



Annual Report

2020/21



About our Annual Report

Swan Hill Rural City Council is pleased to present its 2020/21 Annual Report, which provides a detailed account of our performance from 1 July 2020 to 30 June 2021.

Documenting Council's performance against the 2020/21 Budget and the Council Plan, the Annual Report highlights achievements and challenges faced within key service areas and programs.

Council seeks to achieve community engagement and an understanding of Council's operations by conducting its affairs openly and with integrity.

Transparency in our decision-making and accountability are core values of Council, reflecting high levels of good governance.

This report provides information to a variety of audiences including community groups, businesses, ratepayers, visitors, investors, government agencies and other interested stakeholders.

Acknowledgement

Swan Hill Rural City Council acknowledges the traditional custodians of the land, and pays its respects to their elders, past and present.

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An aerial photograph of a river flowing through a lush green forest. The sun is low on the horizon, creating a warm, golden glow and long, soft shadows. The river reflects the light, and the surrounding trees are dense and vibrant green.

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Welcome to the report of operations

We are committed to transparent reporting and accountability to our community. The Annual Report is our primary means of advising residents within the Swan Hill Rural City Council region about our operations and performance during the 2020/21 financial year.

How to read our Annual Report

Introduction

Provides a snapshot of our region and highlights what we have accomplished.

The year in review

Messages from our Mayor and CEO, a financial summary and major projects highlights.

Our Council

Our region's history and profile, and information on our Councillors.

Our people

Information on Council's employees, including our organisational structure, occupational health and safety, equal opportunity, and appreciating our staff.

Our performance

Results against our Council Plan key strategic initiatives, Local Government performance reporting indicators, and major initiatives and services identified in the 2020/21 Budget.

Corporate governance

Governance and statutory information including decision-making, elected members, risk management, benchmarking and accountability.

Performance statement

Local Government performance reporting indicators for sustainable capacity, service performance and financial performance.

Financial performance

Council's general purpose financial statements.



Part one

Introduction

Snapshot of Council

Swan Hill Rural City Council covers 6,116 square kilometres and is home to 20,534* people. It includes the townships of Swan Hill, Robinvale, Lake Boga, Nyah, Nyah West, Piangil, Beverford, Woorinen, Ultima, Manangatang and Boundary Bend.

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

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

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

Irrigated farming (including stonefruit, grapes, nuts, olives and vegetable production) accounts for over 15 per cent of the total economic output for the municipality, while traditional livestock and broadacre farming accounts for almost 5 per cent.

More than 17 per cent of all jobs in the city are directly related to agriculture.

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

The 2018 gross value of production for irrigated crops in the Swan Hill LGA was estimated at \$1.18 billion and the 2017-18 gross value of production for dryland cropping in the Swan Hill LGA was estimated at \$211.6 million. These figures are likely to be higher in 2021.

Located along the Murray River, tourism plays an important role in our region's[#] economy. Our climate and natural beauty attract around 917,500 each year as reported in the Murray Regional Tourism (MRT) Snapshot report, March 2020. The devastating effects of the COVID 19 pandemic have severely impacted the local tourism economy. Data captured in Murray River Tourism (MRT) "Travel to the Murray Region (April 2020 to March 2021)" report indicates a reduction of 51.9% or 434,000 visitors for domestic overnight travel, impacting our local economy by \$143 million.



Our municipality: fast facts

20,534*	Our population
6,116km²	Our area
3,655km	The length of our local roads (sealed and unsealed)
12,124	Our rateable properties
\$1.46 billion	Gross regional product
9,126	People working

Our Vision

A prosperous and healthy community enjoying quality facilities and services.

Our Mission

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

Our Values

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

Community engagement

We will ensure that our communities are consulted, listened to and informed.

Leadership

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

Fairness

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

Accountability

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

Trust

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



Highlights of the year

Economic Growth

- While COVID continues to take a significant toll for businesses in the region, economic development is still happening and existing and new businesses are showing confidence in the municipality.
- New residential developments in the South West precinct, two new childcare centres, an active lifestyle village, expansion of the Robinvale distillery, large citrus plantation are all in train and examples of the entrepreneurial spirit of the region.

Community Enrichment

- Thirty nine community groups and events have shared in more than \$110,000 through Council's community and events grants. In addition, approximately \$15,000 has been allocated to boost the hospitality and entertainment industry through our Local Entertainment Grant initiative.
- Completion of the new Robinvale Learning and Community Hub – a new permanent community library, replacing weekly mobile library visits to Robinvale.
- Tenth Anniversary of the TAC L2P Program – in the past decade the TAC L2P program has helped 352 learner drivers, achieved 115 licences, involved 82 mentors and acquired 500 driving hours.
- Fairfax Youth Initiative successfully went digital – they created an impressive virtual gallery and held a variety of online events during the COVID-19 pandemic. The week received rave reviews.
- The Vibrant Villages project began for the communities of Woorinen, Ultima, Manangatang, Lake Boga, Boundary Bend, Piangil, Beverford, Nyah and Nyah West will receive \$750,000 worth of community upgrades.

Infrastructure

- The commencement of upgrades to the Swan Hill Aerodrome. The funding will enable the aerodrome to increase its capacity, including allowing larger aircraft to operate at the facility. The project received \$1.2 million in Federal funding.
- New toilets were installed at the George Lay Park in Swan Hill, a much anticipated project for the Swan Hill community. The toilets were opened in June 2021.
- An off leash dog park in Swan Hill has been the result of an off leash dog area trial. The comprehensive program of works has commenced and is expected to be completed in July 2021. The project is funded by the Local Parks Program which is supported by the Victorian Government.

Governance and Leadership

- Endorsed the COVID-19 Economic Response, Relief and Recovery Action Plan.
- Adopted the Robinvale Housing Strategy.
- Established an Audit and Risk Committee
- Adopted the Public Transparency Policy
- Adopted the Long Term Financial Plan 2020/21 to 2029/30 as presented.
- Approved the Implementation of the Swan Hill Aerodrome Improvement program of works.
- Approved the Swan Hill Incorporated Annual Marketing Plan and Budget (2021/22)
- Adopted the updated Environmental Management Policy

Environment

- Mallee Sun Solar Bulk Buy is a partnership between Council and the More Australian Solar Homes (MASH) community solar bulk-buy which is delivered by the not-for-profit Central Victorian Greenhouse Alliance. The partnership ensures high quality solar systems at competitive prices for residents. The program also works closely with local installers to promote local job opportunities.
- Council is one of 46 Victorian councils to sign on to VECO, the Victorian Energy Collaboration, the largest ever emissions reduction project by local government in Australia. ECO, led by Darebin City Council in Melbourne's north, will provide 45 per cent of all Victorian Councils' electricity requirements with 100 per cent renewables, reducing greenhouse emissions by 260,000 tonnes of CO₂-e every year. Provided by Red Energy, the 240GWh of clean power is equivalent to powering 48,000 homes with renewables or removing the emissions from 90,000 cars every year.
- Two new EV chargers are being installed in our municipality in Swan Hill and Robinvale. The new stations are expected to boost tourism, create jobs and reduce emissions.

Challenges for 2020/21

- Proposed Heritage Listing of Pioneer Settlement.
- Delays in construction of the Our Place project.
- Work with local and state organisations to implement priorities from the Robinvale Housing Strategy.
- Additional challenges relating to COVID-19 restrictions including changed work environments, business and facility closures, event cancellations and local economic impacts.
- Aged Care Royal Commission final report and recommendations have created more uncertainty in the future of community-based aged care services.
- Progress on the recently-adopted Youth Strategy and Municipal Early Middle Years Plan



Statistics for 2020/21



Year at a glance

July

Dr Anne Webster MP visit

Federal Member for Mallee Dr Anne Webster visited manufacturing businesses in the Swan Hill region. The visits highlighted the size and diversity of the manufacturing sector in Swan Hill and the growth of industry.



Tower Hill Stage 12

All 19 lots of Stage 12 Tower Hill were reserved and contracts for the sale signed.

Infrared thermometers for accommodation providers

Infrared thermometers were distributed to the region's accommodation providers as part of the Victorian Government's efforts to slow the spread of COVID-19.



Swan Hill features on weather report

Swan Hill featured on the Channel 9 weather report. Swan Hill Incorporated jumped at the opportunity presented by Murray River Tourism and Visit Victoria and provided footage of a few familiar faces.

Visit Melbourne features Swan Hill

Swan Hill was featured on the Visit Melbourne Instagram page. The page has more than 795,000 followers.

Our Place Site Option 1 adopted

Site Option 1 is inside the Pioneer Settlement to the north of the Gem and will house the art gallery, visitor services, the Pioneer Settlement entrance and a new Aboriginal cultural experience.

The motion that was carried included an agreement to retain the windmill and train on the Pioneer Settlement grounds. Council also resolved to investigate repair works for the Pental Island Bridge.



New South Wales border closure

Due to the COVID-19 pandemic, the NSW Government announced a permit system for those that need to travel between Victoria and NSW.

Working for Victoria Program

Council employed 47 new staff for six months as part of the State Government's Working for Victoria initiative. Roles included outdoor workers, cleaners, administration support and community services staff.

Robinvale Netball Courts

Designs for the new Robinvale Netball courts were finalised and a survey completed regarding a new entry concept. The new entry aimed to realign the entry into the Leisure Centre, to transition smoothly with Watkins Street.

Bromley Road line marking complete

Permanent line marking was completed along Bromley Road, as part of the Bromley Road Beautification Project.

Year at a glance continued

Route 52 signs

The rollout of Route 52 replacement signs took place over a five-month period.



Reimagined seniors festival

Older community members were encouraged to take part in the reimagined Victorian Seniors Festival. Rather than public events in October, the festival ran from May to October online and on radio. The festival was brought to seniors' homes through online performances, zoom interviews and story-telling.

New carpet at library

New carpet was installed at the Swan Hill Regional Library, giving the library a fresh new look.



Free online workshops

Council and Business Victoria hosted free online workshops for business owners. Training included building an understanding of online advertising, search engines, websites, blogs and social media through practical exercises and real-life examples.

Council and Business Victoria also hosted a free online workshop regarding managing cash flow, including how to prepare a cash flow forecast. The workshop was delivered by a small business financial expert and provided practical tips and techniques business owners could apply straight away.

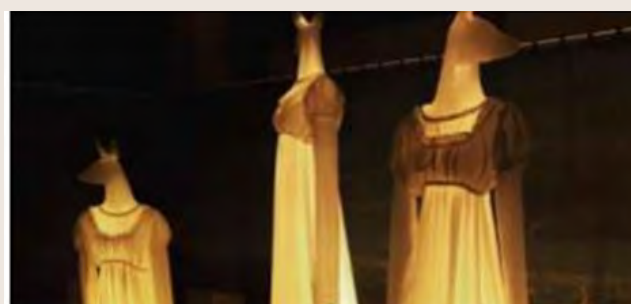
Lake Boga path

Whitfields Excavations completed the path behind the Yacht and Sea Scouts Clubs at Lake Boga and commenced work on building the path between the lake and houses. With the help of our outdoor staff the re-laying of local turf also commenced.



Promiscuous Provenance exhibition

The Swan Hill Regional Art Gallery hosted the exhibition *Promiscuous Provenance* by award-winning artist Anna Glynn from 18 July to 30 August. The exhibition explored colonial artworks through reimagined antipodean landscapes and playful pairings.



Robinvale arts centre facelift

The Robinvale Community Arts Centre received a facelift, with painting at the building giving the centre a freshen up.



Fence and cricket nets completed

The Robinvale crew, with assistance from the Swan Hill building team, replaced the Pisasale Park fence. Finishing touches were also applied to the Robinvale Cricket Nets.



Robinvale Housing Strategy action plan

Council adopted an action plan to implement the Robinvale Housing Strategy at its July meeting. The strategy highlights the issues encountered in the Robinvale area such as a shortage of low-cost and temporary accommodation. Actions include the development of eight houses in Ronald Street, with Council planning to construct houses on recently subdivided land. This has been made possible via \$500,000 in funding from the State Government, matching Council's own contribution.

August

Responsible pet ownership a must

Dog owners were urged to increase their vigilance and demonstrate responsible pet ownership at all times after a large number of incidents around the Swan Hill area. The incidents included the killing of livestock, attacks on other dogs and people.



Information centre brings yoga online

The Swan Hill Region Information Centre partnered up with local certified yoga teacher Nicole Cutri to bring weekly mini-breaks of yoga and meditation. Each weekly session ranged from 15 to 30 minutes, with the aim of quieting the mind and softening tension within the body.

Our Place Cultural Experience space

Council through Wandarrah Action Committee (WAC) continued yarning with the Aboriginal community about the Cultural Experience space for Our Place, including design images showing how the space could be used in different ways. This included a space to provide digital education and storytelling, a visual and digital exhibition around the truth telling timeline, and as a meeting space (both for formal and informal gatherings).

Funding boost for Swan Hill Aerodrome

A community consultation period was opened for anyone wishing to provide comment regarding proposed upgrades to the Swan Hill Aerodrome. The Federal Government committed over \$1.2 million in funding to upgrade the aerodrome. The upgrades include strengthening the main runway and extending the pavement area for a better equipped refuelling facility, and reconstruction and extension of the existing taxiway. The project is expected to be completed by June 2022.



Supporting our youth

Council's Youth Services continued to support the municipality's young people in the municipality during the COVID-19 pandemic with a number of initiatives, including a focus on Year 12 students through school study group sessions and wellbeing programs across schools. Other initiatives included outreach to young people in Robinvale and Manangatang, daily client meetings with Empower Youth Program clients, online weekly NOVO meetings and fortnightly Student Representative Council meetings in Robinvale, online workshops and music events and art/photo competitions.

Year at a glance continued

Swan Hill Remembers launched

The Swan Hill Regional Library launched their documentary-style film *Swan Hill Remembers*. The online event included the launch of the film and exhibition, as well as a special author talk with Mike Rosel, author of *A Rat of Tobruk: A Digger's Lost Images of the Siege*. The online exhibition featured memorabilia commemorating local heroes, heroines and significant local sites of World War II.



Lapping up a new dog park in Swan Hill

Council received \$80,000 funding from the Victorian Government for a new off-leash dog park at Swan Hill's Barry Steggall Park.

Swan Hill Regional Soccer Hub scores funding goal

Council received a welcome funding boost of \$500,000 to upgrade facilities at Ken Harrison Sporting Complex towards a Swan Hill Regional Soccer Hub.

The funding will enable the construction of a new pavilion, which will include four unisex change rooms, two unisex umpire facilities, accessible toilet, social space, first aid and storage. The facility is expected to be completed by mid 2022.



September

2020 Youth Arts Festival Ambassador

Luca Devlin was announced as the ambassador for Swan Hill's Youth Arts Festival 2020. Youth Arts Festival is an annual one day event celebrating the talents of young people in the community. The festival went virtual in 2020, featuring live performances and virtual art spaces for young people.

New EV charging stations for Swan Hill

Council was pleased to partner with 11 other councils and the Victorian Government to roll out a public network of Electric Vehicle (EV) charging infrastructure. Charging stations are to be installed in the Curlewis Street carpark in Swan Hill and George Street Robinvale – both easily accessible and central locations.

The Victorian Government invested \$664,000 to build charging stations, to better link towns across Victoria and encourage more visitors to the region.

Heartbeat returns

The nightly "Heartbeat of the Murray" laser light spectacular returned for the Victorian school holidays, showing every night from 19 September to 3 October and with limited numbers of 30 patrons per show.



Grants approved

Twenty-two projects were successful in gaining funding under the Community Development Fund program, with successful applicants contributing almost \$153,000 in cash, in-kind and sponsorships or other funding to match Council's funds. Around \$35,000 in funding was allocated to 16 events under the Event Support Fund.

October

New signage at The Stadium

New signage and bollards were installed at The Stadium in Swan Hill. The bollards were the first of a new type being trialled, made from a wood plastic composite and made utilising recycled and reclaimed materials. Council's Working for Victoria staff also begun painting and refreshing the interior seating and scorers' benches.



Get online in 2020

The Swan Hill Regional Library got involved in a digital inclusion campaign by hosting several activities during Get Online Week. Activities included an author talk, the posting online tips, as well as a related question on the library's Facebook page each day with readers who answered the question put into the draw to win a daily prize. There were also online quizzes during the week.

Council election results announced

The Victorian Electoral Commission announced the results for the Swan Hill Rural City Council election. The seven Councillors elected to Council for the next four years were: Jade Benham (re-elected), Les McPhee (re-elected), Stuart King, Nicole McKay (re-elected), Bill Moar (re-elected), Ann Young (re-elected) and Chris Jeffery (re-elected).

NAIDOC Week celebrations

Celebrations occurred across Australia in recognition of NAIDOC Week. Council assisted Mallee District Aboriginal Services (MDAS) in hosting events in the municipality during the month as part of NAIDOC Week, including events in Swan Hill and Robinvale. Council updated its Facebook cover banner for the duration of NAIDOC Week in acknowledgment of local First Nations people.

November

Murray Basin Rail project petition

At its November meeting, Council signed and supported the petition of Member for Mallee Anne Webster regarding reviving the stalled Murray Basin Rail Project. Council would also write to the Member for Mallee and the Prime Minister regarding ongoing assistance from the Federal Government to ensure completion of the project.

Free pet microchipping in Swan Hill

Council gave residents the chance to microchip their pets for free over the week from 23 November. A total of 50 microchips were available with a limit of two per household. The free microchipping program was scheduled to return to Robinvale in February 2021.

December

Christmas tree at Town Hall

The first ever Christmas tree went up at the front of the Swan Hill Town Hall PACC with Council depot crews installing the tree. The tree was installed following a request by Swan Hill Incorporated.



Budget welcomed

Council welcomed some positive news from the Victorian Budget, including \$10 million for upgrades to the Robinvale-Sea Lake Road – a project Council and communities had been advocating for. There was also funding for \$15 million for social housing in the Swan Hill municipality as well as funding for upgrades to the Swan Hill Specialist School.

Council expressed disappointment that the Swan Hill Hospital again missed out on funding, and said it would continue to advocate for a new hospital in cooperation with the Swan Hill Needs a New Hospital committee and the community.

Year at a glance continued

Fairfax Youth Initiative goes digital

The Fairfax Youth Initiative (FYI) announced it was going digital for the first time in over 20 years. From December 2020 to January 2021, the Fairfax team provided online mentorship in storytelling to 15 young people, aged 13 to 25 living in the Murray Mallee. The mentorship included coaching and workshops with theatre practitioners, comedians and filmmakers.

Fairfax then selected up to five storytellers to adapt their story for the small screen, working with some of Australia's finest filmmakers to shoot short films on location in the storytellers' hometowns from March to May 2021.

Nyah Netball Courts works continue

Courts, lighting and shelters were completed on the new Nyah Netball Courts, with works on surrounding irrigation and landscaping taking place.



Council flicks the renewable switch

Council joined with 46 other Victorian Councils to form Australia's largest ever buying group to switch to 100 per cent renewable energy. Participating councils will use renewable energy to power municipal offices, leisure centres, streetlights and community buildings.

New kitchen for Senior Citizens

The Nyah West Senior Citizens Hall had a makeover with a complete kitchen refurbishment. The works were undertaken by RTM Constructions and finished ahead of schedule.



January

Free school holiday program at the art gallery

Children engaged with art and creativity at the Swan Hill Regional Art Gallery during free workshops as part of the gallery's School Holiday Program. Run by local artist Shirley Pinchen, the free workshops were made possible thanks to the National Gallery of Victoria (NGV). The workshops were inspired by the artists Alice Oehr, Kenny Pittock and Misaki Kawai.

Great turnout for Pioneer Settlement

The Pioneer Settlement welcomed a significant number of visitors through its doors during the Christmas and New Year period – up 50 per cent from the previous year.

The Heartbeat of the Murray was also well patronised with up to three shows being held a night. The Pyap also did up to three cruises a day, while the summer school holiday program entertained the many visitors.

Robinvale Community Library opens its doors

The Robinvale Community Library opened its doors with a "soft opening" on 18 January. Community members were invited to come along and use the new facility or have a look around. A children's Storytime was also held the same day. Feedback from the community was very positive.



Speed reductions in Swan Hill CBD

The speed limit was reduced to 40km/h in some areas of the Swan Hill CBD, following recommendations from the Department of Transport in response to installed dining pods throughout areas of the CBD. The speed reductions were introduced to ensure the safety of both diners and road users following increased trading in areas outside local hospitality businesses.

Australia Day awards

Mayor Bill Moar congratulated the winners of the Australia Day Awards: Citizen of the Year Lucy Dacey, Young Citizen of the Year Mia Rovere and Community Event of the Year the Swan Hill 24-hour Swimathon.



February

2021 line up at the Town Hall impresses

The Swan Hill Town Hall PACC introduced its exciting line up for 2021, including circus, theatre, music, comedy and dance – with further announcements of tours to be made. All members of the community were encouraged to head online and find out what was coming to the Swan Hill region.

Community partnership getting L2Ps on the road

The Swan Hill TAC L2P Program obtained a new Toyota Yaris thanks to a community partnership between Swan Hill and Kerang Toyota, Murray Mallee Local Learning Employment Network (MMLLEN) and Headspace Swan Hill. The TAC L2P Program assists learners under 21 years of age, who do not have access to a supervising driver or vehicle, to gain the 120 hours driving experience required to apply for a probationary licence. In 2020, 78 young people were involved in the program.

Solar meeting held

The Central Victorian Greenhouse Alliance in partnership with Council held a community information meeting on 25 February regarding installation of solar or adding battery storage to a home or business

Why leave town?

The Swan Hill Region Visitor Information Centre was awarded second place in the Australia-wide *Why Leave Town* promotion, for their Swan Hill Gift Card sales. The Visitor Information Centre loaded \$35,790 onto local Swan Hill Gift Cards during 2020 – an outstanding achievement.

The Swan Hill Gift Card promotion was a unique and convenient gift that was developed by *Why Leave Town* in conjunction with Swan Hill Incorporated. The main benefit of the initiative was to keep money within local communities.



March

Campbell and Pye streets road reconstruction works

Campbell Street and Pye Street in Swan Hill received a major upgrade. Works included replacing existing kerb and channel, road pavement and drainage along with reconstruction of the roundabout on the corner of the streets, to prevent future flooding in the area. The project was funded through the Federal Government's Roads to Recovery Program.

Iconic building moves forward

Detailed design work got underway for Swan Hill's new iconic visitor, arts and cultural building, Our Place, with architects working closely with consultants specialising in construction of modern Art Galleries and visitor engagement.

Help name the new Robinvale library

Council sought feedback from the community to help finalise the new name for the Robinvale College and Community Library building. The library naming panel met and selected two potential names for the community to vote on. These names were "Robinvale Learning and Community Hub" and "Gathering Place."

Year at a glance continued

New gym equipment for leisure centres

Council gave leisure centres in Swan Hill and Robinvale a boost, investing a total of \$200,000 towards the replacement of gym equipment at the facilities. The funding included \$120,000 for the Swan Hill Leisure Centre and \$80,000 for the Robinvale Leisure Centre.



April

Sod turning for Ronald Street construction

Minister for Agriculture and Regional Development Mary-Anne Thomas travelled to Robinvale to participate in a sod-turning ceremony to mark the start of construction for the Ronald Street housing development.



Additional OOSH care funding

The Member for Northern Victoria Mark Gepp announced funding for Lake Boga Primary School and Swan Hill North Primary School to establish a new out of school hours (OOSH) care service. The schools will receive up to \$75,000 per year over the next four years for their OOSH care service. The funding will help alleviate current pressure on Council's OOSH service, which is welcome news for families across the municipality.

Funding for new library van welcomed

Council welcomed a funding announcement from Member for Northern Victoria Mark Gepp, who announced \$267,050 from the Victorian Government's Living Libraries Infrastructure Program towards the purchase and fit out of a new mobile library van for Swan Hill.

The funding will enable Council to replace the older mobile library van, providing better library services to our communities including Beverford, Lake Boga, Manangatang, Ultima and Woorinen.

May

Robinvale Learning and Community Hub – grand opening

Over 100 people attended the official community opening of the newly-named Robinvale Learning and Community Hub. Two meeting rooms were formally named during the opening. The "Merlin Room" and the "Irving Room". The spaces are named after Robinvale residents Shirley Irving and Mary Merlin, who spent many years encouraging Robinvale children to read.



June

George Lay Park toilets completed

The long awaited George Lay Park toilets were completed. The new toilet block at George Lay Park had been on the agenda for some time following an expressed need from the community. George Lay Park toilet block is part of \$1.49 million in improvement projects being delivered around the municipality.





Part two

Year in review

Mayor and CEO message



We are pleased to present the 2020/21 Annual Report to our community.

This year again saw the COVID-19 pandemic impact on our community, including local businesses and Council services via restrictions and lockdowns at differing intervals.

We'd like to thank residents, community groups, businesses and Council officers for continuing to work together towards our municipality's success, in spite of the difficulties faced this year due to the ongoing pandemic.

Council, as much as it was possible and where restrictions allowed, tried to keep as many services open to the public. Sometimes this took different forms – such as a “click and collect” service at the library's Swan Hill and Robinvale branches or staff working from home.

Due to the impact of the pandemic on our community, Council extended the rates payment instalment and deferment of rates for commercial properties to help ease some pressure off ratepayers.

Council also suspended parking fees, switched off parking meters and introduced free car parking in Swan Hill's privately-owned Curlewis Street car park.

Council's Economic Development Unit (EDU) team continued to support businesses through COVID-19 lockdowns and restrictions, including working with hospitality businesses around the roll out of outdoor dining pods. Funded by the State Government, the dining pods enabled hospitality business to extend outdoor dining in line with social distancing and COVID-19 restrictions.

Additionally, the EDU continued to provide targeted communications with local business to keep businesses informed about support, current restrictions and available funding opportunities.

More broadly, Council assisted Victoria Police during border closures, centred largely on administrative and logistical support. Council also worked with Victoria Police and Swan Hill District Health (SHDH) staff throughout the operation of SHDH's COVID-19 testing clinic, including implementation of safety measures.

A year of projects

The year saw the delivery of a number of projects across our municipality.

In January, the new \$2.55 million Robinvale Learning and Community Hub opened its doors. Funded by the Victorian Government and Council, an official opening of the building was held in March, followed by a community celebration in May.

Other projects included the completion of the Nyah Netball Court facilities, Robinvale netball courts, and a new toilet block at Swan Hill's George Lay Park.

Works begun on a number of other projects across the municipality, including Swan Hill Aerodrome Reconstruction works, off leash dog park at Steggall Park in Swan Hill, Lake Boga Recreation Reserve netball change room building, and construction of the Robinvale levee bank.

Additionally, construction begun on the Ronald Street housing development in Robinvale, with an official sod-turning ceremony in April attended by the Minister for Agriculture and Regional Development Mary-Anne Thomas.

The role of Council includes:

- 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 the 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.
- Fostering community cohesion and encouraging active participation in civic life.

The construction, which is being undertaken by GJ Gardner Mildura, consists of eight houses and is another positive step forward in a bid to help alleviate housing shortages in Robinvale, while stimulating the local economy and encouraging others to develop.

Works also begun on the small town enhancement program, Vibrant Villages. The project focuses on four key areas – beautification, public infrastructure, recreation and public art. It will be carried out in Woorinen, Ultima, Manangatang, Lake Boga, Boundary Bend, Piangil, Beverford, Nyah and Nyah West.

Council was also pleased to be one of 46 local governments to sign up to VECO, the Victorian Energy Collaboration, the largest emissions reduction project ever undertaken by local government in Australia.

It was also good to see the new bridge for Swan Hill move another step closer following the announcement of the McCallum Street alignment selected as the preferred option. This followed on from comprehensive planning investigations and community consultation to understand the community's preference.

[Funding welcomed](#)

Council was pleased to welcome a number of funding announcements throughout the year.

This included a funding boost of \$500,000 to upgrade facilities at Ken Harrison Sporting Complex towards a Swan Hill Regional Soccer Hub, enabling the construction of a new pavilion.

In September 2020 the Australian Government committed over \$1.4 million in funding via the Local Roads and Community Infrastructure Program for projects across the Swan Hill municipality, enabling Council to undertake 17 separate projects.

There was also additional funding in the Federal Budget announced in May 2021, through the Local Roads and Community Infrastructure Program Round 3 with an additional allocation of \$2,868,316 for Council.

There was also positive news from the Victorian Budget including \$10 million for upgrades to the Robinvale-Sea Lake Road, a project Council and communities had been advocating for.

Smaller outlying communities in Swan Hill Rural City Council will enjoy an expanded mobile library service thanks to \$267,050 from the Victorian Government, for a new van.

