is to be elected.*

Gannawarra Shire Council Governance Rules – Rule 7 – *Election of Mayor*

Gannawarra Council Plan 2021-2025

### **TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

### **CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.



**7.2 CHRISTMAS CLOSURE DATES 2025**

**Author:** Jodie Basile, Executive Assistant to CEO  
**Authoriser:** Geoff Rollinson, Chief Executive Officer  
**Attachments:** Nil

**RECOMMENDATION****That Council**

1. Approve the closure of Council offices to the public over the Christmas/New Year period from 2 pm on Wednesday 24 December 2025 through to Friday 2 January 2026 inclusive, with business resuming as usual on Friday 2 January 2026.
  2. Give notice of the amended office hours by publishing the details in the local newspaper, on Council's website, on social media and in Council newsletters, including all Emergency contact details.
- 

**EXECUTIVE SUMMARY**

Gannawarra Shire Council has historically closed its offices over the Christmas/New Year holiday period. It is proposed that Council close its main administration offices, libraries, Gannawarra Shire Children's Centre administration and Works Depot from 2pm on Wednesday, 24 December 2025 and re-open on Friday, 2 January 2026.

**PURPOSE**

To seek approval for Council to close its offices over the Christmas/New Year holiday period and to advertise the alteration of operating hours over this period.

**ATTACHMENTS**

Nil.

**DISCUSSION**

In 2025, Christmas Day, Boxing Day are on a Thursday and Friday respectively, with both days recognised as public holidays. New Year's Day is also a public holiday and falls on a Thursday.

This Christmas/New Year period is generally a time of low customer enquiries and minimal operational deadlines in the organisation. To support staff, it is recommended to close Council's main administration offices, libraries, Gannawarra Shire Children's Centre administration and Works Depot from 2:00 pm on Wednesday, 24 December 2025.

Whilst the above offices and depot will be closed, certain key and emergency services will be maintained. These include Local Laws and emergency call-out arrangements in the case of fire, flood, storm, or other such significant event. These arrangements and contacts will be communicated with closure.

Staff will be on call as required to attend to any incidents that may occur during the closure.

Other services will close for three days (29-31 December 2025 and 2 January 2025 – 3 days covered under Council's EBA 2025. (All other closed days are Public Holidays), as outlined in the table below:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			24/12/25 (Close offices, etc, at 2.00 pm)	25/12/25 (Christmas Day)	26/12/25 (Boxing Day)	27/12/25
28/12/25	29/12/25 (Closed)	30/12/25 (Closed)	31/12/25 (Closed)	01/01/26 (Closed)	02/01/26 (Business as usual)	03/01/26
04/01/26	05/01/26 (Business as usual)					
						3 days closed for staff under the EBA
						Public Holiday
						Weekend
						Business as usual

## RELEVANT LAW

- The Christmas closure is detailed in the Gannawarra Shire Council Enterprise Bargaining Agreement No 11 (2025). *This clause does not apply to Early Childhood Teachers (Kindergarten teachers).*

## RELATED COUNCIL DECISIONS

Council considers Christmas closure annually. Last year the closure was for three days as agreed as part of Councils Enterprise Bargaining Agreement No.10 (2022).

## OPTIONS

Council has the following options:

- Close the offices from 2 pm on Wednesday, 24 December 2025, returning on Friday, 2 January 2026 (three-day closure).
- Close the offices from 2 pm on Wednesday, 24 December 2025, returning on Monday, 5 January 2026 (four-day closure). This option would mean staff are allocated 3 days leave under the EBA No. 11 2025 but would be required to take one extra day of their Annual Leave in consultation with their manager.
- Close the offices for a period greater than four days, which would require consultation with staff before the Council determines an outcome.

It is to be noted that Staff still have the option to take extra leave other than the closures that Council permits in accordance with approval from Managers and accrued leave.

**SUSTAINABILITY IMPLICATIONS**

Nil.

**COMMUNITY ENGAGEMENT**

The outcome will be advertised to the community via local media and social media channels, including emergency contact details.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

Not applicable.

**COLLABORATION**

Any closure greater than the three days between Christmas and New Year would require appropriate negotiation with staff.

**FINANCIAL VIABILITY**

The Christmas/New Year period is a time when staff can take leave and, from a financial perspective, can reduce leave liabilities on the balance sheet.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable.

**COUNCIL PLANS AND POLICIES**

Council Plan 2021-2025: Sustainability – Be a creative employer of choice through our adherence to good governance and our inclusive culture. The leave proposed aligns with the Council's Enterprise Bargaining Agreement.

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that as an employee of Council, all staff are affected by office closures and leave taking for all staff. The above conditions are in accordance with EBA conditions, so there is no conflict of interest in this matter.

### **7.3 DRAFT FINANCIAL PLAN**

**Author:** Phil Higgins, Director Corporate Services

**Authoriser:** Geoff Rollinson, Chief Executive Officer

**Attachments:** 1 Draft Financial Plan

#### **RECOMMENDATION**

**That Council place the Draft Financial Plan out for public comment utilising the Communication Strategy Actions outlined in this report and reconsider the Draft Financial Plan for adoption at the 15 October 2025 Council meeting.**

---

#### **EXECUTIVE SUMMARY**

The *Local Government Act 2020* (the Act) requires councils to develop a Financial Plan by 31 October 2025. The scope of the Financial Plan is for a period of 10 financial years and is to ensure the long-term financial sustainability of the Council.

#### **PURPOSE**

The purpose of the Financial Plan is to ensure the long-term financial sustainability of the Council. To achieve this purpose a revised long term financial action plan is required to address the underlying result forecasts and plan for the significant capital works programmed in the later years of the ten-year plan.

#### **ATTACHMENTS**

Draft Financial Plan

#### **DISCUSSION**

The Draft Financial Plan is based on the 2025/2026 Annual Budget and is presented utilising the Local Government Victoria template.

##### Strategic Actions

The Draft Financial Plan is being guided by the following strategic actions, as shown at item 2.2 in the attached Draft Financial Plan. Most of these emanated from the Financial Strategy considered by Council in 2019 and included in the previous Financial Plan in 2021. These strategic actions are:-

- Balance the Budget – Surplus Underlying Result (2.2.1) and Surplus Cash Flow (2.2.6);
- Maintain our Assets – Asset Renewal 100% (2.2.8 and 2.2.9);
- Indebtness – low level of debt (2.2.3 and 2.2.4);
- Liquidity – Cash levels maintained (2.2.2, 2.2.5 and 2.2.7).

The plan must include:

- Statements describing the financial resources required to undertake activities in the Council Plan and other strategic plans of Council;

- Information about decisions and assumptions that underpin the forecasts in Council and other strategic plans;
- Statements describing and other resource requirements Council considers appropriate to include in the financial plan; and
- Any other matters prescribed by regulations.

#### *Summary*

- Council considered the draft Financial Plan in June 2025.
- It is based on the 2025/2026 Annual Budget with future CPI increases at 2.5%. It then predicts that expenditure costs will index up to .75% above CPI and income indexes down to .5% below the CPI.
- The ten year capital works program is based on the 2025/2026 Annual Budget capital works.

#### *Outcomes*

- The underlying result is in deficit over the life of the 10 year plan;
- Loan Indebtness is sound with Council being debt free from 2024/25;
- The Council's cash position is above the target for eight out of ten years. Falling in the last two years due to the expansive capital works program;
- Asset renewal is above 100% for four out of the ten years.

#### *Actions to address Strategic Recommendations*

- Integrate the Financial Plan with the Council Plan in the current and future years
- Address the underlying result deficit over the life of the ten-year plan.
- Utilise a component of the funds created from the above action to bolster asset renewal and refurbishment.
- Analyse the capital works program to ensure grant funding is achievable.
- Review the funding requirements for the aquatic's facilities, including whole of life costs and develop an affordable program.

#### **RELEVANT LAW**

- Section 9(g) *Local Government Act 2020*
- Section 91 *Local Government Act 2020*

#### **RELATED COUNCIL DECISIONS**

The Draft Financial Plan is built on the 2025/2026 Annual Budget and the Revenue and Rating Plan. Both of these documents were adopted in June 2025.

#### **OPTIONS**

To meet statutory requirements the Draft Financial Plan needs to be adopted with or without variations prior to 31 October 2025. The alterations Council could consider include any of the following:

- Review the economic assumptions that the Draft Financial Plan is based on;

- Alter service levels for any services provided by Council.
- Amend the Capital Works program.
- Review rating forecasts within the rate capping framework.
- Review the loan borrowing program for any applicable intergenerational assets.
- Other options as determined by Council.

### SUSTAINABILITY IMPLICATIONS

The Draft Financial Plan caters for important social needs through the funding of key community projects.

### COMMUNITY ENGAGEMENT

Consultation has been undertaken with Councillors and the Audit and Risk Committee. The Financial Plan is required to be adopted prior to 31 October 2025.

The Draft Financial Plan will be placed out for public comment following the Council meeting on 17 September 2025. With comments to be considered at the 15 October 2025 meeting, prior to adoption.

The community engagement plan will follow the below actions.

Public Participation Spectrum	Description	Communication Engagement Actions
Inform	<i>Inform and engage by maintaining an honest dialogue</i>	2 – Media release 3 – Gannawarra News 4 – Promote Council news through local radio 7 – Maintain branding / style guidelines 9 – Promote the draft Financial Plan on Council's website 10 – Publish information through social media and online
Consult	<i>Sharing information and giving a reasonable opportunity to express and take views</i>	14 – Regular consultation on major projects 16 – Consult regularly with community groups
Involve	<i>Include our community in the process of Council decision making that affects their community</i>	20 & 21– Interactive engagement online
Collaborate	<i>Ensure the community is enabled to participate in the decisions that affect them</i>	29 – Respond to community queries 32 – Liaison through the Audit and Risk Committee. 33 – Online engagement capacity.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

The Financial Plan is one of the key requirements of the *Local Government Act 2020*.

**COLLABORATION**

The Audit and Risk Committee will consider the draft Financial Plan at its September meeting.

**FINANCIAL VIABILITY**

Financial sustainability is the cornerstone of the Financial Plan over the ten year period. There are a raft of financial indicators utilised to assess whether the Council is financially sustainable.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

The Draft Financial Plan is based on a statewide template.

**COUNCIL PLANS AND POLICIES**

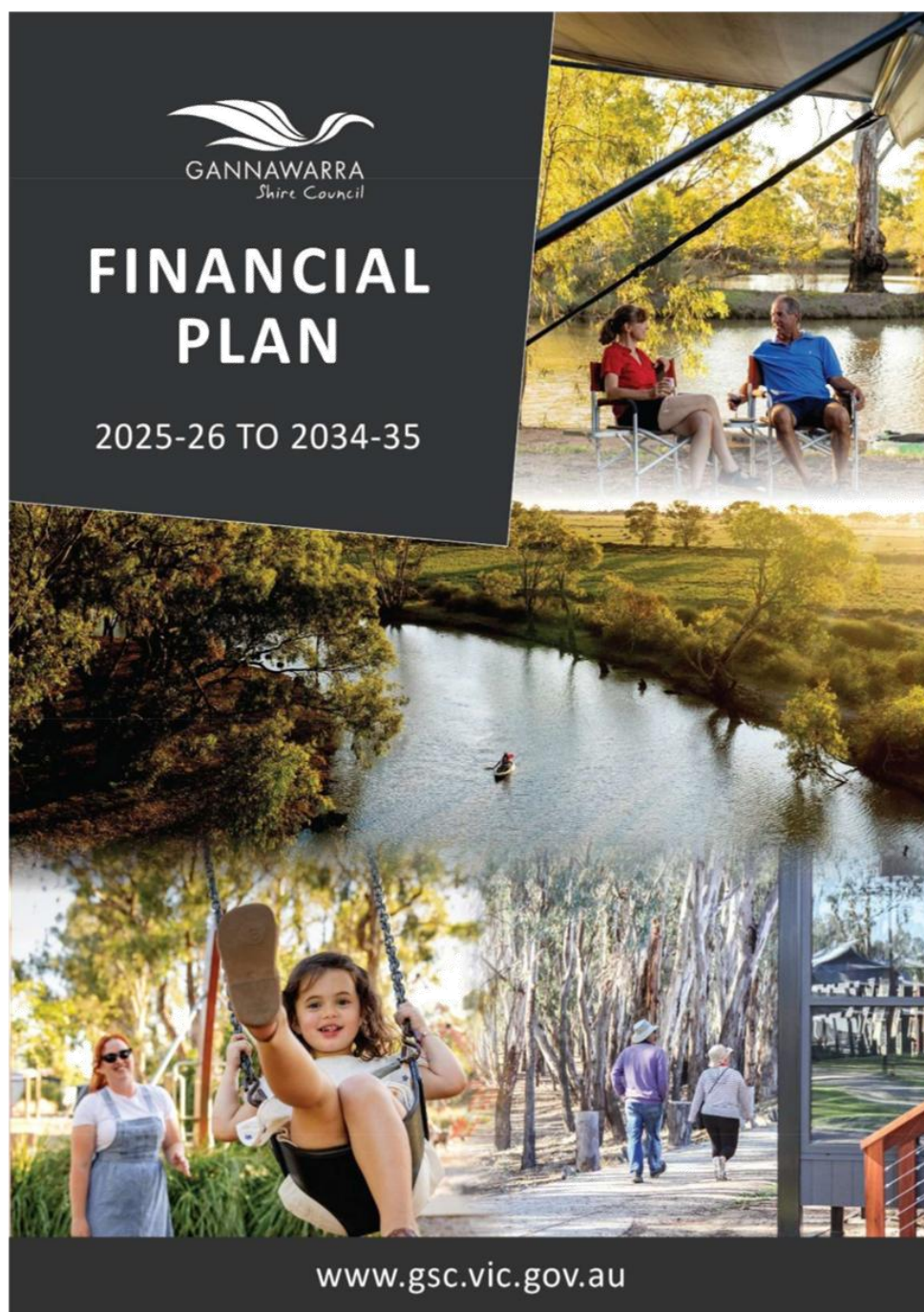
The document is linked to the 2025/2026 Annual Budget, Asset Management Plans and Revenue and Rating Plan.

**TRANSPARENCY OF COUNCIL DECISIONS**

This report is to be considered in an open Council Meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.





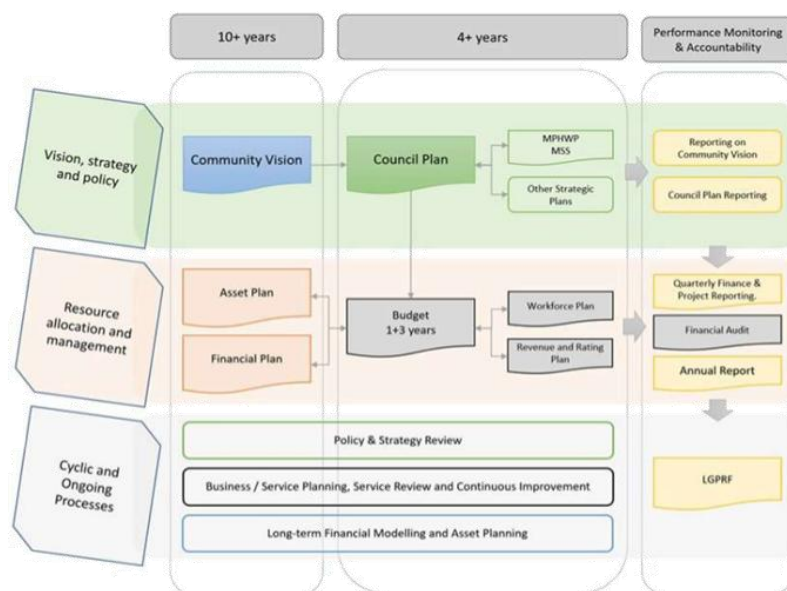
## Contents

<b>1. Legislative Requirements .....</b>	<b>3</b>
1.1 Strategic Planning Principles .....	4
1.2 Financial Management Principles .....	4
1.3 Engagement Principles .....	4
1.4 Service Performance Principles .....	5
1.5 Asset Plan Integration .....	5
<b>2 Financial Plan Context .....</b>	<b>6</b>
2.1 Financial Policy Statements .....	6
2.1.1 Policy Statement Details .....	7
2.2 Strategic Actions .....	7
2.3 Assumptions to the financial plan statements .....	7
3.1 Comprehensive Income Statement .....	10
3.2 Balance Sheet .....	11
3.3 Statement of Changes in Equity .....	12
3.4 Statement of Cash Flows .....	13
3.5 Statement of Capital Works .....	14
3.6 Statement of Human Resource and Planned Expenditure .....	15
<b>4 Financial Performance Indicators .....</b>	<b>16</b>
<b>5 Strategies and Plans .....</b>	<b>20</b>
5.2 Reserves Strategy .....	21
5.2.1 Current Reserves .....	21
5.2.2 Reserve Usage Projections .....	21

## 1. Legislative Requirements

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

The following diagram depicts the integrated planning and reporting framework for local government in Victoria.



### Acronyms that appear in the above diagram:

MPHWP	Municipal Public Health and Wellbeing Plan
MSS	Municipal Strategic Statement
LGPRF	Local Government Performance Reporting Framework

### 1.1 Strategic Planning Principles

The Financial Plan provides a 10-year financial projection regarding the impact of implementing some of the actions in the Council Plan. The Financial Plan is developed in the context of the following strategic planning principles:-

- a) Council aims to have an integrated approach to planning, monitoring and performance reporting.
- b) The Financial Plan recognises the Community Vision by including several aspirations in the Council Plan.
- c) The Financial Plan statements describe the 10-year financial resources and financial implications of implementing several goals and aspirations in the Council Plan.
- d) Council's strategic planning principles identify the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 below.
- e) The Financial Plan is prepared at a point in time and will be continually updated and amended as circumstances change.

### 1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

- 1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 1.2.2 Management of the following financial risks:
  - a) The financial viability of the Council Refer to section 2.1 Financial Policy Statements.
  - b) The management of current and future liabilities of the Council. The estimated 10-year liabilities are disclosed in section 3.2 Balance Sheet projections.
- 1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 1.2.4 Council maintains accounts and records that explain its financial operations and financial position. Refer to section 3 Financial Statements.
- 1.2.5 Council effectively and efficiently uses its resources to deliver the best outcomes for the community and aiming for the ongoing future financial sustainability.
- 1.2.6 Council aims to balance the budget by maintaining an Underlying Result surplus and a surplus cash flow over the life of the 10-year plan. This Financial Plan there is an Underlying Result deficit over the life of the plan and a surplus cash flow in five out of the ten years of the plan. d years) Refer to section 2.1 Financial Policy Statements.
- 1.2.7 Council will maintain our current assets by providing an asset renewal ratio greater than 100% in four years of the 10-year plan.
- 1.2.8 Council will consider the use of borrowings to fund significant capital projects when there is a demonstrated benefit to future generations and Council has the capacity to service the debt.

### 1.3 Engagement Principles

Council has followed the adopted community engagement framework, with the development of the Financial Plan. This has involved:-

- a) The draft Financial Plan prepared by management and presented to Council, aligned with the 2025/26 Annual Budget. Two drafts of the Financial Plan were presented to Council and it was also considered by the Audit and Risk Committee;
- b) The draft Financial Plan considered by Council at the 17 September 2025 Council meeting and the

- draft was endorsed for comment and feedback from the public;
- c) Community engagement conducted using Council's website, local news outlets and social media;
  - d) The draft Financial Plan will be considered by the Audit and Risk Committee;
  - e) Feedback will be received from stakeholders on the draft Financial Plan to be considered by Council prior to adoption at the October 2025 meeting.

#### 1.4 Service Performance Principles

Council services are targeted to community needs based on the Community Vision and Council Plan. Services are delivered giving regard to achieving value for money for the community. The service performance principles are listed below:

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan describes the financial resources required to give effect to the Council Plan and other strategic plans.
- b) Services are accessible to the relevant users within the community.
- c) Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) and Council's Corporate Performance Reporting Framework (CPRF) are designed to communicate Council's performance regarding the provision of quality and efficient services and results can be found at the "Know Your Council" website.
- d) Council continuously monitors its service delivery standards and seeks to implement improvements when these are identified.

#### 1.5 Asset Plan Integration

Council has adopted a 10year capital works program which has informed the Financial Plan. Council has updated its Asset Plan based on the 10-year capital works program.

## 2 Financial Plan Context

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions.

### 2.1 Financial Policy Statements

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

Policy Statement	Measure	Target	Forecast										
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Consistent Underlying Result surplus	Adjusted underlying result greater than \$0 shown in ('000)	> \$0	(\$1,770)	(\$478)	(\$469)	(\$598)	(\$1,105)	(\$1,363)	(\$1,604)	(\$1,883)	(\$2,429)	(\$2,421)	(\$3,647)
Ensure Council maintains sufficient Working Capital to meet its debt obligations as they fall due.	Current Assets / Current Liabilities greater than 1.25	1.25	2.58	3.15	3.32	3.37	3.36	3.30	3.25	3.19	3.11	3.02	2.80
Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life.	Asset renewal and upgrade expenses / Depreciation above 100%	100%	182.7%	94.9%	93.7%	132.1%	117.7%	99.4%	141.2%	98.6%	81.2%	146.8%	70.0%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality.	Total borrowings / Rate revenue to remain below 60%	60%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required.	Unrestricted cash / current liabilities to be maintained above 80%	80%	118.9%	105.6%	125.6%	130.5%	129.2%	129.6%	115.7%	119.9%	114.3%	73.2%	56.9%
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital.	Capital Outlays as a % of Own Source Revenue to remain above 30%	30%	94.4%	93.7%	65.8%	68.0%	68.1%	49.1%	72.7%	44.3%	37.0%	123.5%	111.1%

### 2.1.1 Policy Statement Details

#### **Adjusted underlying result**

The underlying result is in deficit for the life of the 10-year plan. The impact of the proposed aquatics facilities which commence in 2033/34 will have an impact on the underlying result in years post 2034/35.

#### **Current ratio (Current assets / Current liabilities)**

The projected result of this indicator is above the target set by Council.

#### **Asset renewal**

Asset renewal is above 100% for four out of the ten years.

#### **Borrowings as a percentage of rate revenue**

Council was debt free in 2024/25. No new borrowing are forecast over the life of the plan.

#### **Unrestricted cash to Current liabilities**

The Council's cash position is above the target for eight out of ten years. Falling in the last two years due to the expansive capital works program. To improve this ratio it would require achieving greater cash flow surpluses.

#### **Capital Outlays to Own source revenue**

This target is met over the life of the Financial Plan. It ensures Council is allocating a sizeable component of its own funds to capital expenditure.

### 2.2 Strategic Actions

The Financial Plan was guided by the below four strategic actions, which emanated from the Financial Strategy considered by Council in 2019 and included in the Financial Plan in 2021. These strategic actions are:-

- Balance the Budget – 2.2.1 Maintain an Underlying result surplus for each year through the life of the Financial Plan and 2.2.6 Ensure a positive Cash Flow result over the life of the Financial Plan;
- Maintain our Assets – 2.2.8 Maintain the Capital outlays to Own source revenue above 30% and 2.2.9 Reduce the Asset Renewal Gap. This can be measured annually through the "Asset Replacement and Upgrade / Depreciation ratio remaining above 100%;
- Indebtness – low level of debt - 2.2.3 Ensure that any new borrowings are for either inter-generational assets or for commercially viable business undertakings and 2.2.4 Ensure that loan borrowing repayments are affordable in a rate capping environment. This can be measured through the "total borrowings / rate revenue remain below 60%.; and
- Liquidity – Cash levels maintained - 2.2.2 Ensure that the Current Assets ratio is greater than 1.25 for each year through the life of the Financial Plan, 2.2.5 Improve the Unrestricted cash / current liabilities ratio to 80% over the life of the Financial Plan and 2.2.7 Ensure that the Unrestricted Cash position is positive annually. (2.2.2, 2.2.5 and 2.2.7).

### 2.3 Assumptions to the financial plan statements

This section presents information regarding the assumptions to the Comprehensive Income



Statement for the 10 years from 2025/26 to 2034/35. The assumptions comprise the annual escalations / movement for each line item of the Comprehensive Income Statement.

Escalation Factors % movement	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Rates and charges	2.75%	3.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Waste charges	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Statutory fees and fines	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
User fees	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Operating	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Capital	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Contributions - monetary	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Contributions - non-monetary	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other income	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee costs	3.00%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Materials and services	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Depreciation & Amortisation	1.00%	1.00%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%
Other expenses	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

The Financial Plan is based on the following assumptions:

- It is based on the adopted Budget 2025/2026;
- Future CPI increases at 2.5%;
- Expenditure costs will index up to .75% above CPI; and
- Income indexes between .25 – .5% below the CPI.

#### 2.3.1 Rates and charges

Base rate revenue will increase by 3% for the 2025/26 year, based on the state government rate cap, with estimated future annual increases of 2.25% per annum. Waste charges are forecast to increase by 2.5%. Future year waste charges will be increased as required to ensure Council continues to recover the full costs of providing waste services. The waste and recycling service is continually evolving and subject to changes in State Government legislation, which Council has no control over.

#### 2.3.2 Statutory fees and fines

Statutory fees are set by legislation and are assessed to increase by 2%.

#### 2.3.3 User fees

Revenue from user fees is budgeted to increase by 2%. Details of user fees for the 2025/26 budget year can be found in Council's schedule of Fees and Charges that is adopted in conjunction with the budget.

#### 2.3.4 Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance grant funding received via the Victorian Local Government Grants Commission (VLGGC). Operating grants are expected to increase by 2%.

#### 2.3.5 Contributions

Contributions relate to funds to enable council to provide infrastructure improvements for specific purposes and usually require Council to outlay funds for infrastructure works.

#### *2.3.6 Other income*

Revenue from other income mainly comprises reimbursements for children services. Other components include investment income and rental income received from the hire of Council buildings and commercial rentals.

#### *2.3.7 Employee costs*

The 2025/26 year includes a 3.25% increase for employee costs that mainly reflects the salary increase for all staff pursuant to the Enterprise Bargaining Agreement (EBA).

The ensuing years, from 2026/27 to 2034/35, reflect annual increases of 3.25% per annum to provide for annual EBA increases and movement within salary ranges. There has been no allowance made for any changes that may occur as a result of service reviews.

#### *2.3.8 Materials and services*

Material costs include items required for the maintenance and repairs of Council buildings, roads, drains and footpaths which are more governed by market forces based on availability than CPI. Other associated costs included under this category are utilities and consumable items for a range of services. Council also utilises external expertise on a range of matters, including legal services and audit. These costs are budgeted to be slightly higher than CPI levels year on year.

#### *2.3.9 Depreciation & amortisation*

Depreciation estimates have been based on the projected capital spending contained within this document. Depreciation has been further increased by the indexing of the replacement cost of Council's fixed assets.

#### *2.3.10 Borrowing costs*

Borrowing costs comprise the interest expense to service Council's loan portfolio and are not applicable.

#### *2.3.11 Other expenses*

Other expenses include administration costs such as Councillor allowances, election costs, audit costs and other costs associated with the day to day running of Council.

### 3 Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years from 2025/26 to 2034/35. The statements are:-

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources



## 3.1 Comprehensive Income Statement

Statement of income and expenditure.

	Forecast										
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>											
Rates and charges	16,309	16,807	17,191	17,581	17,983	18,396	18,819	19,251	19,693	20,145	20,608
Statutory fees and fines	313	267	272	277	282	288	293	299	305	311	318
User fees	2,799	2,699	2,753	2,808	2,864	2,921	2,980	3,039	3,100	3,162	3,225
Grants - Operating	12,504	12,494	13,095	13,438	13,654	13,627	13,852	14,081	14,315	14,554	14,845
Grants - Capital	11,972	9,704	6,500	6,750	7,100	2,700	8,450	2,250	1,000	22,000	20,000
Contributions - monetary	216	47	48	49	50	51	52	53	54	55	56
Contributions - monetary capital	-	6	-	-	-	-	-	-	-	-	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	337	232	215	195	199	204	239	244	250	255	261
Other income	1,386	510	514	523	528	535	543	550	558	566	574
<b>Total income</b>	<b>45,836</b>	<b>42,766</b>	<b>40,588</b>	<b>41,621</b>	<b>42,660</b>	<b>38,722</b>	<b>45,227</b>	<b>39,768</b>	<b>39,275</b>	<b>61,048</b>	<b>59,886</b>
<b>Expenses</b>											
Employee costs	13,994	14,885	15,358	15,858	16,373	16,905	17,455	18,022	18,608	19,212	19,837
Materials and services	12,696	9,416	9,733	9,977	10,226	10,482	10,744	11,012	11,288	11,570	11,859
Depreciation	8,283	8,729	8,860	8,993	9,128	9,265	9,403	9,545	9,688	9,833	9,981
Bad and doubtful debts	7	-	-	-	-	-	-	-	-	-	-
Borrowing costs	2	-	-	-	-	-	-	-	-	-	-
Other expenses	652	504	606	641	938	734	780	822	1,121	854	1,857
<b>Total expenses</b>	<b>35,634</b>	<b>33,534</b>	<b>34,557</b>	<b>35,469</b>	<b>36,665</b>	<b>37,386</b>	<b>38,381</b>	<b>39,401</b>	<b>40,704</b>	<b>41,470</b>	<b>43,533</b>
<b>Surplus/(deficit) for the year</b>	<b>10,202</b>	<b>9,232</b>	<b>6,031</b>	<b>6,152</b>	<b>5,995</b>	<b>1,337</b>	<b>6,846</b>	<b>367</b>	<b>(1,429)</b>	<b>19,579</b>	<b>16,353</b>
<b>Other comprehensive income</b>											
<b>Total comprehensive result</b>	<b>10,202</b>	<b>9,232</b>	<b>6,031</b>	<b>6,152</b>	<b>5,995</b>	<b>1,337</b>	<b>6,846</b>	<b>367</b>	<b>(1,429)</b>	<b>19,579</b>	<b>16,353</b>
<b>Underlying Result - surplus / (d</b>	<b>(1,770)</b>	<b>(478)</b>	<b>(469)</b>	<b>(598)</b>	<b>(1,105)</b>	<b>(1,363)</b>	<b>(1,604)</b>	<b>(1,883)</b>	<b>(2,429)</b>	<b>(2,421)</b>	<b>(3,647)</b>

Gannawarra Shire Council Draft Financial Plan

10

## 3.2 Balance Sheet

Statement of current and non-current assets and liabilities.

	Forecast										
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	13,652	10,128	11,336	11,661	11,663	11,698	10,915	11,204	10,944	8,467	7,547
Trade and other receivables	2,995	3,803	3,723	3,815	3,922	3,570	4,156	3,652	3,619	5,591	5,492
Other financial assets	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732
Inventories	328	331	335	338	341	345	348	352	355	359	362
Prepayments	-	-	-	-	-	-	-	-	-	-	-
Other assets	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
<b>Total current assets</b>	<b>20,877</b>	<b>18,164</b>	<b>19,295</b>	<b>19,716</b>	<b>19,828</b>	<b>19,515</b>	<b>19,321</b>	<b>19,109</b>	<b>18,820</b>	<b>18,319</b>	<b>17,303</b>
<b>Non-current assets</b>											
Property, infrastructure, p & e	296,038	306,371	311,315	317,075	323,018	324,680	331,756	332,366	331,290	351,380	368,874
Investment property	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030
<b>Total non-current assets</b>	<b>297,068</b>	<b>307,401</b>	<b>312,345</b>	<b>318,105</b>	<b>324,048</b>	<b>325,710</b>	<b>332,786</b>	<b>333,396</b>	<b>332,320</b>	<b>352,410</b>	<b>369,904</b>
<b>Total assets</b>	<b>317,945</b>	<b>325,565</b>	<b>331,640</b>	<b>337,821</b>	<b>343,876</b>	<b>345,225</b>	<b>352,106</b>	<b>352,505</b>	<b>351,140</b>	<b>370,729</b>	<b>387,207</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Trade and other payables	2,713	1,101	1,145	1,174	1,234	1,246	1,281	1,313	1,377	1,386	1,512
Trust funds and deposits	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415
Provisions	3,965	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257
Interest-bearing liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>8,093</b>	<b>5,773</b>	<b>5,817</b>	<b>5,846</b>	<b>5,906</b>	<b>5,918</b>	<b>5,953</b>	<b>5,985</b>	<b>6,049</b>	<b>6,058</b>	<b>6,184</b>
<b>Non-current liabilities</b>											
Provisions	1,234	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942
Interest-bearing liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Total non-current liabilities</b>	<b>1,234</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>	<b>1,942</b>
<b>Total liabilities</b>	<b>9,327</b>	<b>7,715</b>	<b>7,759</b>	<b>7,788</b>	<b>7,848</b>	<b>7,860</b>	<b>7,895</b>	<b>7,927</b>	<b>7,991</b>	<b>8,000</b>	<b>8,126</b>
<b>Net assets</b>	<b>308,618</b>	<b>317,850</b>	<b>323,881</b>	<b>330,033</b>	<b>336,028</b>	<b>337,365</b>	<b>344,211</b>	<b>344,578</b>	<b>343,149</b>	<b>362,728</b>	<b>379,081</b>
<b>Equity</b>											
Accumulated surplus	114,562	123,794	129,825	135,977	141,972	143,309	150,155	150,522	149,093	168,672	185,025
Reserves	194,056	194,056	194,056	194,056	194,056	194,056	194,056	194,056	194,056	194,056	194,056
<b>Total equity</b>	<b>308,618</b>	<b>317,850</b>	<b>323,881</b>	<b>330,033</b>	<b>336,028</b>	<b>337,365</b>	<b>344,211</b>	<b>344,578</b>	<b>343,149</b>	<b>362,728</b>	<b>379,081</b>

Gannawarra Shire Council Draft Financial Plan

11

### 3.3 Statement of Changes in Equity

Statement of changes in funds and reserves.

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2024/25 Forecast</b>				
Balance at beginning of the financial year	298,416	104,359	-	194,057
Surplus/(deficit) for the year	10,202	10,202	-	-
<b>Balance at end of the financial year</b>	<b>308,618</b>	<b>114,561</b>	<b>-</b>	<b>194,057</b>
<b>2025/26</b>				
Balance at beginning of the financial year	308,618	114,561	-	194,057
Surplus/(deficit) for the year	9,232	9,232	-	-
<b>Balance at end of the financial year</b>	<b>317,850</b>	<b>123,793</b>	<b>-</b>	<b>194,057</b>
<b>2026/27</b>				
Balance at beginning of the financial year	317,850	123,793	-	194,057
Surplus/(deficit) for the year	6,031	6,031	-	-
<b>Balance at end of the financial year</b>	<b>323,881</b>	<b>129,824</b>	<b>-</b>	<b>194,057</b>
<b>2027/28</b>				
Balance at beginning of the financial year	323,881	129,824	-	194,057
Surplus/(deficit) for the year	6,152	6,152	-	-
<b>Balance at end of the financial year</b>	<b>330,033</b>	<b>135,976</b>	<b>-</b>	<b>194,057</b>
<b>2028/29</b>				
Balance at beginning of the financial year	330,033	135,976	-	194,057
Surplus/(deficit) for the year	5,995	5,995	-	-
<b>Balance at end of the financial year</b>	<b>336,028</b>	<b>141,971</b>	<b>-</b>	<b>194,057</b>
<b>2029/30</b>				
Balance at beginning of the financial year	336,028	141,971	-	194,057
Surplus/(deficit) for the year	1,337	1,337	-	-
<b>Balance at end of the financial year</b>	<b>337,365</b>	<b>143,308</b>	<b>-</b>	<b>194,057</b>
<b>2030/31</b>				
Balance at beginning of the financial year	337,365	143,308	-	194,057
Surplus/(deficit) for the year	6,846	6,846	-	-
<b>Balance at end of the financial year</b>	<b>344,211</b>	<b>150,154</b>	<b>-</b>	<b>194,057</b>
<b>2031/32</b>				
Balance at beginning of the financial year	344,211	150,154	-	194,057
Surplus/(deficit) for the year	367	367	-	-
<b>Balance at end of the financial year</b>	<b>344,578</b>	<b>150,521</b>	<b>-</b>	<b>194,057</b>
<b>2032/33</b>				
Balance at beginning of the financial year	344,578	150,521	-	194,057
Surplus/(deficit) for the year	(1,429)	(1,429)	-	-
<b>Balance at end of the financial year</b>	<b>343,149</b>	<b>149,092</b>	<b>-</b>	<b>194,057</b>
<b>2033/34</b>				
Balance at beginning of the financial year	343,149	149,092	-	194,057
Surplus/(deficit) for the year	19,579	19,579	-	-
<b>Balance at end of the financial year</b>	<b>362,728</b>	<b>168,671</b>	<b>-</b>	<b>194,057</b>
<b>2034/35</b>				
Balance at beginning of the financial year	362,728	168,671	-	194,057
Surplus/(deficit) for the year	16,353	16,353	-	-
<b>Balance at end of the financial year</b>	<b>379,081</b>	<b>185,024</b>	<b>-</b>	<b>194,057</b>

## 3.4 Statement of Cash Flows

Statement of cash inflows and outflows of operating, investing and finance activities.

	Forecast 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflow)	Inflows (Outflow)	Inflows (Outflow)	Inflows (Outflow)
<b>Cash flows from operating</b>											
Rates and charges	16,213	16,172	16,780	17,164	17,546	17,952	18,364	18,790	19,211	19,656	20,107
Statutory fees and fines	307	290	299	304	310	316	322	329	335	342	349
User fees	3,079	2,927	3,023	3,085	3,145	3,208	3,272	3,339	3,404	3,473	3,542
Grants - operating	12,088	10,239	10,574	10,787	10,998	11,220	11,445	11,676	11,904	12,145	12,388
Grants - capital	7,838	9,591	6,630	6,731	7,070	3,062	7,977	2,760	1,102	20,274	20,164
Contributions - monetary	216	47	48	49	50	51	52	53	54	55	56
Interest received	964	300	300	300	300	302	303	305	306	308	309
Other receipts	569	2,924	3,371	3,560	3,588	3,356	3,352	3,370	3,387	3,407	3,475
Net GST refund / payment	2,924	2,112	1,820	1,871	1,951	1,598	2,092	1,580	1,432	3,370	3,428
Employee costs	(13,823)	(15,184)	(15,352)	(15,852)	(16,365)	(16,898)	(17,447)	(18,015)	(18,599)	(19,204)	(19,828)
Materials and services	(14,060)	(11,608)	(10,681)	(10,958)	(11,227)	(11,510)	(11,798)	(12,095)	(12,392)	(12,705)	(13,022)
Other payments	(717)	(621)	(657)	(702)	(1,005)	(826)	(854)	(901)	(1,206)	(964)	(1,952)
<b>Net cash provided by/(used in) operating activities</b>	<b>15,598</b>	<b>17,189</b>	<b>16,156</b>	<b>16,339</b>	<b>16,360</b>	<b>11,831</b>	<b>17,080</b>	<b>11,191</b>	<b>8,939</b>	<b>30,157</b>	<b>29,016</b>
<b>Cash flows from investing</b>											
Payments for property, infrastructure, plant & equipment	(21,785)	(21,252)	(15,456)	(16,364)	(16,716)	(12,162)	(18,404)	(11,452)	(9,758)	(33,205)	(30,515)
Proceeds from sale of property, infrastructure, plant & equipment	747	539	508	350	358	366	541	550	560	569	580
Payments for investments	12,476	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by/ (used in) investing activities</b>	<b>(8,562)</b>	<b>(20,713)</b>	<b>(14,948)</b>	<b>(16,014)</b>	<b>(16,358)</b>	<b>(11,795)</b>	<b>(17,864)</b>	<b>(10,902)</b>	<b>(9,198)</b>	<b>(32,635)</b>	<b>(29,936)</b>
<b>Cash flows from financing</b>											
Finance costs	(2)	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(53)	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by/(used in) financing activities</b>	<b>(55)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>6,981</b>	<b>(3,524)</b>	<b>1,208</b>	<b>325</b>	<b>2</b>	<b>36</b>	<b>(783)</b>	<b>289</b>	<b>(259)</b>	<b>(2,478)</b>	<b>(920)</b>
Cash and cash equivalents at the beginning of the financial year	6,671	13,652	10,128	11,336	11,661	11,663	11,698	10,915	11,204	10,944	8,467
<b>Cash and cash equivalents at the end of the financial year</b>	<b>13,652</b>	<b>10,128</b>	<b>11,336</b>	<b>11,661</b>	<b>11,663</b>	<b>11,698</b>	<b>10,915</b>	<b>11,204</b>	<b>10,944</b>	<b>8,467</b>	<b>7,547</b>

Gannawarra Shire Council Draft Financial Plan

13

### 3.5 Statement of Capital Works

Statement of expenditure on asset renewal and upgrades by asset type.

