

KERANG
COHUNA
KOONDROOK
LAKES DISTRICT
MURRABIT AND DISTRICT
LEITCHVILLE
LALBERT
QUAMBATOOK
MACORNA
TRAGOWEL

ANNUAL REPORT 2022



GANNAWARRA
Shire Council

WELCOME TO GANNAWARRA SHIRE COUNCIL'S ANNUAL REPORT 2022

Gannawarra Shire Council's Annual Report provides our community with comprehensive and transparent information on Council's operational, financial, environmental and social performance during the 2021/22 year.

All councils are required by the *Local Government Act 2020 (the Act)* to prepare an Annual Report each financial year which is compliant with the *Local Government Performance Reporting Framework (LGPRF)*.

This Annual Report documents Council's highlights, our achievements and our response to emerging challenges.

NEED AN EXTRA COPY?

Additional copies of the Annual Report can be obtained by:

- Visiting our website www.gsc.vic.gov.au
- Calling us on (03) 5450 9333
- Visiting one of our Customer Service Centres
(See Contact Council section for locations)
- Emailing council@gsc.vic.gov.au
- Writing to Gannawarra Shire Council at PO Box 287, Kerang 3579

FEEDBACK

We welcome feedback regarding the production of our Annual Report.

Feedback provides us with the opportunity to continuously improve our methods for communicating the information contained within this report. If you would like to provide feedback, please contact us via the details provided in the Contact Council section of this report.

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COVER IMAGE: The Cohuna All Abilities Adventure Playground opened to the public in December 2021.

RIGHT: The Cohuna All Abilities Adventure Playground celebrates the town's links to the dairy industry.



About the Gannawarra



Located in northwestern Victoria, the Gannawarra boasts a diverse regional economy and significant natural assets such as Gunbower National Park, the Murray River, Gunbower Creek and Kerang Lakes.

Bordered by Swan Hill to the north, Buloke to the west, Loddon and Campaspe to the south and the Murray River to the east, the Gannawarra contains two central towns – Kerang and Cohuna - and numerous smaller settlements, including Koondrook, Quambatook, Leitchville, Lalbert, Lake Charm, Macorna, Murrabit and Mystic Park (Kangaroo Lake).

Serviced by the Loddon Valley and Murray Valley highways, the Gannawarra is 1.25 hours by car from Bendigo, 40 minutes by car from Swan Hill and 3 hours' drive from Melbourne. Regular passenger rail services also exist from Kerang to Swan Hill and Bendigo, with connections to Melbourne.

Due to its proximity to the Torrumbarry Irrigation System and the eastern fringe of the Mallee cropping region, the Gannawarra enjoys a diverse economy with representation across all sectors - including dairy, cropping, livestock, retail trade, manufacturing and government services such as healthcare and education. The Gannawarra also boasts emerging opportunities in areas such as nature based tourism and renewable energy.

The Gannawarra is renowned for its strong community pride, thanks to our communities' efforts to motivate and inspire each other to make the region a great place to live, visit and do business.

OUR PEOPLE

Our primary centres are Kerang and Cohuna. Smaller outlying communities include Koondrook, Leitchville, Quambatook, Murrabit, Lake Charm, Lalbert, Macorna and Mystic Park. Our small communities each have their own unique identity.

Our communities are



Population
10,683

*(Censusdata.abs.gov.au, 2021)



49.7%
Male



50.2%
Female



51
Median age



3,736 km²
Area

Age

0-4 Years 5-14 Years 15-19 Years

20-64 Years

65+ Years





Our Community Vision

Gannawarra Shire Council acknowledges the Barapa Barapa, Yorta Yorta and Wamba Wamba people as the traditional owners of the land now known as Gannawarra.

We pay our respects to Elders past, present and emerging and acknowledge their rich culture and connection to Country.

VISION STATEMENT

Our community will be proud, connected and inclusive as we actively seek opportunities that enhance lifestyle and liveability.

We will recognise and appreciate the value of the natural environment and how it connects our communities.

We will strive to be resilient to a changing environment through innovation and collaboration.

The Gannawarra will grow through encouraging economic diversity, creating unique tourism destinations, and embracing our cultural and natural assets.

KEY OBJECTIVES



STRATEGY STATEMENT

The Gannawarra will be renowned as an Australian destination and home of choice for its liveability and unique opportunities in innovative agriculture, renewable energy and nature-based tourism.

We focus on inclusive services and assets that enhance the health and wellbeing, cultural heritage, connectivity and productivity of our communities.

Values



Above: Gannawarra Shire Council co-organised the 2022 National Reconciliation Week walk, which occurred through the streets of Kerang in May 2022.

Mayor's Message

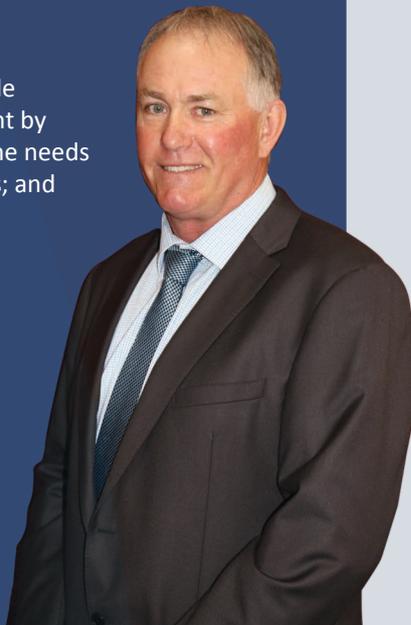
Welcome to Gannawarra Shire Council's 2022 Annual Report, which highlights Council's achievements during the 2021/22 financial year.

This Annual Report assesses Council's performance against the three goals outlined in the *Growing Gannawarra - 2021-2025 Council Plan*:



Council's role in achieving these goals involves:

- Acting as a representative government by taking into account the diverse needs of the local community in decision making;
- Providing leadership by establishing strategic objectives and monitoring their achievement;
- Maintaining the viability of Council by ensuring that resources are managed in a responsible and accountable manner;
- Advocating the interests of the local community to other communities and governments;
- Acting as a responsible partner in government by taking into account the needs of other communities; and
- Fostering community cohesion and encouraging active participation in civic life.



HIGHLIGHTS

The 2021/22 financial year was one of growth for the Gannawarra. Despite the community enduring the COVID-19 pandemic, Council was able to deliver key projects and promote our strengths, leading to another period of population growth.

DEVELOPING KEY STRATEGIES

One of the major achievements of Council during 2021/22 was the adoption of the *Growing Gannawarra - 2021-2025 Council Plan*. This high level strategic document reflects the needs of our community and is helping the Gannawarra realise its full potential.

Developed in partnership with the community, this document outlines the three goals Council is striving to achieve between 2021 and 2025:

- Enhancing the wellbeing and liveability of the Gannawarra through creative infrastructure and access to services;
- Growing the Gannawarra by developing a diverse and broad economy; and
- Supporting long-term financial and environmental sustainability.

Council also began engaging with the community on what will be one of the most important documents to be developed during this municipal term – the *Draft Gannawarra Aquatic Strategy*.

This strategy will help shape the future of aquatic services in the Gannawarra, with a focus on modern and contemporary use rather than focusing on a model of service that was established when outdoor swimming pools were built throughout the Gannawarra more than 50 years ago.

My fellow Councillors and I have taken time to listen to the community's passion for our aquatic services and look forward to the continued development of this document during 2022/23.

TRANSFORMING THE GANNAWARRA

During 2021/22, Council was able to deliver numerous capital works projects that have transformed our towns and popular community assets. These include works at Cohuna and Kerang that connect these towns' central business districts to popular community spaces, construction of all abilities playgrounds at Cohuna, Kerang and Koondrook, and improving valuable community facilities.

These transformational efforts will continue in the coming years, thanks to State Government support for



projects such as *The Glasshouse @ The Gannawarra* – a regional digital media and community meeting space to be located at Kerang’s Sir John Gorton Library – and planning support for the Kerang to Koondrook Rail Trail.

RECOVERING FROM THE COVID-19 PANDEMIC

Council continued to support the community as the COVID-19 pandemic entered a third year, providing key services during times when restrictions were in place and backing community and business efforts to reconnect social connections with communities.

It has been pleasing to see communities come together during the first half of 2022 and businesses adapting to trading outdoors, all made possible thanks to financial support Council received from the State Government’s Community Activation and Social Isolation initiative.

ADVOCATING FOR OUR COMMUNITIES

Behind the scenes, Council continues to advocate for the community’s needs, including the importance of financial stability and healthy communities. This is done both as an individual Council and via our involvement with groups such as the Loddon Campaspe Group of Councils and Murray River Group of Councils.

These efforts include our continued campaign for the Gannawarra to become the renewable energy capital of Victoria, which is closer to becoming reality following the Australian Energy Market Operator’s call

for the development of VNI-West – known locally as KerangLink. This installation of electricity infrastructure that will connect Victoria and New South Wales’ electricity network will also enable renewable energy projects to proceed across the municipality.

A STRONG TEAM

Many of the achievements highlighted in my message and throughout the *2022 Annual Report* would not be possible without the leadership of Council Chief Executive Officer, Tom O’Reilly and Council staff.

I also thank my fellow Councillors for their commitment and passion for advocating for our communities.

LOOKING FORWARD

Council looks forward to continuing to deliver outcomes guided by the *Growing Gannawarra – 2021-2025 Council Plan* and advocating for the community’s needs during 2022/23.

Council’s 2022/23 Budget will assist to achieve this, with more than \$14 million allocated to a capital works program that will transform the liveability, recreational and tourism opportunities for residents and visitors alike.

Cr Charlie Gillingham
MAYOR

Mayor Charlie Gillingham (left), Minister for Local Government, The Hon. Shaun Leane MLC and Gannawarra Shire Council Chief Executive Officer, Tom O’Reilly at The Glasshouse @ The Gannawarra funding announcement in January 2022.

CEO's Message

On behalf of Gannawarra Shire Council, it is a great pleasure to present Council's Annual Report for 2021/22.

I am proud of this organisation and its achievements in instilling hope and confidence throughout the Gannawarra.

I am also proud to be part of the Gannawarra Shire community – one that continues to excel and achieve the objectives outlined in the *Growing Gannawarra - 2021-2025 Council Plan*.

As Chief Executive Officer, I am responsible for:

- Establishing and maintaining an appropriate organisational structure for Council;
- Ensuring that the decisions of Council are implemented without undue delay;
- The day to day management of the Council's operations in accordance with the *Growing Gannawarra - 2021-2025 Council Plan*;
- Developing, adopting and disseminating a Code of Conduct for Council staff; and
- Providing timely advice to Council.



HIGHLIGHTS

The previous 12 months have been one of transformation for the Gannawarra reflected by the significant number of capital works projects which create a platform for future growth, development and enhanced livability.

TRANSFORMING THE GANNAWARRA

No matter where residents live in the Gannawarra, major projects that transform the way we live and interact proceeded or were completed in 2021/22.

It has been exciting to see major projects roll out within the Cohuna and Kerang central business districts. The second stage of the Cohuna Waterfront Development, completed in June 2022, has strengthened the links between the Cohuna CBD and the picturesque Gunbower Creek, with the creation of spaces where families can socialise through enhancements made to Apex Park.

Stage 2 of the Kerang CBD Redevelopment, completed in early 2022, has opened up Scoresby Street and provides a visual connection between this space and the Victoria Square precinct, whilst the completion of the final stage of Kerang's Tate Drive Industrial Estate expansion has already reached capacity.

Our smaller communities are also benefiting. The transformation of Murrabit's open drain network to an underground drainage infrastructure system has beautified the town whilst mitigating the risk associated with arbovirus. Other transformational projects involve the preliminary work for the construction of the Quambatook Weir pool and connecting this Avoca River oasis to Quambatook.

One of the most exciting transformations has been the creation of spaces where people of all abilities can play. Cohuna and Koondrook have embraced all abilities playgrounds that opened during 2021/22, whilst the Kerang All Abilities Play Space and the first Changing Places facility in the Gannawarra – which will open in mid-2022 - will benefit visitors to Atkinson Park.

These projects are not possible without the support from our State and Federal counterparts, which underpins our ability as a small rural council to undertake these works.

It is important to remember that these transformation efforts occurred at a time where, as a community, we were transitioning out of the COVID-19 pandemic. Despite the challenges, the efforts of our staff to provide valued and essential community services and deliver major construction projects has been truly inspirational.



LOOKING AHEAD

The Australian Bureau of Statistics' 2021 Census data showed that the Gannawarra is a place where people want to live, with our population increasing again compared to the previous five years. Our population also bucked regional trends during the COVID-19 pandemic, increasing at a time when population figures for several municipalities in the north and west of Victoria were declining.

This growth can be attributed by our efforts to promote the 'ART of the Gannawarra' strategy – which aims to encourage diversification to our Agriculture sector, attract investment in Renewable energy projects, and promote our nature-based Tourism attractions.

Renewable energy and supporting climate change adaption initiatives has been a strong focus of Council, evident by our advocacy efforts to support the Australian Energy Market Operator's (AEMO) call for the development of VNI-West – known locally as KerangLink. The construction of this major electricity transmission infrastructure that will connect Victoria and New South Wales' energy network will also enable renewable energy projects to proceed across the municipality and help build the nation's largest renewable energy zone.

Meanwhile, the Gannawarra will soon be home to a regionally significant media lab and contemporary meeting space, thanks to the State Government. We were honoured to have the former Local Government Minister, the Hon. Shaun Leane MLC visit Kerang's Sir John Gorton Library in January 2022 to announce \$1.5

million for this project and extol its importance – one that will create a space for our regional communities to connect, collaborate, create and celebrate together.

AN INSPIRING TEAM

These transformational projects and advocacy efforts are made possible thanks to our outstanding team that is committed to the Gannawarra – one that is totally committed to delivering for their community.

This commitment is validated by the number of awards Council has received or been nominated for during 2021/22 – highlighted by three major accolades at the 2022 LGPro Awards for Excellence. These awards, judged by our peers across the local government sector, heralds the work that our team do and shows that we are best practice in many areas of delivery.

Despite the challenges, our wonderful team are well positioned to continue to deliver hope and confidence for the greater good of the Gannawarra community.

I have been really proud to be part of our brilliant Gannawarra team and the community can look forward with great confidence and positivity to a bright and sustainable future for the Gannawarra.

Tom O'Reilly
Chief Executive Officer

Council Chief Executive Officer, Tom O'Reilly (left), Cr Jane Ogden, Cr Travis Collier, Cr Ross Stanton, Koondrook Development Committee President, Bryan Goble and Mayor Charlie Gillingham at the opening of the Koondrook All Abilities Playground in December 2021.

Year in Review

JULY



- re-Connect with your Gannawarra program launched, which supported mental health and wellbeing development during the COVID-19 pandemic
- **Leitchville Pre-School recognised for completing the Tobacco, Alcohol and Other Drugs priority area of the Healthy Early Childhood Services Achievement Program**
- Council's Maternal and Child Health services supported a world leading child health research project
- Council services were impacted by State Government-implemented COVID-19 measures

AUGUST



- Inaugural Community Grants Forum held online
- *Growing Gannawarra - 2021-2025 Council Plan* and Year One Action Plan adopted
- **The Gannawarra Official Visitor Guide, showcasing key tourism and hospitality businesses within the Gannawarra, was published and distributed throughout northern Victoria and southern New South Wales**
- Council services continued to be impacted by COVID-19 lockdown measures

SEPTEMBER



- Koondrook All Abilities Playspace opened to the public
- **Council recognised the role its Meals on Wheels volunteers play in supporting this important program, especially during the COVID-19 pandemic**
- In-person Council services resumed following the easing of COVID-19 restrictions, with other services impacted by lockdown measures

OCTOBER



- Council held its first digital Australian Citizenship ceremony
- 24 events, projects and initiatives benefited from Council's 2021 Community Grants program
- **Council approved a proposal from Enel Green Power to improve lighting at the Leitchville Recreation Reserve**
- *Financial Plan 2021/22 to 2030/31* adopted

NOVEMBER



- Cr Charlie Gillingham was elected Mayor for a second term, with Cr Jane Ogden elected Deputy Mayor
- **Walk to School Month held, involving all 10 primary schools located within the Gannawarra**
- Following the easing of COVID-19 restrictions, volunteers resumed supporting popular Council services
- Gannawarra Goes Orange campaign held, which encourages residents to call out all forms of family violence

DECEMBER



- **Koondrook All Abilities Playground officially opened**
- Cohuna All Abilities Adventure Playground opened to the public
- Council welcomed the Australian Energy Market Operator's recommendation for State and Federal governments to proceed with planning for VNI-West (KerangLink), which will connect electricity infrastructure into the national energy grid
- *Climate Change* policy adopted, which commits Council to transition to 100 per cent renewable energy and corporate net zero emissions by 2025, and net zero emissions at Council-managed landfills by 2040

JANUARY



- Cohuna resident, Ross Bateman was named Gannawarra Shire Council's 2022 Citizen of the Year, with Leitchville resident, Taylah Clements the 2022 Young Citizen of the Year
- The State Government announced it would provide \$1.5 million of funding for the \$1.507 million *The Glasshouse @ The Gannawarra* project
- Changes to Council services were implemented after local COVID-19 cases impacted staff numbers

FEBRUARY



- Cohuna hosted the Campervan Motorhome Club of Australia Solos Network Rally, attracting more than 200 campervans to the Gannawarra
- Kerang CBD Redevelopment – Stage 2 completed
- Gannawarra Library Service presented with a copy of *'Jes' – A Dane in Australia*, which focuses on the Jorgensen family and their architectural influence on buildings throughout the municipality

MARCH



- International Women's Day morning tea held
- ACE Radio breakfast program, *The Morning Rush* held a live broadcast at the Gateway to Gannawarra Visitor Centre
- Council's COVID-19 Hardship policy incorporated into the Rates Relief policy
- Loddon Mallee Move It program, run locally in the Gannawarra as the Gannawarra – Active at Any Age! initiative – won the Outstanding Program or Project – Grant Based (externally funded) category at the 2022 LGPro Active Ageing and Wellbeing Awards

APRIL



- The State Government announced it would provide \$500,000 of funding for the planning of the Kerang-Koondrook Rail Trail
- Term 1, 2022 Warra Waders learn to swim program enrolments broke previous participation records
- Playable Street's musical installation, *The Plants* held at Cohuna and Kerang
- Director Community Wellbeing, Stacy Williams recognised in the annual Institute of Public Administration Victoria Top 50 Public Sector Women awards

MAY



- Annual *School Transition in Gannawarra* guide launched
- Mega 3D town name signs installed at Cohuna, Kerang, Koondrook and Quambatook
- 2022 *Australian of the Year* Exhibition opened at Kerang's Sir John Gorton Library
- Council joined Kerang Aboriginal Elders and Leaders Group, Northern District Community Health, Kerang District Health, Cohuna District Hospital, Mallee District Aboriginal Services and Victoria Police in signing a Partnership Agreement to maintain and enhance positive relationships

JUNE



- Council won three awards at the 2022 LGPro Awards for Excellence – the Outstanding Small Rural Council Initiative, the Community Assets & Infrastructure (\$2.5 million and under) Initiative and the Special Projects Initiative
- Council's popular Social Meals program resumed
- 2022/2023 Gannawarra Shire Council Budget adopted
- Draft *Gannawarra Aquatic Strategy* community sessions held across the municipality

Services Snapshot 2021/22



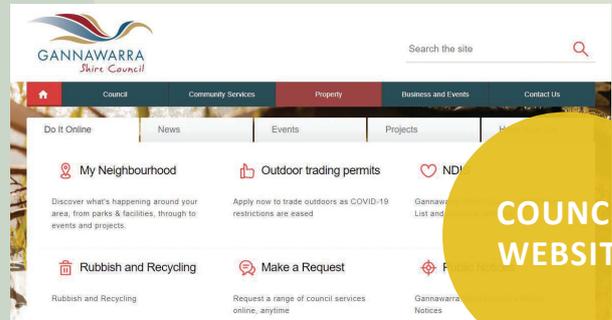
CHILDREN'S SERVICES

- 2,695 hours of Long Day Care a week
- 1,725 hours of 4-year-old kindergarten a week
- 350 hours of 3-year-old kindergarten a week
- 713 hours of Family Day Care a week



COMMUNITY CARE

- 943 clients serviced in home
- 14,603 hours of domestic care
- 24,734 hours of personal care
- 21,227 hours of respite care
- 22,557 Meals on Wheels delivered
- 254 social meals provided
- 2,916 hours of property maintenance
- 1,074 hours of planned activity group events conducted
- 100 clients transported to medical appointments (GNETS)



COUNCIL WEBSITE

- 67,716 users across 107,552 sessions
- Average session duration of 1 minute, 32 seconds
- 57.6% of visits made on mobile phone/tablet, with 42.4% of visits made via a desktop device
- Most popular pages were Home (34,457), COVID-19 portal (8,496) and Contact Us (6,312)



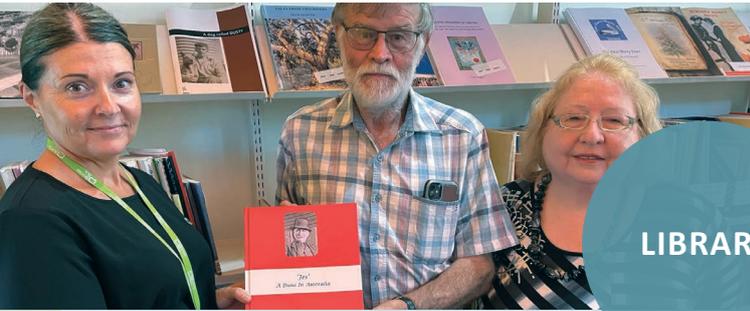
CUSTOMER SERVICE

- 37,089 incoming calls received, of these 56% were solved at first point of contact
- 4.6 second average to answer telephone
- 225 Live chats



IMMUNISATION

- 1,242 vaccinations were administered to 806 people through Council's immunisation program
- 39 immunisation sessions held
- 338 influenza shots administered as part of the 2022 influenza program



LIBRARY

- 1,122 computer bookings
- 3,487 inter library loans from other libraries
- 5,519 loans to other libraries
- 266 new members
- 45,964 library collection item loans
- 2,695 new titles added
- 965 tourism enquiries answered
- 406 programs attended by 2,058 children and adults



LOCAL LAWS

- 40 dogs and 21 cats released back to their owners
- 27 dogs and 114 cats re-housed
- 88 wild cats seized
- 60 Notices to Comply issued



MATERNAL CHILD HEALTH

- 93 babies born
- 33 families experienced the birth of their first baby
- 847 Key Ages and Stages consultations completed
- 273 additional consults made, with the top two reasons being feeding review and parental support



ROADS

- 16.7 kilometres of roads resheeted
- 4.5 kilometres of sealed road rehabilitation undertaken
- 1,105 square metres of footpath replaced
- 537 lineal metres of kerb and channel replaced
- 2,500 kilometres of roads graded
- Maintenance works conducted on 669 signs
- 4,064 kilometres of sealed roadside shoulders slashed
- 192,844 square metres of sealed roads resealed



SOCIAL MEDIA

- 10% increase in Gannawarra Shire Council Facebook page followers
- 4% increase in Gannawarra Shire Twitter page followers
- 24% increase in Gannawarra Shire Council LinkedIn page followers
- 3% increase in Gannawarra Library Service Facebook page likes
- 11% increase in Gannawarra Shire Children's Centre Facebook page likes
- 57% increase in Creative Gannawarra Facebook page likes



SWIMMING POOLS

- 17,317 visitors to Kerang Outdoor Pool
- 8,165 visitors to Cohuna Outdoor Pool
- 6,172 visitors to Kerang Exercise Pool



TOURISM

- 6,375 visitors to Gannawarra Shire Council-managed visitor centres (10% from interstate, 0.25% international travellers)
- Approximately 429 volunteer hours provided at the Gateway to Gannawarra Visitor Centre
- 12,440 visits to thegannawarra.com.au tourism website by 10,200 users

Finance Message

FINANCIAL SNAPSHOT	2021/22
Total revenue	\$40.61 million
Total expenditure	\$32.87 million
Surplus	\$7.74 million
Total assets	\$271.11 million
Total liabilities	\$12.87 million
Equity	\$258.24 million
Net cash from operating activities	\$15.5 million
Indebtedness ratio	7.48%

OPERATING POSITION

Council has achieved a surplus of \$7.74 million in 2021/22 - a decrease on the budgeted surplus of \$1.6 million. The reason for this decrease is partially due to additional employee costs in Community Care Services and Children's Services. Part of this increase in employee costs has been offset by reimbursements. Capital grants have been lower than budgeted due to some unsuccessful grant applications.