Additionally, the State Government announced a \$450,000 boost towards a new sound and light show for the Pioneer Settlement.

[Pioneer Settlement heritage listing recommendation](#)

In June, Council resolved to make a submission objecting to Heritage Victoria's recommendation that the Pioneer Settlement be included in the Victorian Heritage Register.

This was for a number of reasons, including impact on the day-to-day operations of the Pioneer Settlement, ability to carry out long-term planning, and impact of staff and volunteers to be able to maintain and improve buildings and assets while being required to seek approval.

Additionally, there was concern heritage listing would bring added financial pressure for changes not considered "like for like" across the more than 50 buildings onsite at the Pioneer Settlement.

There was also the impact on the ability to make changes to ensure the future of the Pioneer Settlement, and in the Swan Hill community no longer having final control of the Pioneer Settlement.

[Thank you](#)

Finally, we'd like to thank residents, community groups, businesses and Council officers for contributing to the successes of 2020/21 – as well as your continued resilience during this pandemic. Like all our community members, we look forward to coming out of the other side and continuing to work together towards our municipality's success.

Cr Bill Moar
Mayor

John McLinden
Chief Executive Officer

The Chief Executive Officer is responsible for:

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

Financial Summary

Operating position

On a full accrual basis the surplus for the year was \$19.71 million. It is important to note that this is an accounting profit after recognising non-cash items such as depreciation and amortisation of \$10.16 million and the receipt of infrastructure assets created by developers. This significant profit is due to a number of economic stimulus grants received during the financial year for projects that are yet to be undertaken. These works are expected to be completed in the 2021/22 financial year.

Major revenue and expenditure items included in the operating result can be identified from the following graphs.

For more information on the comprehensive income statement, balance sheet and cash flows for the year, please refer to the audited General Purpose Financial Report in Part Eight of this Annual Report.

Revenue

Council's total revenue for 2020/21 was \$70.9 million as per the Comprehensive Income Statement. A breakdown of Council's revenue sources highlights that 85.7 per cent of Council's income comes from three income categories.

- Rates and garbage charges 41.2%
- Grants - operating 25.3%
- Grant - capital 19.2%

Expenditure

Council's total expenses for the 2020/21 year were \$51.8 million as per the Comprehensive Income Statement. A breakdown of Council's expenses highlights that 96.3 per cent relates to three expenditure categories.

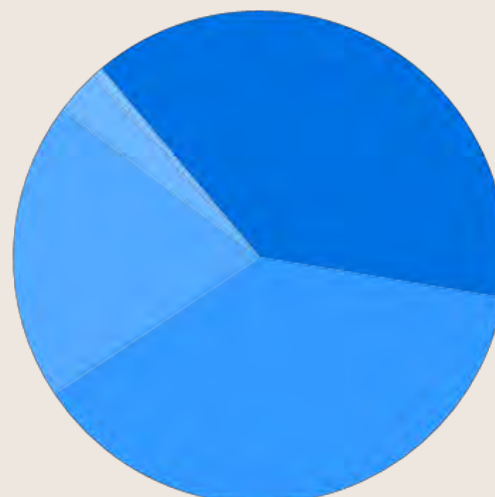
- Employee costs 38.7%
- Materials and services 38.0%
- Depreciation 19.6%

Total revenue (\$70.9 million)



- Rates & garbage charges 41.2%
- Statutory fees & fines 1.6%
- Net gain on disposal of assets 0.8%
- User fees 5.6%
- Grants - operating 25.3%
- Grants - capital 19.2%
- Contributions 0.5%
- Other revenue 5.9%

Total expenditure (\$51.8 million)

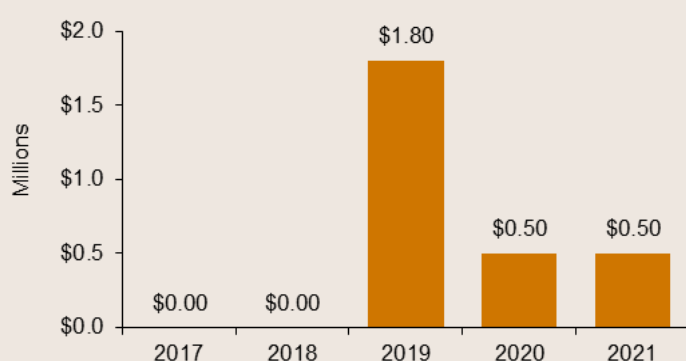


- Employee costs 38.7%
- Materials and services 38.0%
- Bad and doubtful debts 0.0%
- Depreciation & amortisation 19.6%
- Other expenses 3.0%
- Finance costs 0.7%

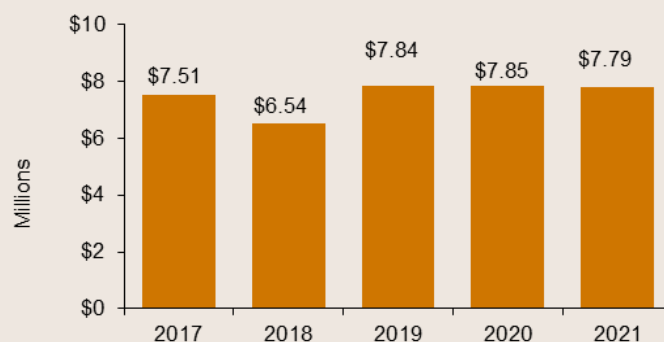
Purchase and creation of assets



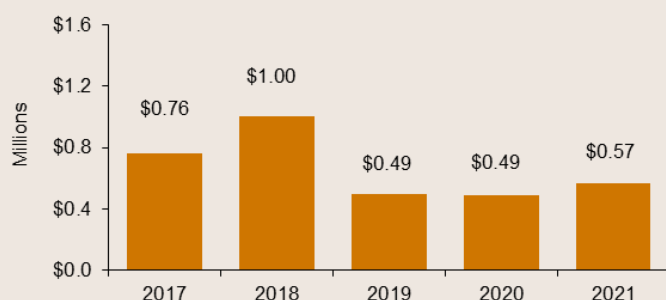
New borrowings



Loan balance at 30 June each year



Loan repayments



Capital expenditure

During the financial year, Council spent \$14.5 million on capital works and asset purchases, bringing the five-year total of expenditure on fixed assets to over \$56 million.

The graph at left shows the level of expenditure spent on new and redeveloped assets over the past five years.

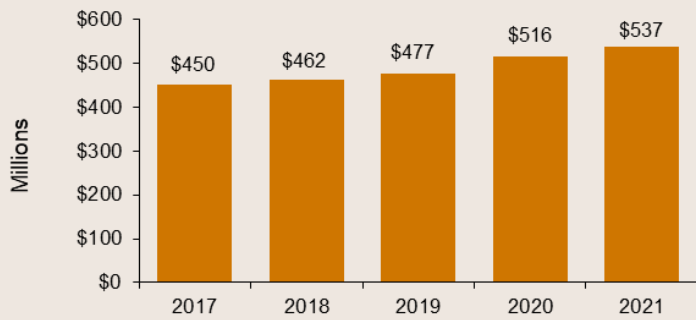
Major capital expenditure items were road networks, construction works at Tower Hill, sporting facility renewal and upgrades, and the Livestock Exchange redevelopment.

Borrowings (excluding financial leases)

Loans are used to fund major capital projects and asset purchases. Loan funding allows the community to pay for the asset (such as a leisure centre) over some of the time that it is being used.

At 30 June 2021, Council had a loan liability of \$7.79 million. This is a planned and responsible level of debt, achieved in accordance with Council's borrowing strategy. Loan repayments are currently \$0.56 million per annum. The repayment of an interest only loan of \$4.79 million is due in 2022. This will further reduce Council loan balances.

Total equity



Equity

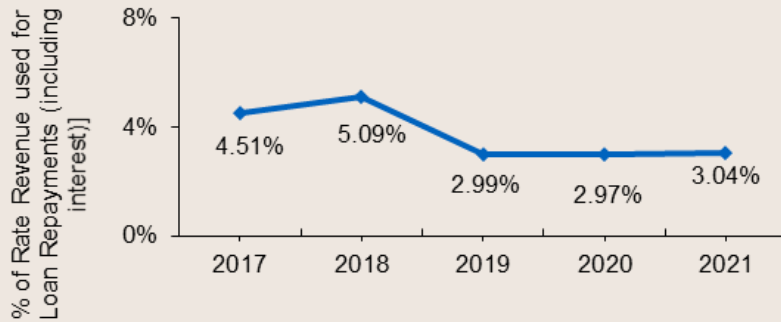
The Balance Sheet shows total community equity of \$537 million, represented by accumulated surplus and asset revaluation reserve.

The increase in equity is due to the revaluation of Council's Pioneer Settlement assets, and a \$19.7 million surplus in 2021.

This graph shows the movement in equity over the past five years.



Financial indicators



Debt commitment ratio

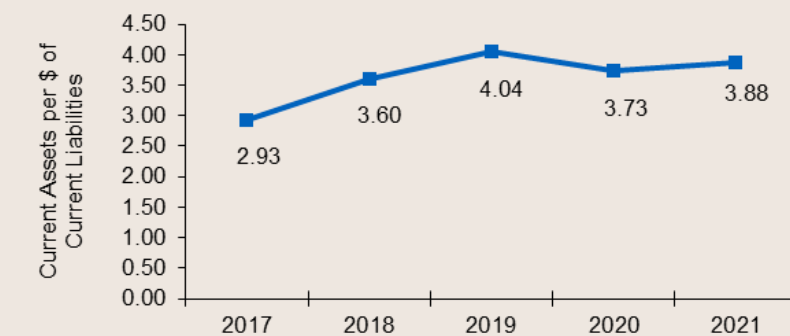
The debt commitment ratio identifies the percentage of rate revenue required to pay interest and principal on Council's loans.

Closely tied to the Borrowing Strategy, the ratio shows that Council is in a healthy position and that it increased marginally in 2021. Of the \$7.79 million in loans, \$5.3 million are interest only repayment loans.

Working capital ratio

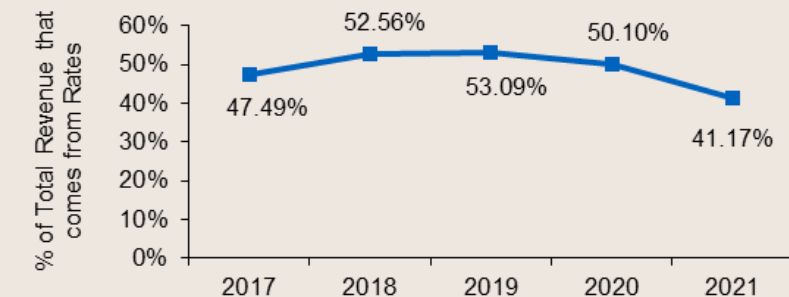
Working capital ratio shows the level of current assets Council has available to meet its current liabilities. The graph shows that the ratio is healthy and has increased over the past four years due to increased levels of cash holdings.

The ratio is expected to decrease marginally in future years.



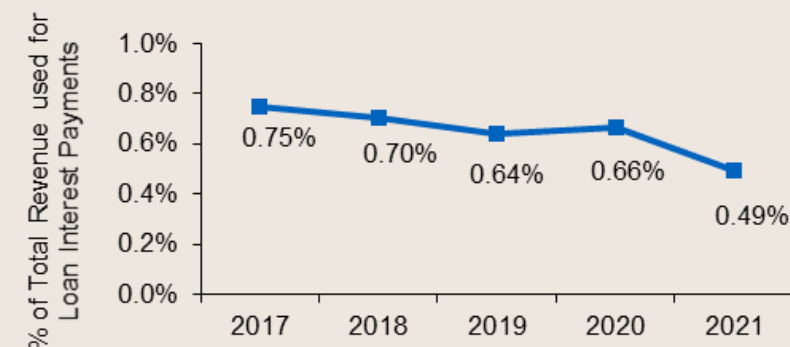
Revenue ratio

The revenue ratio shows rate revenue as a proportion of total revenue and seeks to measure Council's reliance on property rates. It is influenced by other revenue sources such as government grants, contributions, user fees and charges. This ratio reduced in 2021 due to the significant value of grants received.



Debt servicing ratio

The debt servicing ratio shows the amount of rates required to pay the interest on Council's loan liability. This ratio documents that loan interest does not place a burden on finances.



Description of operations

Swan Hill Rural City Council plays a vital role in shaping the future prosperity, health and wellbeing of our municipality. Council aims to be progressive, dynamic and committed as we work towards this.

Swan Hill Rural City Council delivers more than 100 services to our community.

These range from waste and road management, to managing and improving open space and community buildings.

We deliver services and facilities for children, young people, families and our elderly. We offer business development, town and strategic planning and community health initiatives.

Council's vision, strategic objectives and strategies to improve services and facilities are described in our Council Plan 2017-21 and the associated Budget.

The progress of these strategies and their delivery against the Budget is reported in this Annual Report. Refer to the section on Our Performance for more information about delivery of Council services.

The delivery of core services and facilities are measured by a set of Service Performance Indicators, as you will see in this report. We also track progress on the Initiatives set out in our Council Plan.

Council also has a wide range of responsibilities under both Victorian and Commonwealth legislations.

Economic factors

Council delivered its fifth budget under the 'Fair Go' rates system. Council's average rates increase was 1.86% for 2020-2021, compared to the state-wide cap of 2%.



Services provided

Council receives funding from a number of sources and had a budgeted income of over \$59.8 million in 2020/21. Below is a breakdown of the services Council delivered and what these cost, for every \$100 of expenditure.

\$13 Recreation and Community Facilities

Halls, parks, reserves, pools, playgrounds, sporting facilities and street beautification.

\$25 Transport Services

Maintaining over 3,480km of roads, footpaths, signs, street cleaning, tree maintenance and the aerodrome.

\$11 Governance and Administration

Municipal offices in Swan Hill and Robinvale, Councillor support, Council depots and plant equipment.

\$4 Community Care

Domestic assistance and property maintenance for our seniors.

\$7 Environmental and Waste Management

Recycling services, garbage collection, landfills, drainage and environmental management.

\$4 Cultural Services

Performing Arts, Libraries, Art Gallery and Aboriginal Support.

\$3 Family, Youth and Children's Services

Services and support for families, children and youth.

\$4 Pioneer Settlement

Managing, marketing, maintaining and developing this premium tourist attraction, including Heartbeat of the Murray Laser Light Show.

\$18 Economic Development and Marketing Services

Business development and investment, marketing of the region and leases of caravan parks.

\$9 Public Health, Safety and Regulatory Compliance

Animal control and registrations, parking, immunisations, emergency management, lighting and community health.

\$2 Other

Livestock Exchange, property acquisitions and disposal, commercial works, planning and building services.



Major capital works

During 2020/21 the major capital works included:

Our Region, Our Rivers

The Our Region, Our Rivers program, led by Swan Hill Rural City Council on behalf of seven local councils continues to deliver new assets for local communities. With five projects for our partner councils completed.

The Federal Government is contributing \$16.8 million to waterfront projects across the region, with councils matching it.

So far, six partner councils have received \$5.46 million in grant funding. Swan Hill projects are now underway with \$2.49 million expended to date.

Our community is now enjoying the beautiful Yamagata Gardens along with the interactive Robinvale Discover More Trail.

The 29 projects equally funded by the Federal Government (10 for Swan Hill) will progressively be completed over four financial years, concluding in December 2023.

Road reconstruction, sealing and maintenance

Actual: \$8.87 million

Roads around the municipality were reconstructed and/or resealed during 2020/21 including:

- Kenley Road reconstruction
- Campbell Street (Pritchard Street to Nyah Road) reconstruction
- Anzac Road reconstruction
- Malaya Road widening
- Programmed gravel road grading
- Rural roadside tree maintenance
- Coghill Road resheet

Funding from the Federal Roads to Recovery contributed to a number of these projects.

New netball courts for Robinvale and Nyah

Actual spend Robinvale: \$790k

Actual spend Nyah: \$606k

Thanks to the support of drought funding streams 1 and 2, Council was able to provide Robinvale and Nyah with new netball courts.



New equipment for leisure centres

Actual spend: \$200k

Council gave leisure centres in Swan Hill and Robinvale a boost, investing a total of \$200,000 towards the replacement of gym equipment at the facilities. The funding included \$120,000 for the Swan Hill Leisure Centre and \$80,000 for the Robinvale Leisure Centre.



Bromley Road beautification

Actual spend: \$422k

Beautification of Bromley Road was completed this financial year as the final stage of the Bromley Road Masterplan.



Swan Hill Aerodrome—Installation of Jet Fuel

Actual spend (to date): \$267k

The Federal Government has committed over \$1.2 million dollars in funding to upgrade the Swan Hill Aerodrome.

The upgrade will include:

- Reinforcement of two ends of the current primary 1495m runway to improve the safety, and useful life and allow larger aircraft to access the runway.
- Resurface the natural runway with gravel to become the secondary runway for Air Ambulance and recreational aviators use when the main runway is unavailable.
- A dedicated aircraft parking apron will provide bays for additional aerodrome users.
- The installation of an automated Weather Station.
- Additional hanger space and the provision of Jet A1 fuel.



Advocacy campaigns

One of Council's key roles is to advocate on behalf of its community. In 2020/21, Council adopted an Advocacy Strategy, which sets out key areas of need and how Council can advocate for improvements. Some of the key projects within that strategy and our progress in 2020/21 include:



Swan Hill Bridge

Council is continuing to lead conversations regarding a Swan Hill bridge replacement. Council continues to take every opportunity to raise this matter with State and Federal Ministers, VicRoads, RMS, Murray River Council and Transport NSW.

Following comprehensive planning investigations and community consultation, in May, Transport NSW announced that the McCallum Street alignment as the preferred option.

This is an exciting step towards a new bridge at Swan Hill.

\$60 million has been allocated to the new bridge in the Federal budget.

Increased housing

The housing shortage in Robinvale is well known. Workers find it hard to get accommodation, and in some cases, end up living in sub-standard conditions.

A report "Robinvale Housing Strategy" was commissioned by Council to explore the issues and options. A number of initiatives followed this report including the building of eight houses by Council on Ronald Street.

The first stage of this project has commenced and construction of four houses is well underway.

This project is expected to not only provide new houses for Robinvale workers, but will stimulate the local economy and encourage others to develop land in the area.

Swan Hill Needs a New Hospital

Council's Advocacy Strategy sets out a goal to 'Participate in the community based Swan Hill Needs a New Hospital Committee at Councillor and senior officer level'.

Councillors and officers sit on the committee and providing logistical support to the campaign.

Councillors used every opportunity to raise awareness with State and Federal government representatives.

In March 2021 the State Government committed to \$18 million for the construction of an Accident and Emergency Department.

While appreciative, this amount is grossly insufficient to provide Swan Hill with a modern state-of-the-art hospital consistent with the expectations of a 21st century health care system.

Council will continue their work with the committee in their calls for the public release of the masterplan and an announcement for full funding of a complete new hospital.



Australia Day Local Government Awards

Citizen of the Year - Lucy Dacey



Lucy Dacey was awarded the Australia Day Citizen of the year for 2020 in recognition of her long and valued service to the Nyah District.

A mother of 11 children, Lucy is a truly committed citizen through her various roles in the community. She has always shown support for and encouraged involvement in the local community – whether it is helping to organise an event or instigating improvements to facilities, Lucy is willing to get involved.

In recognition of her continued support and dedication to the Lions Club, Lucy was awarded the prestigious International Melvin Jones Award in 2019. Lucy has also received the Nyah District Citizenship Award in recognition of her service to her local community.

Over the years Lucy has committed herself and her time to a number of clubs and groups including: Nyah West walking group, Nyah West Primary School Parents' Club, Swan Hill Garden Club, fundraising towards mental health, Riding for the Disabled Association.

Since 2008, Lucy has been hosting Australia's Biggest Morning Tea events for Cancer Council Victoria, which saw regular attendance of more than 50 people. Lucy also provided most of the food for this event. Through her fundraising activities from these Biggest Morning Tea events and donations from people viewing her doll collection, Lucy has raised more than \$10,000.

Young Citizen of the Year - Mia Rovere

Mia was awarded the Australia Day Young Citizen of the year for 2020 in recognition of her youth advocacy work.

Mia is an established and ongoing advocate for youth. She is committed to making our community a better place for our young people, with better access to all services, including sexual and reproductive health.

During a student placement, Mia worked in collaboration with Youth Affairs Council Victoria and Swan Hill Rural City Council youth support programs on the development of a webinar series on sexual and reproductive health. The webinars were aired through the YouthInc Instagram and Swan Hill YouthInc Facebook pages. The aim of the webinars was to provide essential information about local support and services for young people throughout our geographically widespread rural and remote communities.

Mia's outstanding work earned her the accolade of being a finalist in the 7NEWS Young Achiever Awards for "The Bridge Create Change Award" category. She was also highly commended in the Keep Australia Beautiful Young Legends Award category.

Mia has continued her youth advocacy work, while studying a Diploma of Community Services through Sunraysia Institute of TAFE and raising her two children.



Community Event of the Year - The Swan Hill 24-hour Swimathon

The 24-hour Swimathon was a very successful community event held from 10 to 11 January 2020 at the Swan Hill Outdoor Pool as a fundraiser for Chances for Children.

The 24-hour Swimathon was organised by Year 12 student Arlie Atkinson and was eight months in the planning, with Arlie organising and leading the project from idea to fruition, showing leadership and outstanding community spirit.

The local organisation Chances for Children was chosen as it helps assist young people in local towns to achieve goals in sport, the arts and academia.

Arlie linked and liaised with Youth Affairs Council Victoria, Swan Hill YouthInc and many community organisations, as well as the Chances for Children team at Mallee Family Care. Groups such as Central Mallee Osteopathy and a number of Swan Hill Rural City Councillors also participated.

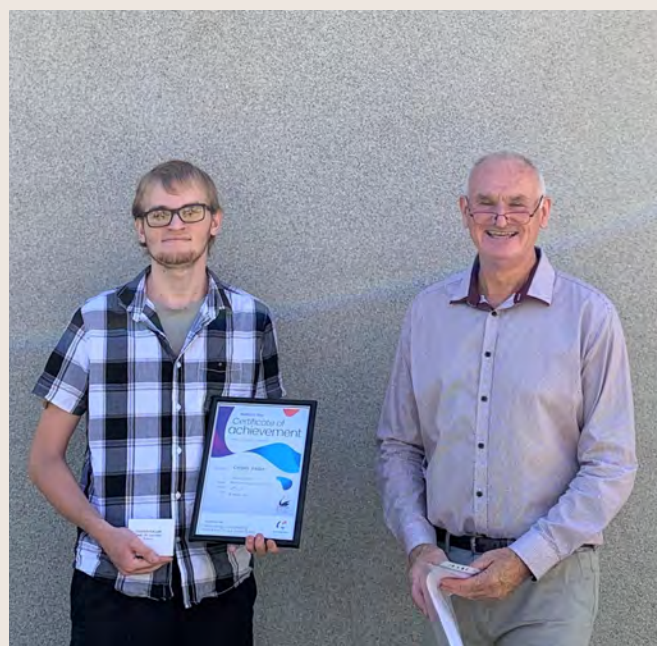
The event ran smoothly and was so successful that almost \$10,000 was raised for local young people to better their opportunities in life.

Arlie has for many years been heavily involved in Nyah Two Bays swimming club, competing at all levels including at a national level, so brought skills and knowledge to the planning of this event, which became a big undertaking.



Student Achievement award winners

Bridgette King	St Mary MacKillop College
Brittany Dunstone	Swan Hill College
Cooper Fuller	Swan Hill Specialist School
Imogen Lusty	Swan Hill Primary School
Skye Prentice	Swan Hill North Primary School
Sienna Scalora	St Mary's Primary School
Breanna Coe	Woorinen District Primary School
Kiara Howard	Beverford Primary School
Madeline Walker	Lake Boga Primary School
Shadelle Piechatschek	Ultima Primary School
Khloe Mitchell	Ultima Primary School
Josephine Thomson	Nyah District Primary School
Cooper Plant	Manangatang P-12 College
Kale Taylor	Manangatang P-12 College
Ratu Ketewai	Robinvale St Mary's Primary School
Nathan Zappia	Robinvale P-12 College (Senior)
Harlow Clarke	Robinvale P-12 College (Junior)



Cooper Fuller, pictured with Mayor Bill Moar, accepts his award.



Part three

Our Council

Our history

For thousands of years, the traditional owners of the lands that now form the Swan Hill Rural City Council lived in the region, with the land providing abundant food sources and a permanent water supply.

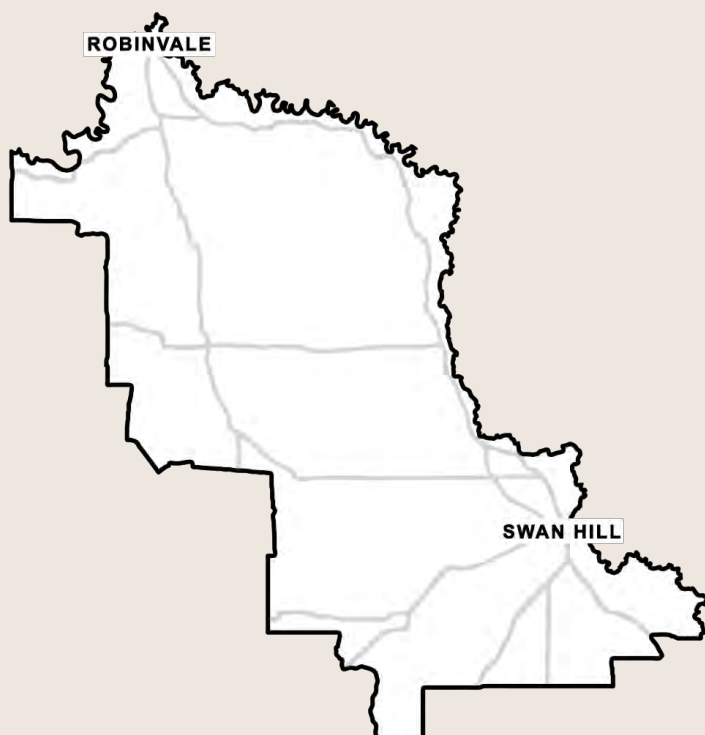
In 1836, led by explorer Major Thomas Mitchell, the first Europeans arrived. Settlers started to arrive soon after, establishing large sheep stations next to the Murray River.

In 1871, the Shire of Swan Hill was proclaimed and was located in Kerang (which now forms part of the Gannawarra Shire).

In 1893, the Shire of Castle Donnington was created and centred around the town of Swan Hill. By 1904 it had assumed the name Shire of Swan Hill.

The Borough of Swan Hill was formed in 1939 and in March 1965 became the City of Swan Hill.

Thirty years later, in January 1995, the Shire and the City were amalgamated to form Swan Hill Rural City Council.



Our municipality's profile

The municipality covers 6,116 square kilometres and is home to 20,534* people.

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

Featuring a modern and thriving regional centre, the Swan Hill municipality also boasts the characteristics of rural living, including a strong community and relaxed lifestyle.

With more than 40 commercially grown products – including almonds, olives, stone fruit, grapes, vegetables, cereals, legumes, lucerne, sheep, beef and dairy – it is easy to see why our municipality is an important part of Victoria's food bowl.

Located along the Murray River, tourism plays an important role in our region's* economy. Our climate and natural beauty attract around 917,500 visitors each year as reported in the Murray Regional Tourism (MRT) Snapshot report, March 2020. The devastating effects of the COVID-19 pandemic have severely impacted the local tourism economy. Data captured in Murray River Tourism (MRT) "Travel to the Murray Region (April 2020 to March 2021)" report indicates a reduction of 51.9% or 434,000 visitors for domestic overnight travel, impacting our local economy by \$143 million.

Our municipality is also proud to have more than 40 nationalities among its community and a population that is welcoming and resilient.

Continued investment and a strong focus on long-term growth and sustainability remain high priorities for Council.

The Council sets a number of initiatives and targets through each four-year Council Plan, which helps establish the foundations to achieve our vision during the next 30 years.

*2019 ABS data estimates the Swan Hill Rural Council residential population to be 20,534, however, due to ongoing concern that the ABS consistently underestimates the population of Robinvale, Council commissioned Geografia to undertake a population determination study. The ABS census figure of 2016 show the Robinvale population as 3,359 people. The work of Geografia has reliably demonstrated that the true Robinvale population sits at approximately 7,900 people; making the total residential population 25,190.

Councillors

The Council is elected to provide leadership and good governance for the municipal district and the local community.