	Forecast 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
<b>Property</b>											
Land improvements	181	3,898	5,000	4,000	3,000	-	2,500	-	1,250	-	-
Buildings	2,457	-	-	-	-	-	-	-	-	-	-
Building improvements	-	708	150	150	150	150	150	150	650	23,150	20,650
<b>Total property</b>	<b>2,638</b>	<b>4,606</b>	<b>5,150</b>	<b>4,150</b>	<b>3,150</b>	<b>150</b>	<b>2,650</b>	<b>150</b>	<b>1,900</b>	<b>23,150</b>	<b>20,650</b>
<b>Plant and equipment</b>											
Plant, machinery and equipment	1,026	1,685	1,725	1,800	1,605	1,675	1,650	1,435	1,295	1,240	1,175
Fixtures, fittings and furniture	95	-	-	-	-	-	-	-	-	-	-
Computers & telecomms	319	828	180	180	180	180	180	180	180	180	180
Library books	120	100	100	100	100	100	100	100	100	100	100
<b>Total plant and equipment</b>	<b>1,560</b>	<b>2,613</b>	<b>2,005</b>	<b>2,080</b>	<b>1,885</b>	<b>1,955</b>	<b>1,930</b>	<b>1,715</b>	<b>1,575</b>	<b>1,520</b>	<b>1,455</b>
<b>Infrastructure</b>											
Roads	12,031	6,443	5,166	3,666	4,731	3,871	7,971	4,066	4,166	4,286	4,406
Bridges	1,735	-	-	-	-	-	-	-	-	-	-
Footpaths and cycleways	188	180	180	180	180	2,430	2,430	180	180	180	180
Drainage	79	1,044	300	4,050	4,500	1,900	1,000	2,800	300	300	300
Recreational, leisure and community facilities	117	1,470	150	150	150	150	150	150	150	150	150
Waste management	86	584	500	-	-	-	-	750	-	-	-
Parks, open space and streetscapes	720	50	50	50	50	50	50	50	50	50	50
Other infrastructure	650	2,330	550	550	550	550	550	550	550	550	550
<b>Total infrastructure</b>	<b>15,606</b>	<b>12,102</b>	<b>6,896</b>	<b>8,646</b>	<b>10,161</b>	<b>8,951</b>	<b>12,151</b>	<b>8,546</b>	<b>5,396</b>	<b>5,516</b>	<b>5,636</b>
<b>Total capital works expenditure</b>	<b>19,804</b>	<b>19,320</b>	<b>14,051</b>	<b>14,876</b>	<b>15,196</b>	<b>11,056</b>	<b>16,731</b>	<b>10,411</b>	<b>8,871</b>	<b>30,186</b>	<b>27,741</b>
<b>Represented by:</b>											
Asset renewal expenditure	7,133	6,488	8,301	8,876	7,746	6,956	11,031	6,911	6,871	6,936	6,991
Asset upgrade expenditure	8,000	1,794	-	3,000	3,000	2,250	2,250	2,500	1,000	7,500	-
Asset expansion expenditure	141	-	-	-	-	-	-	-	-	-	-
New asset expenditure	4,530	11,038	5,750	3,000	4,450	1,850	3,450	1,000	1,000	15,750	20,750
<b>Total capital works expenditure</b>	<b>19,804</b>	<b>19,320</b>	<b>14,051</b>	<b>14,876</b>	<b>15,196</b>	<b>11,056</b>	<b>16,731</b>	<b>10,411</b>	<b>8,871</b>	<b>30,186</b>	<b>27,741</b>
<b>Funding sources represented by:</b>											
Council cash	5,903	7,453	4,999	5,441	5,410	5,916	5,840	5,719	5,428	5,742	5,248
Grants	11,972	9,704	6,500	6,750	7,100	2,700	8,450	2,250	1,000	22,000	20,000
Contributions	216	53	48	49	50	51	52	53	54	55	56
Roads to Recovery	1,713	2,110	2,504	2,636	2,636	2,389	2,389	2,389	2,389	2,389	2,437
<b>Total capital works expenditure</b>	<b>19,804</b>	<b>19,320</b>	<b>14,051</b>	<b>14,876</b>	<b>15,196</b>	<b>11,056</b>	<b>16,731</b>	<b>10,411</b>	<b>8,871</b>	<b>30,186</b>	<b>27,741</b>

Gannawarra Shire Council Draft Financial Plan

14



## 3.6 Statement of Human Resource and Planned Expenditure

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Chief Executive Officer</b>										
Permanent - Full time	398	411	424	438	451	464	478	492	507	522
Women	106	109	113	116	120	123	127	131	135	139
Men	292	302	311	322	331	341	351	361	372	383
<b>Total - Chief Executive Officer</b>	<b>398</b>	<b>411</b>	<b>424</b>	<b>438</b>	<b>451</b>	<b>464</b>	<b>478</b>	<b>492</b>	<b>507</b>	<b>522</b>
<b>Community Wellbeing</b>										
Permanent - Full time	1,703	1,757	1,814	1,873	1,976	2,084	2,195	2,312	2,433	2,559
Women	1,245	1,285	1,326	1,369	1,458	1,550	1,646	1,746	1,850	1,959
Men	458	472	488	503	518	534	549	566	582	600
Permanent - Part time	3,358	3,464	3,577	3,693	3,802	3,915	4,031	4,150	4,273	4,400
Women	3,340	3,446	3,559	3,674	3,783	3,895	4,010	4,128	4,251	4,377
Men	17	18	19	19	20	20	21	21	22	23
<b>Total - Community Wellbeing</b>	<b>5,060</b>	<b>5,221</b>	<b>5,391</b>	<b>5,566</b>	<b>5,779</b>	<b>5,998</b>	<b>6,226</b>	<b>6,462</b>	<b>6,705</b>	<b>6,958</b>
<b>Corporate Services</b>										
Permanent - Full time	1,906	1,967	2,031	2,097	2,159	2,223	2,289	2,356	2,426	2,498
Women	1,409	1,454	1,501	1,550	1,595	1,643	1,691	1,741	1,793	1,846
Men	498	513	530	547	564	580	597	615	633	652
Permanent - Part time	533	550	568	586	603	621	639	658	678	698
Women	533	550	568	586	603	621	639	658	678	698
<b>Total - Corporate Services</b>	<b>2,439</b>	<b>2,517</b>	<b>2,599</b>	<b>2,683</b>	<b>2,762</b>	<b>2,844</b>	<b>2,928</b>	<b>3,015</b>	<b>3,104</b>	<b>3,196</b>
<b>Infrastructure Services</b>										
Permanent - Full time	5,010	5,169	5,337	5,510	5,673	5,841	6,014	6,191	6,375	6,564
Women	660	681	704	726	748	770	793	816	840	865
Men	4,349	4,488	4,634	4,784	4,925	5,071	5,221	5,375	5,535	5,699
Permanent - Part time	458	472	488	503	518	534	549	566	582	600
Women	458	472	488	503	518	534	549	566	582	600
<b>Total - Infrastructure Services</b>	<b>5,467</b>	<b>5,641</b>	<b>5,825</b>	<b>6,014</b>	<b>6,192</b>	<b>6,375</b>	<b>6,563</b>	<b>6,757</b>	<b>6,957</b>	<b>7,164</b>
<b>Strategic Development</b>										
Permanent - Full time	121	125	129	133	137	141	145	150	154	159
Men	121	125	129	133	137	141	145	150	154	159
Permanent - Part time	154	159	164	169	174	179	184	190	196	201
Women	154	159	164	169	174	179	184	190	196	201
<b>Total - Strategic Development</b>	<b>275</b>	<b>283</b>	<b>293</b>	<b>302</b>	<b>311</b>	<b>320</b>	<b>330</b>	<b>340</b>	<b>350</b>	<b>360</b>
<b>Casuals, temporary and other expenditure</b>	<b>1,710</b>	<b>1,765</b>	<b>1,822</b>	<b>1,881</b>	<b>1,937</b>	<b>1,994</b>	<b>2,053</b>	<b>2,114</b>	<b>2,177</b>	<b>2,241</b>
<b>Total staff expenditure</b>	<b>15,350</b>	<b>15,838</b>	<b>16,354</b>	<b>16,885</b>	<b>17,432</b>	<b>17,996</b>	<b>18,578</b>	<b>19,179</b>	<b>19,800</b>	<b>20,441</b>

Gannawarra Shire Council Draft Financial Plan

15

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Chief Executive Officer</b>										
Permanent - Full time	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Women	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Men	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Total - Chief Executive Officer</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
<b>Community Wellbeing</b>										
Permanent - Full time	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4
Women	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4
Men	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Permanent - Part time	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5
Women	37.3	37.3	37.3	37.3	37.3	37.3	37.3	37.3	37.3	37.3
Men	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Total - Community Wellbeing</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>	<b>55.9</b>
<b>Corporate Services</b>										
Permanent - Full time	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3
Women	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Men	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Permanent - Part time	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Women	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
<b>Total - Corporate Services</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>	<b>20.6</b>
<b>Infrastructure Services</b>										
Permanent - Full time	58.1	58.1	58.1	58.1	58.1	58.1	58.1	58.1	58.1	58.1
Women	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1
Men	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0
Permanent - Part time	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Women	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
<b>Total - Infrastructure Services</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>	<b>64.0</b>
<b>Strategic Development</b>										
Permanent - Full time	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Men	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permanent - Part time	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Women	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
<b>Total - Strategic Development</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>
Casuals, temporary and other expenditure	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total staff numbers</b>	<b>146.2</b>	<b>146.2</b>	<b>146.2</b>	<b>146.2</b>	<b>146.1</b>	<b>146.1</b>	<b>146.1</b>	<b>146.1</b>	<b>146.1</b>	<b>146.1</b>

#### 4 Financial Performance Indicators

The following tables highlight Council's projected performance across a range of key financial performance indicators. These indicators provide an analysis of Council's 10-year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

Indicator	Measure	Notes	Forecast											Trend	
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35		
Operating position															
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-5.2%	-1.4%	-1.4%	-1.7%	-3.1%	-3.8%	-4.4%	-5.0%	-6.3%	-6.2%	-9.1%	-	
Liquidity															
Working Capital	Current assets / current liabilities	2	258.0%	314.6%	331.7%	337.3%	335.8%	329.8%	324.6%	319.3%	311.1%	302.4%	279.8%	o	
Unrestricted cash	Unrestricted cash / current liabilities	3	118.9%	105.6%	125.6%	130.5%	129.2%	129.6%	115.7%	119.9%	114.3%	73.2%	56.9%	-	
Obligations															
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	+	
Loans and borrowings	Interest and principal repayments / rate revenue		0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	+	
Indebtedness	Non-current liabilities / own source revenue		5.3%	8.6%	8.3%	8.1%	7.9%	7.8%	7.7%	7.5%	7.4%	7.2%	7.1%	+	
Asset renewal and upgrade	Asset renewal and upgrade expense / Asset depreciation	5	182.7%	94.9%	93.7%	132.1%	117.7%	99.4%	141.2%	98.6%	81.2%	146.8%	70.0%	o	
Stability															
Rates concentration	Rate revenue / adjusted underlying revenue	6	47.2%	49.7%	49.3%	49.3%	49.5%	49.9%	50.0%	50.2%	50.3%	50.4%	50.5%	o	
Key to Forecast Trend:															
+ Forecasts improvement in Council's financial performance/financial position indicator															
o Forecasts that Council's financial performance/financial position indicator will be steady															
- Forecasts deterioration in Council's financial performance/financial position indicator															



**Notes to indicators****1. Adjusted underlying result**

"The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result.

The adjusted underlying result is a deficit through the life of the Financial Plan. In calculating the adjusted underlying result it includes Road to Recovery funding as it is treated as a recurrent grant. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year."

**2. Working Capital**

"This ratio indicates the level of current assets compared to current liabilities.

Council's working capital ratio is in a sound financial position. "

**3. Unrestricted Cash**

Unrestricted cash represents cash and cash equivalents held by Council less the amount of grants received during the year but not expended by 30 June and the amount of capital works not completed by 30 June. The benchmark result of 80% is attained for the first eight years of the plan.

**4. Debt compared to rates**

Council is debt free over the life of the plan.

#### 5. Asset renewal and upgrade

Asset renewal and upgrade represents the amount of capital expenditure being directed towards the replacement of Council's existing assets. This ratio represents the amount of renewal and upgrade works as a percentage of the depreciation expense shown for each year. A ratio less than 100% represents an increase in the asset renewal gap. The renewal and upgrade expenditure is achieved in four of the years in the plan.

#### 6. Rates concentration

Rates concentration represents rates proportion of total operating revenue. Council is reliant on external grants for the funding of its operations.

#### Calculation of Adjusted Underlying surplus / (deficit)

The following table shows how the adjusted underlying result has been calculated.

	Forecast										
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total Income	45,836	42,766	40,588	41,621	42,660	38,722	45,227	39,768	39,275	61,048	59,886
Total expenses	35,634	33,534	34,557	35,469	36,665	37,386	38,381	39,401	40,704	41,470	43,533
<b>Surplus/(deficit) for the year</b>	<b>10,202</b>	<b>9,232</b>	<b>6,031</b>	<b>6,152</b>	<b>5,995</b>	<b>1,337</b>	<b>6,846</b>	<b>367</b>	<b>(1,429)</b>	<b>19,579</b>	<b>16,353</b>
<b>Less non-operating income and expenses</b>											
Grants - Capital (non-recurrent)	(11,972)	(9,704)	(6,500)	(6,750)	(7,100)	(2,700)	(8,450)	(2,250)	(1,000)	(22,000)	(20,000)
Contributions	-	(6)	-	-	-	-	-	-	-	-	-
<b>Adjusted underlying surplus/(deficit)</b>	<b>(1,770)</b>	<b>(478)</b>	<b>(469)</b>	<b>(598)</b>	<b>(1,105)</b>	<b>(1,363)</b>	<b>(1,604)</b>	<b>(1,883)</b>	<b>(2,429)</b>	<b>(2,421)</b>	<b>(3,647)</b>

## 5 Strategies and Plans

This section describes the strategies and plans that support the 10-year financial projections included to the Financial Plan.

### 5.1 Borrowing Strategy

#### 5.1.1 Current Debt Position

The loan liability as at 30 June 2025 is \$0.

#### 5.1.2 Future Borrowing Requirements

No future loan borrowings are forecast in the Financial Plan.

	Forecast										
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	53	-	-	-	-	-	-	-	-	-	-
Plus New loans											
Less Principal repayment	(53)	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-	-	-	-	-	-	-
Interest payment	(2)	-	-	-	-	-	-	-	-	-	-

		Target									
Performance Indicator		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
		%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt servicing / Rate revenue	Below 5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt commitment / Rate revenue	Below 10%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Indebtedness / Own source revenue	Below 60%	8.6%	8.3%	8.1%	7.9%	7.8%	7.7%	7.5%	7.4%	7.2%	7.1%

## 5.2 Reserves Strategy

### 5.2.1 Current Reserves

There are two types of Reserves detailed below. Restricted Reserves are those where there is an external requirement or obligation for Council to hold funds for a specific purpose. This may be because they are another entities funds that are held by Council contingent on certain activities being undertaken, such as compliance with development conditions or a tender deposit being refunded after the satisfactory completion of a tender. The key reserves shown are Unexpended Grants and Trust Funds. Discretionary Reserves are decisions made by the Council and controlled by the Future Use Investment Policy.

### 5.2.2 Reserve Usage Projections

The 10 Year projection of each reserve fund is detailed below. The key indicator to monitor is the “Unrestricted Cash”. This evaluates the cash that Council has less any cash commitments. Ideally this should always be positive. Council allocates all the funds that it has available to it towards services and assets.

Reserves	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Reserves Summary</b>	<b>Total Restricted</b>										
Trust Fund	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415
<b>Closing balance</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>
<b>Reserves Summary</b>	<b>Total Discretionary</b>										
Land and Buildings	1,115	1,299	1,449	1,449	1,449	1,449	1,099	1,249	1,399	1,549	1,699
Plant and Equipment	430	430	430	430	430	430	430	430	430	430	430
Long Service Leave	2,388	2,388	2,388	2,388	2,388	2,388	2,388	2,388	2,388	2,388	2,388
Innovation Fund	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Koondrook Caravan Park	3	3	3	3	3	3	3	3	3	3	3
Carry Over Works	1,142	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>6,078</b>	<b>5,120</b>	<b>5,270</b>	<b>5,270</b>	<b>5,270</b>	<b>5,270</b>	<b>4,920</b>	<b>5,070</b>	<b>5,220</b>	<b>5,370</b>	<b>5,520</b>
<b>Unrestricted Cash</b>	<b>8,891</b>	<b>6,325</b>	<b>7,383</b>	<b>7,708</b>	<b>7,710</b>	<b>7,745</b>	<b>7,312</b>	<b>7,451</b>	<b>7,041</b>	<b>4,414</b>	<b>3,344</b>
<b>Total</b>	<b>16,384</b>	<b>12,860</b>	<b>14,068</b>	<b>14,393</b>	<b>14,395</b>	<b>14,430</b>	<b>13,647</b>	<b>13,936</b>	<b>13,676</b>	<b>11,199</b>	<b>10,279</b>
Cash and cash equivalents	13,652	10,128	11,336	11,661	11,663	11,698	10,915	11,204	10,944	8,467	7,547
Other financial assets	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732	2,732
<b>Total</b>	<b>16,384</b>	<b>12,860</b>	<b>14,068</b>	<b>14,393</b>	<b>14,395</b>	<b>14,430</b>	<b>13,647</b>	<b>13,936</b>	<b>13,676</b>	<b>11,199</b>	<b>10,279</b>

**7.4 2025 ANNUAL FINANCIAL STATEMENTS**

**Author:** Deanne Caserta, Manager Financial Services

**Authoriser:** Phil Higgins, Director Corporate Services

**Attachments:** 1 Draft Financial Statements - as at 10 September 2025  
2 Draft Performance Statements - as at 10 September 2025

**RECOMMENDATION**

**That Council:**

1. Acknowledge that the 'in principle' 2025 Financial Statements, and 'in principle' 2025 Performance Statement have been presented to and endorsed by the Audit and Risk Committee at its meeting on 10 September 2025.
  2. Approve the 'in principle' 2025 Financial Statements and 'in principle' 2025 Performance Statement.
  3. Approve the Chief Executive Officer to be authorised to effect any changes required by the Victorian Auditor-General's Office.
  4. Nominate Cr Smith and Cr Stanton to be authorised to certify on behalf of Council the 'final statement' 2025 Financial Statements, and 'final statement' 2025 Performance Statement, which are also to be signed by the Chief Executive Officer and the Principal Accounting Officer and submit to the Minister and Auditor-General.
- 

**EXECUTIVE SUMMARY**

The 2025 Annual Financial Statements and Performance Statement are presented to Council for 'in principle' approval. The statements, subject to final audit, present the financial position of the Council as of 30 June 2025.

**PURPOSE**

The purpose of this report is to seek the Council's 'in principle' approval to sign the 2025 Financial Statements and Performance Statement.

**ATTACHMENTS**

- 2025 Draft Financial Statements – as of 3 September 2025
- 2025 Draft Performance Statement – as of 3 September 2025

**DISCUSSION**

The 'in principle' statements, together with a copy of the Council resolution, are required to be given to the Council's external auditor (the contractor).

The Victorian Auditor-General's Office (VAGO) then reviews the 'in principle' statements and requests changes where appropriate and notifies the contractor of such changes. Council's Principal Accounting Officer then considers the Auditor-General's requested changes and incorporates these changes into the 'in principle' statements where appropriate.

When Council has made the appropriate changes requested by the Auditor-General's office and adequately responds to any queries, the statements are signed by the delegated Councillors, the Chief Executive Officer and Principal Accounting Officer as the 'final statements' to be forwarded to the contractor.

The Auditor-General's report is issued to Council once formally signed statements have been received and checked by his office.

The following documents in draft form were presented to and reviewed by Council's Audit and Risk Committee on 10 September 2025:

- 2025 Financial Statement,
- 2025 Performance Statement,
- Audit Closing Report, and
- Management Letter.

The Audit and Risk Committee resolved to "Recommend that Council approve the 'in principle' 2025 Financial Statements and 2025 Performance Statement".

Council is now required to give 'in principle' approval for the 2025 Financial Statements and 2025 Performance Statement and submit them to the Auditor-General and the Minister.

Council is also required to authorise two Councillors, on behalf of Council, to certify the statements once amendments or changes requested by the Auditor-General have been made. Recommended Councillors include the Mayor and Deputy Mayor, who is also a member of the Audit and Risk Committee.

#### **RELEVANT LAW**

- Sections 98, 99 and 100 *Local Government Act 2020* – Annual Report requirements.
- Section 101 and 105 *Local Government Act 2020* – Financial management principles and accounts and records.
- Section 54 *Local Government Act 2020* – ARC functions and responsibilities.

#### **RELATED COUNCIL DECISIONS**

The Annual Budget was adopted on 26 June 2024.

Quarterly Financial Reports have been presented to Council on 27 November 2024, 19 February 2025 and 21 May 2025.

#### **OPTIONS**

To submit the Financial Statements to the Minister, the Council is required to pass a resolution giving 'in principle' approval to the statements.

#### **SUSTAINABILITY IMPLICATIONS**

**THE PERFORMANCE STATEMENT ATTACHED TO THIS REPORT INCLUDES VARIOUS ECONOMIC, SOCIAL, ENVIRONMENTAL AND CLIMATE CHANGE INDICATORS. THESE PROVIDE A SOUND GUIDE ON THE COUNCIL'S SUSTAINABILITY RESULTS.COMMUNITY ENGAGEMENT**

The Performance Statement provide key data that is utilised on the Victorian Auditor General's website.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

The Performance Statements are regularly reviewed and updated as part of a continuous improvement process. The audit of the Financial Statements is subject to audit improvement recommendations in the closing report and management letter.

**COLLABORATION**

The Financial Statements are audited by the Victorian Auditor General's Office.

The Audit and Risk Committee form an important component of the stewardship and independent evaluation of the Council's finances.

**FINANCIAL VIABILITY**

The Financial Statements present the actual financial position to 30 June 2025, subject to final audit.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

The Financial Statements must comply with the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020, the Australian Accounting Standards and other mandatory professional reporting requirements.

**COUNCIL PLANS AND POLICIES**

Council Plan 2021-2025: Sustainability – "Maintaining financial sustainability of Council".

The completion of the 2025 Financial Statements is the actual end-of-year result. This links with the adoption of the budget and the quarterly performance reporting that occurs during the financial year. The results will also be included in the adoption of the Annual Report.

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in this matter.

**Gannawarra Shire Council  
ANNUAL FINANCIAL REPORT**

*For the Year Ended 30 June 2025*



## Gannawarra Shire Council Financial Report Table of Contents

<b>FINANCIAL REPORT</b>		<b>Page</b>
Certification of the Financial Statements		1
<b>Financial Statements</b>		
Comprehensive Income Statement		4
Balance Sheet		5
Statement of Changes in Equity		6
Statement of Cash Flows		7
Statement of Capital Works		8
<b>Notes to Financial Statements</b>		
Note 1	Overview	9
Note 2	Analysis of our results	
	2.1. Performance against budget	
	2.1.1. Income and expenditure	11
	2.1.2. Capital works	15
	2.2. Analysis of Council results by program	17
Note 3	Funding for the delivery of our services	
	3.1. Rates and charges	19
	3.2. User fees	19
	3.3. Funding from other levels of government	20
	3.4. Other income	22
Note 4	The cost of delivering services	
	4.1. Employee costs	23
	4.2. Materials and services	24
	4.3. Depreciation	24
	4.4. Other expenses	25
Note 5	Our financial position	
	5.1. Financial assets	25
	5.2. Payables	27
	5.3. Provisions	28
	5.4. Financing arrangements	29
	5.5. Commitments	30
	5.6. Leases	31
Note 6	Assets we manage	
	6.1. Property, infrastructure plant and equipment	33
Note 7	People and relationships	
	7.1. Council and key management remuneration	41
	7.2. Related party disclosure	43

**Gannawarra Shire Council  
Financial Report  
Table of Contents**

<b>FINANCIAL REPORT</b>		<b>Page</b>
Note 8	Managing uncertainties	
	8.1. Contingent assets and liabilities	44
	8.2. Change in accounting standards	46
	8.3. Financial instruments	46
	8.4. Fair value measurement	48
	8.5. Events occurring after balance date	49
Note 9	Other matters	
	9.1. Reserves	50
	9.2. Reconciliation of cash flows from operating activities to surplus	51
Note 10	Change in accounting policy	51

## 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.

*Phil Higgins, Master Business Administration (Finance), Bachelor Business (Local Government), Graduate Certificate (Business Excellence).*

### Principal Accounting Officer

**Dated :**

**Kerang**

In our opinion the accompanying financial statements present fairly the financial transactions of Gannawarra Shire Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

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

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

*Garner Smith*

**Mayor**

**Dated : 0-Jan-00**

**Kerang**

*Ross Stanton*

**Deputy Mayor**

**Dated : 0-Jan-00**

**Kerang**

*Geoff Rollinson*

**Chief Executive Officer**

**Dated : 0-Jan-00**

**Kerang**

<INSERT VAGO REPORT - PAGE 1>

<INSERT VAGO REPORT - PAGE 2>

### Comprehensive Income Statement For the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>Income/Revenue</b>			
Rates and charges	3.1	16,236	15,627
Statutory fees and fines		344	359
User fees	3.2	2,383	2,684
Grants - operating	3.3	14,119	4,020
Grants - capital	3.3	9,850	3,076
Contributions - monetary		173	78
Net gain on disposal of property, infrastructure, plant and equipment		135	101
Fair value adjustments for investment property		70	-
Other income	3.4	1,785	2,806
<b>Total income/revenue</b>		<b>45,095</b>	<b>28,751</b>
<b>Expenses</b>			
Employee costs	4.1	13,464	15,175
Materials and services	4.2	9,677	9,056
Depreciation	4.3	8,312	7,924
Depreciation - right of use assets		79	-
Allowance for impairment losses		(5)	25
Borrowing costs		1	6
Finance costs - leases		28	-
Other expenses	4.4	593	315
<b>Total expenses</b>		<b>32,149</b>	<b>32,502</b>
<b>Surplus/(deficit) for the year</b>		<b>12,946</b>	<b>(3,750)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain	6.1	50,723	6,239
<b>Total other comprehensive result</b>		<b>50,723</b>	<b>6,239</b>
<b>Total comprehensive result</b>		<b>63,669</b>	<b>2,487</b>

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

### Balance Sheet As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1 (a)	10,031	6,671
Trade and other receivables	5.1 (c)	5,132	2,995
Other financial assets	5.1 (b)	15,304	15,208
Inventories		222	242
Prepayments		460	801
Other assets		233	369
<b>Total current assets</b>		<b>31,382</b>	<b>26,287</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	6.1	341,568	284,859
Right-of-use assets	5.5	1,271	-
Investment property		1,100	1,030
<b>Total non-current assets</b>		<b>343,939</b>	<b>285,888</b>
<b>Total assets</b>		<b>375,321</b>	<b>312,175</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.2 (a)	3,386	2,713
Trust funds and deposits		766	1,415
Contract and other liabilities	5.2 (b)	2,962	4,550
Interest-bearing liabilities		-	53
Provisions	5.3	3,876	3,964
Lease liabilities	5.6	144	-
<b>Total current liabilities</b>		<b>11,134</b>	<b>12,696</b>
<b>Non-current liabilities</b>			
Provisions	5.3	966	1,064
Lease liabilities	5.6	1,136	-
<b>Total non-current liabilities</b>		<b>2,102</b>	<b>1,064</b>
<b>Total liabilities</b>		<b>13,236</b>	<b>13,758</b>
<b>Net assets</b>		<b>362,085</b>	<b>298,416</b>
<b>Equity</b>			
Accumulated surplus		117,305	104,359
Revaluation Reserves	9.1	244,780	194,057
<b>Total Equity</b>		<b>362,085</b>	<b>298,416</b>

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

### Statement of Changes in Equity For the Year Ended 30 June 2025

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000
<b>2025</b>				
Balance at beginning of the financial year		298,416	104,359	194,057
Surplus for the year		12,946	12,946	-
Net asset revaluation gain	6.1	50,723	-	50,723
<b>Balance at end of the financial year</b>		<b>362,085</b>	<b>117,305</b>	<b>244,780</b>

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000
<b>2024</b>				
Balance at beginning of the financial year		295,927	108,109	187,818
Deficit for the year		(3,750)	(3,750)	-
Net asset revaluation gain	6.1	6,239	-	6,239
<b>Balance at end of the financial year</b>		<b>298,416</b>	<b>104,359</b>	<b>194,057</b>

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



### Statement of Cash Flows For the Year Ended 30 June 2025

	Note	2025 Inflows/ (Outflows) \$'000	2024 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		15,211	15,569
Statutory fees and fines		344	359
User fees		1,588	3,031
Grants - operating		14,078	3,819
Grants - capital		8,303	2,581
Contributions - monetary		173	78
Interest received		1,284	989
Net trust funds and deposits taken/(repaid)		(649)	985
Other receipts		636	1,643
Net GST refund/(payment)		(305)	13
Employee costs		(13,546)	(17,210)
Materials and services		(8,747)	(9,051)
Other payments		(600)	(315)
<b>Net cash provided by operating activities</b>	9.2	<b>17,770</b>	<b>2,490</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.1	(14,681)	(8,997)
Proceeds from sale of property, infrastructure, plant and equipment		449	276
Purchase of investments		(28,804)	(18,113)
Proceeds from sale of investments		28,707	15,052
<b>Net cash used in investing activities</b>		<b>(14,329)</b>	<b>(11,782)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(28)	(6)
Repayment of borrowings		(53)	(102)
<b>Net cash used in financing activities</b>		<b>(81)</b>	<b>(108)</b>
Net increase/decrease in cash and cash equivalents		3,360	(9,400)
Cash and cash equivalents at the beginning of the financial year		6,671	16,071
<b>Cash and cash equivalents at the end of the financial year</b>		<b>10,031</b>	<b>6,671</b>
Financing arrangements	5.6	100	153

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

### Statement of Capital Works For the Year Ended 30 June 2025

	2025 \$'000	2024 \$'000
<b>Property</b>		
Land	-	880
Land improvements	287	817
<b>Total land</b>	<b>287</b>	<b>1,697</b>
Buildings	1,373	12
Building improvements	59	49
<b>Total buildings</b>	<b>1,432</b>	<b>61</b>
<b>Total property</b>	<b>1,719</b>	<b>1,758</b>
<b>Plant and equipment</b>		
Plant, machinery and equipment	1,006	779
Fixtures, fittings and furniture	69	-
Computers and telecommunications	346	150
Library books	98	107
<b>Total plant and equipment</b>	<b>1,519</b>	<b>1,036</b>
<b>Infrastructure</b>		
Roads	8,776	3,511
Bridges	1,671	29
Footpaths and cycleways	166	1,413
Kerb and channel	278	312
Drainage	32	257
Recreational, leisure and community facilities	150	230
Waste management	26	10
Parks, open space and streetscapes	526	420
Other infrastructure	209	22
<b>Total infrastructure</b>	<b>11,834</b>	<b>6,204</b>
<b>Total capital works expenditure</b>	<b>15,072</b>	<b>8,998</b>
<b>Represented by:</b>		
New asset expenditure	2,420	1,673
Asset renewal expenditure	11,086	5,261
Asset upgrade expenditure	1,566	2,064
<b>Total capital works expenditure</b>	<b>15,072</b>	<b>8,998</b>

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

## Notes to the Financial Report For the Year Ended 30 June 2025

---

### Note 1 OVERVIEW

#### Introduction

The Gannawarra Shire 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 47 Victoria Street, Kerang.

#### Statement of compliance

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

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

#### Accounting policy information

##### 1.1 Basis of accounting

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

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.

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities* (refer to Note 3).
- other areas requiring judgements.

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

**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.

## Notes to the Financial Report For the Year Ended 30 June 2025

### 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 on the variance of higher of 10 percent and \$65k where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income / Revenue and expenditure	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
<b>Income/Revenue</b>					
Rates & Charges	16,145	16,236	91	1%	1
Statutory fees and fines	348	344	(4)	-1%	
User fees	3,015	2,383	(632)	-21%	2
Grants - operating	12,224	14,119	1,895	16%	3
Grants - capital	20,313	9,850	(10,463)	-52%	4
Contributions - monetary	44	173	129	293%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	333	135	(198)	-59%	6
Fair value adjustments for investment property	-	70	70	100%	7
Other income	951	1,785	834	88%	8
<b>Total income/revenue</b>	<b>53,373</b>	<b>45,095</b>	<b>(8,278)</b>	<b>-16%</b>	
<b>Expenses</b>					
Employee costs	13,880	13,464	416	3%	9
Materials and services	9,899	9,677	222	2%	10
Depreciation	8,245	8,312	(67)	-1%	11
Depreciation - Right of use assets	-	79	(79)	100%	12
Allowance for impairment losses	(0)	(5)	5	-1114%	
Borrowing costs	2	1	1	58%	
Finance costs - Leases	-	28	(28)	100%	12
Other expenses	652	593	59	9%	13
<b>Total expenses</b>	<b>32,678</b>	<b>32,149</b>	<b>529</b>	<b>2%</b>	
<b>Surplus for the year</b>	<b>20,695</b>	<b>12,946</b>	<b>(7,749)</b>	<b>-37%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2025

### (i) Explanation of material variations

#### 1 Rates & Charges

Supplementary valuations processed during the year and additional bin services have generated additional rates income (\$74k).

Decrease in budgeted Payment in Lieu of Rates (PILOR) from Horfield solar farm yet to commence operation (\$101k).

Interest on rates has been higher due to higher than anticipated unpaid rates in 2024/25 (\$122k). Refer Note 5.1 (c) Rates Debtors.

#### 2 User fees

The decrease in user fees is attributed to a number of reasons -

a. Reduction in user fees from children's services (\$250k). This is partly offset by a reduction in employee costs.

b. Budgeted internal allocation of cleaning costs across the organisation has been removed at year end (\$511k).

The decrease is offset by increase in income at transfer stations (\$42k), hall & facilities hire (\$23k) and sale of impounded stock (\$19k).

#### 3 Grants - operating

The primary reason for the increase in operating grants is due to -

a. Receipt of 50% advance payment of 2025/26 Victoria Grants Commission annual allocation (\$3.77m) being received in June 2025.

b. Additional children's services grants of \$312k which includes the new Kerang South Kindergarten (\$155k).

c. Unbudgeted grant funding for Koondrook Local Development Strategy (\$200k).

d. Transfer of Kerang to Koondrook Rail project to operating (\$53k). Council resolved to formally conclude this project on 16 April 2025. All expenditure incurred has been moved to operating expenditure and unspent grants returned to the funding body.

The above increases are partly offset by reclassification of Budgeted Roads to Recovery allocation (\$2.32m) to capital grants.

*Unpent operating grants included in Note 3.4 carried forward into 2025/26 as part of the Quarterly Budget Report process.*

*They include -*

* Supported Playgroups	38 k
* School Readiness	101 k
* Maternal and Child Healthcare	236 k
	375 k

## Notes to the Financial Report For the Year Ended 30 June 2025

### 4 Grants - Capital

The following contribute towards the decrease in budgeted capital grants -

- a. Capital works subject to grant funding - Safe Local Roads & Streets Program (\$2m), Cohuna waterfront Stage 2 (\$3m). Both these grant dependent projects are part of the 2025/26 Adopted Budget.
- b. Capital grants for 2024/25 included \$2.4m for the Koondrook Levee Construction project. Stage 1 of this project has been carried forward into 2025/26.
- c. Capital works for 2024/25 included \$8m of grant funded flood restoration works. At 30 June 2025, Council had completed \$5.18m of capital restoration works and \$748k of operating restoration works. Council received flood advances of \$4.94m which has been recognised as income in 2024/25. DRFA is yet to assess claims of these works undertaken. Variance of \$3.06m (\$8m less \$4.94m).
- d. Local Roads and Community Infrastructure Program - Phase 4 projects (Kerang CBD Stage 4, Reseals, Apex Bridge and Kervins Bridge) have been completed and awaiting balance of grant funding (\$1.25m).
- e. ICT - Joint Council Asset Management Software (\$625k) and Sustainable Recreational Water for Quambatook (\$480k) have been carried forward to 2025/26 to facilitate completion of these projects.

The above decreases have been offset by final instalment payments for projects completed in prior years -

- \* Local Roads and Community Infrastructure Program - Phase 3 project (Kerang CBD Stage 3) - \$1.31m.
- \* Kangaroo Lake North End Jetty (\$50k) and Our Rivers Our Regions program (\$61k).

*Unpent capital grants included in Note 3.4 carried forward into 2025/26 as part of the Quarterly Budget Report process. They include -*

* Glasshouse @ Gannawarra (Living Libraries grant)	1045 k
* ICT - Joint Council Asset Management Software	625 k
* Sustainable Recreational Water for Quambatook	480 k
Koondrook Levee Construction	426 k
Koondrook Levee Design	10 k
	<b>2.586 million</b>

### 5 Contributions - Monetary

Variation in contributions relate to leave entitlement transfers for staff who were employed at other Councils.

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

Variance is due to delays in the sale of plant and equipment.

### 7 Fair value adjustments for investment property

The increase relates to investment property revaluation during the year. This is a non-cash item.

### 8 Other Income

The income in other income is attributed to a number of reasons -

- a. Higher than budgeted interest on investments (\$629k) from prudent investment of cash in excess of operational need.
- b. Workcover reimbursements - offset by additional costs (\$70k).
- c. Sale of water allotments ( \$44k).
- d. Traineeship/apprenticeship grants (\$34k).
- e. Additional caravan park revenue (\$34k).
- f. Container Deposit Scheme reimbursement (\$23k).

### Notes to the Financial Report For the Year Ended 30 June 2025

---

**9 Employee costs**

There have a number of increases and decreases within this category of expenditure.

The decreases include -

- a. Vacancies across the organisation during the year (\$376k). Saving due to temporary staff vacancies partly due to secondment to higher positions or flood related positions. Flood related employee costs are expected to be recouped via flood claims and acquittal process.
- b. Lower than budgeted employee costs in roads maintenance (\$262k).
- b. Labour change due to contract Municipal Surveyor arrangement (\$83k).
- c. Lower than anticipated Workcover premium (\$99k).

The increases include -

- a. Flood funded positions (\$184k).
- b. Grant funded children's services higher than budgeted (\$98k) primarily relates to operating grants carried forward to facilitate delivery of funded service.
- c. Higher than budgeted employee costs in waste management (\$95k).

**10 Materials and services**

The decrease relates to -

- a. Budgeted internal allocation of cleaning costs across the organisation has been removed at year end (\$504k).
- b. Waste Management costs being lower than anticipated (\$465k).
- c. Lower than anticipated cost of fuel (\$131k).

The above mentioned decreases have been partly offset the following increases -

- a. Flood related costs (\$543k).
- b. Labour change due to contract Municipal Surveyor arrangement (\$100k).

**11 Depreciation**

The depreciation calculated within the budget used infrastructure valuations as at 30 June 2024.

**12 Depreciation - Right of use assets and Finance costs - Leases**

Depreciation - Right of use assets and Finance costs - Leases relate to the recognition of contracted fleet used in Council's waste management contract. This is in line with the accounting standards.

**13 Other Expenses**

Lower than anticipated internal audit costs.



**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>2.1.2 Capital works</b>	<b>Budget 2025 \$'000</b>	<b>Actual 2025 \$'000</b>	<b>Variance \$'000</b>	<b>Variance %</b>	<b>Ref</b>
<b>Property</b>					
Land Improvements	140	287	147	105%	1
<b>Total land</b>	<b>140</b>	<b>287</b>	<b>147</b>	<b>105%</b>	
Buildings	3,034	1,373	(1,661)	-55%	2
Building improvements	-	59	59	100%	3
<b>Total buildings</b>	<b>3,034</b>	<b>1,432</b>	<b>(1,602)</b>	<b>-53%</b>	
<b>Total property</b>	<b>3,174</b>	<b>1,719</b>	<b>(1,455)</b>	<b>-46%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	907	1,006	99	11%	4
Fixtures, fittings and furniture	50	69	19	38%	
Computers and telecommunications	889	346	(543)	-61%	5
Library books	120	98	(22)	-19%	
<b>Total plant and equipment</b>	<b>1,966</b>	<b>1,519</b>	<b>(447)</b>	<b>-23%</b>	
<b>Infrastructure</b>					
Roads	13,393	8,776	(4,617)	-34%	6
Bridges	1,735	1,671	(64)	-4%	
Footpaths and cycleways	160	166	6	4%	
Kerb and channel	266	278	12	4%	
Drainage	298	32	(266)	-89%	7
Recreational, leisure and community facilities	3,215	150	(3,065)	-95%	8
Waste management	640	26	(614)	-96%	9
Parks, open space and streetscapes	1,534	526	(1,008)	-66%	10
Other infrastructure	2,777	209	(2,568)	-92%	11
<b>Total infrastructure</b>	<b>24,018</b>	<b>11,834</b>	<b>(12,184)</b>	<b>-51%</b>	
<b>Total capital works expenditure</b>	<b>29,158</b>	<b>15,072</b>	<b>(14,086)</b>	<b>-48%</b>	
<b>Represented by:</b>					
New asset expenditure	7,395	2,420	(4,975)	-67%	
Asset renewal expenditure	11,209	11,086	(123)	-1%	
Asset expansion expenditure	-	-	-	100%	
Asset upgrade expenditure	10,554	1,566	(8,988)	-85%	
<b>Total capital works expenditure</b>	<b>29,158</b>	<b>15,072</b>	<b>(14,086)</b>	<b>-48%</b>	

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

---

**(i) Explanation of material variations**

**1 Land Improvements**

Completion of the grant funded Kerang CBD -Stage 4 project carried forward from 2023/24.

**2 Buildings**

The Glasshouse project which is underway and expected to be completed in 2025/26 (\$1.56m).

**3 Building Improvements**

Buildings renewal projects have been capitalised into appropriate classification of assets.

**4 Plant, machinery and equipment**

Variance relates to the works carried forward from 2023/24 and purchase of unbudgeted light truck after insurance settlement.

**5 Computers and telecommunications**

ICT Joint Council Asset Management Software project is underway with unspent funds to be carried forward into 2025/26.

**6 Roads**

Variance relates to grant dependent Safe Local Roads and Street program (\$2m) carried forward to 2025/26 and balance of flood restoration works carried forward to 2025/26.

**7 Drainage**

Savings within the Stormwater Network and Town Pump Renewal project has been carried over to complete the Sustainable Recreational Water for Quambatook project.

**8 Recreational, leisure and community facilities**

Variance relates to grant dependent Cohuna Waterfront Stage 2 project (\$3m) which has not received grant funding.

**9 Waste Management**

Capping of Denyer's landfill cell 3 has been deferred to 2025/26. Though the budget is shown as part of capital works, the actual spend will be recovered out of landfill provisions.

**10 Parks, open space and streetscapes**

The variance relates to carried forward works on the multiyear project - Sustainable Recreational Water for Quambatook.

**11 Other Infrastructure**

The variance relates to Koondrook Levee Design and Construction project which has been carried forward into 2025/26.

---

## Notes to the Financial Report For the Year Ended 30 June 2025

---

### **Note 2.2 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

#### **2.2.1 Programs**

##### **Liveability**

To achieve our objective of Liveability, the following are our strategic priorities:

1. Improve the health, safety and wellbeing of our community through partnerships, services and programs.
2. Build unique transformational infrastructure that enhances liveability and passive and active recreation.
3. Construct a regional community wellbeing centre.
4. Respond to key community needs through innovative, commercially focused services including aged care and early childhood services.

##### **Growth**

To achieve our objective of Growth the following are our strategic priorities:

1. Facilitate infrastructure, programs and policies that support economic development and productivity, whilst considering our natural environment.
2. Facilitate the implementation of new energy infrastructure and energy projects.
3. Advocate for improvements in digital connectivity and services.
4. Support the creation of destinations in the Gannawarra to attract visitors to our region.
5. Continue to support existing agriculture and facilitate diversification to improve regional productivity through sustainable planning.
6. Support growth through land rezoning for future rural residential development opportunities.

##### **Sustainability**

To achieve our objective of Sustainability, the following are our strategic priorities:

1. Generate additional revenue through new energy infrastructure and commercially viable services.
2. Carefully monitor expenditure to ensure value for money and monitor our long term financial plan to maintain financial sustainability.
3. Be a creative employer of choice through our adherence to good governance and our inclusive culture.
4. Support community resilience through climate adaptation, clean energy, environmental sustainability and waste management programs.

##### **Rates and charges**

To achieve a fair and equitable distribution of rates across all rating categories.

##### **Victoria Grants Commission**

Untied general purpose Financial Assistance Grants are provided by the Commonwealth Government to local government.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

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

	Income/ Revenue	Expenses	Surplus/ (deficit)	Grants included in income/ revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2025</b>					
Liveability	14,601	20,579	(5,978)	12,122	274,942
Growth	899	2,165	(1,266)	200	7,004
Sustainability	2,389	9,405	(7,016)	677	93,375
Rates And Charges	16,236	-	16,236	-	-
Victoria Grants Commission	10,970	-	10,970	10,970	-
	<b>45,095</b>	<b>32,149</b>	<b>12,946</b>	<b>23,969</b>	<b>375,321</b>

	Income/ Revenue	Expenses	Surplus/ (deficit)	Grants included in income/ revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>					
Liveability	10,353	21,484	(11,131)	6,523	228,875
Growth	680	1,662	(982)	96	7,207
Sustainability	1,784	9,355	(7,571)	170	76,093
Rates And Charges	15,627	-	15,627	-	-
Victoria Grants Commission	307	-	307	307	-
	<b>28,751</b>	<b>32,502</b>	<b>(3,750)</b>	<b>7,096</b>	<b>312,175</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>Note 3. Funding for the delivery of our services</b>	<b>2025</b>	<b>2024</b>
<b>3.1 Rates and charges</b>	<b>\$'000</b>	<b>\$'000</b>

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its value at which the unencumbered land might be expected to realise in an open market at the time of the valuation.

The valuation base used to calculate general rates for 2024/25 was \$3,640 million (2023/24 \$3,444 million).

General rates	12,449	11,988
Municipal charge	658	656
Service rates and charges	2,749	2,695
Interest on rates and charges	240	153
Revenue in lieu of rates	140	135
<b>Total rates and charges</b>	<b>16,236</b>	<b>15,627</b>

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

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

**3.2. User fees**

Aged and health services	0	108
Child care/children's programs	1,743	1,722
External Works	145	410
Hall hire	31	22
Health and preventative services	53	59
Library, arts and culture	6	8
Office services	39	31
Recreation	161	160
Tourism	6	8
Waste and environment	159	100
Other fees and charges	40	56
<b>Total user fees</b>	<b>2,383</b>	<b>2,684</b>

**User fees by timing of revenue recognition**

User fees recognised at a point in time	2,383	2,684
<b>Total user fees</b>	<b>2,383</b>	<b>2,684</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>3.3. Funding from other levels of government</b>	<b>2025</b>	<b>2024</b>
Grants were received in respect of the following :	<b>\$'000</b>	<b>\$'000</b>
<b>Summary of grants</b>		
Commonwealth funded grants	19,649	2,955
State funded grants	4,320	4,141
<b>Total grants received</b>	<b>23,969</b>	<b>7,096</b>
 <b>(a) Operating grants</b>		
<b><i>Recurrent - Commonwealth Government</i></b>		
Financial Assistance Grants - unallocated	6,971	194
Financial Assistance Grants - local roads	3,999	112
Children and families	-	40
Aged care	-	341
<b><i>Recurrent - State Government</i></b>		
Libraries	146	146
Children and families	2,436	2,078
Heritage and culture	19	1
Preventative services	54	51
Aged care	-	60
School crossings	31	30
Municipal emergency	60	-
Roadside weeds and pest control	69	69
<b>Total recurrent operating grants</b>	<b>13,785</b>	<b>3,122</b>
 <b><i>Non-recurrent - Commonwealth Government</i></b>		
2022 Flood assistance grants	-	250
 <b><i>Non-recurrent - State Government</i></b>		
Children and families	-	82
2022 Flood assistance grants	-	222
Other non-recurrent state	334	344
<b>Total non-recurrent operating grants</b>	<b>334</b>	<b>898</b>
<b>Total operating grants</b>	<b>14,119</b>	<b>4,020</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

(b) Capital grants	2025	2024
	\$'000	\$'000
<b>Recurrent - Commonwealth Government</b>		
Roads to Recovery	1,709	1,541
<b>Recurrent - State Government</b>		
Library	6	6
<b>Total recurrent capital grants</b>	<b>1,715</b>	<b>1,547</b>
<b>Non-recurrent - Commonwealth Government</b>		
Roads	4,942	-
Bridges	591	-
Recreation	61	-
Parks and streetscapes	1,346	476
Other	31	-
<b>Non-recurrent - State Government</b>		
Land improvements	-	276
Building improvements	364	38
Office equipment	162	22
Office furniture	69	-
Footpaths	-	134
Drainage	12	8
Plant and equipment	-	26
Parks and streetscapes	559	549
<b>Total non-recurrent capital grants</b>	<b>8,135</b>	<b>1,529</b>
<b>Total capital grants</b>	<b>9,850</b>	<b>3,076</b>

**(c) Recognition of grant income**

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

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

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 *Income of 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.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

	2025	2024
	\$'000	\$'000
<b>Income recognised under AASB 1058 <i>Income of Not-for-Profit Entities</i></b>		
General purpose	11,182	307
Specific purpose grants to acquire non-financial assets	9,850	3,077
Other specific purpose grants	431	1,183
<b>Revenue recognised under AASB 15 <i>Revenue from Contracts with Customers</i></b>		
Specific purpose grants	2,506	2,530
	<b>23,969</b>	<b>7,097</b>
<b>(d) Unspent grants received on condition that they be spent in a specific manner</b>		
<b><i>Operating</i></b>		
Balance at start of year	416	617
Received during the financial year and remained unspent at balance date	375	416
Received in prior years and spent during the financial year	(416)	(617)
Balance at year end	<b>375</b>	<b>416</b>
<b><i>Capital</i></b>		
Balance at start of year	4,134	4,630
Received during the financial year and remained unspent at balance date	426	588
Received in prior years and spent during the financial year	(1,973)	(1,084)
Balance at year end	<b>2,587</b>	<b>4,134</b>
<b>3.4. Other income</b>		
Interest	1,149	1,163
Investment property rental	370	344
Reimbursements - welfare and children's services	-	1,120
Reimbursements - garbage collection and recycling	-	5
Reimbursements - other	198	162
Other	68	12
<b>Total other income</b>	<b>1,785</b>	<b>2,806</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.