During 2021/22, Council received \$5.9 million as part of the State and Federal Government's response to the COVID-19 pandemic. Part of this has been treated as unearned income in line with the Accounting Standards.

CAPITAL WORKS

Council aims to maintain its infrastructure assets at the expected levels while at the same time continuing to deliver the services needed by the community.

Council invested a total of \$12.26 million on renewing, expanding and upgrading existing infrastructure in the 2021/22 financial year. This included \$2.44 million for roads, \$1.26 million for footpaths and kerbs, \$1.49m on drainage works, and \$4.7 million for various recreation and leisure, parks and streetscapes projects across the municipality.

SURPLUS

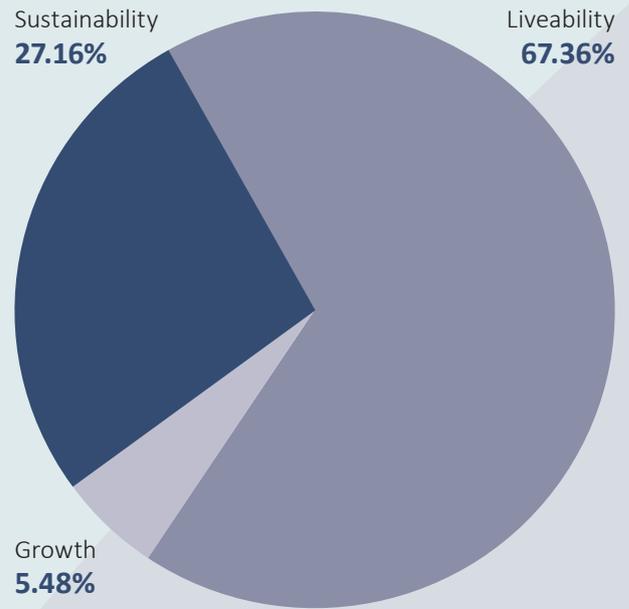


COUNCIL EXPENDITURE

There are a variety of community services that Council operates alongside their Capital Works projects. In the 2021/22 financial year, total council expenditure was \$32.87 million, with 68 per cent being spent on enhancing wellbeing and liveability. Programs undertaken to achieve this strategic activity include roads and bridges infrastructure, community facilities, recreation reserves, community care services and children's services.

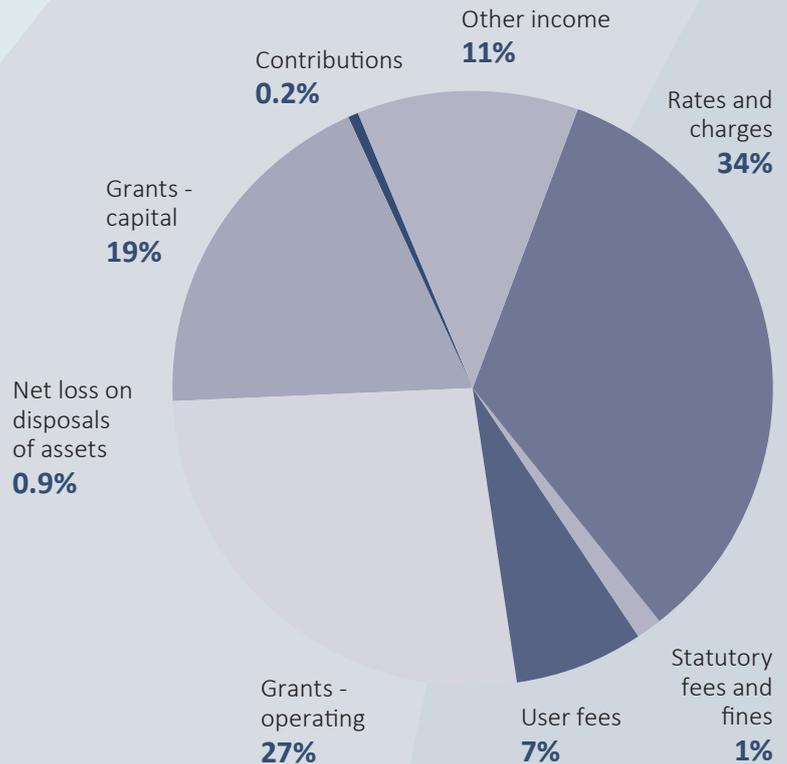
This included \$5.21 million being devoted to people in need within our Community Care sector, such as Home and Community Care, Brokered services and National Disability Insurance Scheme services, and \$3.55 million expended on Children's Services such as Kindergarten, Long Day Care, Family Day Care and Maternal and Childcare services.

Essential waste management services are a big part of Council's priority in creating sustainable living environments for the Gannawarra community, with \$2.09 million utilised in collection of kerbside and public bin waste in addition to the management of the local landfill.



STABILITY AND EFFICIENCY

Council receives income from a number of sources including rates, grants, user fees, fines and contributions. Rates and charges are one of Council's main sources of income, representing 34 per cent of total income. Following the advance payment by the Victorian Grants Commission, grants comprised 45 per cent of total income.



Major Capital Works



**Tate Drive Industrial Estate expansion, Kerang:
\$1.3 million (supported by \$900,000 from the
State Government's Building Works package)**

Completed in April 2022, expansion of the Tate Drive Industrial Estate, Kerang created an extra 13 lots along the southern section of the site.



**Cohuna All Abilities Adventure Playground:
\$700,000 (supported by \$1.7 million from the
State Government's Crisis Committee of Cabinet –
Infrastructure Stimulus Fund)**

Completed in December 2021, the Cohuna All Abilities Adventure Playground features elements that are prominent in many popular all-abilities play spaces, including a carousel, seated swing, stand-up seesaw, flying fox, fencing, increased seating and sealed footpaths.



**Koondrook All Abilities Playground \$520,000
(supported by \$390,000 from Regional Development
Victoria's Regional Development fund)**

Completed in September 2021, the Koondrook All Abilities Playground features elements that are prominent in many popular all-abilities play spaces, including a flying fox with an accessible harness, timber swings featuring accessible harness seating, an accessible carousel and in-ground trampolines.



**Gannawarra Shire Children's Centre expansion:
\$670,000 (supported by \$600,000 from the Victorian
Schools Building Authority)**

Completed in March 2022, the expansion of the Gannawarra Shire Children's Centre enables the facility to hold 3-year-old kindergarten sessions, supported extra Long Day Care places available and increased the number of Maternal and Child Health consultation rooms.



Cohuna Waterfront Development – Stage 2: \$3.4 million (supported by \$1.7 million from the State Government’s Crisis Committee of Cabinet – Infrastructure Stimulus Fund)

Completed in June 2022, Stage 2 of the Cohuna Waterfront Development aims to provide greater connections between the Cohuna central business district and Gunbower Creek.

Key components of the project included construction of deck pontoon on the banks of Gunbower Creek, the development of dedicated outdoor dining areas either side of the King George Street pedestrian crossing and the creation of a seated area at the intersection of King George and Sampson streets.

Kerang CBD Redevelopment – Stage 2: \$1.317 million (fully funded by the Federal Government Local Roads and Community Investment Program)

Completed in February 2022, Stage 2 of the Kerang CBD Redevelopment aims to connect the Kerang Railway Station, the award-winning Victoria Square precinct and the Kerang Open Space Precinct.

Inspired from the works undertaken by the development of the Kerang CBD Master Plan, works included footpath improvements along Scoresby Street between Fitzroy and Victoria streets and the creation of dedicated outdoor dining areas.



Kerang All Abilities Playground and Changing Places facility: \$1.1 million (supported by \$1 million from the State Government’s Community Sports Infrastructure Stimulus Program)

Due for completion in July 2022, the Kerang All Abilities Play Space will feature elements that are prominent in many popular all-abilities play spaces, including in-ground trampolines, a log scramble area, water play areas and a wheelchair accessible sway fun swing.

This project also includes construction of the first Changing Places facility in the region. Featuring a height-adjustable adult-sized change table, ceiling track hoist system and a peninsular-structured toilet, the space will provide suitable facilities for people who cannot use standard accessible toilets.





Atkinson Park - A Safer Precinct for All: \$74,840 (supported by \$71,840 from the State Government Community Safety Infrastructure Grant program)

Completed in July 2021, the Atkinson Park - A Safer Precinct for All project involved the installation of a wi-fi hot spot at the Kerang Skate Park and the addition of CCTV cameras at both the skate park and the Sir John Gorton Library. The project also involved improved lighting throughout Atkinson Park and the installation of a smart bench at the skate park, which features mobile phone and tablet charging facilities.



Morton Garner Pavilion redevelopment: \$600,000 (supported by \$475,000 provided from the Federal Government's Regional Agricultural Show Development Grants program to the Cohuna and District Agricultural, Pastoral and Horticultural Society)

Completed in December 2021, the redevelopment of the Morton Garner Pavilion converted the former Cohuna and District Agricultural, Pastoral and Horticultural Society pavilion into a multi-purpose facility that can be used for agriculture and community events.



Murrabit Netball Club change room redevelopment: \$328,000 (supported by \$219,000 from the State Government's Female Friendly Facilities Program)

Completed in March 2022, the project involved the construction of a new netball change room, Umpire's rooms, an accessible bathroom and first aid room, as well as the renovation of the former netball change rooms.



Murrabit Stormwater Project: \$1.654 million (fully funded by the Federal Government Local Roads and Community Infrastructure Program)

Work on the Murrabit Stormwater Project – which will revolutionise the town's stormwater network by converting the town's open drain network to an underground drainage infrastructure system – began in October 2021.

These improvements, which are due for completion in July 2022, will reduce the risks associated with mosquito-borne disease and enable the capture and future use of reusable water.

COVID-19 Support & Recovery Efforts

Throughout 2021/22, Council worked in partnership with the community to support the Gannawarra through the COVID-19 pandemic and to lead recovery efforts.

These efforts, backed by State Government funding, aimed to support businesses to operate in a COVIDSafe manner, reactivate public spaces and build partnerships with local community groups to deliver projects.

Examples included

- Financial support for community events large and small to promote participation, inclusion and resilience
- Assisting organisers of community events to ensure COVIDSafe plans are incorporated in event planning process
- Installation of mega 3D town signs in Cohuna, Kerang, Koondrook and Quambatook during May 2022
- Installation of musical sensory activity, *The Plants* in Cohuna and Kerang during April 2022
- Installation of permanent outdoor furniture to support businesses at Koondrook, Leitchville and Quambatook to operate in outdoor settings in a COVIDSafe manner
- Fostering the development of community-led and school-based food gardens across the municipality
- Organising art workshops to promote positive mental health and wellbeing through social connections

- Supporting community digital connectivity and literacy through three local neighbourhood houses
- Providing businesses with support to navigate COVID requirements at a local level. This included assisting with funding applications, accessing financial support, and developing COVIDSafe plans
- Hosting workshops for businesses wanting to improve their online presence
- Providing signage regarding social distancing, customer quotients, practicing good hygiene and cleaning logs

Council also supported ratepayers impacted by the COVID-19 pandemic, with the *COVID-19 Hardship Policy* enabling Council to hold interest on any debtor or rates accounts and to cease debt recovery processes on any outstanding debts or to defer payments. This policy was absorbed into Council's *Rate Relief* policy in March 2022.

Council will continue to work with the Gannawarra Community Resilience Committee to implement the *Gannawarra Community Resilience Action Plan 2021-2023* that will support social, economic and environmental recovery across the Gannawarra.

Council worked in partnership with the community to support the Gannawarra through the COVID-19 pandemic and to lead recovery efforts. This included supporting businesses wanting to improve outdoor trading opportunities (left) and promoting the re-activation of public spaces (right).



Community Engagement



Engagement with the Gannawarra community is important, as it ensures Council continues to respond to community needs and expectations. Council's *Community Engagement Strategy 2020-2025* and *Community Engagement Policy* guides how Council engages with the community on projects and services.

Council engaged with the community regarding the following projects, policies and strategies during 2021/22:

- 2022/23 Gannawarra Shire Council Budget
- *Draft Gannawarra Aquatic Strategy*
- *Gannawarra Shire Council Asset Plan 2022-2032*
- *Creative Gannawarra Strategy 2021-2025*
- *Draft Cohuna Recreation Reserve Masterplan*
- Council Policy No. 65 - Trees
- *Gannawarra Shire Council Financial Plan 2021/22 to 2030/31*
- *Growing Gannawarra - 2021-2025 Council Plan*
- Kerang Lakes Eco-Trail Feasibility Study
- *Public Art Policy*
- Planning Permit Application P21147
- *Road Management Plan*
- *Draft Walking and Cycling Strategy*

A community pop-up session to assist with the development of Council's Draft Walking and Cycling Strategy occurred at Atkinson Park, Kerang in February 2022.

Community Satisfaction

2022 COMMUNITY SATISFACTION SURVEY

Each year the Victorian Department of Jobs, Precincts and Regions coordinates a Statewide Local Government Community Satisfaction Survey throughout Victorian local government areas. Held annually, this survey asks the opinions of local people about the place they live, work and play and provides confidence for councils in their efforts and abilities.

A total of 400 Gannawarra Shire residents over the age of 18 were interviewed by telephone in February and March 2022, with results provided as indexed scores out of 100.

The survey found that perceptions of Council’s performance in most service areas declined in the 12-month period, including Overall Performance (54).

However, Council managed to maintain much of the gains it made in overall performance in 2021, following the steep decline of 2020.

Council’s performance in eight of the 18 service areas was equal to or above the Small Rural and Statewide average - Appearance of Public Areas (75), Elderly Support Services (73), Waste Management (72), COVID-19 Response (69), Family Support Services (67), Enforcement of Local Laws (64), Business, Community Development and Tourism (63) and Value for Money (54).

More than one in three residents (36 per cent) rate the value for money they receive from Council in infrastructure and services provided to their community as ‘very good’ or ‘good’. A further 38 per cent rate Council as ‘average’ on this measure.

OVERALL COUNCIL PERFORMANCE

Results shown are index scores out of 100



Gannawarra 54



Statewide 59



Small Rural 58

The three areas where Council performance is significantly higher by the widest margin

The three areas where Council performance is significantly lower by the widest margin

Compared to Statewide average	Higher performance	Lower performance	
	Elderly support services		Community decisions
	Appearance of public areas		Consultation and engagement
	Waste management		Lobbying
Compared to Group average	Higher performance	Lower performance	
	Waste management		Consultation and engagement
	Elderly support services		Community decisions
	Family support services		Lobbying



Major Grants Received



The Glasshouse @ The Gannawarra concept artwork.

Federal Government Local Roads and Community Investment Program (\$2.636 million)

The Federal Government announced in November 2021 Council would receive \$2.636 million from the third phase of the *Local Roads and Community Infrastructure Program* to support local jobs and the resilience of local economies to help communities bounce back from the COVID-19 pandemic.

Council announced in November it would allocate \$500,000 to fully fund Stages 5 and 6 of the Murrabit Stormwater Project, with \$2.136 million to support Stage 3 of the Kerang CBD Redevelopment.

Construction of Stages 5 and 6 of the Murrabit Stormwater Project began in mid-2022, with work on Stage 3 of the Kerang CBD Redevelopment to begin in the second half of 2022.

State Government Living Libraries Infrastructure Program 2021 - Major Works Program (\$1.5 million)

State Minister for Local Government, the Hon. Shaun Leane MLC visited Kerang in January 2022 to announce that Council would receive \$1.5 million from the *Living Libraries Infrastructure Program 2021 - Major Works* program to support the \$1.507 million *The Glasshouse @ The Gannawarra* project.

To be built on the western side of Kerang's Sir John Gorton Library, *The Glasshouse @ The Gannawarra* will feature a media lab designed to support movie making, sound and music recording and other creative digital technology projects, new meeting spaces to support community groups and events, and a glass façade that will enable the opportunity for evening activation using light projection and sound.

Construction of *The Glasshouse @ The Gannawarra* is scheduled to begin in the second half of 2022 and be completed by mid-2024.

State Government Rural Councils Transformation Program – Round 2 (\$750,000)

In May 2022 Council received notification an application developed in conjunction with Buloke Shire Council and Swan Hill Rural City Council for the implementation of a shared Total Strategic Asset Management System had been successful.

The management system, which includes Geographic Information System mapping capabilities and linkages to customer request and finance systems, will operate across the three rural municipalities.

State Government Regional Development Victoria Investment Fast Track Fund (\$500,000)

Member for Northern Victoria, Mark Gepp MLC visited Koondrook in April 2022 to announce that Council would receive \$500,000 from the *Regional Development Victoria Investment Fast Track Fund* to support the planning stage of the Kerang-Koondrook Rail Trail.

The funding will be used to assist with the planning, cultural assessment and design of the 22-kilometre cycling and walking trail between Kerang and Koondrook.

As of 30 June 2022, Council was actively seeking further Federal and State Government assistance to support this project.

State Government Recreational Boating Structure Maintenance Program (\$240,000)

In May 2022 Council received notification it had been successful in applying for \$240,000 from the State Government's *Recreational Boating Structure Maintenance Program* to install a jetty at the northern end of Kangaroo Lake.

This structure will replace the former jetty, which was closed in 2020 after inspections found the former jetty was wave damaged.

State Government COVIDSafe Outdoor Activation Fund – LGA stream (\$200,000)

During November 2021 and June 2022, Council used \$200,000 from the State Government *COVIDSafe Outdoor Activation Fund – LGA stream* to support the Gannawarra's recovery from the COVID-19 pandemic.

Council utilised \$100,000 of this funding to install outdoor dining furniture at businesses in Leitchville,

Koondrook and Quambatook to enhance operation in a COVIDSafe manner.

The remaining \$100,000 supported outdoor activation initiatives that aimed to reactivate community spaces and encourage the community to return to outdoor activities.

State Government 2021-22 Building Blocks Grants - Inclusion, Buildings and Playgrounds Stream (\$199,690)

In May 2022 Council received notification it had successfully applied for \$199,690 of funding from the State Government's *2021-22 Building Blocks Program - Inclusion, Buildings and Playgrounds Stream* to redevelop the outdoor space at the Gannawarra Shire Children's Centre, Kerang. These funds will deliver an inclusive space for all abilities, whilst providing several modern designed zones that support childhood development.

These improvements are scheduled for 2022/23.

State Government 2021/22 Building Blocks Grants - Planning (\$65,800)

The State Government announced in December 2021 Council would receive \$65,800 from the *2021/22 Building Blocks Grants - Planning* program to explore future kindergarten service delivery and models of care for Cohuna, as well as the potential to also provide Long Day Care in the town.

This funding will enable Council to explore a children's hub model, bringing together 3-year-old kindergarten, 4-year-old kindergarten, Maternal and Child Health services, Supported Playgroup and Long Day Care.



Kerang to Koondrook Rail Trail planning funding announcement, April 2022.

Award Recognition 2021/22

* Koondrook Retreat won the Outstanding Small Rural Council Initiative Award at the 2022 LGPro Awards for Excellence

* Koondrook Retreat won the Community Assets & Infrastructure (\$2.5 million and under) Initiative Award at the 2022 LGPro Awards for Excellence

* Council's Drought Communities Programme won the Special Projects Initiative Award at the 2022 LGPro Awards for Excellence

* The Cohuna Waterfront Development was Highly Commended in the Community Assets & Infrastructure (projects over \$2.5 million) Initiative Award at the 2022 LGPro Awards for Excellence

* Council's Team Leader Rural Roads, Jon Haw was Highly Commended in the 2022 LGPro Young Achiever of the Year Award

* Loddon Mallee Move It program, which Council participated in, won the Outstanding Program or Project – Grant Based at the 2022 LGPro Active Ageing and Wellbeing Awards

* Aquatics Officer, Kieran Schneider was a finalist in the 2021 Local Government Professionals Australia Emerging Leader Award

* Cohuna Waterfront Development – Stage 1 was a finalist in the 2021 National Awards for Local Government Boosting Productivity Through Infrastructure category

* Koondrook Retreat was a finalist in the 2021 National Awards for Local Government Contributing to Regional Growth category

* Gannawarra Goes Orange campaign was a finalist in the 2021 National Awards for Local Government Addressing Violence Against Women and their Children category

* Council's NDIS program was a finalist in the 2021 National Awards for Local Government Cohesive Communities category

* Creative Gannawarra program was a finalist in the 2021 National Awards for Local Government Creativity and Culture category

* Koondrook CBD Redevelopment was a finalist in the 2021 Institute of Public Works Engineering Australasia – Victoria Excellence in Public Works Project < \$2m category

* Council's Operations Team's implementation of a paperless OH&S management system was a finalist in the 2021 Institute of Public Works Engineering Australasia – Victoria Excellence in Innovation – Regional category

* Council's Sustainable Gannawarra initiative was a finalist in the 2021 Institute of Public Works Engineering Australasia – Victoria Excellence in Environmental Sustainability category

* Manager Project and Property, Wade Williams was a finalist in the 2021 Institute of Public Works Engineering Australasia – Victoria Emerging Public Works Leadership Award

* Silver Award in the 2022 Australasian Reporting Awards for the 2021 Annual Report

Council Contributions and Donations

During 2021/22 Council distributed \$411,784.91 to community groups, organisations and service providers across the municipality.

This funding ranged from Council's annual Community Grants Program – which made up more than 50 per cent of the annual contributions and donations figure – to funds provided by the State Government to support the Gannawarra's social and economic recovery from the COVID-19 pandemic.

Contributions were also provided to support Australia Day celebrations, school awards and assist communities maintain community-managed recreational facilities.