Swan Hill Rural City Council is unsubdivided with seven Councillors elected as representatives for all residents and ratepayers across the municipality.

They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.



Cr Bill Moar

Mayor

Elected 2016

(M) 0429 496 194

Councillor Bill Moar was elected to Council in 2016. He was elected Mayor in November 2019 and re-elected in November 2020.

Bill was born and raised in Swan Hill and has had a varied career, predominately in farming but also extending to aged care nursing and sports.

A proud father of six and grandfather of ten, Bill spent 25 years at Goschen as a dry land farmer, as well as being involved with his parents' irrigation farm just over the border in New South Wales - where he currently farms sheep and cereals.

Bill has held over the years a number of voluntary positions in the agricultural sector, within sporting and community groups and within the CFA.

He is passionate about the place he calls 'home' and continues to advocate for the future of this community that he loves.



Cr Jade Benham

Deputy Mayor

Elected 2019

(M) 0436 804 012

Cr Benham's story starts in Tresco where her Dad grew up, flows through to Woorinen where she grew up and now continues in Robinvale where she now raises her own young family.

Starting working life on the family fruit block, she was thankful to get a casual position as one of the first McDonald's staff in Swan Hill. She then started in media locally at Ace Radio Broadcasters, gained experience all over Australia and internationally and later started her own business in digital media which she still operates today.

Elected to Council in 2019, during a bi-election and re-elected in the last Local Government Election, Cr Benham has brought her passion for communication to her Council role with gusto.

She knows the meaning of hard work, how difficult life can be on the land and in small business and is passionate about practical change on the ground and planning for the future. She recognises the importance of smaller communities throughout the municipality and wants to see them thrive.



Cr Les McPhee

Elected 2008

(M) 0427 319 394

Cr McPhee was first elected to Swan Hill Rural City Council in 2008. He was born in Melbourne and moved to Swan Hill in 1987 with his wife and two children.

He has been a member of Victoria Police for 36 years and currently holds the position of Sergeant in Charge of the Swan Hill Highway Patrol.

Since moving to Swan Hill, Les has been a member of numerous community organisations and is currently a meals on wheels volunteer.

Les has a passion for ensuring that Swan Hill Rural City Council remains a great place to live, work and visit.



Cr Ann Young

Elected 2016

(M) 0409 503 711

Cr Young was born, grew up and educated in Swan Hill. She was elected Mayor in November 2018. Cr Young, her late husband Ken, and their children grew stonefruit at Woorinen.

She was a trainer at SuniTAFE Swan Hill, owned two registered training organisations, and most recently delivered a specialised food safety program to assist local fruit growers with compliance. Cr Young has sat on national and state level training and curriculum boards, horticultural and VFF committees, and had local involvement through the Woorinen Football Netball Club and Woorinen District Primary School Council. She was a foundation member of the Australian Women in Agriculture board.

Cr Ann Young loves the Swan Hill region and her community involvement and connection to the area is strong.



Cr Chris Jeffery

Elected 2016

(M) 0429 447 802

Cr Jeffery was elected to Council in 2016, with an aim to give younger representation, views and direction that benefits the municipality now and into the future.

He was born and raised in Swan Hill and has lived in Swan Hill for most of his life with his wife and two young children. Chris works for CFA in corporate administration.

Chris is passionate about seeing our towns continue to grow through improved sporting facilities, expansion of existing businesses and seeing new business invest in the area, while ensuring good planning outcomes and a high standard of community services.



Cr Nicole McKay

Elected 2019

(M) 0436 299 842

Nicole grew up in a family business at Nyah, forging connections with many sectors including: natural resources management, small business, community services, with family involved in agriculture of all types.

Nicole studied nursing and worked in Jacaranda Lodge at Nyah before relocating to Melbourne to complete Midwifery at Monash Medical Centre. She worked there for five years and has worked in midwifery and Community Health in Swan Hill for the past 12 years. She sees excellent health services as essential for the region.

Nicole believes that multiculturalism is the building block of our vibrant community and economy. She sees Aboriginal culture and communities as important and central to the region, and hopes we can grow stronger together.



Cr Stuart King

Elected 2020

(M) 0437 967 531

Cr King was born and raised within the municipality and elected to Council in 2020.

He is a former farmer, qualified engineer and project manager, a current commercial business owner and football umpire. Stuart has recently married Angela and between them they have 9 children and their first grandchild on the way.

Stuart is passionate about this community. He was motivated to join Council to not only fulfil an obligation to deliver basic services to ratepayers, but to create an environment that stimulates existing businesses and attracts new investment from higher tiers of Government and the private sector to provide better infrastructure, improved services, and a place where people want to live, work and play.

Community Satisfaction Survey

Each year, Local Government Victoria coordinates a state-wide local government community satisfaction survey. The survey measures the community's perceptions of their local council's performance in key areas.

During February and March 2021, a total of 400 residents from across the municipality provided their feedback via a telephone survey.

Overall performance

The overall performance index score of 56 for Council represents an increase on the 2020 result. Overall performance remains three points down on the peak performance experienced both in 2018 and in 2015 (index scores of 59).

Top performing areas

Council's two highest performing services are:

- Customer service
- Overall Council performance

Areas for improvement

Council's two poorest performing services are:

- Community decisions
- Community consultation



for overall performance

State average - 61

Large rural council - 58



for overall Council direction

State average - 53

Large rural council - 51



for community consultation

State average - 56

Large rural council - 54



for customer service

State average - 70

Large rural council - 68



for sealed local roads

State average - 57

Large rural council - 50



for making community decisions

State average - 56

Large rural council - 54

Full survey results are available on
Council's website - www.swanhill.vic.gov.au



Part four

Our people

Executive Leadership Team

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO is responsible for the day-to-day management of operations, in accordance with the strategic directions of the Council Plan. Four Directors and the CEO form the Executive Leadership Team (ELT) and lead the organisation.



John McLinden - Chief Executive Officer

John joined Council as its Chief Executive Officer in March 2016. He was previously the Chief Executive Officer of Loddon Shire Council, a position he held since 2005. John, who has a wealth of experience in local government, was previously the Director Operations (and formerly Director Technical Services) at Loddon Shire Council since local government amalgamations in 1995. A qualified engineer, he has also held engineering positions at the Shire of Rosedale, City of Broadmeadows and the Shire of Colac.



Heather Green - Director Development and Planning

Heather started as Council's Director Development and Planning in July 2017. She has extensive local and state government experience across Australia. During her nine years as a manager and director at Victoria's Alpine Shire Council, she focused on sustainable development, planning, tourism and economic development. Heather was at Toowoomba for 15 years as the Manager of Strategic Planning. And during her time working for the Northern Territory Government as the Katherine Land Manager, she oversaw planning, Crown leases and grazing licences.



Joel Lieschke - Director Corporate Services

Joel is an experienced chartered accountant having worked for a variety of multinational companies including Diageo and Reckitt Benckiser as well as hospitality companies IHG and Marriott International at locations in Australia, Europe and the USA. Prior to Swan Hill Rural City Council Joel was Director Corporate Services and Chief Financial Officer at Development Christchurch Limited and on the Board of Directors at Habitat for Humanity – Christchurch Affiliate. Joel is a qualified CPA and member of the Institute of Directors NZ with a Bachelor of Business (Accounting) and a diploma in hospitality management.



Bruce Myers - Director Community and Cultural Services

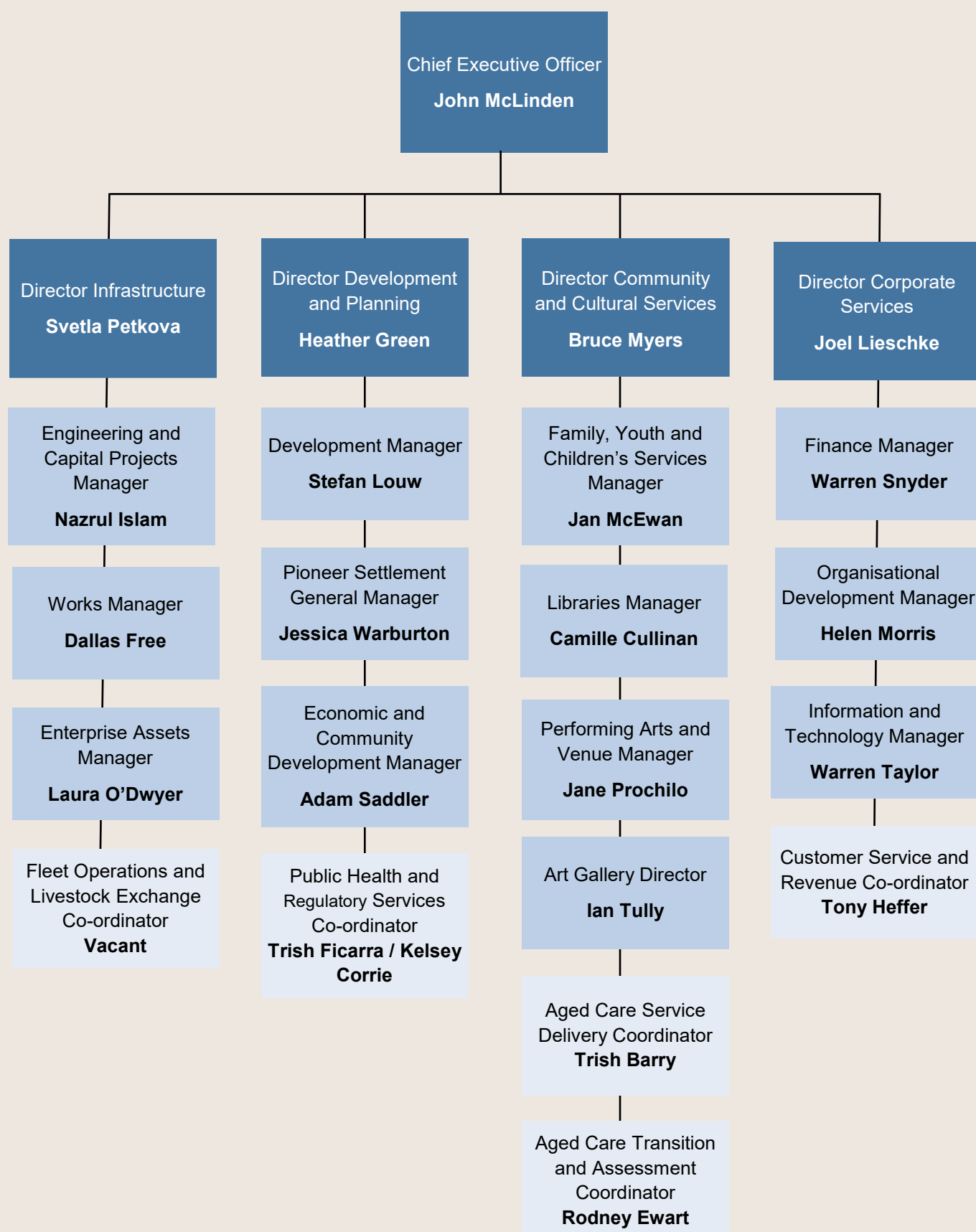
Bruce is a qualified librarian who started his career at the Swan Hill Regional Library, managing the mobile library, in 1994. From 1998 until 2007 Bruce was Manager of the Library. Bruce became the Director Community and Cultural Services in 2007. He now heads a team of about 90 people involved with a wide range of community services, including community-based aged care, children's and youth services and cultural experiences.



Svetla Petkova - Director Infrastructure

Svetla began as Director Infrastructure at Council in December 2017. Svetla is a qualified engineer with a Bachelor of Engineering, a Masters in Engineering, and a PhD in Fluid Mechanics. Before joining Council, Svetla spent more than a decade working in asset management and project delivery in the Victorian water industry, and enterprise asset management within local government in Queensland. As Director Infrastructure, she oversees infrastructure projects and services, manages Council's environmental and natural resource programs, and manages and maintains Council assets.

Organisational structure

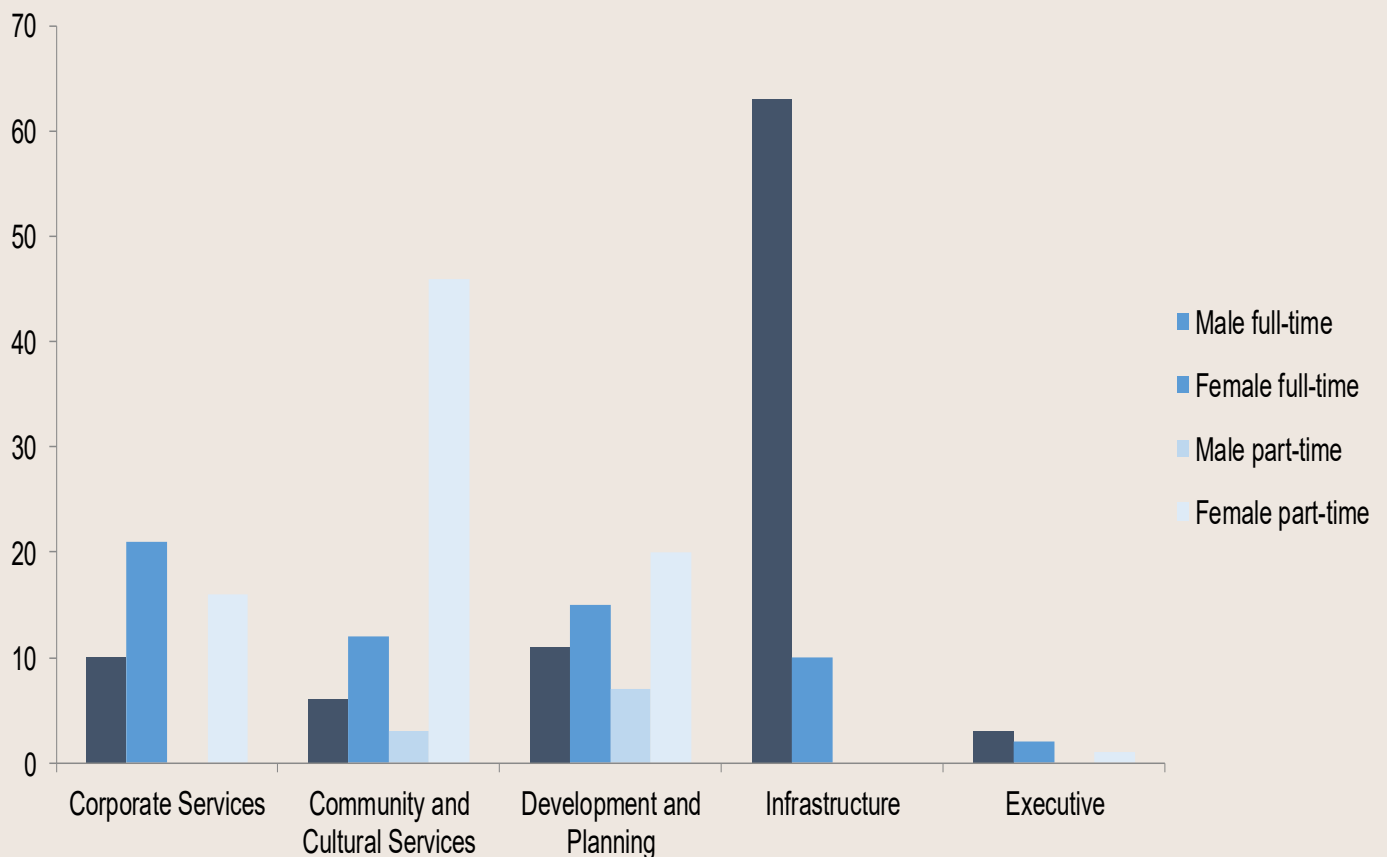


Council employees

A summary of the number of full time equivalent (FTE) Council staff by organisational structure, employment type and gender is set out below.

Directorate	Male full-time	Female full-time	Male part-time	Female part-time	Casual	Total Staff	Male total EFT	Female total EFT	EFT total
Corporate Services	10	21	-	16	1	48	10.0	32.4	42.4
Community and Cultural Services	6	12	3	46	26	93	7.8	40.9	48.7
Development and Planning	11	15	7	20	11	64	15.2	28.7	43.9
Infrastructure	63	10	-	-	2	75	63.3	10.0	73.3
Executive	3	2	-	1	-	6	3.0	2.7	5.7
Total	93	60	10	83	40	286	99.3	114.7	214.0

Number of staff (FTE)



Council employees

A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Male EFT	Female EFT	Total EFT
Band 1	-	0.7	0.7
Band 2	0.9	1.5	2.5
Band 3	47.6	25.6	73.2
Band 4	9.2	26.2	35.4
Band 5	6.0	23.3	29.3
Band 6	11.6	11.8	23.4
Band 7	4.0	5.0	9.0
Band 8	-	0.6	0.6
Non-banded positions (includes salary packages)	20.0	19.9	39.9
Total	99.3	114.7	214.0

Valuing our people

At Swan Hill Rural City Council, we recognise the importance that each individual plays in achieving our goals.

Our aim is to ensure that Council is a great place to work, where the capability of our people is nurtured and performance is focused on delivering exceptional service for our communities.

These priorities drive the activities, policies and procedures implemented to ensure that Swan Hill Rural City continues to be a great place to work.

Council's staff strategies include:

- A focus on extending the skills of staff to increase efficiency.
- Ongoing implementation of the workforce strategy including: succession planning, recruitment and retention of staff, apprenticeships, traineeships and/or scholarships, and accessing non-customary employment pools.
- Offering phased retirement options to extend the careers of higher skilled staff.
- Ongoing development of systems and processes to continually improve productivity.

Other staff matters

Equal Employment Opportunity Program

As an equal opportunity employer, we are dedicated to providing a workplace where diversity is embraced and decisions are merit-based. This includes ensuring fair, equitable and non-discriminatory consideration being given to all job applicants, regardless of age, sex, disability, marital status, pregnancy, sexual orientation, race, religious beliefs or other irrelevant factors.

We recognise our proactive duty to ensure compliance with equal opportunity and Council ensures all staff undertake mandatory equal opportunity training every three years.

Our Equal Employment Opportunity Policy and Procedure supports our organisation in fulfilling its obligations under the *Equal Opportunity Act 2010*. In 2020/21, 97 employees undertook Equal opportunity training, as well as 40 employees successfully completing Culture at Work training.

Council also has an online bullying and harassment course, with 103 staff completing this training. In 2020/21 Council sought a facilitator for Workplace Bullying and Harassment training, providing face-to-face training for 43 staff. Equal opportunity is also covered in policy and procedure training and all staff are informed of Council's dedication to equal opportunity during staff induction. We have six equal opportunity contact officers available to provide guidance and assistance.

Gender Equality Act 2020

The Gender Equality Act 2020 commenced on 31 March 2021. The Act will improve workplace gender equality in the Victorian public sector, universities and local councils.

Council is committed to promoting gender equality, signing up for the people Matter Survey and forming a Gender Equality Committee from volunteers within Council.

The People Matter Survey will assess the state and nature of gender inequality in our workplace. The workplace gender audit is based on data at 30 June 2021. The feedback will help support our employees and improve our workplace and culture.

The Gender Equality Committee will be focused on compliance obligations in line with new Gender Equality Legislation. The committee will contribute to the design of Council's Gender Impact Assessments (GIA) and be involved with the development of Council's Gender Equality Action Plan (GEAP) following data received from the People Matter Survey.

Understanding the prevalence of sexual harassment in a workplace and taking proactive steps to stop sexual harassment occurring, rather than only respond after it occurs is a key step in effectively eliminating it.

In Victoria, employers have a positive duty to prevent and eliminate sexual harassment in their workplaces under the Equal Opportunity Act 2010.

Professional development

Council is committed to providing learning and development opportunities to support the continuing professional development of its staff.

This year staff have accessed a range of learning and development opportunities including on-the-job training and coaching; attendance at courses, workshops, seminars, conferences, webinars, and meetings; and participation in professional networks. More than 5,500 hours of organisational training was provided to staff during the year, or 25 hours per EFT.

Council also offers study assistance for staff undertaking relevant undergraduate or postgraduate studies.

Fast facts

More than **5,500** hours of organisational training was provided during 2020/21.

That equates to over **25** hours of training per EFT employee.

Over **200** online e3Learning courses are available to Council employees

Online training

Council continued to offer an expanded suite of compliance courses through e3Learning - an online learning program.

All internal courses are developed with industry experts and the courses are delivered in an engaging and easy to use format.

Courses are designed in line with relevant legislation, are fully customisable and are suitable for Council.

The system also allows both administrators and end users to record attendance and completion of in-person training (accredited and non-accredited).

Scholarship Program

Council's Scholarship Program supports up to seven local students who are completing undergraduate or TAFE studies during the school year. In addition to financial support, students receive valuable on-the-job experience by working at Council during semester breaks.

Students participating in the program are:

- Jacob Mathieson, Bachelor of Environmental and Conservation Science at the Swan Hill Depot. (completed December 2020).
- Tessa Myers, Bachelor of Psychological Science in the Economic Development Department.
- Noah Angus, Bachelor of Civil Engineering (Honours), in the Engineering Department.
- Anna Quinn, Bachelor of Commerce in the Economic Development Department.

Health, safety and wellbeing

Council continued its commitment to staff health, safety and wellbeing by continuing several programs to encourage a healthy lifestyle and improved work/life balance. Programs include:

- Ergonomic assessments
- OHS and manual handling training
- Providing sunscreen and insect repellent
- Six-weekly issues of the HR Newsletter outlining Council policies and procedures, professional development and wellbeing
- Employee wellbeing initiatives including the flu vaccination program undertaken by Council's Public Health Unit, and subsidised gym memberships
- Ongoing compliance with the MAV WorkCare Self-insurance Scheme
- Ongoing provision of Council's Employee Assistance Program for employees requiring support and/or counselling for work and non-work related matters.

OHS Committee

Council's OHS Committee consists of management and staff representatives. The committee meets every two months to review policies, review hazard and injury incidents, discuss workplace OHS issues and identify opportunities to improve Council's OHS performance. The committee met six times during 2020/21.

In 2020/21 there were 16 reported injuries compared to 30 in the previous year. There no standard WorkCover Claims, compared to 8 in the previous year and 6 minor WorkCover Claims compared to none in the previous year.



Staff service awards

Every year Council acknowledges service and presents awards to staff who have reached service milestones. Ten staff were presented with Staff Service Awards at the annual all-staff function in December 2020.

10 years

Marshall Bryan
Gaye Cutajar
Sandy Guy
Monica Ellis
Nathan Keighran



20 years

Narelle Williams
Lyn Vallance
Julie Duffus



25 years

Thomas Graham



Staff Recognition Awards

Governance and Leadership: **IT Team**

Community Enrichment: **Kellie Carlo and Karen Taylor**

Environment: **Ron Gibbs**

Infrastructure: **Peter MacDonald**

Innovation/Customer Service: **Gulmira Akhipova**

Governance and Leadership, special commendation: **Nazrul Islam**

The I.T. Unit were the Staff Recognition Award winners for 2020 as a result of their response to COVID-19 enabling Council to continue to maintain effective and efficient utilisation of resources.





Part five

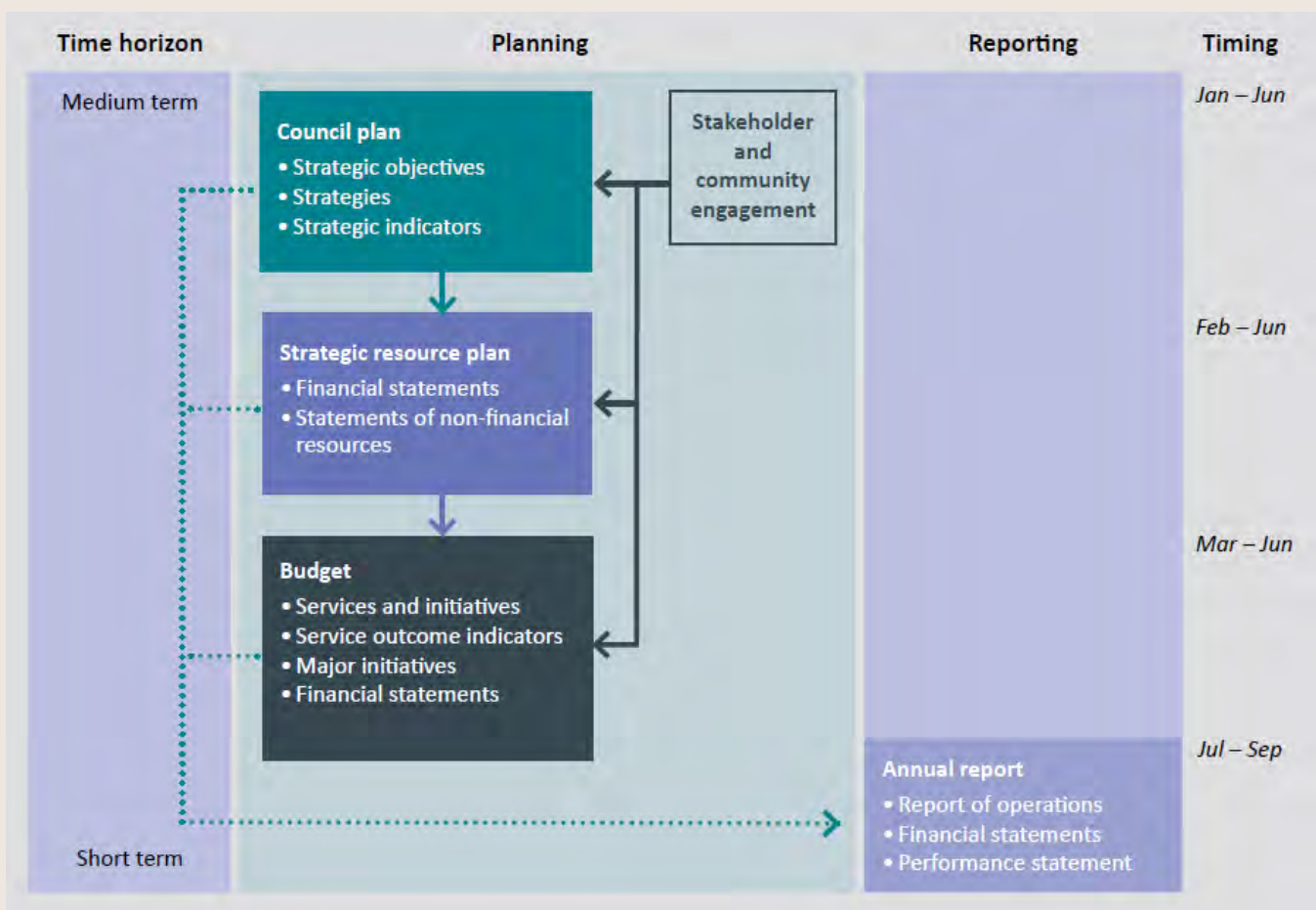
Our performance

Our performance

The Planning and Accountability Framework is found in part 6 of the *Local Government Act 1989* (the Act). The Act requires councils to prepare the following planning and reporting documents:

- A council plan within the six months after each general election or by 30 June, whichever is later
- A strategic resource plan for a period of at least four years and include this in the council plan
- A budget for each financial year
- An annual report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.



Council Plan

The Council Plan 2017-21 includes strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement, and a strategic resource plan.

Performance

Council's performance for the year has been reported against each Key Result Area to demonstrate how Council is performing in relation to the 2017-21 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives defined in the Budget.
- Services funded in the Budget and the persons or sections of the community who are provided those services.
- Results against the prescribed Service Performance Indicators and measures.

Our key result areas	
Economic Growth	<p>We will:</p> <ul style="list-style-type: none"> • Encourage and attract new business to our region. • Assist existing businesses to expand and increase their efficiency. • Have a region with an equipped and productive workforce. • Provide land use planning that is responsive and which proactively encourages appropriate development.
Community Enrichment	<p>We will:</p> <ul style="list-style-type: none"> • Help all people to find a place in our community. • Provide services and support initiatives that create a healthy and safe community. • Develop a community with a sense of pride and responsibility/ownership that strives to achieve its aspirations.
Infrastructure	<p>We will have:</p> <ul style="list-style-type: none"> • Infrastructure that appropriately services community needs. • Infrastructure that is provided and appropriately maintained in accordance with agreed standards. • A strong focus on asset management systems and planning.
Governance and Leadership	<p>We will have:</p> <ul style="list-style-type: none"> • Positive community engagement through appropriate and constructive consultation. • Effective and efficient utilisation of resources. • Effective partnerships and relationships with key stakeholders and staff. • Effective advocacy and strategic planning.
Environment	<p>We will have:</p> <ul style="list-style-type: none"> • Sound policies and practices that protect and enhance our environment. • A waste management program that is environmentally and financially sustainable.