**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>Note 4. The cost of delivering services</b>	<b>2025</b>	<b>2024</b>
<b>4.1. (a) Employee costs</b>	<b>\$'000</b>	<b>\$'000</b>
Wages and salaries	9,125	9,877
Workcover	350	484
Superannuation	1,356	1,414
Fringe benefits tax	116	116
Annual leave and long service leave	1,460	1,695
Other leave	1,072	1,156
Salaries capitalised	(211)	(195)
Redundancies - Community care services and staff restructure	2	381
Other	194	249
<b>Total employee costs</b>	<b>13,464</b>	<b>15,175</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	44	42
	<u>44</u>	<u>42</u>
Employer contributions payable at reporting date.	-	-

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	634	685
Employer contributions - other funds		
Australian Superannuation	188	167
Other superfunds - less than 10% individually	490	520
	<u>1,312</u>	<u>1,372</u>
Employer contributions payable at reporting date.	-	-

<b>Total superannuation costs</b>	<b>1,356</b>	<b>1,414</b>
-----------------------------------	--------------	--------------

Contributions made exclude amounts accrued at balance date.

Most employees in the group are members of various accumulation funds including Vision Super, and other industry and retail funds. As of 30 June 2025, there were 6 employees in the defined benefit funds.

For 30 June 2025 the Vested Benefits Index (VBI) for the defined benefits fund is 110.5% and in a good financial position, and therefore it is expected that there will be no change to the Defined Benefit category's funding arrangements from prior years.

In the unlikely event that the Fund Actuary determines there is a shortfall, the Fund's participating employers would be required to make an employer contribution to cover the shortfall. It is anticipated any shortfall in subsequent years would be immaterial to the Council.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>4.2. Materials and services</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Operational materials	2,029	1,728
Operational services	3,743	4,091
Contract payments	874	237
Building maintenance	24	27
General maintenance	25	10
Utilities	428	347
Office administration	305	307
Information technology	539	493
Insurance	637	507
Consultants	586	699
Contributions	321	456
Bank charges	33	39
Other	133	116
<b>Total materials and services</b>	<b>9,677</b>	<b>9,056</b>
Expenses are recognised as they are incurred and reported in the financial year to which they relate.		
<b>4.3. Depreciation</b>		
<b>Property</b>		
Land improvements	283	170
Buildings - non specialised	635	582
Building improvements	40	36
<b>Total depreciation - property</b>	<b>958</b>	<b>788</b>
<b>Plant and equipment</b>		
Plant machinery and equipment	776	808
Fixtures fittings and furniture	28	28
Computers and telecommunications	243	234
Library books	91	86
<b>Total depreciation - plant and equipment</b>	<b>1,138</b>	<b>1,156</b>
<b>Infrastructure</b>		
Roads	3,561	3,464
Bridges	454	454
Footpaths and cycleways	170	158
Drainage	345	343
Waste management	70	63
Recreation, parks and open spaces	649	578
Aerodrome	57	51
Kerb and channel	520	516
Other infrastructure	390	353
<b>Total depreciation - infrastructure</b>	<b>6,216</b>	<b>5,980</b>
<b>Total depreciation</b>	<b>8,312</b>	<b>7,924</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

<b>4.4. Other expenses</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	73	51
Auditors' remuneration - Internal Audit	29	5
Councillors' allowances	255	251
Valuations	12	6
Election expenses	127	2
Councillor induction	29	-
Council Plan	46	-
Penalties and settlements	22	-
<b>Total other expenses</b>	<b>593</b>	<b>315</b>

**Note 5 Investing in and financing our operations**

**5.1. Financial assets**

**(a) Cash and cash equivalents**

Cash on hand	2	2
Cash at bank	7,029	3,669
Term deposits	3,000	3,000
<b>Total cash and cash equivalents</b>	<b>10,031</b>	<b>6,671</b>

**(b) Other financial assets**

**Current**

Term deposits	15,304	15,208
<b>Total other financial assets</b>	<b>15,304</b>	<b>15,208</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>25,335</b>	<b>21,879</b>

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

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

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

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(c) Trade and other receivables</b>		
<i>Statutory receivables</i>		
Rates debtors	3,582	2,556
Allowance for expected credit loss - rates	(338)	(380)
Fire services debtor levy	517	367
Net GST receivable	559	255
Infringement debtors	43	39
Allowance for expected credit loss - infringements	(43)	(39)
<i>Non statutory receivables</i>		
Other debtors	993	352
Allowance for expected credit loss - other debtors	(180)	(147)
Allowance for expected credit loss - NDIS	(1)	(8)
<b>Total trade and other receivables</b>	<b>5,132</b>	<b>2,995</b>

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

**(d) Ageing of Receivables**

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

Current (not yet due)	779	63
Past due by up to 31 and 60 days	10	10
Past due between 61 and 90 days	5	3
Past due by more than 90 days	199	276
<b>Total trade and other receivables</b>	<b>993</b>	<b>352</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**5.2 Payables, trust funds and deposits and contract and other liabilities**

<b>(a) Trade and other payables</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-statutory payables</i>		
Trade payables	2,838	1,834
Accrued expenses	548	879
<b>Total trade and other payables</b>	<b>3,386</b>	<b>2,713</b>
<b>(b) Contract and other liabilities</b>		
<b>Contract liabilities</b>		
<b>Current</b>		
Grants received in advance - operating	375	416
<b>Total contract liabilities</b>	<b>375</b>	<b>416</b>
<b>Other liabilities</b>		
<b>Current</b>		
Deferred capital grants	2,587	4,134
<b>Total other liabilities</b>	<b>2,587</b>	<b>4,134</b>
<b>Total contract and other liabilities</b>	<b>2,962</b>	<b>4,550</b>

*Contract liabilities*

Contract liabilities reflect consideration received in advance from customers in respect of delivery of services/delivery of grant outcomes. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

*Other liabilities*

Grant consideration was received from State and Federal Governments to support the construction of various assets. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of these assets. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**5.3. Provisions**

	Employee	Landfill restoration	Total
	\$ '000	\$ '000	\$ '000
<b>2025</b>			
Balance at beginning of the financial year	3,614	1,414	5,028
Additional provisions	1,520	106	1,626
Amounts used	(1,347)	(80)	(1,427)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(255)	(130)	(385)
<b>Balance at the end of the financial year</b>	<b>3,532</b>	<b>1,310</b>	<b>4,842</b>
<i>Provisions - current</i>	3,186	690	3,876
<i>Provisions - non-current</i>	346	620	966
<b>2024</b>			
Balance at beginning of the financial year	5,649	1,199	6,848
Additional provisions	267	270	537
Amounts used	(2,015)	(12)	(2,027)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(287)	(43)	(330)
<b>Balance at the end of the financial year</b>	<b>3,614</b>	<b>1,414</b>	<b>5,028</b>
<i>Provisions - current</i>	3,257	707	3,964
<i>Provisions - non-current</i>	357	707	1,064
	<b>2025</b>	<b>2024</b>	
	<b>\$'000</b>	<b>\$'000</b>	
<b>(a) Employee provisions</b>			
<b>Current provisions expected to be wholly settled within 12 months</b>			
Annual leave	877	851	
Long service leave	289	183	
	<b>1,166</b>	<b>1,034</b>	
<b>Current provisions expected to be wholly settled after 12 months</b>			
Annual leave	331	374	
Long service leave	1,689	1,849	
	<b>2,020</b>	<b>2,223</b>	
Total current employee provisions	<b>3,186</b>	<b>3,257</b>	
<b>Non-current</b>			
Long service leave	346	357	
<b>Total non-current employee provisions</b>	<b>346</b>	<b>357</b>	
<b>Aggregate carrying amount of employee provisions:</b>			
Current	3,186	3,257	
Non-current	346	357	
<b>Total aggregate carrying amount of employee provisions</b>	<b>3,532</b>	<b>3,614</b>	

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

### Notes to the Financial Report For the Year Ended 30 June 2025

#### *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:	<b>2025</b>	<b>2024</b>
- discount rate	4.20%	4.35%
- index rate	4.25%	4.45%
	<b>2025</b>	<b>2024</b>
<b>(b) Landfill restoration</b>	<b>\$'000</b>	<b>\$'000</b>
Current	690	707
Non-current	620	707
	<b>1,310</b>	<b>1,414</b>

Council is obligated to restore Denyer's landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. 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:	<b>2025</b>	<b>2024</b>
- discount rate	4.20%	4.35%
- index rate - CPI	2.04%	3.67%

#### **5.4. Financing arrangements**

The Council has the following funding arrangements in place as at 30 June 2025.

Credit card facilities	100	100
Loans	-	53
<b>Total facilities</b>	<b>100</b>	<b>153</b>
Used facilities	25	66
Unused facilities	<b>75</b>	<b>87</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**5.5. 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	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2025</b>					
<b>Operating</b>					
Garbage and recycling collection	1,469	1,469	2,938	-	5,876
Drainage	226	-	-	-	226
Building services	286	-	-	-	286
<b>Total</b>	<b>1,981</b>	<b>1,469</b>	<b>2,938</b>	<b>-</b>	<b>6,388</b>
<b>Capital</b>					
Recreation and community	4,486	-	-	-	4,486
Waste	29	-	-	-	29
Bridges	117	-	-	-	117
Drainage	84	-	-	-	84
<b>Total</b>	<b>4,716</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,716</b>

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>					
<b>Operating</b>					
Garbage and recycling collection	1,524	1,596	5,256	-	8,376
<b>Total</b>	<b>1,524</b>	<b>1,596</b>	<b>5,256</b>	<b>-</b>	<b>8,376</b>
<b>Capital</b>					
Recreation and community	4,975	-	-	-	4,975
Waste	82	-	-	-	82
Bridges	1,235	-	-	-	1,235
Plant and equipment	106	-	-	-	106
Flood recovery works	3,420	-	-	-	3,420
<b>Total</b>	<b>9,818</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,818</b>



### Notes to the Financial Report For the Year Ended 30 June 2025

#### **b) 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:

	2025	2024
	\$'000	\$'000
Not later than one year	300	311
Later than one year and not later than five years	500	726
Later than five years	354	376
	1,154	1,413

#### **5.6. Leases**

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

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

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

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

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

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

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

### Notes to the Financial Report For the Year Ended 30 June 2025

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.

<b>Right-of-Use Assets</b>	Plant and equipment		
	<b>\$'000</b>		
Balance at 1 July 2024	-		
Additions	1,350		
Amortisation charge	(79)		
<b>Balance at 30 June 2025</b>	<b>1,271</b>		

<b>Lease Liabilities</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	144	-
One to five years	817	-
More than five years	15	-
<b>Total undiscounted lease liabilities as at 30 June:</b>	<b>976</b>	<b>-</b>

Lease liabilities included in the Balance Sheet at 30 June:

Current	144	-
Non-current	1,136	-
<b>Total lease liabilities</b>	<b>1,280</b>	

Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 6. Assets we manage

6.1. Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2024	Additions	Revaluation	Depreciation	Disposal	Transfers	Write- off/transfer to operating expense	Carrying amount 30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	41,800	174	1,102	(958)	(259)	-	-	41,859
Plant and equipment	4,454	1,436	-	(1,138)	(54)	32	-	4,730
Infrastructure	236,293	11,041	49,621	(6,216)	-	250	-	290,989
Work in progress	2,312	2,421	-	-	-	(282)	(461)	3,990
	<b>284,859</b>	<b>15,072</b>	<b>50,723</b>	<b>(8,312)</b>	<b>(313)</b>	<b>-</b>	<b>(461)</b>	<b>341,568</b>

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write- off/transfer to operating expense	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	355	1,596	-	(59)	1,892
Infrastructure	1,957	825	(282)	(402)	2,098
<b>Total</b>	<b>2,312</b>	<b>2,421</b>	<b>(282)</b>	<b>(461)</b>	<b>3,990</b>

Notes to the Financial Report  
For the Year Ended 30 June 2025

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Land improvements - specialised \$'000	Land under roads \$'000	Total Land & Land Improvements \$'000	Buildings - non specialised \$'000	Building improvements \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 30 June 2024	5,144	5,872	8,548	4,500	24,063	35,144	1,220	36,364	355	60,782
Accumulated depreciation at 30 June 2024	-	-	(1,926)	-	(1,926)	(16,254)	(447)	(16,701)	-	(18,627)
	5,144	5,872	6,622	4,500	22,137	18,890	773	19,663	355	42,156
<b>Movements in fair value</b>										
Additions	-	-	142	-	142	-	32	32	1,596	1,770
Revaluation	-	-	377	-	377	1,517	54	1,571	-	1,948
Disposal	-	(259)	-	-	(259)	-	-	-	-	(259)
Write-off/transfer to operating expense	-	-	-	-	-	-	-	-	(59)	(59)
	-	(259)	519	-	260	1,517	86	1,602	1,538	3,400
<b>Movements in accumulated depreciation</b>										
Depreciation	-	-	(283)	-	(283)	(635)	(40)	(675)	-	(958)
Revaluation	-	-	(95)	-	(95)	(729)	(21)	(750)	-	(845)
	-	-	(378)	-	(378)	(1,364)	(61)	(1,425)	-	(1,803)
At fair value 30 June 2025	5,144	5,613	9,066	4,500	24,323	36,661	1,306	37,967	1,893	64,183
Accumulated depreciation at 30 June 2025	-	-	(2,303)	-	(2,303)	(17,617)	(509)	(18,125)	-	(20,428)
<b>Carrying amount</b>	<b>5,144</b>	<b>5,613</b>	<b>6,764</b>	<b>4,500</b>	<b>22,020</b>	<b>19,044</b>	<b>797</b>	<b>19,841</b>	<b>1,893</b>	<b>43,754</b>

Notes to the Financial Report  
For the Year Ended 30 June 2025

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures and furniture	Computers and telecommunicat ions	Library books	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 30 June 2024	10,487	248	2,872	1,815	15,422
Accumulated depreciation at 30 June 2024	(7,361)	(154)	(2,320)	(1,133)	(10,969)
	3,126	94	551	682	4,453
<b>Movements in fair value</b>					
Additions	1,007	69	263	98	1,436
Disposal	(187)	-	-	-	(187)
Transfers	-	-	32	-	32
	819	69	296	98	1,281
<b>Movements in accumulated depreciation</b>					
Depreciation	(775)	(28)	(243)	(91)	(1,138)
Accumulated depreciation of disposals	133	-	-	-	133
	(642)	(28)	(243)	(91)	(1,005)
At fair value 30 June 2025	11,306	317	3,167	1,913	16,703
Accumulated depreciation at 30 June 2025	(8,003)	(182)	(2,564)	(1,225)	(11,974)
<b>Carrying amount</b>	<b>3,303</b>	<b>135</b>	<b>603</b>	<b>688</b>	<b>4,729</b>

Notes to the Financial Report  
For the Year Ended 30 June 2025

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste Management	Recreation, parks and open spaces	Aerodrome	Kerb and channel	Other infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 30 June 2024	230,912	44,781	16,196	27,635	3,455	33,153	3,061	41,574	19,828	1,957	422,552
Accumulated depreciation at 30 June 2024	(109,536)	(15,195)	(5,630)	(12,795)	(1,412)	(12,328)	(1,780)	(16,327)	(9,299)	-	(184,303)
	121,377	29,586	10,565	14,840	2,043	20,825	1,280	25,247	10,529	1,957	238,249
<b>Movements in fair value</b>											
Additions	8,752	1,638	167	32	25	150	-	278	-	825	11,865
Revaluation	(30,285)	132	(508)	6,594	150	1,435	132	3,862	856	-	(17,632)
Write-off/transfer to operating expense	-	-	-	-	-	-	-	-	-	(402)	(402)
Transfers	-	45	205	-	-	-	-	-	-	(282)	(32)
	(21,532)	1,815	(137)	6,626	175	1,585	132	4,140	856	140	(6,201)
<b>Movements in accumulated depreciation</b>											
Depreciation	(3,562)	(454)	(170)	(345)	(70)	(649)	(57)	(520)	(390)	-	(6,216)
Revaluation	44,395	9,459	2,121	6,560	(64)	(560)	(79)	5,839	(418)	-	67,253
	40,834	9,005	1,951	6,215	(134)	(1,209)	(136)	5,319	(808)	-	61,037
At fair value 30 June 2025	209,380	46,596	16,059	34,261	3,630	34,738	3,193	45,713	20,684	2,097	416,350
Accumulated depreciation at 30 June 2025	(68,702)	(6,190)	(3,679)	(6,580)	(1,547)	(13,538)	(1,916)	(11,008)	(10,107)	-	(123,266)
<b>Carrying amount</b>	<b>140,678</b>	<b>40,407</b>	<b>12,380</b>	<b>27,681</b>	<b>2,083</b>	<b>21,200</b>	<b>1,276</b>	<b>34,706</b>	<b>10,577</b>	<b>2,097</b>	<b>293,084</b>

### Notes to the Financial Report For the Year Ended 30 June 2025

#### *Acquisition*

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

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

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

<i>Asset recognition thresholds and depreciation periods</i>	<b>Depreciation Period</b>	<b>Threshold Limit</b>
Land & land improvements		
Land	Not depreciated	2,000
Land improvements	10 - 65 Years	5,000
Buildings		
Buildings	43 - 90 years	5,000
Building and leasehold improvements	10 - 65 years	5,000
Plant and Equipment		
Plant, machinery and equipment	3 - 50 years	2,000
Fixtures, fittings and furniture	5 -25 Years	2,000
Computers and telecommunications	4 -10 Years	2,000
Library books	10 - 20 years	1,000
Infrastructure		
Roads - pavements, substructure, formation and earthworks	15 - 100 years	10,000
Roads - kerb, channel and minor culverts	80 years	5,000
Bridges	100 years	5,000
Footpaths and cycleways	100 years	5,000
Drainage	94 years	10,000
Aerodrome	50 - 65 years	5,000
Recreational, leisure and community facilities	10 - 90 years	5,000
Parks, open space and streetscapes	10 - 65 years	5,000
Waste management	50 - 65 years	5,000
Other Infrastructure	10 - 90 years	5,000

---

### Notes to the Financial Report For the Year Ended 30 June 2025

---

#### *Land under roads*

Council recognises land under roads it controls at fair value.

#### *Depreciation and amortisation*

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

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

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

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

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

#### *Repairs and maintenance*

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

#### ***Valuation of land and buildings***

Valuation of land and buildings were undertaken by a qualified independent valuer, Preston Rowe Paterson Horsham & Wimmera Pty. Ltd. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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



### Notes to the Financial Report For the Year Ended 30 June 2025

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on Rawlinson's indexation movement of 4.32% since the last indexed revaluation at 30 June 2024.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Land	-	5,613	5,144	30/06/2022	Independent
Land Improvements	-	-	6,764	30/06/2025	Indexed
Land under roads	-	-	4,500	30/06/2022	Independent
Buildings	-	-	19,044	30/06/2025	Indexed
Building Improvements	-	-	797	30/06/2025	Indexed
<b>Total</b>	<b>-</b>	<b>5,613</b>	<b>36,249</b>		

#### **Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Council's Manager of Assets & Property, Dmitry Belyakov (MSc, CPEng). An indexed based revaluation was conducted in the current year, this valuation was based on Rawlinson's indexation set for the relevant asset class and applied to the last indexed revaluation at 30 June 2024.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Roads	-	-	140,678	30/06/2025	Independent
Bridges	-	-	40,407	30/06/2025	Independent
Footpaths and cycleways	-	-	12,380	30/06/2025	Independent
Drainage	-	-	27,681	30/06/2025	Independent
Waste management	-	-	2,083	30/06/2025	Indexed
Parks, open space and streetscapes	-	-	21,200	30/06/2025	Indexed
Aerodrome	-	-	1,276	30/06/2025	Indexed
Kerb and channel	-	-	34,706	30/06/2025	Independent
Other infrastructure	-	-	10,577	30/06/2025	Indexed
<b>Total</b>	<b>-</b>	<b>-</b>	<b>290,987</b>		

### Notes to the Financial Report For the Year Ended 30 June 2025

---

#### **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 30% and 80%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$7.50 and \$425 per square metre.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$330 to \$5,500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 to 90 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 current 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 15 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.

Reconciliation of specialised land	2025 \$'000	2024 \$'000
Land	5,144	5,144
Land improvements	6,764	6,622
Land under roads	4,500	4,500
<b>Total specialised land</b>	<b>16,407</b>	<b>16,266</b>

Notes to the Financial Report  
For the Year Ended 30 June 2025

**Note 7. People and relationships**

**7.1. Council and key management remuneration**

**(a) Related Parties**

*Parent entity*

Council is the parent entity.

*Subsidiaries and Associates*

Mystic Park Cemetery Trust has not been consolidated into the accounts of the parent entity as the level of transactions is immaterial. There are no other subsidiaries or 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 Gannawarra Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.

Details of KMP at any time during the year are:

<b>Councillors</b>	Councillor Garner Smith (Mayor from 18 November 2024)
	Councillor Ross Stanton (Mayor from 6 November 2023 - 18 November 2024, Deputy Mayor from 18 November 2024)
	Councillor Charlie Gillingham (Deputy Mayor from 6 November 2023 - 18 November 2024)
	Councillor Keith Link (October 2020 - Oct 2024, Re-elected October 2024)
	Councillor Lisa Farrant (Elected October 2024)
	Councillor Pat Quinn (Elected October 2024)
	Councillor Daniel Bolitho (Elected October 2024)
	<b>Outgoing Councillors to October 2024 -</b>
	Councillor Jane Ogden
	Councillor Kelvin Burt
	Councillor Travis Collier
	Chief Executive Officer
	Director - Corporate Services
	Director - Community Wellbeing
	Director - Infrastructure and Development
	Executive Manager - Economic Development

	2025	2024
	No.	No.
Total Number of Councillors	10	7
Total of Chief Executive Officer and other Key Management Personnel	5	6
Total Number of Key Management Personnel	15	13

### Notes to the Financial Report For the Year Ended 30 June 2025

#### (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.

	2025	2024
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,234	1,203
Other long-term benefits	21	21
Post employment benefits	105	98
<b>Total</b>	<b>1,360</b>	<b>1,322</b>

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

	No.	No.
\$0 - \$9,999	3	-
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	1	4
\$30,000 - \$39,999	1	1
\$50,000 - \$59,999	1	1
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	-	1
\$110,000 - \$119,999	-	1
\$190,000 - \$199,999	1	1
\$200,000 - \$209,999	3	2
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	1	-
	<b>15</b>	<b>13</b>

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

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

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

	2025	2024
	\$'000	\$'000
Total remuneration of other senior staff was as follows:		
Short-term benefits	268	106
Other long-term benefits	6	28
Post employment benefits	29	11
Termination benefits	-	120
<b>Total</b>	<b>303</b>	<b>265</b>

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

	2025	2024
	No.	No.
Income Range:		
Less than \$151,000	1	-
\$170,000 - \$179,999	1	-
\$260,000 - \$269,999	-	1
	<b>2</b>	<b>1</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Remuneration for the reporting year for other senior staff included above, amounted to:	303	265

**7.2. Related party disclosure**

**(a) Transactions with related parties**

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

2025	2024
Nil	Nil

**(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

Nil	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:

Nil	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:

Nil	Nil
-----	-----

## Notes to the Financial Report For the Year Ended 30 June 2025

### 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, Council held the following bank guarantees for contract works being undertaken.

	Start Date	Amount \$'000
Earthworks Civil & Construction Pty Ltd - G10-2021 (Practical Completion)	9/07/2022	38
Earthworks Civil & Construction Pty Ltd - G10-2021 (Defects Liability)	9/07/2022	38
S & R Engineering - G02-2021 (Practical Completion)	23/02/2023	25
S & R Engineering - G11-2021 (Practical Completion)	23/02/2023	11
Veolia Environmental Services - G03-2021 (Practical Completion)	28/03/2023	310
CJ & BT McLoughlan Pty Ltd - G10-2022 (End of Maintenance Period)	27/04/2023	58
RTM Constructions Pty Ltd - G11-2023 (Practical Completion)	1/08/2024	69
RTM Constructions Pty Ltd - G11-2023 (Defects Liability)	1/08/2024	69
Northern Constructions Group Pty Ltd - G05-2023 (Practical Completion)	28/02/2025	26
Northern Constructions Group Pty Ltd - G05-2023 (Defects Liability)	28/02/2025	26
Primal Surfacing Pty Ltd - G08-2024 (Practical Completion)	13/05/2025	27
Primal Surfacing Pty Ltd - G08-2024 (Defects Liability)	13/05/2025	27

At balance date the Council was impacted by the significant flood event AGRN 1037 in October 2022. This flood event led to clean-up, recovery activities and asset restoration works costing council \$10.163 million. Council has lodged claims with the Victorian State Government for assessment in line with the Disaster Recovery Funding Arrangements 2018 and various other Government funding streams. At June 2025 Council has \$1.152 million in restricted cash as various funding streams have been paid in advance. Council will continue to submit claims to expend the remaining funds in the 2025/26 financial year

##### (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.

## Notes to the Financial Report For the Year Ended 30 June 2025

### Landfill

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

### Insurance claims

Council is unaware of any major insurance claims that could have a material impact on future operations.

### Legal matters

Council is unaware of any major legal matters that could have a material impact on future operations.

### Building cladding

Council is unaware of any potential contingents that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

### Liability Mutual Insurance

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV.

In accordance with the Authority's decision not to renew the MAV's self-insurance licence, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council was a participant of the MAV WorkCare Scheme.

The MAV WorkCare Scheme participation agreement stated that each participant would 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 would continue whether or not the participant remained a participant in future insurance years.

The net financial impact on Council as a result of the cessation of the MAV WorkCare Scheme for the 2020-21 financial year is yet to be determined. Any obligation is dependent upon the Authority's initial actuarial assessment of the tail claims liabilities of the MAV WorkCare Scheme 5.

In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six-year liability period following the cessation of the MAV WorkCare Scheme. During the liability period, adjustment payments may be required (or received) by Council. The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by the Authority.

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

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee. This amount is determined by the Environment Protection Authority to cover the Council's landfill rehabilitation requirements.

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.

The following Bank Guarantee is held by State of Victoria - Environment Protection Authority on behalf of Council:

	Start Date	Amount \$'000
Kerang Landfill Financial Assurance	11/04/2013	247

---

## Notes to the Financial Report For the Year Ended 30 June 2025

---

### 8.2. Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council. In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

### 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 material accounting policy information 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's financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

#### *Interest rate risk*

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

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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



## Notes to the Financial Report For the Year Ended 30 June 2025

### (c) Credit risk

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

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

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

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

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

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

### (d) Liquidity risk

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

To help reduce these risks Council:

- 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.

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

### (e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 3.85%.

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

## Notes to the Financial Report For the Year Ended 30 June 2025

---

### 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.

Council has considered the amendments to AASB 13 *Fair Value Measurement* that apply for the 2024-25 financial year as a result of AASB 2022-10 Amendments to Australian Accounting Standards - *Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The AASB 13 amendments have impacted Council's financial statements as follows:

- The current replacement cost of Council assets, such as infrastructure assets, has increased by \$20.2 million due to the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets.

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.

### Notes to the Financial Report For the Year Ended 30 June 2025

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 4 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	3 to 4 years
Buildings	3 to 4 years
Roads	3 to 4 years
Bridges	3 to 4 years
Footpaths and cycleways	3 to 4 years
Drainage	3 to 4 years
Recreational, leisure and community facilities	3 to 4 years
Waste management	3 to 4 years
Parks, open space and streetscapes	3 to 4 years
Aerodrome	3 to 4 years
Other infrastructure	3 to 4 years

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

#### *Impairment of assets*

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

#### **8.5. Events occurring after balance date**

On 19 August 2025, the Gannawarra Shire Council Enterprise Bargaining Agreement No 11 (2025) was officially approved by the Fair Work Commission. As a result there will be a backdated increase paid to majority of the workforce from 2 March 2025. The financial impact of this decision is minor and therefore will be reported in the 2025/26 financial year, which is the year in which the payments will be made.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 9. Other matters****9.1. Reserves****(a) Revaluation reserves****2025****Property**

Land and land improvements

Buildings

**Infrastructure**

Roads

Bridges

Footpaths and cycleways

Drainage

Waste management

Recreation, parks and open space

Aerodrome

Kerb and channel

Other infrastructure

**Total revaluation reserves****2024****Property**

Land and land improvements

Buildings

**Infrastructure**

Roads

Bridges

Footpaths and cycleways

Drainage

Waste management

Recreation, parks and open space

Aerodrome

Kerb and channel

Other infrastructure

**Total revaluation reserves**

	Balance at beginning of reporting period \$'000	Increase (decrease) \$'000	Balance at end of reporting period \$'000
<b>2025</b>			
<b>Property</b>			
Land and land improvements	4,221	282	4,503
Buildings	12,565	820	13,385
	16,786	1,102	17,888
<b>Infrastructure</b>			
Roads	110,125	14,111	124,236
Bridges	20,244	9,590	29,834
Footpaths and cycleways	4,733	1,613	6,346
Drainage	7,095	13,154	20,249
Waste management	392	86	478
Recreation, parks and open space	5,478	875	6,353
Aerodrome	950	53	1,003
Kerb and channel	19,071	9,701	28,772
Other infrastructure	9,183	438	9,621
	177,271	49,621	226,892
<b>Total revaluation reserves</b>	<b>194,057</b>	<b>50,724</b>	<b>244,780</b>
<b>2024</b>			
<b>Property</b>			
Land and land improvements	3,539	682	4,221
Buildings	10,552	2,012	12,565
	14,091	2,694	16,786
<b>Infrastructure</b>			
Roads	110,125	-	110,125
Bridges	20,244	-	20,244
Footpaths and cycleways	4,733	-	4,733
Drainage	7,095	-	7,095
Waste management	183	209	392
Recreation, parks and open space	3,351	2,127	5,478
Aerodrome	819	131	950
Kerb and channel	19,071	-	19,071
Other infrastructure	8,106	1,077	9,183
	173,727	3,544	177,271
<b>Total revaluation reserves</b>	<b>187,818</b>	<b>6,238</b>	<b>194,057</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>9.2. Reconciliation of cash flows from operating activities to surplus</b>		
Surplus/(deficit) for the year	12,945	(3,750)
<i>Non-cash adjustments:</i>		
Profit on disposal of property, infrastructure, plant and equipment	(135)	(101)
Depreciation	8,392	7,924
Borrowing costs	28	6
Fair value adjustments for investment property	(70)	-
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(2,135)	327
(Increase)/decrease in prepayments	341	(553)
Increase/(decrease) in other assets	135	(174)
Increase/(decrease) in trade and other payables	673	206
Increase/(Decrease) in contract and other liabilities	(1,588)	(696)
(Decrease)/increase in other liabilities	(649)	985
(Increase)/decrease in inventories	19	136
Increase/(decrease) in provisions	(186)	(1,820)
Net cash provided by operating activities	<b>17,770</b>	<b>2,490</b>

**10. Change in accounting policy**

There have been no changes to accounting policies in the 2024/25 year.



## **Gannawarra Shire Council**

### **Performance Statement**

For the year ended 30 June 2025

## Table of Contents

Certification of the performance statement	5
Victorian Auditor-General's Office audit report	6
<b>Section 1.</b> Description of municipality	8
<b>Section 2.</b> Service performance indicators	9
<b>Section 3.</b> Financial performance indicators	12
<b>Section 4.</b> Sustainable capacity indicators	16
<b>Section 5.</b> Notes to the accounts	19
<b>5.1.</b> Basis of preparation	19
<b>5.2.</b> Definitions	20
<b>5.3.</b> Other matters	21

## 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*.

---

Phil Higgins,  
Master Business Administration (Finance), Bachelor Business (Local Government),  
Graduate Certificate (Business Excellence)  
**Principal Accounting Officer**  
**Dated:**

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

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

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

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

---

Garner Smith  
**Councillor**  
**Dated:**

---

Ross Stanton  
**Councillor**  
**Dated:**

---

Geoff Rollinson  
**Chief Executive Officer**  
**Dated:**

---



<INSERT VAGO REPORT PAGE 1>

<INSERT VAGO REPORT PAGE 2>

## **Section 1. Description of municipality**

Gannawarra Shire Council is located in the north-western part of Victoria, encompassing a blend of rural and regional communities. It covers a diverse landscape including significant agricultural areas along the Murray River and the Kerang Lakes. The Shire is known for its robust agricultural sector, including grain, dairy, and livestock farming, as well as emerging renewable energy projects. Covering an area of 3,735 square kilometres, Gannawarra Shire is home to over 10,500 residents, with population growth expected to remain steady. The region is characterised by its strong community ties and a growing focus on tourism, particularly related to its natural environment and water-based recreation.

## Section 2. Service performance indicators

For the year ended 30 June 2025

Results						
	2022	2023	2024	2025		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
<b>Aquatic Facilities Utilisation</b> <i>Utilisation of aquatic facilities</i>  [Number of visits to aquatic facilities / Municipal population]	3.03	3.59	3.84	N/A	3.82	Pool attendances have remained relatively consistent over the past 12 months.
<b>Animal Management Health and safety</b> <i>Animal management prosecutions</i>  [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0.00%	0.00%	0.00%	N/A	0.00%	There were no animal management prosecutions in 2024/2025.

<b>Food Safety</b> <b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i>  <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	100.00%	0.00%	0.00%	N/A	100.00%	A risk-based approach is undertaken as to food safety assessments of registered premises. 3 class two food premises were found to have critical non-compliances. All three premises were followed up with subsequent inspections to achieve compliance.
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with community consultation and engagement (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)</i>	46%	49%	51%	51	51	Same results as last year. Steady, slow increase of community satisfaction with consultation and engagement.
<b>Libraries</b> <b>Participation</b> <i>Library membership</i>  <i>[percentage of the population that are registered library members] x100</i>	N/A	N/A	21.50%	N/A	22.57%	Library membership has increased and is in the expected range

<b>Maternal and Child Health (MCH)</b> <b>Participation</b> <i>Participation in the MCH service</i> <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	80.77%	88.56%	81.69%	N/A	81.77%	Participation in Maternal & Child Health Services has remained steady in 2025
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	83.33%	95.56%	96.49%	N/A	92.19%	Participation in the Maternal and Child Health Service by Aboriginal children has slightly increased. Staff continue to strengthen partnerships with local Aboriginal services to provide a safe environment for all families to attend.
<b>Roads</b> <b>Condition</b> <i>Sealed local roads below the intervention level</i> <i>(percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)</i>	99.42%*	90.72%*	99.93%*	92.57%	99.92%	Sealed road assets condition profile had no major changes since the previous year.

<b>Statutory Planning</b> <b>Service standard</b> <i>Planning applications decided within the relevant required time</i>  <i>(percentage of planning application decisions made within the relevant required time)</i>	64.75%	66.67%	57.32%	66.67%	56.72%	Council continues to receive a number of complex applications which are large developments such as Intensive Animal Industry. These take longer to assess/process and require input from multiple agencies. As a result of agencies such as DTP, GMW requiring further information (RFI) and applications responding impacts on the offices workloads and increases costs to the statutory dept.
<b>Waste Management</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i>  <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	37.99%	36.50%	39.54%	36.50%	39.37%	There is a slight decrease of waste diversion however it is still within the acceptable range.

### Section 3. Financial performance indicators

For the year ended 30 June 2025

Dimension/indicator/ measure	2022	2023	2024	2025		2026	2027	2028	2029	Material Variations and Comments
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	
<b>Efficiency</b> <b>Expenditure level</b> <i>Expenses per property assessment</i>  <i>[Total expenses / Number of property assessments]</i>	\$4,696.00	\$5,387.00	\$4,643.00	\$4,668.29	\$4,549.82	\$4,745.83	\$4,890.60	\$5,019.67	\$5,188.93	The decrease in 2024/25 compared to prior year is due to exit from Community Care services in Oct 2023. This decrease is offset by increase in grant funded operating flood restoration works, increase in depreciation due to infrastructure revaluation in 2023/24 and additional council election related expenses
<b>Revenue level</b> <i>Average rate per property assessment</i>  <i>[Sum of all general rates and municipal charges / Number of property assessments]</i>	\$1,654.71	\$1,727.29	\$1,806.29	\$1,864	\$1,855.08	\$1,917.35	\$1,961.08	\$2,005.51	\$2,051.21	This increase is in line with the rate cap and supplementary valuations during the year.



<b>Liquidity</b> <b>Working capital</b> <i>Current assets compared to current liabilities</i>  <i>[Current assets / Current liabilities] x100</i>	199.99%	224.38%	207.05%	337.13%	281.86%	314.64%	331.70%	337.26%	335.73%	Council's position is sound. The increase compared to prior year relates to early payment of 50% of annual allocation of Federal Assistance Grant for 2025/26, increase in rates debtors and sundry (grant) debtors. Outstanding amounts from grant bodies were received in July 2025.
<b>Unrestricted cash</b>  <i>Unrestricted cash compared to current liabilities</i>  <i>Unrestricted cash / Current liabilities] x100</i>	54.41%	47.56%	-25.62%	171.50%	28.90%	150.93%	170.55%	175.27%	173.52%	Unrestricted cash is sufficient to cover Council's current obligation towards employee provisions and trade payables. Unrestricted cash excludes other financial assets i.e., term deposits with maturity greater than 90 days. Prudent cash flow management has allowed Council to invest cash in excess of current operational needs in term deposits to avail of higher interest rates. Interest on investments in 2024/25 = \$1.1m (Refer Annual Financial Statements Note 3.7).

<b>Obligations</b> <b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i>  <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>	1.79%	1.06%	0.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council has no loans as at 30 June 2025. There are no proposed borrowings over the four-year life of the Adopted Budget 2025/26.
<i>Loans and borrowings repayments compared to rates</i>  <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	0.89%	0.74%	0.69%	0.34%	0.50%	0.00%	0.00%	0.00%	0.00%	Council paid the final loan instalment in September 2024. There are no proposed borrowings over the four year life of the Adopted Budget 2025/26.
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i>  <i>[Non-current liabilities / Own source revenue] x100</i>	7.48%	3.35%	4.93%	3.45%	10.03%	9.47%	9.27%	9.08%	8.89%	The increase in this ratio is due to the recognition of contracted fleet used in Council's waste management contract in line with the accounting standards for leases.

<b>Asset renewal and upgrade</b> <i>Asset renewal and upgrade compared to depreciation</i>  <i>[Asset renewal and asset upgrade expense / Asset depreciation] x100</i>	94.31%	71.15%	92.43%	263.95%	147.39%	94.88%	93.69%	132.06%	117.73%	Increase in this ratio compared to prior years is attributed to capital flood restoration works undertaken in 2024/25 (\$5.17m).
<b>Operating position Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i>  <i>[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100</i>	4.45%	9.09%	-19.39%	1.19%	13.02%	-1.43%	-1.36%	-1.70%	-3.09%	Early payment of 50% of annual allocation of Federal Assistance Grant for 2025/26 (\$3.77m) has resulted in an adjusted underlying surplus in 2024/25. Had Council not received this early payment, this indicator would have been 3.13%. Interest on investments in 2024/25 = \$1.1m is a windfall gain. Council did not receive an early payment of Federal Assistance Grant in 2023/24, which resulted in an adjusted underlying deficit in 2023/24.

<b>Stability</b>										
<b>Rates concentration</b>										
<i>Rates compared to adjusted underlying revenue</i>	40.50%	35.10%	57.41%	48.82%	43.93%	50.12%	49.72%	49.70%	49.85%	In 2024/25, rates proportion of adjusted underlying revenue is lower than 2023/24 because of the early payment of 50% of annual allocation of Federal Assistance Grant for 2025/26 (\$3.77m). Had Council not received this early payment in 2024/25, this indicator would have been 48.92%.
<i>[Rate revenue / Adjusted underlying revenue] x100</i>										
<b>Rates effort</b>										
<i>Rates compared to property values</i>	0.69%	0.55%	0.45%	0.44%	0.44%	0.44%	0.44%	0.45%	0.45%	Rates revenue compared to property values remains consistent due to rate capping.
<i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>										

## Section 4. Sustainable capacity indicators

For the year ended 30 June 2025

Indicator / measure [formula]	Results				Comments
	2022	2023	2024	2025	
	Actual	Actual	Actual	Actual	
<b>Population</b> <i>Expenses per head of municipal population</i>	\$3,149.26	\$3,581.78	\$3,119.10	\$3,090.06	<p>The decrease in 2024/25 compared to prior year is due to exit from Community Care services in Oct 2023. This decrease is offset by increase in grant funded operating flood restoration works, increase in depreciation due to infrastructure revaluation in 2023/24 and additional council election related expenses.</p> <p>There has also been a decline in population which peaked in 2022/23 at 10,528 and is currently at 10,404. Population is based on ABS estimates and is pre-populated into this template.</p>
<i>Infrastructure per head of municipal population</i>  <i>[Value of infrastructure / Municipal population]</i>	\$21,806.76	\$24,553.38	\$25,213.24	\$30,702.71	<p>The increase is as a result of the revaluation of infrastructure assets.</p>

<i>Population density per length of road</i> <i>[Municipal population / Kilometres of local roads]</i>	4.58	4.62	4.57	4.27	Despite slight decline in the population, density per length of road has remained stable. Population is based on ABS estimates and is pre-populated into this template.
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> <i>[Own-source revenue / Municipal population]</i>	\$2,112.09	\$2,169.26	\$2,070.73	\$2,013.94	The decline in own source revenue is due to the exit from Community Care services in Oct 2023 and The growth in the prior years was due to growth in Community Care services. This is partly offset by higher-than-expected interest on investment.
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> <i>[Recurrent grants / Municipal population]</i>	\$1,144.09	\$1,271.94	\$448.08	\$1,489.81	Unlike 2023/24, Council received early payment of the Federal Assistance Grant allocation in 2024/25. Exit from Community Care services has also contributed to a reduction in this ratio.
<b>Disadvantage</b> <i>Relative Socio-Economic Disadvantage</i> <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	3.00	2.00	2.00	2.00	Indicator is unchanged.

<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] x100	11.48%	11.36%	41.73%	15.29%	Council's staff turnover rate has seen a significant decrease in 2024/2025 and returned to similar rates from previous years.
---	--------	--------	--------	--------	---

## Section 5. Notes to the accounts

### 5.1. Basis of preparation

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

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

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

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



## 5.2. Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> <li>• non-recurrent grants used to fund capital expenditure; and</li> <li>• non-monetary asset contributions; and</li> <li>• contributions to fund capital expenditure from sources other than those referred to above</li> </ul>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
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
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , 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
non-current liabilities	means all liabilities other than current liabilities
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
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, 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
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

### 5.3. Other Matters

#### Overview of 2025

During the financial year council experienced growth in residents and demand for services. Extensive capital works were undertaken to improve infrastructure.

## **7.5 CORPORATE PERFORMANCE REPORTING FRAMEWORK**

**Author:** Dylan Taylor, Governance Officer

**Authoriser:** Phil Higgins, Director Corporate Services

**Attachments:** 1 Corporate Performance Reporting Framework

### **RECOMMENDATION**

**That Council endorse Corporate Performance Reporting as presented and attached to this report and present a report to Council on the standards in February, May, August and November of each year.**

---

### **EXECUTIVE SUMMARY**

The Corporate Performance Reporting Framework aims to ensure that the Council is :

- Complying with relevant and current legislation;
- Maintaining accountability and transparency to the community;
- Driving continuous improvements across the organisation;
- Improving reporting and accountability;
- Supporting strategic decision making.

### **PURPOSE**

The purpose of this framework is to establish a structured corporate performance reporting process to drive organisational performance improvement whilst ensuring relevant legislative reporting requirements are met.

### **ATTACHMENTS**

Corporate Performance Reporting Framework

### **DISCUSSION**

Council officers undertake regular reviews of Council frameworks to ensure compliance with relevant legislation and that they are reflective of current practice. This reviewed framework is presented to Council for endorsement, or for repeal if it has been determined the policy is no longer required.

This Council framework provides guidance to staff, Council and the community.

### **RELEVANT LAW**

- *Local Government Act 2020* (the Act),
- *Local Government (Planning and Reporting) Regulations 2020* (the Regulations) and
- *Freedom of Information Act 1982* (FOI Act)

### **RELATED COUNCIL DECISIONS**

Corporate Performance Reporting Framework was last reviewed by Council in December 2021.

**OPTIONS**

The Council can make alterations to the framework that are compliant with the legislation.

**SUSTAINABILITY IMPLICATIONS**

Not applicable

**COMMUNITY ENGAGEMENT**

As this is an existing framework with minor changes it is intended to invoke the “Inform” action in our Community Engagement Strategy by presenting this report in an open Council meeting and place the document on the Council web page.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

The Corporate Performance Reporting Framework has been reviewed considering the requirements of the Act.