MAJOR COMMUNITY PROJECT FUND – 2021 COMMUNITY GRANTS PROGRAM

Cohuna Neighbourhood House	\$25,000.00
Koondrook Recreation Reserve Committee	\$10,945.00
Lake Charm Foreshore Committee of Management	\$70,000.00
Riverside Park Committee of Management, Kerang	\$46,421.71
TOTAL	\$152,366.71

ANNUAL RECREATION RESERVE MAINTENANCE CONTRIBUTION

Alexandra Park Trustees, Kerang	\$11,500.00
Koondrook Recreation Reserve Committee	\$5,600.00
Lalbert Recreation Reserve and Community Group	\$5,600.00
Leitchville Sporting Complex Committee	\$8,767.53
Macorna Public Park and Recreation Reserve Committee	\$4,545.45
Murrabit Recreation Reserve Committee	\$5,600.00
Quambatook Football Netball Club	\$6,160.00
Riverside Park Committee of Management, Kerang	\$24,800.00
Wandella Football/Netball Club	\$5,000.00
TOTAL	\$77,572.98

COMMUNITY SUPPORT GRANTS – 2021 COMMUNITY GRANTS PROGRAM

Barham Koondrook Historical Society	\$3,500.00
Cohuna Golf Club	\$5,000.00
Cohuna Lions Club	\$4,000.00
Kerang Cemetery Trust	\$2,650.00
Kerang Neighbourhood House	\$5,000.00
Kerang Guide Association Support Group	\$3,245.00
Kerang Historical Society	\$5,000.00
Kerang Group of Legacy	\$1,980.00
Leitchville Men's Shed	\$4,000.00
Murrabit Public Hall	\$5,000.00
Murray Human Services	\$3,552.90
Northern District Dance Association	\$5,000.00
Riverside Park Committee of Management, Kerang	\$4,800.00
TOTAL	\$52,727.90

COVIDSAFE OUTDOOR ACTIVATION FUNDING

Bower Tavern Cohuna	\$5,000.00
Cohuna Farmers and Makers Market	\$5,000.00
Exchange Hotel Kerang	\$3,500.00
Jettin Vic	\$1,000.00
Kerang Community Market	\$500.00
Kerang Sports and Entertainment Venue	\$5,000.00
Leitchville Hotel	\$5,000.00
Mid Murray Flying Club	\$1,500.00
Murrabit Advancement Association	\$5,000.00
Mystic Park Hotel	\$5,000.00
Royal Hotel Kerang	\$5,000.00
Ski Racing Victoria	\$1,000.00
TOTAL	\$42,500.00

COMMUNITY EVENTS GRANTS – 2021 COMMUNITY GRANTS PROGRAM

Bendigo Diocesan Trusts Corporation	\$5,000.00
Cohuna Neighbourhood House – Cohuna Community Art Gallery	\$1,500.00
Cohuna Progress Association	\$5,000.00
Lake Meran Public Purposes Committee	\$3,000.00
Mid Murray Flying Club	\$5,000.00
Murrabit and District Lions Club	\$5,000.00
Northern District Community Health	\$5,000.00
TOTAL	\$29,500.00

DONATIONS AND SPONSORSHIP

Barham-Koondrook Pastoral, Agricultural and Horticultural Society	\$500.00
Cohuna Bowls Club	\$181.82
Cohuna Bridge to Bridge	\$1,000.00
Cohuna Golf Club	\$750.00
Cohuna Lawn Tennis Club	\$150.00
Cohuna/Leitchville Returned and Services League Club	\$500.00
Kerang and District Agricultural Society	\$5,000.00
Kerang Traders	\$150.00
Kerang Turf Club	\$1,818.18
Miscellaneous contributions to community causes	-
Rotary Club of Kerang Art Show	\$1,500.00
Ski Racing Victoria	\$2,272.73
Victorian Outboard Club	\$500.00
TOTAL	\$14,322.73

AUSTRALIA DAY CELEBRATIONS

Barham Koondrook Lions Club	\$400.00
Cohuna Lions Club	\$700.00
Lalbert Recreation and Community Group	\$400.00
Leitchville Lions Club	\$400.00
Lions Club of Kerang	\$600.00
Murrabit and District Lions Club	\$400.00
Quambatook Lions Club	\$400.00
Rotary Club of Kerang	\$600.00
TOTAL	\$3,900.00

COMMUNITY ACTIVATION AND SOCIAL ISOLATION (CASI) INITIATIVE

Cohuna Kangas Football Netball Club	\$320.00
Cohuna Neighbourhood House	\$1,000.00
Cohuna Neighbourhood House – Cohuna Men’s Shed	\$1,440.91
Cohuna Consolidated School	\$200.00
Kerang Christian College	\$200.00
Kerang Golf Bowling Club	\$320.00
Kerang Landcare Group	\$2,773.00
Kerang Neighbourhood House	\$3,000.00
Kerang Primary School	\$200.00
Kerang South Primary School	\$200.00
Kerang State Emergency Service (SES) Unit	\$530.00
Kerryn Finch - Artist	\$1,000.00
Koondrook Lawn Tennis Club	\$700.00
Koondrook Primary School	\$200.00
Koondrook Swimming Pool Committee	\$1,000.00
Lake Charm Arts and Culture Group	\$1,000.00
Lake Charm Primary School	\$200.00
Leitchville Bunyips Sporting Club	\$700.00
Leitchville Primary School	\$200.00
Macorna Football Netball Club	\$1,000.00
Murrabit Group School	\$200.00
Murrabit Lawn Tennis Club	\$1,000.00
Murrabit Men’s Shed	\$210.00
Murrabit Public Hall Committee	\$700.00
Northern District Community Health	\$7,000.00
Quambatook Community Resource Centre	\$1,000.00
St Joseph’s Primary School, Kerang	\$200.00
St Mary’s Primary School, Cohuna	\$200.00
TOTAL	\$26,693.91

FOUNDATION FOR RURAL AND REGIONAL RENEWAL (FRRR) GRANT

Murrabit Public Hall Committee	\$3,390.00
TOTAL	\$3,390.00

RATES SUBSIDY

Cohuna and District Historical Society	\$641.03
Cohuna Masonic Lodge	\$595.88
Cohuna Squash Club	\$334.06
Leitchville Bowls Club	\$233.28
Leitchville Bunyips Sporting Club	\$69.22
Quambatook Historical Society	\$568.80
TOTAL	\$2,442.27

DROUGHT MENTAL HEALTH SUPPORT – COMMUNITY NEWSLETTER PRINTING

Cohuna Neighbourhood House	\$500.00
Kerang Neighbourhood House	\$500.00
The Lakes Chatter	\$500.00
Leitchville and District Progress Association	\$500.00
Murrabit Advancement Association	\$500.00
Quambatook Community Resource Centre	\$500.00
TOTAL	\$3,000.00

HIGH SCHOOL/SECONDARY COLLEGE BURSARY

Cohuna Secondary College	\$600.00
Kerang Technical High School	\$600.00
TOTAL	\$1,200.00

GANNAWARRA GOES ORANGE

Northern District Community Health	\$1,091.91
TOTAL	\$1,091.91

JAZZ HIGH TEA PROCEEDS

Lake Charm Hall Committee	\$1,076.50
TOTAL	\$1,076.50

TOTAL DONATIONS AND CONTRIBUTIONS FOR 2021/22	\$411,784.91
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Below: Council supported numerous community groups and organisations during 2021/22, including the Cohuna Neighbourhood House.





Council-supported Events 2021/22

JULY

- Astrophotography workshops
- Gannawarra Library Service school holiday program

SEPTEMBER

- Vivid Disability Service Mini Village Exhibition, Kerang

OCTOBER

- Seniors Festival Active Minds Morning Teas, Cohuna and Kerang

NOVEMBER

- *The ART of Gannawarra* workshop, Cohuna
- Gannawarra Goes Orange story time
- Magiclay Art Workshops
- Watercolour and Charcoal Nature Portraits Workshops

DECEMBER

- Gannawarra Goes Orange story time
- Kerang Combined Churches Outreach Ministry Christmas Tree and Nativity display, Kerang
- Koondrook All Abilities Playground official opening

JANUARY

- Australia Day Awards presentation
- Australia Day community celebrations
- Hottest 100 pool party
- *Folkie Dokey Puppet Show*, Kerang
- Gannawarra Library Service Big Summer Read challenge drop-in sessions
- Gannawarra Library Service school holiday program
- Life in the Sun – 1-100 Exhibition, Kerang

FEBRUARY

- *Life in the Sun – 1-100* Exhibition, Kerang

MARCH

- International Women’s Day morning tea, Kerang
- Grow Your Online Sales workshop
- *The Morning Rush* live broadcast, Cohuna

APRIL

- *Dress Up Box* by The Kazoos, Kerang
- Gannawarra Library Service school holiday program
- *The Plants*, Cohuna and Kerang
- Kerang and District Family History Group Lester Smith Water Tower open day, Kerang

MAY

- *Jazz High Tea*, Lake Charm
- National Reconciliation Week walk, Kerang
- *2022 Australian of the Year* Exhibition, Kerang
- National Volunteer Week morning teas, Cohuna and Kerang
- Cuppa with a Cop morning teas, Cohuna and Kerang
- National Simultaneous Storytime celebrations
- *School Transition in Gannawarra* guide launch, Koondrook

JUNE

- *Circling Time* by Kutcha Edwards, Kerang
- Gannawarra and Surrounds Professionals Network Winter Mingle, Cohuna
- *2022 Australian of the Year* Exhibition, Kerang
- Gannawarra Library Service school holiday program

ONGOING

- Citizenship ceremonies
- Councillor representation at Progress Association/ Development Committee meetings
- Creative Gannawarra Art Salons
- Social Meal program

NOTE

Numerous events scheduled to occur during the 2021/22 financial year were cancelled or postponed due to COVID-19 restrictions.

ACKNOWLEDGEMENTS

Youth and health promotion events delivered in partnership with Northern District Community Health. Art and Culture events delivered in partnership with Regional Arts Victoria.

Council supported events for all ages and interest during 2021/22, including Jazz High Tea (main photo) and the Folkie Dokey Puppet Show (below).





Gannawarra Shire Council is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Section 8(1) of the Act states the role of Council is “to provide good governance in its municipal district for the benefit and wellbeing of the municipal community”.

This is achieved by adhering to the following governance principles:

- Council decisions are to be made and actions taken in accordance with the relevant law;
- Priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
- The municipal community is to be engaged in strategic planning and strategic decision making;
- Innovation and continuous improvement is to be pursued;

- Collaboration with other Councils and Governments and statutory bodies is to be sought;
- The ongoing financial viability of the Council is to be ensured;
- Regional, State and national plans and policies are to be taken into account in strategic planning and decision making; and
- The transparency of Council decisions, actions and information is to be ensured.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities.

The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums and the ability to make submissions to Council.

Council's formal decision-making processes are conducted through Council meetings. Council delegates most of its decision-making to Council staff. These delegations are exercised in accordance with the Act and a range of other acts and regulations.

Our Councillors

GANNAWARRA SHIRE COUNCIL IS DIVIDED INTO FOUR WARDS

AVOCA

including Lake Charm, Lalbert, Benjeroop, Mystic Park and Quambatook

MURRAY

including Koondrook, Myall and Murrabit

PATCHELL

including Kerang, Mead and Macorna

YARRAN

including Cohuna, Leitchville and Horfield



Avoca Ward

CR CHARLIE GILLINGHAM *Mayor*

First elected October 2016

Charlie has lived in the area for more than 50 years and operates a family farm at Lake Charm.

Charlie is currently interested in the local environment, agriculture, health, irrigation and sporting groups.

With our numerous existing assets, Charlie believes that the area we live in is very dynamic and has huge potential for further innovative agricultural pursuits, nature-based tourism opportunities, new industry, renewable energy prospects and increased residential development around our lakes and waterways.

With a proactive Council, Charlie is looking forward to working with his fellow Councillors and the community for the benefit of the whole Shire. He believes that with a common-sense approach, these goals can be achieved, and we can continue to make the Gannawarra a fantastic place for all.



Patchell Ward



CR JANE OGDEN Deputy Mayor

First elected October 2020

Jane has lived in Kerang since 2006 and is a first-term Councillor for the Gannawarra Shire Council. She is not new to Local Government, having worked for the Shire in many roles, including as Coordinator Community Engagement and Community Development Officer. Jane was elected Deputy Mayor in November 2021 and is passionate about encouraging and supporting more rural women to run for council.

Jane is also Deputy Mayor of the Rural Councils Victoria committee, representing six councils in the Rural North Central Region. She

is passionate about advocating to State and Federal Government on behalf of rural councils and the issues that rural councils face.

The Circular Economy and Climate Change are high on the list of areas of advocacy and passion for Jane. She has learned how important just one person can be in making a difference to the care of our planet, by changing how we see “waste” and therefore learning to re-use, repair and recycle.

Jane has also recently joined the committee of the Australian Local Government Women’s Association – Victoria and she looks forward to having a positive voice on the committee for rural women.



CR TRAVIS COLLIER

First elected October 2020

Since moving to Kerang in 2011, Travis has been an active member of the community in a variety of different roles.

Travis is currently President of the Kerang Technical High School Council and Murrabit Netball Club, Vice President of the Kerang Girl

Guides, and is involved with the Murrabit Tennis Club, Kerang-Swan Hill Rams AFL Masters football team, Rotary Club of Kerang and the Murrabit Advancement Association.

Travis is looking forward to working alongside his fellow Councillors to develop a strategic plan that makes our Shire a destination for tourists and businesses alike.



CR KELVIN BURT

First elected October 2020

Kelvin has lived and worked in the Gannawarra for most of his life.

After leaving school, the family farm was his first passion. This then led him to becoming a fencing and hay carting contractor. Many other jobs followed, including wood merchant, barman, backhoe operator,

Mawsons Concrete employee and a management role with Lipps Bulk Super in Wakool.

Looking for a stable future, Kelvin returned to Mawsons, where he worked up until March 2022.

A love of the Gannawarra and a passion for the community led Kelvin to become President of the Kerang Progress Association for five years and, in 2020, a Councillor.



Murray Ward



CR ROSS STANTON

First elected October 2020

Ross was born in Cohuna and spent most of his life living and working in the Gannawarra. Ross has recently retired after 31 years with Goulburn-Murray Water.

Ross classifies himself as a volunteer, always willing to step in when help is needed. He is the current Chair the Central Rivers Football/Netball Board and is a life member of the Murrabit Football Club, having served

previously as president of the football and netball clubs. Ross likes to relax with a game of golf and fishing, neither successfully!

Ross believes the Gannawarra is a great place to raise a family and enjoy all the assets this area has available. He sees his role in Council as part of the wider “Gannawarra Council Team”, with a focus on the strategic side of local government and looks for ways to enhance the opportunities for

our youth and maintain our link to agriculture, renewable energy and environmental based tourism.



Yarran Ward



CR KEITH LINK

First elected October 2020

Keith grew up in Melbourne and in 1976, together with his wife, made a “tree change” and brought a small farm in Leitchville.

Over the next 40 years the Links expanded and developed their farm during which time Keith was involved in many service clubs

and community organisations. He has since semi-retired although it seems farmers never retire.

Keith continues to study at university online and is close to completing his degree. Aviation is still his main hobby, flying his Cessna 172 when time permits, and overseas travel and caravanning when COVID-19 permits.



CR GARNER SMITH

First elected October 2020

Garner was raised on a dairy farm in Leitchville and completed his HSC at Cohuna High School in 1989. Garner undertook tertiary studies at Melbourne University, graduating with a Bachelor of Commerce (Honours) and undertaking a Postgraduate Honours year in Economics.

Garner has had significant experience in working in politics, as an Electorate Officer for Senator Julian McGauran and Ministerial Advisor to the Hon. Bill Baxter in

the Roads and Ports portfolio. In addition, Garner was the Young Nationals State President for two years, the National Party Victoria Junior Vice President for a year, undertook a delegation to Shanghai, China as part of the Young Leaders Conference and completed a Political Exchange Tour of Japan. In 2021, Garner was elected to the Victorian Farmers Federation Water Committee.

Currently, Garner and his wife are busy running their businesses, Riverland Milk and Trading, Rural

Supplies in Cohuna and Gunbower, as well as irrigated beef farms in Cohuna and Leitchville.



Meetings of Council

Council conducts open public meetings on the third Wednesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery or watch proceedings via a live broadcast available on Council's website.

As Council was operating in accordance with the *COVID-19 Omnibus (Emergency Measures) Act 2020*, meetings were held virtually via Zoom between September 2021 and May 2022, however each meeting was livestreamed via Council's website.

Council meetings also provide the opportunity for community members to submit questions to Council or provide feedback on items in line with Council's *Community Engagement Policy*.

For the 2021/22 year, Council held 13 Council Meetings – 11 monthly meetings, one to elect a Mayor and Deputy Mayor, and one to adopt the 2022/2023 Gannawarra Shire Council Budget.

COUNCIL MEETING DATES

A – Apology

COUNCILLOR	21/07/21	18/08/21	15/09/21	20/10/21	08/11/21	17/11/21	15/12/21	16/02/22	16/03/22	20/04/22	18/05/22	15/06/22	29/06/22	TOTAL
Cr Kelvin Burt	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	A	12 of 13
Cr Travis Collier	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13
Cr Charlie Gillingham	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13
Cr Keith Link	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13
Cr Jane Ogden	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13
Cr Garner Smith	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13
Cr Ross Stanton	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13 of 13

Councillor Committee Membership

Councillor portfolios as determined during 2021/22

COUNCILLOR	COMMITTEE
Cr Kelvin Burt	Community Halls Community Asset Committee
Cr Travis Collier	Municipal Association of Victoria
Cr Charlie Gillingham	Audit and Risk Committee Murray River Group of Councils – as Mayor Loddon Campaspe Councils – as Mayor
Cr Keith Link	Municipal Fire Management Planning Committee
Cr Jane Ogden	Loddon Mallee Waste and Resource Recovery Group (LMWRRG) Forum
Cr Garner Smith	Audit and Risk Committee Rural Councils Victoria Timber Towns Victoria (from August 2021)
Cr Ross Stanton	Central Victorian Greenhouse Alliance (CVGA) Rail Freight Alliance

Councillor Allowances and Expenses

COUNCILLOR ALLOWANCES

In accordance with relevant provisions of the *Local Government Act 2020*, a 16 November 2016 decision of Council to set Gannawarra Shire Councillor allowances at the maximum for Category 1 continued to apply from 1 June to 17 December 2021.

For the purpose of these allowance limits, councils are divided into three categories based on the income and population of each council. Gannawarra Shire Council is classified as a Category 1 Council.

The Category 1 Councillor allowance was fixed at \$21,049 plus an amount equivalent to the superannuation guarantee of 10 per cent of the allowance.

The Category 1 Mayoral allowance was fixed at \$62,884 plus an amount equivalent to the superannuation guarantee of 10 per cent of the allowance.

On 7 March 2022, in accordance with Section 23A of the Victorian Independent Remuneration Tribunal and *Improving Parliamentary Standards Act 2019 (Vic)*, the Tribunal made the Allowance payable to

Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022. The allowance values took effect from 18 December 2021.

For the purpose of these allowance limits, councils are divided into four categories based on the income and population of each council. Gannawarra Shire Council is classified as a Category 1 Council.

The Category 1 Councillor allowance from 18 December 2021 was fixed at \$24,080, inclusive of any Superannuation Guarantee Contribution.

The Category 2 Deputy Mayoral allowance from 18 December 2021 was fixed at \$37,353, inclusive of any Superannuation Guarantee Contribution.

The Category 1 Mayoral allowance from 18 December 2021 was fixed at \$74,706, inclusive of any Superannuation Guarantee Contribution.

The Mayor, Deputy Mayor and Councillors have the option to be provided with internet access, a mobile telephone and a laptop. All Councillors have access to a computer, printer and fax machine at Council's offices. The Mayor is also provided with a vehicle.

COUNCILLOR EXPENSES

In accordance with the Act, a Council must:

- Reimburse a Councillor for out-of-pocket expenses the Council is satisfied are bona fide expenses; have been reasonably incurred in the performance of the role of Councillor; and are reasonably necessary for the Councillor to perform that role.
- Provide details of all such reimbursements to the Audit and Risk Committee.
- Adopt and maintain an expenses policy in relation to the reimbursement of out-of-pocket expenses for Councillors.

Council reviewed and endorsed *Policy No. 092 – Councillor Allowances and Support* on 18 May 2022.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor.

The details of the expenses including reimbursement of expenses for each Councillor paid by Council for 2021/22 are set out as below:

	Conferences & Training Expenses	Travel Expenses	Car Mileage Expenses	IT & Communication Expenses	TOTAL
Cr. Charles Gillingham	\$3,759	-	\$6,370	\$300	\$10,429
Cr. Garner Smith	-	\$490	-	\$300	\$790
Cr. Jane Ogden	\$2,930	\$507	\$593	\$271	\$4,301
Cr. Keith Link	-	\$1,202	-	\$300	\$1,502
Cr. Kelvin Burt	-	-	-	\$300	\$300
Cr. Ross Stanton	-	\$934	-	\$300	\$1,234
Cr. Travis Collier	\$229	-	-	\$300	\$529
	\$6,918	\$3,133	\$6,964	\$2,071	\$19,085

CODE OF CONDUCT

On 17 February 2021, Council reviewed and adopted *Policy No. 078 – Councillor Code of Conduct* in accordance with section 139(4) of the Act. The reviewed Councillor Code of Conduct includes four new mandatory standards of Council conduct (conduct standards) to provide greater clarity around the behaviour expected of Councillors and a consistent framework for handling complaints alleging misconduct under the Code.

The Code of Conduct documents Gannawarra Shire Councillors' commitment to working together in the best interests of the people within the municipality and to discharging their responsibilities to the best of their skill and judgement.

CONFLICT OF INTEREST

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a council delegates its powers to a Council officer or a committee, the officer or committee must also act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standing agenda item for all Council meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflicts of interest.

During 2021/22, 11 conflicts of interest were declared at a Council meeting.



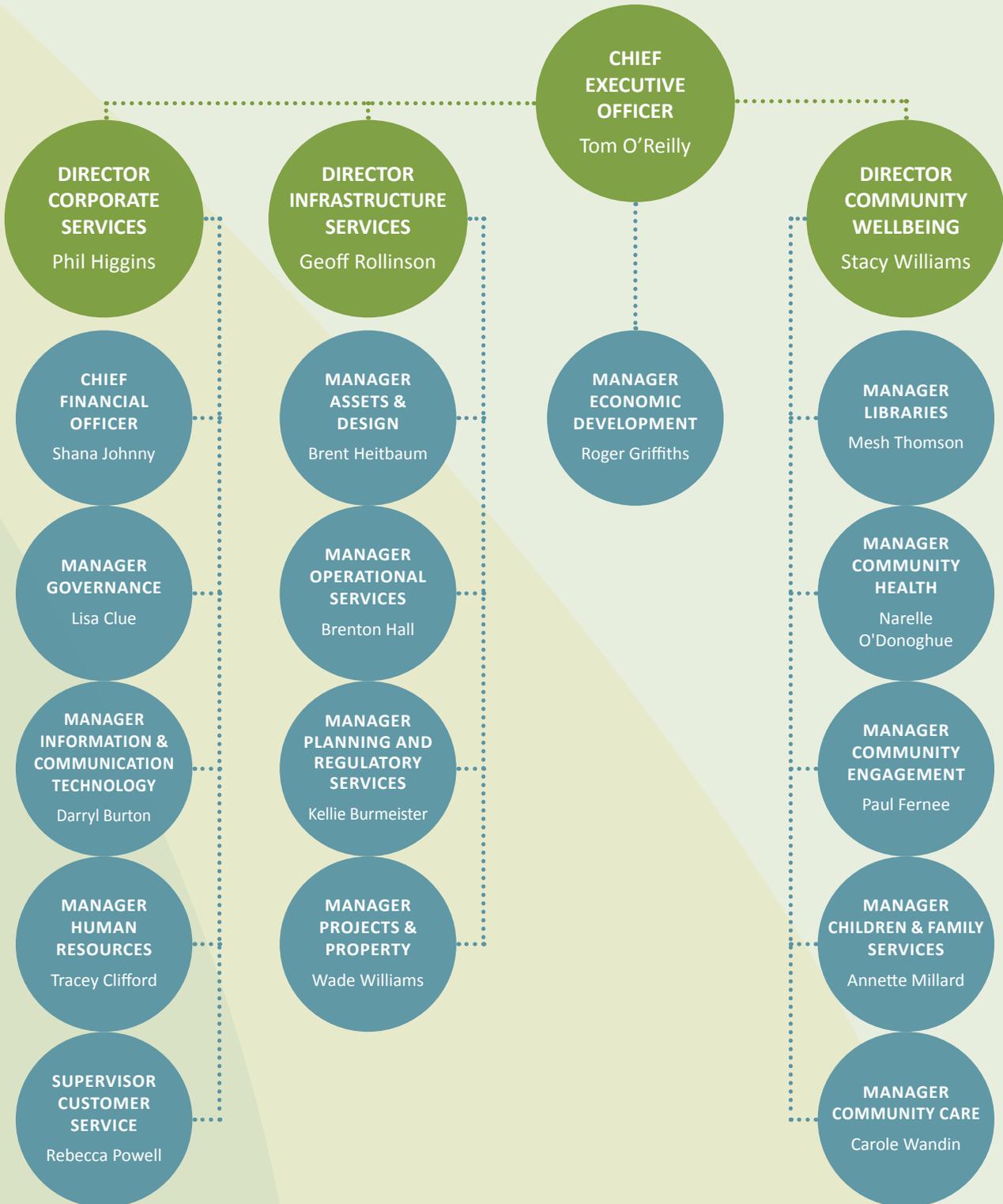


Our People

Gannawarra Shire Council plays a key role in protecting the health of the community.

Organisational Structure

Council has three directorates reporting to the Chief Executive Officer - Corporate Services; Community Wellbeing; and Infrastructure and Development. Each of these directorates is made up of individual units, each led by a senior officer. The Chief Executive Officer is directly accountable to the Mayor and Councillors, who are elected by Gannawarra Shire ratepayers.



Executive Leadership Team

TOM O'REILLY *Chief Executive Officer*

Tom joined Gannawarra Shire Council in the role of Director Corporate Services in March 2016, taking up the position of Chief Executive Officer in December 2017.

Prior to his employment with Council, Tom was a consultant with the CT Management Group, undertaking local government assignments with the Shire of Buloke, Moira Shire Council, Latrobe City Council and King Island Council.

Tom was employed with the Greater Shepparton City Council for 11 years – six years of that time as Director Business and Finance.