Key Result Area 1: Economic Growth

Council Plan Initiatives

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic initiatives included in the Plan.

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan Initiative	Action	Status
Identify the types of businesses suited to this region and develop investment prospectuses	Perform an industry gap analysis	>>
Investigate and identify potential export opportunities and facilitate connections	Analyse the region's products and identify where we have competitive advantages that may provide opportunities for growth	>>
Pursue new businesses that are upstream processors for our local produce	Engage with local industry to identify opportunities	>>
Increase the availability of appropriate housing to support growth of industry and agriculture	Investigate the housing needs and identify appropriate solutions	>>
Encourage the growth of agriculture through appropriate advocacy and strategic planning	Advocate for improved transport links	✓
Investigate opportunities for agricultural businesses to establish new enterprises	Engage with local industry to identify opportunities, for example clean energy on farms	✓
Encourage organisations to joint tender for works and services	Investigate and where possible implement shared contracts and services with the region's councils	>>
	Conduct workshops and provide advice to local business and tenderers to improve their tendering processes	>>
Actively pursue opportunities for regionally focused infrastructure	Advocate for additional and upgraded infrastructure that will improve efficiency of local businesses e.g. rail freight	>>
	Advocate for adequate and alternative utilities supplies	>>

Council Plan Initiative	Action	Status
Encourage and assist existing business to pursue value adding to their industry	Undertake forums and discussions with industry to understand opportunities	>>
	Complete an analysis of relevant industry data	>>
Improve the commercial position of the Pioneer Settlement	Enhance the Heartbeat of the Murray night time product by improving operational effectiveness and adding additional elements to the visitor experience	✓
	Review the promotion plan	✓
Encourage the development of appropriate accommodation for various workforces	Review the Municipal Strategic Statement (MSS) and Planning Scheme to ensure diverse housing and land is available	>>
	Investigate opportunities for improved public transport	>>
Review of the availability and suitability of industrial land in Swan Hill and Robinvale	Completed an Industrial Zones Strategy	✓
Formulate new ways to encourage new business development	Develop a business expansion strategy	✓
	Commence an Investment Attraction campaign	>>
Investigate and identify potential export opportunities and facilitate connections	Investigate what role Council can play with development of new markets	>>
Promote new technologies and ways of working	Investigate and market opportunities for internet based businesses	>>
Investigate opportunities for Agricultural businesses to establish new enterprises	Investigate opportunities for agri-tourism products and experiences e.g. paddock to plate, farm stays	>>

Council Plan Initiatives continued

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2020/21

Council Plan Initiative	Action	Status
Investigate options for investment in renewable energy technologies for the municipality	Complete and adopt a study	>>
Assist local businesses to up-skill and retrain their workforce	Identify skills shortages and training gaps	>>
	Advocate for support for regional training opportunities	>>
Implement the Workforce Development Strategy	Complete a project to quantify labour force data from within the municipality, with a particular focus on agricultural sector	>>
Investigate and develop options for de-watered farming land	Complete audit of areas with de-watered land	✓
Review of the availability and suitability of industrial land in Swan Hill and Robinvale	Amend planning scheme as appropriate	✓

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020/21 Budget.

Major Initiative	Progress
Provide seed funding for economic development initiatives as identified in the Economic Development Strategy (Budget \$107,000 Actual \$67,176).	Incomplete
Tower Hill residential estate development (Budget \$1,350,000 Actual \$193,779).	Incomplete
Distribution of grant funds to partner councils in the Our Region Our Rivers Federal Government funding projects (Budget \$1,967,750 Actual \$3,460,929).	Complete To date grant funding of \$3,460,929 has been received and the full amount distributed to partner councils.
Art Gallery and interpretive centre development – Our Region Our Rivers funding (Budget \$4,250,210 Actual \$560,050).	Incomplete



Services funded in 2020/21 Budget

The following statement provides information in relation to the services funded in the 2020/21 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Budget <u>Actual</u> Variance \$000
Building and planning statutory services	Provide statutory planning services including processing all planning applications, providing advice and making decisions about development proposals that require a planning permit. Representing Council at the Victorian Civil and Administrative Tribunal (VCAT) where necessary. Monitor Council's Planning Scheme and prepare major policy documents shaping the future of the municipality. Provide statutory building services to the community, including processing building permits, emergency management responsibilities, fire safety inspections, swimming pool barrier audits and complaints, and illegal building works investigations.	499 <u>104</u> (395)
Caravan parks	Provide and maintain caravan park facilities to a standard that promotes local tourism and supports a high quality of life.	(182) <u>84</u> (266)
Economic development	Assist the organisation with economic development to facilitate an environment that is conducive to a sustainable and growing local business sector, and provides opportunities for local residents to improve their skill levels and access employment.	3,683 <u>(1,336)</u> (5,019)
Livestock exchange	Provide a livestock selling facility and associated services to primary producers, purchasers and stock agents.	(118) <u>64</u> 182
Pioneer Settlement	Care for and conserve the Pioneer Settlement and its collection. Market and promote the Settlement as a tourist destination, provide quality visitor programs and promote the sale of merchandise as an additional source of income.	790 <u>592</u> (198)

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures.

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Statutory Planning					
Timeliness <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	57	47	49	41	The utilisation of new software and processes have enabled Council staff to become more efficient in 2021.
Service standard <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x 100	70.55%	82.63%	85.53%	96.39%	The utilisation of new software and processes have enabled Council staff to become more efficient in 2021. This has resulted in a higher percentage of planning applications being decided within required timeframes.
Service cost <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$2,867.51	\$2,540.06	\$3,417.33	\$2,675.24	The reduction in average costs in 2021 occurred due to staff turnover and periods where positions remained vacant. The application of new software assisted staff in processing applications.
Decision making <i>Council's planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100	-	-	-	-	No planning application decisions were reviewed by VCAT in 2021.

Key Result Area 2: Community Enrichment

Council Plan Initiatives

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic initiatives included in the Plan.

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan initiative	Action	Status
Review and implement the Aboriginal Partnership Plan	Undertake initiatives with the intent to work toward developing a Registered Aboriginal Party (RAP)	>>
Investigate opportunities to develop Aboriginal leadership capabilities	Investigate leadership opportunities e.g. scholarship, grants, host a forum with young people and local service providers	>>
Establish and maintain partnership with organisations that support Culturally and Linguistically Diverse (CALD) communities	Review of service access plans to ensure inclusion	✓
Strengthen our connection with youth	Review the structure of the Youth Council with young people	✓
	Develop work placement and work experience programs	>>
Develop and implement Cultural Services Plan	Develop and adopt a plan	✓
Plan for the development of the Swan Hill Regional Art Gallery precinct	Determine the long-term site for Swan Hill Regional Art Gallery	✓
	Prepare final gallery designs for approval and costed	✓
Strategically position Council's ongoing role regarding the community-based aged care reforms	Produce an options paper on integration of Commonwealth Home Support Program to National Standards	✓
	Develop Positive Ageing Plan	-

Council Plan initiative	Action	Status
Review and determine Council's role in early years and child care services	Review early years services	✓
	Produce a report on outcomes and provide recommendations	✓
	Develop an Early Years Plan (EYP)	✓
Improve personal and community safety by working with partners on community safety issues	Promote awareness of the Community Charter for the Prevention of Violence against Women	>>
	Implement the requirements of Child Safety Standards	✓
Expand library services in Robinvale and review the delivery of library services in our small communities.	Develop an effective partnership arrangement with Robinvale P-12 College	✓
Investigate the need for an off-leash dog park	Develop a project scope if the community need is identified	>>
Support the capacity of communities to self-manage and self-regulate.	Implement ways to encourage all communities to actively participate in the community grants program	>>



Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020/21 Budget.

Major Initiative	Progress
Group fitness room at the Swan Hill Leisure Centre (Budget \$480,000 Actual \$14,653).	Incomplete
Contribution towards the establishment of a library in Robinvale (Budget \$200,000 Actual \$0).	Incomplete
Continue implementing Community Plans and projects including vibrant village projects (Budget \$510,000 Actual \$211,501).	Incomplete
Host the Fairfax Festival (Budget \$84,600 Actual \$55,869).	Incomplete
Refurbishment of the Swan Hill Indoor Sports Stadium (Budget \$100,000 Actual \$112,120)	Complete
Deliver the Empower Youth Initiative (Budget \$163,920 Actual \$135,132).	Complete
Art Gallery ACRE programs (Budget \$45,000 Actual \$160,342).	Complete Additional funding received.



Services funded in 2020/21 Budget

The following statement provides information in relation to the services funded in the 2020/21 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Budget <u>Actual</u> Variance \$000
Aged and disability services	A range of home and community care services for the aged and people with a disability including home delivered meals, personal care, transport, dementia care, home maintenance, housing support and senior citizen clubs.	(91) <u>(94)</u> (3)
Family and children services	Family oriented support services including pre-schools, maternal and child health, youth services, out of school hours, and holiday programs.	934 <u>631</u> (303)
Community development	Effective and ongoing liaison with, and support to, community and recreation groups. Support for the development and implementation of Community Plans and liaison with our Indigenous community.	980 <u>(267)</u> 1,247
Leisure centres	A wide range of programs and services giving the community a chance to participate in cultural, health, education, and leisure activities that contribute to the community's general wellbeing.	1,555 <u>(1,445)</u> (3,000)
Public health and regulatory services	Coordinating food safety, immunisations and management of public health concerns to ensure an acceptable state of physical, mental and social wellbeing is maintained within the community. This service also provides staff at school crossings throughout the municipality, animal management services, parking control and enforcement, and provides education, regulation and enforcement of the general Local Law and relevant state legislation.	602 <u>649</u> 47
Cultural services	Performing arts, art gallery and library services. This is a customer-focused service that caters for the cultural, educational and recreational needs of residents, while offering a place for the community to meet, relax and enjoy the facilities and services. Includes the operation and maintenance of the Swan Hill Town Hall and Performing Arts Centre.	1,917 <u>1,715</u> (202)

Service Performance Indicators

OUR PERFORMANCE

The following statement provides the results of the prescribed service performance indicators and measures.

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Maternal Child Health					
Satisfaction					
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x 100	90.35%	94.90%	-	-	Indicator retired in 2020.
Satisfaction					
<i>Participation in 4-week key age and stage visit</i> [Number of 4-week key age and stage visits / Number of birth notifications received]	-	-	96.65%	94.01%	New Indicator in 2020.
Service standard					
<i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x	100.00%	100.00%	102.13%	102.21%	
Service cost					
<i>Cost of the MCH service</i> [Cost to Council of the MCH service / Hours worked by MCH nurses]	\$94.60	\$81.12	\$91.19	\$109.86	The cost of the MCH service has increased due to a number of factors. These include (i) less nursing hours recorded due to increased annual and Long Service Leave taken by permanent staff without ability to cover leave; (ii) costs increased due to requirements for Covid-19 precautions and screening; and (iii) opening of new sites in Robinvale and Lake Boga.
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	73.03%	73.14%	75.04%	80.05%	Council increased staffing slightly during 2021, which resulted in more children and families being able to be seen in clinics.
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	62.18%	60.08%	66.20%	76.26%	Council has worked to support the Mallee District Aboriginal Service (MDAS) maternal child health clinic when they have not been able to offer a service to Aboriginal families, and as a consequence those families have chosen to attend a Council clinic for their care.

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Animal Management					
Timeliness					
<i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.0	2.0	1.47	1.07	The decrease in response time in 2021 was achieved by having a full complement of staff.
Service standard					
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]	31.16%	21.88%	22.22%	28.03%	There was a reduction in the number of roaming animals collected by officers during 2021. Council officers believe that was attributed to more pet owners working from home during Covid-19 workplace restrictions.
Service cost					
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$67.01	\$69.73	-	-	Indicator retired in 2020.
Service cost					
<i>Cost of animal management service per population</i> [Direct cost of the animal management service / Population]	-	-	\$10.01	\$10.30	New Indicator in 2020.
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	2	-	-	-	Indicator retired in 2020.
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Total number of animal management prosecutions] x 100	-	-	0	100%	Prosecutions arising in 2020 were heard in the 2021 financial year due to Covid-19 restrictions impacting the Magistrates Court operations and availability.
Aquatic Facilities					
Service standard					
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0	1	0.6	0.4	Opening days and hours were limited due to Covid-19 restrictions. This impacted the ability of our Public Health staff to complete inspections at all aquatic facilities.
<i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	1	0	-	-	Indicator retired in 2020.

Service Performance Indicators continued

Service/Indicator/ Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Service cost					
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$7.85	\$7.13	-	-	Indicator retired in 2020.
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$18.11	\$22.57	-	-	Indicator retired in 2020.
Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to the aquatic facilities]	-	-	\$13.69	\$18.56	<p>During 2021, Council performed significant maintenance work at both the Swan Hill and Manangatang outdoor swimming pools.</p> <p>Funding for most of these works came from the State Government Working For Victoria Jobs program. Swan Hill outdoor pool also had an upgrade to the switchboard to include RCD's and the Manangatang 30m pool was repainted.</p> <p>Flooding of the Swan Hill outdoor pool from a storm event occurred in December 2020, which resulted in the pool being closed for 9 days. This was an unfortunate event that involved considerable cost and effort during the height of the swimming season to rectify.</p>
Utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	5.51	5.57	4.56	3.43	<p>Due to Victorian Government Covid-19 restrictions, the Swan Hill Leisure Centre was closed from August 5 to October 26 (52 days). Strict capacity limits have been enforced since re-opening. Further lockdowns in February and late May also reduced attendance numbers. In addition to the pandemic, the Swan Hill Leisure Centre's boiler failed in March 2021. This outage was for 4.5 days and resulted in just over 300 swim school members not able to attend the centre.</p> <p>A 70% reduction in visitation was recorded between July and December 2020, when compared with the previous year. This was also reflected in centre memberships reducing by 17% since the facility closure in March 2020. The Swan Hill, Robinvale, Nyah and Manangatang outdoor pool attendance numbers were fortunately only impacted by the snap February 2021 lockdown.</p> <p>Flooding of the Swan Hill outdoor pool in December, resulted in the pool being shut in excess of 9 days while it was cleaned.</p>

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Food safety					
Timeliness					
<i>The time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.82	1.10	1.80	1.90	
Service standard					
<i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x 100	87.15%	93.17%	84.97%	28.07%	The priorities of Council Environmental Health Officers were shifted to planning and response, education and increased immunisation sessions due to Covid-19 restrictions imposed on food establishments. All Class 1 and high risk food premises received a food assessment in 2021.
Service cost					
<i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$498.68	\$455.11	\$488.61	\$510.35	
Health and safety					
<i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises]	94.74%	81.25%	100.00%	66.67%	One premise that received a 'major non-compliance outcome' did not receive a follow-up inspection in 2021. This was rectified in 2022.

Service Performance Indicators continued

Service/Indicator/Measure	Result 2018	Result 2019	Results 2020	Results 2021	Material Variation
Libraries					
Utilisation					
Library collection usage [Number of library collection item loans / Number of library collection items]	1.67	1.61	1.24	0.89	Reduced usage of the physical library collection was due to several library closures during Covid-19 restrictions. Library branches were closed to public access for a total of 76 days during 6 August to 21 October 2020, 13 February to 17 February 2021, and 28 May to 3 June 2021. The physical collection could only be accessed through the 'click and collect' service by appointment on 48 of the days the library was closed.
Resource standard Standard of library collection [Number of library collection items purchased in the last five years / Number of library collection items] x 100	53.41%	54.28%	48.61%	43.45%	Due to Covid-19 there have been delays in orders of physical library collection materials arriving from overseas.
Service cost Cost of library service [Direct cost of library service / Number of visits]	\$16.23	\$14.21	-	-	Indicator retired in 2020.
Service cost Cost of library service [Direct cost of library service / population]	-	-	\$46.96	\$44.18	New Indicator in 2020.
Participation Active library borrowers [The sum of the number of active library borrowers in the last 3 financial years / the sum of the Municipal population in the last 3 financial years] x 100	18.08%	16.90%	16.28%	14.52%	Due to Covid-19 restrictions, the library branches were closed to public access for a total of 76 days during 6 August to 21 October 2020, 13 February to 17 February 2021, and 28 May to 3 June 2021. Covid-19 restrictions reduced people's ability to visit the library in person. The online collection was available to borrowers during this time, however the physical collection could only be accessed through the 'click and collect' service by appointment on 48 of the 76 days the library was closed.

Community funding

Swan Hill Rural City Council recognises, respects and values the contribution that community, sporting and not-for-profit organisations make within our community. One of the ways Council does this is through the annual Community Grants program. Recipients of the 2020/21 Community Grants are detailed in the tables that follow:

Community Development Fund

The Community Development Fund offers up to \$5,000 to suitable community groups and organisations. Funding may be given for projects including minor repairs or upgrades to community facilities; water conservation and environmental innovations; OHS or risk management issues; new equipment; new programs or activities; local festivals and events with wide community benefit; and protection, conservation and restoration of heritage items and assets.

Organisation	Approved amount	Project description
Lake Boga Bowling Club	\$5,000	Plaster and paint clubrooms
Ultima Football Netball Club	\$4,985	Kitchen repairs and upgrade of equipment
Lake Boga Water Ski Club	\$5,000	Kitchen upgrade
Swan Hill and District Campdraft Club	\$5,000	Upgrade/modification of campdraft yard and spectator area – project not completed but extension approved
Swan Hill Lawn Tennis and Croquet Club Inc.	\$1,270	Installation of water bubbler outside of clubrooms
Swan Hill Field & Game	\$2,000	Purchase automatic trap
Swan Hill Neighbourhood House	\$2,500	Installation of new carpet
Manangatang Public Hall Committee Inc.	\$2,000	Installation of eight blinds to hall
Swan Hill Riding for the Disabled	\$5,000	Construction of wall and entrance doors to covered riding arena – project not completed but extension approved
Nyah West Tennis Club Inc.	\$1,081	Repairs to tennis court mower
Nyah and District Pony Club	\$5,000	Purchase/installation of new prefabricated self-contained toilet block – project not completed but extension approved
Speewa Heritage Collectors Club	\$3,802	Purchase grounds mower and gardening equipment
Nyah West Golf Club Inc.	\$5,000	Upgrade to clubroom toilet facilities
Swan Hill Genealogical and Historical Society Inc.	\$600	Digitalisation of local historical films

Community Development Fund continued

Organisation	Approved amount	Project description
Ultima Golf Club	\$1,500	Upgrade to clubroom kitchen facilities
1 st Lake Boga Sea Scouts	\$5,000	Purchase of BBQ trailer
Swan Hill Sporting Car Club	\$2,500	Construction of shade structures – project not completed but extension approved
Swan Hill Theatre Group	\$3,092	Installation of roof insulation blanket to rear of stage
Swan Hill Bowling Club	\$2,500	Installation of concrete aprons to three bowling greens
Mid Murray Flying Club	\$3,000	Installation of air conditioner to clubroom
Swan Hill Trotting Club	\$2,000	Purchase and fit out of horse float to use as horse ambulance
Robinvale Pistol Club	\$2,500	Installation of solar power system to clubrooms



Event Support Fund

The Event Support Fund provides grants and logistical support to community groups and event organisers to develop new events, or existing events that provide significant economic and/or social benefit to the region. During 2020/21, there were 22 and 11 applications received in the first and second rounds, respectively. Around five requests for support were received outside of these rounds, before the end of FY2021. The 2020/21 budget amounted to \$125,000, with the rollover from 2019/20 on top of this amount.

The COVID-19 pandemic has had a significant impact on regional events, community groups and event organisations. Events that received funding in the 2019/20 round that were cancelled or postponed due to COVID-19 were able to rollover their funding to the 2020/21 financial year. Those organisations that did incur pre-planning expenses were allowed to acquit part or all of their sponsorship, conditional upon evidence of receipts. Those that partially acquitted their sponsorship were able to apply for additional funds in the 2020/21 round.

For the 2020/21 round, if the event was unable to proceed in the format and timeframe initially planned due to further restrictions or other unforeseen circumstances, applicants were encouraged to submit a variation proposal. This variation proposal provided Council with information regarding any alterations to the event and helped determine the outcome of their funding. A couple of outstanding grants originally from the 2019/20 round and many events from the 2020/21 rounds which were still unable to take place, have been rolled over to 2021/22. There are a total of 15 grants from the 2019/20 and 2020/21 financial years whose funds were rolled over to 2021/22, 14 of these were due to the impacts of COVID-19.

Event	Logistical support	Total Value of the Grant Approved (cash and if any logistical support)	Cash Sponsorship acquitted and received by the applicant 2020/21
Swan Hill Things with Strings Festival 2019/20	Traffic Management and provision of signage—across 3 days	\$6,000	Rolled over to 2021/22
RACV 2020 National Veteran Vehicle Rally 2019/20	Venue hire, traffic management, administration, Pioneer Settlement costs and bin provision	\$8,000	Rolled over to 2021/22
Academy Challenge 2019/20		\$500	Applicant requested to cancel grant during 2020/21 (event did not occur)
TREE Multi-Fest 2019/20	Traffic management and signage	\$2,000	Rolled over to 2021/22
Swan Hill Badminton Associations Veteran Tournament 2019/20		\$750	Applicant requested to cancel grant during 2020/21 (event did not occur)
PCQHA Swan Hill Multi Judged Classic Show 2019/20		\$500	\$500
Life Explosion Free Community day 2019/20		\$500	Rolled over to 2021/22

Event Support Fund continued

Event	Logistical support	Total Value of the Grant Approved (cash and if any logistical support)	Cash Sponsorship acquitted and received by the applicant 2020/21
Men's Health Night 2019/20		\$500	Applicant requested to cancel grant during 2020/21 (event did not occur)
Robinvale Easter Tennis Tournament 2019/20		\$500	\$500
Swan Hill Food Truck Festival 2021 2020/21	Toilet cleaning, waste removal, traffic management and signage, Riverside Park venue hire and the POPE permit.	\$2,000	Rolled over to 2021/22
2021 Australia Day Breakfast 2020/21	Robinvale community Arts Centre Venue Hire (did not end up using the venue, so some bins for waste were hired instead)	\$920 To come from alternative budget.	No cash sponsorship
Young Professional Networking Event 2020/21		\$500	Rolled over to 2021/22
Annual Rally – Display of historical collections and items 2020/21		\$1,000	Event yet to occur Rolled over to 2021/22
Visions of Boga 2020/21		\$2,500	\$2,500
2020 Robinvale Euston Christmas Promotional Draw 2020/21		\$1,500	\$1,500
Swan Hill Region Food and Wine Festival 2020/21	Pioneer Settlement Venue Hire	\$7,000	Rolled over to 2021/22
Come and Try Sports Day 2020/21		\$1,000	Rolled over to 2021/22
Swan Hill Junior Invitational Basketball Tournament 2020/21	Venue hire for the Council Stadium's and Pioneer Settlement Lodges to accommodate referees for the weekend	\$5,000	Rolled over to 2021/22
Blue Pearl Classic 2020/21		\$2,500	Rolled over to 2021/22

OUR PERFORMANCE

Event	Logistical support	Total Value of the Grant Approved (cash and if any logistical support)	Cash Sponsorship acquitted and received by the applicant 2020/21
Hessian and Lace Long Luncheon 2020/21 (Variation Request received = Cinema Under the Stars at Nyah instead)		\$3,000	\$3,000
Swan Hill Bowls Autumn Carnival 2019/20 Rollover and 2020/21 grant		\$3,621	\$3,621
Swan Hill Film Festival 2020 2020/21		\$2,000	\$2,000
Nyah District Christmas Carnival 2020/21		\$3,000	Rolled over to 2021/22
Lake Boga Yacht Club Easter Regatta 2021 2020/21		\$1,000	\$1,000
Piangil Xmas get together 2020/21		\$250	\$250
May 50 target event Swan Hill Field and Game 2020/21		\$1,000	\$1,000
Music Concert Royal Children's Hospital Good Friday Appeal 2020/21		\$1,000	Rolled over to 2021/22
Swan Hill Speedway's Easter Extravaganza 2020/21		\$5,000	\$5,000
Swan Hill Easter Market Day 2020/21	Traffic management and signage, Council toilet cleaning and fencing	\$1,500	No cash sponsorship
Robinvale Easter Festival 2020/21		\$1,000	\$1,000
Nyah Fishing Competition 2020/21		\$3,000	\$3,000
Laser Tag 2020/21		\$1,434	\$1,434
Understanding Water - LifeBlood of the Murray Darling	Lower Murray Inn Venue Hire	1,727	Rolled over 2021/22
Market Day November 2020 (approved outside of ESF 2020/21 rounds)	Traffic management plan, signage and labour	\$1,500	No cash sponsorship
Voyage Fitness Riverside Tri (approved outside of ESF 2020/21 rounds during Feb 2021)	Cleaning of the Council public toilets	\$1,620	\$1,500
2022 Australian Seniors Tennis Championship (approved outside of ESF 2020/21 rounds at the April 2021 Council Meeting)		\$40,000	Rolled over to 2021/22, as the event is planned to occur during 2022

Local Entertainment Grants

In response to the impacts of COVID-19, during February 2021 Council introduced the Local Entertainment Grants to offer businesses the opportunity to apply for up to 2 grants, of up to \$500 each; to pay for entertainment within their premises. It is hoped that these grants have and will help strengthen business in the short-term by encouraging patronage. This grant program will remain open until the 30 December 2021, unless the funding is fully allocated. Entertainment must occur before Friday, 31 December 2021. The Local Entertainment Grant has an allocation of \$25,000 and there is currently \$10,500 remaining. If the entertainment cannot take place as stipulated in the Local Entertainment Grants application, the applicant needs to update Council on any changes. This will enable Council to determine the outcome of the funding. The below table notes all those whom have applied and/or received funding in 2020/21.

Applicant	Approved amount	Total value acquitted
Robinvale Wines	\$1,000	Rolled over to 2021/22
Toga Enterprises Pty Ltd (Lake Boga Pub)	\$500	\$500
Big 4 Riverside Swan Hill	\$500	\$500
Swan Hill RSL Sub-branch Inc.	\$1,000	\$1,000
Steves fish and fillet	\$500	Cancelled, no longer required
Nyah Oasis Chinese Restaurant	\$500	\$500
Peachy's Bar	\$1,000	Rolled over to 2021/22
Swan Hill Football Netball Club	\$1,000	\$500 remaining Rolled over to 2021/22
Swan Hill Club	\$1,000	\$1,000
Robinvale Lawn Tennis Club	\$500	\$500
Big 4 Swan Hill - Murray Valley Hwy	\$1,000	\$1,000
Manangatang Hotel	\$1,000	Rolled over to 2021/22
Spoons Riverside	\$1,000	Rolled over to 2021/22
Swan Hill Jockey Club	\$1,000	Rolled over to 2021/22

Applicant	Approved amount	Total value acquitted
Lake Boga Bowling Club	\$1,000	Rolled over to 2021/22
Manangatang Racecourse	\$500	Rolled over to 2021/22
Robinvale Lawn Tennis Club	\$500	Rolled over to 2021/22
Tyntynder Football Netball Club	\$1,000	Rolled over to 2021/22
Swan Hill Neighbourhood House Inc.	\$500	Rolled over to 2021/22

Key Result Area 3: Infrastructure

Council Plan Initiatives

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic initiatives included in the Plan.

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan Initiative	Action	Status
Actively pursue opportunities from decommissioned irrigation infrastructure	Work with Goulburn Murray Water to decommission channel number 9	✓
	Identify opportunities for land parcels taken over by Council	>>
Review current use of Council facilities	Produce usage report, including analysis of non-Council facilities that provide similar services	>>
	Identify opportunities to rationalise Council assets	>>
Plan and deliver assets for the current and future needs of our growing community and changing environment	Develop and update policies, strategies and registers	>>
	Implement an effective asset management system	>>
	Complete a centralised asset register	>>
Advocate for funding for an active trail between Lake Boga and Swan Hill.	Complete project scope and plan to enable future funding submission	>>
Review the Swan Hill Active Transport Strategy	Review the strategy	>>
	Adopt the reviewed strategy	✓
Review the way that we procure and maintain our Infrastructure	Identify opportunities to rationalise assets and facilities that do not have an identified service need	>>
	Conduct a review of public facilities including public toilets (included as part of 2018/19 review)	✓

Council Plan Initiatives continued

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan Initiative	Action	Status
Upgrade Swan Hill Livestock Selling Complex	Implement upgrade project	✓
	Identify funding opportunities for future stages	✓
Review the road network and classify each road	Complete a service review of the road network	✓
Complete the Recreation Reserve Masterplan	Adopt the Recreation Reserves Masterplan	✓
	Establish a long-term operational maintenance program for Council-managed reserves	>>
	Review and update user agreements between Council and recreation reserve users groups	>>
Ensure developers comply with the Infrastructure Design Manual where relevant to local standards	Improve internal and external stakeholders' understanding of the Infrastructure Design Manual	>>
	Develop a local policy position in areas where the Infrastructure Design Manual can be varied	>>

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020/21 Budget.