**COLLABORATION**

Not applicable

**FINANCIAL VIABILITY**

The administration of the framework is covered with resources provided in the 2025/26 Annual Budget.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable

**COUNCIL PLANS AND POLICIES**

- 2025/26 Annual Budget

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.



# Corporate Performance Reporting Framework

## 1. PURPOSE

The purpose of this framework is to establish a structured corporate performance reporting process to drive organisational performance improvement whilst ensuring relevant legislative reporting requirements are met.

This framework outlines individual report requirements to implement effective performance reporting and the various roles and responsibilities required to manage the performance reporting process.

## 2. SCOPE

This framework covers financial and non-financial reporting at a corporate level and is applicable to all staff.

## 3. OBJECTIVES

Objectives of the Corporate Performance Reporting Framework include:

- Complying with relevant and current legislation;
- Maintaining accountability and transparency to the community;
- Driving continuous improvements across the organisation;
- Improving reporting and accountability;
- Supporting strategic decision making.

## 4. RESPONSIBLE OFFICERS

The roles and responsibilities of key positions for compliance with the framework are outlined under each reporting requirement section. Responsible Officers are required to meet the reporting obligations set in this framework, which include:

- Developing procedures for collation of relevant performance reporting indicator data;
- Requesting and obtaining data from third parties if required;
- Critically reviewing data to ensure it is accurate and completed;
- Submitting data (within the agreed timeframe) and supporting evidence (if requested);
- Providing explanations of any anomalies that current data may contain.

## 5. PERFORMANCE REPORTING REQUIREMENTS

Reporting requirements are structured into three sections: Legislative Performance Reporting, Non Legislative Performance Reporting and Customer Service Performance Reporting.

**Legislative Performance Reporting** refers to requirements associated with the *Local Government Act 2020* (the Act), *Local Government (Planning and Reporting) Regulations 2020* (the Regulations) and the *Freedom of Information Act 1982* (FOI Act).

**Non Legislative Performance Reporting** refers to relevant indicators identified by the Executive Leadership Team (ELT) to drive performance and maximise accountability and business improvement.

**Customer Service Performance Reporting** refers to indicators identified by ELT to ensure commitment to being a leading service provider, recognising that the delivery of customer service is the responsibility of all staff.

## 6. LEGISLATIVE PERFORMANCE REPORTING

### Local Government Performance Reporting Framework (LGPRF)

The Victorian Government established the LGPRF in 2014 to ensure all councils are measuring and reporting on their performance in a consistent way. The primary objective of the LGPRF is to provide comprehensive performance information that meets the needs of a number of audiences. In meeting this objective:

- Councils will have information to support strategic decision-making and continuous improvement
- Communities will have information about council performance and productivity
- Regulators will have information to monitor compliance with relevant reporting requirements
- State and Federal Governments will be better informed to make decisions that ensure an effective, efficient and sustainable system of Local Government.

Data is compiled by relevant responsible officers under the coordination of the Governance Officer. LGPRF results are provided to Local Government Victoria and available for community viewing on the Know Your Council website [www.knowyourcouncil.vic.gov.au](http://www.knowyourcouncil.vic.gov.au). Results are reported to Council annually.

Responsible position: Governance Officer

### Performance Statement

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 is prepared to meet the requirements of the Act and the Regulations.

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

Responsible position: Governance Officer

### Financial Statements - Quarterly Budget Report

In accordance with s. 97 of the Act, as soon as practical after the end of each quarter of the financial year, the Chief Executive Officer must ensure that a quarterly budget report is presented to the Council at a Council meeting which is open to the public. Council undertakes a review of the current year budget as at 30 September, 31 December and 31 March each year to keep Council informed and ensure that the forecast results as at 30 June are achievable.

Responsible position: Manager Financial Services

### Annual Report

In accordance with s. 98 of the Act, a Council must prepare an annual report in respect of each financial year. An Annual Report must contain the following in respect of the financial year reported on:

- (a) A report of operations of the Council;
- (b) An audited performance statement;
- (c) Audited financial statements;
- (d) A copy of the auditor's report on the performance statement, prepared under s. 132 of the Act;
- (e) A copy of the auditor's report on the financial statements under Part 3 of the *Audit Act 1994*;
- (f) Any other matter required by the regulations.

A Council must submit its Annual Report to the Minister within three months after the end of the financial year reported on.

Responsible position: Coordinator Communications

**Council Plan Progress Report**

In accordance with s. 90 of the Act, a Council must adopt a Council Plan by 31 October in the year following a general election. Furthermore, in accordance with the Regulations, Councils must review their performance against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year.

A Council Plan outlines the strategic priorities, objectives and strategies Council will pursue over the four year period.

Responsible position: Coordinator Communications

**Freedom of Information**

The FOI Act gives people a right to access information held by State and Local Government agencies, including information about the activities of the agency and an individual's personal affairs. The FOI Act also gives an individual the right to request that incorrect or misleading personal information held by an agency about that individual be amended or removed.

A performance report is provided to the Victorian Information Commissioner annually.

Responsible position: Information Communication Technology Manager

**Process Building Permits**

The processing of building permits is governed by the Building Regulations 2018. For the purposes of section 19 of *Building Act 1993*, the Building Surveyor must decide an application for a building permit –

- (a) in the case of a Class 1 or 10 building, within 10 business days after the relevant day; or
- (b) in any other case, within 15 business days after the relevant day.

Figures on the issuing of building permits are reported on a quarterly basis.

Responsible position: Manager Planning and Regulatory Services

## 7. NON-LEGISLATIVE PERFORMANCE REPORTING

**Risk Reporting**

In accordance with Gannawarra Shire Council's Risk Management Procedure, Directors are responsible for the following reporting requirements:

- Reporting annually on all risks contained within their directorate Risk Register to ELT, on rotation; and
- Reporting quarterly on Extreme and High rated risks contained within their directorate Risk Register to ELT.

The ELT is responsible for reviewing the Strategic Risk area of the Risk Register on a quarterly basis.

Quarterly reporting to Council's Audit and Risk Committee includes completed CORE (Strategic Risk) Assessments; effectiveness of the CORE Procedures; and risks contained within the Risk Register rated extreme and high.

Responsible position: Governance Officer

**Incident Reporting**

Incidents, accidents and claims against Council are reported monthly to Council's Management Team and quarterly to Council's Audit and Risk Committee.

Responsible position: Governance Officer

**General Compliance Reporting**

Council uses modules within web-based system RelianSys as a tool to manage compliance. Compliance currently being managed through RelianSys includes:



- A range of obligations contained within legislation and regulations
- Management and renewal of Leases
- Management and renewal of Agreements
- Council Policies
- Employee Policies
- Child Safe Standards
- Monitor and review of Council's Business Continuity Plan and department Sub-Plans.

Performance reporting is undertaken on a quarterly basis.

Responsible position: Governance Officer

#### **Asset Management - Compliance**

Council is aware of its duties pursuant to the *Road Management Act 2004* to conduct both proactive and reactive inspections of Road Register assets and maintain and repair those assets in accordance with its Road Management Plan. To achieve this, Council uses the Confirm Asset Management system, which incorporates customer requests and is directly linked to the Road Management Plan.

Other asset management compliance requirements including buildings, bridges, playgrounds and reserves are also monitored through the Confirm Asset Management system.

Performance reporting is undertaken on a quarterly basis.

Responsible position: Manager Operational Services

#### **Purchasing**

Council's purchasing model/processes ensure a best practice approach to purchasing. Staff delegated with purchasing responsibility are required to ensure a purchase order is generated before ordering goods or services and the receipt of goods or services is completed once received.

Performance reporting is undertaken on a quarterly basis.

Responsible position: Financial Accountant

## **8. CUSTOMER SERVICE PERFORMANCE REPORTING**

#### **Correspondence**

Correspondence received by Council requiring a response will be responded to within 10 business days. Staff must ensure an acknowledgement and/or update is sent if a matter is not able to be fully resolved within this timeframe.

Reports are generated through AltusECM on a quarterly basis.

Responsible position: Manager Information Communication

Technology

#### **Complaints**

Officers aim to resolve complaints received by Council within 28 days, in accordance with Council Policy No. 117 – Complaint Handling and in conjunction with Council's Complaint Handling Procedure.

Reports are generated through Altus ECM on a quarterly basis.

Responsible position: Governance Officer

#### **Customer Action Requests**

Customer Action Requests refers to the following:

- Any external request managed through the Confirm Asset Management system and;
- Any external local laws request.

Customer Action Requests are to be responded to within 10 business days with performance reported on a quarterly basis

Responsible position: Manager Operational Services and Local Laws Team Leader.

Page | 4

V2. December 2021



**First Call Resolution**

Council is committed to providing exceptional customer service that is accessible, timely and consistent. In meeting the changing needs of our community, the Customer Service Team aims to resolve 55% of customer queries at first contact. Figures are reported on a quarterly basis.

Responsible position: Customer Service Supervisor

**Return telephone call**

At times, officers are not available to take a call or meet with a customer and a request may be made for that officer to contact a customer directly. Telephone calls will be returned at the first opportunity, however always within three (3) business days. Figures on return telephone calls are reported on a quarterly basis.

Responsible position: Customer Service Supervisor

## 9. REVIEW

Framework indicators will be updated to reflect changes in legislation and Council practice. Non legislative changes must be submitted to the Governance Officer for presentation to the ELT. The ELT is solely responsible for non-legislative changes to the Framework.

## Appendix A

The following tables outline legislative, non-legislative and customer service reporting requirements:

<b>LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK INCLUDING PERFORMANCE STATEMENT</b>		
<b>Service Performance Indicators</b>	<b>Frequency</b>	<b>Forum</b>
<i>Aquatic Facilities</i>		
<b>Service standard</b> AF2 Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities/Number of Council aquatic facilities]	Annually	LGV Council
<b>Service cost</b> AF5 Cost of aquatic facilities [Direct cost of aquatic facilities less income received/Number of visits to outdoor aquatic facilities]	Annually	LGV Council
<b>Utilisation</b> AF6 Utilisation of aquatic facilities [Number of visits to aquatic facilities/Municipal Population]	Annually	LGV Council Audit and Risk Committee
<i>Animal Management</i>		
<b>Timeliness</b> AM1 Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests/Number of animal management requests]	July - September annually	ELT LGV Council
<b>Service standard</b> AM2 Animals reclaimed [Number of animals reclaimed/Number of animals collected] x 100	July – September annually	ELT LGV Council
<b>Service standard</b> AM5 Animals rehomed [Number of animals rehomed/Number of animals collected] x 100	July – September annually	ELT LGV Council
<b>Service cost</b> AM6 Cost of animal management service per population [Direct cost of the animal management service/Population]	July - September annually	ELT LGV Council
<b>Health and safety</b> AM7 Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	July – September annually	ELT LGV Council Audit and Risk Committee
<i>Food Safety</i>		
<b>Timeliness</b> FS1 Time taken to action food complaints [Number of days between receipt and first response action for all food complaints/Number of food complaints]	July - September annually	ELT LGV Council
<b>Service standard</b> FS2 Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984/Number of registered class 1 food premises and class 2 food premises that require an annual food safety	July - September annually	ELT LGV Council

assessment in accordance with the Food Act 1984] x 100		
<b>Service cost</b> FS3 Cost of food safety service [Direct cost of the food safety service/Number of food premises registered or notified in accordance with the Food Act 1984]	July - September annually	ELT LGV Council
<b>Health and safety</b> FS4 Critical and major non-compliance outcome notifications [Number of critical non-compliance outcomes notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises]x 100	July – September annually	ELT LGV Council Audit and Risk Committee
<i>Governance</i>		
<b>Transparency</b> G1 Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public/Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x 100	July - September annually	ELT LGV Council
<b>Consultation and engagement</b> G2 Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	July - September annually	ELT LGV Council
<b>Attendance</b> G3 Councillor attendance at council meetings [The sum of the number of Councillors who attend each ordinary and special Council meeting /(Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100	July - September annually	ELT LGV Council
<b>Service cost</b> G4 Cost of governance [Direct cost of the governance service/Number of Councillors elected at the last Council general election]	July - September annually	ELT LGV Council
<b>Satisfaction</b> G5 Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	July – September annually	ELT LGV Council Audit and Risk Committee
<i>Libraries</i>		
<b>Resource currency</b> LB2 Recently purchased library collection [Number of library collection items purchased in the last 5 years/Number of library collection items] x 100	July - September annually	ELT LGV Council

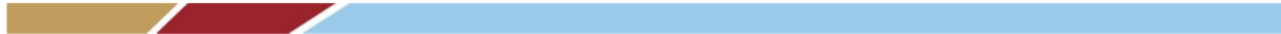
<b>Service cost</b> LB5 Cost of library service per population [Direct cost of the library service/Population]	July - September annually	ELT LGV Council
<b>Utilisation</b> Loans per head of population [Number of library collection item loans/Population]	July - September annually	ELT LGV Council
<b>Participation</b> Library membership [Number of registered library members/Population] x 100	July - September annually	ELT LGV Council Audit and Risk Committee
<b>Participation</b> Library visits per head of population [Number of library visits/Population]	July - September annually	ELT LGV Council
<i>Maternal and Child Health (MCH)</i>		
<b>Service standard</b> MC2 Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received)/Number of birth notifications received] x 100	July - September annually	ELT LGV Council
<b>Service cost</b> MC3 Cost of the MCH service [Cost of the MCH service/Hours worked by MCH nurses]	July - September annually	ELT LGV Council
<b>Participation</b> MC4 Participation in the MCH service [Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x 100	July - September annually	ELT LGV Council Audit and Risk Committee
<b>Participation</b> MC5 Participation in the MCH service by Aboriginal children [Number of aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service] x 100	July - September annually	ELT LGV Council Audit and Risk Committee
<b>Satisfaction</b> MC6 Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits/Number of birth notifications received] x 100	July - September annually	ELT LGV Council
<i>Roads</i>		
<b>Satisfaction of use</b> R1 Sealed local road requests [Number of sealed local road requests/Kilometres of sealed local roads] x 100	July - September annually	ELT LGV Council
<b>Condition</b> R2 Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads] x 100	July - September annually	ELT LGV Council

<b>Service cost</b> R3 Cost of local sealed local road reconstruction [Direct cost of sealed local road reconstruction/Square metres of sealed local road reconstructed]	July – September annually	ELT LGV Council
<b>Service cost</b> R4 Cost of sealed local road resealing [Direct cost of sealed local road resealing/Square metres of sealed local road resealed]	July - September annually	ELT LGV Council
<b>Satisfaction</b> R5 Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	July – September annually	ELT LGV Council Audit and Risk Committee

<b>Statutory Planning</b>		
<b>Timeliness</b> SP1 Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	July - September annually	ELT LGV Council
<b>Service standard</b> SP2 Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days + (number of VicSmart planning application decisions made within 10 business days / Number of planning application decisions made) x 100]	July - September annually	ELT LGV Council
<b>Service cost</b> SP3 Cost of statutory planning service [Direct cost of the statutory planning service/Number of planning applications received]	July - September annually	ELT LGV Council
<b>Decision making</b> SP4 Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application/Number of VCAT decisions in relation to planning applications] x 100	July – September annually	ELT LGV Council Audit and Risk Committee
<b>Waste Management</b>		
<b>Service standard</b> WC2 Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	July - September annually	ELT LGV Council
<b>Service cost</b> WC3 Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins]	July - September annually	ELT LGV Council
<b>Service cost</b> WC4 Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins]	July - September annually	ELT LGV Council
<b>Waste diversion</b> WC5 Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collection from kerbside bins] x 100	July – September annually	ELT LGV Council Audit and Risk Committee
<b>Financial Performance Indicators</b>		
<b>Efficiency</b>		
		LGV
Expenditure level E2 Expenses per property assessment	July – September annually	LGV Council
Revenue level Average rate per property assessment		

<b>Liquidity</b>		
L1 Current assets compared to current liabilities	July – September annually	LGV Council Audit and Risk Committee
L2 Unrestricted cash compared to current liabilities	July – September annually	LGV Council Audit and Risk Committee
<b>Obligations</b>		
		LGV Council Audit and Risk Committee
O2 Loans and borrowings compared to rates	July – September annually	LGV Council Audit and Risk Committee
O3 Loans and borrowings repayments compared to rates	July – September annually	LGV Council Audit and Risk Committee
O4 Non-current liabilities compared to own sources revenue	July – September annually	LGV Council Audit and Risk Committee
O5 Asset renewal and upgrade compared to depreciation	July – September annually	LGV Council Audit and Risk Committee
<b>Operating position</b>		
OP1 Adjusted underlying surplus (or deficit)	July – September annually	LGV Council Audit and Risk Committee
<b>Stability</b>		
S1 Rates compared to adjusted underlying revenue	July – September annually	LGV Council Audit and Risk Committee
S2 Rates compared to property values	July – September annually	LGV Council Audit and Risk Committee
<b>Stability Capacity Indicators</b>		
C1 Expenses per head of municipal population	July – September annually	LGV Council Audit and Risk Committee
C2 Infrastructure per head of municipal population	July – September annually	LGV Council Audit and Risk Committee
C3 Population density per length of road	July – September annually	LGV Council Audit and Risk Committee
C4 Own-source revenue per head of municipal population	July – September annually	LGV Council Audit and Risk Committee
C5 Recurrent grants per head of municipal population	July – September annually	LGV Council Audit and Risk Committee
C6 Relative Socio-Economic Disadvantage	July – September annually	LGV Council Audit and Risk Committee

E3 Resignations and terminations compared to average staff	July – September annually	ELT LGV Council
--	---------------------------	-----------------------





<b>Governance and Management Checklist</b>		
GC1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	July – September annually	LGV
GC2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	July – September annually	LGV
GC3 Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	July – September annually	LGV
GC4 Asset Plan (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	July – September annually	LGV
GC5 Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	July – September annually	LGV
GC6 Annual Budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and resources required)	July – September annually	LGV
GC7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	July – September annually	LGV
GC8 Fraud policy (Policy outlining Council's commitment and approach to minimising the risk of fraud)	July – September annually	LGV
GC9 Municipal Emergency Management Plan (plan under section 20 of the Emergency Management Act 2013 for emergency prevention, response and recovery)	July – September annually	LGV
GC10 Procurement policy (policy outlining the principles, processes and procedures that will apply to all purchases of goods, services by the Council)	July – September annually	LGV
GC11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	July – September annually	LGV
GC12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	July – September annually	LGV
GC13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	July – September annually	LGV
GC14 Audit and Risk Committee (advisory committee of Council under section 53 and 54 of the)	July – September annually	LGV
GC15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	July – September annually	LGV
GC16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of <i>Local Government Act 1989</i> )	July – September annually	LGV
GC17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	July – September annually	LGV
GC18 Financial reporting (quarterly statements to Council under section 138(1) of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure)	July – September annually	LGV
GC19 Risk reporting (six-monthly reports of strategic risks)	July – September annually	LGV

to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)		
GC20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the 1989 Act)	July – September annually	LGV
GC21 Annual report (annual report under sections 98, 99 and 100 of the Act to the community containing a report of operations and audited financial performance statements)	July – September annually	LGV
GC22 Councillor Code of Conduct (Code setting out the standards conduct to be followed by Councillors and other matters)	July – September annually	LGV
GC23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	July – September annually	LGV
GC24 Meeting procedures (Governances Rules governing the conduct of meetings of Council and delegated committees)	July – September annually	LGV
<b>Freedom of Information</b> Requests responded to in line with legislation	Annually	Victorian Information Commissioner

**NON-LEGISLATIVE REPORTING**

Report Type	Forum	Frequency
<b>Risk reporting</b> Report on directorate risk register on rotation Report on directorate Extreme and High Risks Risk summary report	ELT ELT Audit and Risk Committee	Annually Quarterly Quarterly
<b>Incident reporting</b> Incidents, accidents and claims report	Management Team Meeting Audit and Risk Committee	Monthly Quarterly
<b>General Compliance</b> 100% compliance with obligations	ELT	Quarterly
<b>Confirm – compliance</b> Requests and inspections pursuant to the Road Management Plan and other Council assets outside of the Road Management Plan are actioned within required timeframe	ELT	Quarterly
<b>Purchasing</b> Purchase orders generated before the order of goods and services is undertaken 75% of the time	ELT	Quarterly

## CUSTOMER SERVICE REPORTING

Report Type	Forum	Frequency
<b>Correspondence</b> Respond to correspondence requiring a response within 10 business days 90% of the time	ELT/Councillors	Quarterly
<b>Complaints</b> Resolve complaints within 28 days	ELT/Councillors	Quarterly
<b>Customer action requests</b> Respond to customer action requests requiring a response within 10 business days	ELT/Councillors	Quarterly
<b>First call resolution</b> Customer Service first call resolution 55% of the time	ELT	Quarterly
<b>Return telephone call</b> Telephone calls returned within three (3) business days 95% of the time.	ELT/Councillors	Quarterly

## **7.6 INCONTINENCE BIN TRIAL**

**Author:** Craig Maffescioni, Manager Operational Services

**Authoriser:** Wade Williams, Director Infrastructure and Development

**Attachments:** Nil

### **RECOMMENDATION**

**That Council:**

- 1. Note the conclusion of the three-month incontinence bin trial across select public toilets.**
- 2. Resolves not to progress with the expansion or continuation of the incontinence bin program due to excessive contamination and the resulting extra cost to Council and the community, making the service unviable in its current form.**

---

### **EXECUTIVE SUMMARY**

Council endorsed a three-month trial of incontinence product disposal bins at selected accessible public toilet sites. While the program aimed to support people with continence needs, the trial revealed consistent contamination and misuse, resulting in increased servicing costs and reduced effectiveness. The trial applied only to a limited number of public toilets, not the full asset base. Based on trial outcomes, officers recommend discontinuing the program in its current form and reviewing its feasibility in the future should conditions change.

### **PURPOSE**

To provide Council with an overview of the incontinence bin trial and recommend next steps based on the outcomes observed during the trial period

### **ATTACHMENTS**

- Site list and service schedules
- Audit and contamination reports

### **DISCUSSION**

In line with a February 2025 Council resolution (Item 9.1), a three-month trial of incontinence product bins was implemented at nine accessible public toilet sites across Kerang, Cohuna, Koondrook and Leitchville.

The program involved scheduled servicing, one-off bin delivery, and an independent audit. Costs incurred during the trial totalled \$1,811.04. Audits and contractor reports indicated that bins were frequently misused—contaminated with general waste and inappropriate materials—undermining the initiative’s intent.

It is important to note that the trial represented only a portion of Council’s total public toilet infrastructure. Expansion of this program Shire-wide would require a broader servicing model, increased monitoring, and significant community education, contributing to further cost pressures.

Given the current outcomes, the program is not considered viable in its present form. A review of future feasibility, informed by need, behaviour, and funding, is recommended.

### RELEVANT LAW

Local Government Act 2020 – Section 10: General power of Council.

### RELATED COUNCIL DECISIONS

Council Meeting 19 February 2025 – Item 10.1: Notice of Motion to implement a trial of incontinence product disposal bins in accessible public toilets.

### OPTIONS

- **Discontinue the service** – End the incontinence bin program due to contamination, limited effectiveness, and increased operational costs (recommended).
- **Modify the trial** – Continue the service in a reduced or restructured form with increased signage and education (not recommended due to resource needs and poor initial compliance).
- **Expand the program** – Roll out across more sites with stronger education and compliance programs (not recommended at this time).

### SUSTAINABILITY IMPLICATIONS

- **Economic:** The service resulted in increased costs and operational inefficiencies.
- **Social:** While designed to support dignity and inclusion, misuse hindered social benefit.
- **Environmental:** Contamination increases risk of improper waste handling and disposal.
- **Climate change:** Not applicable.

### COMMUNITY ENGAGEMENT

The trial was promoted to the community via Council's social media channels. No direct feedback was requested.

### INNOVATION AND CONTINUOUS IMPROVEMENT

Not applicable

### COLLABORATION

The trial was delivered in collaboration with Council's waste contractor, Veolia, who supported bin delivery, servicing and data collection through regular contamination audits.

### FINANCIAL VIABILITY

The three-month trial cost Council \$1,811.04. Any extension or broader rollout of the service would require increased budget allocation to address servicing, contamination, and community compliance issues.

### REGIONAL, STATE AND NATIONAL PLANS AND POLICIES

Not Applicable

## **COUNCIL PLANS AND POLICIES**

### **Gannawarra Shire Council Plan 2021–2025**

#### ***Goal 3 – Sustainability:***

- “Carefully monitor expenditure to ensure value for money and maintain financial sustainability.”
- “Support community resilience through climate adaptation, clean energy, environmental sustainability and waste management programs.”

#### **Waste Management Policy No. 060**

- Outlines standard servicing and responsibilities for waste collection and contamination prevention.

## **TRANSPARENCY OF COUNCIL DECISIONS**

This report is presented in an open Council meeting to ensure transparency and accountability in decision-making.

## **CONFLICT OF INTEREST**

The officer preparing this report declares no conflict of interest in regard to this matter.

**7.7 COUNCIL POLICIES 058-BUS CERTIFICATES AND 060-WASTE MANAGEMENT**

**Author:** Leigh Hollingworth, Manager Projects and Design.

**Authoriser:** Wade Williams, Director Infrastructure and Development

**Attachments:** 1 058 Bus Routes Certificates  
2 060 Waste Management

**RECOMMENDATION**

**That Council:**

1. Repeal Policy 058 – Bus Certificates
2. Adopt Policy 060 – Waste Management

**EXECUTIVE SUMMARY**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they are reflective of current practices. This report addresses the following policies which have recently been reviewed:

1. Policy 58 – Bus Certificates
2. Policy 60 – Waste Management

**PURPOSE**

This report addresses three recently reviewed policies for the consideration of Council. The policies have been reviewed to ensure compliance with relevant legislation and that they are reflective of current practices.

**ATTACHMENTS**

1. Policy 058 – Bus Certificates
2. Policy 060 – Waste Management

**DISCUSSION**

Council officers conduct regular reviews of policies to ensure they comply with current legislation and reflect best practices. While policies may be reviewed as needed, most are required to be reassessed within 12 months or two years following a General Election. Once reviewed, policies are either presented to Council for endorsement or recommended for repeal if deemed unnecessary. These policies serve as important guidance for Council, staff, and the community, helping inform decisions and operations and are made publicly available on Council's website.

This report addresses the following policies which have recently been reviewed:

**1. Policy 058 – Bus Certificates**

This policy outlines the process for applying for a Certificate of Suitability for proposed or modified school bus routes within the Gannawarra Shire.

**REVIEW**

- i. It is recommended that this policy be repealed as it is not required. The process is managed by a framework implemented by the Department of Education.

## **2. Policy 060 – Waste Management**

This policy outlines Gannawarra Shire Council's approach to managing kerbside waste services, including standard and optional bin provisions for residential, rural, commercial, and industrial properties. It also details conditions for bin replacement, service charges, and township boundaries where waste services are compulsory.

### **REVIEW**

- i. Remove the comment in the Standard Service section regarding a glass bin as the Service Standard has not been finalised by the State Government to make this clear.
- ii. Add a note to the same section to clarify the additional charge for a larger waste bin.

### **RELEVANT LAW**

*Charter of Human Rights and Responsibilities Act 2006* (VIC): public authorities, including local councils, must consider and protect human rights when making decisions and developing policies.

*Circular Economy (Waste Reduction and Recycling) Act 2021* (VIC) – SECT 60: Councils and Alpine Resort Management Boards to provide municipal residual waste and municipal recycling services.

### **RELATED COUNCIL DECISIONS**

- *Policy 058 – Bus Certificates* was reviewed on 27.07.2021
- *Policy 060 – Waste Management* was reviewed on 21.07.2021.

### **OPTIONS**

Council may wish to approve the recommended, provide alternative adjustments or decide to not make any adjustments to the policies at this time.

### **INNOVATION AND CONTINUOUS IMPROVEMENT**

The policy is designed with flexibility to align with evolving government directives, ensuring it remains current and effective. Regular reviews further support ongoing refinement and responsiveness to emerging challenges and opportunities.

### **COUNCIL PLANS AND POLICIES**

- Gannawarra Shire Council Plan 2021 – 2025

### **TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

### **CONFLICT OF INTEREST**

The officers preparing this report declares that they have no conflict of interest in regard to this matter.





# Bus Route – Certificates

## COUNCIL POLICY NO. 058

### 1. POLICY

- 1.1 Application for Certificate of Suitability of a proposed route or changes to existing route will only be accepted from the School Council or School Bus Coordinator through the Department of Education and Training.

Applications are to provide the following information:

- a) plan of the proposed route showing the location of residences affected by the proposal;
- b) number and age of all children concerned or likely to be concerned over the next five years and consider longer term to accommodate up to twelve years for one child school life years;
- c) comments from the School Council(s) whose school(s) are involved or affected by the proposal;
- d) description and size of the bus proposed for the route; and
- e) list any section of the route that may present temporary or seasonal difficulties for use by a school bus

Parents/carers of children travelling on school buses may make input into the selection or nomination of school bus routes through the relevant School Bus Coordinator.

- 1.2 In the event that no problems affecting Council exist in relation to the proposed route, the Director Infrastructure and Development will approve the Certificate to be issued to the applicant.
- 1.3 Where substandard road conditions exist that don't meet minimum standards for a bus route, eg. lack of suitable parking, inadequate road pavement, lack of turning area or, appropriate signage, the Director Infrastructure and Development will jointly inspect the route with the School Bus Coordinator, an Officer from the Department of Education and Training and the Bus Contractor in an attempt to find an appropriate solution taking into consideration budget, ongoing maintenance etc.

### 2. POLICY REVIEW

Council will review this policy as required but always within two years after a general election of the Council.

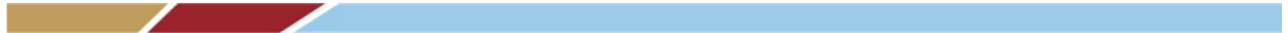
At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

### 3. FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna office or online at [www.gannawarra.vic.gov.au](http://www.gannawarra.vic.gov.au).

Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Altus ECM Folder: 3.000518	
Originally adopted: 1995	
Reviewed: 13/11/2002	Minute Book Reference: 2455
Reviewed: 22/08/2007	Minute Book Reference: 6013
Reviewed: 15/09/2010	Minute Book Reference: 8285
Reviewed: 17/12/2014	Minute Book Reference: 11168
Reviewed: 18/04/2018	Minute Book Reference: 12654
Reviewed: 21/07/2021	
To be reviewed: 2026	





# Waste Management Services, Bins – Provision and Replacement

## COUNCIL POLICY NO. 060

### 1. POLICY PURPOSE

To document Gannawarra Shire Council's commitment to managing kerbside waste services.

### 2. SCOPE

This policy:

Complies with legislation, regulations, industry codes; Council policy, agreements and other organisational requirements and Council values identified in the Council Plan.

### 3. POLICY

Gannawarra Shire Council is committed to:

A Standard Service consists of 1 x 120L bin for waste and 1 x 240L bin for recycling ~~and from 2023 a 120L bin for glass.~~ Upon request Council may provide a 240L bin for waste for an additional fee ~~upon request.~~

#### 3.1 Compulsory Service to Residential Properties

- Council will provide a standard service to all residential properties (other than vacant land) within the township boundaries as shown on the town boundary maps appended to this policy.
- The charge set by Council for this service will be payable whether or not the service is utilised.
- Multiple garbage and recycling bins can be supplied on request and will be additionally charged at the standard charge per service. Only one extra recycling bin can be provided at no additional charge.

#### 3.2 Optional service to rural properties, commercial and industrial properties

- Council may provide a standard service to residences on rural properties, commercial and industrial properties by agreement. The charge set by Council will be payable whether or not the service is utilised.
- Multiple garbage and recycling bins can be supplied on request and will be additionally charged at the standard charge per service. Only one extra recycling bin can be provided at no additional charge. One or multiple 240L bins may be provided in the waste service to food service premises at the discretion of the Director of Infrastructure and Development, where skip bins have been prohibited.



### 3.3 Optional Service to all properties in townships, as approved by Council.

- Council may provide a green waste service to residential properties (other than vacant land), commercial and industrial properties in townships, as approved by Council, by agreement (as defined by the attached maps). The charge set by Council will be payable whether or not the service is utilised.
- Multiple 240L green waste bins can be supplied on request and will be additionally charged at the standard charge per service set by Council.

### 3.4 Replacement of Bins

- Replacement of bins will generally be in accordance with the specifications of the contract relating to the provision of the waste management service (within 14 days of receipt of notification).
- Replacement of bins will be at Council's expense where –
  - The bin has been damaged by collection equipment
  - The bin has been stolen after collection and the matter has been reported by the owner or ratepayer to Police and Council (notification to Council and Police within seven working days of collection)
- Replacement of bins to be at the owners or ratepayers expense where -
  - The bin has been damaged or destroyed by actions of the owner, ratepayer or tenant
  - The bin has been stolen after collection and the matter has not been reported to Police and Council within seven working days of the day of collection
  - Or any other reason not stated above.

## 4. POLICY REVIEW

Council will review this policy as required but always within two years after a general election of the Council.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

## 5. FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna office or online at [www.gannawarra.vic.gov.au](http://www.gannawarra.vic.gov.au).

Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Altus ECM Folder: 3.000518

Originally adopted: 1995

Reviewed: 13/11/2002

Reviewed: 22/08/2007

Reviewed: 25/06/2008

Reviewed: 17/11/2010

Reviewed: 23/06/2015

Reviewed: 16/05/2018

Reviewed: 16/05/2018

Minute Book Reference: 2455

Minute Book Reference: 6013

Minute Book Reference: 6625

Minute Book Reference: 8382

Minute Book Reference: 11715

Minute Book Reference: 12667

Minute Book Reference: 12667

Reviewed	21/07/2021
<a href="#">Reviewed</a>	<a href="#">25/07/2025</a>
To be reviewed by	2030 <del>26</del>

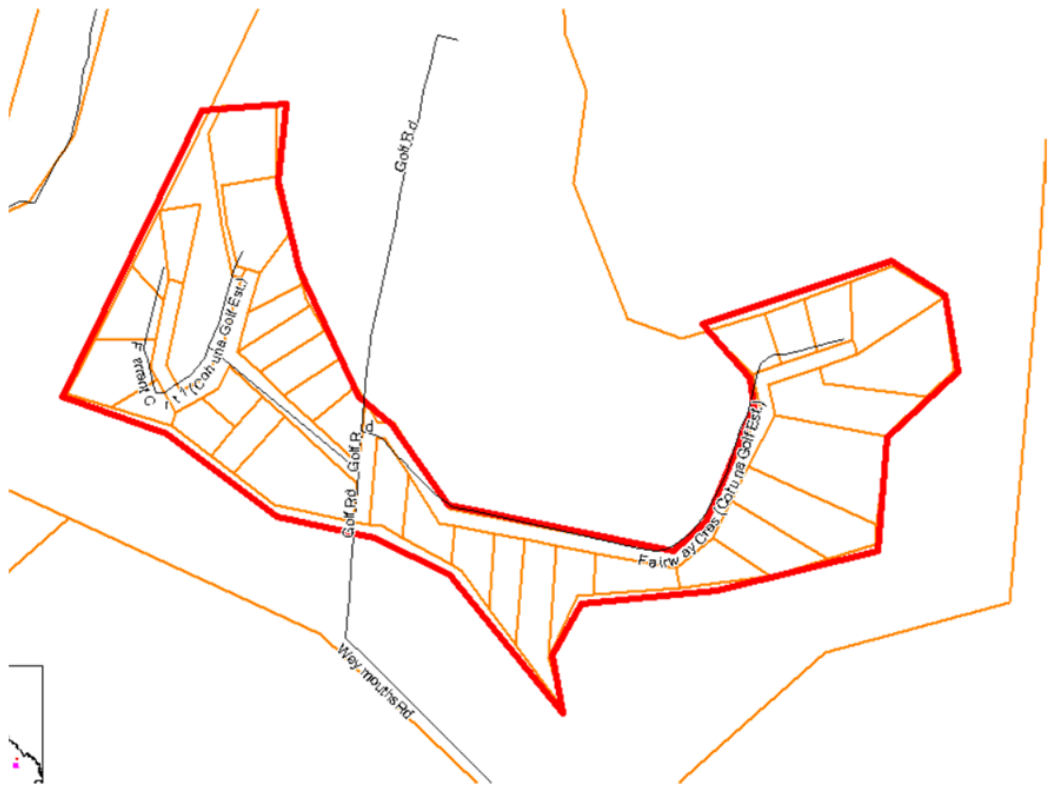


1. COHUNA – TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP



About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

2. COHUNA GOLF LINKS ESTATE—TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP

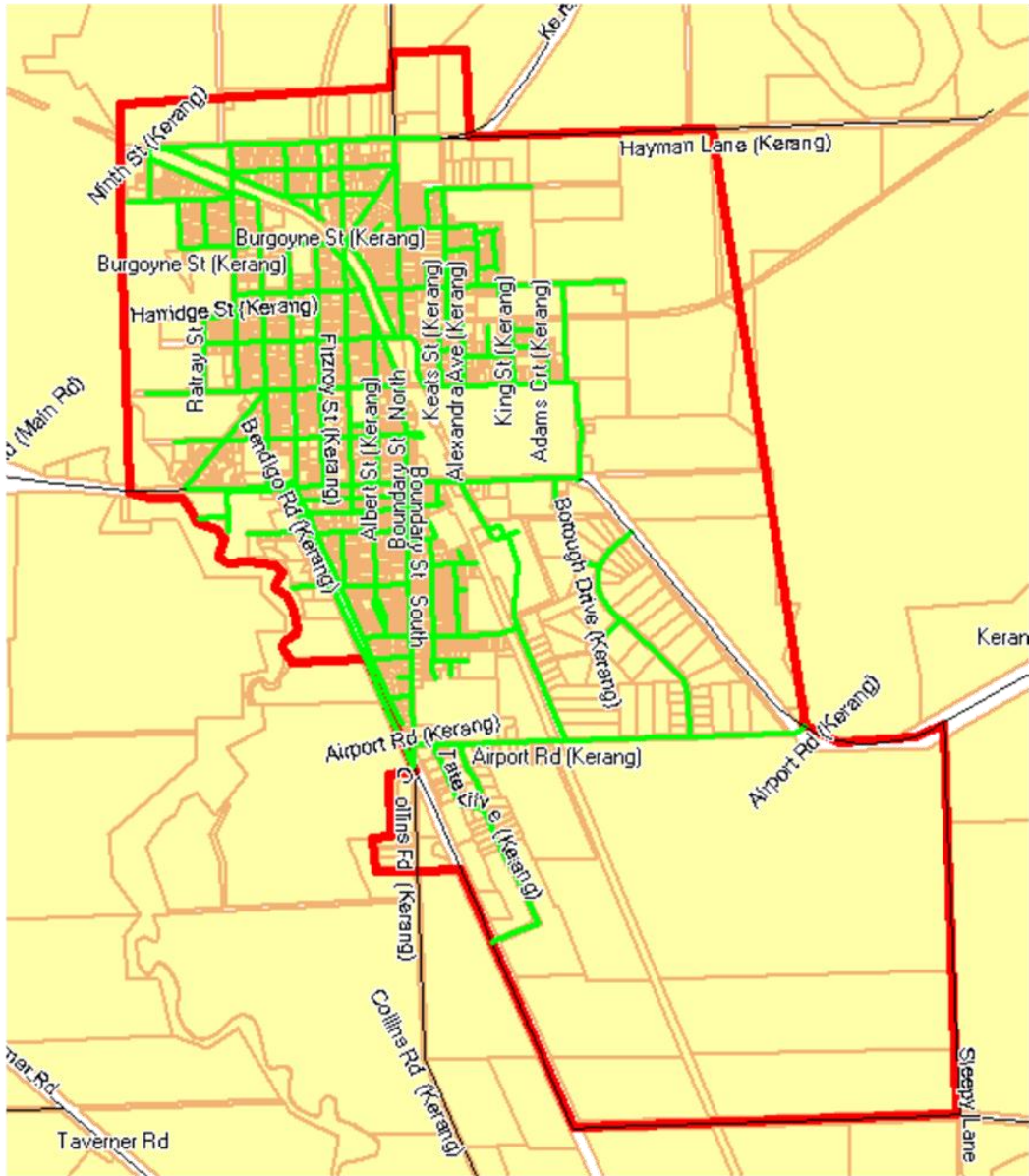


About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.





3. KERANG – TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP



Map Zoom: 7.399 km	
About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.