He has also worked in the private sector with four years as CEO of Metzke+Allen Chartered Accountants, based in Shepparton.

His career in Northern Victoria is extensive given he also worked with Goulburn-Murray Water for 11 years, along with seven years with Goulburn Valley Water.

Tom has a Bachelor of Business (Accounting) degree and is a Certified Practising Accountant (CPA).

He has served on the Board of Northern District Community Health, is a Fellow of CPA Australia and also a Fellow of the Goulburn Murray Community Leadership Program Inc.

Areas of responsibility:
Council Planning and Performance; Councillor Support; Economic Development and Tourism.



Gannawarra Shire Council won three awards at the 2022 LGPro Awards for Excellence, announced in June 2022.

PHIL HIGGINS
Director Corporate Services

Phil joined Gannawarra Shire Council as Director Corporate Services in November 2018.

Phil has worked for several councils over the past 35 years across three states, predominantly in the Director Corporate Services role.

Phil's extensive experience is supported with a Masters of

Business Administration, majoring in Finance; Bachelor of Business Local Government; and a Graduate Certificate in Business Excellence.

Areas of responsibility:

Finance and Budget; Audit; Rating and Valuation; Information Communication Technology; Governance and Risk; Human Resource Management; Records Management; Customer Service; Emergency Management.



GEOFF ROLLINSON
Director Infrastructure and Development

Geoff's earliest qualifications and experience are in agriculture.

He gained extensive experience and knowledge in local government when working with both the former Borough and Shire of Kerang and then the Gannawarra Shire upon amalgamation in 1995.

He has a Diploma of Civil Engineering and held the positions of Works Engineer and Manager of Operational Services with Gannawarra Shire from 1995 until he started in his current role in 2011.

Areas of responsibility:

Major Projects; Operational Services; Engineering; Waste Management; Landfill and Transfer Stations; Local Laws; Flood and Fire Management; Building; Planning; Aquatic Facilities; Climate Change Adaptation.



STACY WILLIAMS
Director Community Wellbeing

Stacy joined Gannawarra Shire Council as its Director Community Wellbeing in November 2017.

Prior to her employment with Council, Stacy held a range of roles in management and coordination of community services at Campaspe Shire Council, including the role of Community Care Manager and Business Integration Manager.

Stacy holds a Bachelor of Social Work, Graduate Certificate in Business and completed the 2019 LGPro Executive Leadership Program. Stacy has previously been a member of the Australian Local

Government Professionals Women's Advisory Group and team mentor in the Gannawarra Australasian Management Challenge team.

In 2022, Stacy was named as an emerging leader in the 2021 IPAA Top 50 Public Sector Women acknowledging her leadership during the COVID-19 pandemic.

Areas of responsibility:

Community Care Services; NDIS; Maternal Child Health; Community Health; Children and Family Services; Immunisation; Community Transport; Libraries; Arts and Culture; Recreation and Aquatic Services; Environmental Health; Community Engagement and Communications.

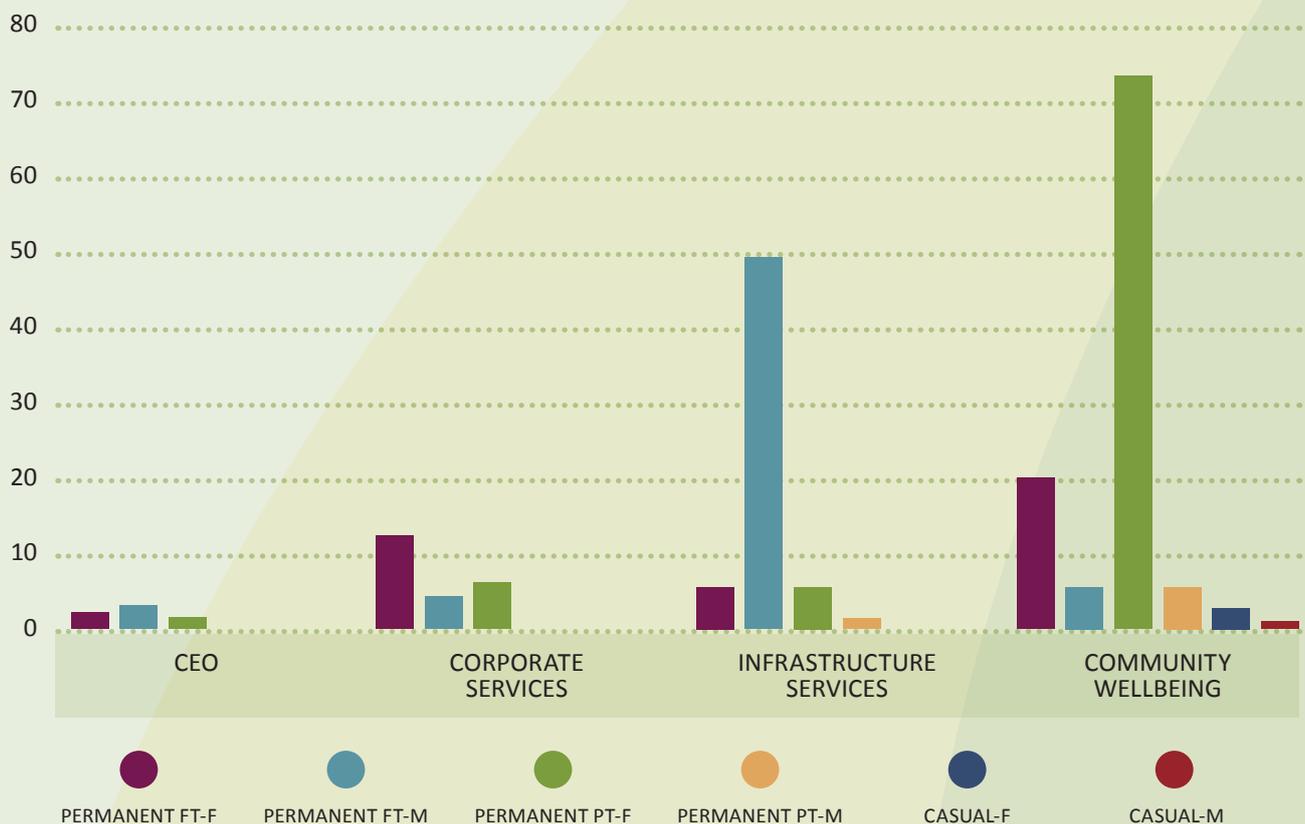


Our Workplace

Below is a summary of full-time equivalent (FTE) Council staff by organisation structure, employment type and gender.

FTE BY GENDER, DEPARTMENT – AS OF 30 JUNE 2022

EMPLOYMENT TYPE	GENDER	CEO	CORPORATE SERVICES	INFRASTRUCTURE SERVICES	COMMUNITY WELLBEING
Permanent FT - Female	Female	2.00	12.00	5.00	20.00
Permanent FT - Male	Male	3.00	4.00	50.00	5.00
Permanent PT - Female	Female	1.63	5.82	6.77	73.35
Permanent PT - Male	Male	0.00	0.00	1.00	5.16
Casual - Female	Female	0.00	0.00	0.00	2.50
Casual - Male	Male	0.00	0.00	0.00	1.00
Total		6.63	21.82	62.77	107.01

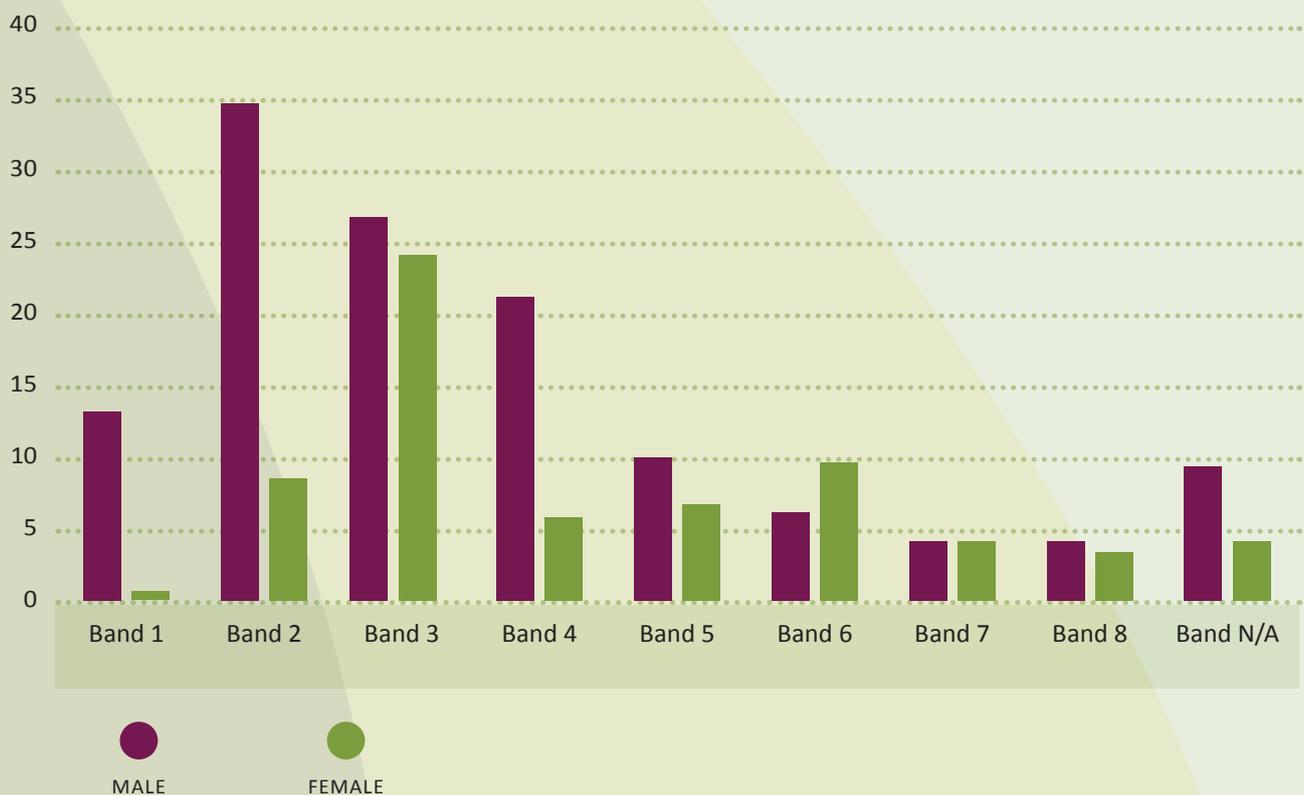


Our Workplace

Below is a summary of the number of full-time equivalent (FTE) staff categorised by employment classification and gender.

FTE BY BAND LEVEL, GENDER – AS OF 30 JUNE 2022

	FEMALE	MALE	TOTAL EFT
Band 1	13.10	0.50	13.60
Band 2	35.00	8.70	43.70
Band 3	27.10	24.00	51.10
Band 4	21.20	6.00	27.20
Band 5	10.30	7.00	17.30
Band 6	6.80	10.00	16.80
Band 7	4.00	4.00	8.00
Band 8	4.00	3.00	7.00
Band N/A	9.60	4.00	13.60
Total	131.10	67.20	198.30



ENTERPRISE BARGAINING AGREEMENT

With the current Enterprise Agreement expiring in 2022, negotiations between management, staff and union representatives commenced in April 2022. Once approved, this new Agreement will set the pay and conditions for staff for the next three years.

PROFESSIONAL DEVELOPMENT

Council's workforce plays a vital role in ensuring that Council meets current and future business needs. Council is committed to continually developing and improving the skills and capacity of its staff by providing access to a range of professional development opportunities.

This year Council continued to focus on leadership development with staff participating in the Loddon Murray Community Leadership Program, the LGPro Emerging Leaders Program and the LGPro Executive Leaders Program. Skill development also occurred by way of certificate training with Council's Operational staff working towards the nationally recognised qualification Certificate III in Civil Construction.

Staff maintained and expanded their technical skills through a variety of online webinars and forums relevant to their fields of expertise.

TRAINEESHIP AND WORK EXPERIENCE

Council supports pathways for local students by providing work experience and traineeship opportunities.

Council's work experience program allows for students from across the municipality to experience working in a variety of Council departments. This allows young people to see the many career opportunities available in local government and to also increase awareness of Council's operations.

During 2021/22, traineeships occurred in the areas of Civil Construction and Early Childhood Education.

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

Council is committed to the principles of equal employment opportunity and will ensure that all workplace employment matters reflect this.

Supported by various policies, new staff inductions and training, Council ensures that the work environment is respectful and free from discrimination, harassment and bullying.

GENDER EQUALITY ACTION PLAN

As part of the *Gender Equality Act 2020*, Council has an obligation to promote gender equality.

To assist with this obligation, Council developed its *Gender Equality Action Plan 2021-2025*. Developed during a six-month period following communication and consultation with management, employees, Councillors and staff union representatives, the action plan includes the results of a workplace gender audit and strategies and measures for promoting gender equality in the workplace.

The action plan has two key strategies:

- To improve our understanding of the gender and diversity profile of our workforce; and
- To raise awareness of gender equality and intersectional gender inequality.

WORKFORCE PLAN

As part of the *Local Government Act 2020*, Council is required to develop a workforce plan which describes Council's organisational structure, specifies projected staffing requirements for a period of at least four years, and sets out measures to seek and ensure gender equality, diversity and inclusiveness.

Adopted in December 2021, Council's *Workforce Plan 2021-2025* was developed in line with the *Growing Gannawarra – 2021-2025 Council Plan* objectives and, along with Council's *Gender Equality Action Plan*, will guide Council's human resource practices for the next four years.

Health And Safety



Health and safety within our workforce is our number one priority, as it contributes to making Gannawarra a workplace of choice; a workplace where our people have a strong connection and involvement; and a place where our staff enjoy coming to work each day.

We strive to foster a safety culture that supports an incident and injury-free workplace for all employees, volunteers, contractors and visitors.

Council's Occupational Health and Safety Committee meets regularly and continues to work to make the organisation a safe and healthy place for all staff. Our committee, including staff health and safety representatives, receive regular refresher training and safety updates.

Accident and incident reporting is a standing agenda item at Management Team meetings, with data regularly reported to Council's Audit and Risk Committee in accordance with Council's risk framework.

A bimonthly staff survey was conducted through the year. The survey seeks feedback from staff around expectations, recognition, communication, team satisfaction, future of the organisation, workplace safety, and resources and tools available.

Council continued its proactive approach to encourage Council staff to protect themselves and others from influenza. Council provides free vaccination against influenza to its workforce on an annual basis with 62.2 per cent of staff, including casual employees, taking the opportunity to be immunized against influenza in 2021/22.

Council continues its commitment to becoming recognised under the Victorian Healthy Workplaces Achievement Program. This Statewide health

promotion program encourages best practice in workplaces around Mental Health and Wellbeing, Physical Activity, Smoking, Healthy Eating, and Alcohol and Other Drugs. Council has received recognition in four out of the five priority areas.

The following initiatives took place in support of the Healthy Workplaces Achievement Program during 2021/22:

- Consistent use of the 5 Ways to Wellbeing to promote good Mental Health and Wellbeing across the organisation and encourage self-care during the COVID-19 pandemic.
- Participating in Dry July to encourage staff to ditch alcohol for the month while raising funds for cancer research.
- Promotion of R U OK? Day in September 2021 and providing practical strategies for staff to have conversations when someone says they are not okay.
- Participation in Gannawarra Goes Orange Day in November 2021 to raise awareness about family violence.
- Participation in the Victoria Against Violence 16 Days of Activism campaign in December 2021 across all worksites.
- Council hosted an International Women's Day Morning Tea in March 2021.
- Consistent promotion of the Get Active Victoria and Cook Well, Eat Well resources to support active living and healthy eating throughout the COVID-19 pandemic.

Above: Council supported the Victoria Against Violence 16 Days of Activism campaign in December 2021.



Our Performance

Council's actions to support residents and grow the Gannawarra are guided by the Growing Gannawarra – 2021-2025 Council Plan.

Planning and Accountability Framework

As outlined in Part 4 of the *Local Government Act 2020*, councils are required to prepare the following planning and reporting documents:

- A Community Vision for at least the next 10 financial years
- A Council Plan for a period of at least the next four financial years after a general election in accordance with its deliberative engagement practices. This document must include
 - The strategic direction of the Council;
 - Strategic objectives for achieving the strategic direction;
 - Strategies for achieving the objectives for a period of at least the next four financial years;
 - Strategic indicators for monitoring the achievement of the objectives;
 - A description of the Council's initiatives and priorities for services, infrastructure and amenity; and
 - Any other matters prescribed by the regulations.

- A Financial Plan for the next 10 financial years
- An Asset Plan for at least the next 10 financial years
- A Revenue and Rating Plan for at least the next four financial years
- A budget for each financial year and subsequent three financial years
- A quarterly budget report
- An Annual Report in respect of each financial year
- Financial Policies

The Act also requires Councils to prepare a Workforce Plan, which includes projected staffing requirements for at least the next four years.

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback.



Growing Gannawarra



2021-2025 COUNCIL PLAN

The *Growing Gannawarra - 2021-2025 Council Plan* identifies three priority areas, each featuring a set of strategic priorities and success measures.

The three priority areas are:

Liveability

Enhance the wellbeing and liveability of the Gannawarra through creative infrastructure and services.

Growth

Grow the Gannawarra through a diverse and broad economy.

Sustainability

Achieve long-term financial and environmental sustainability.

The *Growing Gannawarra - 2021-2025 Council Plan* is supported by an annual Action Plan for each of these three priority areas.

ASSESSING OUR PERFORMANCE

Each year, the Council Plan undergoes a review process against the actions set for the 12-month period in the annual Action Plan.

Liveability

Enhance the wellbeing and liveability of the Gannawarra through creative infrastructure and services.

Strategic Priority 1.

Improve the health, safety and wellbeing of our community through partnerships, services and programs.

Action	Measure	Status	Comments
Review Council's Family Violence Statement of Commitment	Family Violence Statement of Commitment reviewed	Partially Completed	Adopted by Council in March 2020, Council's Family Violence Statement of Commitment will be reviewed by Council in the second half of 2022.
Review <i>Gannawarra Free from Family Violence Action Plan</i> to include measures to prevent family violence and respond to the needs of victims	<i>Gannawarra Free from Family Violence Action Plan</i> reviewed and implemented	Completed	<i>The Gannawarra Free from Family Violence Action Plan 2020-2022</i> has been reviewed and is being implemented.
Develop and implement the <i>Gannawarra Local Agency Meeting (GLAM) Action Plan 2021-2025</i> including the priorities of improving mental wellbeing (through reconciliation and resilience), working towards gender equality and preventing family violence, and tackling climate change and its impact on health and wellbeing. A focus of partnership work will be on Aboriginal health and well-being and vulnerable children and young people	<i>GLAM Action Plan</i> endorsed and number of initiatives achieved	Completed	<i>The Gannawarra Local Agency Meeting (GLAM) Action Plan</i> was completed and submitted to the Department of Families, Fairness and Housing for approval in November 2021. Eleven actions were implemented by 30 June 2022.
Adopt the <i>Gannawarra Reconciliation Action Plan</i> in partnership with the Gannawarra Local Agency Meeting (GLAM) and Kerang Elders Group	<i>Gannawarra Reconciliation Action Plan</i> adopted and number of initiatives achieved	Partially Completed	A workshop with the Kerang Elders and Emerging Leaders Group was facilitated in March 2022. Further consultation occurred through to April 2022, with document review process continuing as of 30 June 2022. An updated Partnership Agreement was re-signed in May 2022 as part of National Reconciliation Week celebrations.
Partner to deliver the <i>Buloke Loddon Gannawarra Population Health Implementation Plan</i> including preventative measures to improve the health priority areas of heart and respiratory health, diabetes, mental health and oral health	Number of actions from the <i>Buloke Loddon Gannawarra Population Health Implementation Plan</i> achieved	Completed	Numerous actions have been achieved from the Plan, including the award of \$75,000 State Government funding to deliver a Smoking Prevention research project, and the delivery of an Annual Buloke Loddon Gannawarra Heart Health Community Campaign during June 2022. Council continues to partner with local agencies, including NDCH and local hospitals, to deliver key actions identified.

Strategic Priority 2.

Build unique transformational infrastructure that enhances liveability and passive and active recreation.

Action	Measure	Status	Comments
Develop a Walking and Cycling Strategy	Walking and Cycling Strategy adopted	Partially Completed	<i>Draft Walking and Cycling Strategy</i> developed, with further consultation to be conducted during the second half of 2022.
Adopt Aquatic Strategy	Aquatic Strategy adopted	Partially Completed	Council endorsed the <i>Draft Gannawarra Aquatic Strategy</i> to proceed to community engagement stage at Council's December 2021 Council meeting. Community engagement program began in May 2022 and will continue throughout the second half of 2022.
Deliver the Cohuna Waterfront Connections project and Murrabit Stormwater project	Cohuna Waterfront Connections project and Murrabit Stormwater project completed	Completed	Cohuna Waterfront Project completed June 2022. Stages 1-4 of the Murrabit Stormwater Project completed in early 2022, with Stages 5-6 scheduled for completion by September 2022.
Explore the feasibility of the Kerang Lakes Eco Trail with key stakeholders	Kerang Lakes Eco Trail feasibility study commenced	Completed	Development of feasibility study commenced, with a draft version of this document to be presented to Council in late 2022.

Strategic Priority 3.

Construct a regional community wellbeing centre.

Action	Measure	Status	Comments
Commence community engagement to explore the concept of a Regional Community Wellbeing Centre	Community engagement plan developed for a Regional Community Wellbeing Centre	Completed	<i>Draft Gannawarra Aquatic Strategy</i> community engagement process commenced, which is exploring the wider implications of shifting to a different model of aquatic provision, including the development of a Regional Wellbeing Centre in Kerang.

Strategic Priority 4.

Respond to key community needs through innovative, commercially focused services including aged care and early childhood services.

Action	Measure	Status	Comments
Review existing framework for Community Planning to identify community needs	Community Planning Framework reviewed and endorsed	Completed	Connecting Gannawarra Framework developed in March 2022
Develop the GROW Gannawarra and Strong Youth Strong Communities place based projects to reduce disadvantage across the age ranges of 0-18 years	GROW Gannawarra and Strong Youth Strong Communities project framework established and State of Gannawarra's Children and Young People report completed	Partially Completed	Council will co-host the Connecting Communities for Change Forum in July 2022, which will continue the work of the Strong Youth, Strong Communities project. Data collection and the <i>Gannawarra Advocacy Strategy</i> to address service gaps is now underway. State of Gannawarra's Children and Young People report currently in development.

Growth

Grow the Gannawarra through a diverse and broad economy.

Strategic Priority 1.

Facilitate infrastructure, programs and policies that support economic development and productivity, whilst considering our natural environment.

Action	Measure	Status	Comments
Continue to implement adopted Waterfront Masterplans	Percentage of projects completed from the Waterfront Masterplans	Completed	Cohuna Waterfront Project completed June 2022.

Strategic Priority 2.

Facilitate the implementation of new energy infrastructure and energy projects.

Action	Measure	Status	Comments
Continue to advocate for delivery of KerangLink	KerangLink named as preferred transmission line	Partially Completed	In December 2021 AEMO named KerangLink – also referred to as VNI-West - as its preferred National Energy Grid transmission line option.
Facilitate new energy projects in Gannawarra	Number of approved planning permits for new energy projects	Completed	New projects in wind, solar and battery are currently being facilitated with potential businesses.

Strategic Priority 3.

Advocate for improvements in digital connectivity and services.

Action	Measure	Status	Comments
Review community digital connectivity needs and map identified gaps	Digital connectivity needs analysis undertaken and gaps identified	Completed	Gap analysis complete. Working with suppliers (Telstra) about improving access to digital connectivity through grant funding for upgrades.
Explore options for public wifi	Public wifi plan developed	Partially Completed	Review of public wifi within Cohuna undertaken. Further planning to be undertaken.

Strategic Priority 4. Support the creation of destinations in the Gannawarra to attract visitors to our region.