Major Initiative	Progress
Re-seal sealed roads (Budget \$1,183,000 Actual \$823,555).	Complete Programmed re-sealing works under budget.
Re-sheet sealed road shoulders (Budget \$205,000 Actual \$521,250).	Complete Scope of the project changed, additional works completed.
Re-sheet unsealed gravel roads (Budget \$957,800 Actual \$965,420).	Complete
Complete road works funded by the Federal Roads to Recovery Program (Budget \$2,151,240 Actual \$1,848,695).	Incomplete
Robinvale Town Levee construction (Budget \$900,000 Actual \$659,122).	Incomplete
Swan Hill Aerodrome renewal and upgrades (Budget \$2,780,000 Actual \$512,595).	Incomplete
Pritchard Street Swan Hill drainage main upgrade (Budget \$400,000 Actual \$168,587)	Complete Scope of the project changed, full budget not required.
Robinvale Riverside Park netball courts and change rooms (Budget \$640,000 Actual \$789,891).	Complete
Manangatang Swimming Pool Upgrades (Budget \$120,000 Actual \$105,223).	Complete

Services funded in 2020/21 Budget

The following statement provides information in relation to the services funded in the 2020/21 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Budget <u>Actual</u> Variance \$000
Amenity and safety	Provide the community with well-maintained public areas with a focus on community access and safety. Maintain urban streets and public areas, including footpaths, in a clean and litter-free state and provide access to public conveniences and lighting of public areas. Provide and maintain efficient and effective open and underground drainage systems.	4,149 <u>4,505</u> 356
Community buildings	Maintain and renew community buildings and facilities. It covers community centres, public halls and pre-schools.	1,660 <u>1,037</u> (623)
Infrastructure planning and management	Provide for the planning, design and project management of Council's capital works program, and manage Council's plant and fleet assets and depot operations.	2,445 <u>1,553</u> (892)
Recreation	Maintain Council's parks, reserves, playgrounds and streetscapes in a functional and visually-pleasing landscape.	2,306 <u>3,806</u> 1,500
Swimming pools	Provide quality, accessible aquatic facilities that support a high quality of life for residents and visitors.	459 <u>539</u> 80
Traffic and transportation services	Manage Council's roads and associated infrastructure assets. Ongoing maintenance and renewal work to municipal infrastructure assets including sealed roads, unsealed roads, footpaths and aerodromes.	6,874 <u>9,780</u> 2,906

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures.

Service/Indicator/ Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Roads					
Satisfaction of use					
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x 100	8.47	5.54	6.87	6.76	
Condition					
Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local road] x 100	98.31%	98.76%	99.28%	99.28%	
Service cost					
Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$45.45	\$25.14	\$30.75	\$33.26%	The cost of sealed local road reconstruction increased in 2021 due to one major project being undertaken in an urban area that involved utilising a more expensive asphalt treatment instead of a spray seal.
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$5.72	\$6.84	\$4.98	\$5.58	The increase in resealing sealed roads is due to resealing several large urban streets which required a two-coat seal.
Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	50	46	44	52	Road networks are critical for liveability and business within the region and Council continuously seeks funding to enable upgrades to occur. Council has invested in its sealed roads network above its ordinary program due to additional funding becoming available during 2021. The satisfaction of sealed local roads has improved markedly over the past three years. The score identified is determined from sample respondents to the State Community Satisfaction survey.

Key Result Area 4: Governance and leadership

Council Plan Initiatives

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic initiatives included in the Plan.

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan Initiative	Action	Status
Champion a culture that values strong community engagement	Implement a project management system	>>
	Conduct training for staff	>>
Continually improve workplace safety and staff health and wellbeing	Develop and implement an OHS framework	>>
	Review and develop Council's Risk Framework and Strategy	✓
Implement a Project Management System	Review and improve current processes	>>
	Implement a centralised project management system utilised throughout the organisation	>>
Review Council services for efficiency, effectiveness and quality	Prioritise services for a detailed review	>>
	Identify relevant benchmarks for a service review	>>
Council to lead the conversation on Swan Hill bridge placement with the community	Represent Council's views at stakeholder meetings	>>
	Conduct public engagement and awareness campaign	>>

Council Plan Initiative	Action	Status
Establish new and alternative methods of consultation	Research and report to Council on contemporary consultation methods	✓
	Increase the use of social media, online survey tools	✓
	Review Council's communication strategy	✓
Develop Council's systems and processes to improve our customer service, efficiency and effectiveness of our operations	Undertake Council Services Review	>>
Use social media as a medium for community consultation and communication	Increase the use of online survey tools	>>
Engage and partner with organisations, business and individuals to increase cooperation and avoid duplication of resources when common objectives are identified	Conduct skills audit of community organisations	>>
Advocate to State and Federal governments to fund priorities in Community Plans, Major Projects Plan and other key Council plans and strategies	Develop marketing material on key issues	✓
Encourage and support Council representatives to obtain positions on relevant boards that support Council's activities, providing these duties do not conflict with Council responsibilities	Identify key board positions	>>
	Develop advocacy strategies	✓
	Train staff and Councillors on Governance responsibilities and industry based awareness	>>

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020/21 Budget

Major Initiative	Progress
Municipal Office alterations (Budget \$75,000 Actual \$0).	Incomplete
Further develop Council IT processes as identified in the IT Strategy (Budget \$120,000 Actual \$119,614).	Complete
Municipal elections (Budget \$140,000 Actual \$153,683).	Complete

Services funded in 2020/21 Budget

The following statement provides information in relation to the services funded in the 2020/21 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Budget <u>Actual</u> Variance \$000
Councillors and corporate management	Governance includes the Mayor, Councillors, Chief Executive Officer, Executive Leadership Team and associated support, which cannot easily be attributed to the direct service provision areas.	2,384 <u>2,241</u> (143)
Community relationships	Proactively communicate Council decisions, programs and events to the community using a range of methods, and assist the organisation to respond to community issues as they arise.	198 <u>143</u> (55)
Management of resources	Manage Council's offices along with human and financial resources to effectively and efficiently fulfil Council objectives, including areas like rate raising and collection, customer service, human resource management, depot and office site management, Council finances, information technology and records management.	(27,122) <u>(29,096)</u> (1,974)

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures.

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Governance Transparency <i>Council decisions made at meetings closed to the public</i> [Number of Council resolutions made at an ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors] x 100	7.73%	5.56%	4.37%	4.04%	
Consultation and engagement <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	55	54	52	51	
Attendance <i>Councillor attendance at Council Meetings</i> [The sum of the number of Councillors who attended each ordinary and special Council Meeting / (Number of ordinary and special council meetings) x (Number of Councillors elected at the last Council general election)] x 100	97.96%	96.64%	95.92%	94.44%	
Service cost <i>Cost of Governance</i> [Direct cost of the Governance service / Number of Councillors elected at the last Council general election]	\$41,456	\$43,621	\$43,914	\$43,117	
Satisfaction <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community]	54	51	45	48	Satisfaction with Council decisions has increased. Council has invested in community engagement, developing a policy and guidelines for staff to support greater engagement on issue that impact the community.

Key Result Area 5: Environment

Council Plan Initiatives

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic initiatives included in the Plan.

✓ Completed >> In progress/continuing in 2021/22 - Carried over to 2021/22

Council Plan Initiative	Action	Status
Seek to influence how environmental water is used within the municipality	Attain membership to Catchment Management Authorities (CMA)	>>
	Seek a position on CMA committees	>>
Investigate alternative energy for council buildings, and a community solar option	Prepare a business case for each option	✓
Review our work methods to reduce the environmental impact of what we do	Review our fuel usage	>>
	Review plant and corporate fleet requirements	✓
	Investigate and use where possible sustainable building practices	>>
Review and implement the Waste Management Plan	Approve a revised and updated Waste Management Plan	>>
Advocate for improved control on private and public land of feral pests and weeds	Engage with local Landcare groups	>>
	Identify and reduce boxthorn infestations	>>
	Extend fruit fly program	>>
Investigate opportunities for green waste and organic collection service	Review data for current green waste service	✓
	Develop and implement a green waste information campaign	✓

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020/21 Budget

Major Initiative	Progress
Deliver the roadside weeds and pest management program (Budget \$75,000 Actual \$38,050).	Incomplete
Deliver the Emerging Weeds Control Program (Budget \$20,000 Actual \$13,775).	Incomplete
Undertake capping works at the Swan Hill Landfill (Budget \$150,000 Actual \$1,225).	Incomplete
Swan Hill Landfill tarp armour deployment system (Budget \$120,000 Actual \$0).	Incomplete
Implement the Solar Garden project (Budget \$30,000 Actual \$0).	Incomplete
Upgrade and expansion of resource recovery at Swan Hill Landfill (Budget \$60,000 Actual \$5,560).	Incomplete

Services funded in 2020/21 Budget

The following statement provides information in relation to the services funded in the 2020/21 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of services provided	Budget <u>Actual</u> Variance \$000
Environmental management	Advocate for, and assist to deliver environmental projects as part of Council's aim to become more sustainable in both built and natural environments.	305 <u>165</u> (140)
Waste management	Provide waste collection services, including kerbside collection of garbage, hard waste and green waste from all households and some commercial properties.	202 <u>(144)</u> (346)

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures.

Service/Indicator/ Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Waste Collection Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1000	22.86	30.88	28.37	112.19	Council received an extraordinary high number of requests during 2021. There were a number of reasons for this including (i) requests to replace or repair damaged bins, (ii) transition from one contractor to another, and (iii) the introduction of a new customer service request system. Council has an ageing bin stock and many are at the end of their serviceable life; this along with the loss of local knowledge and experience in collection services and improved data capture reflects the increase in request numbers.
Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	3.19	2.37	1.76	5.78	Council received significantly more requests for missed services during 2021. The transition from one contractor to another is reflective of this. Council is working closely with the new service provider to improve collection, introduce efficiencies and performance to required standards. The introduction of a new customer service request tracking and reporting system at the commencement of the new contract has also resulted in the capture of more accurate numbers.

Service Performance Indicators continued

Service/Indicator/Measure	Result 2018	Result 2019	Result 2020	Result 2021	Material Variation
Service cost					
Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$55.79	\$57.09	\$81.12	\$86.91	Council engaged a new kerbside collection service contractor during the 2021 financial year. This market testing has seen an increase to the costs per household for kerbside garbage collection.
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$27.81	\$28.49	\$42.38	\$78.51	Council engaged a new kerbside collection service contractor during the 2021 financial year. This market testing has seen an increase to the costs per household for kerbside recycling collection. Significant changes in the recycling sector have resulted in a considerable increase to the recyclables processing facility gate fees, which in turn has increased the cost to each household kerbside service.
Waste diversion					
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	30.55%	30.26%	27.67%	29.51%	Council believes that the increase in recyclables collected through the kerbside collection service is a consequence of regional pandemic lockdowns with residents required to spend more time at home.



Part six

Corporate Governance

Governance

Swan Hill Rural City Council is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

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 such as Council meetings and the ability to make submissions to Council.

Council's formal decision-making processes are conducted through Council meetings and Delegated Committees of Council. Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies.

Local Government Act 2020

The *Local Government Act 2020* received Royal Assent on 24 March 2020 and takes effect in four stages: 6 April, 1 May, 24 October and 1 July 2021.

Council has implemented Stage 1, stage 2 and Stage 3, with the following requirements being completed:

- Governance Rules
- Election Period Policy
- Council Expenses Policy
- Committees (Delegated and Community Asset)
- Audit and Risk Committee
- Audit and Risk Committee Charter
- Public Transparency Policy
- Mandatory Candidate Training
- Personal Interest Returns (Initial and Biannual)
- Summary of Personal Interests
- Councillor Induction Training
- Councillor Code of Conduct
- Community Engagement Policy
- Gifts, Benefits and Hospitality Policy (Councillor Gifts Policy / Staff Gifts Policy)
- Annual Budget
- Revenue and Rating Plan
- Financial policies

Council's Governance team attended workshops and training facilitated by the MAV, VLGA and Local Government Victoria and is equipped to implement Stage 4 of the Local Government Act to schedule.

Meetings of Council

Council conducts open public meetings on the third Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question of Council, make a submission or speak to an item.

For the 2020/21 year, Council held the following meetings:

- 11 Scheduled Council Meetings
- 6 Unscheduled Council Meetings

Below are the dates and locations of the Scheduled Council Meetings held in 2020/21:

Month	Location	Month	Location
21 July 2020	Swan Hill	23 February 2021	Swan Hill
18 August 2020	Swan Hill	16 March 2021	Swan Hill
15 September 2020	Swan Hill	20 April 2021	Swan Hill
20 October 2020	Swan Hill	18 May 2021	Swan Hill
17 November 2020	Swan Hill	15 June 2021	Swan Hill
15 December 2020	Swan Hill		

Councillor attendance at Council meetings

The following table provides a summary of Councillor attendance at Council Meetings and Unscheduled Council Meetings for the 2020/21 financial year.

Councillor	Ordinary Council Meetings	Ordinary Council Meetings	Special Council Meetings	Special Council Meetings
	Eligible to attend	Attended	Eligible to attend	Attended
Cr Les McPhee	11	11	6	6
Cr Ann Young	11	11	6	5
Cr Bill Moar	11	11	6	5
Cr Lea Johnson	4	4	3	3
Cr Stuart King	7	7	3	1
Cr Chris Jeffery	11	11	6	5
Cr Jade Benham	11	10	6	6
Cr Nicole McKay	11	10	6	6

Delegated committees

The *Local Government Act* allows councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

Council currently has no delegated committees established.

Council representation on other committees

Councillors are representatives on Delegated Committees of Council, as well as other external committees, associations and groups.

Cr Bill Moar

- Loddon Mallee Waste and Resource Recovery Board
- Joint Bridge Committee
- Swan Hill Regional Livestock Exchange
- Murray River Group of Councils
- Event Support Fund
- Community Development Fund
- Central Murray Regional Transport Forum
- Agribusiness Advisory Committee
- Swan Hill Residents and Ratepayers Association

Cr Ann Young

- Woorinen Progress Association
- Chief Executive Officer Performance Review Committee
- Swan Hill Regional Art Gallery Advisory Committee
- Manangatang Improvement Group

Cr Les McPhee

- Municipal Association of Victoria
- Lake Boga Inc
- Ultima Progress Association
- Joint Bridge Committee
- Chief Executive Officer Performance Review Committee
- North West Municipalities Association
- Audit and Risk Committee
- Robinvale Improvement Group

Cr Stuart King

- Swan Hill Inc
- Swan Hill Leisure Centre Committee of Management (sub-delegate)
- Swan Hill Motorplex
- Rail Freight Alliance

Cr Jade Benham

- Robinvale Aboriginal Elders Committee
- Robinvale Euston Business Association
- Wemen Progress Association
- Local Aboriginal Network Robinvale
- Municipal Association of Victoria (sub delegate)
- Community Development Fund
- Audit and Risk Committee
- Rural Councils Victoria (sub-delegate)
- Local Aboriginal Network Swan Hill

Cr Chris Jeffery

- Indoor Sports Stadium Advocacy Committee
- Rural Councils Victoria
- Chief Executive Officer Performance Review Committee
- Swan Hill Leisure Centre Committee of Management
- Lake Boga Land on Water Committee of Management

Cr Nicole McKay

- Nyah Action Group
- Piangil Community Group
- Boundary Bend Progress Association
- Grampians Wimmera Mallee Water Advisory Committee
- Event Support Fund
- Local Aboriginal Network Swan Hill (sub-delegate)
- Swan Hill Regional Art Gallery Advisory Committee (sub-delegate)
- Swan Hill Inc (sub-delegate)
- Central Victorian Greenhouse Alliance

Conflict of interest

During the course of dealing with matters that come before Council for decision, individual Councillors and members of staff might find that they, or their immediate family, have a financial or some other advantage that could be interpreted as having undue influence on the outcome.

To ensure transparency in the decision-making processes of Council, both Councillors and staff are required to declare and document their interest in a matter. Where Councillors have declared an interest, they take no part in the decision-making process.

During 2020/21, 5 conflicts of interest were declared at Council and Delegated Committee meetings.

Copies of the document Conflict of Interest: A Guide for Councillors, October 2012, published by the Department of Planning and Community Development, has been provided to Councillors for their reference.

Code of Conduct

The *Local Government Act 2020* requires councils to review and adopt the Councillor Code of Conduct within 4 months after each general election. Swan Hill Rural City Council's Councillor Code of Conduct was reviewed and adopted on 23 February 2021.

After the review on 23 February 2021, Councillors signed the Code of Conduct declarations.

A copy of the code is available at www.swanhill.vic.gov.au/about/overview/policies.



Councillor allowances

In accordance with Section 39 of the *Local Government Act 2020*, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each council. In this instance Swan Hill Rural City Council is recognised as a category two council.

For the period 1 July 2020 to 30 June 2021, the Councillor annual allowance for a category 2 council (as defined by the Act) was up to \$26,245 per annum and the allowance for the Mayor was up to \$81,204 per annum. Superannuation at 9.5% is paid in addition to the allowance.

The following table contains details of current allowances (inclusive superannuation) fixed for the Mayor and Councillors during the year.

Councillor	Allowance
Cr Bill Moar (Mayor)	\$70,693.26
Cr Ann Young	\$26,645.90
Cr Chris Jeffery	\$26,645.90
Cr Les McPhee	\$26,645.90
Cr Lea Johnson 1 July 2020 - 24 October 2021	\$9,295.08
Cr Jade Benham	\$27,965.90*
Cr Nicole McKay	\$26,645.90
Cr Stuart King 17 November 2020 - 20 June 2021	\$17,350.82

* Includes Remote Travel Allowance

Councillor expenses

In accordance with Section 40 of the *Local Government Act 2020*, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor.

Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors.

The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the Council.

The details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee, paid by Council for the 2020/21 year are set out in the following table:

Councillor	Travel	Car Mileage	Childcare	Information and Communication	Conference and Training	Total
Cr Bill Moar	-	\$1,918.05	-	\$4,732.54	\$1,551.96	\$8,202.55
Cr Ann Young	\$114.24	\$190.80	-	\$3,907.20	-	\$4,212.24
Cr Chris Jeffery	-	-	-	\$4,729.99	-	\$4,729.99
Cr Les McPhee	-	\$194.40	-	\$4,506.44	-	\$4,700.84
Cr Lea Johnson	-	-	-	\$365.00	-	\$365.00
Cr Jade Benham	\$8,657.04	\$190.80	\$105.00	\$3,475.00	\$175.00	\$12,602.84
Cr Nicole McKay	\$335.27	\$936.00	-	\$5,213.82	-	\$6,485.09
Cr Stuart King	-	-	-	\$4,971.29	-	\$4,971.29

Note: No expenses were paid by Council, including reimbursements, to members of Council Committees during the 2020/21 year.

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework.

Having strong governance and management frameworks leads to better decision making by Council.

The *Local Government Act* requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations.

Council's Governance and Management Checklist results are set out in this section. The following items have been highlighted as important components of the management framework.



Audit and Risk committee

The Audit and Risk Committee is an independent Advisory Committee to Council and is formed under Section 53 of the *Local Government Act 2020*.

The primary objective of the Audit and Risk Committee is to assist Council in the effective conduct of its responsibilities for:

- Enhancing the credibility and objectivity of internal and external financial reporting
- Effective management of financial processes, to ensure integrity and transparency
- Effective management of risks and the protection of Council assets
- Compliance with laws and regulations as well as use of best practice guidelines
- The effectiveness of the internal audit function
- The provision of an effective means of communication between the external auditor, internal auditor, management and the Council
- Facilitating the organisation's ethical development
- Maintaining a reliable system of internal controls

The Audit and Risk Committee consists of five members, three of whom are independent experts in a range of areas including financial management, business, and project management.

Audit and Risk Committee Members

The members of the committee during the 2020/21 financial year were:

Warren Pollock (Chairman) - fourth term appointment expires 21 August 2022.

Rod Saville - third term appointment expires 18 November 2021.

Robert Jardine - first term appointment expired on 21 February 2021, independent representative position vacant for the June 2021 meeting.

Cr Lea Johnson - was in attendance for the October 2020 meeting.

Cr Chris Jeffery - was in attendance for the December 2020 meeting.

Cr Les McPhee - appointed for two years at the Council Meeting in December 2019.

Cr Jade Benham - appointed for two year at the Council Meeting in November 2020.

The following table contains details of attendance at Audit and Risk Committee meetings during 2020/21:

Member	Eligible to attend	Attended
Warren Pollock, Independent member and Chairman	4	3
Rod Saville, Independent member	4	4
Robert Jardine, Independent member	3	2
Lea Johnson, Councillor	1	1
Chris Jeffery, Councillor	1	1
Les McPhee, Councillor	4	4
Jade Benham, Councillor	2	2

Internal Audit

Council's internal audit function is externally resourced to provide independent and objective assurance that appropriate processes and controls are in place across Council.

A three-year risk-based Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the nominated areas.

The review process considers Council's risk framework, the Council Plan, the impact of any change on our operations, systems or the business environment, prior audit coverage and outcomes, and relies heavily on management directional input. The SIAP is revised and approved by the Audit Committee annually.

The Internal Auditor attends Audit Committee meetings to report on the status of the SIAP and to present findings of completed reviews.

The responsible Director and Manager for each area reviewed is required to attend the Audit Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated.

Recommendations are assigned to responsible managers and tracked through the Audit Committee agenda until all recommendations have been completed.

Quality assurance is measured through completion of the review recommendations and completion of the nominated annual SIAP reviews.

The SIAP for 2020/21 was completed with the following extensive detailed review conducted:

- IT Security Review - IT Security Framework

In order to attain a wider review of internal audit coverage, a mix of 'detailed' and 'insight' reviews are identified.

'Detailed' reviews typically include walk throughs, identification of key controls and sample testing of key controls to form a conclusion, resulting in a detailed report.

'Insight' reviews are high level discussions with those officers responsible for managing the area of focus, resulting in a brief report of observations and insights.

External Audit

Council is externally audited by the Victorian Auditor-General. For the 2020/21 year the annual external audit of Council's Financial Reports and Performance Statement was conducted by the Victorian Auditor-General's representative, Dannielle MacKenzie of Crowe (Albury).

The external auditors attend Audit and Risk Committee meetings to present the annual audit strategy and independent audit reports.

The external audit management letters and responses are also provided and discussed with the Audit and Risk Committee.



Risk Management

Council's Risk Management Policy and Framework provides an integrated and consistent approach to risk management to ensure that risks are identified and addressed during planning, decision-making and everyday operations.

This year Council has continued to develop our Risk Management Framework, processes and systems which has further strengthened our ability to respond to changes in existing risks as well as respond to new risks that have been introduced through the increasing complex external environment, with particular focus on the areas outlined below:

- **COVID-19 pandemic** - Risks emerging from changing restrictions, supply chain disruptions and remote working by staff, were identified, assessed and managed
- **Cybersecurity** - Council continued to invest in our cyber security risk management program to ensure we are prepared to respond to the increasing sophistication and frequency of external cyberattacks
- **Integrity, ethics and culture** - Improvements were made Council's fraud and corruption control framework

Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

Governance and Management Items	Assessment
1. Community Engagement Policy (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act: 23 February 2021
2. Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Date of operation of current guidelines: 23 February 2021
3. Financial Plan (plan under section 91 of the Act outlining the financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act: Date of adoption: 15 September 2020
4. Asset Plan (plan that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance of section 92 of the Act: Date of adoption: Road Asset Management Plan 01/09/2008 Building Asset Management Plan 01/08/2008 Footpath Asset Management Plan 01/08/2009 Irrigation Asset Management Plan 01/08/2008 Kerb and Channel Asset Management Plan 01/08/2009 Landfill Asset Management Plan 01/07/2008 Playgrounds Asset Management Plan 01/08/2008 Bridge Asset Management Plan 01/11/2005 Aerodrome Asset Management Plan 01/03/2009 Road Management Plan 27/06/2017
5. Revenue and Rating Plan (Plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance of section 93 of the Act: Date of adoption: 15 June 2021
6. Annual Budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 94 of the Act. Date of adoption: 15 June 2021
7. Risk Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Date of commencement of current policy: 7 August 2019

Governance and Management Items	Assessment
8. Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Date of commencement of current policy: 16 March 2021
9. 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> . Date of preparation: 21 July 2020
10. Procurement Policy (policy under section 108 the <i>Local Government Act 2020</i> outlining the principles, processes and procedures that will apply to the purchase of goods, services by the Council)	Adopted in accordance of section 108 of the Act: Date of adoption: 15 December 2020
11. Business Continuity Plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Date of adoption of current plan: 15 March 2021
12. Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Date of operation of current plan: 15 March 2021
13. Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 18 January 2021
14. Audit and Risk Committee (see sections 53 and 54 of the Act)	Established in accordance with section 53 of the Act. Date of establishment: 18/08/2020
15. Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged RSM Date of engagement of current provider: 1 July 2013 - Initial 11 July 2018 - Re-appointed
16. Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 12 April 2016

Governance and Management Items	Assessment
17. Council Plan Reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the reporting year)	Report Reported to Council on: Qtr 1: 20/10/2020 Qtr 2: 23/02/2021 Qtr 3: 20/04/2021 Qtr 4: 20/07/2021
18. Financial Reporting (quarterly statements to Council under section 138(1) of the Local Government Act 1989, comparing actual budgeted results and an explanation of any material variations.)	Reports presented to Council in accordance with section 138(1) of the Act. Date statements presented: Annual Report 2020: 17/11/2020 Qtr 2: 20/04/2021 Qtr 3: 18/05/2021 An extended timeframe to complete the 2020 Annual Report pushed all scheduled work timeframes beyond normal cycles; and although the Sept 2020 quarterly report was prepared (Qtr 1), it was inadvertently omitted from the December Council Agenda.
19. Risk Reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 14 December 2020 & 24 May 2021
20. Performance Reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Council reports annually Date statement presented: In the Annual Report 2020 17 November 2020
21. Annual Report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at meeting of the Council in accordance with section 134 of the Act: Date of consideration: 17 November 2020
22. Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act. Date reviewed: 23 February 2021

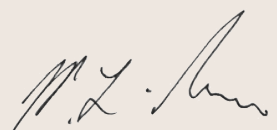
Governance and Management Items	Assessment
23. Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff), in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and in a register in accordance with sections 11(8) and 47(7) of the Act Date of review: 20 April 2021
24. Meeting procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act. Date Governance rules adopted: 18 August 2020

I certify that this information presents fairly the status of Council's governance and management arrangements.



John McLinden
Chief Executive Officer

Dated: 21 September 2021



Cr William Moar
Mayor

Dated: 21 September 2021

Statutory information

Documents available for public inspection

Council's public transparency policy now provides details of how and what Council information is available to the public. This policy is available on Council's website.

Council's website contains a wide array of Council information including all policies, plans and reports required under the *Local Government Act 2020* and any other Act.

An extensive list of publicly available information is provided in Council's Part II Statement provided under the *Freedom of Information Act 1982*. This statement is also available on Council's website and is required to be updated annually.

Best Value

The Best Value Principles within the *Local Government Act 1989* provide the basis for which councils plan, review and manage their performance in order to deliver continuous improvement in all services and to meet the needs and expectations of service users.

208B - Best Value Principles

All services provided by a council must meet the quality and cost standards required by section 208D;

Subject to sections 3C(2)(b) and 3C(2)(e), all services provided by a council must be responsive to the needs of its community;

Each service provided by a council must be accessible to those members of the community for whom the service is intended;

A council must achieve continuous improvement in the provision of services for its community;

A council must develop a program of regular consultation with its community in relation to the services it provides;

A council must report regularly to its community on its achievements in relation to the principles set out in paragraphs (a), (b), (c), (d) and (e).

Service Performance Principles

From April 2020 s106 Service Performance Principles of the *Local Government Act 2020* came into effect. This involves the setting of Quality and Cost Standards for Council services and annual reporting against these standards to the community.

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

The following are the service performance principles:

- (a) services should be provided in an equitable manner and be responsive to the diverse needs of the municipal community;
- (b) services should be accessible to the members of the municipal community for whom the services are intended;
- (c) quality and costs standards for services set by the Council should provide good value to the municipal community;
- (d) a Council should seek to continuously improve service delivery to the municipal community in response to performance monitoring;
- (e) service delivery must include a fair and effective process for considering and responding to complaints about service provision.