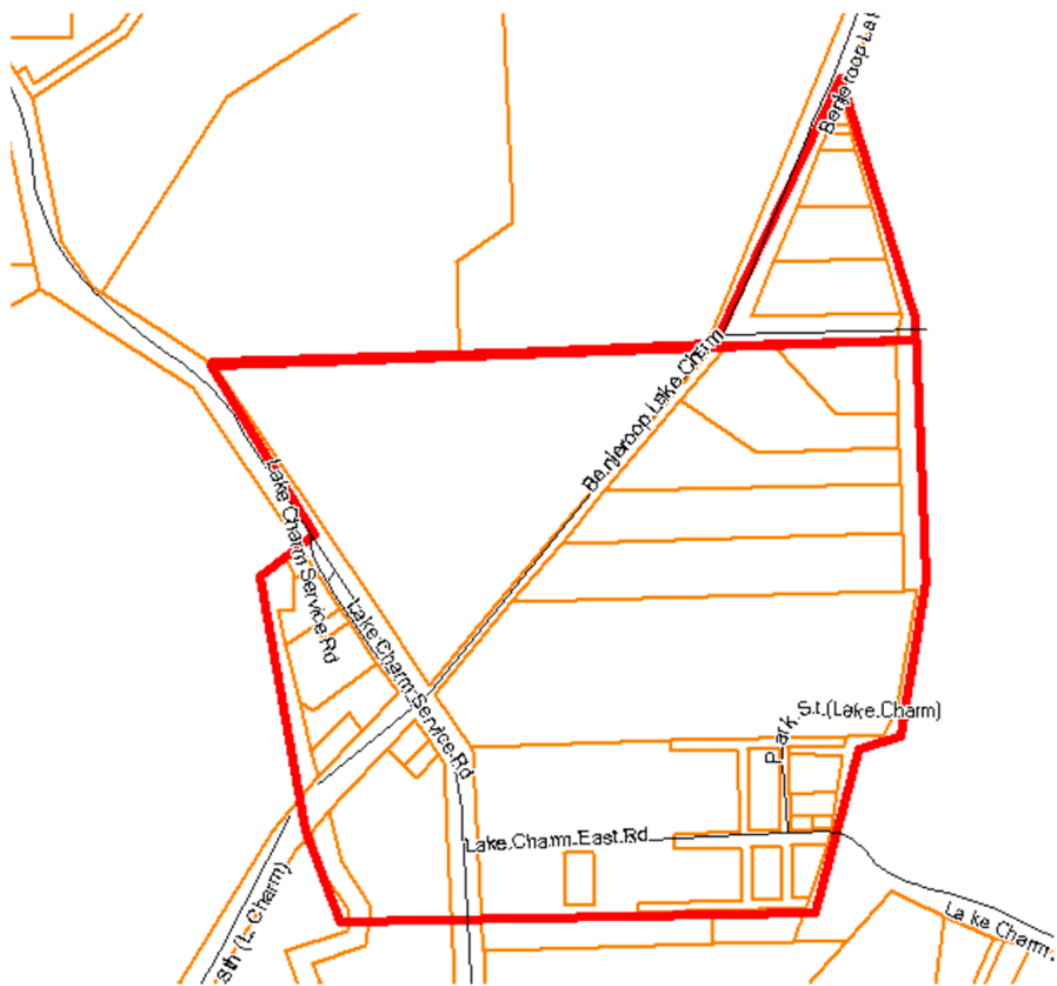


4. KOONDROOK – TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP



About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

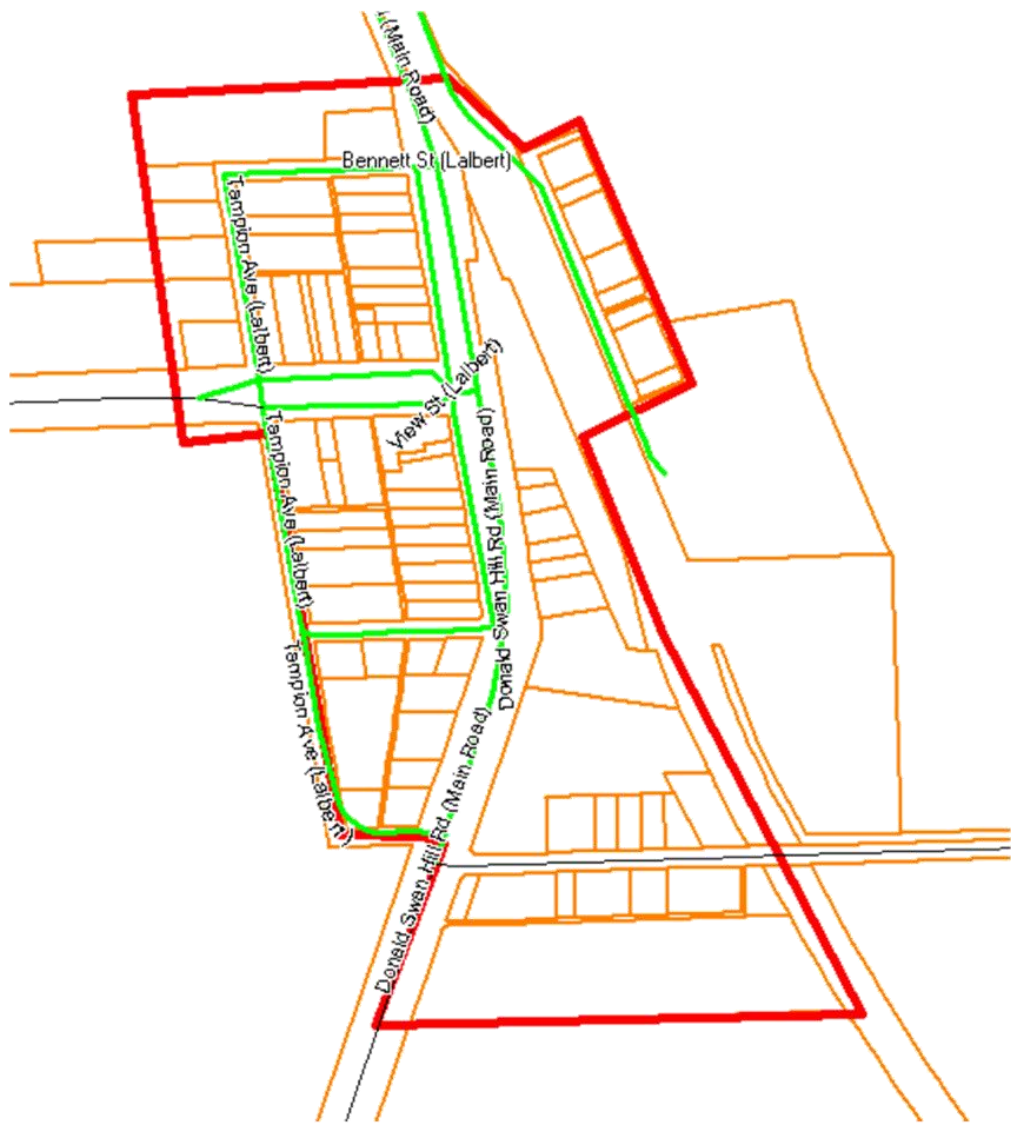
5. LAKE CHARM – TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP



About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

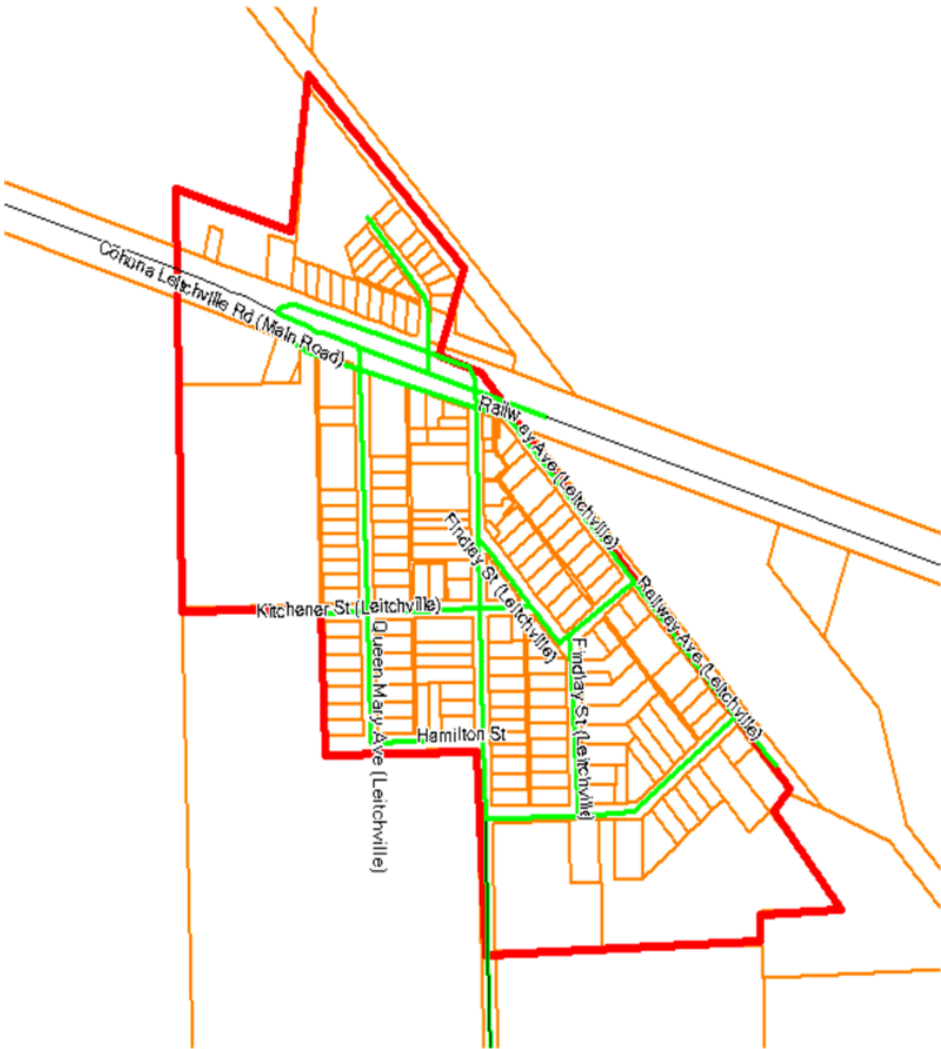


6. Lalbert – Township Boundary – Compulsory Waste Service Map



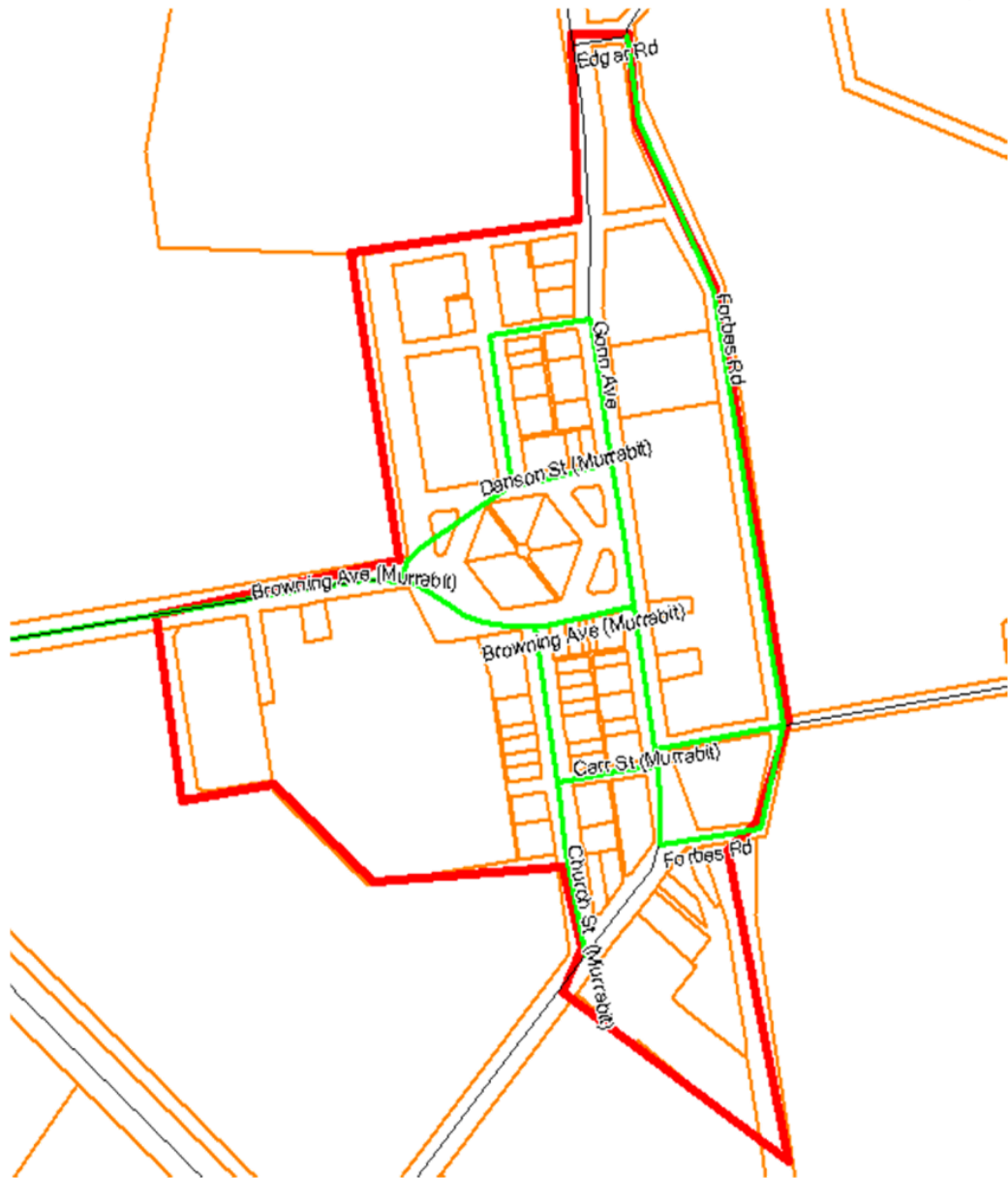
About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

7. Leitchville – Township Boundary – Compulsory Waste Service Map



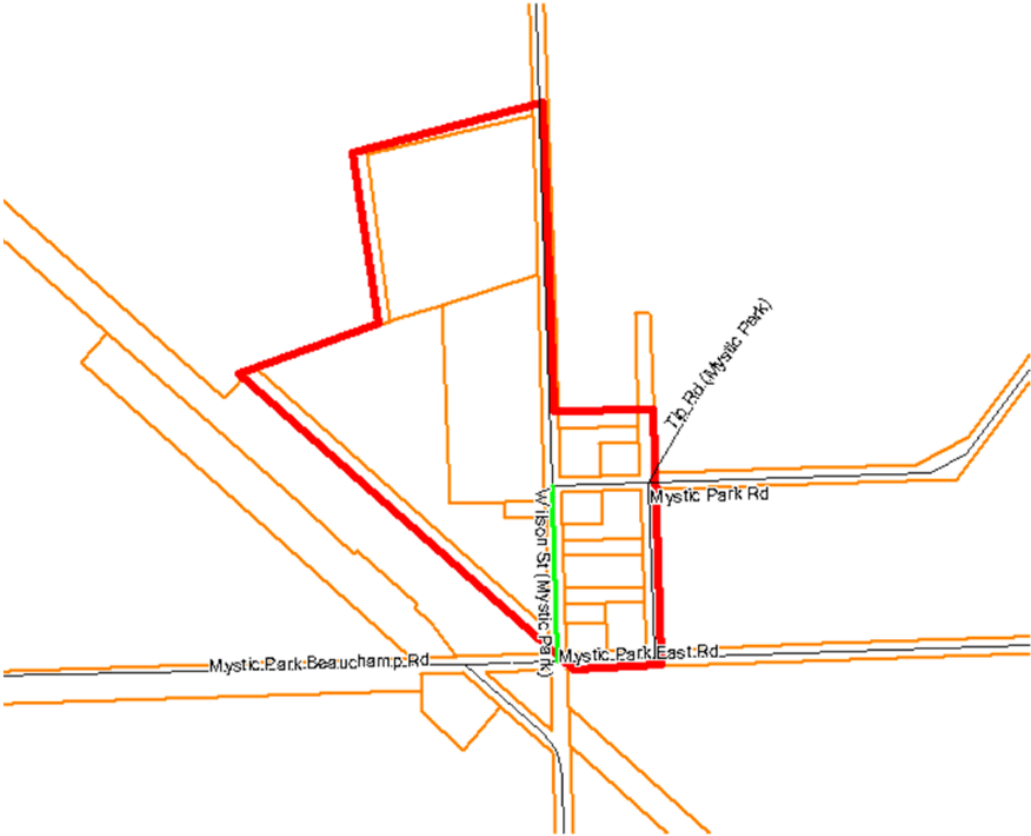
About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

8. Murrabit – Township Boundary – Compulsory Waste Service Map



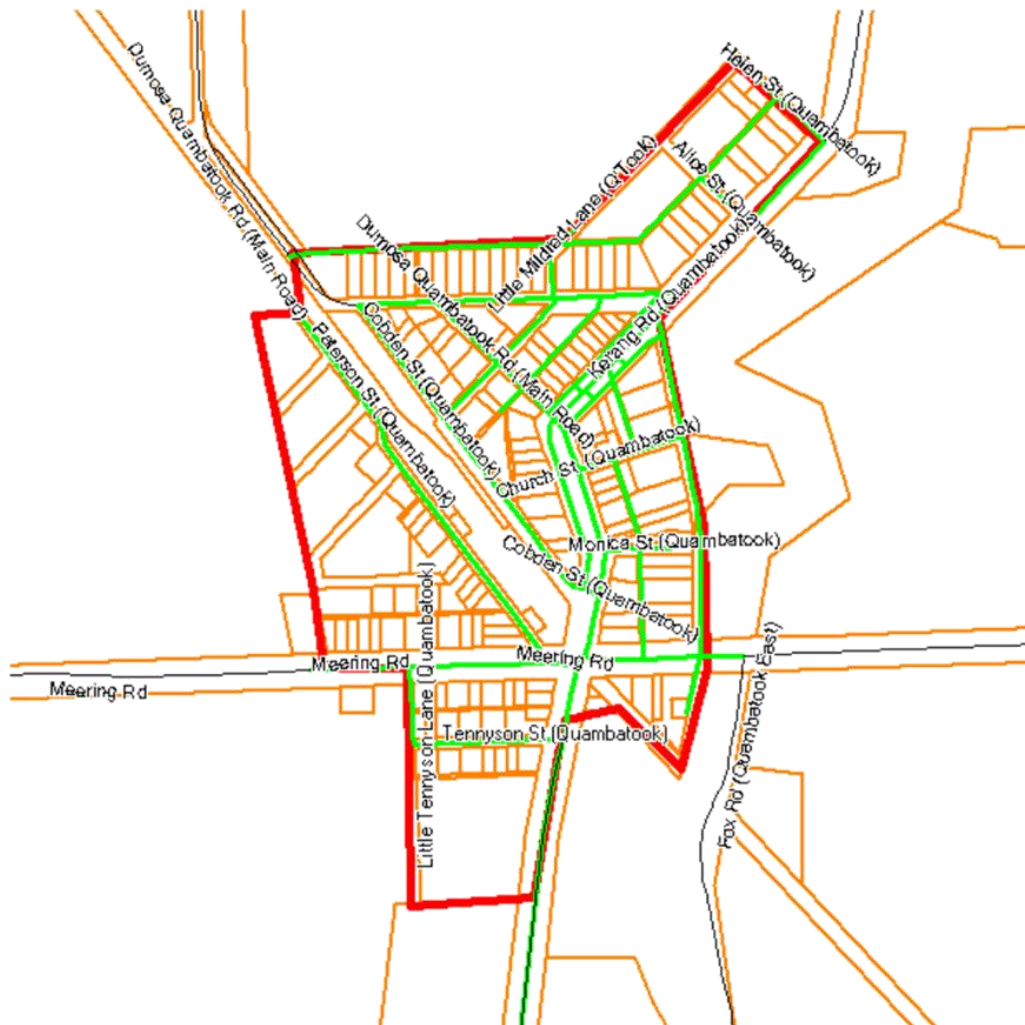
About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

9. Mystic Park – Township Boundary – Compulsory Waste Service Map



About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

10. QUAMBATOOK – TOWNSHIP BOUNDARY – COMPULSORY WASTE SERVICE MAP



About this Document	Disclaimer
This map has been created for the purpose of showing basic locality information over Gannawarra Shire Council. Property boundary line network data is supplied by State Government. Any error should be reported to the GIS Section, Gannawarra Shire Council.	This map is a representation of the information currently held by Gannawarra Shire Council. While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Any feedback on omissions or errors would be appreciated.

**7.8 COUNCIL POLICY NO. 107 - PUBLIC INTEREST DISCLOSURE**

**Author:** Dylan Taylor, Governance Officer

**Authoriser:** Phil Higgins, Director Corporate Services

**Attachments:** 1 Council Policy No. 107 - Public Interest Disclosure  
2 Council Policy No. 107 - Public Interest Disclosure Procedure

**RECOMMENDATION**

**That Council adopt the reviewed Council Policy No. 107 – Public Interest Disclosure and accompanying Procedure.**

---

**EXECUTIVE SUMMARY**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and to ensure that they are reflective of current practice. This report addresses Council Policy No. 107 – Public Interest Disclosure.

**PURPOSE**

This purpose of this report is to strengthen transparency of Council decision making, by providing a framework to report certain actions. This is achieved through good governance practices that meet legislative requirements.

**ATTACHMENTS**

- Policy No. 107 – Public Interest Disclosure

**DISCUSSION**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they reflect current practice. Council policies are reviewed as needed; however, most policies must be reviewed within either 12 months or two years after a General Election. Reviewed policies are presented to Council for endorsement, or for repeal if it is determined that the policy is no longer required.

Council policies provide guidance to staff, Council and the community and are published on Council's website.

Below is a summary of recommended adjustments to the recently reviewed policies:

- Change of name for the Victorian Inspectorate to the Integrity Oversight Victoria;
- Updated internal reporting with organisation structure changes;
- Minor updates with legislative changes; and
- Minor administration changes.

**RELEVANT LAW**

- *Local Government Act 2020*



- *Protected Disclosure Act 2012*
- *Independent Broad-based Anti-corruption Commission Act 2011*
- *Victorian Inspectorate Act 2011*
- *Ombudsman Act 1973*
- *Carers Recognition Act 2012*
- *Charter of Human Rights and Responsibilities Act 2006*
- *Freedom of Information Act 1982*
- *Privacy and Data Protection Act 2014*
- *Equal Opportunity Act 2010*
- *Gender Equality Act 2020*
- *Monetary Units Act 2004*

### **RELATED COUNCIL DECISIONS**

Council Policy No. 107 – Public Interest Disclosure was last reviewed and endorsed by Council on 28/06/2023.

### **OPTIONS**

Council may wish to endorse the recommended or make alternative adjustments or decide to not make any adjustments to the policy at this time.

### **SUSTAINABILITY IMPLICATIONS**

The application of this policy does have social implications for individuals involved in any disclosures or investigations.

### **COMMUNITY ENGAGEMENT**

As this is an existing policy with minor changes it is intended to invoke the “Inform” action in our Community Engagement Strategy by presenting this report in an open Council meeting and place the document on the Council web page.

### **INNOVATION AND CONTINUOUS IMPROVEMENT**

Council policies provide guidance to Council, staff, and the community in decision making and service delivery.

Policies are reviewed as required, however, most policies must be reviewed within either 12 months or two years of a Council election. Regular reviews of Council policies ensure compliance with relevant legislation and that they are reflective of current practices.

### **COLLABORATION**

Not applicable.

### **FINANCIAL VIABILITY**

Not applicable at this stage. If disclosures are received that require the appointment or use of external welfare support or investigation assistance, this will involve additional costs over budget.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

The attached procedure has links to the state procedures for various disclosures to the applicable agencies.

**COUNCIL PLANS AND POLICIES**

Gannawarra Shire Council Plan 2021-2025 – Be a creative employer of choice through our adherence to good governance and our inclusive culture.

- Council Policy No. 074 – Information Privacy and Health Records
- Council Policy No. 083 – Email, Internet and Intranet
- Council Policy No. 117 - Complaint Handling
- Council Policy No. 141 – Public Transparency

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting. This policy adds to transparency of Council decision making by providing a framework for the community to report suspected inappropriate actions.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.



# Public Interest Disclosure

## COUNCIL POLICY NO. 107

### 1. PURPOSE

The purpose of this policy is to –

- encourage and facilitate disclosures of improper conduct by public officers and public bodies and detrimental action taken in reprisal for a person making a disclosure;
- provide protection for persons who make disclosures or who suffer detrimental action in reprisal for those disclosures; and
- to ensure those disclosures are properly assessed and where necessary investigated and to provide confidentiality of the content of the disclosures and the persons making the disclosure

### 2. POLICY

Gannawarra Shire Council does not tolerate improper conduct by its employees, officers or Councillors, nor the taking of reprisals against those who come forward to disclose such conduct.

Gannawarra Shire Council is committed to the Public Interest Disclosures Act.

Gannawarra Shire Council recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Gannawarra Shire Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

In addition to this, the Chief Executive Officer will automatically notify the Independent Broad-based Anti-corruption Commission Victoria, of any matter that he or she suspects, on reasonable grounds, involves corrupt conduct.

This Policy should be read in conjunction with 107 – Public Interest Disclosure Procedure and Gannawarra Shire Council Policy No. 117 - Complaint Handling.

### 3. POLICY REVIEW

Council will review this policy at least every two years and within twelve months after a general election of the Council. Reviews will also consider any legislative changes or updates guidance from IBAC.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.



#### 4. FURTHER INFORMATION

Enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Further information can be obtained from the Independent Broad-based Anti-corruption Commission Victoria – [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

AltusECM Folder 3.000518  
Originally adopted: 25/02/2009  
Last Reviewed: 17/09/2025  
Next Review: 2027



# Public Interest Disclosure - Procedure

## 1. CONTENTS

1. CONTENTS .....	1
2. DEFINITIONS .....	3
3. INTRODUCTION .....	4
4. ABOUT THE ACT .....	4
5. THE COUNCIL'S INTERNAL REPORTING STRUCTURES .....	5
<b>5.1 Employees and Councillors</b> .....	5
<b>5.2 Public Interest Disclosure Coordinator</b> .....	5
6. MAKING A DISCLOSURE .....	6
<b>6.1 What is a disclosure and who can make a disclosure?</b> .....	6
<b>6.2 How can a disclosure be made?</b> .....	7
6.2.1 A disclosure must be made in accordance with Part 2 of the Act .....	7
6.2.2 The disclosure must be made to a body authorised to receive it .....	7
6.2.3 How to make a disclosure to Gannawarra Shire Council .....	8
6.2.4 How to make a disclosure to the IBAC .....	8
6.2.5 How to make a disclosure to the Ombudsman .....	9
6.2.6 How to make a disclosure to the Victorian Inspectorate .....	10
6.2.7 How to make a disclosure to the Chief Commissioner of Police .....	10
6.2.8 Disclosures about other public bodies or public officers .....	10
<b>6.3 What can a disclosure be made about?</b> .....	11
6.3.1 Improper conduct .....	12
6.3.2 Detrimental action .....	13
7. HANDLING DISCLOSURES .....	14
<b>7.1 Receiving a disclosure</b> .....	14
<b>7.2 Assessing a disclosure</b> .....	14
7.2.1 First step .....	14
7.2.2 Second step .....	14



7.2.3	Where urgent action is required while an assessment is still being made .....	15
7.2.4	Assessment decisions.....	15
7.3	Notifications .....	15
7.3.1	If the Council does not consider the disclosure to be a Public Interest Disclosure .....	15
7.3.2	If the Council considers the disclosure may be a Public Interest Disclosure .....	15
7.4	Protections for public officers .....	16
8.	ASSESSMENT BY IBAC .....	16
8.1.	If the IBAC determines the disclosure is not a Public Interest Disclosure complaint .....	16
8.2	If the IBAC determines the disclosure is a Public Interest Disclosure complaint .....	16
8.2.1	Notification to the discloser.....	16
8.2.2	Further actions the IBAC may take.....	17
8.2.3	Other information about investigative entities' investigations of a Public Interest Disclosure complaint.....	17
9.	WELFARE MANAGEMENT .....	17
9.1	Support available to disclosers and co-operators .....	18
9.1.1	Appointment of a Welfare Manager.....	19
9.2	Welfare management of persons who are the subject of Public Interest Disclosures .....	19
9.2	If detrimental action is reported.....	20
9.3	Protections for persons making a Public Interest Disclosure .....	21
9.3.1	Part 6 protections available to disclosers .....	21
9.3.2	Loss of protections caused by actions of the discloser .....	22
9.3.3	Other limitations on protections afforded to disclosers.....	22
10.	CONFIDENTIALITY .....	23
10.1	General obligation of confidentiality on Gannawarra Shire Council and all individuals .....	23
10.2	Steps taken by Gannawarra Shire Council to ensure confidentiality.....	23
10.2.1	Information management.....	23
10.2.2	Exemption from the Freedom of Information Act 1982 ("FOI Act").....	23
10.2.3	Training for all staff.....	23
10.3	Limited exceptions permitted by the Act .....	24
10.4	Penalties apply for breach of confidentiality.....	24
11.	COLLATING AND PUBLISHING STATISTICS .....	25
12.	REVIEW .....	25
13.	FURTHER INFORMATION .....	25



## 2. DEFINITIONS

The following abbreviations and key terms are used in these procedures:

Act:	<i>Public Interest Disclosure Act 2012</i>
assessable disclosure:	Any disclosure either made directly to the IBAC or the IOV, or if received by Gannawarra Shire Council is required under s 21 of the Act to be notified by the Council to the IBAC, IOV or the Integrity and Oversight Committee for assessment
discloser:	A person who (purports to) make(s) a complaint, allegation or disclosure (however described) under the Act
disclosure:	Any complaint, concern, matter, allegation or disclosure (however described) purported to be made in accordance with Part 2 of the Act
Guidelines:	The Guidelines published by the IBAC under s 57 of the Act, copies of which may be downloaded from <a href="http://www.ibac.vic.gov.au/report-corruption-or-misconduct/protected-disclosure">http://www.ibac.vic.gov.au/report-corruption-or-misconduct/protected-disclosure</a>
IBAC Act:	<i>Independent Broad-based Anti-corruption Commission Act 2011</i>
IBAC:	Independent Broad-based Anti-corruption Commission
investigative entity:	Any one of the four bodies authorised to investigate a Public Interest Disclosure complaint, being the IBAC, the Victorian Ombudsman, the Chief Commissioner of Police and the IOV.
IOV	Integrity Oversight Committee
procedures:	This version of the procedures of Gannawarra Shire Council, as established under s 58 of the Act
protected discloser:	A person who makes a disclosure of improper conduct or detrimental action in accordance with the requirements of Part 2 of the Act
Public Interest Disclosure complaint:	A Public Interest Disclosure which has been determined and assessed by the IBAC to be a Public Interest Disclosure complaint under s 26 of the Act
Public Interest Disclosure:	Any complaint, concern, matter, allegation or disclosure (however described) made in accordance with Part 2 of the Act
Regulations:	Public Interest Disclosures Regulations 2019



### 3. INTRODUCTION

Gannawarra Shire Council is required to establish and publish procedures under s 58 of the Act and in accordance with the Guidelines of the IBAC published under s 57 of the Act. The Council is required to ensure these procedures are readily available to members of the public as well as internally to all Councillors, employees, and staff of the Council.

These procedures are a resource for disclosers and potential disclosers, whether an internal Council member, employee or an external member of the public; essentially, any individual who wants to find out how to make a disclosure, receive the protections available under the Act, and how the discloser and their disclosure may be managed and handled by the Council.

These procedures cover:

- how disclosures may be made to the Council;
- how the Council manages the receipt of disclosures;
- how the Council assesses disclosures it is able to receive under the Act;
- notifications the Council is required to make about disclosures, to both disclosers and to the IBAC;
- how the Council protects certain people, including from detrimental action being taken against them in reprisal for making a Public Interest Disclosure, namely:
  - protected disclosers;
  - persons who are the subject of Public Interest Disclosures and Public Interest Disclosure complaints; and
  - other persons connected to Public Interest Disclosures, such as witnesses or persons cooperating with an investigation.

These procedures form an essential part of the Council's commitment to the purposes of the Act. Gannawarra Shire Council does not tolerate improper conduct by the organisation, its employees, Councillors nor the taking of reprisals against those who come forward to disclose such conduct.

Gannawarra Shire Council recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct or the taking of detrimental action in reprisal against persons who come forward to report such improper conduct.

Gannawarra Shire Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person or body who is the subject of the disclosure.

### 4. ABOUT THE ACT

The Act commenced operation on 10 February 2013.

The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct and detrimental action by public officers and public bodies. It does so by providing certain protections for people who make a disclosure, or those who may suffer detrimental action in reprisal for making a disclosure. An essential component of this protection is to ensure that information connected to a Public Interest Disclosure, including the identity of a discloser and the contents of that disclosure, are kept strictly confidential.

Public Interest Disclosures may be made about any of the public officers or bodies as defined in s 3 of the Act and s 6 of the IBAC Act. They include:

- government departments;
- statutory authorities;
- Councils established under the Local Government Acts 1989 and 2020;
- the Electoral Boundaries Commission;
- government-appointed boards and committees;
- government-owned companies;
- universities and TAFEs;
- public hospitals;







- a body performing a public function on behalf of the State, a public body or a public officer;
- state-funded residential care services;
- employees, staff and members of public bodies including those set out above;
- police and protected service officers;
- teachers;
- public servants;
- Councillors;
- Members of Parliament, including Ministers;
- Judicial officers, including coroners, members of the Victorian Civil and Administrative Tribunal, associate judges and judicial officers;
- IBAC officers;
- statutory office holders, including the Auditor-General, the Ombudsman and the Director of Public Prosecutions; and
- the Governor, Lieutenant-Governor or Administrator of the State.

However, a Public Interest Disclosure cannot be made about:

- the conduct or actions of a Court.

## 5. THE COUNCIL'S INTERNAL REPORTING STRUCTURES

Gannawarra Shire Council supports a workplace culture where the making of Public Interest Disclosures is valued by the organisation and the right of any individual to make a Public Interest Disclosure taken seriously.

### 5.1 Employees and Councillors

Employees and Councillors are encouraged to raise matters of concern in relation to Gannawarra Shire Council, including about any employee or Councillors. In particular, employees and Councillors are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures, whether such conduct or action has taken place, is suspected will take place, or is still occurring.

All employees and Councillors of Gannawarra Shire Council have an important role to play in supporting those who have made a legitimate disclosure in accordance with the Act. All persons must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

Under the Independent Broad-based Anti-corruption Commission Act 2011's mandatory notification is required by the Chief Executive Officer of any matter that he or she suspects, on reasonable grounds, involves corrupt conduct.

### 5.2 Public Interest Disclosure Coordinator

Gannawarra Shire Council's Public Interest Disclosure Coordinator has a central role in the internal reporting system and maintains oversight over the system.

The Public Interest Disclosure Coordinator is:

- contactable by external and internal persons making disclosures and has the authority to make enquiries of officers within the organisation;
- the contact point for general advice about the operation of the Act and for integrity agencies such as the IBAC;
- responsible for ensuring that Gannawarra Shire Council carries out its responsibilities under the Act, any regulations made pursuant to the Act and any guidelines issued by the IBAC;
- Gannawarra Shire Council's chief liaison with the IBAC in regard to the Act;
- responsible for coordinating Gannawarra Shire Council's reporting system;
- to take all necessary steps to ensure information received or obtained in connection with a disclosure, including the identities of the discloser and the person(s) to whom the disclosure relate, are kept secured, private and confidential at all times;
- required to consider each disclosure impartially to determine whether it should be notified to the IBAC for assessment under the Act;





- responsible for arranging any necessary and appropriate welfare support for the discloser, including appointing a Welfare Manager to support the discloser and to protect him or her from any reprisals;
- to advise the discloser, appropriately and in accordance with the Act, the stage at which the disclosure is at (whether it has been notified to the IBAC for assessment, etc);
- to establish and manage a confidential filing system;
- to collate statistics on disclosures made; and
- to liaise with the Chief Executive Officer ("CEO") of Gannawarra Shire Council.

The Public Interest Disclosure Coordinator appointed by Gannawarra Shire Council is:

Amanda Wilson, Director Corporate Services telephone 03 5450 9333.  
amanda.wilson@gsc.vic.gov.au

## 6. MAKING A DISCLOSURE

### 6.1 What is a disclosure and who can make a disclosure?

A disclosure may be made about two things under the Act:

- (i) improper conduct of public bodies, public officers or other persons; and
- (ii) detrimental action taken in reprisal for a person making a Public Interest Disclosure.

The term disclosure is interpreted under the Act in the ordinary sense of the word, for example, as a "revelation" to the person receiving it. The IBAC considers that a complaint or allegation that is already in the public domain will not normally be a Public Interest Disclosure. Such material would, for example, include matters which have already been subject to media or other public commentary.

The conduct or action being disclosed about may be one which has taken place, is still occurring, or is believed is intended to be taken or engaged in. Disclosures may also be made about conduct that occurred prior to the commencement of the Act on 10 February 2013.

A disclosure may:

- only be made by a natural person (or a group of individuals making joint disclosures), disclosures cannot be made by a company or an organisation;
- be made anonymously;
- be made even where the discloser is unable to identify precisely the individual or the organisation to which the disclosure relates; and
- also be a complaint, notification or disclosure (however described) made under another law.

It should be noted that some of the protections set out in the Act protecting a protected discloser are available only to the person who makes a disclosure. As a consequence of this is, if a person makes a disclosure by 'notifying' the agency on behalf of another individual, then it is the 'notifier' who may receive those protections, and not the person on whose behalf they have made the disclosure. The person on whose behalf the disclosure has been made will only be entitled to protections against detrimental taken against them in reprisal for the disclosure made by the notifier.

Anonymous disclosures may create difficulties in the council being able to communicate with the discloser, and some of the notification requirements imposed on the council in relation to disclosures will not apply in relation to an anonymously made disclosure. In additions, it may impede the Council's ability to properly assess whether the complaint or allegation is a Public Interest Disclosure for the purposes of the Act.

A mandatory notification of suspected corrupt conduct by the Chief Executive Officer, as required by the Independent Broad-based Anti-corruption Commission Act 2011, may also be deemed a Public Interest Disclosure.

The following are **not** Public Interest Disclosures under the Act:

- a disclosure that has not been made in accordance with all of the procedural requirements of Part 2 of the Act and the prescribed procedures in the Regulations (also see section 4.2 of these procedures below);
- a disclosure made by a discloser who expressly states in writing, at the time of making the disclosure, that the disclosure is not a disclosure under the Act;





- a disclosure made by an officer or employee of an investigative entity in the course of carrying out his or her duties or functions under the relevant legislation, unless the person expressly states in writing that the disclosure is a disclosure and the disclosure is otherwise made in accordance with Part 2 of the Act.

If Gannawarra Shire Council receives any disclosures which do not meet all of the requirements of Part 2 of the Act or the prescribed procedures in the Regulations, Gannawarra Shire Council will not be required to consider whether it is a Public Interest Disclosure under the Act. However, the Council will always consider whether it would be appropriate to inform the discloser how to make the disclosure in a way that would comply with the requirements of the Act and the Regulations in order to ensure that persons are properly afforded the opportunity to receive any appropriate protections available to them under the Act.

In addition, Gannawarra Shire Council is required to consider whether a disclosure that does not meet the requirements of the Act and the Regulations should be treated as a complaint, notification or referral to the Council in accordance with any other laws or internal policies and procedures.

## 6.2 How can a disclosure be made?

### 6.2.1 A disclosure must be made in accordance with Part 2 of the Act

A disclosure must be made in accordance with Part 2 of the Act.

Part 2 of the Act permits disclosures to be made anonymously, orally or in writing, and need not necessarily identify the person or organisation complained about.

Generally:

- a verbal disclosure may be made:
  - in person;
  - by telephone;
  - by leaving a voicemail message on a particular telephone answering machine; or
  - by any other form of non-written electronic communication.
- A written disclosure to the IBAC and the Ombudsman can be made via an online form available at each of their respective websites:
- <https://www.ibac.vic.gov.au/report>

<https://www.ombudsman.vic.gov.au/complaints/make-complaint/> A disclosure made by email from an address from which the identity of the discloser cannot be ascertained will be treated as an anonymous disclosure.

A disclosure **must** be made in private. For a verbal disclosure, this means the discloser must reasonably believe that only the following people are present or able to listen to the conversation:

- the discloser him or herself (including any other individuals making a joint disclosure at the same time);
- any lawyer representing the discloser; and
- one or more people to whom a disclosure is permitted to be made under the Act or the Regulations.

### 6.2.2 The disclosure must be made to a body authorised to receive it

One of the requirements in Part 2 of the Act is that the disclosure has been made to a body authorised under the Act to receive the disclosure.

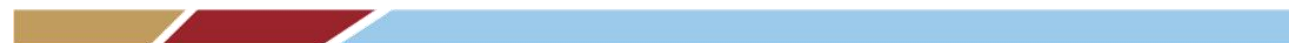
Gannawarra Shire Council can only deal with disclosures which concern Gannawarra Shire Council, or its employees.

Disclosures about improper conduct or detrimental action by the Gannawarra Shire Council's Councillors **must** be made to the IBAC or to the Ombudsman. Those disclosures may not be made to the Council.

Disclosures about improper conduct or detrimental action by Gannawarra Shire Council or its employees may be made to Gannawarra Shire Council or one of 4 external authorities:

- the IBAC;
- the Ombudsman in relation to limited types of disclosures;
- the IOV in relation to limited types of disclosures; or
- The Chief Commissioner of Police in relation to limited types of disclosures.

In most circumstances, disclosures about the Council, or its employees should be made to Gannawarra Shire Council or to the IBAC.





Different procedures apply to the receiving body as detailed below from sections 6.2.3 to 6.2.7 of these procedures.

If the disclosure concerns another public body or employees, members, officers or staff of that other public body, if such a disclosure is made to Gannawarra Shire Council, the Council will take reasonable steps to direct the discloser to the (or an) other body which is able to receive a disclosure about that person or body under the Act (also see the table below at 6.2.8). This may not be possible if, for example, the allegation received is made from an anonymous source and the source has not provided any contact details to Gannawarra Shire Council. Where in doubt, a discloser should make their disclosure to the IBAC.

If a person does not wish their allegation or complaint to be treated as a disclosure made under Part 2 of the Act, the person must, at the time of making the disclosure, expressly state in writing that the disclosure is not a disclosure for the purposes of the Act.

Unless such an express statement has been made, upon receiving a disclosure (whether directly or indirectly), Gannawarra Shire Council's Public Interest Disclosure Coordinator will determine whether the disclosure has been made in accordance with Part 2 of the Act. Part 2 of the Act and the Regulations set out how disclosures must be made in order to be a Public Interest Disclosure under the Act.

#### 6.2.3 How to make a disclosure to Gannawarra Shire Council

##### Oral disclosures

An oral disclosure to the Gannawarra Shire Council must be made in private and may be made:

- in person;
- by telephone to one of the persons authorised to receive disclosures set out below, including by leaving a voicemail message on that telephone number; or
- by some other form of non-written electronic communication.

The oral disclosure must be made to one of the following persons:

- the Chief Executive Officer of the Gannawarra Shire Council; or
- the Public Interest Disclosure Coordinator;

For the telephone numbers of the Public Interest Disclosure Coordinator, please see sections 3.3 and 3.4 of these procedures.

If the disclosure is made orally, the person receiving the disclosure will make notes at the time recording the disclosure. Recording of the conversation will only be done with the disclosure's permission or by giving prior warning that the conversation will be recorded.

##### Written disclosures

A written disclosure to the Gannawarra Shire Council must be:

- delivered personally to the office of the Gannawarra Shire Council at 47 Victoria St, Kerang, Victoria.
- sent by post addressed to the office of the Gannawarra Shire Council at PO Box 287 Kerang 3579; or
- sent by email to the office of the Gannawarra Shire Council at [council@gsc.vic.gov.au](mailto:council@gsc.vic.gov.au); or
- sent by email to the official email address of the Public Interest Disclosure Coordinator specified in section 5.2 of these procedures.

The Council recommends that the discloser ensures, where a written disclosure is being provided personally or by post to the official office location or address of the Council, that the disclosure be sealed in an envelope which is clearly marked with one or more of the following:

- "re: Public Interest Disclosure";
- "to the personal attention of the CEO"; or
- "to the personal attention of the Public Interest Disclosure Coordinator";

#### 6.2.4 How to make a disclosure to the IBAC

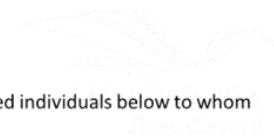
##### Oral disclosures

An oral disclosure to the IBAC **must** be made in private and **may** be made:

- in person;
- by telephone, to 1300 735 135;







- by leaving a voicemail message on the telephone number of one of the specified individuals below to whom an oral disclosure may be made; or
- by some other form of non-written electronic communication.

The oral disclosure must be made to one of the following persons:

- the Commissioner of the IBAC;
- the Deputy Commissioner of the IBAC;
- the CEO of the IBAC;
- an employee referred to in s 35(1) of the IBAC Act; or
- any staff referred to in s 35(2) of the IBAC Act.

#### Written disclosures

A written disclosure to the IBAC must be:

- delivered personally to the office of the IBAC, at Level 1, North Tower, 459 Collins Street, Melbourne, VIC 3001; or
- sent by post addressed to the office of the IBAC, at GPO Box 24234, Melbourne, VIC 3000; or
- sent by email to the official email address of a person specified above to whom an oral disclosure may be made (i.e., the Commissioner, the Deputy Commissioner, the CEO, or employee or staff referred to in s 35 of the IBAC Act); or
- submitted by an online form available from <https://www.ibac.vic.gov.au/report-corruption-or-misconduct/online-form>.

#### 6.2.5 How to make a disclosure to the Ombudsman

##### Oral disclosures

An oral disclosure to the Ombudsman **must** be made in private and **may** be made:

- in person;
- by telephone, to 9613 6222 or toll free to 1800 806 314;
- by leaving a voicemail message on the telephone number of any Ombudsman officer; or
- by some other form of non-written electronic communication.

The oral disclosure may be made to an Ombudsman officer.

##### Written disclosures

A written disclosure to the Ombudsman must be:

- delivered personally to the office of the Ombudsman, at Level 9, North Tower, 459 Collins Street, Melbourne, VIC 3001; or
- sent by post addressed to the office of the Ombudsman, as above; or
- sent by email to the office of the Ombudsman at: [ombudvic@ombudsman.vic.gov.au](mailto:ombudvic@ombudsman.vic.gov.au); or
- sent by email to the official email address of any Ombudsman officer; or
- submitted by an online form (if any) identified in the procedures established by the Ombudsman under s 58(1) of the Act.





#### 6.2.6 How to make a disclosure to the Victorian Inspectorate

##### Oral disclosures

An oral disclosure to the IOV **must** be made in private and **may** be made:

- in person;
- by telephone to 1800 518 197;
- by leaving a voicemail message on the telephone number of one of the individuals specified below who is authorised to receive disclosures;
- by some other form of non-written electronic communication.
- The oral disclosure must be made to one of the following persons:
  - the Inspector appointed under s 18(1) of the Victorian Inspectorate Act 2011 ("VI Act");
  - an employee referred to in s 28(1) of the VI Act; or
  - any staff referred to in s 28(2) of the VI Act.

##### Written disclosures

A written disclosure to the IOV **must** be:

- delivered personally to the office of the IOV; or
- sent by post addressed to the office of the IOV, at PO Box 617 Collins Street West, Melbourne Vic 8007; or
- sent by email to the office of the IOV at: info@integrityoversight.vic.gov.au; or
- sent by email to the official email address of a person specified above to whom an oral disclosure may be made (i.e., the Inspector, employee or staff referred to in s 28 of the VI Act); or
- submitted by an online form (if any) identified in the procedures established by the VI under s 58(1) of the Act.


#### 6.2.7 How to make a disclosure to the Chief Commissioner of Police

There are no particular Regulations at this time prescribing detailed procedures for making a disclosure to the Chief Commissioner of Police. The standard procedures as set out in Part 2 of the Act and as outlined in these procedures still apply where relevant.

#### 6.2.8 Disclosures about other public bodies or public officers

Disclosures relating to improper conduct or detrimental action involving other public bodies or officers who are not employees or members of Gannawarra Shire Council may be made to the various bodies as shown below (although the table does not comprise an exhaustive list):

Person or body who is the subject of the disclosure	Person or body to whom the disclosure must be made	Relevant provisions in the Act and the Regulations where applicable
Employee, agent, deputy or delegate of or a public body, including a public service body and other Councils (unless the body is one of those set out below, in which case the below takes precedence)	That public body or the IBAC in most instances, and possibly also the Ombudsman, Chief Commissioner of Police and the IOV in limited specified circumstances	Section 13 of the Act; r 6 in relation to disclosures made to the IBAC, r 7 in relation to disclosures made to the Ombudsman, r 8 in relation to disclosures made to the VI, r 9 in relation to disclosures made to a public service body, r 10 in relation to disclosures made to Councils.
The Chief Commissioner of Police, the Director of Public Procedures, the Chief Crown Prosecutor, the Solicitor-General, the Governor, the Lieutenant Governor, the Director of Police Integrity, the Electoral Commissioner, a judicial officer, a member of the VCAT who is not a judicial officer; Ministerial officers; Parliamentary advisers, electoral officers	The IBAC	Section 14 of the Act, r 6 of the Regulations

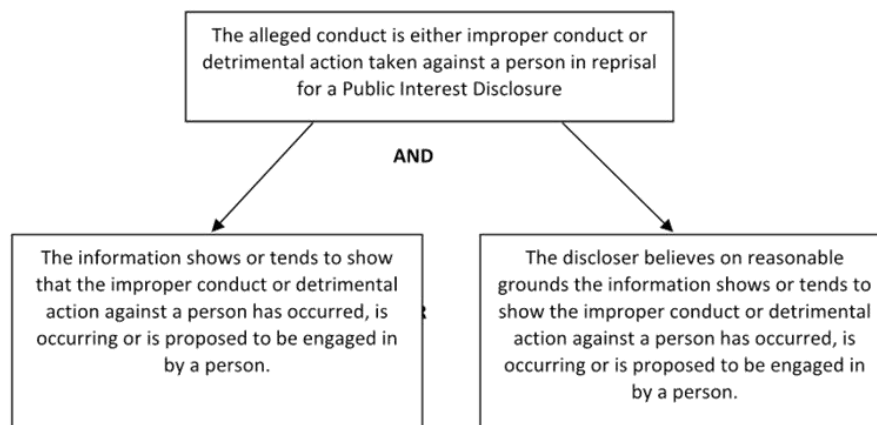


An officer of the Ombudsman officer or the Victorian Auditor-General's Office	The IBAC or the IOV	Section 15 of the Act, r 6 in relation to disclosures made to the IBAC, r 8 in relation to disclosures made to the IOV
Councillors, the FOI Commissioner, the Privacy Commissioner, the Health Services Commissioner or the Commissioner for Law Enforcement Data Security	The IBAC or the Ombudsman	Section 16 of the Act, r 6 in relation to disclosures made to the IBAC, r 7 in relation to disclosures made to the Ombudsman
The IBAC or an officer of the IBAC, Public Interest Monitor	The IOV	Section 17 of the Act, r 8 of the Regulations
A member of police personnel, other than the Chief Commissioner of Police	A prescribed member of police personnel or the IBAC	Section 18 of the Act, r 6 in relation to disclosures made to the IBAC, r 11 in relation to disclosures made to a prescribed member of police personnel
A member of Parliament or Minister in the Legislative Assembly	The Speaker of the Legislative Assembly	Section 19 of the Act, r 12 of the Regulations
A member of Parliament or Minister in the Legislative Council	The President of the Legislative Council	Section 19 of the Act, r 12 of the Regulations
Victorian Inspectorate	Integrity and Oversight Committee	

For further information go to <https://www.ibac.vic.gov.au/resource-centre>

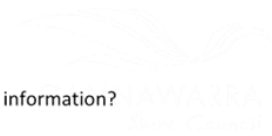
### 6.3 What can a disclosure be made about?