Action	Measure	Status	Comments
Implement relevant strategies that support destination development	Number of actions implemented from <i>Tourism Strategy, Economic Development Strategy</i> and <i>Retail Strategy</i>	Completed	Thirty-one actions have been completed which has seen significant growth in the industrial sector, tourism infrastructure, population growth, jobs growth, residential growth, agricultural diversity and marketing.
Adopt and commence implementation of the Gannawarra Arts Trail	Gannawarra Arts Trail adopted and implementation commenced	Partially Completed	Consultation with key stakeholders regarding the Gannawarra Arts Trail is ongoing.

Strategic Priority 5. Continue to support existing, and facilitate diversification of agriculture to improve regional productivity through sustainable planning.

Action	Measure	Status	Comments
Continue to facilitate new industry projects which diversify agriculture	Number of new industry projects developed to diversify agriculture	Completed	Diversification continues with various projects in the planning and development phase.
Support existing agricultural businesses to diversify and enhance their long term sustainability	Number of programs supported and promoted for agricultural businesses	Completed	Staff are working within the agriculture sector on a range of activities including energy loans, product development, and expansion and workforce issues.

Strategic Priority 6. Support growth through land rezoning for future residential development opportunities.

Action	Measure	Status	Comments
Review the <i>Gannawarra Planning Scheme</i>	Submit the review of the <i>Gannawarra Planning Scheme</i> to the Minister for Planning	Partially Completed	A consultant has been appointed to undertake further strategic work to support the review of the <i>Gannawarra Planning Scheme</i> .
Review <i>Urban and Rural Land Use Strategy</i>	<i>Urban and Rural Land Use Strategy</i> review commenced	Completed	Application for funding support has been submitted to support the review, planned for late 2022.

Sustainability

Achieve long-term financial and environmental sustainability.

Strategic Priority 1.

Generate additional revenue through new energy infrastructure and commercially viable services.

Action	Measure	Status	Comments
Support to develop Payment in Lieu of Rates (PiLoR) certified energy farms across Gannawarra	Increase number of approved planning permits for energy projects	Completed	New wind, solar and battery projects continue to be facilitated.
Active pursuit of grants to assist in delivery of Council's capital and operational service delivery	Number of grants applied for versus successful grants	Completed	Twenty-nine non-recurrent grant applications were submitted during 2021/22. Out of this, 17 were successful, one application was withdrawn, three are awaiting an outcome and one project was fully delivered.
Develop a long-term business plan for NDIS/Aged Care Service provision	Long Term Business Plan for NDIS/ Aged Care Service provision developed	Partially Completed	Consultants have commenced working with Community Care department, ELT and Councillors on the business plan.

Strategic Priority 2.

Carefully monitor expenditure to ensure value for money and monitor the long term financial plan to maintain financial sustainability.

Action	Measure	Status	Comments
Adopt a Long Term Financial Plan	Long Term Financial Plan adopted	Completed	Update on plan provided in June 2022.
Adopt an Asset Management Plan	Asset Management Plan adopted	Completed	Asset Management Plan adopted by Council in June 2022.

Strategic Priority 3.

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

Action	Measure	Status	Comments
Adopt a Workforce Plan	Workforce Plan adopted	Completed	Workforce Plan adopted December 2021.
Develop a Gender Equality Action Plan	Gender Equality Action Plan developed	Completed	Gender Equality Action Plan completed.

Strategic Priority 4.

Support community resilience through climate adaptation, clean energy, environmental sustainability and waste management programs.

Action	Measure	Status	Comments
Develop a plan for the rollout of the Food Organics, Garden Organics (FOGO) system to reduce waste to landfill	FOGO rollout plan developed	Partially Completed	Currently being developed for a future year delivery. This plan forms part of Council's existing waste contract. Statewide program to commence 1 July 2027.
Analyse the viability of transitioning to green energy powered plant and fleet	Viability report produced	Completed	Proposed Action in the current <i>Climate Change Adaption Strategy</i> is to review and plan to transition to electric vehicles by 2035.
Implement the <i>Gannawarra Community Resilience Action Plan</i> in partnership with the Gannawarra Community Resilience Committee to support the community through rural change and the COVID-19 pandemic	Community Resilience Action Plan reviewed and implemented	Partially Completed	Implementation of <i>Gannawarra Community Resilience Action Plan</i> progressing in partnership with the Gannawarra Community Resilience Committee, a network of 28 agencies who are working together to support the Gannawarra community. A review of the Action Plan is scheduled for July 2022.
Develop Council's Climate Change Adaptation Plan which considers impacts on health and wellbeing	Climate Change Adaptation Plan developed	Partially Completed	<i>Draft Climate Change Adaptation Strategy</i> currently being developed.

Local Government Performance Reporting Framework

WHAT IS THE LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK?

The Local Government Performance Reporting Framework is a mandatory system of performance reporting for all Victorian councils. It ensures that councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

The framework is made up of a range of measures, including roads, planning, animal management and

waste. It is complemented by a Governance and Management checklist of 24 items, which shows the policies, plans and procedures in place at each council. Together, they build a comprehensive picture of council performance.

This data can also be viewed via the State Government's Know Your Council website – knowyourcouncil.vic.gov.au - an interactive resource that enables the community, councils and the State Government to benchmark and compare similar councils.



The Local Government Performance Reporting Framework is made up of a range of measures, including aquatic facilities.



ANIMAL MANAGEMENT

Provision of animal management and responsible pet ownership services to the community including monitoring, registration, enforcement and education.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Timeliness					
<i>Time taken to action animal management requests</i>	1.79	1.74	2.14	2.96	Council Local Laws Officers continue to respond promptly to animal management requests. Whilst results suggest a slightly longer response time than previous years, the average response time is less than three days.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
Service Standard					
<i>Animals reclaimed</i>	80.00%	19.66%	26.40%	29.85%	A total of 201 animals were collected by Council officers in 2021/22, with 60 of those animals released back to their owners and 141 rehomed.
[Number of animals reclaimed / Number of animals collected] x100					
<i>Animals rehomed</i>	<i>New in 2020</i>	75.64%	79.20%	70.15%	A total of 201 animals were collected by Council officers in 2021/22, with 60 of those animals released back to their owners and 141 rehomed.
[Number of animals rehomed / Number of animals collected] x100					
Note: This measure was introduced in the 2019/20 financial year					
Service Cost					
<i>Cost of animal management service per population</i>	<i>New in 2020</i>	\$10.02	\$9.54	\$10.26	There was a slight increase in the cost of the animal management service which is attributed to the use of a contractor Local Laws Officer due to staff leave.
[Direct cost of the animal management service / Number of registered animals]					
Note: This measure replaces 'Cost of animal management service' which was based on cost per number of registered animals. For more information, please see Retired Measures.					



ANIMAL MANAGEMENT

Provision of animal management and responsible pet ownership services to the community including monitoring, registration, enforcement and education.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Health and Safety					
<i>Animal management prosecutions</i>	<i>New in 2020</i>	0.00%	0.00%	0.00%	There were no animal management prosecutions in 2021/22.
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100					Note: This measure replaces previous 'Animal management prosecutions', which was a measure of number, not proportion. For more information, please see Retired Measures.
RETIRED MEASURES The following indicators were retired in the year ending 30 June 2020					
Service/indicator/measure	Results 2019				
Service Cost					
<i>Cost of animal management service</i>	\$41.40				
[Direct cost of the animal management service / Number of registered animals]					Note: This measure was replaced by <i>Cost of animal management service per population</i>
Health and Safety					
<i>Animal management prosecutions</i>	2				
[Number of successful animal management prosecutions]					Note: This measure was replaced by <i>Animal management prosecutions</i> , which is a measure of proportion, not number



AQUATIC FACILITIES

Provision of indoor and outdoor aquatic facilities to the community and visitors for wellbeing, water safety, sport and recreation.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Standard					
<i>Health inspections of aquatic facilities</i>	1.33	1.00	1.00	1.00	Gannawarra Shire Council operates one indoor aquatic and two outdoor seasonal aquatic facilities. All three facilities were inspected during the reporting period.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
Health and Safety					
<i>Utilisation of aquatic facilities</i>	4.61	3.45	3.27	3.03	Utilisation of aquatic facilities saw a slight decrease in 2021/22 as services were partly closed due to COVID-19 restrictions and directions.
[Number of visits to aquatic facilities / Municipal population]					
Service Cost					
<i>Cost of aquatic facilities</i>	<i>New in 2020</i>	\$10.96	\$12.31	\$17.01	Council has focused on strengthening the operations of its facilities to ensure compliance with the Code of Practice, Guidelines for Safe Pool Operations and the State Government's COVID-19 Safe Directions. Combined with a decrease in utilisation due to the pandemic, the cost of aquatic facilities has increased.
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]					
Note: From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities'. For more information, please see Retired Measures.					

RETIRED MEASURES The following indicators were retired in the year ending 30 June 2020

Service/indicator/measure	Results 2019
Service Cost	
<i>Cost of indoor aquatic facilities</i>	\$5.71
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	Note: This measure was replaced by <i>Cost of aquatic facilities</i>
<i>Cost of outdoor aquatic facilities</i>	\$4.81
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	Note: This measure was replaced by <i>Cost of aquatic facilities</i>



FOOD SAFETY

Provision of food safety services to the community including registrations, education, monitoring, inspections and compliance.

SERVICE PERFORMANCE INDICATORS					
Service/ <i>indicator</i> /measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Timeliness					
<i>Time taken to action food complaints</i>	1.00	0.00	0.20	1.00	Council received a total of four food complaints in 2021 and all were actioned within 24 hours.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
Service Standard					
<i>Food safety assessments</i>	100.00%	100.00%	12.86%	100.00%	All registered Class 1 and Class 2 food premises received an annual inspection.
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100					
Service Cost					
<i>Cost of food safety service</i>	\$305.08	\$305.08	\$378.57	\$227.95	A reduction in the cost is attributed to reduced hours spent on the food safety service.
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]					
Health and Safety					
<i>Critical and major non-compliance outcome notifications</i>	0.00%	0.00%	100.00%	100.00%	Five major non-compliance outcome notifications for a food premises were received and followed up in accordance with the Food Act 1984.
[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					



GOVERNANCE

Provision of good governance to the community including making and implementing decisions with reference to community engagement, policy frameworks and agreed practice.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Transparency					
<i>Council decisions made at meetings closed to the public</i>	4.08%	2.94%	3.42%	2.94%	The number of matters considered at meetings closed to the public has decreased by one, from four to three. This small number reflects a high level of transparency and accountability in the decision making process.
[Number of Council resolutions made at Ordinary or Special Meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at Ordinary or Special Meetings of Council or at meetings of a special committee consisting only of Councillors] x100					
Consultation and Engagement					
<i>Satisfaction with community consultation and engagement</i>	55.00	43.00	56.00	46.00	There were a number of contentious projects, planning matters and strategies that the community were concerned about in 2021/22 that may have contributed to this result.
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement					
Attendance					
<i>Councillor attendance at Council Meetings</i>	96.43%	91.21%	94.05%	98.90%	Councillor attendance at Council meetings remained steady in 2021/22.
[The sum of the number of Councillors who attended each Ordinary and Special Council Meeting / (Number of Ordinary and Special Council Meetings) × (Number of Councillors elected at the last Council general election)] x100					



GOVERNANCE

Provision of good governance to the community including making and implementing decisions with reference to community engagement, policy frameworks and agreed practice.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Cost					
<i>Cost of elected representation</i>	\$42,703.93	\$43,818.96	\$36,020.55	\$41,335.36	An increase in the cost of elected representation is attributed to the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022. The Determination took effect from 18 December 2021 and saw an increase in the allowance of Mayors, Deputy Mayors and Councillors.
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
Satisfaction					
<i>Satisfaction with Council decisions</i>	52.00	39.00	55.00	46.00	There were a number of contentious projects, planning matters and strategies that the community were concerned about in 2021/22 that may have contributed to this result.
Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community					



LIBRARIES

Provision of print and digital based resources to the community in a variety of formats including collection services, e-services, research tools and interactive learning programs.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Utilisation					
<i>Physical library collection usage</i>	2.01	1.64	1.23	1.39	A slight increase in the library collection usage can be attributed to when libraries re-opened following COVID-19 lockdowns.
[Number of library collection item loans / Number of library collection items]					Note: From 2019/20, this indicator measures the performance of physical library items as a subset of the wider library collection.
Resource Standard					
<i>Recently purchased library collection</i>	41.85%	38.51%	34.93%	32.17%	There was a small reduction in purchasing new items for the collection in 2021/22. Gannawarra Shire Council is committed to continuing to withdraw older stock and increase the standard of the collection.
[Number of library collection items purchased in the last five years / Number of library collection items] x100					
Participation					
<i>Active library borrowers in municipality</i>	16.75%	16.65%	13.50%	11.47%	A reduction in the number of active library borrowers is attributed to the temporary closure of library branches due to the COVID-19 pandemic. The Gannawarra Library Service is committed to the Public Libraries Victoria 'Return Yourself to the Library' campaign to increase library membership.
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100					



LIBRARIES

Provision of print and digital based resources to the community in a variety of formats including collection services, e-services, research tools and interactive learning programs.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Cost					
<i>Cost of library service per population</i>	<i>New in 2020</i>	\$54.65	\$57.04	\$61.36	The cost of the library services remained steady in 2021/22, with a small increase recorded.
[Direct cost of the library service / Population]					Note: This measure replaced the previous 'Cost of library service' indicator, which measured based on number of visits. For more information, please see Retired Measures.

RETIRED MEASURES The following indicator was retired in the year ending 30 June 2020	
Service/indicator/measure	Results 2019
Service Cost	
<i>Cost of library service</i>	\$7.64
[Direct cost of the library service / Number of visits]	Note: This measure was replaced by <i>Cost of library service per population</i>



MATERNAL AND CHILD HEALTH

Provision of universal access to health services for children from birth to school age and their families including early detection, referral, monitoring and recording of child health and development.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Standard					
<i>Infant enrolments in the MCH service</i>	97.25%	101.28%	101.02%	101.09%	Infant enrolments in the Maternal and Child Health Services continues to remain high and consistent with previous years.
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
Service Cost					
<i>Cost of the MCH service</i>	\$65.05	\$81.64	\$84.92	\$92.36	There was a small increase in the cost of the Maternal and Child Health Service due to additional hours worked compared to 2020/21.
NOTE: Cost of the MCH service / Hours worked by MCH nurses					
Participation					
<i>Participation in the MCH service</i>	70.95%	86.88%	85.60%	80.77%	Participation in the Maternal and Child Service was down slightly due to COVID-19. Services were restricted at times throughout the year, with young and vulnerable families prioritised.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	61.90%	100.00%	97.37%	83.33%	Participation in the Maternal and Child Health Service by Aboriginal children has slightly decreased. Staff will continue to work in partnership with Aboriginal services to encourage participation
[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					



MATERNAL AND CHILD HEALTH

Provision of universal access to health services for children from birth to school age and their families including early detection, referral, monitoring and recording of child health and development.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Satisfaction					
<i>Participation in 4-week Key Age and Stage visit</i>	<i>New in 2020</i>	101.28%	94.90%	105.43%	Participation increased in young children as families began to reengage with services after restrictions were lifted.
[Number of 4-week key age and stage visits / Number of birth notifications received] x100					

RETIRED MEASURES The following indicator was retired in the year ending 30 June 2020	
Service/indicator/measure	Results 2019
Service Cost	
<i>Participation in first MCH home visit</i>	97.25%
[Number of first MCH home visits / Number of birth notifications received] x100	Note: This measure was replaced by <i>Participation in 4-week Key Age and Stage visit</i>



ROADS

Provision of a network of sealed local roads under the control of the municipal council to all road users.

SERVICE PERFORMANCE INDICATORS					
Service/ <i>indicator</i> /measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Satisfaction of Use					
<i>Sealed local road requests</i>	20.73	9.21	12.67	36.85	There was an increase of sealed local road requests from 66 in 2020/21 to 204 in 2021/22. The increase can be attributed to wet weather and resident concerns regarding unsealed roads. Council continues to encourage the community to submit a customer action request in order to lodge issues with Council maintained roads.
[Number of sealed local road requests / Kilometres of sealed local roads] x100					
Condition					
<i>Sealed local roads maintained to condition standards</i>	99.23%	99.42%	99.50%	99.42%	Sealed local roads maintained to condition standards has remained steady due to an increased focus in maintaining the local sealed roads to provide a better, safer network for the community.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
Service Cost					
<i>Cost of sealed local road reconstruction</i>	\$40.65	\$44.30	\$37.46	\$38.41	A decrease in the cost of sealed local road reconstruction is attributed to work sites being closer to quarries, which has reduced travel time. Council has a new road sealing contractor which has resulted in reduced sealing rates.
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]					



ROADS

Provision of a network of sealed local roads under the control of the municipal council to all road users.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Cost					
<i>Cost of sealed local road resealing</i>	\$4.93	\$5.42	\$4.80	\$4.52	A decrease in the cost of sealed local road resealing is attributed to aggregating work areas to have larger areas, which results in discounted unit rates from the contractor. Council has a new road sealing contractor which has resulted in reduced sealing rates.
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	50.00	47.00	54.00	50.00	Results for community satisfaction with sealed local roads has seen a decrease of four points. Council is aware that residents find it difficult to ascertain a council maintained road compared to roads maintained by other authorities.
[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]					



STATUTORY PLANNING

Provision of land use and development assessment services to applicants and the community including advice and determination of applications.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Timeliness					
<i>Time taken to decide planning applications</i>	35.00	37.00	33.00	64.00	An increase in the time taken to decide planning applications is attributed to resource and software issues.
[The median number of days between receipt of a planning application and a decision on the application]					
Service Standard					
<i>Planning applications decided within required time frames</i>	83.22%	88.52%	90.75%	64.75%	A decrease in planning applications decided within the required timeframe is due to resource and software issues.
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					
Service Cost					
<i>Cost of statutory planning service</i>	\$2,028.48	\$1,851.17	\$1,533.56	\$1,880.64	An increase in the cost of statutory planning services can be attributed to the decrease in applications received and decided on during 2021/22.
[Direct cost of the statutory planning service / Number of planning applications received]					
Decision Making					
<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	0.00%	0.00%	There were no VCAT appeals in the 2021/22 financial year.
[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					



WASTE COLLECTION

Provision of kerbside waste collection service to the community including garbage and recyclables.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Satisfaction					
<i>Kerbside bin collection requests</i>	37.50	42.18	90.42	107.18	There was an increase in bin collection requests from 368 in 2020/21 to 573 in 2021/22, with an increase in repairs from 103 bins in 2020/21 to 170 bins in 2021/22. An increase in kerbside bin collection requests is attributed to community requests for replacement of stolen and damaged bins, as well as high numbers of termination or change of service requests.
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000					
Service Standard					
<i>Kerbside collection bins missed</i>	1.64	2.51	2.57	2.21	There was a decrease in the number of kerbside collection bins missed due to contractor stabilisation.
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					
Service Cost					
<i>Cost of kerbside garbage bin collection service</i>	\$55.50	\$61.51	\$65.58	\$71.06	The cost of the kerbside garbage bin collection service has remained steady, with a small increase attributed to CPI and increases in State Government waste levies.
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]					



WASTE COLLECTION

Provision of kerbside waste collection service to the community including garbage and recyclables.

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations and Comments
Service Cost					
<i>Cost of kerbside recyclables collection service</i>	\$37.75	\$41.97	\$42.11	\$70.24	The cost to process recycling at Veolia's Echuca MRF has increased significantly (128%). There has been an increase in the lift rate in line with Council's new waste contract.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
Waste Diversion					
<i>Kerbside collection waste diverted from landfill</i>	42.16%	37.15%	44.88%	39.77%	There has been a reduction in the amount of recycling collected in 2021/22 compared to the previous year. Council attributes this to the introduction of new glass drop off services and the impact of COVID-19 restrictions in 2020/21, resulting in increased recycling from the community. Council has a strong focus on reducing waste and continues to support the community in waste education.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

Governance and Management Checklist

	GOVERNANCE AND MANAGEMENT ITEM	STATUS	YES NO	DATE APPLICABLE (single item date)	SUPPORTING COMMENTS (multiple items/dates)	REASON FOR 'NO' RESPONSE
GC1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act	YES	17/2/2021		
GC2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	YES	16/9/2020		
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)	Adopted in accordance with section 91 of the Act	YES	20/10/2021		
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)	Adopted in accordance with section 92 of the Act	YES	15/6/2022		
GC5	Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act	YES	16/6/2021		
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 other resources required)	Budget adopted in accordance with section 94 of the Act	YES	29/6/2022		

GOVERNANCE AND MANAGEMENT ITEM	STATUS	YES NO	DATE APPLICABLE (single item date)	SUPPORTING COMMENTS (multiple items/dates)	REASON FOR 'NO' RESPONSE
GC7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	YES	21/7/2021	
GC8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	YES	18/5/2022	
GC9	Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i>	YES	19/5/2020	
GC10	Procurement policy (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act	YES	15/12/2021	
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)	Current plan in operation	YES	28/1/2021	
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)	Current plan in operation	YES	31/3/2022	
GC13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	YES	25/4/2022	

	GOVERNANCE AND MANAGEMENT ITEM	STATUS	YES NO	DATE APPLICABLE (single item date)	SUPPORTING COMMENTS (multiple items/dates)	REASON FOR 'NO' RESPONSE
GC14	Audit and Risk Committee (advisory committee of Council under section 53 and 54 of the Act)	Established in accordance with section 53 of the Act	YES	19/8/2020		
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)	Internal auditor engaged	NO			An internal auditor was appointed up until December 2020. Council has adopted a more targeted internal audit program focusing on efficiency and business gains. Auditors are appointed on an individual case by case scenario based on experience and qualifications in the relevant field of the audit.
GC16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Current framework in operation	YES	6/12/2021		
GC17	Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year.	Current report	YES	7/2/2022		
GC18	Quarterly budget reports (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Quarterly reports presented to Council in accordance with section 97(1) of the Act	YES		17/11/2021 16/02/2022 18/05/2022	

GOVERNANCE AND MANAGEMENT ITEM	STATUS	YES NO	DATE APPLICABLE (single item date)	SUPPORTING COMMENTS (multiple items/dates)	REASON FOR 'NO' RESPONSE
GC19	Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented	YES	09/11/2021 08/02/2022 10/05/2022	
GC20	Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Performance reports prepared	NO		Reported once annually, being 20/10/2021.
GC21	Annual report (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Annual report presented at a meeting of Council in accordance with section 100 of the Act	YES	20/10/2021	
GC22	Councillor Code of Conduct (Code setting out the standards of conduct to be followed by Councillors and other matters.)	Code of conduct reviewed and adopted in accordance with section 139 of the Act	YES	17/2/2021	
GC23	Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act	YES	20/4/2022	
GC24	Meeting procedures (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act	YES	19/8/2020	

Audit And Risk Management

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment.

Council's five-member Audit and Risk Committee consists of three independent members – John Campbell, Bradley Tarr and Francis Crawley - and two Councillor representatives, being Cr Charlie Gillingham and Cr Garner Smith.

Independent members are appointed for a three-year term. The Chair must be an independent member and is elected by the committee.

The Audit and Risk Committee meets at least quarterly, with four meetings held during 2021/22. The Victorian Auditor-General's Office (VAGO) audit service provider and the Chief Executive Officer and Director Corporate Services are invited to attend all Audit and Risk Committee meetings. Other management representatives attend as required to present reports.

Recommendations and outcomes from each Audit and Risk Committee meeting are subsequently reported to and considered by Council.

INTERNAL AUDIT

Council's internal audit function provides independent and objective assurance to the Audit and Risk Committee that appropriate processes and controls are in place across Council.

In December 2020 the approach for the internal audit function was changed to focus on more strategic business reviews. An annual internal audit plan was developed for 2021/2022, with the focus being on the following two reviews:

- Cybersecurity review of our Information Communication Technology environment. This review was completed; and
- Community Care Business review. This review is in progress.

EXTERNAL AUDIT

Council is externally audited by the Victorian Auditor-General's Office (VAGO). The annual external audit of Council's Financial Statements and Performance Statement for 2021/22 was conducted by the VAGO appointed audit service provider, Johnsons MME.

RISK MANAGEMENT

Council officers continue to encourage and provide support for proactive and embedded risk management throughout the organisation.

During 2021/22, Council's Audit and Risk Committee received four Risk Management Reports, in accordance with Council's Risk Management framework (Council Opportunity and Risk Evaluator – CORE).