Carers Recognition Act 2012

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*. Council has promoted the principles of the Act to people in care relationships who receive Council services, and to the wider community by providing links to State Government resource materials on Council's website and providing information to organisations represented in Council networks.

Council has taken all practicable measures to ensure staff, Council agents and volunteers are informed about the principles and obligations under the Act by including information on the care relationship in Council induction and training programs for staff working in Community Care Services, and induction and training programs for volunteers working directly with the community.

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship.

Community Access and Inclusion Strategy

In accordance with section 38 of the *Disability Act 2006*, as Council has prepared a Disability Action Plan and it must report on the implementation of the Disability Action Plan in its Annual Report. Council adopted its Community Access and Inclusion Strategy (CAIS) with an accompanying implementation plan in December 2017.

The four key objectives of the CAIS are to:

- Reduce barriers to Council services, programs and facilities for people with a disability.
- Reduce barriers to people with a disability obtaining and maintaining employment.
- Increase inclusion and participation in the community for people with a disability.
- Improve community attitudes and perceptions that discriminate against people with a disability.

Contracts

During the 2021/21 financial year, Council entered into three contracts valued at \$150,000 or more for services with Ministerial Exemption.

Ministerial Exemption dated 14 Aug 2020 for the following services:

- Swan Hill Rural City Council waste and recycling collection and recycling processing services.
- Waste management service - Swan Hill, Robinvale landfills and rural transfer stations.

Council received quotations from two reputed contractors; however, Ministerial Exemption was for one quotation provider. As per Council decision on 21 July 2020, Council engaged the lowest quotation provider for 15 months of service.

During the 2020/21 financial year, Council did not enter into any contracts for works valued at \$200,000 or more without first engaging in a competitive process.

Domestic Animal Act 1994

Under the *Domestic Animal Act 1994*, Council is required to create a Domestic Animal Management Plan and to evaluate its implementation in the annual report. Council reviewed its Domestic Animal Management Plan in December 2020.

Food Act Ministerial Direction

In accordance with 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 directions were received in the 2020/21 financial year.

Road Management Act 2004

Council, as a road authority, is required under Section 22 of the *Road Management Act 2004* to publish a copy or summary of any direction received from the Minister in its Annual Report. No directions were received from the Minister in 2020/21.

Local Laws

Council has the following Local Laws in place:

Local Law	Date adopted	Date operational
Community Local Law No. 2	16 May 2017	2 June 2017

Statutory information continued

Freedom of Information Act 1982

The Freedom of Information Act 1982 provides the opportunity for public access to Council documents.

The Act establishes a legally enforceable right for the community to request information, in document form, held by Council.

The Act has four principles:

1. The public has a right of access to documents subject to certain exceptions or exemptions.
2. Local Governments are required to publish information on the documents they hold.
3. Individuals may request that inaccurate, incomplete, out-of-date or misleading information about themselves be amended.
4. Individuals may appeal against a decision not to give access to the document(s) or not to amend personal information.

Written requests for documents must be addressed to Council's Freedom of Information Officer and should be accompanied by an application fee of \$30.10 (2021/22).

A request must specify the document(s) required or if unable to do so, give sufficient detail to enable the relevant document(s) to be located, the form of access required and include the applicant's contact details.

In December 2019, the Victorian Information Commissioner issued Professional Standards relating to the conduct of an agency in performing its functions under the Act, and the administration and operation of the Act by an agency.

Council received eight requests in 2020/21 and one request was carried over from 2019/20. Four requests were released in-part for 2020/21, two requests were denied in-full, one was withdrawn and two carried forward to 2021/22.

	Number of requests	Fees and charges	Costs
2020/21	8	\$287	\$5,125
2019/20	3	\$114	\$1,100
2018/19	3	\$87	\$6,250
2017/18	4	\$114	\$1,928
2016/17	2	\$307	\$1,567

Privacy and Data Protection Act 2014

Council respects the privacy of its citizens, ratepayers and clients. Council is committed to the privacy principles prescribed by the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*.

Council has adopted a Privacy Policy that addresses the requirements of both Acts. A copy of the policy is available at the Council offices during business hours and at Council's website www.swanhill.vic.gov.au.

Council received no privacy complaints in the 2020/21 financial year.

Public interest Disclosure Act

The *Public Interest Disclosures Act 2012* commenced on 6 April 2020 and is a rebranding and expansion of the previous *Protected Disclosures Act 2012*.

Council has developed procedures that provide for the making of disclosures. The procedures encourage the disclosure of improper conduct undertaken by Council or its employees, provide protections for the person making a disclosure, and require the reporting of assessable disclosures to the Independent Broad-based Anti-corruption Commission (IBAC).

Council takes its role and responsibilities under the Act very seriously. Public Interest Disclosure procedures also form part of the staff induction process.

Staff and members of the public are encouraged to report matters to the public interest disclosures co-ordinator, if they believe on reasonable grounds that improper conduct or detrimental action has occurred or is occurring.

No reportable matters were received in the 2020/21 financial year.

Procedures for making a public interest disclosure are available at Council's website www.swanhill.vic.gov.au or at Council offices.

Policies, strategies and plans

As representatives of the community, Council develops the policies that guide and inform Council activity. The following policies, strategies and plans were reviewed and/or adopted in 2020/21.

Policy/Strategy/Plan	Date reviewed/adopted
Public Transparency Policy	20 August 2020
Council Expenses Policy	20 August 2020
Governance Rules	20 August 2020
Memorials Policy	15 September 2020
Asset Disposal Policy	15 September 2020
Discontinuance and Disposal of Roads Policy	15 September 2020
Community and Events Grants Policy	15 September 2020
Aboriginal Employment Plan	5 October 2020
Council Loan Support	20 October 2020
Health Management Plan for the Swan Hill and Robinvale Pounds	25 November 2020
Charter of Human Rights	15 December 2020
Councillor and Staff Interactions Policy	15 December 2020
Chain of Responsibility	15 December 2020
Private Assets in Road Reserves	15 December 2020
Procurement Policy	15 December 2020
Councillor Code of Conduct	16 February 2021
Community Engagement Policy	16 February 2021
Gifts, Benefits and Hospitality Policy	16 February 2021
Asset Management Policy	16 February 2021
Community Garden Policy	16 March 2021
OHS Policy	16 March 2021
Fraud Control Policy	16 March 2021
Environmental Management Policy	15 June 2021
Deputy Mayor Position Policy	15 June 2021
Diversity Policy	15 June 2021



Part seven

Performance Statement

Description of municipality

Swan Hill Rural City Council covers 6,116 square kilometres and is home to 20,534* people.

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

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

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

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

Irrigated farming (including stone fruit, grapes, nuts, olives and vegetable production) accounts for over 15 per cent of the total economic output for the municipality and more than 17 per cent of all jobs in the city are directly related to agriculture. Additionally food manufacturing (processing) accounts for almost 9 per cent of the municipality's economic output.

Located along the Murray River, tourism plays an important role in our region's[#] economy. Our climate and natural beauty attract around 917,500 visitors each year as reported in the Murray Regional Tourism (MRT) Snapshot Report- March 2021, for domestic overnight travel, international overnight travel and domestic daytrips.

Operational summary

A number of different and varying circumstances has influenced the performance results for this year.

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

The Comprehensive Income Statement reports a surplus of \$19.1m. This includes depreciation and other non-monetary contributions, but excludes capital payments of \$14.5m and loan proceeds and repayments of \$0.5m and \$0.6m respectively.

Our operating and capital revenue is significantly higher with the receipt of \$8.6m in additional non-recurrent grants. The majority of this money targeting economic stimulus following years of drought and ongoing business disruption caused by the pandemic. Council was surprised by the successful application under the Working For Victoria Jobs program (\$1.6m in 2021) to offer employment to people affected by Covid-19. We were very fortunate to engage some of our staff stood-down (10.8 EFT) as a result of lockdown restrictions affecting our performing arts, library, museum and a number of other service operations.

Another impact increasing our operational revenue and expenses relates to Council's lead role in administering a Commonwealth Regional Growth Fund on behalf of six partner councils. Our operational income and expenditure includes \$3.5m from this arrangement in 2021.

Council has also been active in residential land development at Tower Hill Estate in Swan Hill; selling all available allotments (\$2.9m). The development continues to be cash-flow positive, and provide a return on investment of \$110k.

Covid-19

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

[#] Swan Hill Region includes the Swan Hill Rural City, Gannawarra Shire and Balranald Shire

	Results				
Service/indicator/ measure	2018	2019	2020	2021	Material variations
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue/ Municipal population]	\$1,680.88	\$1,776.90	\$1,763.31	\$1,902.26	This is usually a stable indicator influenced by a decline in population year-on-year. The 2021 result however has seen additional revenue from building and planning fees, sale of all available residential land at the Swan Hill Tower Hill estate, the sale of prime commercial land at 71-77 Bromley Road in Robinvale and reimbursement from the Victoria Police for boarder closure check-points. A reduction in interest revenue and further decline in population also affected the result.
Recurrent grants <i>Recurrent grants per head of population</i> [Recurrent grants/ Municipal population]	\$552.94	\$526.64	\$569.62	\$586.59	The majority of this increase came from indexation of the Victoria Grants Commission general purpose and local roads grant (\$355k). Minor increases and decreases of other State and Federal Government grants occurred, with the overall increase per head of population equal to 2.98%.
Population <i>Expenses per head of population</i> [Total expenses/ Municipal population]	\$2,159.48	\$2,156.36	\$2,362.58	\$2,525.03	The increase of 6.88% (2021) in expenses per head of population is a result of a decline in population against an increase in operating expenses of \$3.1m. Operating expenses include the recognition of Amortisation on Right of Use Assets (\$0.41m) and \$3m of non-recurrent grants received on behalf of six partner councils to the Our Region Our Rivers Commonwealth funding agreement. The same scenario explains the increase in 2020.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure/ Municipal population]	\$18,388.46	\$18,969.90	\$20,331.95	\$20,751.24	The increase in the value of infrastructure assets (IPP&E excluding land assets) has increased by \$6m, while our population has decreased from 20,649 to 20,534* in 2021.

	Results				
Service/indicator/ measure	2018	2019	2020	2021	Material variations
<i>Population density per length of road</i> [Municipal population/ Kilometres of local roads]	5.94	5.92	5.65	5.62	The reduction in 2021 is a combination of a decline in municipal population and an increase in road length. The population has declined by 315, whereas road length has increased by 147kms over the past four years.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic disadvantage by decile]	2.00	2.00	2.00	2.00	This score is determined by the Australian Bureau of Statistics. The Socio-Economic Indexes for Areas (SEIFA) provides measures of social-economic conditions by local government geographic area.
Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year]	-	-	10.81%	14.40%	Council has an ageing workforce which has had a direct impact on the staff turnover rate for 2021. New Indicator in 2020.

Sustainable Capacity Indicator definitions

“adjusted underlying revenue” means total income other than:

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

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

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

“population” means the resident population estimated by Council

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

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

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

‘unrestricted cash’ means all cash equivalents other than restricted cash

Service Performance Indicators

	Results				
Service/indicator/measure	2018	2019	2020	2021	Material variations
Governance Satisfaction <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community]	54	51	45	48	Satisfaction with Council decisions has increased. Council has invested in community engagement, developing a policy and guidelines for staff to support greater engagement on issues that impact the community.
Statutory Planning Decision making <i>Council's planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100	0.00%	0.00%	0.00%	0.00%	No planning application decisions were reviewed by VCAT in 2021.
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	50	46	44	52	Road networks are critical for liveability and business within the region and Council continuously seeks funding to enable upgrades to occur. Council has invested in its sealed roads network above its ordinary program due to additional funding becoming available during 2021. The satisfaction of sealed local roads has improved markedly over the past three years. The score identified is determined from sample respondents to the State Community Satisfaction survey.
Libraries Participation <i>Active library borrowers</i> [The sum of the number of active library borrowers in the last 3 financial years / the sum of the Municipal population in the last 3 financial years] x 100	18.08%	16.90%	16.28%	14.52%	Due to Covid-19 restrictions, the library branches were closed to public access for a total of 76 days during 6 August to 21 October 2020, 13 February to 17 February 2021, and 28 May to 3 June 2021. Covid-19 restrictions reduced people's ability to visit the library in person. The online collection was available to borrowers during this time, however the physical collection could only be accessed through the 'click and collect' service by appointment on 48 of the 76 days the library was closed.

	Results				
Service/indicator/ measure	2018	2019	2020	2021	Material variations
Waste collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	30.55%	30.26%	27.67%	29.51%	Council believes that the increase in recyclables collected through the kerbside collection service is a consequence of regional pandemic lockdowns with residents required to spend more time at home.
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.51	5.57	4.56	3.43	<p>Due to Victorian Government Covid-19 restrictions, the Swan Hill Leisure Centre was closed from August 5 to October 26 (52 days). Strict capacity limits have been enforced since re-opening. Further lockdowns in February and late May also reduced attendance numbers. In addition to the pandemic, the Swan Hill Leisure Centre's boiler failed in March 2021. This outage was for 4.5 days and resulted in just over 300 swim school members not able to attend the centre.</p> <p>A 70% reduction in visitation was recorded between July and December 2020, when compared with the previous year. This was also reflected in centre memberships reducing by 17% since the facility closure in March 2020. The Swan Hill, Robinvale, Nyah and Manangatang outdoor pool attendance numbers were fortunately only impacted by the snap February 2021 lockdown.</p> <p>Flooding of the Swan Hill outdoor swimming pool in December from a storm event, resulted in the pool being shut in excess of 9 days while it was cleaned.</p>

Service Performance Indicators continued

Service/indicator/measure	Results				Material variations
	2018	2019	2020	2021	
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	2	0	-	-	Indicator retired in 2020.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Total number of animal management prosecutions] x 100	-	-	0	100.00%	Prosecutions arising in 2020, were heard in the 2021 financial year due to Covid-19 restrictions impacting the Magistrates Court operations and availability. New Indicator in 2020.
Food and safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x 100	94.74%	81.25%	100.00%	66.67%	One premise that received a 'major non-compliance outcome' did not receive a follow-up inspection in 2021. This was rectified in 2022.

Service/indicator/measure	Results				Material variations
	2018	2019	2020	2021	
Maternal and Child Health					
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	73.03%	73.14%	75.04%	80.05%	Council increased staffing slightly during 2021, which resulted in more children and families being able to be seen in clinics.
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	62.18%	60.08%	66.20%	76.26%	Council has worked to support the Swan Hill Mallee District Aboriginal Service (MDAS) maternal child health clinic when they have been unable to offer the service to Aboriginal families, and as a consequence those families have chosen to attend a Council clinic for their care.

Service Performance Indicator definitions

“Aboriginal child” means a child who is an Aboriginal person

“Aboriginal person” has the same meaning as in the Aboriginal Heritage Act 2006

“active library borrower” means a member of a library who has borrowed a book from the library

“annual report” means an annual report prepared by a Council under section 98 of the Act

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

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

“critical non-compliance outcome notification” means a notification received by Council under section 19N(3) or (4) of the Food Act 1984, or advice given to Council by an authorised 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 Council is the responsible road authority under the Road Management Act 2004

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

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

“population” means the resident population estimated by council

Financial Performance Indicators

Dimension/ indicator/measure	Results					Forecasts			Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	5.24%	8.38%	5.01%	12.71%	1.70%	-0.17%	0.95%	0.89%	The improvement in the indicator is derived from significant additional non-recurrent grant monies from both State and Federal Governments. These grants increased from \$2.9m in 2020 to \$8.0m in 2021. Funding received under the Commonwealth Government Regional Growth Program included \$3.5m in funds redirected to six partner councils; and economic stimulus money primarily focused on pandemic recovery from the State Government, included \$1.6m under the Working For Victoria Jobs program and other targeted programs.

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Liquidity									
Working capital									
Current assets compared to current liabilities [Current assets / Current liabilities] x100	360.07%	380.53%	372.96%	388.38%	226.53%	208.42%	219.23%	216.04%	An increase in unspent cash primarily from government stimulus has improved liquidity, despite an 'interest only' loan becoming current in 2021. The ratio will return to more normal levels once the \$4.795m loan repayment is made and stimulus monies spent in accordance with grant conditions in 2022.
Unrestricted cash									
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	258.37%	271.46%	267.21%	266.18%	141.11%	151.57%	158.60%	159.50%	The forecast reduction identified last year for 2021, relates to an interest only loan maturing in 2022. Once repaid, the ratio recovers in 2022.

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	25.22%	28.99%	28.35%	27.00%	8.83%	7.67%	6.52%	5.46%	Council deferred \$1.3m in new borrowings from 2017 and 2018 until 2019. The deferred borrowings of \$1.3m along with new borrowings of \$0.5m were taken up in 2019 and restore the ratio to its previous expected level. An ongoing reduction in borrowings is planned from 2022 onwards.
Loans and borrowings repayments <i>Loans and borrowings compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	5.16%	3.03%	3.01%	3.08%	18.09%	1.11%	1.07%	1.03%	Council is continuing with a strategy to progressively reduce borrowings. This reflects in a reduced loan repayment compared to rates each year. In 2022, the first Local Government Funding Vehicle interest only loan matures (\$4.795m) and Council will have sufficient cash available to repay this loan. The 2018 ratio was higher due to repayment in full at the eighth year of a loan originally borrowed on a ten year repayment schedule with interest rate renegotiated at the fourth and eighth year. No new borrowings are expected after 2021.

Dimension/ indicator/ measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	21.54%	23.82%	25.82%	11.54%	10.55%	9.47%	8.38%	6.25%	The ongoing repayment of borrowings over the forecast period will see a reduction in our interest bearing liabilities, and this year (2021) our first LGFV interest only loan of \$4.795m became a current liability. Full repayment of this borrowing will occur in 2022. This ratio is forecast to reduce to zero, as Council proceeds on a path to no future borrowings from 2021.
Asset renewal Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	90.90%	116.77%	-	-	-	-	-	-	Indicator retired in 2020.

Dimension/ indicator/measure	Results					Forecasts			Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Asset renewal									Council has increased renewal and upgrade infrastructure expenditure by \$1.1m or 12% compared to the previous financial year; whereas the percentage increase in asset depreciation was 4%. This ratio will deteriorate as we embark on a period of expansion with the creation of the 'Our Place' building (\$10m) in our heritage precinct, a new sporting hub (\$1.4m) and other infrastructure created in the current financial year that is yet to commence being depreciated. New Indicator in 2020.
<i>Asset renewal and upgrade expense compared to depreciation</i>	-	-	93.29%	101.54%	110.33%	84.72%	91.19%	88.56%	
<i>[Asset renewal and asset upgrade expenditure / Asset depreciation] x100</i>									
Stability									Rate revenue remains a positive trend in the forward projection years of between 2.8% and 4.0%, whereas the 'adjusted underlying revenue' is influenced by a number of other income streams. The 'adjusted underlying revenue' is forecast to decrease and increase with a range of -11.6% (2022) to 3.4% (2023). The lower dependence on rates in 2021, is the result of \$5.1m in additional non-recurrent operating grants. A reduction of \$2.47m from aged care reforms (\$0.74m in user fees and \$1.73m recurrent grants) explain the increased dependence on rates from 2023.
Rates concentration									
<i>Rates compared to adjusted underlying revenue</i>	55.45%	55.93%	54.30%	48.54%	56.45%	60.45%	63.04%	63.42%	
<i>[Rate revenue / Adjusted underlying revenue] x100</i>									

	Results					Forecasts			Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Dimension/indicator/measure Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.72%	0.69%	0.65%	0.64%	0.62%	0.64%	0.66%	0.68%	In 2021 property values increased by 5.0% and rate revenue increased by 3.4% compared to the previous year. CIV has increased at a faster rate than the increase from rate revenue between 2018 and 2022. This indicator remains within a +/- 10% window, with the rate in the dollar reducing as overall CIV increases. A conservative estimation on supplementary rates reverses this trend between 2023 and 2025. Increases in CIV's in the past three financial years is derived from both strong sales data and capital improvements across most rate classifications.
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,765.72	\$3,727.22	\$4,051.22	\$4,276.56	\$4,240.99	\$4,146.86	\$4,064.92	\$4,151.02	The increase from 2020 is due to Council being the coordinating Council for a regional project. Grant income will be received by Council and redirected to six partner councils under the Commonwealth Regional Growth Fund as an operational expense until 2022.

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,636.84	\$1,690.08	-	-	-	-	-	-	Indicator retired in 2020.
Revenue level <i>Average rate per property assessment</i> [Total rate revenue / Number of property assessments]	-	-	\$2,028.86	\$2,060.62	\$2,109.08	\$2,147.82	\$2,201.47	\$2,259.04	The average rates and charges per assessment is forecast to increase on average by 2.8% between 2021 and 2025. This is influenced by development in the municipality (supplementary rates), increases of up to 12.5% for waste services (kerbside collection, recycling and landfill management), and the number of rateable assessments. The increase in the number of rateable assessments is forecast to increase by 2.2%, which places upward pressure on the average cost per assessment as the two average increases are not the same. The average increase in the cost per assessment in 2021 is 1.6%.
Workforce turnover <i>Resignations and terminations</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100	12.97%	12.11%	-	-	-	-	-	-	New Indicator in 2020. Indicator retired in 2020.

Financial Performance Indicator definitions

"adjusted underlying revenue" means total income other than:

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

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

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

Other information

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).


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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 7 July 2020 and which forms part of the Council Plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

Certification of the performance statement

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



Joel Lieschke CPA

Principal Accounting Officer

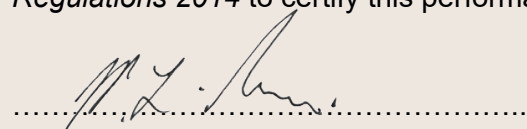
Dated: 21 September 2021

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

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

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

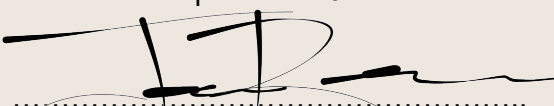
We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



William Moar

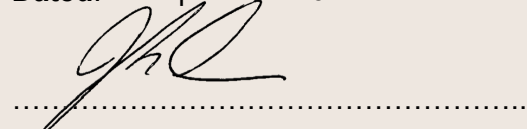
Councillor (Mayor)

Dated: 21 September 2021



Jade Benham
Councillor

Dated: 21 September 2021



John McLinden

Chief Executive Officer

Dated: 21 September 2021

Independent Auditor's Report

To the Councillors of Swan Hill Rural City Council

Opinion	<p>I have audited the accompanying performance statement of Swan Hill Rural City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2021 • sustainable capacity indicators for the year ended 30 June 2021 • service performance indicators for the year ended 30 June 2021 • financial performance indicators for the year ended 30 June 2021 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

- identify and assess the risks of material misstatement of 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.

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.

MELBOURNE
29 September 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Appendices

Donations and contributions

Organisation	Purpose	Amount
Australia Day	Contribution	\$3,143
BIG4 Riverside Swan Hill	Support	\$500
Big4 Swan Hill	Support	\$1,000
Swan Hill Lawn Tennis & Croquet Club	Support	\$10,000
Fight Cancer Foundation Limited	Support	\$2,000
IICA Tech Expo	Contribution	\$3,680
Lake Boga Bowling Club Inc	Support	\$5,000
Lake Boga Commercial Hotel	Support	\$500
Lake Boga Waterski Club	Support	\$5,000
Lake Boga Yacht Club Inc	Support	\$1,000
Lead Loddon Murray Inc	Support	\$7,000
Lions Club of Lake Boga Inc	Support	\$8,934
Manangatang Public Hall Committee	Support	\$2,000
Swan Hill Inc	Contribution	\$3,918
Mid Murray Flying Club	Support	\$3,000
Murray Downs Golf & Country Club	Support	\$500
Nyah Nyah West United Football Netball Club	Support	\$6,000
Nyah Oasis Pty Ltd	Support	\$500
Nyah West Golf Club Inc	Support	\$5,000
Nyah West Tennis Club Inc	Support	\$1,081
Piangil Xmas Get Together	Support	\$250
Pioneer Country Quarter Horse Assoc Inc	Support	\$500
Swan Hill Farmers Market Inc	Contribution	\$450
Robinvale Euston Business Association Inc	Support	\$2,500

Organisation	Purpose	Amount
Robinvale Lawn Tennis Club Inc	Support	\$1,000
Robinvale Pistol Club	Support	\$2,500
Robinvale Senior Citizens	Contribution	\$87
Showbiz Cinema - Drive In	Contribution	\$257
SHRCC Australia Day	Contribution	\$80
Speewa Heritage Collectors Club Inc	Support	\$3,802
St Mary MacKillop College	Support	\$500
Swan Hill Bowls Club Inc	Support	\$6,121
Swan Hill Club	Support	\$500
Swan Hill College - Clontarf / Flo / Awareness	Support	\$2,000
Swan Hill Field & Game	Support	\$3,000
Swan Hill Football Club Incorporated	Support	\$7,000
Swan Hill Genealogical & Historical Society	Support	\$600
Swan Hill Lawn Tennis & Croquet Club Inc	Support	\$1,270
Swan Hill Motor Racing Club	Support	\$5,000
Swan Hill Neighbourhood House Inc	Support	\$2,500
Swan Hill RSL Sub-Branch Inc	Support	\$1,000
Swan Hill Theatre Group Co-Operative Ltd	Support	\$3,092
Swan Hill Trotting Club Inc	Support	\$2,000
Ultima Football Netball Club	Support	\$4,985
Ultima Golf Club	Support	\$1,500
Sustainable Living in the Mallee Inc	Support	\$727
Weed Warrior Program	Support	\$169

Appendix 2: Organisations of which Council is a financial member

Organisation	Amount
Australasian Fleet Managers Association	\$423
Australian Airports Association	\$546
Australian Livestock Markets Association	\$1,515
Australian Livestock Saleyards Association Inc.	\$4,903
Australian Museums & Galleries Association Victoria	\$244
Central Victorian Greenhouse Alliance	\$12,500
Community Childcare Association	\$255
Department of Education and Training	\$316
Economic Development Australia	\$400
Engineering New Zealand	\$919
Institute of Public Works Engineering Australia	\$290
LGPro Membership	\$1,044
Local Government Finance Professionals	\$136
Local Government Infrastructure Design Association	\$500
Loddon Mallee Waste and Resource Recovery Group	\$4,000
Municipal Association of Victoria	\$27,655
Murray River Group of Councils	\$7,130
Murray River Regional Tourism Ltd	\$25,737
National Saleyards Quality Assurance Inc	\$530
North West Municipalities Association	\$1,000
Planning Enforcement Officers Association	\$70
Public Galleries Association of Victoria	\$824
Public Libraries Victoria Network	\$1,900
Rail Freight Alliance	\$3,155

Organisation	Amount
Rural Councils Victoria Inc	\$3,000
School Crossings Victoria Inc	\$100
Vicsport	\$382
Victorian Association of Performing Arts Centres	\$1,388
Victorian Maternal Child and Health	\$75
Victorian Municipal Building Surveyors Group Inc	\$500
Victorian Tourism Industry Limited	\$1,200



General Purpose Financial Statements

Understanding the Financial Statements

Introduction

The financial report is a key report by the Swan Hill Rural City Council. It shows how Council performed financially during the 2020/21 financial year and the overall position at the end of the financial year (30 June 2021).

Council presents its financial report in accordance with the Australian Accounting Standards.

Particular terms required by the standards might not be familiar to some readers. Council is committed to accountability and it is in this context that the following explanations have been developed to assist readers understand and analyse the financial report.

What is contained in the Annual Financial Report?

Council's financial report has two main sections, namely the report and the notes. There are five statements and 10 notes. These are prepared by Council staff, examined by the Audit and Risk Committee and Council, and are audited by the Victorian Auditor-General.

The five statements included in the first few pages of the report are the Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works.

The notes detail Council's accounting policies and the make-up of values contained in the statements.

1. Comprehensive Income Statement

The Comprehensive Income Statement measures Council's performance over the year and shows if a surplus or a deficit has been made in delivering services.

The statement includes all sources of income, less all operating expenses incurred in delivering Council services. This includes depreciation, or the writing down, of the value of buildings, roads, footpaths, drains and all other infrastructure assets that are used to deliver Council services.

These assets are depreciated over the life of the asset or as they are consumed. Capital costs or new assets purchased or created during the year are excluded from the statement but, as indicated above, are depreciated as they are used.