A disclosure must be about the conduct of a person, public officer or public body in their capacity as a public body or public officer as outlined in the following diagram:



In assessing whether there is improper conduct or detrimental action, the Council will look critically at all available information about the alleged conduct and about the discloser. Preliminary questions the Council may seek answers to, or consider, include:

- what is the discloser's connection to the alleged conduct – is the discloser a victim, a witness, or a participant in the conduct alleged about?
- How did the discloser come to know about the conduct – was or is the discloser directly involved in it, did the discloser observe it happening to another person or did someone else tell the discloser about it?
- How detailed is the information provided – is there sufficient information to enable the Council to consider whether there is improper conduct or detrimental action?



- How reliable is the information given to the Council – is it supported by other information?

#### 6.3.1 Improper conduct

A disclosure may be made about improper conduct by a public body or public official in the performance of their functions as a public body or public officer.

Central to the notion of improper conduct is the notion of the “public trust”.

“Public trust” is a concept that provides the basis *‘for obligations of honesty and fidelity in public officers that exist to serve, protect and advance the interests of the public’*.

A person acting in their official capacity is exercising ‘public power’ that is derived from their public office holding and may be controlled or influenced by legislative provisions, administrative directions, or constitutional principles or conventions.

There is an expectation that members of the community may rely on and trust their public bodies and officials to act honestly.

The expectation is that public officers will not use their positions for personal advantage, or use the influence of their public office for improper purposes where there is a duty to act objectively and impartially.

Disclosers or the Council will need to identify that there is a link between the alleged improper conduct of a person or an organisation and their function as a public officer or a public body.

#### Improper conduct

Improper conduct includes the following:

- Corrupt conduct
- Criminal offence
- Serious professional misconduct
- Dishonest performance of public functions
- Intentional or reckless misuse of information
- Substantial mismanagement of public resources
- Substantial risk to health or safety of a person
- Substantial risk to the environment
- Conduct of any person that adversely affects the honest performance by a public officer of their functions
- Conduct of any person that is intended to adversely affect the effective performance by a public officer of their functions for the benefit of the other person

#### Corrupt conduct

Corrupt conduct means any one of the following:

- conduct of any person that adversely affects the honest performance by a public officer or public body of his or her or its functions as a public officer or public body;
  - conduct of a public officer or public body that constitutes or involves the dishonest performance of his or her or its functions as a public officer or public body;
  - conduct of a public officer or public body that constitutes or involves knowingly or recklessly breaching public trust;
  - conduct of a public officer or a public body that involves the misuse of information or material acquired in the course of the performance of his or her or its functions as a public officer or public body, whether or not for the benefit of the public officer or public body or any other person; or
  - conduct that could constitute a conspiracy or an attempt to engage in any of the conduct referred to above;
- and**





if that conduct could be proved beyond reasonable doubt at a trial, amounts to:

- an indictable offence; or
- one of the following 3 types of common law offences committed in Victoria:
  - perverting the course of justice
  - attempting to pervert the course of justice
  - bribery of an official.

#### Specified conduct

Specified conduct is any one of the above types of conduct, **or** conduct that involves substantial mismanagement of public resources, risk to public health or safety, or risk to the environment, which **would not** constitute "corrupt conduct" but would nevertheless, if proved, constitute either:

- a criminal offence; or
- reasonable grounds for dismissing or terminating the employment of the officer who engaged or is engaging in that conduct.

It should be noted the risk in relation to mismanagement or public health and safety or the environment must be "substantial", requiring significant or considerable mismanagement, or significant or considerable risks to public health, safety or the environment.

#### 6.3.2 Detrimental action

It is an offence under the Act for a public officer or body to take detrimental action against a discloser in reprisal for a making Public Interest Disclosure. There are two essential components here: whether there is in fact "detrimental action", as defined by the Act, and whether that action is being taken in reprisal against a person for making or being connected with a Public Interest Disclosure.

#### Detrimental action

Detrimental action as defined by the Act includes:

- action causing injury, loss or damage;
- intimidation or harassment; and
- discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

In addition, a person can have taken detrimental action without having taken the action itself, but just by threatening to take such action. Further, the detrimental action need not necessarily have been taken (or threatened to be taken) against a person making a Public Interest Disclosure, but against any person connected with a Public Interest Disclosure.

Examples of detrimental action prohibited by the Act include:

- threats to a person's personal safety or property, including intimidating, harassing a discloser or the discloser's family or friends, otherwise causing personal injury or prejudice to the safety or damaging property of a discloser or the discloser's family or friends;
- the demotion, transfer, isolation or change in duties of a discloser due to him or her having made a disclosure;
- discriminating or disadvantaging a person in their career, profession, employment, trade or business; or
- discriminating against the discloser or the discloser's family and associates in subsequent applications for promotions, jobs, permits or tenders resulting in financial loss or reputational damage.

#### Taken in reprisal for a Public Interest Disclosure

The person (or the person incited to take detrimental action) must take or threaten the detrimental action, because, or in the belief that the:

- other person or anyone else has made, or intends to make the disclosure;
- other person or anyone else has cooperated, or intends to cooperate with an investigation of the disclosure.

The reason for the person taking detrimental action in reprisal must be a reason for taking that action, or it will not be considered to be detrimental action.





## 7. HANDLING DISCLOSURES

### 7.1 Receiving a disclosure

When the Council receives a complaint, report or allegation of improper conduct or detrimental action, the first step will be to ascertain whether it has been made in accordance with Part 2 of the Act.

If the disclosure satisfies Part 2 of the Act, the discloser is entitled to receive protections under Part 6 of the Act (see section 7.3.1 of these procedures).

### 7.2 Assessing a disclosure

If the disclosure satisfies the requirements of Part 2 of the Act, the Council is required to determine whether the disclosure may be a Public Interest Disclosure by going through the 2 step assessment process recommended by the IBAC as follows.

This will be the case even if the discloser does not refer to the Act or require the protections of the Act. The initial assessment is made on the nature of the information disclosed or on the belief that the discloser has about the nature of the information, and not the discloser's intention.

#### 7.2.1 First step

The first question the Council must answer is whether the information disclosed shows, or tends to show, that there is improper conduct or detrimental action taken in reprisal for the making of a Public Interest Disclosure.

This requires the Council to ascertain whether the information satisfies the 'elements' of improper conduct or detrimental action, as defined in the Act and whether any of the relevant exceptions apply.

This may require the Council to:

- seek further information;
- conduct a discreet initial enquiry;
- seek (further) evidence from the discloser;
- ascertain whether there is sufficient supporting material to demonstrate that the conduct or actions covered by the Act have occurred, are occurring or are likely to occur.

If it is not clear that the information disclosed does show or tend to show that there is improper conduct or detrimental action, then the Council will go on to the second step below.

#### 7.2.2 Second step

This requires the Council to ask whether the discloser believes on reasonable grounds that the information shows or tends to show there is improper conduct or detrimental action. That is, does the person actually believe that the information shows, or tends to show, there is improper conduct or detrimental action? A reasonable belief requires the belief to be based on facts that would be sufficient to make a reasonable person believe there was improper conduct or detrimental action.

This reasonable belief does not have to be based on actual proof that the improper conduct or detrimental action in fact occurred, is occurring, or will occur, but there must be some information supporting this belief. The grounds for the reasonable belief can leave something to surmise or conjecture, but it must be more than just a reasonable suspicion, and the belief must be probable.

According to the IBAC, simply stating that improper conduct or detrimental action is occurring, without providing any supporting information, would not be a sufficient basis for having a reasonable belief. In the IBAC's view, a belief cannot be based on a mere allegation or conclusion unsupported by any further facts or circumstances.

Other matters that the IBAC suggests the Council can consider are:

- the reliability of the information provided by the discloser, even if it is second or third-hand. For example, how would the discloser have obtained the information?
- The amount of detail that has been provided in the information disclosed; and
- the credibility of the discloser, or of those people who have provided the discloser with information.





### 7.2.3 Where urgent action is required while an assessment is still being made

In some circumstances, the disclosure may be about improper conduct that may pose an immediate threat to health and safety of individuals, preservation of property, or may consist of serious criminal conduct.

Example of this provided by the IBAC include where the disclosure may be about:

- a child protection worker allegedly sexually assaulting children in care;
- a council worker allegedly lighting bush fires; or
- a person threatening to poison the water supply.

In these cases the Council can take immediate action while considering whether or not it is an assessable disclosure that must be notified to IBAC or awaiting IBAC's decision on a notified matter.

It may also be necessary to report criminal conduct to Victoria Police for immediate investigation, or take management action against an employee to prevent future conduct.

The Act allows the Council to disclose the content of the disclosure by a person or body "to the extent necessary for the purpose of taking lawful action in relation to the conduct that is the subject of an assessable disclosure including disciplinary process or action". However, the IBAC notes that this does not allow the identity of the discloser to be revealed. Reporting the alleged conduct to the Victoria Police as criminal conduct, or taking legitimate management action against the subject of the disclosure in order to prevent future conduct, may be appropriate courses of action in these circumstances.

### 7.2.4 Assessment decisions

At the conclusion of the assessment, the Council must decide whether it considers the disclosure to be a Public Interest Disclosure. If the Council decides it may be a Public Interest Disclosure, it must notify IBAC of the disclosure. If the Council does not consider it to be a Public Interest Disclosure, then it may be a matter that the Council otherwise deals with through any other relevant internal complaint or grievance management processes.

## 7.3 Notifications

### 7.3.1 If the Council does not consider the disclosure to be a Public Interest Disclosure

If the Council determines the disclosure is not a Public Interest Disclosure, and the discloser has indicated to Gannawarra Shire Council (or it otherwise appears to the Council) that the discloser wishes to receive the protections that apply to a Public Interest Disclosure under the Act, the discloser will be notified in writing, within 28 days of the Council receiving the disclosure, that:

- Gannawarra Shire Council considers the disclosure is not a Public Interest Disclosure;
- the disclosure has not been notified to the IBAC for assessment under the Act; and
- regardless of whether the disclosure is notified to the IBAC for assessment under the Act, the protections under Part 6 of the Act apply.

Notifications to a discloser do not need to be provided by Gannawarra Shire Council in response to an anonymously made disclosure.

### 7.3.2 If the Council considers the disclosure may be a Public Interest Disclosure

If the Council considers the disclosure may be a Public Interest Disclosure under the Act, the Council will, within 28 days of receiving the disclosure:

- notify the IBAC that:
  - the Council considers the disclosure may be a Public Interest Disclosure; and
  - the Council is notifying the disclosure to the IBAC for assessment under s 21 of the Act; **and**
- notify the discloser that:
  - the disclosure has been notified to the IBAC for assessment under the Act; and
  - it is an offence under s 74 of the Act to disclose that the disclosure has been notified to the IBAC for assessment under the Act.

In addition, at the time of notifying the IBAC under s 21 of the Act or at any later time, the Council may also provide the IBAC with any information obtained by the Council regarding the disclosure in the course of its enquiries leading



up to its notification of the disclosure to the IBAC.

#### 7.3.3 Mandatory Reporting requirements for suspected corrupt conduct

#### 7.4 Protections for public officers

A public officer is given specific protections under the Act to provide information to other public officers or to the IBAC in dealing with a disclosure they have received. When a public officer acts in good faith and in accordance with the Act, Regulations and the IBAC's Guidelines, the public officer does not commit an offence under laws imposing a duty to maintain confidentiality or restricting the disclosure of information.

## 8. ASSESSMENT BY IBAC

Once a disclosure has been notified to the IBAC, the IBAC must determine whether it is a Public Interest Disclosure complaint. Such a determination must be made within a reasonable time after the disclosure is notified to the IBAC.

The IBAC must inform Gannawarra Shire Council of its determination as to whether or not the disclosure is a Public Interest Disclosure complaint:

- in writing; and
- within a reasonable time after making the determination.

In making its assessment, the IBAC may seek additional information from the Council or from the discloser if the IBAC considers there is insufficient information to make a decision.

If the IBAC is of the view that the assessable disclosure is not a Public Interest Disclosure, then it is not a 'Public Interest Disclosure complaint'. If the IBAC is of the view that the assessable disclosure is a Public Interest Disclosure, then it must determine that the Public Interest Disclosure is a "Public Interest Disclosure complaint".

#### 8.1. If the IBAC determines the disclosure is not a Public Interest Disclosure complaint

If the IBAC determines the disclosure is not a Public Interest Disclosure complaint, the IBAC must advise the discloser in writing and within a reasonable time after the determination is made, that:

- the IBAC has determined that the disclosure is not a Public Interest Disclosure complaint; and
- as a consequence of that determination:
  - the disclosure will not be investigated as a Public Interest Disclosure complaint; and
  - the confidentiality provisions under Part 7 of the Act no longer apply in relation to the disclosure; and
- regardless of whether the IBAC has determined that the disclosure is a Public Interest Disclosure complaint, the protections under Part 6 apply to a Public Interest Disclosure.

In addition, if the IBAC is of the view that the disclosure, although not a Public Interest Disclosure complaint, may be able to be dealt with by another entity, the IBAC may advise the discloser that:

- the matter which is the subject of the disclosure may be able to be dealt with by that entity other than as a Public Interest Disclosure complaint; and
- if the discloser wishes to pursue the matter, to make a complaint directly to that entity.

If this is the case, the IBAC will also advise the relevant notifying entity that the discloser has been given this advice.

The IBAC is also able to consider whether it wishes to treat the assessable disclosure as a notification made to the IBAC under the IBAC Act.

#### 8.2 If the IBAC determines the disclosure is a Public Interest Disclosure complaint

##### 8.2.1 Notification to the discloser

If the IBAC determines the disclosure is a Public Interest Disclosure complaint, the IBAC must advise the discloser in writing and within a reasonable time after the determination is made, that:

- the IBAC has determined that the disclosure is a Public Interest Disclosure complaint;
- regardless of the determination, the protections available to a discloser of a Public Interest Disclosure under Part 6 of the Act apply;
- the discloser has rights, protections and obligations under the Act as contained in ss 72, 74 and Parts 6 and 7 of the Act, including an explanation of the effect of those sections and Parts of the Act; and



- it is an offence under s 74 of the Act to disclose that the IBAC has determined that the disclosure is a Public Interest Disclosure complaint.

Whether or not IBAC determines the disclosure to be a Public Interest Disclosure complaint, the protections under Part 6 of the Public Interest Disclosure Act apply to the discloser.

Once the IBAC has determined that a disclosure is a Public Interest Disclosure complaint, the discloser cannot withdraw that disclosure. However, under the IBAC Act, the IBAC can decide not to investigate a Public Interest Disclosure complaint if the discloser requests that it not be investigated.

#### 8.2.2 Further actions the IBAC may take

Under the IBAC Act, the IBAC may dismiss, investigate, or refer a Public Interest Disclosure complaint.

If the IBAC dismisses a Public Interest Disclosure complaint, then it must do so on one of the grounds specifically set out in the IBAC Act. In particular, the IBAC must dismiss a Public Interest Disclosure complaint if the matter disclosed is a matter that neither the IBAC nor an investigating entity may investigate.

The IBAC may choose to investigate the alleged conduct if it is reasonably satisfied that it is “serious corrupt conduct”.

The IBAC may also choose to refer the Public Interest Disclosure complaint to other appropriate and relevant investigative entities.

Depending on the action decided to be taken by the IBAC, the IBAC must also provide certain other information to the discloser. That information is set out at the chart on p 24 of the IBAC’s Guidelines for Making and Handling Public Interest Disclosures.

#### 8.2.3 Other information about investigative entities’ investigations of a Public Interest Disclosure complaint

If the IBAC or another investigative entity is conducting an investigation of a Public Interest Disclosure complaint, it may be in contact with the Council or person about which the disclosure has been made. This will be for the purpose of conducting investigative enquiries.

The Council or person will be able to disclose information about the Public Interest Disclosure complaint to the investigative entity without breaching the confidentiality requirements of the Act.

The relevant investigative entity may also disclose the identity of the discloser and the content of the disclosure if necessary to do so for the purposes of their investigative action. If this is the case, then the Council or person to whom the information has been disclosed, is bound by the confidentiality requirements of Part 7 of the Public Interest Disclosure Act.

In addition, if the Council or public officer is advised of the identity of the discloser, then they will be required to look after the welfare of the discloser and provide protection against possible detrimental action.

At the conclusion of its investigation, the relevant investigative entity must generally provide the discloser with information about the results of its investigation, including any action taken by the investigative entity and any recommendation by the investigative agency that action or further action be taken.

The investigative entity may provide written information about the commencement, conduct or result of an investigation, including any actions taken and any recommendation made that any action or further action be taken to the relevant principal officer. However, the investigative entity must not provide any information that is likely to lead to the identification of a discloser.

The investigative entity does not have to provide this information to either the discloser or the relevant principal officer in specified circumstances set out in the IBAC Act or the *Ombudsman Act 1973*.

## 9. WELFARE MANAGEMENT

Gannawarra Shire Council is committed to the protection of genuine disclosers against detrimental action taken in reprisal for the making of Public Interest Disclosures.

The protection of persons making genuine Public Interest Disclosures about improper conduct or detrimental action is essential for the effective implementation of the Act. In addition, the Act extends the need for welfare management to people who have cooperated or intend to cooperate with an investigation of a Public Interest Disclosure complaint (“co-operators”). Persons who are the subject of allegations will also have their welfare looked after.



The Council must ensure disclosers and co-operators are protected from direct and indirect detrimental action being taken against them in reprisal for the Public Interest Disclosure. The Council will ensure its workplace culture supports disclosers and co-operators. Such support will extend to the relevant persons regardless of whether they are internal to the organisation (e.g., employees, Councillors, other officers) or external members of the public. However, different legislative responsibilities (including those external to the Act) apply to persons internal to the organisation, and to persons who may be clients or users of the Council's services. Those derive from various legislative and administrative obligations to:

- ensure the health and wellbeing of employees of a public sector body under laws including those relating to Occupational Health and Safety, the *Charter of Human Rights and Responsibilities Act 2006*, the *Public Administration Act 2004*, and various Victorian Public Sector Codes of Conduct (as relevant); and
- comply with various relevant laws, policies and practices when making administrative and other decisions or taking particular actions affecting a customer, client or user of the public body's services. The IBAC uses the example of a public housing tenant client of the Department of Human Services to illustrate this point. If the tenant makes a disclosure about an officer of the Department allocating a house to a relative of the officer, without them having to go through the normal application process, then the IBAC's view is that the Department has legislative and administrative obligations to meet in handling the welfare of the discloser.

Generally, for internal persons, the Council will ensure a supportive work environment and respond appropriately to any reports of intimidation or harassment against these persons. For external persons, the Council will take reasonable steps to provide appropriate support. The Council will discuss reasonable expectations with all persons receiving welfare management in connection with a Public Interest Disclosure.

#### **9.1 Support available to disclosers and co-operators**

The Council will support disclosers and co-operators by:

- keeping them informed, by providing:
  - confirmation that the disclosure has been received;
  - the legislative or administrative protections available to the person;
  - a description of any action proposed to be taken;
  - if action has been taken by the Council, details about results of the action known to the Council;
- providing active support by:
  - acknowledging the person for having come forward
  - assuring the discloser or co-operator that they have done the right thing, and the Council appreciates it;
  - making a clear offer of support;
  - assuring them that all reasonable steps will be taken to protect them;
  - giving them an undertaking to keep them informed as far as the Council is reasonably able to;
- managing their expectations by undertaking an early discussion with them about:
  - what outcome they seek;
  - whether their expectations are realistic;
  - what the Council will be able to deliver;
- maintaining confidentiality by:
  - ensuring as far as is possible that other people cannot infer the identity of the discloser or co-operator;
  - reminding the discloser or co-operator not to reveal themselves or to reveal any information that would enable others to identify them as a discloser or co-operator;
  - ensuring that hardcopy and electronic files relating to the disclosure are accessible only to those who are involved in managing disclosures in the Council;
- proactively assessing the risk of detrimental action being taken in reprisal (rather than reactively waiting for a problem to arise and a complaint made by the discloser or co-operator), that is, actively monitor the workplace, anticipating problems and dealing with them before they develop as far as is possible;
- protecting the discloser or co-operator by:



- examining the immediate welfare and protection needs of the person and seeking to foster a supportive work environment;
  - listening and responding to any concerns the person may have about harassment, intimidation or victimisation in reprisal for their actions;
  - assessing whether the concerns the person may have about harassment, intimidation or victimisation might be due to other causes other than those related to the Public Interest Disclosure;
- preventing the spread of gossip and rumours about any investigation into the Public Interest Disclosure; and
  - keeping contemporaneous records of all aspects of the case management of the person, including all contact and follow-up action.

#### 9.1.1 Appointment of a Welfare Manager

In appropriate circumstances, the Council will appoint a suitable welfare manager to protect a discloser or a co-operator.

The following matters will be taken into consideration by the Council when deciding whether to appoint a welfare manager in a particular case:

- are there any real risks of detrimental action against the discloser or co-operator, taking into account their particular circumstances?
- whether the Council can will take the discloser or co-operator seriously and treat them with respect?
- whether the Council will give the discloser or co-operator effective support, including keeping the discloser informed of the status of the disclosure?
- can the Council protect the person from suffering repercussions, by dealing with the matter discreetly and confidentially, and responding swiftly and fairly to any allegations that the discloser or co-operator has in fact suffered retribution?

If the answer to the first question is 'yes' then the IBAC recommends the appointment of a dedicated welfare officer. If the answer to the first question is 'no' and the Council can meet the needs set out in the remainder of the questions, the IBAC suggests there may be no need for a dedicated welfare officer to be appointed for that particular case.

In most circumstances, a welfare officer will only be required where a Public Interest Disclosure complaint proceeds to investigation, but each Public Interest Disclosure received by the Council will to be assessed on its own merits.

If appointed, the Welfare Manager will, in addition to providing the general support set out above at 7.1:

- advise the discloser or co-operator of the legislative and administrative protections available to him or her, including providing practical advice;
- listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making a disclosure;
- not divulge any details relating to the Public Interest Disclosure to any person other than the Public Interest Disclosure Coordinator or the CEO;
- ensure all meetings between the Welfare Manager and the discloser or co-operator are conducted discreetly to protect the person from being identified as being involved in the Public Interest Disclosure; and
- ensure the expectations of the discloser are realistic and reasonable, and that the discloser or co-operator understands the limits of the support the Council is able to reasonably provide in the particular circumstances. This is particularly the case where a Welfare Manager has been appointed in relation to an external discloser or co-operator.

#### 9.2 Welfare management of persons who are the subject of Public Interest Disclosures

The Council will also meet the welfare needs of a person who is the subject of a Public Interest Disclosure. It is important to remember that until a Public Interest Disclosure complaint is resolved, the information about the person is only an allegation.



The Council will make a decision about whether or when the subject of a disclosure will be informed about a Public Interest Disclosure involving an allegation made against him or her. It is possible that the subject of the disclosure may never be told about the disclosure if it is not determined to be a Public Interest Disclosure complaint, or if a decision is made to dismiss the disclosure.

The Act limits the disclosure of information about the content of an assessable disclosure and the identity of the discloser to certain specified circumstances set out in Part 7 of the Act. The Council may give information about the disclosure to the subject of the disclosure if it is directed or authorised to do so by the investigative entity investigating the Public Interest Disclosure complaint, or for the purpose of taking action with respect to the conduct alleged, including disciplinary action.

Investigative entities may also inform the subject of the Public Interest Disclosure complaint in the course of their investigation for the purposes of conducting that investigation, or any actions that they propose to take as a result of the investigation.

#### Welfare services

A person the subject of a disclosure who is made aware of their status as such may have a welfare manager appointed by the Council, or be referred to the Council's EAP program for welfare assistance. The Council will consider each matter on a case by case basis, taking into account the particular circumstances of the person and the Public Interest Disclosure complaint.

#### Confidentiality

Consistently with Gannawarra Shire Council's confidentiality obligations under the Act as outlined in these procedures, the fact that a disclosure has been made, whether it has been notified to the IBAC for assessment, any information received from the IBAC or another investigative entity and the identities of persons involved will not be divulged.

The Council will take all reasonable steps to ensure the confidentiality of the subject of a disclosure during any assessment and any ensuing investigation. Where the disclosure is dismissed or investigations do not substantiate the allegations made against the person, the fact that the investigation was undertaken, its results, and the identity of the person subject of the disclosure will still be kept confidential.

#### Natural justice

Gannawarra Shire Council will afford natural justice to the subject of a disclosure prior to any decision being made about the allegations. If the matter has been investigated by an investigative entity, then the investigative entity will be responsible for ensuring consultations with the subject include the provision of natural justice to him or her. The IBAC has noted that affording a subject of a disclosure natural justice in this context means that if a decision is to be made about their conduct this person has the right to:

- be informed about the substance of the allegations against them;
- be given the opportunity to answer the allegations before a final decision is made;
- be informed about the substance of any adverse comment that may be included in any report arising from an investigation; and
- have his or her defence set out fairly in any report.

#### If the allegations are wrong or unsubstantiated

Gannawarra Shire Council will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are wrong or unsubstantiated. In those circumstances, the Council and any investigative entity involved will ensure that there are no adverse consequences for this person arising out of the disclosure or its investigation. This is particularly crucial in a situation where there has been publicly disclosed information identifying the subject, but also where such information has become well-known across the Council and the subject is an employee, Councillor or staff of the Council.

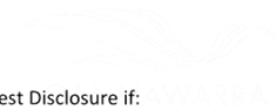
Further, if the matter has been publicly disclosed by Gannawarra Shire Council, the CEO will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

#### **9.2 If detrimental action is reported**

If any person reports an incident of harassment, discrimination or adverse treatment that may amount to detrimental action apparently taken in reprisal for a disclosure, the Welfare Manager or Public Interest Disclosure Coordinator must record details of the incident and advise the person of their rights under the Act.







A person takes detrimental action against another person in reprisal for a Public Interest Disclosure if:

- the person takes, or threatens to take, detrimental action against the other person because, or in the belief that:
  - the other person or anyone else has made, or intends to make, the disclosure; or
  - the other person or anyone else has cooperated, or intends to cooperate, with an investigation of the disclosure; or
- for either of the reasons above, the person incites or permits someone else to take or threaten to take detrimental action against the other person.

All persons are reminded it is a criminal offence to take detrimental action against another person in reprisal for a Public Interest Disclosure under the Act. The penalty for committing such an offence in contravention of the Act is a maximum fine of 240 penalty units, (The value of a penalty unit is indexed annually. Refer to the Department of Justice for current figures.), usually increasing 1 July every year in accordance with arrangements made under the *Monetary Units Act 2004* two years imprisonment or both.

In such circumstances, the Council will be careful about making preliminary enquiries or gathering information concerning such an allegation of detrimental action so that, to the extent it is reasonably able to, it protects the integrity of any evidence that might be later relied upon in a criminal prosecution.

In addition, the taking of detrimental action in reprisal for making a disclosure can be grounds for a person to make a further disclosure with respect to that conduct. The disclosure of this allegation will then be assessed by the Council it as a new disclosure under Part 2 of the Act. Where the detrimental action is of a serious nature likely to amount to a criminal offence, the Council will also consider reporting the matter to the police or the IBAC (if the matter was not already the subject of a disclosure notified to the IBAC).

A discloser of a Public Interest Disclosure may also:

- take civil action against the person who took detrimental action against the discloser and seek damages;
- take civil action against Gannawarra Shire Council jointly and severally to seek damages if the person who took detrimental action against the discloser took that action in the course of employment with, or while acting as an agent of Gannawarra Shire Council; and
- apply for an order or an injunction from the Supreme Court.

### 9.3 Protections for persons making a Public Interest Disclosure

#### 9.3.1 Part 6 protections available to disclosers

Part 6 of the Act sets out the protections provided to persons who make a disclosure that is a 'Public Interest Disclosure', i.e., one that is made in accordance with Part 2 of the Public Interest Disclosure Act. In summary, they are as follows:

- the discloser is not subject to any civil or criminal liability for making the Public Interest Disclosure;
- the discloser is not subject to any administrative action (including disciplinary action) for making the Public Interest Disclosure;
- by making the Public Interest Disclosure, the discloser is not committing an offence against the *Constitution Act 1975* or any other law that imposes obligations of confidentiality or otherwise restricts the disclosure of information;
- by making the Public Interest Disclosure, the discloser is not breaching any other obligation (made by oath, rule of law or practice) requiring him or her to maintain confidentiality; and
- the discloser cannot be held liable for defamation in relation to information included in a Public Interest Disclosure made by him or her.

The protections in Part 6 apply from the time at which the disclosure is made by the discloser. They apply even if the Council receiving the disclosure does not notify the disclosure to the IBAC, and even if the IBAC has determined that the Public Interest Disclosure is not a Public Interest Disclosure complaint.

The protections also apply to further information relating to a Public Interest Disclosure made by the original discloser, if the further information has been provided, verbally or in writing, to:

- the entity to which the Public Interest Disclosure was made;
- the IBAC; or





- any investigating entity investigating the Public Interest Disclosure.

#### 9.3.2 Loss of protections caused by actions of the discloser

However, a discloser is not protected if they commit an offence under s 72 or s 73 of Act, as follows:

- provide false or misleading information, or further information that relates to a Public Interest Disclosure, that the person knows to be false or misleading in a material particular, intending that the information be acted on as a Public Interest Disclosure (maximum penalty: a fine of 120 penalty units (\$17,323.20 as at 1 July 2013), usually increasing 1 July every year in accordance with arrangements made under the *Monetary Units Act 2004*, 12 months' imprisonment, or both);
- claim that a matter is the subject of a Public Interest Disclosure knowing the claim to be false (maximum penalty: a fine of 120 penalty units, 12 months' imprisonment, or both);
- falsely claim that a matter is the subject of a disclosure that IBAC has determined to be a Public Interest Disclosure complaint (maximum penalty: a fine of 120 penalty units, 12 months' imprisonment, or both).

#### 9.3.3 Other limitations on protections afforded to disclosers

A discloser is not protected against legitimate management action being taken by the Council in accordance with the Act.

In addition, although the discloser of a Public Interest Disclosure is not subject to criminal or civil liability for making the disclosure, the Act specifically provides that a person remains liable for their own conduct even though the person has made a disclosure of that conduct under the Act. Therefore, the discloser will still be held liable for their own conduct that they disclose as part of making a Public Interest Disclosure.

#### ***If the person making the disclosure is implicated in the improper conduct or detrimental action that is the subject of the disclosure***

Where a discloser is implicated in improper conduct, Gannawarra Shire Council will handle the disclosure and protect the discloser from reprisals in accordance with the Act, the IBAC's guidelines and these procedures. Gannawarra Shire Council acknowledges that the act of disclosing should not shield disclosers from the reasonable consequences flowing from any involvement in improper conduct. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The management of the welfare of a discloser may become complicated when that person is implicated in misconduct, whether or not that misconduct is related to the disclosure.

Taking disciplinary or other action against a person who has made a Public Interest Disclosure invariably creates the perception that it is being taken in reprisal for the disclosure. The CEO will make the final decision on the advice of the Public Interest Disclosure Coordinator as to whether disciplinary or other action will be taken against a discloser. Where disciplinary or other action relates to conduct that is the subject of the disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with. In all cases where disciplinary or other action is being contemplated, any such action will not be taken without the Council's CEO ensuring that:

- the fact that a person has made a Public Interest Disclosure is not a substantial reason for the Council taking the action against the employee;
- there are good and sufficient grounds that would fully justify action against any other person in the same circumstances;
- there are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The Council will take all reasonable steps to thoroughly document its decision-making process, including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not being taken in retribution against the discloser for making the disclosure, so that it will be able to clearly demonstrate that the disciplinary or other action was taken for the appropriate and permitted reasons under the Act.

The discloser will be clearly informed of any action proposed to be taken, be afforded natural justice, and inform and be informed of any mitigating factors that have been taken into account. Such communications with the discloser will be made in plain English and reasonable steps to provide appropriate support will be offered where appropriate.





## 10. CONFIDENTIALITY

### 10.1 General obligation of confidentiality on Gannawarra Shire Council and all individuals

Gannawarra Shire Council will take all reasonable steps to protect the identity of the discloser and the matters disclosed by a discloser. Maintaining confidentiality in relation to Public Interest Disclosure matters is crucial, among other things, in ensuring reprisals are not made against a discloser.

The obligation of confidentiality extends to any person receiving a disclosure or making a disclosure. It is in the interest of the discloser to ensure he or she does not discuss any related matters other than with authorised persons within Gannawarra Shire Council, officers of the IBAC, or other persons authorised by law.

Exceptions to these confidentiality requirements apply to allow information to be shared where necessary to, among other things, seek legal advice, get the support of a health practitioner or trade union or make a compensation claim to WorkCover, unless there is a direction that those standard exceptions do not apply.

### 10.2 Steps taken by Gannawarra Shire Council to ensure confidentiality

#### 10.2.1 Information management

Gannawarra Shire Council will ensure all files, whether paper or electronic, are kept securely. Those files will be accessible only by the Public Interest Disclosure Coordinator. Where necessary, a Welfare Manager may be able to gain access (where appropriate) to related welfare matters.

The Welfare Manager will not divulge any details relating to the disclosed matter to any person other than the Public Interest Disclosure Coordinator or an investigator appropriately authorised under the Act or the IBAC Act. All meetings between any relevant persons, including the Welfare Manager and disclosers will be conducted discreetly to protect the confidentiality of the person making a Public Interest Disclosure.

All printed material will be kept in files that are clearly marked as Public Interest Disclosure Act matters and warn of the criminal penalties that apply to any unauthorised access, use or divulging of information concerning a Public Interest Disclosure.

All electronic files will be produced and stored on a stand-alone computer and will be assigned specific password protection. Backup files will be kept on appropriately secured portable media. All other materials in connection with a Public Interest Disclosure will also be stored securely with the Public Interest Disclosure file.

Gannawarra Shire Council will not use unsecured email to transmit documents in connection with a disclosure and will ensure all telephone calls and meetings in connection to disclosures are conducted privately and in the strictest of confidence. Hard copy documents will not be delivered by internal mail to a generally accessible area and, where possible, will be delivered in person by authorised officers where possible.

#### 10.2.2 Exemption from the Freedom of Information Act 1982 ("FOI Act")

The FOI Act provides a general right of access for any person to seek documents in the possession of Gannawarra Shire Council.

However, the Act provides that certain information related to Public Interest Disclosures as contained in documents in the possession of Gannawarra Shire Council will be exempt from the application of the FOI Act.

Such information excluded from the operation of the FOI Act includes:

- any information relating to a disclosure made in accordance with the Act;
- any information relating to a disclosure notified to the IBAC by Gannawarra Shire Council under s 21 of the Act for assessment; and
- any information that is likely to lead to the identification of a discloser.

The Council is required to contact the IBAC prior to providing any document originating from the IBAC or relating to a Public Interest Disclosure, if that document is sought under the FOI Act.

#### 10.2.3 Training for all staff

Gannawarra Shire Council will:

- ensure that employees and members have access to a copy of these procedures in hard or soft copy;
- incorporate into its induction procedures training about Gannawarra Shire Council's general obligations under the Act and the rights and obligations of all employees, staff and members;





- introduce periodic refresher courses for existing employees and members about their rights and obligations under the Act;
- provide additional training and assistance to:
  - any members of the Council with specific responsibilities and functions to handle and manage Public Interest Disclosures under the Act, including the Public Interest Disclosure Coordinator and people involved in welfare management;
  - its complaint handling staff to ensure that any complaints received will be dealt with consistently and in accordance with the Act as required;
  - any staff with functions and duties under the FOI Act or with responsibilities for information management, to ensure that no prohibited information is disclosed under the Act and to ensure there is appropriate liaising with the staff of the IBAC or other investigative agencies where required in response to a request for access under the FOI Act; and
  - all employees dealing with customers to ensure any potential disclosures received from external sources can be handled appropriately in accordance with the Act and these procedures.

### 10.3 Limited exceptions permitted by the Act

The Act makes it a crime to disclose information connected with a disclosure made in accordance with the Act. Limited exceptions to the prohibition on disclosure are specified by the Act, include circumstances such as:

- where disclosure is required by Gannawarra Shire Council (or one of its officers) in the exercise of functions of Gannawarra Shire Council under the Act;
- where necessary for the purpose of the exercise of functions under the Act;
- by an investigating entity for the purpose of exercising that entity's functions under the IBAC Act;
- in accordance with a direction or authorisation given by the investigating entity that is investigating the disclosure;
- to the extent necessary for the purpose of taking lawful action in relation to the conduct that is the subject of an assessable disclosure including a disciplinary process or action;
- where the IBAC or the VI has determined that the assessable disclosure is not a Public Interest Disclosure and the discloser or Gannawarra Shire Council subsequently discloses the information;
- when an investigative entity had published a report to Parliament, in accordance with its confidentiality obligations;
- for the purpose of obtaining legal advice in relation to matters specified in the Act;
- in order to enable compliance with the Act:
  - where a person does not have a sufficient knowledge of the English language, to obtain a translation from an interpreter;
  - where a person is under 18 years of age, to a parent or guardian of a;
  - where a person is suffering a disability and is not able to understand, to an independent person;
- in disciplinary actions or legal proceedings for certain offences in the Act or other specified Acts.

It is important to note that the Act prohibits the inclusion of any details, in any report or recommendation that is likely to lead to the identification of a discloser. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report or any reports to Parliament.

### 10.4 Penalties apply for breach of confidentiality

The Act contains several offence provisions relating to unauthorised disclosure of information by either disclosers or persons who have received disclosures. The penalties for breaching the confidentiality required by the Act include imprisonment, financial payments or both.

The criminal offences set out in the Act relating to confidentiality include:

1. divulging information obtained in connection or as a result of the handling or investigation of a Public Interest Disclosure without legislative authority. Maximum penalty: 60 penalty units The value of a penalty unit is indexed annually. Refer to the Department of Justice for current figures), six months imprisonment, or both.
2. Disclosing that a disclosure has been notified to the IBAC for assessment under the Act. Maximum penalty: 60 penalty units, six months imprisonment, or both.

3. Disclosing that a disclosure has been assessed by the IBAC or the IOV to be a Public Interest Disclosure complaint under the Act. Maximum penalty: 60 penalty units, six months imprisonment, or both.

## 11. COLLATING AND PUBLISHING STATISTICS

Gannawarra Shire Council is required to publish certain statistics about the Act in its annual reports. That information relates mainly to how these procedures may be accessed and the number of disclosures notified to the IBAC for assessment under s 21 of the Act during the financial year.

The Public Interest Disclosure Coordinator will establish a secure register to record such information, and to generally keep account of the status of disclosures made under the Act.

## 12. REVIEW

These procedures will be reviewed periodically or upon significant change to the Act, the Regulations or the IBAC's guidelines to ensure they comply with the requirements of the Act, the Regulations and the IBAC's guidelines.

## 13. FURTHER INFORMATION

This procedure should be read in conjunction with Policy No. 107 – Public Interest Disclosure. Additional information can be obtained by contacting the Public Interest Disclosure Coordinator or the Chief Executive Officer.

AltusECM Folder 3.000518  
Originally adopted: 25/02/2009  
Last Reviewed: 17/09/2025

**7.9 POLICY NO. 109 - PROCUREMENT**

**Author:** Deanne Caserta, Manager Financial Services  
**Authoriser:** Phil Higgins, Acting Director Corporate Services  
**Attachments:** 1 Policy 109 - Procurement - Draft

**RECOMMENDATION**

**That Council endorse Policy No. 109 - Procurement Policy.**

**EXECUTIVE SUMMARY**

This report addresses the review of the Procurement Policy (the Policy). The current version of the Policy was adopted by Council in December 2021 and is now due for review.

**PURPOSE**

The Policy is drafted using principles under Section 108 of the Local Government Act 2020 (the Act). The Act requires each council to:

- Prepare and adopt a procurement policy which specifies the principles, processes and procedures applying in respect of the purchase of goods and services and the carrying out of works by the Council; and
- Review its procurement policy at least once during each 4-year term of the Council.

This Policy has been developed collaboratively with the LMPN with a view to facilitating smooth collaborative procurement processes, consistent with the Act.

**ATTACHMENTS**

- Policy No. 109 – Procurement – Draft.

**DISCUSSION**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they are reflective of current practice. Council policies are reviewed as needed, however most policies must be reviewed within either 12 months or two years after a General Election. Reviewed policies are presented to Council for endorsement, or for repeal if it has been determined the policy is no longer required.

The Policy has gone through a significant review to ensure it is still line with the current processes, along with addressing any key actions outlined in the recent Procurement Audit undertaken by the Audit and Risk Committee.

The key changes within the review of the Policy are as outlined below:

Section	Description	Comments
2	Definitions and abbreviations	Added definition for 'emergency'.
7.9	Reporting suspicious activities	Strengthened the wording for this section.
8	Responsible financial	Expanded information added on the foundation

Section	Description	Comments
	management	principles of responsible financial management.
9.2	Thresholds	Additional information added into these sections to provide further clarity and more robust process controls.
9.2	Thresholds	Additional section added to assist where non-compliant tender processes are not reached.
9.3	Exemptions to the thresholds	Additional information included for section that relates to emergency or hardship.
9.3	Exemptions to the thresholds	Additional items added for section 4 – Professional services unsuitable for tendering.
9.3	Exemptions to the thresholds	Additional sections added for variations to existing contracts, critical vacancies and council approved panel contracts.
9.4	Quotation for non-public tender activities	New section added to strengthen and provide clarification of this process. Improved flow of this section.
9.8	Collaborative procurement	Additional information added to include collaboration with the Loddon Mallee Regional Procurement Network (LMRPN).
10	Sustainable procurement	Further descriptions added to this section to provide greater understanding of what this is and how to include within procurement processes.

#### RELEVANT LAW

- S 127 and 128 – *Local Government Act 2020*
- S 108 and 109 – *Local Government Act 2020*

#### RELATED COUNCIL DECISIONS

Council Policy No. 110 – Investments was last reviewed by Council in December 2021.

#### OPTIONS

Council may endorse the recommended adjustments or alternatively it may decide to make no changes to the Policy at this time.

#### SUSTAINABILITY IMPLICATIONS

Sustainable procurement involves decision making that has the most positive environmental, social and economic impacts possible across the entire lifecycle of goods, services and works. Council demonstrates sustainable procurement by:

- Being accountable for its impacts on society, the economy and the environment including the impacts of the organisation's supply chain;
- Examining anticipated organisational, project and/or community needs;
- Continually improving sustainability specifications, practices and outcomes; and
- Planning and undertaking sustainability evaluations as part of contracting activities.

## **COMMUNITY ENGAGEMENT**

This Policy has been reviewed by the relevant key internal stakeholders prior to being discussed by the Executive Leadership Team. This Policy was discussed at the Council Briefing on 1 September 2025 along with discussion at the Audit and Risk Committee meeting on 10 September 2025. Due to the timing of preparation of the Council Agenda, any feedback from the Audit and Risk Committee will be presented verbally by the Councillors who were in attendance.

## **INNOVATION AND CONTINUOUS IMPROVEMENT**

This Policy applies to all Council procurement activities undertaken by Councillors, Council Staff, volunteers and contractors.

Policies are reviewed as required however most policies must be reviewed within either 12 months or two years of a Council election. Regular reviews of Council policies ensure compliance with relevant legislation and that they are reflective of current practices.

## **COLLABORATION**

Not applicable.

## **FINANCIAL VIABILITY**

There are no budget implications with this report but aims aim to maximise value for money for Council which in can have a positive impact on Council's financial position.