No CORE assessments were undertaken however a number of risk assessments were undertaken prior to the addition of each project to the Capital Works Program during preparation of Council's proposed 2022/23 Budget.

Council's *Business Continuity Plan* was activated once during 2021/22. Regular reviews and test exercises were undertaken on both the Plan and department sub-plans.

Statutory Information

The following information is provided in accordance with legislative and other requirements applicable to Council.

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

The following prescribed documents were available for public inspection, or copies of the documents were able to be obtained at 47 Victoria Street, Kerang:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months.
- Agendas for, and minutes of, Council Meetings other than those agendas and minutes relating to part of a meeting which was closed to members of the public under the Act and are confidential information within the meaning of Section 3(1) of the Act.
- A register of delegations including the date on which the last review took place.
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease.
- A register of authorised officers appointed under that section.
- A list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

BEST VALUE

Council is committed to the principles of the Business Excellence Framework, which is an integrated leadership and management system that describes the elements essential to sustainable organisational excellence.

The objective of Business Excellence is to use quality management principles and tools in business management with the goal of improving performance based on customer focus, stakeholder value and process management. Council has integrated these principles into its everyday organisational environment.

Council adopted the *Growing Gannawarra - 2021-2025 Council Plan* to define the goals of the organisation over a four-year period as required by the *Local Government Act 2020*. The *Growing Gannawarra - 2021-2025 Council Plan* contains three goals, each

featuring strategic priorities and success measures:

- Liveability
- Growth
- Sustainability

Council progressively monitors the provision of best practice service against success indicators using reports provided by the Executive Leadership Team. Shortfalls against these indicators can then be seen as areas for improvement.

CARERS RECOGNITION

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations under Section 11 of that Act.

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*. Council has promoted the principles of that Act to people in care relationships who receive Council services, to people in care relationships, and to the wider community by:

- Facilitating a monthly Carers Group;
- Recognising National Carers Week;
- Providing respite services to carers;
- Distributing information through Council services and community newsletters; and
- Working in partnership with other organisations and community groups.

CONTRACTS

Council entered into the following contracts between 1 July 2021 and 15 December 2021:

Contract name	Tender number	Contract signed
Waste and Recycling	G03-2021	12/08/2021
Road Sealing Program	G06-2021	15/09/2021
Packaged Meals Service	G06-2020	1/11/2021
Cohuna CBD and Waterfront Connections	G07-2021	1/11/2021
Atkinson Park Play Space & Changing Places Facility	G08-2021	18/11/2021

Following the adoption of Council's *Procurement Policy* on 15 December 2021, Council invited tenders or sought Expressions of Interest under its Procurement Policy from 16 December 2021 to 30 June 2022:

Contract name	Tender number	Contract signed
Murrabit Township Stormwater Stages 5 and 6	G11-2021	18/01/2022
Electricity Supply Large Market	REA18022020	28/01/2022
Cohuna Island Road and Garden Park Landscaping	G12-2021	28/01/2022
Electricity Supply Small Market		28/02/2022
Sustainable Recreational Water for Quambatook	G10-2021	24/06/2022
Koondrook All Abilities Playground	G07-2020	29/06/2022
Kerang to Koondrook Rail Trail - Murray River Adventure Trail Design	G02-2022	29/06/2022

DISABILITY ACTION PLAN

In accordance with Section 38 of the *Disability Act 2006*, Council is required to report on the implementation of its *Disability Action Plan* in the Annual Report.

During 2021/22, Council continued enacting its *Social Inclusion Strategy 2019-2023*, which was adopted by Council in February 2019.

This Strategy is Council's commitment to reducing barriers for groups most at risk of being excluded from the community. This includes those with disability, who are culturally or linguistically diverse, who are Indigenous, who identify as LGBTIQ+, young people, older people and community members facing socio-economic disadvantage.

The strategy was developed with input from the community, service providers and Council staff. It incorporates an implementation plan with actions to be completed across the life of the strategy.

DOMESTIC ANIMAL MANAGEMENT PLAN

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare and implement a *Domestic Animal Management Plan* (DAM Plan) every four years, and evaluate its implementation in the Annual Report.

Highlights during 2021/22 include:

- Working with local veterinary clinics to encourage responsible pet ownership.
- Installing additional cat cages at the Kerang Pound.
- Purchasing additional cat traps.
- Continued rehoming of surrendered domestic animals the community could no longer care for.

FOOD ACT MINISTERIAL DIRECTIONS

In accordance with Section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its Annual Report.

No Ministerial Directions were received by Council during 2021/22.

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* provides individuals and organisations with a general right of access to information held by the Gannawarra Shire Council. It also provides a right of appeal to the Victorian Information Commissioner to review decisions to refuse access to information.

Requests for access to information under the *Freedom of Information Act 1982* should be lodged on the FOI application form and sent to the Freedom of Information Officer, Gannawarra Shire Council, PO Box 287, Kerang VIC 3579.

Whilst several requests for documents were received, one valid Freedom of Information request was received during 2021/22.

PROTECTED DISCLOSURE PROCEDURES

In accordance with Section 69 of the *Protected Disclosure Act 2012*, a Council must include in its Annual Report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosure complaints investigated during the financial year.

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are outlined in *Policy No. 107 - Public Interest Disclosure*, which is publicly available on Council's website.

During 2021/22, no disclosures were notified to Council officers appointed to receive disclosures, or to the Independent Broad-based Anti-corruption Commission (IBAC).

ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with Section 22 of the *Road Management Act 2004*, a Council must publish a copy or summary of any Ministerial direction in its Annual Report.

No Ministerial Directions were received by Council during 2021/22.

INFRASTRUCTURE AND DEVELOPMENT CONTRIBUTIONS

In accordance with Section 46GM and 46QD of the *Planning and Environment Act 1987*, a Council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a Council's Annual Report.

No infrastructure and development contributions were received by Council in 2021/22.



Financial Statements

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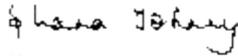
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Certification of the Financial Statements

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



Shana Johnny, CPA

Principal Accounting Officer

Date : 21-Sep-22

Kerang

In our opinion the accompanying financial statements present fairly the financial transactions of Gannawarra Shire Council for the year ended 30 June 2022 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.



Charlie Gillingham

Councillor

Date : 21-Sep-22

Kerang

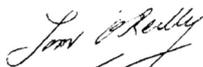


Garner Smith

Councillor

Date : 21-Sep-22

Kerang



Tom O'Reilly

Chief Executive Officer

Date : 21-Sep-22

Kerang



Independent Auditor's Report

To the Councillors of Gannawarra Shire Council

Opinion	<p>I have audited the financial report of Gannawarra Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Comprehensive Income Statement For the Year Ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Rates and charges	3.1	13,935	13,490
Statutory fees and fines	3.2	409	527
User fees	3.3	2,910	3,122
Grants - operating	3.4	10,924	10,399
Grants - capital	3.4	7,552	5,850
Contributions - monetary	3.5	90	150
Contributions - non monetary	3.5	-	83
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	360	(954)
Fair value adjustments for investment property	6.2	-	49
Other income	3.7	4,432	3,558
Total income		40,612	36,273
Expenses			
Employee costs	4.1	17,374	16,092
Materials and services	4.2	8,620	9,942
Depreciation	4.3	6,381	6,350
Bad and doubtful debts	4.4	176	119
Borrowing costs	4.5	18	26
Other expenses	4.6	303	432
Total expenses		32,872	32,961
Surplus for the year		7,740	3,312
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.1	27,642	7,573
Total other comprehensive result		27,642	7,573
Total comprehensive result		35,382	10,885

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

Balance Sheet As at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	13,110	12,510
Trade and other receivables	5.1 (c)	2,961	2,879
Other financial assets	5.1 (b)	5,709	2,503
Inventories	5.2 (a)	356	150
Other assets	5.2 (b)	299	262
Total current assets		22,435	18,304
Non-current assets			
Property, infrastructure, plant and equipment	6.1	247,644	214,458
Investment property	6.2	1,030	1,030
Total non-current assets		248,674	215,488
Total assets		271,109	233,792
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	1,391	991
Trust funds and deposits	5.3 (b)	559	813
Provisions	5.5	3,707	3,599
Unearned income	5.3 (c)	5,466	3,768
Interest-bearing liabilities	5.4	95	106
Total current liabilities		11,218	9,277
Non-current liabilities			
Provisions	5.5	1,494	1,404
Interest-bearing liabilities	5.4	155	250
Total non-current liabilities		1,649	1,654
Total liabilities		12,867	10,931
Net assets		258,242	222,860
Equity			
Accumulated surplus		102,325	94,585
Reserves	9.1	155,917	128,275
Total Equity		258,242	222,860

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

Statement of Changes in Equity For the Year Ended 30 June 2022

2022	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
Balance at beginning of the financial year		222,860	94,585	128,275
Surplus for the year		7,740	7,740	-
Net asset revaluation increment	6.1	27,642	-	27,642
Balance at end of the financial year		258,242	102,325	155,917

2021		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
Balance at beginning of the financial year		211,975	91,273	120,702
Surplus for the year		3,313	3,312	-
Net asset revaluation increment		7,573	-	7,573
Balance at end of the financial year		222,860	94,585	128,275

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 2022

	Note	2022 Inflows/ (Outflows) \$'000	2021 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		13,860	13,885
Statutory fees and fines		409	527
User fees		2,913	3,254
Grants - operating		11,191	10,375
Grants - capital		8,982	9,347
Contributions - monetary		90	150
Interest received		15	30
Trust funds and deposits taken/(repaid)		(253)	96
Other receipts		4,400	3,573
Net GST refund/(payment)		(187)	285
Employee costs		(17,219)	(15,559)
Materials and services		(8,403)	(9,351)
Other payments		(303)	(451)
Net cash provided by/(used in) operating activities	9.2	<u>15,495</u>	<u>16,161</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(12,235)	(11,673)
Proceeds from sale of property, infrastructure, plant and equipment		670	559
Sale of / (Payments for) investments		(3,206)	1,968
Net cash provided by/(used in) investing activities		<u>(14,771)</u>	<u>(9,146)</u>
Cash flows from financing activities			
Finance costs		(106)	(26)
Repayment of borrowings		(18)	(100)
Net cash provided by/(used in) financing activities		<u>(124)</u>	<u>(126)</u>
Net increase (decrease) in cash and cash equivalents		600	6,889
Cash and cash equivalents at the beginning of the financial year		12,510	5,621
Cash and cash equivalents at the end of the financial year		<u>13,110</u>	<u>12,510</u>
Financing arrangements	5.6	350	456
Restrictions on cash assets	5.1	560	813

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 2022

	Note	2022 \$'000	2021 \$'000
Property			
Land		268	171
Land improvements		91	1,743
Total land		359	1,915
Buildings		699	147
Building improvements		100	33
Total buildings		799	180
Total property		1,158	2,095
Plant and equipment			
Plant, machinery and equipment		663	611
Fixtures, fittings and furniture		106	-
Computers and telecommunications		103	274
Library books		96	69
Total plant and equipment		969	954
Infrastructure			
Roads		2,442	3,447
Bridges		-	570
Footpaths and cycleways		1,132	210
Kerb and channel		128	144
Drainage		1,490	89
Recreational, leisure and community facilities		1,571	240
Waste management		123	7
Parks, open space and streetscapes		3,128	2,864
Other infrastructure		121	1,059
Total infrastructure		10,137	8,630
Total capital works expenditure		12,264	11,678
Represented by:			
New asset expenditure		5,140	4,107
Asset renewal expenditure		5,163	5,971
Asset expansion expenditure		1,106	489
Asset upgrade expenditure		855	1,111
Total capital works expenditure		12,264	11,678

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 2022

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.

Significant accounting policies

(a). Basis of accounting

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

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

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

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

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

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

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.

Notes to the Financial Report For the Year Ended 30 June 2022

(b). Impact of Covid-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was declared on 2 August 2020. The state of disaster was withdrawn on 28 October 2020 and the state of emergency on 15 December 2021. Council has noted the following significant impacts on its financial operations, in respect to the year ended 30 June 2022.

*** Additional Revenue include**

Community services grants of \$285k.

Business support grants of \$60k.

Working for Victoria grant of \$153k.

Infrastructure stimulus capital grants of \$5.36m of which unearned grants at 30 June 2022 is \$1.25m.

*** Revenue Reductions include**

Reduction in swimming pool income due to a significant decrease in attendance along with the impact from reduced operating hours due to staff affected by Covid isolation rules.

Reduced income due to the social meal and social support group programs being suspended during the covid restriction period.

Council's COVID-19 Hardship Policy adopted on 15 April 2020 provided relief to ratepayers experiencing temporary financial hardship by withholding interest on outstanding rates.

*** Additional costs -**

COVID-19 grant funding has been offset by expenditure to provide additional services.

Council has also incurred additional cleaning costs associated with the pandemic.

*** Asset Valuations -**

Council has undertaken the Land & Buildings revaluations as at 30 June 2022.

The real estate market has been impacted by the uncertainty that the COVID-19 (Coronavirus disease) outbreak has caused. As at the date of valuation, the valuers state that there is a significant market uncertainty and this valuation is current at the date of valuation only. The value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). There is not yet any comparable market evidence available to determine what, if any, impact the current COVID-19 pandemic may have on the value or marketability of the valued properties, particularly in the short and medium terms.

Council has assessed the impacts of COVID-19 on the value of roads, bridges, footpaths & cycleways, kerb & channel and drainage classes of assets. Though these assets were revalued as at 30 June 2021, there has been a significant increase in road & bridge construction cost. As a result, a management adjustment of 8.3% indicative of this increase has been made to these asset classes as at 30 June 2022.

Notes to the Financial Report For the Year Ended 30 June 2022

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 \$50k 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 and expenditure	Budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000	Variance %	Ref
Income					
Rates & Charges	13,740	13,935	195	1%	1
Statutory fees and fines	399	409	10	2%	
User fees	3,359	2,910	(449)	-13%	2
Grants - operating	10,477	10,924	447	4%	3
Grants - capital	8,781	7,552	(1,229)	-14%	4
Contributions - monetary	60	90	30	51%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	365	360	(5)	-1%	
Other income	3,747	4,432	685	18%	6
Total income	40,928	40,612	(316)	-1%	
Expenses					
Employee costs	16,065	17,374	(1,309)	-8%	7
Materials and services	8,498	8,620	(122)	-1%	8
Depreciation	6,639	6,381	258	4%	9
Bad and doubtful debts	3	176	(173)	-5262%	10
Borrowing costs	20	18	2	11%	
Other expenses	320	303	17	5%	
Total expenses	31,546	32,872	(1,327)	-4%	
Surplus for the year	9,382	7,740	(1,643)	-18%	

Notes to the Financial Report For the Year Ended 30 June 2022

(i) Explanation of material variations

1 Rates & Charges

Supplementary valuations processed during the year and additional bin services have generated additional rates income (\$115k). 2021/22 budgeted interest on rates was set at a conservative estimate in line with the COVID relief policy. Actual interest on rates has been higher than the conservative estimate (\$79k).

2 User fees

The decrease in user fees primarily relates to lesser than anticipated income from long day care services (\$239k). Budgeted internal allocation of cleaning costs across the organisation has been removed at year end (\$460k). These decreases have been offset by increase in user fees from family day care services (\$289k).

3 Grants - operating

Increase in operating grants is primarily due to advance payment of 2022/23 Victoria Grants commission annual allocation (\$1.67m). This increase is offset by reclassification of Roads to Recovery annual allocation (\$1.3m) to capital grants. Council also received COVID safe outdoor activation funding to support businesses (\$130k). Grants operating also takes into account unearned income brought forward from 2020/21 and is reduced by unearned income carried forward into 2022/23.

4 Grants - Capital

Roads to recovery allocation (\$1.3m) has been reclassified as capital grants.

Part of the decrease is related to unsuccessful grant applications for projects including Apex Bridge (\$150k) and Kerang to Koondrook Rail Trail (\$2.2m). It must be noted that Council has been successful in grant funding for design works on Kerang to Koondrook Rail Trail (\$500k) which is treated as unearned income.

5 Contributions - Monetary

Increase in contributions relate to public open space contributions received.

6 Other Income

The increased demand in National Disability Insurance Scheme (NDIS) services and Community Care Brokerage services has generated additional income of \$243k and \$176k respectively. Workcover reimbursements during the year total \$171k. This item is unbudgeted.

7 Employee costs

The major increase in employee costs relate to the following services - NDIS (\$587k), Community Care Brokerage Services (\$146k) and Children's services (\$314k). Workcover payments (\$171k) are offset by reimbursements from the Workcover provider.

Notes to the Financial Report For the Year Ended 30 June 2022

8 Materials and services

The major increase in materials & services relate to family day care educator payments (\$290k) which is offset by user fees mentioned above. Fuel costs have also contributed to this increase (\$91k). These increases are offset by operational efficiencies across the organisation. Budgeted internal allocation of cleaning costs across the organisation has been removed at year end (\$457k).

9 Depreciation

Variance in depreciation is a result of carryforward of capital works.

10 Bad and Doubtful debts

Provision for bad and doubtful debts have been increased to allow for long outstanding NDIS debts.

Notes to the Financial Report For the Year Ended 30 June 2022

2.1.2 Capital works	Budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	268	268	100%	1
Land improvements	229	91	(138)	-60%	2
Total land	229	359	130	57%	
Buildings	475	699	224	47%	3
Building improvements	920	100	(820)	-89%	4
Total buildings	1,395	799	(596)	-43%	
Total property	1,624	1,158	(466)	-29%	
Plant and equipment					
Plant, machinery and equipment	731	663	(68)	-9%	5
Fixtures, fittings and furniture	50	106	56	112%	6
Computers and telecommunications	170	103	(67)	-39%	7
Library books	100	96	(4)	-4%	
Total plant and equipment	1,051	969	(82)	-8%	
Infrastructure					
Roads	3,964	2,442	(1,522)	-38%	8
Bridges	300	-	(300)	-100%	9
Footpaths and cycleways	2,504	1,132	(1,372)	-55%	10
Kerb and channel	-	128	128	100%	11
Drainage	1,314	1,490	176	13%	12
Recreational, leisure and community facilities	3,092	1,571	(1,521)	-49%	13
Waste management	60	123	63	105%	14
Parks, open space and streetscapes	2,110	3,128	1,018	48%	15
Other infrastructure	523	121	(402)	-77%	16
Total infrastructure	13,867	10,137	(3,730)	-27%	
Total capital works expenditure	16,542	12,264	(4,278)	-26%	
Represented by:					
New asset expenditure	8,048	5,140	(2,908)	-36%	
Asset renewal expenditure	6,544	5,163	(1,381)	-21%	
Asset expansion expenditure	983	1,106	123	13%	
Asset upgrade expenditure	966	855	(111)	-12%	
Total capital works expenditure	16,542	12,264	(4,278)	-26%	

Notes to the Financial Report For the Year Ended 30 June 2022

(i) Explanation of material variations

1 Land

Industrial estate expansion at Tate Drive, Kerang has been moved from land improvements to land.

2 Land Improvements

Decrease relates to industrial estate expansion at Tate Drive, Kerang being moved from land improvements to land (\$268k). This decrease is offset by grant funded outdoor dining projects (\$73k) - grant funding was received post adoption of the budget.

3 Buildings

Increase primarily relates to the continuation of works at the Kerang Children's centre. The project commenced in 2020/21.

4 Building Improvements

Works on the Morton Garner Pavillion has been moved into recreation & leisure asset class.

5 Plant, machinery and equipment

Global supplies of plant & machinery has been impacted due to COVID-19. Part of this program has been deferred due to supply constraints.

6 Fixtures, fittings and furniture

Variance relates to office renovations undertaken as part of return to work modifications - this was budgeted under building renewals.

7 Computers and telecommunications

There has been delays in lead time between placing orders for IT equipment and delivery. Confirmed orders are in place for equipment to be delivered in 22/23.

8 Roads

Kerang CBD improvements were primarily works on footpaths and has been capitalised into the footpaths class of assets. Remaining unspent funds have been earmarked for the continuation of the Beautification Murrabit project and is part of carried forward funds.

9 Bridges

Apex Bridge project has not been successful in receiving grant funding.

10 Footpaths and cycleways

Decrease relates to the budgeted Kerang to Koondrook rail trail project (\$2.2m) which has not been successful in receiving grant funding. This decrease has been partly offset by Kerang CBD improvements being moved to the footpaths class (\$953k).

11 Kerb and Channel

Kerb and Channel was included under the asset class - other infrastructure - in the 2021/22 Budget.

12 Drainage

The increase relates to continuation of the Murrabit Stormwater (Stages 5 & 6) project which received grant funding under the Local Roads & Community Infrastructure program Stage 3 - grant funding was received post adoption of the budget. This is a multi-year project.

13 Recreational, leisure and community facilities

Cohuna CBD improvements were primarily works on parks, open space and community facilities and has been capitalised into the parks, open space and streetscapes class of assets.

Notes to the Financial Report For the Year Ended 30 June 2022

14 Waste Management

Increase relates to grant funded transfer station upgrades - grant funding was received post adoption of the budget.

15 Parks, open space and streetscapes

Increase relates to the Cohuna CBD improvements works on parks, open space and community facilities being capitalised into this class of assets.

16 Other Infrastructure

The decrease is on account of budget for strategic program development being used for preplanning of infrastructure works across all asset classes.

Kerb and Channel was included under the asset class - other infrastructure - in the 2021/22 Budget.

There were a number of multi-year projects underway at 30 June 2022. Please refer note 5.3 (c) regarding funds carried forward to facilitate completion of these projects.

Notes to the Financial Report For the Year Ended 30 June 2022

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.

Notes to the Financial Report For the Year Ended 30 June 2022

2.2.2 Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus	Grants included in income	Total assets
2022	\$'000	\$'000	\$'000	\$'000	\$'000
Liveability	15,866	22,143	(6,277)	9,456	201,262
Growth	1,103	1,801	(698)	60	9,097
Sustainability	2,140	8,928	(6,788)	1,391	60,750
Rates And Charges	13,935	-	13,935	-	-
Victoria Grants Commission	7,568	-	7,568	7,568	-
	40,612	32,872	7,740	18,475	271,109

	Income	Expenses	Surplus	Grants included in income	Total assets
2021	\$'000	\$'000	\$'000	\$'000	\$'000
Connectivity	1,013	1,703	(691)	984	1,343
Economic Diversity, growth and prosperity	654	1,498	(844)	62	8,646
Sustainable natural and built environment	5,290	12,209	(6,919)	4,389	178,065
Good governance and a healthy organisation	3,985	5,994	(2,009)	4,550	23,854
Strong healthy organisation	11,903	11,557	346	6,264	21,883
Rates and charges	13,430	-	13,430	-	-
	36,273	32,961	3,312	16,249	233,792

Note:

The Council Plan 2021-2025 was adopted on 18 August 2021 and the 2022 data is based on the strategic objectives in the current Council Plan. The 2021 data is based on the strategic objectives in the previous Council Plan.

Notes to the Financial Report For the Year Ended 30 June 2022

Note 3. Funding for the delivery of our services	2022	2021
3.1 Rates and charges	\$'000	\$'000

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 2021/22 was \$1,989 million (2020/21 \$1,841million).