The statement is prepared on an accrual basis. This means that generally all income and costs for the year are recognised even though the income may not yet be received (such as interest on bank deposits) or expenses not yet paid (invoices not yet received for goods and services already used).

2. Balance Sheet

The Balance Sheet is an important financial statement. This one-page summary is a snapshot of the financial position as at 30 June 2021. It shows what the Council owns as assets and what it owes as liabilities.

The bottom line of this statement is net assets. This is the net worth of Council that has been built up over many years.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities that will fall due or be consumed in the next 12 months. The components of the Balance Sheet are described on the following page.

Current and non-current assets

- Cash includes cash and cash equivalents i.e. cash held in the bank, petty cash and term deposits.
- Receivables are monies owed to Council by ratepayers and other debtors.
- Other assets include income earned but not yet received and accounts which have been prepaid.
- Property, plant and equipment, infrastructure is the largest component of Council's worth and represents the value of all land, buildings, roads, vehicles, equipment, and other items which have been invested in by Council over many years.

Current and non-current liabilities

- Payables are those to whom Council owes money as at 30 June 2021.
- Provisions include employee benefits, which is the accounting term for accrued long service and annual leave. Landfill restoration works are also grouped under provisions.
- Interest bearing loans and borrowings, which are repaid over a set period of time, finance leases that are leases of assets where ownership of the asset is transferred to the Council.

Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June 2021. The net value of the Council is also synonymous with total equity.

Total equity

- Asset revaluation reserve is the difference between the previously recorded value of property and infrastructure assets and their current valuations.
- Accumulated surplus is the value of all net assets accumulated over time, including other reserve allocations for specific projects.

3. Statement of Changes in Equity

During the course of the year, the value of total ratepayers equity as set out in the Balance Sheet changes. This statement shows the values of such changes and how these changes arose.

The main reason for a change in equity stem from:

- The surplus/(deficit) for the year from operations, described in the Comprehensive Income Statement as the surplus/(deficit) for the year.
- Revaluation of assets; takes on a regular schedule basis on average every three years. It also occurs when existing assets are taken up in the books for the first time.

4. Statement of Cash Flows

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific accounting standard and needs some care in analysis.

The values may differ from those shown in the Comprehensive Income Statement because the Comprehensive Income Statement is prepared on an accrual accounting basis.

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash.

Council's cash arises from, and is used in, three main areas:

Cash flow operating activities

- Receipts – all cash received into Council's bank account from ratepayers and others that owed money to Council. Receipts also include the interest earned from Council's cash investments. It does not include the costs associated with the sale of assets.
- Payments – all cash paid by Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation of assets.

Cash flow from investing activities

The accounting term investing activities relates to payments for the acquisition and creation of assets, such as new plant, roads and other long-term revenue producing assets, and the proceeds from the sale of assets such as plant and land.

Cash flow from financing activities

This is where the receipt and repayment of borrowed funds are recorded. The bottom line of the Cash Flow Statement is the cash at end of financial year. This shows the capacity of Council to meet its debts and other liabilities.

5. Statement of Capital Works

Each year a significant portion of Council budget gets allocated to Capital Works projects. This Statement aims to give readers an understanding of what capital works assets have been built, upgraded or renewed throughout the financial year.

This Statement is broken down by asset category to provide further information as to what asset category these funds have been spent.

Notes to the Accounts

The notes are a very important and informative section of the report. The Australian Accounting Standards are not prescriptive in a lot of issues. Therefore, to enable the reader to understand the basis on which the values shown in the statements are established, it is necessary to provide details of Council's accounting policies within the notes.

The notes give details behind many of the summary figures contained in the statements. The note numbers are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works.

Where Council wishes to disclose other information that cannot be incorporated onto the face of the Statements, this is shown in the notes.

The notes also include a comparison to budget (note 1). This note reports on the actual performance of Council to its adopted budget, and provides commentary to all material variances.

The notes should be read at the same time as, and together with, the other parts of the financial statements to get a clear picture of the accounts.

Statements by Principal Accounting Officer and Councillors

The Certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council that, in his opinion, the financial statements have met all the statutory and professional reporting requirements.

The Certification of Councillors is made by two Councillors on behalf of Council that, in their opinion, the financial statements are fair and not misleading. The Chief Executive Officer also endorses and signs the certification.

Auditor General's Report

The Independent Audit Report is the external and independent opinion on the financial statements. It provides the reader with a totally independent opinion on the financial statements. The opinion covers both the statutory and professional requirements and also the fairness aspects of the financial statements.

Swan Hill Rural City Council

ANNUAL FINANCIAL REPORT
for the year ended 30 June 2021



Annual Financial Report

for the year ended 30 June 2021

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Annual Financial Report

for the year ended 30 June 2021

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Annual Financial Report for the year ended 30 June 2021

Certification of the Financial Statements

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



Joel Lieschke CPA
Principal Accounting Officer

Date: 21 September 2021
Swan Hill Rural City Council

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

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

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



Mr Bill Moar
Councillor (Mayor)

Date: 21 September 2021
Swan Hill Rural City Council



Ms Jade Benham
Councillor

Date: 21 September 2021
Swan Hill Rural City Council



Mr John McLinden
Chief Executive Officer

Date: 21 September 2021
Swan Hill Rural City Council

Independent Auditor's Report

To the Councillors of Swan Hill Rural City Council

Opinion	<p>I have audited the financial report of Swan Hill Rural City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2021• 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 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
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 APES 110 <i>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 and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
29 September 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Annual Financial Report

for the year ended 30 June 2021

Understanding Council's Financial Statements

Introduction

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

What you will find in the Report

The financial report set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

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

About the Certification of the Financial Statements

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

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. Comprehensive Income Statement

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

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

2. Balance Sheet

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

3. Statement of Changes in Equity

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

4. Statement of Cash Flows

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

5. Statement of Capital Works

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

About the Notes to the Financial Report

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

About the Auditor's Reports

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

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

Who uses the Financial Report?

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

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

Comprehensive Income Statement

for the year ended 30 June 2021

		2021	2020
	Notes	\$ '000	\$ '000
Income			
Rates and charges	3.1	29,200	28,245
Statutory fees and fines	3.2	1,106	984
User fees	3.3	4,002	3,643
Grants - operating	3.4	17,927	12,502
Grants - capital	3.4	13,588	7,048
Contributions - monetary	3.5	342	377
Contributions - non monetary	3.5	10	45
Net gain on disposal of property, infrastructure, plant and equipment	3.6	554	191
Other income	3.7	4,199	3,348
Total income		70,928	56,383
Expenses			
Employee costs	4.1	20,083	19,053
Materials and services	4.2	19,710	18,486
Depreciation	4.3	9,756	9,420
Amortisation - Right of use assets	4.4	406	367
Bad and doubtful debts	4.5	6	50
Borrowing costs	4.6	322	342
Finance Costs - Leases	4.7	27	32
Other expenses	4.8	1,539	1,035
Total expenses		51,849	48,785
Surplus/(deficit) for the year		19,079	7,598
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.1	1,925	31,326
Total items which will not be reclassified subsequently to the operating result		1,925	31,326
Total other comprehensive income for the year		1,925	31,326
Total comprehensive result		21,004	38,924

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

Balance Sheet

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Assets			
Current assets			
Cash and cash equivalents	5.1	18,698	11,381
Trade and other receivables	5.1	3,352	3,609
Other financial assets	5.1	32,954	26,329
Inventories	5.2	93	171
Other assets	5.2	165	254
Total current assets		55,262	41,744
Non-current assets			
Trade and other receivables	5.1	13	27
Property, infrastructure, plant and equipment	6.1	496,804	490,752
Intangible assets	5.2	3,072	3,072
Right-of-use assets	5.8	444	851
Other assets	5.2	50	50
Total non-current assets		500,383	494,752
Total assets		555,645	536,496
Liabilities			
Current liabilities			
Trade and other payables	5.3	3,265	2,501
Trust funds and deposits	5.3	284	292
Unearned income	5.3	10	2,222
Provisions	5.5	5,233	5,193
Interest-bearing liabilities	5.4	5,168	557
Lease liabilities	5.8(b)	269	427
Total current liabilities		14,229	11,192
Non-current liabilities			
Provisions	5.5	1,674	1,621
Interest-bearing liabilities	5.4	2,618	7,294
Lease liabilities	5.8(b)	216	485
Total non-current liabilities		4,508	9,400
Total liabilities		18,737	20,592
Net assets		536,908	515,904
Equity			
Accumulated surplus		324,990	305,911
Reserves	9.1	211,918	209,993
Total Equity		536,908	515,904

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

Statement of Changes in Equity

for the year ended 30 June 2021

	Notes	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000
2021				
Balance at beginning of the financial year		515,904	305,911	209,993
Surplus/(deficit) for the year		19,079	19,079	–
Other comprehensive income				
Net asset revaluation increment/(decrement)	6.1	1,925	–	1,925
Other comprehensive income		1,925	–	1,925
Total comprehensive income		21,004	19,079	1,925
Balance at end of the financial year		536,908	324,990	211,918
2020				
Balance at beginning of the financial year		476,980	298,313	178,667
Surplus/(deficit) for the year		7,598	7,598	–
Other comprehensive income				
Net asset revaluation increment/(decrement)	6.1	31,326	–	31,326
Other comprehensive income		31,326	–	31,326
Total comprehensive income		38,924	7,598	31,326
Balance at end of the financial year		515,904	305,911	209,993

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

Statement of Cash Flows

for the year ended 30 June 2021

		2021	2020
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Notes	\$ '000	\$ '000
Cash flows from operating activities			
Rates and charges		29,152	27,777
Statutory fees and fines		1,106	984
User fees		4,000	3,112
Grants - operating		17,417	14,724
Grants - capital		11,888	7,048
Contributions - monetary		342	377
Interest received		433	732
Trust funds and deposits taken		(8)	—
Other receipts		5,163	2,615
Net GST refund/(payment)		2,320	2,061
Employee costs		(20,155)	(19,160)
Materials and services		(19,345)	(20,371)
Other payments		(3,522)	(427)
Net cash provided by/(used in) operating activities	9.2	28,791	19,472
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(14,586)	(10,903)
Proceeds from sale of property, infrastructure, plant and equipment		577	329
Payments for investments		(6,625)	(4,739)
Net cash provided by/(used in) investing activities		(20,634)	(15,313)
Cash flows from financing activities			
Finance costs		(322)	(348)
Proceeds from borrowings		500	500
Repayment of borrowings		(565)	(490)
Interest paid - lease liability		(27)	(26)
Repayment of lease liabilities		(426)	(404)
Net cash flow provided by/(used in) financing activities		(840)	(768)
Net Increase (decrease) in cash and cash equivalents		7,317	3,391
Cash and cash equivalents at the beginning of the financial year		11,381	7,990
Cash and cash equivalents at the end of the financial year		18,698	11,381
Financing arrangements	5.6	7,986	8,051
Restrictions on cash assets	5.1	284	292

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

Statement of Capital Works

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Property		
Land	461	8
Total land	461	8
Buildings	1,775	1,116
Total buildings	1,775	1,116
Total property	2,236	1,124
Plant and equipment		
Plant, machinery and equipment	958	1,111
Fixtures, fittings and furniture	168	72
Computers and telecommunications	124	135
Library books	103	141
Artworks	7	5
Total plant and equipment	1,360	1,464
Infrastructure		
Sealed Roads	4,978	5,148
Unsealed Roads	1,554	1,055
Footpaths and cycleways	160	369
Drainage	876	156
Recreational, leisure and community facilities	1,648	183
Parks, open space and streetscapes	505	1,161
Other infrastructure	1,199	243
Total infrastructure	10,920	8,315
Total capital works expenditure	14,516	10,903
Represented by:		
New asset expenditure	4,610	2,116
Asset renewal expenditure	8,949	7,448
Asset upgrade expenditure	957	1,339
Total capital works expenditure	14,516	10,903

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

Annual Financial Report

for the year ended 30 June 2021

Overview

Introduction

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

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

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of landfill provisions (refer to Note 5.5.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable (refer to Note 8.2)
- other areas requiring judgements

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

(b) Impact of Covid-19

The Coronavirus (Covid-19) was declared a world-wide pandemic by the World Health Organisation in March 2020. Covid-19 and the highly infectious delta variant has continued to plague the Australian and local economy.

At the date of preparation of these financial statements, the impact of the coronavirus pandemic is ongoing, with lockdown restrictions often reoccurring. The speed and recovery of economic activity is largely dependent on measures introduced by both State and Federal Governments, such as restrictions on movement, the roll out of vaccines, and stimulus support packages.

The Covid-19 pandemic continues to present new challenges and the Government's economic support continues to evolve. Australia's economy despite earlier grim predictions has to the contrary rapidly rebounded, to grow larger than it was before the pandemic.

Annual Financial Report

for the year ended 30 June 2021

Overview (continued)

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

- the leisure centre facilities, library, art gallery, town hall and public halls, community centres, municipal offices and the Pioneer Settlement (museum) were closed to the public during stage 4 & 5 restrictions. These closures resulted in a redeployment of Council staff from closed facilities to other Council roles and lead to a number of unavoidable and unfortunate stand-downs. User charge based items such as parking meters and associated fines have also reduced due to the stay at home measures. Closure of some of Council's facilities and reduction in user fees and charges has resulted in a continued decrease in Council's revenue and decrease in employment and other costs.
- Many major operational projects and budgeted capital expenditure projects have been delayed due to difficulties in recruiting staff and engaging contractors.
- Unprecedented building activity resulted in additional revenue from building and planning fees.
- The Pioneer Settlement was closed for 115 days during 2020/21 due to the pandemic. These closures significantly impacted the revenue of the tourist attraction. For the periods the Pioneer Settlement was able to operate there was very good attendance at the attraction, so once restrictions begin to lift we hope to see good patronage and an increase in revenue.
- Council received government stimulus funding under a number of initiatives during the year. The State government funded Working For Victoria Jobs program, provided employment opportunities for 54 people for up to six months (\$1.8m), and Council received approval to engage 20% from our stood-down workforce (10.8 EFT).

The above impacts on the financial statements for the year ended 30 June 2021, have led to a reduction in income and expenditure in many areas, but has not resulted in a negative impact to Council's 30 June 2021 financial result.

Given the dynamic and evolving nature of Covid-19, recent experience of the economic and financial impacts of the pandemic have not adversely affected our financial position. Changes to the estimates and judgements that have been applied in the measurement of assets and liabilities may arise in the future. Other than adjusting events that provide evidence of conditions that exists at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future periods.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$1,000,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

	Budget 2021 \$ '000	Actual 2021 \$ '000	Variance 2021 \$ '000	Variance 2021 %	Ref
1.1 Income and expenditure					
Income					
Rates and charges	29,230	29,200	(30)	0%	
Statutory fees and fines	981	1,106	125	13%	1
User fees	4,636	4,002	(634)	(14)%	2
Grants - operating	13,052	17,927	4,875	37%	3
Grants - capital	7,808	13,588	5,780	74%	4
Contributions - monetary	212	342	130	61%	5
Contributions - non monetary	—	10	10	∞	6
Net gain on disposal of property, infrastructure, plant and equipment	189	554	365	193%	7
Other income	2,983	4,199	1,216	41%	8
Total income	59,091	70,928	11,837	20%	
Expenses					
Employee costs	20,764	20,083	681	3%	
Materials and services	18,342	19,710	(1,368)	(7)%	9
Depreciation	10,607	9,756	851	8%	
Amortisation - right of use assets	—	406	(406)	∞	10
Bad and doubtful debts	2	6	(4)	(200)%	11
Borrowing costs	339	322	17	5%	
Finance costs - leases	—	27	(27)	∞	
Other expenses	1,134	1,539	(405)	(36)%	12
Total expenses	51,188	51,849	(661)	(1)%	
Surplus/(deficit) for the year	7,903	19,079	11,176	141%	

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	Fees from building permits exceeded forecast by \$124,000. This building activity is linked to first homeowner grants and other economic stimulus offered by the federal government and directly connected to the pandemic.
2.	The majority of this variance comes from the closure of operations due to the Covid-19 pandemic. Reductions in parking fee income (\$121,000), Pioneer Settlement admissions and other sales (\$334,000), and hire and leasing fees (\$206,000).
3.	Additional funds were received for the Our Region Our Rivers project. These funds were received by Council and passed on to the partner Councils as their projects were completed (\$1,524,000). Council received additional grants within the Economic Development Unit for the Seasonal Worker Accommodation Action Team (\$250,000), Loddon Mallee Housing Project (\$230,000) and Outdoor Dining and Entertainment Package (\$250,000). Council also received \$1,610,000 from the Working For Victoria Jobs program that had not been forecast.
4.	Council recieved significant grants that had not been forecast. Local Roads and Community Infrastructure Project funding (\$2,040,000), Robinvale Leisure Centre Expansion (\$2,360,000), Ronald Street Housing Development (\$450,000) and Pioneer Settlement Activating Lighting and Digital Content (\$315,000).
5.	Contributions of \$90,000 were received for the L2P Learner Driver program which had not been forecast.
6.	Council received Artworks donated to the Gallery Collection. Donation of assets isn't budgeted for.
7.	The written down value of plant and equipment was significantly lower than forecast. The majority of plant and equipment renewed during 2020/21 had been fully depreciated.
8.	Tower Hill land sales were \$1,415,000 above forecast. Stage 12 was released and sold in full during the year.
9.	The majority of this variance (\$1,192,000) relates to works budgeted as capital expenditure, but deemed not to meet capitalisation thresholds and requirements and was therefore expensed.
10.	The amortisation of right-of-use assets had been included in the depreciation line item when the budget was prepared.
11.	Bad debts were \$4,000 greater than forecast.
12.	This variance relates to the write-off of assets. Land the Swan Hill S.E.S. occupy was handed over to the organisation, and netball courts at Nyah and Robinvale were demolished and reconstructed due to Council receiving grant funding to upgrade the facilities.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

	Budget 2021 \$ '000	Actual 2021 \$ '000	Variance 2021 \$ '000	Variance 2021 %	Ref
1.2 Capital works					
Property					
Land	1,650	461	(1,189)	(72)%	1
Total land	1,650	461	(1,189)	(72)%	
Buildings	7,440	1,775	(5,665)	(76)%	2
Total buildings	7,440	1,775	(5,665)	(76)%	
Total property	9,090	2,236	(6,854)	(75)%	
Plant and equipment & Culture and heritage					
Plant, machinery and equipment	1,243	958	(285)	(23)%	3
Fixtures, fittings and furniture	275	168	(107)	(39)%	4
Computers and telecommunications	220	124	(96)	(44)%	5
Library books	150	103	(47)	(31)%	6
Artworks	—	7	7	∞	7
Total plant and equipment & Culture and heritage	1,888	1,360	(528)	(28)%	
Infrastructure					
Sealed Roads	4,676	4,978	302	6%	
Unsealed Roads	1,236	1,554	318	26%	8
Footpaths and cycleways	82	160	78	95%	9
Drainage	1,364	876	(488)	(36)%	10
Recreational, leisure and community facilities	1,275	1,648	373	29%	11
Waste management	252	—	(252)	(100)%	12
Parks, open space and streetscapes	760	505	(255)	(34)%	13
Other infrastructure	2,980	1,199	(1,781)	(60)%	14
Total infrastructure	12,625	10,920	(1,705)	(14)%	
Total capital works expenditure	23,603	14,516	(9,087)	(38)%	
Represented by:					
New asset expenditure	12,252	4,610	(7,642)	(62)%	
Asset renewal expenditure	11,295	8,949	(2,346)	(21)%	
Asset upgrade expenditure	56	957	901	1,609%	
Total capital works expenditure	23,603	14,516	(9,087)	(38)%	

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	The budget provided \$1,350,000 for development works at the Swan Hill Tower Hill Residential Estate. \$274,000 of these works were undertaken to complete stage 12 with the balance carried forward to 2021/22 due to contractor availability in commencing stage 13-15.
2.	The budget allowed \$4,250,000 for the Our Place building, with only design and consultation works being undertaken to date. The budget also included \$1,400,000 for Regional Housing, of which \$346,000 has been spent to date.
3.	Purchase of a Water Tanker and Drainage crew light truck, remained outstanding at 30 June. These are expected to be received in 2021/22.
4.	Forecast air conditioner renewal at the Swan Hill Town Hall is yet to be completed.
5.	Implementation recommendations from the IT Strategy were \$90,000 below forecast. These funds will be carried forward and completed in 2021/22.
6.	Purchases made to provide non-book material for the new Library in Robinvale were made from the library collection capital purchases budget. These were expensed to 'materials and services', as they could not be capitalised in accordance with our asset recognition thresholds and useful life criteria. (See also variance note 9 in 1.1 Income and expenditure).
7.	Council was able to purchase a number of works funded by donations to the Art Gallery acquisitions fund.
8.	Additional unsealed road resheeting was undertaken on Cockfield Rd and Woorinen-Goshen Rd.
9.	Footpath works at the Lake Boga Yacht club (\$99,000) was completed. These works were carried forward from 2019/20.
10.	Construction works on the Robinvale Town Levee are ongoing, with works expected to be completed in 2021/22.
11.	Reconstruction of the Nyah Netball Courts was completed at a cost of \$606,000. This project was carried forward from 2019/20.
12.	Capital works at the Swan Hill Landfill have been delayed pending discussions with the new landfill contractor.
13.	This variance relates to the Swan Hill Riverfront Masterplan 'Connecting the CBD to the Riverfront' project. This project is dependent on grant funding and various approvals and permits. Project expenditure on this project will continue in 2021/22.
14.	This budget allowed \$2,330,000 for lighting and runway improvements at the Swan Hill Aerodrome. Additional grant funds became available to expand these works. The works on this project and refurbishment of the terminal building will be completed in 2021/22.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Analysis of Council results by program

2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Economic growth

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

Community enrichment

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

Infrastructure

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

Governance and leadership

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

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

Functions/activities	Income \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income \$ '000	Total assets \$ '000
2021					
Economic Growth	15,907	16,848	(941)	12,646	9,314
Community enrichment	4,409	6,933	(2,524)	3,715	2,746
Infrastructure	13,697	20,403	(6,706)	9,639	486,774
Governance and leadership	36,915	7,665	29,250	5,515	56,811
Total functions and activities	70,928	51,849	19,079	31,515	555,645
2020					
Economic Growth	8,446	11,469	(3,023)	3,192	7,876
Community enrichment	6,455	10,030	(3,575)	3,872	2,841
Infrastructure	12,976	20,880	(7,904)	7,730	482,392
Governance and leadership	28,506	6,406	22,100	4,757	43,386
Total functions and activities	56,383	48,785	7,598	19,550	536,496

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Funding for the delivery of our services

	2021 \$ '000	2020 \$ '000
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3.1 Rates and charges

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

The valuation base used to calculate general rates for 2020/21 was \$4,437 million (2019/20 \$4,238 million).

Residential	10,724	10,385
Commercial	1,555	1,728
Industrial	913	902
Farm/rural	11,853	11,442
Supplementary rates and rate adjustments	71	98
Garbage charge	3,545	3,151
Special Marketing Rates	366	359
Rate agreements - Electricity Industry Act	291	288
Abandonments	(15)	(15)
Other	(103)	(93)
Total rates and charges	29,200	28,245

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2021, and the valuation will be first applied in the rating year commencing 1 July 2021.

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.

Notes to the Financial Statements

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
3.2 Statutory fees and fines		
Infringements and costs	39	47
Building and planning fees	750	572
Animal registration and release fees	163	154
Health registration fees	91	125
Other fees and fines	63	86
Total statutory fees and fines	1,106	984

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

3.3 User fees

Aged and health services	695	666
Administration fees	151	133
Child care/children's programs	105	103
Parking	144	202
Sales - Admissions	896	769
Sales - merchandising, catering, other sales	379	372
Hire & Leasing fees	531	517
Livestock Exchange	552	636
Other fees and charges	549	245
Total user fees	4,002	3,643
User fees by timing of revenue recognition		
User fees recognised over time	531	517
User fees recognised at a point in time	3,471	3,126
Total user fees	4,002	3,643

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 Statements

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	18,319	13,564
State funded grants	13,196	5,986
Total grants received	31,515	19,550
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - general purpose *	5,001	4,757
Financial Assistance Grants - local roads *	2,350	2,239
Out of school hours care	242	202
Home and community care	1,507	1,493
Recurrent - State Government		
Public health	22	18
Art Gallery and performing arts	150	150
School crossing supervisors	48	43
Libraries	207	202
Maternal and child health	236	381
Other	131	125
Total recurrent operating grants	9,894	9,610
Non-recurrent - Commonwealth Government		
Our Region Our Rivers	3,492	1,999
Home & community care	239	31
Non-recurrent - State Government		
Community projects	285	75
Environmental protection	245	75
Waste management	—	16
Indigenous affairs	—	23
Cultural heritage	128	—
Libraries	16	12
Economic development	807	22
Home & community care	134	105
Family and children	848	286
Working for Victoria Jobs program	1,611	240
Employment subsidies	75	—
Information technology	100	—
Other	53	8
Total non-recurrent operating grants	8,033	2,892
Total operating grants	17,927	12,502

Notes to the Financial Statements

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	2,151	2,151
Total recurrent capital grants	2,151	2,151
Non-recurrent - Commonwealth Government		
Our Region Our Rivers	808	692
Local roads and community infrastructure program	2,040	—
Aerodrome	489	—
Non-recurrent - State Government		
Buildings	3,254	230
Plant, machinery and equipment	267	—
Roads	1,248	2,446
Drainage	123	10
Footpaths	150	—
Parks playgrounds and street beautification	2,076	923
Art and heritage	7	7
Waste management	—	126
Livestock exchange	25	463
Recreation, leisure and community facilities	555	—
Other	395	—
Total non-recurrent capital grants	11,437	4,897
Total capital grants	13,588	7,048
(c) Unspent grants received on condition that they be spent in a specific manner:		
Operating		
Balance at start of year	3,845	4,308
Received during the financial year and remained unspent at balance date	4,084	3,732
Received in prior years and spent during the financial year	(3,207)	(4,195)
Balance at year end	4,722	3,845
Capital		
Balance at start of year	2,739	1,645
Received during the financial year and remained unspent at balance date	6,282	2,520
Received in prior years and spent during the financial year	(1,176)	(1,426)
Balance at year end	7,845	2,739

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

(*) 50% of the 2021/22 allocation was received prior to June 30 (2020, 50% received prior to June 30)

Notes to the Financial Statements

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
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3.5 Contributions

Monetary contributions

Monetary	342	377
Total monetary contributions	342	377

Non-monetary contributions

Non-monetary	10	45
Total non-monetary contributions	10	45

Total contributions	352	422
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Contributions of non monetary assets were received in relation to the following asset classes.

Library Books	1	7
Artworks	9	38
Total non-monetary contributions	10	45

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

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

Property, infrastructure, plant and equipment

Proceeds of sale	577	330
Written down value of assets disposed	(23)	(139)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	554	191

Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	554	191
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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	433	732
Reimbursements	552	550
Tower Hill land sales	2,955	1,505
Less - Tower Hill costs of goods sold	(56)	(29)
Revenue from volunteer services	242	375
Other	73	215
Total other income	4,199	3,348

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 Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services

	2021 \$ '000	2020 \$ '000
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4.1 Employee costs

(a) Employee costs

Wages and salaries	15,150	15,233
WorkCover	485	428
Superannuation	1,752	1,719
Fringe benefits tax	29	57
Agency staff	1,898	864
Long service leave	511	477
Staff training	153	151
Other	105	124
Total employee costs	20,083	19,053

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	138	174
	138	174

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,589	1,501
	1,589	1,501

Total superannuation costs

	1,727	1,675
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Refer to Note 9.3. for further information relating to Council's superannuation obligations.

4.2 Materials and services

Contract payments	6,561	7,133
Building maintenance	745	799
General maintenance	2,306	2,201
Utilities	1,243	1,357
Office administration	542	597
Information technology	721	503
Insurance	934	746
Consultants	612	561
Community grants sponsorship and contributions	4,631	3,128
Volunteer services - cost of service	242	375
Other	1,173	1,086
Total materials and services	19,710	18,486

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.3 Depreciation		
Property		
Buildings - specialised	1,220	707
Buildings - non specialised	78	78
Total depreciation - property	1,298	785
Plant and equipment		
Plant machinery and equipment	838	873
Fixtures fittings and furniture	322	350
Computers and telecomms	121	101
Artworks	18	17
Library Collection	131	122
Pioneer Settlement vehicles & vessels	49	48
Pioneer Settlement site exhibits	21	21
Pioneer Settlement buildings	11	27
Total depreciation - plant and equipment	1,511	1,559
Infrastructure		
Footpaths and cycleways	388	370
Drainage	594	826
Recreational, leisure and community	289	319
Waste management	231	231
Parks open spaces and streetscapes	328	401
Sealed roads	3,546	3,338
Unsealed roads	1,358	1,328
Other infrastructure	213	263
Total depreciation - infrastructure	6,947	7,076
Total depreciation	9,756	9,420

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Right of use assets

Property	406	367
Total Amortisation - Right of use assets	406	367

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.5 Bad and doubtful debts		
Parking fine debtors	(9)	33
Rates debtors	15	17
Total bad and doubtful debts	6	50
Movement in provisions for doubtful debts		
Balance at the beginning of the year	276	241
New provisions recognised during the year	2	74
Amounts already provided for and written off as uncollectible	(7)	(14)
Amounts provided for but recovered during the year	7	(25)
Balance at end of year	278	276

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.