## **REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Victorian Local Government Procurement Best Practice Guidelines 2024.

## **COUNCIL PLANS AND POLICIES**

Gannawarra Shire Council Plan 2021 – 2025: Sustainability – "Maintaining financial sustainability of Council".

## **TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

## **CONFLICT OF INTEREST**

The officers preparing this report declares that they have no conflict of interest in regard to this matter.





# Procurement

## COUNCIL POLICY NO. 109

### 1. CONTENTS

<b>1. Contents .....</b>	<b>1</b>
<b>2. Definitions and abbreviations .....</b>	<b>2</b>
<b>3. Overview .....</b>	<b>5</b>
<b>4. Applicability .....</b>	<b>5</b>
<b>5. Objectives .....</b>	<b>5</b>
<b>6. Application of GST .....</b>	<b>5</b>
<b>7. Governance principles .....</b>	<b>5</b>
7.1 Conduct of Councillors and Council Staff .....	6
7.2 Conflict of interest .....	6
7.3 Fair and honest dealing .....	6
7.4 Probity, accountability and transparency .....	6
7.5 Gifts and benefits .....	6
7.6 Endorsement .....	6
7.7 Disclosure of information .....	6
7.8 Complaint handling .....	7
7.9 Reporting suspicious activities .....	7
<b>8. Responsible financial management .....</b>	<b>7</b>
8.1 Achieving value for money .....	7
8.2 Internal controls .....	8
8.3 Risk management .....	8
8.4 Delegation of Authority .....	8
8.5 Dispute resolution .....	9
8.6 Training .....	9
8.7 Performance measures and continuous improvement .....	9
<b>9. Procurement methodology .....</b>	<b>9</b>
9.1 Procurement thresholds and competition .....	10
9.2 Thresholds .....	10
9.3 Exemptions to the thresholds .....	11

Page | 1

9.4	Quotation and non-public tender activities.....	13
9.4.1	Formal system of procurement requirements.....	13
9.4.2	Request for quotes to be auditable.....	13
9.4.3	Exemptions.....	13
9.4.4	Insufficient quotation not to invalidate procurement activity.....	13
9.4.5	Evaluation criteria .....	13
9.5	Panel contracts.....	14
9.6	Public tenders.....	14
9.6.1	Tender evaluation .....	14
9.6.2	Evaluation criteria .....	14
9.6.3	Probity advisor .....	15
9.6.4	Shortlisting and negotiations.....	15
9.7	Contract management .....	15
9.7.1	Contract variations .....	15
9.8	Collaborative procurement.....	16
10.	Demonstrate sustained value .....	17
10.1	Sustainable procurement .....	17
10.1.1	Principles and objectives .....	17
10.2	Economic .....	17
10.2.1	Local benefit.....	17
10.2.2	Regional benefit .....	18
10.3	Environmental .....	18
10.4	Social .....	18
10.4.1	Aboriginal procurement.....	19
11	Related documents .....	19
12	Policy review .....	20
13	Further information .....	20

## 2. DEFINITIONS AND ABBREVIATIONS

Term	Definition
Act	The Local Government Act 2020 (as amended)
Collaborative procurement arrangement	A contract established by the Council, government or a nominated agent, such as Procurement Australia (PA), Municipal Association of Victoria (MAV), Loddon Mallee Procurement Network of Councils or a local government entity, for the benefit of numerous state, federal and/or local government entities that achieves best value by leveraging combined economies of scale.
Commercial in confidence	Information that, if released, may prejudice the business dealings or commercial interests of Council or another party, e.g. prices, discounts, rebates, profits, methodologies, and process information, etc.
Conflict of interest	Where private interests conflict with public duty.
Contract management	The process that ensures all parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the contract objectives and provide value for money.

Page | 2

Term	Definition
Contractor	A person or entity that works to provide a service or product for the benefit of the engaging principal.
Council	The Gannawarra Shire Council, including Councillors and Council staff.
Councillors	Council's elected representatives (the Mayor and Councillors) or Administrator(s) appointed to act in this capacity.
Council staff	Includes all Council officers and temporary employees, contractors, volunteers and consultants while engaged by Council.
Emergency	<ul style="list-style-type: none"> <li>a) an emergency due to the actual or imminent occurrence of an event which destroys or damages, or threatens to destroy or damage, any Council property as a result of: <ul style="list-style-type: none"> <li>i. a flooding, windstorm, earthquake or other natural event;</li> <li>ii. a fire;</li> <li>iii. an explosion;</li> <li>iv. a plague or an epidemic or pandemic or contamination which may require the immediate procurement of goods, services or works to ensure business continuity, safety and security;</li> </ul> </li> <li>b) an emergency due to the actual or imminent occurrence of an event which in any way endangers or threatens to endanger the safety or health of Council staff;</li> <li>c) the occurrence of a natural disaster such as flooding, bushfire, earthquake, windstorm or other natural event, epidemic or pandemic or contamination which may require the immediate procurement of goods, services or works to provide, or support in the provision of, relief in the Gannawarra Shire municipality;</li> <li>d) any sudden or unexpected disruption to Council's essential services such as IT breakdown or failure or power outage which may require the immediate procurement of goods, services or works to ensure business continuity;</li> <li>e) unforeseen cessation of trading of a core service provider and a need to appoint a replacement service provider on the grounds of public safety;</li> <li>f) a state of disaster declared under the Emergency Management Act 1986, or any other declaration made by the Premier of Victoria which will impact the Gannawarra Shire municipality;</li> <li>g) any other situation which is liable to continue a risk to life or property.</li> </ul>
IBAC	The Independent Broad-based Anti-Corruption Commission
Indigenous business	A business that is at least 50% owned by an Aboriginal or Torres Strait Islands person(s) (consistent with Supply Nation's definition). <a href="https://supplynation.org.au/benefits/indigenous-business/">https://supplynation.org.au/benefits/indigenous-business/</a>
Local business	A commercial business with an operational premises that is physically located within the municipal boundary.
Loddon Mallee Procurement Network (LMPN)	Network Group comprising the following 10 municipalities: Buloke Shire Council, Campaspe Shire Council, Central Goldfields Shire Council, City of Greater Bendigo, Gannawarra Shire Council, Loddon Shire Council, Macedon Ranges Shire Council, Mildura Rural City Council, Mount Alexander Shire Council and Swan Hill Rural City Council.



Term	Definition
Preferred supplier panels	Panels of suppliers or vendors who are able to supply goods and services, including the carrying out of works. Panels are based on categories such as trade services and plant hire. Panels mean that Council staff are able to request a quotation (from suppliers on the panel) without publicly inviting tenders (noting that the number of quotations requested still needs to be compliant with the policy). Preferred Supplier Panels are also known as Approved Supplier Lists or Approved Contractor Lists.
Procurement principles	The fundamental propositions or forces that serve as the foundation for the policy and will govern procurement practices and decision making.
Probity	The practice of acting fairly and ethically.
Procurement	The process of acquisition of external goods and services, including the carrying out of works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.
Public advertising	Public Advertising is through eTendering Portal(s) and regular newspaper column, the Gannawarra News.
Schedule of rates contract	A standing offer arrangement that sets out rates for goods and services which are available for the term of the agreement but without a commitment to purchase a specified value or quantity of those goods or services.
Social economic benefit	The positive impacts on people, places or communities generated through procurement practices.
Suppliers	Any organisation which supplies goods or services to Council including but not limited to, contractors, subcontractors, manufacturers, wholesalers, retailers and consultants.
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.
Sustainable procurement	The environmental, social and economic impact of purchasing decisions across the entire lifecycle of goods, services and works.
Tender process	The process of inviting parties from either a select list or via public advertisement to submit an offer by tender, followed by evaluation of submissions and selection of a successful tenderer in accordance with pre-determined evaluation criteria.
Total contract sum	The potential total value of the contract including: <ul style="list-style-type: none"> <li>• costs for the full term of the contract, including any options for either party to extend the contract;</li> <li>• anticipated contingency allowances or variations; and</li> <li>• all other known, anticipated and reasonably foreseeable costs.</li> </ul>
Value for money	Involves the supply of goods and services, including the carrying out of works taking into account : <ul style="list-style-type: none"> <li>• non-cost factors such as contribution to the advancement of Council's priorities, fitness for purpose, quality, service and support and</li> <li>• whole-of-life costs.</li> </ul>
Volunteer	An individual who gives their time to undertake unpaid activities. This includes Community Asset Committee members and people helping with services such as Meals on Wheels.



### 3. OVERVIEW

This Procurement Policy is made under Section 108 of the *Local Government Act 2020 (the Act)*. The Act requires each council to:

- Prepare and adopt a procurement policy which specifies the principles, processes and procedures applying in respect of the purchase of goods and services and the carrying out of works by the Council; and
- Review its procurement policy at least once during each 4-year term of the Council.

This Policy has been developed collaboratively with the LMPN with a view to facilitating smooth collaborative procurement processes, consistent with *the Act*.

### 4. APPLICABILITY

This Policy applies to all Council procurement activities undertaken by Councillors, Council Staff, volunteers and contractors.

### 5. OBJECTIVES

This Policy is consistent with the requirements of S108 (2) of *the Act* and will:

- Promote open and fair competition and provide value for money;
- Provide clear guidelines to the Council to allow consistency and control over procurement activities;
- Demonstrate accountability to ratepayers and residents;
- Provide guidance on ethical behaviour in public sector procurement;
- Demonstrate the application of best practice in procurement activities;
- Demonstrate the consideration of sustainability in procurement with respect to social, economic and environmental factors;
- Increase the probability of obtaining the best outcome for the municipal community when procuring goods and services; and delivering works, and
- Promote collaborative procurement.

These objectives will be achieved by requiring Council's contracting, purchasing and contract management activities to:

- Support Council's corporate strategies, aims and objectives;
- Span the whole life cycle of an acquisition and take sustainability and environmental benefit considerations into account;
- Achieve demonstrable value for money;
- Be conducted in, and demonstrate, an impartial, fair and ethical manner;
- Seek continual improvement through innovative and technological initiatives; and
- Generate and support local business through inclusion wherever practicable.

### 6. APPLICATION OF GST

All monetary values stated in this policy exclude GST unless specifically stated otherwise.

### 7. GOVERNANCE PRINCIPLES

Council's procurement activities shall be performed in an open, transparent and ethical manner with demonstrated integrity, fairness and accountability that meets relevant legal requirements.



All tender processes shall be conducted in accordance with the requirements of this Procurement Policy and any associated procedures, relevant legislation, relevant Australian Standards, Commercial Law and *the Act*.

#### **7.1 Conduct of Councillors and Council Staff**

Councillors and Council staff shall at all times conduct themselves in ways that are in accordance with the Councillor Code of Conduct or the Staff Code of Conduct respectively, will perform their duties ethically and with integrity and must:

- Treat potential and existing suppliers equally and fairly;
- Not use their position to seek or receive personal gain in procurement matters;
- Maintain confidentiality of commercial in confidence information;
- Present the highest standards of professionalism and probity.

#### **7.2 Conflict of interest**

Councillors and Council Staff shall at all times avoid situations which may give rise to a conflict of interest.

For the purpose of this policy 'general conflict of interest' and 'material conflict of interest', have the meanings specified in sections 127 and 128 of *the Act*.

Councillors and staff will comply with all the provisions of *the Act*, Code of Conduct(s) and Governance Rules in regard to Conflicts of Interest.

Council staff involved in the procurement process, in particular preparing tender documentation, writing tender specifications, opening tenders, participating in tender evaluation panels, preparing a recommendation report; and Councillors and Council Staff awarding tenders must:

- **Avoid** conflicts of interest, whether material or general;
- **Declare** if they have a conflict of interest in respect of the procurement. Council staff participating in tender evaluation panels must complete a Conflict of Interest Declaration. Council Staff must declare any general or material conflicts in line with Council's internal processes for reporting conflicts of interest; and
- **Observe** prevailing Council and Government guidelines on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not for personal gain.

#### **7.3 Fair and honest dealing**

Any suspected improper conduct, including suspected fraud, corruption, substantial mismanagement of public resources, risk to public health and safety, risk to the environment, or detrimental action should be managed in accordance with Council's internal policies and processes.

#### **7.4 Probity, accountability and transparency**

Accountability in procurement means being able to justify and provide evidence of the process followed. An independent third party must be able to see clearly that a process has been followed and that the process was fair and reasonable.

Council staff must be able to account for all procurement decisions and ensure all procurement activities leave an audit trail for monitoring and reporting purposes.

#### **7.5 Gifts and benefits**

Any gift or benefit offered to a Councillor or member of Council staff will be managed in accordance with the Code of Conduct(s), Council Policy No. 144 - Councillor Gifts and Council's internal policies and processes.

Councillors and Council staff, particularly contract supervisors must not knowingly engage a Council supplier for private benefit unless that engagement is on proper commercial terms.

#### **7.6 Endorsement**

Council staff must not publicly endorse any products or services without the permission of the relevant Director or the CEO.

#### **7.7 Disclosure of information**

Commercial in confidence information received by Council must not be disclosed and is to be stored in a secure location.





Councillors and Council staff must take all reasonable measures to maintain confidentiality of:

- Information disclosed by organisations in tenders and quotations or during tender negotiations; and
- Commercial in confidence information.

Councillors and Council staff must avoid references to current or proposed contracts in discussion with acquaintances or outside interests.

Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier.

At no stage should any discussion be entered into which could improperly influence the procurement process or negotiation of a contract prior to the contract approval process being finalised, other than authorised pre-contract negotiations.

#### **7.8 Complaint handling**

Members of the public and suppliers are encouraged to report known or suspected incidences of improper conduct. Councillors and Council staff will manage and report on complaints in accordance with Council's Complaint Handling Policy.

#### **7.9 Reporting suspicious activities**

All Councillors, Council staff and Council suppliers are required at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible.

Council will take all reasonable steps to protect those who assist Council by providing information about suspected fraud. This will include confidentiality of identity and protection from harassment, to the extent possible.

Suspected improper conduct, offers of bribes, commissions and any other irregular approaches from suppliers, prospective suppliers or other individuals will be investigated and reported in accordance with relevant legislation and Council's Public Interest (Protected Disclosure) Policy and Procedure.

Council will handle all other suspicious activities in accordance with its policies and procedures including Complaint Handling, Fraud and Corruption and Public Interest Disclosure, and legislative requirements under the *Independent Broad-based Anti-Corruption Commission Act 2011*.

## **8. RESPONSIBLE FINANCIAL MANAGEMENT**

The principle of responsible financial management shall be applied to all procurement activities. The availability of existing funds within an approved budget or source of funds shall be established prior to the commencement of any procurement action for the supply of goods and services, including the carrying out of works.

Council funds must be used efficiently and effectively to procure goods and services, including the carrying out of works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Policy.

#### **8.1 Achieving value for money**

Council's procurement activities will be carried out on the basis of obtaining value for money. This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations. Lowest price is not the sole determinant of value for money.

This will be facilitated by:

- Achieving continuous improvement in procurement activity;
- Developing, implementing and managing processes that support the coordination and streamlining of activities throughout the procurement lifecycle;
- Effective use of competition;
- Using existing Council contractual arrangements or collaborative procurement arrangements where appropriate;
- Identifying and rectifying inefficiencies in procurement processes;
- Developing cost efficient tender processes;
- Council staff responsible for providing procurement services or assistance within Council providing competent advice in terms of available products and agreements; and



- Working with suppliers to create relationships that are professional, productive, and are appropriate to the value and importance of the goods, services and works being procured.

#### **8.2 Internal controls**

The Chief Executive Officer will establish and maintain a framework of internal controls over procurement processes that ensure:

- More than one person is involved in and responsible for the authorisation of a transaction from end to end;
- Transparency in the procurement process;
- A clearly documented audit trail exists for procurement activities;
- Appropriate authorisations are obtained and documented;
- Systems are in place for appropriate monitoring and performance measurement; and
- A process is in place for escalation, where appropriate, of procurement matters (including procedural non-compliance) to the Executive Leadership Team, the Audit and Risk Committee and Council.

#### **8.3 Risk management**

Council is committed to the practice of effective risk management to provide improved stakeholder confidence and trust, and to support improved compliance and better corporate governance. Risk management is to be appropriately applied at all stages of procurement activities including:

- Standardisation of contracts including current and relevant clauses
- Requiring security deposits where appropriate
- Referring specifications to relevant industry experts
- Ensuring contractual agreements are in place before the commencement of works
- Use of and enforcement of delegated authorities
- Use of or reference to relevant Australian Standards (or equivalent)
- Effective management of the contract through ongoing monitoring to ensure the required performance is being achieved
- Terms and conditions being settled in advance of any commitment being made with a supplier.
- Contracts being proactively managed
- Risk assessments being undertaken as part of the procurement planning process.

Council will establish internal controls over procurement processes ensuring:

- Purchase orders are raised for all purchases, with the exception of:
  - corporate credit card purchases
  - cash reimbursements
  - fuel
  - utilities
  - subscription and annual memberships
  - leases
  - other defined standard monthly charges
  - other defined standard annual charges
- Purchase orders are raised before invoices are received
- More than one person is involved in and responsible for a transaction end to end
- Any variations of more than 10% or \$10,000 (whichever is the lesser) between the purchase order quoted price and the suppliers invoice amount are sent for an additional variation approval by the relevant authorised Council representative as per Council's Delegation of Authority
- Extension to contracts are managed within the parameters set within the Delegation of Authority
- A clearly documented audit trail exists for procurement activities
- Appropriate authorisations are obtained and documented
- Systems are in place for performance measurement and appropriate monitoring
- Conflict of interest and confidentiality declarations are obtained where required
- Amendment to this Policy can only be made following resolution of Council.

#### **8.4 Delegation of Authority**

Delegations define the limitations within which Council staff are permitted to commit Council to the procurement of goods and services, including the carrying out of works and the associated costs.

**Council staff** - Council will maintain a documented scheme of procurement delegations identifying staff authorised to

Page | 8





make procurement commitments in respect of goods and services, including the carrying out of works on behalf of the Council, and their respective financial delegations. Commitments include:

- Acceptance of tenders
- Acceptance of quotes
- Contract term extensions (within authorised budget)
- Contract amendment (non-financial)
- Contract amendment (financial)
- Appointment to register of pre-qualified suppliers
- Credit Card purchases (subject to any corporate credit card and fuel card policies)
- Procedural exceptions.

**Delegations reserved for Council** - Commitments and processes which must be approved by Council are:

- Procurements that exceed the Chief Executive Officer delegations
- Contract variations that drive the total contract price above the Chief Executive Officer delegations if the award of the contract was not previously resolved by Council
- Contract variations valued at \$200,000 and above.

#### **8.5 Dispute resolution**

Where relevant, all Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes escalating to legal action.

#### **8.6 Training**

All staff in roles that involve the procurement of goods and services will undertake procurement training when they commence in those roles, and refresher training every two years. Staff who breach this policy may be required to undertake refresher training immediately and may also be subject to disciplinary action.

#### **8.7 Performance measures and continuous improvement**

Appropriate performance measures and reporting systems will be used to monitor performance and compliance with procurement policies, procedures and controls.

Procurement procedures, practices and costs will be benchmarked externally.

Internal service standards will be agreed within the Council and performance against these targets will be measured and reviewed regularly to support continuous improvement.

The performance measurements developed will be used to:

- Highlight trend and exceptions where necessary to enhance performance;
- Improve the internal efficiency of the procurement process and where relevant, the performance of suppliers;
- Facilitate programs to drive improvement in procurement to eliminate waste and inefficiencies across key spend categories.

## **9. PROCUREMENT METHODOLOGY**

Council's standard methods for procuring goods and services, including the carrying out of works shall be by any of the following:

- Purchase order that represents best value for money under the quotation process, from suppliers for goods or services under the thresholds adopted by Council. An approved purchase order must be created prior to committing expenditure on behalf of Council;
- Under contract following a quotation or tender process;
- Under a preferred supplier panel;
- Using collaborative procurement arrangements with other Councils, MAV Procurement, Victorian Government or other bodies;
- Multi-stage tenders commencing with an Expression of Interest (EOI) followed by a tender process;
- Corporate purchase cards (subject to any corporate credit card and fuel card policies);
- Petty cash.

Any other arrangements are to be authorised by Council or exercised under appropriate delegated authority on an 'as needs' basis, as required by abnormal circumstances such as emergencies.

Page | 9



### 9.1 Procurement thresholds and competition

Council will apply the following fundamental best practice principles to procurement, irrespective of the value and complexity of that procurement:

- Value for money;
- Sustainability (social, economic and environmental) – See Section 10;
- Open and fair competition;
- Accountability;
- Risk management; and
- Probity and transparency.

Section 108 of the *Act* states that each Council will set the public tender threshold above which tenders or expressions of interest for contracts must be publicly invited.

A public tender process must be used for all procurements valued at \$200,000 and above for goods and services, including the carrying out of works.

For procurements valued under \$200,000, the procurement methodology and thresholds detailed in Section 9.4 will apply.

### 9.2 Thresholds

In every procurement activity all practicable efforts will be made to consider the sustainable procurement considerations as listed in Section 10.

Council will invite offers from the supply market for goods and services, including the carrying out of works in accordance with the thresholds. Purchase of goods and services having a total value of up to \$200,000 may be undertaken using the procurement by quotation method as described below:

Value (GST exclusive)	Requirement
Up to \$2,000	Quotation desired, not mandatory.
\$2,001 to \$4,999	One written quotation must be received and the details recorded in a document management system.
\$5,000 to \$24,999	A minimum of two written quotations must be sought for selecting quoting. Alternatively, quotes may be advertised publicly on Council's eProcure portal. Quotations received by the nominated closing date must be evaluated and a recommendation made in favour of the supplier offering the best value for money. Details of the suppliers contacted and their quotations must be recorded in the document management system.
\$25,000 to \$199,999	A detailed specification must be prepared that provides a clear description of the goods, services or works required. A formal request for quote (RFQ) must be prepared and provided to a minimum of three suppliers for selective quoting. Alternatively, quotes may be advertised publicly on Council's eProcure portal. Quotations received by the nominated closing date must be evaluated using Council's approved evaluation template and a recommendation made in favour of the supplier offering the best value for money. Details of the suppliers contacted, and their quotations must be recorded in the document management system.
\$200,000 and over: or cumulative spend threshold over a 12 month (rolling period) is expected to exceed \$200,000	Public tender process as detailed at Section 9.6.  Cumulative spend threshold - where the cumulative spend with one supplier or for one category of spend (e.g. road construction) over a 12 month (rolling period).

In the event that Council undertakes a compliant public tender process and does not receive any tenders or rejects all tenders on the basis they did not meet council's specifications outlined in the tender document, it has two options:

- **Recall tenders** either with or without amending the procurement requirements and the tender documents.



- **Seek an alternative means** of delivering the service or works required under the tender without changing the requirements (including undertaking the service or works itself). If a council seeks to appoint a contractor who did not submit when tenders were originally called it must ensure:
  - the grounds for rejecting the tender(s) received are on the basis they did not meet council's specifications outlined in the tender document, and/or did not provide value for money to council, and
  - it is highly unlikely that another competitor would submit a tender if the council retendered for the goods, services and/or works, and
  - the terms on which council intends to engage the third-party contractor are the same as the specifications in the original tender documents, and
  - engaging the third-party contractor will provide value for money to council.

If Council amends the scope or intent of its requirements for goods, services or works so that it is materially different this would constitute a new contract. Council should then complete a new public tender process.

### 9.3 Exemptions to the thresholds

The following circumstances are exempt from the general publicly advertised tender, quotation and expression of interest requirements.

The CEO may approve ad-hoc exemptions in exceptional circumstances where it can be demonstrated that it is in the best interests of the community to do so.

The public tender threshold and related exemptions also apply to collaborative procurements.

Exemption	Explanation, limitations, responsibilities and approvals
1. A contract made with the approval of the CEO because of genuine emergency or hardship	Where Council has resolved that the contract must be entered into because of an emergency (e.g. to provide immediate response to a natural disaster, declared emergency, etc.). <ul style="list-style-type: none"> <li>• Any decision made under this exemption will be communicated to Councillors, and if required by the Mayor, will be subject of a report to the next scheduled Council meeting for noting.</li> <li>• This exemption ceases, declared by the CEO, where there is no further imminent threat or requirement to take immediate action to protect life or property.</li> <li>• The CEO, in conjunction with procurement staff, must review the exemption and the associated conditions on a regular basis until the declaration to cease occurs. Robust reporting (within reasonable and achievable timeframes) is required on purchases made under this exemption. This should be undertaken from commencement, during the event and after the emergency ceases.</li> </ul>
2. A contract made with, or a purchase from a contract made by, another government entity, government-owned entity or other approved third party	This general exemption allows engagements: <ul style="list-style-type: none"> <li>• With another government entity or government owned entity. For example, Federal, State or Local Government or an entity owned by the Federal, State or Local Government; and/or</li> <li>• In reliance on contracts and arrangements established by another government entity, local authority or local government group purchasing scheme, Municipal Association of Victoria (MAV) or National Procurement network members (e.g. Local Buy), Procurement Australia (PA) or LMPN.</li> </ul>
3. Extension of contracts while Council is at market to replace that contract	Allows Council to extend an existing contract where the procurement process to replace the contract has commenced, and where the procurement process or negotiations will take, or is taking longer than expected. <p>This exemption may be used when the establishment of an interim short-term arrangement with an alternative supplier is considered not to be in the public interest, as it may be cost prohibitive and/or present a risk in the delivery of critical public services to the municipality.</p>



Exemption	Explanation, limitations, responsibilities and approvals
4. Professional services unsuitable for tendering	<ul style="list-style-type: none"> <li>• Legal services – This exemption may be used when specific advice is needed at short notice;</li> <li>• Insurance - This exemption may be used in between periodic market testing that is undertaken at least every five years;</li> <li>• Purchase of land;</li> <li>• Electoral or valuation services;</li> <li>• Payroll expenses and deductions;</li> <li>• Refunds;</li> <li>• Professional membership payments and subscriptions (must relate to the position held).</li> </ul>
5. Novated contracts	Where the initial contract was entered into in compliance with <i>the Act</i> and due diligence has been undertaken in respect to the new party.
6. Information technology resellers and software developers	Allows Council to renew software licenses, maintenance and support agreements, or upgrade existing systems, where there is only one supplier of the software who holds the intellectual property rights to the software.
7. Statutory Compulsory Monopoly Insurance Schemes	<ul style="list-style-type: none"> <li>• Motor vehicle compulsory third party insurance.</li> <li>• WorkCover.</li> </ul>
8. Operating leases	Where a lessor leases an asset (generally a vehicle or plant and equipment) to Council and assumes the residual value risk of the vehicle.
9. Plant and equipment servicing	<ul style="list-style-type: none"> <li>• Where it is required to maintain a valid warranty.</li> <li>• Where works need to be carried out by recognised suppliers using genuine parts. To achieve this, Council utilises servicing by the manufacturers from whom the plant and equipment was originally purchased. Spare parts from specific manufacturers can be purchased to complete works on plant and equipment in Council's workshop.</li> </ul>
10. Artworks, statues and monuments	It is not practical to obtain quotes for artworks, statues and monuments as each piece of work is unique. Please note that if artwork is commissioned to be created, then this exemption does not apply and quotations or tenders must be sought.
11. Shop supplies	Units of Council that operate a retail outlet that are required to purchase stock for resale to the public. This is due to the nature of the goods that are offered for resale, which may be of a unique nature.
12. Performers	Departments of Council that engage performers as part of a performance program are exempt.
13. Specialist knowledge and skills	Where Council requires advice from a supplier who offers specialist knowledge.
14. Sole supplier (Core service)	Council deals with a number of core service sole suppliers. There is no market to test and obtain multiple quotations. Examples of core service sole suppliers are: Water authorities, Telstra, Powercor, professional membership payments (relating to positions held at Council), where the supplier is the sole source of intellectual property e.g. Facebook, Google, advertising (newspapers, magazines, IT equipment (Apple or Microsoft products and the like).
15. Variations to existing contracts	Variations to existing contracts, due to changes to the original specification or scope of the service or project, where it is not practical nor in the best interests of Council to engage an alternate contractor.



Exemption	Explanation, limitations, responsibilities and approvals
16. Contractor filling critical vacancy in workforce	If a vacancy for an executive position, manager position, coordinator position or position required by legislation requires short-term (less than 12 months) filling, or has been advertised but has not been able to be filled, the vacancy may be filled by a contractor.
17. Council approved panel contracts	Where Council has resolved to approve a panel contract and increased the CEO delegation for that panel contract, the tender threshold will be increased in accordance with the CEO delegation for the life of the approved panel contract.

#### 9.4 Quotation and non-public tender activities

##### 9.4.1 Formal system of procurement requirements

For purchases of goods, services and works having a total valuation of less than public tender threshold Council will maintain a formalised system of procurement requirements.

##### 9.4.2 Request for quotes to be auditable

The following approaches meet the minimum requirement for the requesting quotes:

- contact with suppliers by phone or email seeking a written (or verbal where permitted) quote
- advertising on Councils eProcurement portal
- public advertising, where a field of potential tenderers has not been established, an innovative approach is required, or the project has broad appeal that may attract competitive prices, etc.

##### 9.4.3 Exemptions

Exemptions that may exist to the quotation process include:

- extension of current work scope
- eligible panel contract terms
- availability of a specialty supplier, eg. legal, valuation
- limited availability suppliers in that industry
- sustainable procurement factors.

Exemptions to the quotation process must still meet value for money principles and must be accompanied by the relevant exemption documents.

##### 9.4.4 Insufficient quotation not to invalidate procurement activity

In some circumstances the required number of quotations cannot be achieved. This will not terminate the procurement process.

Where insufficient quotations are received, Council representatives may either continue or terminate the evaluation process.

Where the process is terminated, the original process must be closed and suppliers notified before recommencing a new procurement process.

Where the process is continued, a written statement is required with the details of all invited suppliers and the reason the number of quotations are unable to be achieved. A copy of the written form must be attached to the purchase order and approved by a direct supervisor.

##### 9.4.5 Evaluation criteria

Evaluation criteria and weightings for quotes must be clearly shown in the quotation documentation before releasing the request to market. These criteria must be measurable and directly relatable to the good or service request. An example of this could be assessing the seating support requirements that are linked to specific Occupational Health and Safety need or standards. Unless otherwise approved by the relevant Director the evaluation criteria shall be assigned as below:

Page | 13



Measurement	Weighting
Financial cost to Council	35%
Ability to meet stated timelines	35%
Qualifications, quality and experience	20%
Sustainable procurement	10%

### 9.5 Panel contracts

One of the valid outcomes of a public tender process is the appointment of a panel of contractors to promote security of supply. This is most likely to be the case where Council requires a range of services to be performed. The subsequent use of quotes on a job-by-job basis further promotes competition and value for money.

Panel contractors are usually appointed for an initial three year term with options to extend. Standard contract documentation specifies that contractors will not be guaranteed any work but they may be called on at any time to supply goods, services or works.

Once a panel is established, care should be taken in relation to the engagement of one or more of the contractors on the panel. Some aspects to consider are:

- If the panel member who can best provide the required good/service;
- If all members of the panel are offering a similar service, the contractor offering the lowest price may be the best option;
- Avoiding situations where, over the contract term, one or two members of the panel are allocated the majority of the work.

Council can procure from valid panel contracts, using the schedule of rates submitted in their tender, in accordance with these thresholds:

Value (GST exclusive)	Requirement
Up to \$10,000	Staff must request quotations from at least one supplier. Supplier/s will be selected based on availability, location, quality or other important aspect. One written quotation must be received from panel member and the details recorded in a document management system.
\$10,001 to \$50,000	Staff must request quotations from more than one supplier. Supplier/s will be selected based on availability, location, quality or other important aspect. Two written quotations must be received from panel members and the details recorded in a document management system.
\$50,001 to \$200,000	Quote request sent to all panel members. Written quotations must be received from panel members and the details recorded in a document management system.
Above \$200,000	Public tender.

### 9.6 Public tenders

All public tenders invited by Council will be published via the eTendering Portal(s) and may be advertised in the media.

Information regarding current tenders and awarded tenders will be published on the eTendering Portal(s).

#### 9.6.1 Tender evaluation

A tender evaluation panel will be established to evaluate each tender submission against the tender's selection criteria. Tender evaluation panels may include external personnel in order to ensure the best outcome for a procurement activity and must comprise at least two people in addition to the chairperson.

#### 9.6.2 Evaluation criteria

Council may include the following evaluation criteria categories to determine whether a proposed contract provides

value for money:

- Mandatory compliance criteria (e.g. ABN registration, OHS, risk and conflict of interest);
- Tendered price;
- Capacity of the Tenderer to provide the goods and/or services and/or works;
- Capability of the Tenderer to provide the goods and/or services and/or works;
- Local and/or regional benefit; and
- Demonstration of sustainability.

#### 9.6.3 Probity advisor

A formal probity plan must be developed, and a probity advisor appointed in the following circumstances:

- Where the proposed total contract sum exceeds \$10 million over the life of the contract or for a lesser value set by Council from time to time; or
- Where a proposed contract is considered by Council or the CEO to be particularly complex, of a high risk or controversial nature, and requiring a high level of public confidence.

A probity advisor may be appointed to any tender evaluation panel and may be appointed to oversee the evaluation process.

#### 9.6.4 Shortlisting and negotiations

Council may conduct a shortlisting process during EOI, tender and quotation processes. Shortlisting must be based on the advertised selection criterion.

Shortlisted tenderers may be invited by Council to submit a best and final offer in relation to all or certain aspects of their respective tenders.

Once one or more preferred tenderers are selected, negotiations can be conducted in order to obtain the optimal solution and commercial arrangements within the original scope and intent of the tender. Probity requirements apply to all negotiations.

### 9.7 **Contract management**

Council will evaluate and seek to improve on all aspects of procurement and contract management through:

- Establishing a system monitoring and achieving the responsibilities and obligations of all parties under the contract;
- Providing a means for the early recognition of issues and performance problems and the identification of solutions;
- Adhering to Council's risk management framework and relevant Occupational Health and Safety and sustainability requirements;
- Proactively managing contracted goods, services or works to ensure Council, and therefore the community, receives value for money.
- Council awards some contracts that are strategically critical and of relatively high value. Council will provide additional senior oversight to the management of such significant contracts.

#### 9.7.1 Contract variations

Throughout the life of a contract, changes may arise to the original specification or scope of the service or project. All contract variations must be assessed to determine whether they are appropriately characterised as variations, or whether they are in effect a new contract. This will depend on factors such as:

- The monetary value of the proposed variation, i.e. the value of the variation in the context of the thresholds fixed by the Procurement Policy; and
- The subject matter of the proposed variation, and whether it is consistent with the scope of the original contract.

Approval of contract variations must be in accordance with Instruments of Delegation. The cumulative value of variations must not exceed the levels and approvals of these delegation thresholds.

Variations exceeding 30% of the contract value, up to a value of \$200,000, must be approved by the CEO.

Variations over the value of \$200,000, must be reported to and approved by Council.

Page | 15



All variation approvals must be documented and stored using Council's ECM Records Management system.

#### 9.8 Collaborative procurement

In accordance with section 108(3)(c) of *the Act*, Council will first give consideration to collaboration with other councils and public bodies or utilise collaborative procurement arrangements, when procuring goods and services in order to take advantage of economies of scale.

In accordance with section 109(2) of *the Act*, Council staff must consider any opportunities for collaborative procurement in relation to a procurement process undertaken by Council. Any Council report that recommends commencing a procurement process must set out information relating to opportunities for collaborative procurement, if available, including:

- The nature of those opportunities, if any, and the councils or public bodies with which they are available; and
- Why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

When collaborating with the Loddon Mallee Regional Procurement Network (LMRPN), Council will do so in accordance with the following:

- Develop a consolidated contract register to identify joint procurement projects on an annual basis;
- Include in the consolidated contract register for collaboration consideration Council contracts with a minimum value of \$1 million per annum (per council), for the ongoing supply of goods or provision of services or works, other than projects that are unique to an individual council (e.g. unique construction or works projects);
- Include other contracts which, due to the subject matter, nature or scope, are likely to deliver operational efficiencies if procured in collaboration with the LMRPN, must be included in the consolidated contract register for consideration as a possible joint procurement opportunity;
- Where collaborative procurement is to be pursued:
  - a pre-market approval submission will be submitted to each council and the LMRPN prior to commitment to collaboration, seeking delegation of contract approval to CEOs;
  - the LMRPN will establish a Heads of Agreement that gives authority for a lead council to act as each Council's agent in the collaborative procurement;
  - the evaluation criteria that will apply to a collaborative procurement process may not align with Council's mandatory evaluation criteria as outlined in this Policy;
  - each of the councils who participate will be able to enter into a contract with the preferred supplier/s identified through the collaborative procurement process, or may choose as a group to enter into a contract using "opt-in" contract provisions during the contract term, or with the council which conducted the public tender;
  - each participating council must be involved in:
    - the initial decision to undertake the collaborative procurement;
    - preparation of, and agreement to, the specifications;
    - ensuring probity for the collaborative procurement; and
    - the acceptance of tender(s) and awarding of contract(s).

Council may collaborate with other councils or other agents such as MAV Procurement or Procurement Australia to procure goods and services, including the carrying out of works, or utilise existing collaborative procurement arrangements for the procurement of goods and services, including the carrying out of works established through a public tender process where it provides an advantageous, value for money outcome for Council.

The following principles will be applied when utilising procurement agents (e.g. MAV Procurement and Procurement Australia) and whole of government contracts:

- Council will use an agent where potential cost savings exist.
- The use of procurement agents must not eliminate the ability of suppliers locally and within our region to submit a quotation or tender.

Any Federal or State Government grant funded projects may be excluded from collaborative procurement if required as part of the funding agreement.





## 10. DEMONSTRATE SUSTAINED VALUE

### 10.1 Sustainable procurement

Sustainable procurement involves decision making that has the most positive environmental, social and economic impacts possible across the entire lifecycle of goods, services and works. Council demonstrates sustainable procurement by:

- Being accountable for its impacts on society, the economy and the environment including the impacts of the organisation's supply chain;
- Examining anticipated organisational, project and/or community needs;
- Continually improving sustainability specifications, practices and outcomes; and
- Planning and undertaking sustainability evaluations as part of contracting activities.

#### 10.1.1 Principles and objectives

Council commits to applying specific principles of sustainability to its decision-making and activities, and focusing on specific economic, environmental and social objectives.

Council will conduct annual audits to assess what the total spend with businesses deemed to fit within these sustainable procurement guidelines and will continually look for opportunities to improve this.

The following economic, environmental and social objectives have been determined in line with these principles.

Successful tenderers may be asked to validate the benefits stated at any time during the contract or tender period.

### 10.2 Economic

Council is committed to procurement that supports local business and economic diversity in the LMPN.

Where practicable and applicable Council will give preference to goods manufactured or produced in Australia and will actively seek quotations and tenders from local businesses in the Loddon Mallee region.

Council's economic sustainability approach aims to:

- Achieve value for money on a whole of life (including disposal) basis, rather than just initial cost;
- Consider broader life cycle impacts of products procured;
- Ensure probity and accountability in the procurement process;
- Encourage sourcing from regional and local suppliers;
- Build relationships with local and regional business and encourage procurement from them to help build their capacity; and
- Increase local and regional employment.

#### 10.2.1 Local benefit

Local benefit is defined as the benefit generated in procuring goods, services or the carrying out of works in terms of:

- Employment generated within the Gannawarra Shire
- Materials or goods purchased from businesses within the Gannawarra Shire
- Economic benefit to local business or the community.

Generally the weighted value of 'Local Benefit' will be 10% of the overall score; however it may be as high as 15% where deemed appropriate.

Flexibility will be given to cater for government grant programs where there is an emphasis on creating economic stimulus to the local community.

Where this criterion applies, bidders are encouraged to provide detail on the following, or any other benefit, that will be generated. This detail will be used for the purpose of evaluating the local benefit derived by accepting the tender or quote:

- Percentage of materials to be purchased from within the Gannawarra Shire

Page | 17



- Details of local subcontractors who would be engaged and percentage of project value that they would be generating
- Business ownership i.e. township(s) in which business is operated and township(s) in which owners reside
- Accommodation/hospitality services that will be utilised whilst carrying out works or services
- Employment benefits that will occur within the Gannawarra Shire
- Ability for maintenance to be carried out by local businesses.

#### 10.2.2 Regional benefit

Where applicable, Council will include a weighted evaluation criterion on tenders and quotations so that an assessment of the regional benefit generated in awarding the works can be determined.

Regional benefit relates to the areas encompassed by councils in the LMPN group plus Murray River Council.

Regional benefit is defined as the benefit generated in accepting goods or services in terms of:

- Employment generated within LMPN Group councils and the Murray River Council.
- Materials purchased from businesses within LMPN Group councils and the Murray River Council
- Economic benefit to regional business or the community.

Generally the weighted value of 'Regional Benefit' will be 5% of the overall score; however it may be as high as 8% where deemed appropriate.

When this criterion applies, bidders are encouraged to provide detail on the following, or any other benefit that will be generated. This detail will be used for the purpose of evaluating the regional benefit derived by accepting the tender or quote:

- Percentage of materials to be purchased from within LMPN Councils and the Murray River Council
- Details of regional subcontractors that would be engaged and the percentage of project value that they would be generating
- Business ownership i.e. township(s) in which business is operated and township(s) in which owners reside
- Accommodation/hospitality services that will be utilised whilst carrying out works or services
- Employment benefits that will occur within LMPN Group councils and the Murray River Council
- Ability for maintenance to be carried out by regional businesses.

### 10.3 Environmental

Where applicable, Council will procure goods, services and works that reduce air, water and soil pollution, greenhouse gas emissions, waste production, natural resource depletion and biodiversity depletion whenever they present an acceptable value for money outcome, and in some cases where they might not.

Council's procurement for environmental objectives will be underpinned by the following principles:

- Considering a product's or asset's lifecycle;
- Promoting circular economy participation;
- Managing demand to reduce procurement requirements;
- Encouraging innovation through specifications; and
- Engaging suppliers who are also committed to reducing their environmental impact.

Council's environmental sustainability and approach aims to:

- Improve energy efficiency;
- Reduce greenhouse gas emissions and contribution towards Council's carbon footprint;
- Minimise waste production;
- Improve water efficiency;
- Reduce air, water and soil pollution;
- Reduce biodiversity impacts; and
- Increase the use of recycled materials to:
  - Reduce demand for raw materials and non-renewable resources; and
  - Close the loop on kerbside recycling.

### 10.4 Social

Page | 18



Council is committed to building stronger communities and meeting social objectives which benefit the municipality and commits to integration of measures in its procurement processes and documentation which promote improved social outcomes.

Council's procurement for social objectives will be underpinned by the following principles:

- A thorough understanding of the socio-economic issues affecting the community;
- Creation of training and employment opportunities for unemployed or disadvantaged residents and ratepayers in the municipality, and marginalised job seekers in the municipality, to address local socio-economic issues;
- Promotion of equity, diversity and equal opportunity; and
- Respect for human rights, the rule of law and international norms of behaviour.

Council's social sustainability approach aims to:

- Ensure vendors do not exploit workers and provide fair wages, including inclusive business practices;
- Maintain a social procurement program to increase social procurement spend across the LMPN;
- Ensure sourced products are accessible by all segments of the community;
- Increase employment opportunities for indigenous people, people with a disability, disadvantaged people and long term unemployed;
- Improve gender equity; and
- Prevent, detect and remove modern slavery from Council's supply chain.

#### 10.4.1 Aboriginal procurement

Council is committed to buying from Aboriginal businesses or enterprises where such purchases may be justified on value for money grounds, while remaining compliant with any legislative requirements.

Where practicable, Council will fully examine the benefits available through purchasing goods, services or works from suppliers/contractors within this category by applying a recommended weighted score of at least 5% component for this category in tenders and quotations where sustainable procurement values are identified as an evaluation criteria.

## 11 RELATED DOCUMENTS

*Local Government Act 2020*

Council Policy No. 078 – Councillor Code of Conduct

Employee Policy No. 034 Code of conduct for employees

Council Policy 100 – Fraud and Corruption

Council Policy 107 – Public Interest Disclosure

Council Policy 117 – Complaint Handling

Council Policy 140 – COVID-19 Hardship

Governance Rules

Corporate Performance Reporting Framework

Council's Corporate Credit Card Procedures

Council's Finance Procedures - Accounts Payable

*Independent Broad-based Anti-corruption (IBAC) Act 2011*

Relevant provisions of the Competition and Consumer Act 2010

Department of Environment, Land, Water and Planning (DEWLP) – Local Government Procurement Best Practice Guidelines.

## 12 POLICY REVIEW

Council will review this policy as required but always within two years after a general election of the Council.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

## 13 FURTHER INFORMATION

Members of the public may inspect all policies at Gannawarra Shire Council's Kerang and Cohuna office or online at [www.gsc.vic.gov.au](http://www.gsc.vic.gov.au)

Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Altus Folder – 3.000518  
Originally adopted: 2009  
Last Reviewed: 15/12/2021  
To be reviewed by: 2026



**7.10 POLICY NO. 110 - INVESTMENTS**

**Author:** Deanne Caserta, Manager Financial Services  
**Authoriser:** Phil Higgins, Acting Director Corporate Services  
**Attachments:** 1 Policy 110 - Investments - Draft

**RECOMMENDATION**

**That Council endorse Policy No. 110 – Investments.**

---

**EXECUTIVE SUMMARY**

This report addresses the review of the Investments Policy (the Policy). The current version of the Policy was adopted by Council in April 2021 and is now due for review.