	2021-2022 cents in the dollar	2020-2021 cents in the dollar
General rates	0.006019	0.632300
Commercial/industrial	0.006415	0.649600
Farm irrigation district	0.005168	0.531800
Farm dryland	0.003879	0.429200
Cultural and recreational	0.003010	0.316100
General rates	10,935	10,651
Municipal charge	648	642
Waste management charge	2,077	1,973
Interest on rates and charges	154	104
Revenue in lieu of rates	121	120
Total rates and charges	13,935	13,490

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

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

3.2. Statutory fees and fines

Animal control	93	109
Health and preventative services	-	8
Town planning and building control	308	403
Other	8	6
Total statutory fees and fines	409	526

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

Notes to the Financial Report For the Year Ended 30 June 2022

3.3. User fees	2022	2021
	\$'000	\$'000
Aged and health services	295	319
Child care/children's programs	1,842	1,824
External Works	313	559
Hall hire	12	4
Health and preventative services	52	50
Library, arts and culture	6	4
Office services	31	37
Recreation	113	94
Tourism	11	7
Waste and environment	206	187
Other fees and charges	29	37
Total user fees	<u>2,910</u>	<u>3,122</u>
User fees by timing of revenue recognition		
User fees recognised at a point in time	2,910	3,122
Total user fees	<u>2,910</u>	<u>3,122</u>

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 2022**

3.4. Funding from other levels of government	2022	2021
Grants were received in respect of the following :	\$'000	\$'000
Summary of grants		
Commonwealth funded grants	12,931	10,678
State funded grants	5,545	5,571
Total grants received	18,476	16,250
 (a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants - unallocated	4,756	3,877
Financial Assistance Grants - local roads	2,812	2,056
Children and families	87	124
Aged Care	934	1,039
<i>Recurrent - State Government</i>		
Libraries	144	139
Children and families	1,217	1,635
Heritage and culture	6	1
Preventative services	50	35
Community services	31	159
Aged care	307	448
School crossings	25	24
Children and families - COVID-19	-	45
Municipal emergency	73	133
Roadside weeds and pest control	68	62
Recreation	22	225
Other	46	53
Total recurrent operating grants	10,578	10,055
 <i>Non-recurrent - Commonwealth Government</i>		
Australia Day	-	20
 <i>Non-recurrent - State Government</i>		
Working for Victoria	153	202
COVID Support	60	62
Office equipment	-	50
Other Non-Recurrent State	133	10
Total non-recurrent operating grants	346	344
Total operating grants	10,924	10,399

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	2022	2021
	\$'000	\$'000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,357	1,977
Recurrent - State Government		
Library	6	6
Total recurrent capital grants	<u>1,363</u>	<u>1,983</u>
Non-recurrent - Commonwealth Government		
Buildings	460	-
Bridges	-	122
Drainage	1,285	-
Recreation	286	185
Parks and streetscapes	854	391
Community Resilience Support Program	100	786
Other	-	100
Non-recurrent - State Government		
Land improvements	262	958
Buildings	-	-
Building improvements	604	73
Recreation	1,799	799
Office equipment	7	119
Drainage	-	21
Waste management	100	-
Parks and streetscapes	432	244
Other	-	70
Total non-recurrent capital grants	<u>6,189</u>	<u>3,867</u>
Total capital grants	<u><u>7,552</u></u>	<u><u>5,850</u></u>
(c) Unspent grants received on condition that they be spent in a specific manner		
Operating		
Balance at start of year	128	411
Received during the financial year and remained unspent at balance date	396	128
Received in prior years and spent during the financial year	(129)	(411)
Balance at year end	<u>395</u>	<u>128</u>
Capital		
Balance at start of year	3,639	687
Received during the financial year and remained unspent at balance date	5,070	3,639
Received in prior years and spent during the financial year	(3,639)	(687)
Balance at year end	<u>5,070</u>	<u>3,639</u>

Notes to the Financial Report For the Year Ended 30 June 2022

(d) Recognition of grant income

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

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

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

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

	2022	2021
	\$'000	\$'000
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	7,568	5,934
Specific purpose grants to acquire non-financial assets	7,552	5,850
Other specific purpose grants	779	596
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	2,577	3,869
	18,476	16,250

3.5. Contributions

Monetary	90	150
Non-monetary	-	83
Total contributions	90	233

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

Land Improvements	-	83
Total non-monetary contributions	-	83

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

Notes to the Financial Report For the Year Ended 30 June 2022

3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2022	2021
	\$'000	\$'000
Proceeds of sale	670	559
Written down value of assets disposed	(310)	(1,513)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	360	(954)

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

3.7. Other income

Interest	32	23
Investment property rental	263	244
Reimbursements - welfare and childrens services	3,734	3,104
Reimbursements - garbage collection and recycling	15	-
Reimbursements - other	354	174
Other	34	13
Total other income	4,432	3,558

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 2022**

Note 4. The cost of delivering services	2022	2021
4.1. (a) Employee costs	\$'000	\$'000
Wages and salaries	12,560	11,937
WorkCover	390	170
Superannuation	1,415	1,259
Fringe benefits tax	112	144
Annual leave and long service leave	1,550	1,597
Other leave	1,311	1,030
Salaries capitalised	(95)	(252)
Other	131	206
Total employee costs	<u>17,374</u>	<u>16,092</u>
(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	<u>43</u>	<u>49</u>
	43	49
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	759	671
Employer contributions - other funds	<u>612</u>	<u>539</u>
	1,371	1,210
Employer contributions payable at reporting date.	-	-
Total superannuation costs	1,415	1,259
Refer to note 9.3 for further information relating to Council's superannuation obligations.		

Notes to the Financial Report For the Year Ended 30 June 2022

4.2. Materials and services	2022	2021
	\$'000	\$'000
Operational materials	1,602	1,697
Operational services	3,713	4,654
Contract payments	340	239
Building maintenance	71	91
General maintenance	8	11
Utilities	361	385
Office administration	285	273
Information technology	505	477
Insurance	460	427
Consultants	591	338
Contributions	411	1,078
Bank charges	37	39
Other	236	234
Total materials and services	8,620	9,942
Expenses are recognised as they are incurred and reported in the financial year to which they relate.		
4.3. Depreciation		
Property		
Land improvements	140	97
Buildings - non specialised	509	507
Building improvements	35	34
Total depreciation - property	684	638
Plant and equipment		
Plant machinery and equipment	935	979
Computers and telecomms	243	203
Library books	74	70
Total depreciation - plant and equipment	1,252	1,253
Infrastructure		
Roads	2,742	2,810
Bridges	252	252
Footpaths and cycleways	136	142
Drainage	259	260
Waste management	53	52
Recreation, parks and open spaces	420	357
Aerodromes	44	78
Kerb and channel	242	223
Other infrastructure	297	285
Total depreciation - infrastructure	4,445	4,459
Total depreciation	6,381	6,350

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

Notes to the Financial Report For the Year Ended 30 June 2022

4.4. Bad and doubtful debts	2022	2021
	\$'000	\$'000
Local laws	9	4
Rates debtors	17	100
Other debtors	150	15
Total bad and doubtful debts	176	119

Movement in provisions for doubtful debts

Balance at the beginning of the year	372	271
New provisions recognised during the year	176	106
Amounts already provided for and written off as uncollectible	-	(5)
Balance at end of year	548	372

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

4.5. Borrowing costs

Interest - Borrowings	18	26
Total borrowing costs	18	26

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

4.6. Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	58	54
Auditors' remuneration - Internal Audit	4	27
Councillors' allowances	221	198
Valuations	17	11
Election expenses	1	98
Councillor induction	-	34
Council plan	2	10
Total other expenses	303	432

Notes to the Financial Report For the Year Ended 30 June 2022

Note 5. Our financial position		
5.1. Financial assets		
	2022	2021
	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	2	2
Cash at bank	3,199	2,700
Term deposits	9,909	9,808
Total cash and cash equivalents	13,110	12,510
(b) Other financial assets		
Term deposits - current	5,709	2,503
Total other financial assets	5,709	2,503
Total financial assets	18,819	15,013

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

- Trust funds and deposits (Note 5.3)	559	813
Total restricted funds	559	813
Total unrestricted cash and cash equivalents	12,551	11,697

Intended allocations

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

- cash held to fund carried forward capital works	981	448
- cash held to fund carried forward community grants project	100	-
- Grant monies received but not yet expended	5,465	3,768
Total funds subject to intended allocations	6,546	4,216

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 2022**

	2022	2021
	\$'000	\$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	2,056	1,981
Provision for doubtful debts - rates	(290)	(272)
Fire services debtor levy	301	283
Net GST receivable	187	-
Infringement debtors	40	48
Provision for doubtful debts - infringements	(36)	(27)
Other debtors	925	938
Provision for doubtful debts - other debtors	(69)	(72)
Provision for doubtful debts - NDIS	(153)	-
Total current trade and other receivables	<u>2,961</u>	<u>2,879</u>

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

(d) Ageing of Receivables

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

Current (not yet due)	540	450
Past due by up to 31 and 60 days	74	122
Past due between 61 and 90 days	5	86
Past due by more than 90 days	84	208
Total trade and other receivables	<u>703</u>	<u>866</u>

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$222k (2021: \$72k) were impaired. The amount of the provision raised against these debtors was \$222k (2021: \$72k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Past due by more than 1 year	<u>222</u>	<u>72</u>
Total trade & other receivables	<u>222</u>	<u>72</u>

Notes to the Financial Report For the Year Ended 30 June 2022

5.2. Non-financial assets	2022	2021
(a) Inventories	\$'000	\$'000
Inventories held for distribution	356	150
Total inventories	356	150

Inventories held for distribution represent gravel stockpile and are measured at chargeout rates based on gravel extraction, processing and cartage rates.

(b) Other assets

Prepayments	278	257
Accrued income	22	5
Total other assets	299	262

5.3. Payables, trust funds and deposits and unearned income/revenue

(a) Trade and other payables

Trade payables	639	889
Accrued expenses	752	102
Total trade and other payables	1,391	991

(b) Trust funds and deposits

Refundable deposits	72	37
Fire services levy	303	588
Retention amounts	137	147
Other refundable deposits	48	41
Total trust funds and deposits	560	813

(c) Unearned income

Grants received in advance - operating	396	128
Grants received in advance - capital	5,070	3,639
Total unearned income	5,466	3,768

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of grants received. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

Notes to the Financial Report For the Year Ended 30 June 2022

Purpose and nature of items

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

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

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

5.4. Interest-bearing liabilities

	2022 \$'000	2021 \$'000
Current		
Borrowings - secured	95	106
	95	106
Non-current		
Borrowings - secured	155	250
	155	250
Total	250	356

Borrowings are secured by rates.

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

Not later than one year	95	106
Later than one year and not later than five years	155	250
	250	356

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Notes to the Financial Report For the Year Ended 30 June 2022

5.5. Provisions

	Employee	Landfill restoration	Total
	\$ '000	\$ '000	\$ '000
2022			
Balance at beginning of the financial year	3,821	1,182	5,003
Additional provisions	1,751	196	1,947
Amounts used	(1,240)	-	(1,240)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(357)	(152)	(509)
Balance at the end of the financial year	3,975	1,226	5,201
2021			
Balance at beginning of the financial year	3,288	900	4,188
Additional provisions	1,749	403	2,152
Amounts used	(922)	-	(922)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(294)	(121)	(415)
Balance at the end of the financial year	3,821	1,182	5,003

Notes to the Financial Report For the Year Ended 30 June 2022

	2022	2021
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,020	1,024
Long service leave	1,785	1,689
	2,805	2,713
Current provisions expected to be wholly settled after 12 months		
Annual leave	307	323
Long service leave	595	563
	902	886
Total current employee provisions	3,707	3,599
Non-current		
Long service leave	268	222
Total non-current employee provisions	268	222
Aggregate carrying amount of employee provisions:		
Current	3,707	3,599
Non-current	268	222
Total aggregate carrying amount of employee provisions	3,975	3,821

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

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:	2022	2021
- discount rate	3.69%	1.49%
- index rate	3.85%	2.95%

Notes to the Financial Report For the Year Ended 30 June 2022

	2022	2021
	\$'000	\$'000
(b) Landfill restoration		
Non-current	1,226	1,182
	1,226	1,182

Council is obligated to restore Denyer's 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.

Key assumptions:	2022	2021
- discount rate	3.69%	1.49%
- index rate	6.14%	3.80%

5.6. Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2022.

Credit card facilities	100	100
Loans	250	356
Total facilities	350	456
Used facilities	270	382
Unused facilities	80	74

Notes to the Financial Report For the Year Ended 30 June 2022

5.7. Commitments

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

a) Commitments for expenditure

2022	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Interest on loans	14	8	2	-	24
Garbage & Recycling Collection	916	992	3,499	2,846	8,253
Major Community Project Fund	100				100
Total	1,030	1,000	3,501	2,846	8,377
Capital					
Recreation and Community	2,845	-	-	-	2,845
Office Equipment	75	-	-	-	75
Total	2,921	-	-	-	2,921

2021	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Interest on loans	21	24	-	-	45
Total	21	24	-	-	45
Capital					
Recreation and Community	5,070	-	-	-	5,070
Total	5,070	-	-	-	5,070

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:

	2022 \$'000	2021 \$'000
Not later than one year	263	285
Later than one year and not later than five years	313	424
Later than five years	154	160
Total	730	869

Notes to the Financial Report
For the Year Ended 30 June 2022

Note 6. Assets we manage

6.1. Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2021 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	Carrying amount 30 June 2022 \$'000
Property	26,527	1,050	-	7,093	(684)	(273)	5,020	38,734
Plant and equipment	5,634	969	-	-	(1,252)	(37)	-	5,314
Infrastructure	179,856	8,501	-	20,548	(4,445)	-	(2,973)	201,488
Work in progress	2,440	1,744	-	-	-	-	(2,076)	2,108
	214,458	12,264	-	27,642	(6,381)	(310)	(29)	247,644

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Closing WIP \$'000
Property	1,193	113	(1,084)	222
Infrastructure	1,247	1,631	(992)	1,886
Total	2,440	1,744	(2,076)	2,108

Notes to the Financial Report
For the Year Ended 30 June 2022

(a) Property

	Land - specialised	Land - non specialised	Land improvements specialised	Land improvements - non specialised	Land under roads	Total Land & Land Improvements specialised	Buildings - non specialised	Building improvements	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2021	3,248	1,580	4,916	514	3,800	14,057	27,583	878	28,461	1,193	43,711
Accumulated depreciation at 1 July 2021	-	-	(1,068)	(94)	-	(1,162)	(14,576)	(253)	(14,829)	-	(15,991)
	3,248	1,580	3,848	420	3,800	12,895	13,008	624	13,632	1,193	27,720
Movements in fair value											
Additions	-	268	73	-	-	341	699	10	709	113	1,163
Revaluation	522	558	531	-	700	2,310	3,213	50	3,263	-	5,572
Disposal	-	(273)	-	-	-	(273)	-	-	-	-	(273)
Transfers	1,374	3,609	514	(514)	-	4,983	37	-	37	(1,084)	3,936
	1,896	4,162	1,118	(514)	700	7,361	3,949	60	4,009	(971)	10,398
Movements in accumulated depreciation											
Depreciation and amortisation	-	-	(140)	-	-	(140)	(509)	(35)	(544)	-	(684)
Revaluation	-	-	(91)	-	-	(91)	1,657	(45)	1,612	-	1,521
Transfers	-	-	(94)	94	-	-	-	-	-	-	-
	-	-	(325)	94	-	(231)	1,148	(80)	1,068	-	837
At fair value 30 June 2022	5,144	5,742	6,034	-	4,500	21,419	31,532	937	32,469	222	54,110
Accumulated depreciation at 30 June 2022	-	-	(1,393)	-	-	(1,393)	(13,428)	(333)	(13,761)	-	(15,154)
Carrying amount	5,144	5,742	4,640	-	4,500	20,025	18,104	604	18,708	222	38,955

**Notes to the Financial Report
For the Year Ended 30 June 2022**

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Library books \$'000	Total plant and equipment \$'000
At fair value 1 July 2021	10,062	110	2,431	1,533	14,135
Accumulated depreciation at 1 July 2021	(5,900)	(104)	(1,604)	(893)	(8,501)
	4,162	6	826	640	5,634
Movements in fair value					
Additions	663	106	103	96	969
Disposal	(475)	-	-	-	(475)
	188	106	103	96	494
Movements in accumulated depreciation					
Depreciation and amortisation	(935)	-	(243)	(74)	(1,252)
Accumulated depreciation of disposals	438	-	-	-	438
	(497)	-	(243)	(74)	(814)
At fair value 30 June 2022	10,250	216	2,533	1,629	14,629
Accumulated depreciation at 30 June 2022	(6,396)	(104)	(1,847)	(968)	(9,315)
Carrying amount	3,854	112	686	662	5,314

Notes to the Financial Report
For the Year Ended 30 June 2022

	Roads \$'000	Bridges \$'000	Footpaths and cycleways \$'000	Drainage \$'000	Waste Management \$'000	Recreation, parks and open spaces \$'000	Aerodromes \$'000	Kerb and channel \$'000	Other infrastructure \$'000	Work In Progress \$'000	Total Infrastructure \$'000
At fair value 1 July 2021	183,741	24,792	10,305	20,745	3,399	24,902	2,680	19,398	16,168	1,247	307,377
Accumulated depreciation at 1 July 2021	(75,327)	(8,265)	(3,774)	(9,483)	(947)	(9,439)	(1,337)	(7,364)	(10,337)	-	(126,274)
	108,414	16,527	6,531	11,262	2,452	15,463	1,343	12,034	5,832	1,247	181,103
Movements in fair value											
Additions	2,442	-	1,051	1,183	123	3,457	3	128	114	1,631	10,132
Revaluation	15,251	2,058	855	1,722	251	2,229	335	1,610	2,221	-	26,532
Transfers	650	-	-	171	(682)	(2,261)	(270)	123	(704)	(992)	(3,965)
	18,343	2,058	1,906	3,076	(307)	3,425	68	1,861	1,631	639	32,699
Movements in accumulated depreciation											
Depreciation and amortisation	(2,742)	(252)	(136)	(259)	(53)	(420)	(44)	(242)	(297)	-	(4,445)
Revaluation	(6,252)	(686)	(313)	(787)	(139)	(72)	(115)	(612)	2,992	-	(5,984)
	(8,994)	(938)	(449)	(1,046)	(192)	(492)	(159)	(854)	2,695	-	(10,429)
At fair value 30 June 2022	202,084	26,850	12,211	23,821	3,092	28,327	2,747	21,259	17,799	1,886	340,076
Accumulated depreciation at 30 June 2022	(84,321)	(9,203)	(4,224)	(10,530)	(1,139)	(9,931)	(1,496)	(8,218)	(7,642)	-	(136,703)
Carrying amount	117,763	17,647	7,987	13,291	1,953	18,396	1,251	13,041	10,157	1,886	203,374

(c) Infrastructure

Notes to the Financial Report For the Year Ended 30 June 2022

Acquisition

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

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

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

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit
	Years	\$'000
Land & land improvements		
Land	Not depreciated	2,000
Land improvements	40 - 50 years	5,000
Buildings		
Buildings	50 years	5,000
Building and leasehold improvements	50 years	5,000
Plant and Equipment		
Plant, machinery and equipment	2 - 10 years	2,000
Fixtures, fittings and furniture	2 -10 Years	2,000
Computers and telecommunications	2 -10 Years	2,000
Library books	15 - 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	20 - 40 years	5,000
Drainage	80 years	10,000
Aerodromes	40 - 90 years	5,000
Recreational, leisure and community facilities	40 - 90 years	5,000
Parks, open space and streetscapes	40 - 90 years	5,000
Waste management	40 - 90 years	5,000

Notes to the Financial Report For the Year Ended 30 June 2022

Land under roads

Council recognises land under roads it controls at fair value. Valuation of land under roads was undertaken by a qualified independent valuer, Preston Rowe Paterson Horsham & Wimmera Pty. Ltd. Land under roads has been valued based on land sales, sales of unused roads and sales of channel easements with adjustments made for location and overall land area.

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.

Land & Buildings revaluation at 30 June 2022 has been assessed for the impact of COVID-19. This revaluation also includes land & buildings within the following asset classes - waste management, recreation, parks and open spaces, aerodromes and other infrastructure.

The real estate market has been impacted by the uncertainty that the COVID-19 outbreak has caused. As at the date of valuation, the valuers state that there is a significant market uncertainty and this valuation is current at the date of valuation only. The value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation).

There is not yet any comparable market evidence available to determine what, if any, impact the current COVID-19 pandemic may have on the value or marketability of the valued properties, particularly in the short and medium terms.

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 2022

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Land	-	5,742	5,144	30/06/2022
Land Improvements	-	-	4,640	30/06/2022
Land under roads	-	-	4,500	30/06/2022
Buildings	-	-	18,104	30/06/2022
Building Improvements	-	-	604	30/06/2022
Total	-	5,742	32,992	

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Council staff using Confirm asset management software.

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

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Council has assessed the impacts of COVID-19 on the value of roads, bridges, footpaths & cycleways, kerb & channel and drainage classes of assets. Though these assets were revalued as at 30 June 2021, there has been a significant increase in road & bridge construction cost. As a result, a management adjustment of 8.3% based on ABS construction indices indicative of this increase has been made to these asset classes as at 30 June 2022.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Roads	-	-	117,763	30/06/2021
Bridges	-	-	17,647	30/06/2021
Footpaths and cycleways	-	-	7,987	30/06/2021
Drainage	-	-	13,291	30/06/2021
Waste management	-	-	1,953	30/06/2022
Parks, open space and streetscapes	-	-	18,396	30/06/2022
Aerodromes	-	-	1,251	30/06/2022
Kerb and channel	-	-	13,041	30/06/2022
Other infrastructure	-	-	10,157	30/06/2022
Total	-	-	201,487	

Notes to the Financial Report For the Year Ended 30 June 2022

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 50 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.

	2022	2021
	\$'000	\$'000
Reconciliation of specialised land		
Land	5,144	3,248
Land improvements	4,640	3,848
Land under roads	4,500	3,800
Total specialised land	14,284	10,896

Notes to the Financial Report For the Year Ended 30 June 2022

6.2 Investment property	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	1,030	1,152
Transfers	-	(171)
Fair value adjustments	-	49
Balance at end of financial year	<u>1,030</u>	<u>1,030</u>

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation in 2021 by Eishold Property (Simon Eishold, Certified Practising Valuer) who has experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property as at 1 June 2021.

Notes to the Financial Report For the Year Ended 30 June 2022

	2022	2021
Note 7. People and relationships		
7.1. Council and key management remuneration		
(a) Related Parties		
<i>Parent entity</i>		
Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Mystic Park Cemetery Trust has not been consolidated into the accounts of the parent entity as the level of transactions is immaterial.		
(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:		
Councillors		
Councillor Charlie Gillingham (Mayor)		
Councillor Jane Ogden (Deputy Mayor 8 November 2021 - Current)		
Councillor Ross Stanton		
Councillor Kelvin Burt		
Councillor Travis Collier		
Councillor Keith Link		
Councillor Garner Smith (Deputy Mayor 23 November 2020 to 8 November 2021)		
Chief Executive Officer		
Director - Corporate Services		
Director - Community Wellbeing		
Director - Infrastructure and Development		
	No.	No.
Total Number of Councillors	7	13
Total of Chief Executive Officer and other Key Management Personnel	4	4
Total Number of Key Management Personnel	11	17
(c) Remuneration of Key Management Personnel		
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	991	933
Long-term benefits	17	16
Post employment benefits	72	65
Total	1,080	1,014

Notes to the Financial Report For the Year Ended 30 June 2022

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

	2022	2021
	No.	No.
\$0 - \$9,999	-	5
\$10,000 - \$19,999	-	6
\$20,000 - \$29,999	5	1
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	-	1
\$70,000 - \$79,999	1	-
\$180,000 - \$189,999	-	2
\$190,000 - \$199,999	2	-
\$200,000 - \$209,999	1	1
\$240,000 - \$249,999	-	1
\$260,000 - \$269,999	1	-
	11	17

(d) Senior Officer Remuneration

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

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

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

Income Range:	No.	No.
Less than \$151,000	-	1
\$151,001 - \$159,999	1	-
	1	1

Total Remuneration for the reporting year for Senior Officers included above, amounted to:

	\$'000	\$'000
	144	137

7.2. Related party disclosure

(a) Transactions with related parties

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

	Nil	Nil
	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
	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
	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
	Nil	Nil

Notes to the Financial Report For the Year Ended 30 June 2022

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
CJ & BT McLoughlan Pty Ltd - G10-2020 (Practical Completion)	11/06/2021	15
CJ & BT McLoughlan Pty Ltd - G10-2020 (Defects Liability)	11/06/2021	15
David Knight Building Services Pty Ltd - G04-2021 (Defects Liability)	5/08/2021	30
S & R Engineering - G08-2020 (Defects Liability)	19/11/2021	30
Boral Asphalt - G06-2021 (Practical Completion)	21/12/2021	45
CJ & BT McLoughlan Pty Ltd - G07-2021 (Practical Completion)	13/12/2021	28
CJ & BT McLoughlan Pty Ltd - G07-2021 (Defects Liability)	13/12/2021	28
CJ & BT McLoughlan Pty Ltd - G08-2021 (Practical Completion)	16/02/2022	24
CJ & BT McLoughlan Pty Ltd - G08-2021 (Defects Liability)	16/02/2022	24

(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.

Insurance claims

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

Notes to the Financial Report For the Year Ended 30 June 2022

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

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

(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

8.2. Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. Council assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

8.3. Financial instruments

(a) Objectives and policies

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

Notes to the Financial Report For the Year Ended 30 June 2022

(b) Market risk

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

Interest rate risk

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

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

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

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

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

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

(c) Credit risk

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

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

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

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

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

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

Given rate debtors are secured by charge over the rateable property, any increased credit risk as the result of the COVID-19 pandemic is not considered to be significant in relation to financial assets. There are no indicators of increased impairment of debtor balances at 30 June 2022 as the result of COVID-19.

Notes to the Financial Report For the Year Ended 30 June 2022

(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(b), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1.5% and -1.5% in market interest rates (AUD) from year-end rates of 2.75%.

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 2022

8.4. Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 4 years. The valuation is performed either by experienced council officers or independent experts.

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

Notes to the Financial Report For the Year Ended 30 June 2022

Impairment of assets

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

8.5. Events occurring after balance date

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Note 9. Other matters

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
9.1. Reserves			
(a) Asset revaluation reserves			
2022			
Property			
Land and land improvements	1,320	2,219	3,539
Buildings	5,678	4,874	10,552
	6,998	7,093	14,091
Infrastructure			
Roads	97,038	8,998	106,036
Bridges	6,207	1,372	7,579
Footpaths and cycleways	2,605	542	3,147
Drainage	5,051	935	5,986
Waste management	71	112	183
Recreation, parks and open space	1,193	2,158	3,351
Aerodromes	599	220	819
Kerb and channel	5,619	998	6,617
Other infrastructure	2,893	5,213	8,106
	121,276	20,548	141,825
Total asset revaluation reserves	128,275	27,642	155,917
2021			
Property			
Land and land improvements	690	630	1,320
Buildings	5,678	-	5,678
	6,368	630	6,998
Infrastructure			
Roads	90,320	6,718	97,038
Bridges	6,659	(452)	6,207
Footpaths and cycleways	3,448	(843)	2,605
Drainage	5,043	8	5,051
Waste management	71	-	71
Recreation, parks and open space	1,193	-	1,193
Aerodromes	974	(375)	599
Kerb and channel	3,733	1,886	5,619
Other infrastructure	2,893	-	2,893
	114,334	6,942	121,276
Total asset revaluation reserves	120,702	7,572	128,275

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 2022

	2022	2021
9.2. Reconciliation of cash flows from operating activities to surplus	\$'000	\$'000
Surplus for the year	7,740	3,313
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(360)	954
Depreciation	6,381	6,350
Borrowing costs	18	26
Fair value adjustments for investment property	-	(49)
Contributions - Non-monetary assets	-	(83)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(83)	912
(Increase)/decrease in prepayments	(21)	(41)
Increase/(decrease) in accrued income	(17)	704
Increase/(decrease) in trade and other payables	400	(226)
Increase/(Decrease) in unearned income	1,697	2,814
(Decrease)/increase in other liabilities	(253)	96
(Increase)/decrease in inventories	(206)	576
Increase/(decrease) in provisions	199	815
Net cash provided by/(used in) operating activities	15,495	16,161

9.3. Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%)).

Notes to the Financial Report For the Year Ended 30 June 2022

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

Funding arrangements

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

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

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.8%. The financial assumptions used to calculate the VBI were:

- Net investment returns 4.75% pa
- Salary information 2.75% pa
- Price inflation (CPI) 2.25% pa.

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). The financial assumptions used to calculate this VBI were:

- Net investment returns 5.5% pa
- Salary information 2.5%pa to 30 June 2023, and 3.5% pa thereafter
- Price inflation (CPI) 3.0% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Notes to the Financial Report For the Year Ended 30 June 2022

Employer contributions

(A) Regular contributions

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2022, this rate was 10.0% of members' salaries (9.5% in 2020/21). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

(B) Funding calls

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

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

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

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

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

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

Notes to the Financial Report For the Year Ended 30 June 2022

The 2021 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

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

	2021 (Interim) \$m	2020 (Triennial) \$m
- A VBI Surplus	214.7	100.0
- A total service liability surplus	270.3	200.0
- A discounted accrued benefits surplus	285.2	217.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2021.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2021.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2021.

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

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$45k

Notes to the Financial Report For the Year Ended 30 June 2022

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

10. Change in accounting policy

There have been no changes to accounting policies in the 2021-22 year.

There are no pending accounting standards that are likely to have a material impact on council



Performance Statements

Council's Performance Statement highlights the performance of key Council services, including local libraries.

GANNAWARRA SHIRE COUNCIL PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

DESCRIPTION OF MUNICIPALITY

The Gannawarra is a region loaded with natural features; our rivers, lakes, swamps, marshes and wetlands, all surrounded by majestic forests.

These special natural places of interest in The Gannawarra are all within a three-hour drive from Melbourne and around one hour from the neighbouring centres of Swan Hill, Echuca and Bendigo.

Our Mediterranean climate has seen us take advantage of the sun for renewable energy activity – in fact The Gannawarra is home to Australia’s largest integrated solar farm and battery storage facility.

Our primary centres are Kerang, Cohuna and Koondrook. Smaller outlying communities include Leitchville, Quambatook, Murrabit, Lake Charm, Lalbert, Macorna and Mystic Park, making up a population of 10,438, covering 2,278 kilometres.

Gannawarra is a place of strong community pride where our communities inspire each other to make The Gannawarra a great place to live, visit and do business.

OVERVIEW OF 2021/2022

During the financial year, Council experienced restrictions associated with the COVID-19 pandemic which resulted in the temporary closure of a number of facilities including Council’s Aquatic and Library facilities. Council continued to review and amend its COVID-19 Financial Hardship Policy to assist ratepayers impacted by the pandemic.

Despite the above restrictions, the Council completed a significant number of community and capital projects during the year, which have enhanced the liveability of our communities.

SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2022

SUSTAINABLE CAPACITY INDICATORS					
Indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Population					
<i>Expenses per head of municipal population</i>	\$2,543.34	\$2,832.51	\$3,169.33	\$3,149.26	The continued growth in Community Care Services has increased this indicator over the years. The decrease between 2020/21 and 2021/22 relate to Drought Communities funded projects in 2020/21.
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$17,654.12	\$18,220.40	\$19,380.96	\$21,806.76	The increase between 2020/21 and 2021/22 is as a result of land and buildings revaluation and management adjustment increase to the roads, bridges and drainage classes of assets as a result of significant increase in road and bridge constructions cost.
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	4.64	4.58	4.55	4.58	Council road length and population have remained stable.
[Municipal population / Kilometres of local roads]					

SUSTAINABLE CAPACITY INDICATORS					
Indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$1,711.77	\$1,786.96	\$1,866.92	\$2,112.09	An increase is attributed to continued growth in Community Care Services and Children's Services.
[Own-source revenue / Municipal population]					
Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$919.50	\$1,053.00	\$1,157.50	\$1,144.09	Recurrent grants increased in 2021/22, due to the early payment of the Federal Assistance Grants of 75 per cent of the 2022/23 annual allocation. Recurrent grants were higher in 2020/21 due to additional Roads to Recovery funding in 2020/21.
[Recurrent grants / Municipal population]					
Disadvantage					
<i>Relative socio-economic disadvantage</i>	3.00	3.00	3.00	3.00	There has been no change in Council's Relative Socio-Economic Disadvantage.
[Index of Relative Socio-economic Disadvantage by decile]					
Workforce turnover					
<i>Percentage of staff turnover</i>	13.6%	12.1%	9.0%	11.48%	An increase in staff turnover rate is due to a higher number of resignations in 2021/22 than anticipated.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100					

DEFINITIONS

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council¹

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

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

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

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

¹ Council has utilised the March 2022 Australian Bureau of Statistics release for population estimate.

SERVICE PERFORMANCE INDICATORS

For the year ended 30 June 2022

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Aquatic facilities					
<i>Utilisation</i>					
<i>Utilisation of aquatic facilities</i>	4.61	3.45	3.27	3.03	Utilisation of aquatic facilities saw a slight decrease in 2021/22 as services were partly closed due to COVID-19 restrictions and directions.
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
<i>Health and safety</i>					
<i>Animal management prosecutions</i>	New in 2020	0.00%	0.00%	0.00%	There were no animal management prosecutions in 2021/22.
[Number of successful animal management prosecutions / Number of Animal management prosecutions] x100					
Food safety					
<i>Health and safety</i>					
<i>Critical and major non-compliance notifications</i>	0.00%	0.00%	100.00%	100.00%	Five major non-compliance outcome notifications for a food premises were received and followed up in accordance with the <i>Food Act 1984</i> .
[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about a food premises] x100					
Governance					
<i>Satisfaction</i>					
<i>Satisfaction with council decisions</i>	52.00	39.00	55.00	46.00	There were a number of contentious projects, planning matters and strategies that the community were concerned about in 2021/22 that may have contributed to this result.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Libraries					
<i>Participation</i>					
<i>Active library borrowers in municipality</i>	16.75%	16.65%	13.50%	11.47%	A reduction in the number of active library borrowers is attributed to the temporary closure of library branches due to the COVID-19 Pandemic. Gannawarra Library Service is committed to the Public Libraries State wide 'Return Yourself to the Library' campaign to increase library membership.
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100					
Maternal and Child Health					
<i>Participation</i>					
<i>Participation in the MCH service</i>	70.95%	86.88%	85.60%	80.77%	Participation in the Maternal and Child Health Service is down slightly due to COVID-19. Services were restricted at times throughout the year with young and vulnerable families prioritised.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Maternal and Child Health					
<i>Participation</i>					
<i>Participation in the MCH service by Aboriginal children</i>	61.90%	100%	97.37%	83.33%	Participation in the Maternal and Child Health Service by Aboriginal children has slightly decreased. Staff will continue to work in partnership with Aboriginal services to encourage participation.
[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					

SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Roads					
<i>Satisfaction</i>					
<i>Satisfaction with sealed local roads</i>	50.00	47.00	54.00	50.00	Results for community satisfaction with sealed local roads has seen a decrease of four points. Council is aware that residents find it difficult to ascertain a council maintained road compared to roads maintained by other authorities.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
Statutory Planning					
<i>Decision making</i>					
<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	0.00%	0.00%	There were no VCAT appeals in the 2021/22 financial year.
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					
SERVICE PERFORMANCE INDICATORS					
Service/indicator/measure	Results 2019	Results 2020	Results 2021	Results 2022	Material Variations
Waste Collection					
<i>Waste diversion</i>					
<i>Kerbside collection waste diverted from landfill</i>	42.16%	37.15%	44.88%	37.99%	There has been a reduction in the amount of recycling collected in 2021/22 compared to the previous year. Council attributes this to the introduction of new glass drop off services and the impact of COVID-19 restrictions in 2020/21, resulting in increased recycling from the community. Council has a strong focus on reducing waste and continues to support the community in waste education.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

DEFINITIONS

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the *Aboriginal Heritage Act 2006*

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

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

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

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

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

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

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

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

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

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

"population" means the resident population estimated by council ²

² Council has utilised the March 2022 Australian Bureau of Statistics release for population estimate.

FINANCIAL PERFORMANCE INDICATORS

For the year ended 30 June 2022

FINANCIAL PERFORMANCE INDICATORS									
Dimension/ indicator/ measure	Results					Forecasts			Material Variations
	2019	2020	2021	2022	2023	2024	2025	2026	
Efficiency									
<i>Expenditure level</i>									
<i>Expenses per property assessment</i>	\$3,877.29	\$4,339.72	\$4,708.71	\$4,696.00	\$4,913.71	\$4,983.86	\$5,112.14	\$5,188.71	The number of assessments is anticipated to remain fairly constant, with most costs in line with market forces. The continued growth in Community Care Services has increased this indicator. The decrease between 2020/21 and 2021/22 relates to extra grant funding received in 2021 for COVID support and Drought Communities support.
[Total expenses / Number of property assessments]									
<i>Revenue level</i>									
<i>Average rate per property assessment</i>	New in 2020	\$1,611.12	\$1,613.29	\$1,654.71	\$1,701.43	\$1,733.60	\$1,766.41	\$1,799.88	This increase is in line with the rate cap.
[General rates and Municipal charges / Number property assessments]									
Liquidity									
<i>Working capital</i>									
<i>Current assets compared to current liabilities</i>	272.15%	255.12%	197.32%	199.99%	291.46%	296.72%	293.82%	290.72%	Position sound and aided by the increase in cash due to the early payment of Federal Assistance Grants of 75 per cent for the 2022/23 annual allocation. Current liabilities are higher than previous years due to the receipt of capital grants in advance which have been treated as unearned income. There is a corresponding increase in current assets as a result of the early payment of Federal Assistance Grants and capital grants in advance. The indicator increases in the forward years as Council does not budget for unearned grants which is an unknown factor.
[Current assets / Current liabilities] x100									

FINANCIAL PERFORMANCE INDICATORS									
Dimension/ indicator/ measure	Results					Forecasts			Material Variations
	2019	2020	2021	2022	2023	2024	2025	2026	
Liquidity									
<i>Unrestricted cash</i>									
<i>Unrestricted cash compared to current liabilities</i>	70.05%	48.76%	80.64%	54.41%	174.08%	180.01%	177.47%	176.41%	Unrestricted cash is sufficient to cover Council's current obligation towards employee provisions, loan liabilities and trade payables. Unrestricted cash excludes Other Financial Assets i.e. term deposits with maturity greater than 90 days. Other Financial Assets are higher in 2021/22 and as a result, this indicator is lower than prior year.
[Unrestricted cash / Current liabilities] x100									
Obligations									
<i>Loans and borrowings</i>									
<i>Loans and borrowings compared to rates</i>	4.42%	3.46%	2.64%	1.79%	1.08%	0.36%	0.00%	9.81%	Council has a low level of debt. Based on current borrowings, Council will be debt free in 2024/25. Council's Adopted Budget 2022/23 proposes new loan borrowings for the construction of the Regional Wellbeing Centre in 2025/26.
[Interest bearing loans and borrowings / Rate revenue] x100									
<i>Loans and borrowings</i>									
<i>Loans and borrowings repayments compared to rates</i>	1.11%	1.07%	0.93%	0.89%	0.76%	0.75%	0.37%	0.89%	Council has a low level of debt. Based on current borrowings, Council will be debt free in 2024/25. Council's Adopted Budget 2022/23 proposes new loan borrowings for the construction of the Regional Wellbeing Centre in 2025/26.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

FINANCIAL PERFORMANCE INDICATORS									
Dimension/ indicator/ measure	Results					Forecasts			Material Variations
	2019	2020	2021	2022	2023	2024	2025	2026	
Obligations									
<i>Indebtedness</i>									
<i>Non-current liabilities compared to own source revenue</i>	8.35%	7.71%	8.36%	7.48%	6.16%	5.97%	5.92%	10.99%	Council has a low level of debt. This debt is reducing and rates income is increasing in line with the rate cap. In 2020/21, this indicator was higher due to the increase in landfill rehabilitation provision to meet the Environmental Protection Authority (EPA) obligations. Council's Adopted Budget 2022/23 proposes new loan borrowings for the construction of the Regional Wellbeing Centre in 2025/26.
[Non-current liabilities / Own source revenue] x100									
<i>Asset renewal and upgrade</i>									
<i>Asset renewal and upgrade compared to depreciation</i>	New in 2020	112.16%	111.53%	94.31%	113.30%	100.29%	144.10%	173.29%	The 2021/22 result is lower than previous years due to the continuation of multi-year road projects into 2022/23. Funds have been earmarked for the completion of these projects. This indicator increases in 2024/25 and 2025/26 on account of budgeted renewal and upgrade works on Kerang CBD and the Regional Wellbeing Centre in 2024/25 and 2025/26.
[Asset renewal and upgrade expense / Asset depreciation] x100									

FINANCIAL PERFORMANCE INDICATORS									
Dimension/ indicator/ measure	Results					Forecasts			Material Variations
	2019	2020	2021	2022	2023	2024	2025	2026	
Operating position									
<i>Adjusted underlying result</i>									
<i>Adjusted underlying surplus (or deficit)</i>	2.96%	-0.26%	-2.23%	4.45%	-3.47%	0.32%	-0.25%	0.20%	This result is higher in 2021/22 due to the early payment of 75% of the 2022/23 annual allocation of Federal Assistance Grants (1.6M). The corresponding decrease in 2022/23 is due to the recognition of this early payment in 2021/22.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									
Stability									
<i>Rates concentration</i>									
<i>Rates compared to adjusted underlying revenue</i>	46.09%	44.51%	41.84%	40.50%	43.05%	41.83%	41.83%	41.85%	Rates proportion of adjusted underlying revenue has been declining due to growth in community services.
[Rate revenue / Adjusted underlying revenue] x100									
<i>Rates effort</i>									
<i>Rates compared to property values</i>	0.76%	0.73%	0.72%	0.69%	0.55%	0.55%	0.55%	0.56%	Rates compared to property values remains consistent due to rate capping.
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									

DEFINITIONS

"adjusted underlying revenue" means total income other than:

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

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

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

"population" means the resident population estimated by council³

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

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

³ Council has utilised the March 2022 Australian Bureau of Statistics release for population estimate.

FORMER MEASURES

The following indicators were retired in the year ending 30 June 2021

FORMER MEASURES				
Service/indicator/measure	Results 2018	Results 2019	Results 2020	Material Variations
Animal Management				
<i>Health and Safety</i>				
<i>Animal Management prosecutions</i>	0.00	2.00	Retired in 2020	Retired in 2020
[Number of successful animal management prosecutions]				
Efficiency				
<i>Revenue Level</i>				
<i>Average residential rate per residential property assessment</i>	\$1,158.40	\$1,272.31	Retired in 2020	Retired in 2020
[Residential rate revenue / Number of residential property assessments]				
Obligations				
<i>Asset Renewal</i>				
<i>Asset renewal compared to depreciation</i>	92.72%	99.11%	Retired in 2020	Retired in 2020
[Asset renewal expense / Asset depreciation] x 100				

OTHER INFORMATION

For the year ended 30 June 2022

1. Basis of preparation

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

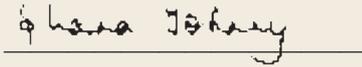
Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 29 June 2022 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

CERTIFICATION OF THE PERFORMANCE STATEMENT

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



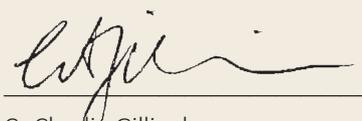
Shana Johnny, CPA
 Principal Accounting Officer
 Dated: 21/9/2022

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

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

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

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



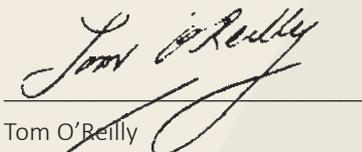
Cr Charlie Gillingham
 Councillor

Dated: 21.9.2022



Cr Garner Smith
 Councillor

Dated: 21/9/2022.



Tom O'Reilly
 Chief Executive Officer

Dated: 21/9/2022



Independent Auditor's Report

To the Councillors of Gannawarra Shire Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Gannawarra Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2022 • sustainable capacity indicators for the year ended 30 June 2022 • service performance indicators for the year ended 30 June 2022 • financial performance indicators for the year ended 30 June 2022 • other information and • certification of the performance statement. <p>In my opinion, the performance statement of Gannawarra Shire Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020</i>.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

<p>Auditor’s responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p> <p>As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control • evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation. <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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Travis Derricott
as delegate for the Auditor-General of Victoria

Glossary

ADVOCACY - Lobbying for the needs of the community through reasoned argument to the relevant authorities.

ASSET - A physical component of a facility that has a value, enables a service to be provided and has an economic life greater than 12 months. Roads, halls and footpaths are assets.

ASSET MANAGEMENT - The processes by which Council collects and maintains a comprehensive database of asset conditions and uses this information to prioritise works funding and maintain existing assets at desired condition levels.

BUSINESS EXCELLENCE FRAMEWORK - A framework or foundation used to create an environment for continuous improvement that leads to sustainable organisational success.

CAPITAL WORKS - Work undertaken to either renew, upgrade, or construct assets owned by the Gannawarra community. Renewal capital works extend the functional use of an existing asset by complete or part refurbishment or replacement. These works are usually carried out on an asset which is deteriorating to an unacceptable service level. Upgrade capital works intentionally improve the level of service provided by an existing asset, due to performance requirements having increased beyond current capacity.

CODES OF CONDUCT - Statements of how the Councillors and/or staff will interact and work with colleagues and the community.

COMMUNITY PLAN - Plan developed by a community that outlines the community's priorities.

COMMUNITY SATISFACTION SURVEY - An independent annual survey of community satisfaction, jointly sponsored by the Victorian Department of Jobs, Precincts and Regions and local governments.

CONTINUOUS IMPROVEMENT - Process of ensuring that review and improvement practises are built into operational activities.

DEPRECIATION AND AMORTISATION - An expense which recognises the value of a fixed asset as it is used up over time.

EMPLOYEE BENEFITS - Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax, Work Cover and redundancy payments.

EQUITY - Residual interest in the assets of Council after the deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.

EXPENSE - An outgoing payment made by Council.

GOVERNANCE - How Council operates as a decision making body, its relationship with the administration, and the ways that Council engages with its community in this process.

GROWING GANNAWARRA – 2021-2025 COUNCIL PLAN - Plan written to guide Council's activities for a four-year period. Details the strategic directions and objectives for the municipality, and underpins all the decision making processes, policies and procedures of Council.

INFRASTRUCTURE - Physical assets required to enable the community to be connected and operational. This includes roads, drains, footpaths and public open spaces, as well as public facilities and buildings.

LIABILITIES - Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.

REVENUE - The amount of money that Council actually receives from its activities, mainly from rates, grants and services provided to customers and ratepayers.

RISK MANAGEMENT - Discipline for developing appropriate procedures to reduce the possibility of adverse effects from future events.

ROAD MANAGEMENT PLAN/ROAD ASSET MANAGEMENT PLAN - The plan developed to establish a management system for the public road functions that are the responsibility of the Council. The management system is based on policy and operational objectives and at the same time recognises resource limitations in undertaking the necessary levels of service and performance standards outlined in the plan.

WARDS - The geographical area of Gannawarra Shire is broken into four electoral divisions named wards. Each ward has elected representatives.

Abbreviations and Acronyms

ABS	Australian Bureau of Statistics	HSC	High School Certificate
AEMO	Australian Energy Market Operator	IPAA	Institute of Public Administration Australia
AAS	Australian Accounting Standard	KM	Kilometres
CALD	Culturally and linguistically diverse	LGA	Local Government Area
CASI	Community Activation and Social Isolation Initiative	LGPRF	Local Government Performance Reporting Framework
CBD	Central Business District	LGPRO	Local Government Professionals
CCTV	Closed-circuit television	LGV	Local Government Victoria
CEO	Chief Executive Officer	LMWRRG	Loddon Mallee Waste and Resource Recovery Group
CORE	Council Opportunity and Risk Evaluator	MAV	Municipal Association of Victoria
CPA	Certified Practising Accountant	MRF	Materials Recovery Facility
CPI	Consumer Price Index	MCH	Maternal and Child Health
CR	Councillor	MLC	Member of the Legislative Council
CVGA	Central Victorian Greenhouse Alliance	MPHWP	Municipal Public Health and Wellbeing Plan
ELT	Executive Leadership Team	MSS	Municipal Strategic Statement
EPA	Environmental Protection Authority	NDCH	Northern District Community Health
FOGO	Food Organics, Garden Organics	NDIS	National Disability Insurance Scheme
FTE	Full Time Equivalent	OHS	Occupational Health and Safety
GLAM	Gannawarra Local Agency Meeting	PiLoR	Payment in Lieu of Rates
GNETS	Gannawarra Non-Emergency Transport Service	RSL	Returned and Services League
GST	Goods and Services Tax	SEIFA	Socio-Economic Indexes for Areas
HON.	Honourable	SES	State Emergency Service
		VAGO	Victorian Auditor-General's Office



GANNAWARRA
Shire Council

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www.youtube.com/GannawarraShire