**PURPOSE**

The purpose of the Policy is to provide guidance on how to invest surplus funds to maximise financial returns create the best advantage for Council, whilst managing the Council's cash flow needs and balancing the associated investment risk and maintaining appropriate levels of transparency and security.

**ATTACHMENTS**

- Policy No. 110 – Investments – Draft.

**DISCUSSION**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they are reflective of current practice. Council policies are reviewed as needed; however most policies must be reviewed within either 12 months or two years after a General Election. Reviewed policies are presented to Council for endorsement, or for repeal if it has been determined the policy is no longer required.

The Policy has gone through a significant review to ensure it is still line with the current processes, along with any new opportunities available that will provide benefit to Council.

The key changes within the review of the Policy are as outlined below:

Section	Description	Comments
4.3	Authorised investments	Ability to use an investment broker to source quotations.
4.3	Authorised investments	Quotation requirements outlined for request of term deposit rates.
4.4	Reporting	Additional information included on the register of investments and ability for reports to be presented to the Audit and Risk Committee if deemed

Section	Description	Comments
		appropriate.
4.5	Record keeping	Section added.

#### RELEVANT LAW

- S 103 – *Local Government Act 2020*

#### RELATED COUNCIL DECISIONS

- Council Policy No. 110 – Investments was last reviewed by Council in April 2021.

#### OPTIONS

Council may endorse the recommended adjustments or alternatively it may decide to make no changes to the policy at this time.

#### SUSTAINABILITY IMPLICATIONS

**CURRENTLY, THERE IS NOT SUSTAINABILITY INDICATORS OUTLINED WITHIN THE PROPOSED POLICY. HOWEVER, VALUE FOR MONEY AND RISK EVALUATIONS ARE KEY CONSIDERATIONS.COMMUNITY ENGAGEMENT**

This Policy has been reviewed by the relevant key internal stakeholders prior to being discussed by the Executive Leadership Team. This Policy was discussed at the Council Briefing on 1 September 2025 along with discussion at the Audit and Risk Committee meeting on 10 September 2025. Due to the timing of preparation of the Council Agenda, any feedback from the Audit and Risk Committee will be presented verbally by the Councillors who were in attendance.

#### INNOVATION AND CONTINUOUS IMPROVEMENT

This Policy applies to council staff involved in investing funds for Council. It applies to all bank accounts, investments funds and loan funds controlled by Council.

Policies are reviewed as required however most policies must be reviewed within either 12 months or two years of a Council election. Regular reviews of Council policies ensure compliance with relevant legislation and that they are reflective of current practices.

#### COLLABORATION

Not applicable.

#### FINANCIAL VIABILITY

There are no budget implications with this report but aims aim to maximise value for money for Council which in turn affects the Council's financial position.

#### REGIONAL, STATE AND NATIONAL PLANS AND POLICIES

Not applicable.

#### COUNCIL PLANS AND POLICIES

Gannawarra Shire Council Plan 2021 – 2025: Sustainability – “Maintaining financial sustainability of Council”.

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officers preparing this report declares that they have no conflict of interest in regard to this matter.



# Investments

## COUNCIL POLICY NO. 110

### 1. POLICY PURPOSE

To provide guidance of how to invest surplus funds to maximise financial returns for Council, whilst managing the Council's cash flow needs and balancing the associated investment risk and maintaining appropriate levels of transparency and security.

### 2. DEFINITIONS AND ABBREVIATIONS

Term	Definition
AAA	<b>Highest credit quality</b> - This rating indicates the lowest expectation of credit risk. They are assigned only in the case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	<b>Very high credit quality</b> - This rating indicates expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	<b>High credit quality</b> – This rating indicates expectations of low credit risk. The capacity for payment of financial commitments is considered strong. The capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.
BBB	<b>Good credit quality</b> – this rating indicates that there is currently an expectation of low credit risk. The capacity for payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions is more likely to impair this capacity. This is the lowest investment-grade category.
A1+	Extremely strong degree of safety regarding timely payment.
A1	A strong degree of safety.
A2	A satisfactory capacity for a timely payment.

### 3. BACKGROUND

Any funds not required to fulfil short term commitments are considered surplus and should be invested to generate interest revenue. Criteria must be set to achieve maximum return on investments that minimise risk and ensure the ongoing sustainability of Council funds.

The *Local Government Act 2020* (the Act) sets out requirements for the investment of Council funds and compliance with these requirements is mandatory.

This policy is to be used to assist in achieving a balance between investment risk and return and ensuring funds are available when required.





## 4. SCOPE

This policy applies to council staff involved in investing funds for Council. It applies to all bank accounts, investments funds and loan funds controlled by Council.

## 5. POLICY

### 5.1 Requirements of the Local Government Act 2020

Section 103 of the Act sets out the guidelines in relation to the Financial Institutions with whom a Council may invest.

A Council may invest any money:

- (a) In Government securities of the Commonwealth; and
- (b) In securities guaranteed by the Government of Victoria; and
- (c) With an ADI; and
- (d) With any financial institution guaranteed by the Government of Victoria; and
- (e) On deposit with an eligible money market dealer within the meaning of the Corporations Act; and
- (f) In any other manner approved by the Minister, either generally or specifically, to be an authorised manner of investment for the purposes of this section.

### 4.2 Delegation of Authority

The Instrument of Sub-Delegation by the CEO (S7 and S7A) outlines who has the power to authorise the investment of money in accordance with Section 103 of the Act.

Any proposal to transfer funds to an investment account must be in line with the relevant delegations.

### 4.3 Authorised investments

Council are to limit the total amount invested with any one fund to a maximum of \$3,000,000. Proposed investments outside this limit are only on direction and approval by the Chief Executive Officer. The below outlines investment options and thresholds:

Fund type	Maximum time horizon	Maximum % of total investment portfolio
Cash funds (at call)	24 Hours	0 – 100
Investment funds (term deposits)	7 days – 12 months	0 – 95
Fixed interest	At call – 2 years	0 – 25

Council will only invest funds with an authorised deposit taking institution as follows. These ratings and investment caps are measured at the time of placing the investment:

Long term rating	Short term rating
AAA to AA-	A1+
A+ to A-	A1
BBB+ to BBB-	A2

If any of the Council's investments are downgraded such that they no longer fall within these investment policy guidelines, they will be divested as soon as is practicable.

The authorised deposit taking institution must also be registered with APRA as an 'Australian-owned authorised deposit-taking institution' or a registered 'Foreign subsidiary bank'.

Council will ensure that when funds are available for investment, the following considerations will be taken into account in determining which banking institutions will be chosen:



- the best return is obtained (taking into consideration both financial and indirect benefits for the Gannawarra Shire community)
- exposure to any one individual authorised deposit taking institution is limited to a maximum of 40% of the amount invested by Council. This is measured at the time the investment is made with the institution
- risk is managed by the spread of investments and ratings of the deposit taking institutions.

Approved investment options include:

- At call accounts
- Fixed term deposits
- Negotiable Certificates of Deposit
- Bank bills
- Promissory notes
- Bonds
- Floating Rate Notes
- Floating Rate Certificates of Deposit.

When making a decision around the type of investment suitable, the restriction, length of investment, associated fees, and availability of staff to investigate and implement will be taken into consideration. It is also important that the asset structure and features of the fund are to be consistent with the desired outcomes of Council's Investment Strategy.

No less than two quotes shall be obtained from authorised institutions when an investment in a managed fund is proposed. An investment broker may also be used and their available market options tested. This meets the quotation requirements as it extends the options to more than two deposit taking institutions.

#### **4.4 Reporting**

The register of investments is to be updated on the initialisation and finalisation of any investment. This register is used to determine timing for future investments along with the calculation, and associated journals necessary to report accrued income. This is to be undertaken at the end of each month.

A quarterly report will be provided to Council detailing investment income versus budget year to date, for all investments which are invested. This may also be reported to the Audit and Risk Committee if deemed appropriate.

For Audit Purposes, certificates must be obtained from the banks/fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

#### **4.5 Record keeping**

Investment confirmations are to be received from the authorised deposit taking institution within 24 hours of placing the investment. The rates and period of investment need to be confirmed at this point.

All paperwork, including the proposal to invest, signed approval form and confirmation are to be kept on file.

## **6. VARIATION TO POLICY**

The Chief Executive Officer or their delegated representative is authorised to approve variations to this policy if the investment is to Council's advantage and/or due to revised legislation.

All significant changes to this policy are to be reported to the Audit and Risk Committee within 2 months.

## **7. POLICY REVIEW**

Council will review this policy as required but always within twelve months after a general election of the Council. At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act* 2006.

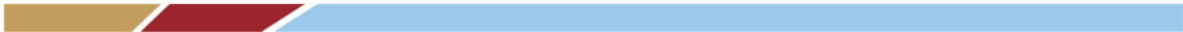
## **8. FURTHER INFORMATION**

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna Offices, or online at [www.gsc.vic.gov.au](http://www.gsc.vic.gov.au).

Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.



Records – 3.000518	
Originally adopted:17/09/2014	
Reviewed: 20/09/2017	Minute Book Reference: 12584
Reviewed: 21/04/2021	
To be reviewed	2025



**7.11 COUNCIL POLICY NO. 142 - ARTWORK AND PUBLIC ART**

**Author:** Katrina Thorne, Coordinator Community Partnerships

**Authoriser:** Paul Fernee, Director Community Wellbeing

**Attachments:** 1 Council Policy No.142 - Artwork and Public Art

**RECOMMENDATION**

**That Council adopt the reviewed Council Policy No. 142 – Artwork and Public Art.**

---

**EXECUTIVE SUMMARY**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and to ensure that they are reflective of current practice. This report addresses Council Policy No. 142 Artwork and Public Art.

**PURPOSE**

The purpose of this report is to revise Policy No. 142 Artwork and Public Art which outlines the framework for the commission and acquisition of artworks that will become either Public Art or part of Council's Art Collection.

**ATTACHMENTS**

- Policy No. 142 – Artwork and Public Art

**DISCUSSION**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they reflect current practice. Council policies are reviewed as needed; however, most policies must be reviewed within either 12 months or two years after a General Election. Reviewed policies are presented to Council for endorsement, or for repeal if it is determined that the policy is no longer required.

Council policies provide guidance to staff, Council and the community and are published on Council's website.

A review of the Policy has been undertaken with key adjustments made to strengthen the assessment process under the Policy, revise the name of the policy, incorporate elements of the new Glasshouse infrastructure at the Sir John Gorton Library and outline maintenance responsibilities for public art. Further general administrative adjustments have also been made.

**RELEVANT LAW**

- *Local Government Act 2020*
- *Gender Equality Act 2020*

**RELATED COUNCIL DECISIONS**

Council Policy No. 142 – Artwork and Public Art was last reviewed and endorsed by Council on 19 July 2023.

**OPTIONS**

Council may wish to endorse the recommended reviewed policy, make alternative adjustments or decide to not make any adjustments to the policy at this time.

**SUSTAINABILITY IMPLICATIONS**

The application of this policy does not have significant sustainability implications but does highlight the need for public art to consider environmental sustainability.

**COMMUNITY ENGAGEMENT**

Input has been considered from evaluation of public art assessment panel sittings, with general changes reflecting a clearer policy for both staff and the community to interpret and implement.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

Policies are reviewed as required; however, most policies must be reviewed within either 12 months or two years of a Council election. Regular reviews of Council policies ensure compliance with relevant legislation and that they are reflective of current practices.

**COLLABORATION**

The policy establishes a framework of collaboration across Council service areas to ensure effective long-term decisions are made in the best interests of the community.

**FINANCIAL VIABILITY**

Not applicable for the purposes of this report. Any financial decisions in relation to public art purchasing are undertaken through relevant Council budget processes.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable.

**COUNCIL PLANS AND POLICIES**

- Policy No. 143 – Community Engagement
- Policy No. 109 - Procurement
- Policy No. 085 – Asset Management
- Policy No. 123 - Roadsides, Parks and Reserves Trading
- Policy No. 141 – Public Transparency
- Policy No. 128 – Asset Disposal and Rationalisation

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.



# ARTWORK AND PUBLIC ART

## COUNCIL POLICY NO. 142

### 1. POLICY PURPOSE

To provide a framework for the commission and acquisition of artworks that will become either Public Art or part of Council's Artwork Collection. This policy provides a transparent and accountable decision-making process about the design, placement and conservation of artworks on Council managed land within the Gannawarra Shire.

### 2. POLICY STATEMENT

Public art is an important way to build an engaged and inclusive community. Council understands art has a positive impact on communities and is committed to working with artists and local creatives to facilitate art projects that inspire creativity, build identity and celebrate sustainability in public spaces. The Artwork and Public Art Policy provides a framework to support Council's commitment to the inclusion of artistic works in its urban strategic planning.

Art acquired by Council can be of different forms. This includes large works such as sculptures/interpretive signage requested by the community that will be permanently placed on Council's managed land as Public Art; and paintings/photographs that will become part of Council's Artwork Collection.

This policy covers works proposed for Council managed land and for Council's Artwork Collection. This includes pieces of art commissioned or acquired by Council; proposed by individuals or community groups; permanent and temporary artworks. Donations of works of art from individuals or groups may be accepted subject to the criteria of this Policy. There is no obligation for Council to acquire or approve any art.

#### Definitions

Term	Meaning
Art	The product of creatives who intend their work and activities to be seen and read as art. It embraces material and immaterial products and concepts emanating from the imaginative and creative thinking of artists.
Artwork	Moveable pieces of art designed for indoor exhibition such as paintings, sculptures, photographs and models.
Public lighting and digital displays	Lighting and digital displays on Council-owned buildings or assets that promote or communicate Council-endorsed messages
Public Art	Art pieces (either temporary or permanent) that are intended to be located in public spaces that is Council managed or impacted by Council's Planning Scheme.
Art Acquisition	The act of acquiring artwork through donation or purchase.
Art Commission	The act of requesting the creation of artwork.
Assessment Panel	Representatives from across the organisation from the following departments: Economic Development, Community Wellbeing, Infrastructure and Development. A staff member from the Community Wellbeing team will be the Panel chair.

This Artwork and Public Art Policy aims to ensure art commissioned or acquired by donation or purchase on Council's managed land are:

- a. Strategically planned in partnership with Council
- b. Appropriate to their context, placement and location
- c. In alignment with Indigenous heritage and local history
- d. In alignment with the areas' brand and themes
- e. Relevant to, and supported by the local community
- f. Of excellent quality and aesthetic value
- g. In accordance with Council's planning, environmental and social policies and strategies
- h. Maintained effectively over the long term
- i. Environmentally sustainable and consider environmental impact, including preference for sustainable materials, low maintenance, eco-friendly designs
- j. Not intended to serve as a commemoration or memorial

### 3. CRITERIA

Public art and artwork acquisitions and/or commissioned by Council, will be assessed against the following criteria:

- a. Standards of artistic innovation and quality
- b. Relevance and suitability of the artwork to the proposed location and reflective of the local community's identity, values and aspirations
- c. Demonstrated meaningful engagement with the community or relevant stakeholders during its development
- d. Consideration of public safety, universal access and compliance with relevant regulations
- e. Consideration of ongoing maintenance and long-term durability requirements
- f. Adequate funding and resources to build and maintain the asset
- g. Responsiveness to the guidelines of this Public Art Policy
- h. Responsiveness to the Gannawarra Planning Scheme
- i. Respect to, and reflection of the cultural heritage of the area, including First Nations perspectives and stories

### 4. PROCESS

Council will assess and select art proposals following the guideline below:

- a. Community members, including artists and organisations interested in displaying their work on a Council managed public space or having their work added to Council's Artwork Collection must submit an Expression of Interest (EoI) via Council's website.
- b. An assessment panel will assess public art and artwork proposals considering:
  - Points mentioned in Point 3: Criteria (listed above)
  - Projects alignment with Council's brand while enhancing the character and appeal of streetscapes for community members and visitors
  - Review of project plans, timelines and the community's capacity to effectively manage the project.
  - Consultation with Council's Planning Department to determine if any permits are required.
  - If a Public Land Manager consent is required.
  - Artwork handover process, maintenance requirements and management responsibilities over the lifecycle of the art.
- c. The assessment panel will review proposals, perform an assessment and inform applicants of the outcome.
- d. Once a piece of art approved, a formal agreement between Council and the artist will identify the terms and obligations of both parties.
- e. Council will maintain a register of the Artwork Collection available for public access.
- f. Periodic reviews for condition and relevance of public art will be conducted
- g. Pieces from the Artwork Collection can be displayed temporarily or permanently at public spaces if safety and art preservation requirements are met.
- h. A virtual exhibition of Council's Artwork Collection is available to be displayed at organisations and/or events.
- i. No continuous commitments for art acquisitions will be made by Council.
- j. Council is responsible for displaying, transporting, relocating and deaccessioning artworks from Council's Artwork Collection.
- k. Pieces from Council's Artwork Collection can be donated and/or disposed of in alignment with this policy. The artist or the artist's family are to be advised in the event of donation or disposal of an artwork.



## 5. USE OF COUNCIL-OWNED DIGITAL DISPLAYS AND PUBLIC LIGHTING

Council-operated public lighting and digital displays are reserved for official Council use only. These assets are used to communicate Council-endorsed messages, including:

- Council programs, services and events
- Recognised seasonal holidays
- Strategic initiatives aligned with Council's priorities
- Emergency and public safety messaging

Council does not permit the use of these displays for private art, commercial advertising, or promotions by community groups or individuals. This ensures consistency with Council's communication objectives and maintains the integrity of public-facing infrastructure.

## 6. MAINTENANCE, REPAIR AND CONSERVATION

The artist is to provide Council with a maintenance plan and any applicable operational or maintenance procedures documentation to assist in conserving and maintaining the public art. Maintenance and repair is to be funded through Council's annual budget allocation which will be determined by the number, age and value of the collection. Where feasible and subject to compliance with Council's Procurement Policy, the artist will be given first priority to undertake any maintenance required on the artwork.

All public art installations located on Council-managed land will be subject to a formal agreement that outlines the responsibilities for ongoing maintenance and repair. Council does not automatically assume responsibility for the upkeep of public art. Each request for maintenance or repair will be assessed on a case-by-case basis in accordance with the relevant agreement, and the outcome of this assessment will be communicated to the relevant parties. In cases where no agreement exists, Council may exercise discretion to undertake maintenance or repair if warranted by specific circumstances or where there is strong evidence of public interest.

## 7. DISPOSAL, DEACCESSION, REPURPOSE AND RELOCATION

Disposal, deaccession, repurpose and relocation of Public Art may be considered by Council subject to:

- a. How the art fits the objectives and criteria of this Policy
- b. The relevance of the work to the Gannawarra community
- c. Maintenance costs
- d. Damage, deteriorating artwork or poor condition
- e. Asset data driven cost analysis/future deterioration forecasting
- f. High levels of community anxiety and negative feedback
- g. Public safety
- h. Changes to the use of a public space
- i. At the request of the artist
- j. Other considerations as identified in Council Policy 128 – Asset Disposal and Rationalisation

Relocating Public Art will occur in consultation with artists and other relevant stakeholders involved in its establishment. Artwork that has been identified for deaccession is to be fully documented prior to disposal or repurposing. Works will be offered back to the artist and/or donor in the first instance, followed by donating to a suitable non-for-profit organisation, or otherwise disposed of. Decisions on deaccession will consider cultural heritage significance and indigenous consultation, where relevant.

## RELATED POLICIES

- Policy No. 143 – Community Engagement
- Policy No. 109 - Procurement
- Policy No. 085 – Asset Management
- Policy No. 123 - Roadsides, Parks and Reserves Trading
- Policy No. 141 – Public Transparency
- Policy No. 128 – Asset Disposal and Rationalisation



## POLICY REVIEW

Council will review this policy as required but always every twelve months. At the time of review, this policy was compliant with the Victorian Charter of Human Rights and Responsibilities Act 2006.

## FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna offices or online at [www.gannawarra.vic.gov.au](http://www.gannawarra.vic.gov.au). Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Altus Folder – xxxx

Originally adopted: xxxx

To be reviewed by: 2022



**7.12 COUNCIL POLICY NO. 144 - COUNCILLOR GIFTS**

**Author:** Dylan Taylor, Governance Officer

**Authoriser:** Phil Higgins, Director Corporate Services

**Attachments:** 1 Councillor Gifts Policy No. 144

**RECOMMENDATION**

**That Council endorse Council Policy No. 144 – Councillor Gifts as presented and attached to this report.**

---

**EXECUTIVE SUMMARY**

Section 138 of the *Local Government Act 2020* (the Act) requires Council to have a Councillor gift policy that must include procedures for the maintenance of a gift register and any other matters prescribed by the regulations.

**PURPOSE**

The purpose of this report is to protect and promote public confidence in the integrity of the Council.

**ATTACHMENTS**

Councillor Gifts Policy No. 144

**DISCUSSION**

Council officers undertake regular reviews of Council policies to ensure compliance with relevant legislation and that they are reflective of current practice. Council policies are reviewed as needed, however most policies must be reviewed within either 12 months or two years after a General Election. Reviewed policies are presented to Council for endorsement, or for repeal if it has been determined the policy is no longer required.

Council policies provide guidance to staff, Council and the community and are published on Council's website.

Section 138 of the Act required Council to adopt a Councillor Gift Policy by 24 April 2021. This is the first review of this policy since 2021.

This requirement is in addition of the requirement for recording in biannual personal interests returns details of gifts received since the last return was lodged.

**RELEVANT LAW**

Local Government Act 2020 – section 137 – Anonymous gift not to be accepted and section 138 – Councillor Gift Policy.

**RELATED COUNCIL DECISIONS**

Council Policy No. 144 – Councillor Gifts was last reviewed by Council in April 2021.

Policy No. 078 – Councillor Code of Conduct, last adopted in October 2024, includes a section on gifts and hospitality.

**OPTIONS**

The Council can make alterations to the policy that are compliant with the legislation.

**SUSTAINABILITY IMPLICATIONS**

Not applicable

**COMMUNITY ENGAGEMENT**

As this is an existing policy with minor changes it is intended to invoke the “Inform” action in our Community Engagement Strategy by presenting this report in an open Council meeting and place the document on the Council web page.

**INNOVATION AND CONTINUOUS IMPROVEMENT**

The Councillor Gift Policy has been developed considering the requirements of the Act and integrity agency reviews

**COLLABORATION**

Policy No. 144 - Councillor Gift Policy has been developed considering good practice examples identified by IBAC.

**FINANCIAL VIABILITY**

There are no financial implications associated with the adoption of the Councillor Gift Policy.

**REGIONAL, STATE AND NATIONAL PLANS AND POLICIES**

Not applicable

**COUNCIL PLANS AND POLICIES**

- Gannawarra Shire Council Plan 2017 – 2021 – Good Governance and a Healthy Organisation
- Policy No. 078 – Councillor Code of Conduct
- Policy No. 092 – Councillor Allowances and Support
- Policy No. 141 – Public Transparency

**TRANSPARENCY OF COUNCIL DECISIONS**

This report will be considered in an open Council meeting.

**CONFLICT OF INTEREST**

The officer preparing this report declares that they have no conflict of interest in regard to this matter.



# Councillor Gifts

## COUNCIL POLICY NO. 144

### 1. SCOPE

This policy sets out the Council's standards and procedures for responding to gift offers. It applies to all Councillors of Gannawarra Shire Council.

### 2. PURPOSE

The purpose of this policy is to provide clear guidelines to ensure Councillors are not compromised in the performance of their duties by accepting gifts or benefits which may result in a sense of obligation or could be interpreted as an attempt to influence. This helps to protect and promote public confidence in the integrity of the Council.

### 3. DEFINITIONS

<b>Gift (s3 LGA)</b>	Means any disposition of property otherwise than by will made by a person to another person without consideration in money or money's worth or with inadequate consideration, including—  (a) the provision of a service (other than volunteer labour); and (b) the payment of an amount in respect of a guarantee; and (c) the making of a payment or contribution at a fundraising function.
<b>Gifts explanation to support definition</b>  includes: <ul style="list-style-type: none"> <li>• Items &amp; services</li> <li>• Benefits</li> <li>• Hospitality</li> </ul>	A gift is anything of monetary or other value that is offered by an external organisation or individual to a Councillor as a result of their role with the Council. It includes free or discounted items or services, benefits or hospitality that exceeds common courtesy. Examples include:  <ul style="list-style-type: none"> <li>• A bottle of wine or spirits</li> <li>• Tickets to sporting events</li> <li>• Gift Voucher</li> <li>• Corporate hospitality at a corporate facility</li> <li>• Discounted products for personal use</li> <li>• Use of a holiday home</li> <li>• Free or discounted travel</li> <li>• Free training excursions</li> <li>• Door prize or voucher if an individual has not personally paid to attend.</li> </ul>

<b>Gift disclosure threshold</b>	<p>A disclosable gift means any gift valued at or above \$500 or a higher prescribed amount that a relevant person received in the preceding five years if:</p> <ul style="list-style-type: none"> <li>the relevant person was a Councillor, member of Council staff or member of a delegated committee at the time the gift was received, or</li> <li>the gift was an election campaign donation.</li> </ul> <p>If multiple gifts are received from a person, they must be treated as a single gift with an aggregate value.</p> <p>A gift includes any good or service (other than volunteer labour) that is provided for free or at an inadequate price. It includes a payment or contribution at a fundraising function.</p> <p>A failure to comply is an offence that can be prosecuted in court. If found guilty a fine of up to 60 penalty units may be imposed, the value of the gift must be paid to the Council and the Councillor may be required to pay the costs of the prosecution.</p>
<b>Benefits</b>	<p>For example:</p> <ul style="list-style-type: none"> <li>Preferential treatment</li> <li>Privileged access</li> <li>Access to discount or loyalty programs</li> <li>Promise of a new job</li> </ul>
<b>Hospitality</b>	<p>Hospitality is considered a gift unless the hospitality was reasonable and you were attending the function or event in an official Council capacity.</p> <ul style="list-style-type: none"> <li><u>Reasonableness test</u>: the hospitality must be of a standard and type that an independent observer would consider appropriate and not excessive.</li> <li><u>Official capacity test</u>: it must clearly be your duty as a Councillor to attend the relevant function or event.</li> </ul> <p>Hospitality that <u>exceeds</u> common courtesy includes:</p> <ul style="list-style-type: none"> <li>A 'fine dining and wines' working lunch at another organisation's premises</li> <li>An offer to pay for a working lunch at a café</li> <li>An offer of a free spot on an industry golf day</li> </ul> <p>Hospitality that does <u>not</u> exceed common courtesy and is therefore <u>not</u> a gift includes:</p> <ul style="list-style-type: none"> <li>Sandwiches and pastries over a lunchtime meeting</li> <li>A cup of coffee at another organisations premises</li> <li>A cup of coffee at a café (unless there is a conflict of interest)</li> </ul>
<b>Gestures</b> that are not considered gifts	<ul style="list-style-type: none"> <li>A souvenir received from a person or company as a result of attending a seminar or conference held, conducted or sponsored by them, for which an appropriate fee was paid to attend. For example ties, pens or mugs.</li> <li>Small gestures of appreciation from the community or customers such as cut flowers from their garden or homemade baked goods.</li> <li>Door prizes and raffle prizes at functions or conferences are <u>not</u> considered a gift if the individual has personally paid for their attendance, or where the individual has paid for the raffle ticket.</li> </ul>

<b>Bribe</b>	A bribe is an offer of money or other inducement made with the intention to corruptly influence a Councillor, officer or contractor in the performance of their duties. Bribery or attempted bribery of a public official is a criminal offence.
<b>Conflict of interest</b>	<p>The Local Government Act 2020 requires Councillors to declare General or Material Conflicts of Interest.</p> <p>A conflict of interest is a conflict between a Councillor's public duty to act in the best interest of the Council and their private interests (financial or non-financial). A conflict exists whether it is:</p> <ul style="list-style-type: none"> <li>• <b>Real</b> – it currently exists</li> <li>• <b>Potential</b> – it may arise, given the circumstances</li> <li>• <b>Perceived</b> – members of the public could reasonably form the view that a conflict exists, or could arise, that may improperly influence the person's performance of their duty to the Council, now or in the future.</li> </ul>
<b>Value</b>	Value means the face value or estimated retail value.

## 4. POLICY

The acceptance of gifts, benefits or hospitality can involve a conflict of interest or the perception of a conflict of interest. Before accepting any gift, benefit or hospitality Councillors must ask themselves; would it result in a sense of obligation or could it be interpreted as an attempt to influence?

### 4.1 Prohibited gifts

Any gift that is inconsistent with community values and could bring a Councillor's integrity, or that of the Council, into disrepute (eg if accepting a gift could be perceived as an endorsement of a product or service) must be declined. Councillors must refuse the following gift offers:

#### a. Gift Disclosure threshold

Councillors are prohibited from accepting gifts that equal or exceed the gift disclosure threshold unless they know the name and address of the person making the gift.

#### b. Anonymous Gifts

Section 137 of the Local Government Act 2020 - Anonymous gift not be accepted

- (1) Subject to subsection (2), a Councillor must not accept, directly or indirectly, a gift for the benefit of the Councillor the amount or value of which is equal to or exceeds the gift disclosure threshold unless—
  - (a) the name and address of the person making the gift are known to the Councillor; or
  - (b) at the time when the gift is made—
    - (i) the Councillor is given the name and address of the person making the gift; and
    - (ii) the Councillor reasonably believes that the name and address so given are the true name and address of the person making the gift.

Penalty: 60 penalty units.

- (2) If the name and address of the person making the gift are not known to the Councillor for whose benefit the gift is intended, the Councillor is not in breach of subsection (1) if the Councillor disposes of the gift to the Council within 30 days of the gift being received.
- (3) In addition to the penalty specified in subsection (1), a Councillor who is found guilty of a breach of that subsection must pay to the Council the amount or value of the gift accepted in contravention of that subsection.

If for any reason a Councillor finds themselves in possession of a gift when they don't know the name and address of the person who gave the gift, the Councillor can give the gift to the Council within 30 days to avoid committing an offence.

**c. Conflict of Interest**

Councillors are prohibited from accepting a gift that creates a conflict of interest (real, potential or perceived).

**d. Money or equivalent**

Councillors are prohibited from accepting gift cards (eg gift vouchers) or those gifts that are easily converted into money (eg shares).

**e. Regulatory processes**

Councillors are prohibited from accepting gifts from individuals or groups that may be involved with the permit application or regulatory activity (eg a planning permit application; infringement appeal).

**f. Bequests/Wills**

Any bequests to Councillors resulting from their position with Council, must not be accepted.

Arrangements may be made to donate the bequest to a charitable institution in the name of the donor or returned to the donor's immediate family.

**g. Rewards Programs**

Councillors are prohibited from collecting rewards for personal use via rewards programs for any Council related transactions (ie fly buys or frequent flyers). This relates to any claims for reimbursement of expenses incurred in accordance with Policy No. 092 - Councillor Allowances and Support.

**h. Procurement and Tender Process**

Councillors must not accept any gifts, benefits and hospitality from a current or prospective supplier, or any offer that is made during a procurement or tender process by a person or organisation involved in the process.

**i. Consequence of accepting prohibited gifts**

Accepting a prohibited gift may constitute misuse of a Councillor's position, a breach of this policy may result in a serious misconduct allegation. In addition, if the gift was offered with the expectation of something in return, such as preferential treatment, accepting it may constitute a bribe or other form of corruption and lead to criminal prosecution.

**4.2 Attempts to bribe**

A Councillor who receives a gift offer that they believe is an attempted bribe must refuse the offer and:

- Report the matter to the CEO or Public Interest Disclosure Co-ordinator (Manager People and Culture) who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-Corruption Commission.
- A Councillor who believes another person within the Council may have solicited or been offered a bribe which they have not reported, must notify the CEO or report the matter as a public interest disclosure in accordance with Council's Public Interest Disclosure Procedures.

**4.3 No soliciting of gifts**

Councillors must not solicit gifts for themselves or anyone else, in any form. To do so may constitute misuse of their position and may result in a serious misconduct allegation. It may also constitute corruption and lead to criminal prosecution.

**4.4 Gestures that are not gifts**

Individuals may accept gestures without approval or declaring the offer on Council's Gifts Register (refer clause 3 – Definitions for examples of gestures).

#### 4.5 Gift offers

<b>Accept</b>	<p>Councillors may accept token gift offers, benefits and hospitality, but all gifts accepted, must be declared and submitted to the Governance Department and included in the Gifts Register. This is to ensure that the combined total value of gifts received from a single source does not exceed the prescribed disclosure threshold.</p> <p>It is also appropriate to accept a gift where refusal may cause offence or embarrassment, in which case the gift will be accepted on behalf of Council and included in the Gifts Register with a notation that the gift is the property of Council.</p>
<b>Decline</b>	<p>Councillors should decline gift offers that:</p> <ul style="list-style-type: none"> <li>• Are likely to influence them, or would be perceived to influence them, in the course of their duties,</li> <li>• Are likely to raise a conflict of interest, whether real, potential or perceived,</li> <li>• Are made by a person or organisation about which they are likely to make a decision,</li> <li>• Are likely to be a bribe,</li> <li>• Have no legitimate business benefit,</li> <li>• Consist of money, gift vouchers or something easily converted into money,</li> <li>• Could be perceived to be an endorsement of a product or service and will bring the individual or Council into disrepute,</li> <li>• Are made in secret.</li> </ul> <p>Declined gift offers must be declared and included in the Gifts Register.</p>

#### 4.6 Hospitality and Conferences

Hospitality that exceeds common courtesy must be avoided as it is inconsistent with community expectations and has a high risk of creating a conflict of interest. Examples of gift offers of hospitality that exceed common courtesy include:

- Attending as a guest in a corporate box at sporting or other events
- Attending a concert or theatre event
- Attending an industry golf day at a reduced fee
- Being 'shouted' a meal at a restaurant
- Accepting discounted or complimentary tickets for a family member to attend an event.

Reasonable hospitality that does not exceed common courtesy does not need to be declared. Refer to the definitions of Hospitality and the reasonableness test.

##### Conferences

Gift offers in relation to conferences (sponsored attendance, participation, travel or accommodation) must be declined unless the invitation is issued by a government department or a Local Government affiliated peak body, such as Municipal Association of Victoria, and Rural Councils Victoria.



#### 4.7 The G.I.F.T. Test – Conflict of Interest and reputational risks

Before accepting an offer of a gift, Councillors should first consider if the offer could be perceived as influencing them in performing their duties or lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists. The GIFT test should be used when deciding whether to accept or decline a gift, benefit or hospitality.

<b>G</b>	<b>Giver</b>	<b>Who is providing the gift, benefit or hospitality and what is their relationship to me?</b> Does my role require me to select contractors, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?
<b>I</b>	<b>Influence</b>	<b>Are they seeking to gain an advantage or influence my decisions or actions?</b> Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or valuable non-token offer? Does its timing coincide with a decision I am about to make?
<b>F</b>	<b>Favour</b>	<b>Are they seeking a favour in return for the gift, benefit or hospitality?</b> Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 6-12 months? Would accepting it create an obligation to return a favour?
<b>T</b>	<b>Trust</b>	<b>Would accepting the gift, benefit or hospitality diminish public trust?</b> How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

#### 4.8 Corporate gifts

Councillors may be involved in social, cultural or community events where official gifts are presented or exchanged.

It is reasonable for Councillors in performing official duties as representatives of Council to accept official gifts on behalf of the Council, when it would appear impolite or inappropriate to decline the offer of a gift.

Where a gift is received on behalf of the Council with a value greater than \$30, the gift becomes the property of the Council.

All corporate gifts received will be considered the property of Council and disclosed and recorded in the Gifts Register with a notion that it is the property of the Council.

#### 4.9 Disclosure of gifts

- A Councillor must disclose any gift valued at or above the gift disclosure threshold in their Personal Interest Return unless the gift is from a family member.
- A Councillor who has a conflict of interest as a result of receiving a gift, or gifts, from a person must disclose the conflict of interest in accordance with the procedures outlined in Council's Governance Rules.
- Gifts above the gift disclosure threshold that are election campaign donations must be disclosed in an election campaign donation return.
- All gifts received must also be declared and disclosed in the Gifts Register.

#### 4.10 Declaration of gifts

Councillors must complete the "Declaration of Gifts" form within 14 days of being offered the gift (or 14 days of the date of returning to Australia if the gift was offered overseas). The declaration must include:

- The date the gift was offered;
- A description of the gift;
- Estimated monetary value of the gift;
- The name of the person who offered the gift;
- If the gift was offered on behalf of another person or body, the name of that person or body; and
- The outcome, ie what was done with the gift (retained, declined, donated etc).

#### 4.11 Gifts, Benefits and Hospitality Register

The Governance Department maintains the Gifts Register for all gift declarations.

All gifts offered will be included in the Gifts Register. The Gifts Register contains:

- The date the gift was offered;
- A description of the gift;
- Estimated monetary value of the gift;
- The name of the person or body who offered the gift; and
- The outcome (retained by the Councillor, declined, donated, etc.); and

In accordance with Council's Public Transparency Policy, the Gifts Register is available on Council's website.

The Gifts Register will be monitored by the Governance Department to identify any trends and patterns that may be referred to the Audit and Risk Committee.

Consideration will be given to maintaining reasonable confidentiality in situations where public disclosure will prejudice a proposed development or business venture, legal advice or legal proceedings.

## 5. POLICY REVIEW

Council will review the Councillor Gift policy as required but always within twelve months after a general election of the Council.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

## 6. FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna offices or online at [council@gsc.vic.gov.au](mailto:council@gsc.vic.gov.au).

Any enquiries in relation to this policy should be directed to the Chief Executive Officer on (03) 5450 9333.

Records – 3.000518  
Originally adopted: 21/04/2021  
Last Reviewed: 17/09/2025  
Next Review: 2029

**8 URGENT BUSINESS**

Nil

**9 NOTICES OF MOTION**

Nil

## 10 QUESTION TIME

*Question Time provides an opportunity for members of the public to submit questions, in advance, to gain a response at the Council meeting.*

### QUESTIONS FROM THE GALLERY

Completed Question Time forms must be submitted to the Chief Executive Officer via email [council@gsc.vic.gov.au](mailto:council@gsc.vic.gov.au) no later than 5:00pm on the day prior to the Council meeting.

A maximum number of two questions may be submitted in writing by any one person.

Questions will be read by the author, Mayor or Chief Executive Officer.

The Mayor or Chief Executive Officer may indicate that they require further time to research an answer. In this case, an answer will be provided in writing generally within ten (10) business days.

Questions will be answered at the meeting, or later in writing, unless the Mayor or Chief Executive Officer has determined that the relevant question seeks confidential information defined in Section 3 of the *Local Government Act 2020* such as:

- Council business information
- security information
- land use planning information
- law enforcement information
- legal privileged information
- personal information
- private commercial information
- confidential meeting information
- internal arbitration information
- Councillor Conduct Panel confidential information
- an issue outside the Gannawarra Shire Council core business

or if the question is:

- defamatory, indecent, abusive or objectionable in language or substance
- repetitive of a question already answered (whether at the same or an earlier meeting)
- asked to embarrass a Councillor or Council officer.

No debate or discussion of questions or answers shall be permitted and all questions and answers shall be as brief as possible.

## 11 DELEGATES REPORTS

### 11.1 DELEGATES REPORTS

**Author:** Jodie Basile, Executive Assistant to CEO

**Authoriser:** Geoff Rollinson, Chief Executive Officer

**Attachments:** Nil

#### EXECUTIVE SUMMARY

Council has memberships with peak Local Government associations, local and regional forums, along with statutory committees. Some memberships require that a Councillor be appointed to act as a delegate to formally represent Council, typically in a voting capacity.

This Agenda item provides an opportunity for Council appointed delegates to present a verbal update on any pertinent matters arising from Council's membership with the following associations.

COUNCILLOR COMMITTEES 2024/2025	
COMMITTEE	COUNCILLOR
Murray River Group of Councils (MRGC)	Cr Garner Smith, Mayor
Loddon Campaspe Group of Councils (LCGC)	Cr Garner Smith, Mayor
Central Victorian Greenhouse Alliance (CVGA)	Cr Daniel Bolitho
Municipal Fire Management Planning Committee (MFMPC)	Cr Lisa Farrant
Municipal Emergency Management Planning Committee (MEMPC)	Cr Lisa Farrant
Municipal Association of Victoria (MAV)	Cr Ross Stanton
Audit and Risk Committee (ARC)(x 2)	Cr Garner Smith Cr Ross Stanton
Transport Committee including Rail Freight Alliance	Cr Pat Quinn
Rural Councils Victoria (RCV)	Cr Charlie Gillingham
Timber Towns Victoria (TTV)	Cr Pat Quinn
Community Halls Community Asset Committee	Cr Keith Link

Councillors and Chief Executive Officer have attended the following events and meetings over the past month:

**Geoff Rollinson, Chief Executive Officer – 1<sup>st</sup> August to 31 August 2025**

	1 <sup>st</sup> August 2025	Rural Councils Victoria Forum in Yarrawonga
	4 <sup>th</sup> August 2025	August Council Briefing Session
	6 <sup>th</sup> August 2025	Joint/State Local Government Monthly CEO Forum
		Executive Leadership Team Meeting
	7 <sup>th</sup> August 2025	Murray River Group of Councils CEO Meeting
		Meeting with Peter Walsh MP
		Loddon Mallee Regional Drought Coordination Group Meeting
	11 <sup>th</sup> August 2025	Mallee Regional Partnerships Meeting in Hopetoun
	12 <sup>th</sup> August 2025	Northern Mallee Irrigated Water Management Forum Meeting
		Loddon Campaspe Councils CEO Meeting
		MAV Future is Local Taskforce Meeting
	18 <sup>th</sup> August 2025	MAV Monday Connect
		Gannawarra Roads Focus Group Initial Meeting
	19 <sup>th</sup> August 2025	VNI West Project CRG Meeting
	20 <sup>th</sup> August 2025	Executive Leadership Team Meeting
		2025 Victorian Transmission Plan Webinar
		Weekly Meeting with Mayor
		August Council Meeting
	26 <sup>th</sup> August 2025	Mallee CEO Roundtable – Shaping the Loddon Mallee International
	27 <sup>th</sup> August 2025	Executive Leadership Team Meeting
	28 <sup>th</sup> August 2025	Loddon Campaspe Councils CEO Meeting
		Weekly Meeting with Mayor
	29 <sup>th</sup> August 2025	Victorian Grants Commission Webinar on Financial Assistance Grants

**Cr Garner Smith – Mayor**

	1 <sup>st</sup> August 2025	Rural Councils Victoria Forum in Yarrawonga
	5 <sup>th</sup> August 2025	Renewable Summit in Newcastle
	6 <sup>th</sup> August 2025	Renewable Summit in Newcastle
	13 <sup>th</sup> August 2025	Vic Basin Communities Meeting
	18 <sup>th</sup> August 2025	Vietnam Veterans Service in Cohuna
	20 <sup>th</sup> August 2025	TCV Session at Tragowel
		Weekly Meeting with CEO
		August Council Meeting
	21 August 2025	TTV General Meeting
	24 August 2025	AEDC Murray Plains Meeting in Kerang
	28 <sup>th</sup> August 2025	Weekly Meeting with Mayor
		The Mayors Institute – State Election Roundtable
	29 <sup>th</sup> August 2025	Victorian Grants Commission Webinar on Financial Assistance Grants

Cr Ross Stanton – Deputy Mayor		
	4 <sup>th</sup> August 2025	August Council Briefing Session
	18 <sup>th</sup> August 2025	Gannawarra Roads Focus Group Initial Meeting
	20 <sup>th</sup> August 2025	August Council Meeting
	29 <sup>th</sup> August 2025	Victorian Grants Commission Webinar on Financial Assistance Grants
Cr Daniel Bolitho		
	4 <sup>th</sup> August 2025	August Council Briefing Session
	13 <sup>th</sup> August 2025	NGSC Transmission Forum
	14 <sup>th</sup> August 2025	CVGA Board Meeting
	19 <sup>th</sup> August 2025	VNI West Project CRG Meeting
	20 <sup>th</sup> August 2025	August Council Meeting
	22 <sup>nd</sup> August 2025	Kerang Book Parade
	28 <sup>th</sup> August 2025	Young Councillors Network Online Meeting
	29 <sup>th</sup> August 2025	Victorian Grants Commission Webinar on Financial Assistance Grants
Cr Lisa Farrant		
	4 <sup>th</sup> August 2025	August Council Briefing Session
	20 <sup>th</sup> August 2025	August Council Meeting
Cr Charlie Gillingham		
	4 <sup>th</sup> August 2025	August Council Briefing Session
	20 <sup>th</sup> August 2025	August Council Meeting
	22 <sup>nd</sup> August 2025	Kerang Book Parade
Cr Keith Link		
	4 <sup>th</sup> August 2025	August Council Briefing Session
	6 <sup>th</sup> August 2025	Leitchville Progress Association Meeting
	14 <sup>th</sup> August 2025	Leitchville Senior Citizens AGM
	18 <sup>th</sup> August 2025	Cohuna Progress Association
	20 <sup>th</sup> August 2025	August Council Meeting
Cr Pat Quinn		
	18 <sup>th</sup> August 2025	Gannawarra Roads Focus Group Initial Meeting
	20 <sup>th</sup> August 2025	August Council Meeting

**12 CONFIDENTIAL ITEMS**

Nil