Historical rate has been used in the calculations for the rates and other debtor categories.

A forward looking adjustment rate has been used for parking and infringement debtors. This rate factors the likely collection of continually ageing debtors.

4.6 Borrowing costs

Interest - Borrowings	322	342
Total borrowing costs	322	342

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.

4.7 Finance Costs - Leases

Interest - Lease Liabilities	27	32
Total finance costs	27	32

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.8 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	55	56
Auditors' remuneration - Internal	30	25
Councillors' allowances	239	249
Assets written-off / impaired	690	304
Operating lease rentals	23	23
Vehicle registrations	90	85
Bank Charges	55	53
Legal Costs	214	121
Fire Services Levy	61	64
Other	82	55
Total other expenses	1,539	1,035

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position

	Notes	2021 \$ '000	2020 \$ '000
5.1 Financial assets			
(a) Cash and cash equivalents			
Current			
Cash on hand		12	12
Cash at bank		12,583	5,305
Term deposits		6,103	6,064
Total current cash and cash equivalents		18,698	11,381
(b) Other financial assets			
Current			
Term deposits		32,954	26,329
Total current other financial assets		32,954	26,329
Total current financial assets		51,652	37,710
External restrictions			
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
Trust funds and deposits	5.3	284	292
Total restricted funds		284	292
Total unrestricted cash and cash equivalents		18,414	11,089
Intended allocations			
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:			
Unspent conditional grants received		13,493	7,510
Cash held to fund carried forward capital works		11,559	4,773
Total funds subject to intended allocations		25,052	12,283

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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(c) Trade & Other Receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,750	1,702
Infringement debtors	292	252
Private scheme debtors	4	3
Net GST receivables	423	300
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	37	22
Other debtors	1,124	1,606
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - rates debtors	(60)	(43)
Provision for doubtful debts - infringements	(214)	(228)
Provision for doubtful debts - other debtors	(4)	(5)
Total current trade and other receivables	3,352	3,609
Non-Current		
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	13	26
Private scheme debtors	–	1
Total non-current trade and other receivables	13	27
Total trade and other receivables	3,365	3,636

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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
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(d) Ageing of receivables

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

Current (not yet due)	941	1,332
Past due between 31 and 180 days	69	194
Past due between 181 and 365 days	22	6
Past due by more than 1 year	158	96
Total trade and other receivables	1,190	1,628

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$3,846 (2020: \$5,289) were impaired. The amount of the provision raised against these debtors was \$3,846 (2020: \$5,289). 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	4	5
Total trade and other receivables	4	5

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
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5.2 Non-financial assets

(a) Inventories

Current

Inventories held for distribution	15	30
Inventories held for sale	34	41
Tower Hill Estate	44	100
Total current inventories	93	171

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

(b) Other assets

Current

Prepayments	74	99
Accrued income	91	155
Total current other assets	165	254

Non-current

Other	50	50
Total non-current other assets	50	50

(c) Intangible assets

Water rights	3,072	3,072
Total intangible assets	3,072	3,072

	Water Rights \$ '000
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Gross Carrying Amount

Balance at 1 July 2020	3,072
Balance at 1 July 2021	3,072

Net book value at 30 June 2020	3,072
Net book value at 30 June 2021	3,072

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
5.3 Payables		
(a) Trade and other payables		
Current		
Trade payables	693	431
Salaries and wages	840	779
Accrued expenses	1,732	1,291
Total current trade and other payables	3,265	2,501
(b) Trust funds and deposits		
Current		
Refundable deposits	108	89
Fire services property levy	14	5
Retention amounts	162	198
Total current trust funds and deposits	284	292
(c) Unearned income		
Current		
Grants received in advance:		
Grants received in advance - operating	—	510
Grants received in advance - capital	—	1,700
Total grants received in advance	—	2,210
User fees received in advance:		
Other	10	12
Total user fees received in advance	10	12
Total unearned income	10	2,222

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

Purpose and nature of items

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
5.4 Interest-bearing liabilities		
Current		
Borrowings - secured	5,168	557
	5,168	557
Non-current		
Borrowings - secured	2,618	7,294
	2,618	7,294
Total	7,786	7,851

Borrowings are secured by Swan Hill Rural City Council General Rates.

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

Not later than one year	5,168	557
Later than one year and not later than five years	2,063	6,049
Later than five years	555	1,245
	7,786	7,851

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 Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	Employee provisions \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
5.5 Provisions				
2021				
Balance at the beginning of the financial year	5,362	1,452	–	6,814
Additional provisions	1,058	44	–	1,102
Amounts used	(1,091)	–	–	(1,091)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	20	62	–	82
Balance at the end of the financial year	5,349	1,558	–	6,907
2020				
Balance at the beginning of the financial year	5,170	1,213	118	6,501
Additional provisions	1,651	273	–	1,924
Amounts used	(1,397)	–	(118)	(1,515)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(62)	(34)	–	(96)
Balance at the end of the financial year	5,362	1,452	–	6,814
			2021 \$ '000	2020 \$ '000
(a) Employee provisions				
Current provisions expected to be wholly settled within 12 months				
Annual leave			1,252	1,165
Long service leave			71	180
			1,323	1,345
Current provisions expected to be wholly settled after 12 months				
Annual leave			330	297
Long service leave			3,510	3,484
			3,840	3,781
Total current employee provisions			5,163	5,126
Non-Current				
Long service leave			186	236
Total Non-Current Employee Provisions			186	236
Aggregate Carrying Amount of Employee Provisions:				
Current			5,163	5,126
Non-current			186	236
Total Aggregate Carrying Amount of Employee Provisions			5,349	5,362

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
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The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and accumulated annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

(b) Landfill restoration

Current

Current	70	67
Total current	70	67

Non-current

Non-current	1,488	1,385
Total non-current	1,488	1,385

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

Key assumptions:

- discount rate	0.06% - 1.80%	0.25% - 0.26%
- index rate	2.88%	- 0.30%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021.

Credit card facilities	200	200
Loans and borrowings	7,786	7,851
Total Facilities	7,986	8,051
Used facilities	7,809	7,866
Used facilities	7,809	7,866
Unused facilities	177	185

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position

	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
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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.

2021

Operating

Building and property maintenance	200	—	—	—	200
Cleaning - council buildings, public toilets, barbeques	212	—	—	—	212
Licenses	151	—	—	—	151
Materials and supplies	1,661	—	—	—	1,661
Office equipment and supplies	91	32	4	—	127
Professional services	1,597	19	—	—	1,616
Management & operations of the PS Pyap	195	16	—	—	211
Recreation, leisure and community facilities	532	—	—	—	532
Uniforms	39	—	—	—	39
Waste management operation and kerbside collection	3,025	—	—	—	3,025
Total	7,703	67	4	—	7,774

Capital

Buildings	137	—	—	—	137
Drainage	145	—	—	—	145
Footpaths	48	—	—	—	48
Parks and open spaces	546	133	—	—	679
Recreation and leisure assets	1,059	—	—	—	1,059
Sealed roads	4,512	673	—	—	5,185
Plant & equipment	419	—	—	—	419
Waste management	—	—	—	—	—
Other infrastructure	3,366	—	—	—	3,366
Cultural and heritage	—	—	—	—	—
Total	10,232	806	—	—	11,038

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
2020					
Operating					
Building and property maintenance	125	—	—	—	125
Cleaning - council buildings, public toilets, barbeques	1,910	—	—	—	1,910
Licenses	69	—	—	—	69
Materials and supplies	330	—	—	—	330
Office equipment and supplies	197	—	—	—	197
Professional services	1,692	—	—	—	1,692
Management & operations of the PS Pyap	53	—	—	—	53
Recreation, leisure and community facilities	738	—	—	—	738
Uniforms	13	9	—	—	22
Waste management operation and kerbside collection	2,343	48	36	—	2,427
Total	7,470	57	36	—	7,563
Capital					
Buildings	266	—	—	—	266
Drainage	31	—	—	—	31
Footpaths	1,005	—	—	—	1,005
Parks and open spaces	62	—	—	—	62
Recreation and leisure assets	624	—	—	—	624
Sealed roads	4,450	1,976	823	—	7,249
Plant & equipment	—	—	—	—	—
Waste management	—	—	—	—	—
Other infrastructure	—	—	—	—	—
Cultural and heritage	—	—	—	—	—
Total	6,438	1,976	823	—	9,237

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

5.8 Leases

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

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

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

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

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

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

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

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

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

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

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

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

Details of Peppercorn Leases held by Council are as follows:

Land Details	Remaining Term of Lease	\$ Per Annum
Crown Land - Pioneer Settlement	27 years	\$0
Lake Boga Boat Ramps and Jetty	4 years	\$1
Various parcels of VicTrack Land (parks & reserves)	Various terms	\$1 each

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

(a) Right-of-Use Assets

	Property \$ '000	Total \$ '000
2021		
Balance at 1 July	851	851
Additions	—	—
Amortisation charge	(407)	(407)
Balance at 30 June	444	444
2020		
Balance at 1 July	744	744
Additions	473	473
Amortisation charge	(366)	(366)
Balance at 30 June	851	851

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
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(b) Lease Liabilities

Maturity analysis - contractual undiscounted cash flows

Less than one year	253	421
One to five years	199	441
More than five years	41	52
Total undiscounted lease liabilities as at 30 June:	493	914

Lease liabilities included in the Balance Sheet at 30 June:

Current	269	427
Non-current	216	485
Total lease liabilities	485	912

Short-term and low value leases

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

Expenses relating to:

Leases of low value assets	1	1
Total	1	1

Non-cancellable lease commitments - Short-term and low-value leases

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

Within one year	1	1
Later than one year but not later than five years	3	4
Later than five years	2	2
Total lease commitments	6	7

Notes to the Financial Statements
for the year ended 30 June 2021

Note 6. Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	At Fair Value 30 June 2020 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Depreciation \$ '000	Disposal \$ '000	Write-off \$ '000	Transfers \$ '000	At Fair Value 30 June 2021 \$ '000
Property	120,455	748	–	–	(1,298)	(322)	–	191	119,774
Plant and equipment/Culture and heritage assets	15,705	1,360	10	1,823	(1,511)	(25)	–	59	17,421
Infrastructure	353,329	8,259	–	102	(6,947)	(296)	–	175	354,622
Work in progress	1,263	4,149	–	–	–	–	–	(425)	4,987
Total	490,752	14,516	10	1,925	(9,756)	(643)	–	–	496,804

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	535	1,488	–	(191)	1,832
Plant and equipment	71	–	–	(59)	12
Infrastructure	657	2,661	–	(175)	3,143
Total	1,263	4,149	–	(425)	4,987

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Total land and land improve- ments \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
Property								
At fair value 1 July 2020	64,498	6,420	70,918	103,905	4,329	108,234	535	179,687
Accumulated depreciation at 1 July 2020	—	—	—	(58,618)	(79)	(58,697)	—	(58,697)
Carrying value - 1 July 2020	64,498	6,420	70,918	45,287	4,250	49,537	535	120,990
Movements in fair value								
Additions	—	—	—	664	84	748	1,488	2,236
Revaluation	—	—	—	—	—	—	—	—
Disposal	(100)	(120)	(220)	(600)	—	(600)	—	(820)
Write-off	—	—	—	—	—	—	—	—
Transfers	—	—	—	167	24	191	(191)	—
Total movements in fair value	(100)	(120)	(220)	231	108	339	1,297	1,416
Movements in accumulated depreciation								
Depreciation and amortisation	—	—	—	(1,220)	(78)	(1,298)	—	(1,298)
Accumulated depreciation of disposals	—	—	—	498	—	498	—	498
Revaluation	—	—	—	—	—	—	—	—
Accumulated depreciation of write offs	—	—	—	—	—	—	—	—
Total movements in accumulated depreciation	—	—	—	(722)	(78)	(800)	—	(800)
At fair value 30 June 2021	64,398	6,300	70,698	104,136	4,436	108,572	1,832	181,102
Accumulated depreciation at 30 June 2021	—	—	—	(59,340)	(158)	(59,498)	—	(59,498)
Carrying value - 30 June 2021	64,398	6,300	70,698	44,796	4,278	49,074	1,832	121,604

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Artworks \$ '000	Library Collection \$ '000	Pioneer Settlement vehicles & vessels \$ '000	Pioneer Settlement site exhibits \$ '000	Pioneer Settlement buildings \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment/c ulture and heritage assets \$ '000
Plant and Equipment & Culture and heritage assets											
At fair value 1 July 2020	11,862	4,245	1,302	1,768	2,040	4,818	2,052	7,814	35,901	71	35,972
Accumulated depreciation at 1 July 2020	(7,788)	(2,475)	(1,066)	(34)	(1,388)	(197)	(89)	(7,159)	(20,196)	—	(20,196)
Carrying value - 1 July 2020	4,074	1,770	236	1,734	652	4,621	1,963	655	15,705	71	15,776
Movements in fair value											
Additions	958	168	124	8	102	—	—	—	1,360	—	1,360
Contributions	—	—	—	9	1	—	—	—	10	—	10
Revaluation	—	—	—	—	—	1,157	666	—	1,823	—	1,823
Disposal	(463)	(5)	(225)	—	(21)	—	(2)	—	(716)	—	(716)
Write-off	—	—	—	—	—	—	—	—	—	—	—
Transfers	26	33	—	—	—	—	—	—	59	(59)	—
Total movements in fair value	521	196	(101)	17	82	1,157	664	—	2,536	(59)	2,477
Movements in accumulated depreciation											
Depreciation and amortisation	(838)	(322)	(121)	(18)	(131)	(49)	(21)	(11)	(1,511)	—	(1,511)
Accumulated depreciation of disposals	440	5	225	—	21	—	—	—	691	—	691
Revaluation	—	—	—	—	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—	—	—	—	—
Total movements in accumulated depreciation	(398)	(317)	104	(18)	(110)	(49)	(21)	(11)	(820)	—	(820)
At fair value 30 June 2021	12,383	4,441	1,201	1,785	2,122	5,730	2,607	7,814	38,083	12	38,095
Accumulated depreciation at 30 June 2021	(8,186)	(2,792)	(962)	(52)	(1,498)	—	—	(7,170)	(20,660)	—	(20,660)
Carrying value - 30 June 2021	4,197	1,649	239	1,733	624	5,730	2,607	644	17,423	12	17,435

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage

	Sealed roads \$ '000	Unsealed roads \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and community \$ '000	Waste management \$ '000	Parks open spaces and streets- capes \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
Infrastructure											
At fair value 1 July 2020	255,981	102,824	30,941	56,134	17,080	6,097	12,183	13,433	494,673	657	495,330
Accumulated depreciation at 1 July 2020	(80,839)	(10,582)	(9,922)	(19,886)	(5,673)	(5,678)	(5,253)	(3,511)	(141,344)	—	(141,344)
Carrying value - 1 July 2020	175,142	92,242	21,019	36,248	11,407	419	6,930	9,922	353,329	657	353,986
Movements in fair value											
Additions	4,002	1,526	156	213	1,587	—	432	343	8,259	2,661	10,920
Revaluation	—	—	—	—	—	102	—	—	102	—	102
Disposal	—	—	—	—	(306)	—	—	—	(306)	—	(306)
Transfers	13	—	6	—	132	—	14	10	175	(175)	—
Total movements in fair value	4,015	1,526	162	213	1,413	102	446	353	8,230	2,486	10,716
Movements in accumulated depreciation											
Depreciation and amortisation	(3,546)	(1,358)	(388)	(594)	(289)	(231)	(328)	(213)	(6,947)	—	(6,947)
Accumulated depreciation of disposals	—	—	—	—	10	—	—	—	10	—	10
Total movements in accumulated depreciation	(3,546)	(1,358)	(388)	(594)	(279)	(231)	(328)	(213)	(6,937)	—	(6,937)
At fair value 30 June 2021	259,995	104,350	31,103	56,348	18,493	6,819	12,629	13,786	503,523	3,143	506,666
Accumulated depreciation at 30 June 2021	(84,385)	(11,940)	(10,309)	(20,480)	(5,952)	(6,528)	(5,582)	(3,725)	(148,901)	—	(148,901)
Carrying value - 30 June 2021	175,610	92,410	20,794	35,868	12,541	291	7,047	10,061	354,622	3,143	357,765

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods

	Depreciation Period Years	Threshold Limit \$ '000
Land and land improvements		
Buildings		
buildings	30 to 100 years	10
building improvements	30 to 100 years	10
leasehold improvements	5 to 15 years	10
Plant and Equipment		
plant machinery and equipment		
large plant	10 years	3
small plant	2 to 4 years	3
fixtures, fittings and furniture	5 years	3
computers and telecommunications	3 to 5 years	2
Cultural and heritage		
Artworks	100 years	—
Library Collection	5 to 100 years	—
Pioneer Settlement vehicles & vessels	100 years	5
Pioneer Settlement site exhibits	100 years	5
Pioneer Settlement buildings	100 years	10
Infrastructure		
sealed road formation	-	10
sealed road pavements	60 years	10
sealed road seals	15 to 20 years	10
road ancillary assets	20 to 25 years	10
unsealed road natural surface	-	10
unsealed road gravel surface	30 years	10
kerb and channel	25 to 50 years	10
footpaths and cycleways	20 to 50 years	10
drainage	20 to 80 years	10
recreation, leisure and community facilities	10 to 60 years	10
waste management	10 years	10
parks, open space and streetscapes	10 to 100 years	10
other infrastructure	10 to 100 years	10

Land under roads

Council recognises land under roads it controls at fair value.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Leasehold improvements

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Benjamin Sawyer AAPI Reg. 63163. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

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

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Level 1 2021 \$ '000	Level 2 2021 \$ '000	Level 3 2021 \$ '000	Date of valuation
Land	—	6,300	—	30/06/2020
Specialised land	—	—	64,398	30/06/2020
Buildings	—	4,278	—	30/06/2020
Building - specialised	—	—	44,796	30/06/2020
Total	—	10,578	109,194	

Valuation of Infrastructure

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

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

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

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

	Level 1 2021 \$ '000	Level 2 2021 \$ '000	Level 3 2021 \$ '000	Date of valuation
Sealed roads	—	—	175,610	30/06/2019
Unsealed roads	—	—	92,410	30/06/2017
Footpaths and cycleways	—	—	20,794	30/06/2019
Drainage	—	—	35,868	30/06/2020
Recreational, leisure & community facilities	—	—	12,541	30/06/2020
Waste management	—	—	291	30/06/2021
Parks, open space & streetscapes	—	—	7,047	30/06/2020
Other Infrastructure	—	—	10,061	30/06/2020

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

Artworks	—	—	1,733	30/06/2018
Pioneer Settlement vehicles and vessels	—	—	5,730	30/06/2021
Pioneer Settlement site exhibits	—	—	2,607	30/06/2021
Pioneer Settlement buildings	—	—	644	30/06/2018
Total	—	—	365,336	

Valuation of cultural and heritage assets

Artworks

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

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

Pioneer Settlement

Valuation of Pioneer Settlement vehicles and vessels and site exhibit assets was conducted by qualified independent valuer Mr David Freeman, member of Auctioneers and Valuers Association of Australia, and Chief Executive Officer of Amanda Adams Auctions, Bulleen, Victoria. The valuation is based on average market realisation prices that should be obtained if the items were sold via private treaty or auction sales. The effective date of the valuation is 30 June 2021.

Valuation of Pioneer Settlement buildings were undertaken by qualified independent valuer, Benjamin Sawyer AAPI Reg. 63163 as at 30 June 2020.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

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

Description of significant unobservable inputs into level 3 valuations

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

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

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

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

Pioneer Settlement buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 54 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend their useful lives.

Reconciliation of specialised land

	2021 \$ '000	2020 \$ '000
Land under roads	42,312	42,312
Parks and reserves	13,997	14,080
Crown Land	8,106	8,106
Total specialised land	64,415	64,498

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Swan Hill Rural City Council is a single entity.

Subsidiaries and Associates

Council has no interests in subsidiaries and associates.

(b) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors	Mayor Bill Moar	15/11/2016 to 30/06/2021
	Cr Les McPhee	08/12/2008 to 30/06/2021
	Cr Ann Young	15/11/2016 to 30/06/2021
	Cr Chris Jeffery	15/11/2016 to 30/06/2021
	Cr Lea Johnson	15/11/2016 to 24/10/2020
	Cr Jade Benham	19/03/2019 to 30/06/2021
	Cr Nicole McKay	16/04/2019 to 30/06/2021
	Cr Stuart King	17/11/2020 to 30/06/2021
Chief Executive Officer	Mr John McLinden	21/03/2016 to 30/06/2021
Directors	Mr David Lenton (Corporate Services)	21/12/1992 to 28/08/2020
	Mr Bruce Myers (Community and Cultural Services)	28/02/1994 to 30/06/2021
	Ms Heather Green (Planning and Development)	03/07/2017 to 30/06/2021
	Ms Svetla Petkova (Infrastructure)	11/12/2017 to 30/06/2021
	Mr Joel Lieschke (Corporate Services)	19/10/2020 to 30/06/2021

	2021 No.	2020 No.
Total Number of Councillors	8	7
Total of Chief Executive Officer and other Key Management Personnel	6	5
Total Number of Key Management Personnel	14	12
	2021 \$ '000	2020 \$ '000

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	1,237	1,199
Long-term benefits	80	88
Post employment benefits	99	97
Total	1,416	1,384

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships (continued)

	2021 No.	2020 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	1	—
\$10,000 - \$19,999	1	—
\$20,000 - \$29,999	4	4
\$30,000 - \$39,999	1	2
\$50,000 - \$59,999	—	1
\$70,000 - \$79,999	1	—
\$80,000 - \$89,999	1	—
\$140,000 - \$149,999	1	—
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	2	2
\$230,000 - \$239,999	—	1
\$280,000 - \$289,999	—	1
\$300,000 - \$309,999	1	—
	14	12

(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:

	2021 No.	2020 No.
Income Range:		
\$150,000 - \$159,999	1	3
\$160,000 - \$169,999	3	2
\$170,000 - \$179,999	3	2
	7	7

	2021 \$ '000	2020 \$ '000
Total Remuneration for the reporting year for Senior Officers included above amounted to*:	1,181	1,144

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships (continued)

7.2 Related party disclosure

(a) Transactions with related parties

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

Cr Stuart King	Swan Hill Hire - \$166,386 Plant and equipment hire. Cr King has a controlling interest in Swan Hill Hire.
Cr Jade Benham	Alchemy Media - \$11,000 Media production Cr Benham is a subcontractor to Alchemy Media on an adhoc basis.

(b) Outstanding balances with related parties

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

2021 = Nil

2020 = 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:

2021 = Nil

2020 = 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:

2021 = Nil

2020 = Nil

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties

	2021 \$ '000	2020 \$ '000
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8.1 Contingent assets and liabilities

(a) Contingent assets

Operating lease receivables

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

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

Not later than one year	380	385
Later than one year and not later than five years	1,238	1,253
Later than five years	636	628
	<u>2,254</u>	<u>2,266</u>

(b) Contingent liabilities

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

Superannuation

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

Future superannuation contributions

In addition to the disclosed contributions, Council has paid unfunded liability payments to Vision Super totalling \$0 (2019/20 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 are \$132,827.

Landfill

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

Liability Mutual Insurance

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

MAV WorkCare

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

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

Council was a participant of the MAV WorkCare Scheme.

The MAV WorkCare Scheme participation agreement stated that each participant would remain liable to make further contributions to the Scheme in respect of any insurance year in which it was a participant to the extent of its participant's share

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

of any shortfall in the provision set aside in respect of that insurance year, and such liability would continue whether or not the participant remained a participant in future insurance years.

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

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

(c) Guarantees for loans to other entities

Council is not the guarantor for any loans.

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

8.2 Change in accounting standards

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

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. Council manages interest rate risk by adopting an investment policy that ensures:

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

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 significantly affected the return expected on invested funds during the year. This impacted the surplus by \$420,000.

(c) Credit risk

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

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

(e) Sensitivity disclosure analysis

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

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

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

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.

AASB 13 defines fair value as 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. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

Revaluation

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

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

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

Impairment of assets

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

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

8.5 Events occurring after balance date

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

Notes to the Financial Statements

for the year ended 30 June 2021

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			
2021			
Property			
Land and land improvements	25,415	—	25,415
Buildings	29,320	—	29,320
	54,735	—	54,735
Culture and heritage assets			
Pioneer Settlement vehicles & vessels	517	1,157	1,674
Pioneer Settlement site exhibits	724	666	1,390
Artworks	1,635	—	1,635
Pioneer Settlement buildings	4,002	—	4,002
Water rights	2,429	—	2,429
	9,307	1,823	11,130
Infrastructure			
Footpaths and cycleways	15,283	—	15,283
Drainage	17,723	—	17,723
Recreational, leisure and community facilities	7,374	—	7,374
Waste management	—	102	102
Parks, open space and streetscapes	2,831	—	2,831
Sealed roads	83,561	—	83,561
Unsealed roads	15,976	—	15,976
Other infrastructure	3,204	—	3,204
	145,952	102	146,054
Total asset revaluation reserves	209,994	1,925	211,919

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Balance at end of reporting period \$ '000
2020			
Property			
Land and land improvements	19,383	6,032	25,415
Buildings	15,889	13,431	29,320
	35,272	19,463	54,735
Culture and heritage assets			
Pioneer Settlement vehicles & vessels	517	–	517
Pioneer Settlement site exhibits	724	–	724
Artworks	1,635	–	1,635
Pioneer Settlement buildings	4,096	(94)	4,002
Water rights	2,122	307	2,429
	9,094	213	9,307
Infrastructure			
Footpaths and cycleways	15,283	–	15,283
Drainage	15,648	2,075	17,723
Recreational, leisure and community facilities	1,911	5,463	7,374
Parks, open space and streetscapes	–	2,831	2,831
Sealed roads	83,561	–	83,561
Unsealed roads	15,976	–	15,976
Other infrastructure	1,923	1,281	3,204
	134,302	11,650	145,952
Total asset revaluation reserves	178,668	31,326	209,994

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

	2021 \$ '000	2020 \$ '000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	19,079	7,598
Depreciation/amortisation	10,162	9,787
Impairment losses	690	304
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(554)	(191)
Contributions - non monetary assets	(10)	(45)
Amounts disclosed in financing activities	349	348
Works in progress expensed	–	11
Other	–	53
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	271	(922)
(Increase)/decrease in inventories	78	(10)
(Increase)/decrease in prepayments	25	–
Increase/(decrease) in accrued income	64	–
Increase/(decrease) in other assets	–	188
Increase/(decrease) in trade and other payables	764	(236)
Increase/(decrease) in provisions	93	312
(Decrease)/increase in other liabilities	(8)	53
Increase/(decrease) in Unearned income	(2,212)	2,222
Net cash provided by/(used in) operating activities	28,791	19,472

9.3 Superannuation

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

Accumulation

The Fund's accumulation categories, 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 2021, this was 9.5% as required under Superannuation Guarantee (SG) legislation). Council's Enterprise Agreement (EA) also includes an additional employer superannuation contribution for staff who 'opted in' to the arrangement, in lieu of cash payment. This has increased to 1.5% over the three year term of the 2018 agreement.

Defined Benefit

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

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

Funding Arrangements

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

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

Net investment returns 5.6% pa
Salary information 2.5% pa for two years and 2.75% pa thereafter
Price inflation (CPI) 2.0% pa.

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

Vision Super has advised that the VBI at 30 June 2021 was 109.7%. The financial assumptions used to calculate this VBI were:

Net investment returns 4.8% pa
Salary information 2.75% pa
Price inflation (CPI) 2.25% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019/20). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed a part of the 30 June 2020 triennial valuation.

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

Funding calls

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

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

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

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

The 2020 triennial actuarial investigation surplus amounts

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

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

	2020 (Triennial) \$m	2019 (Interim) \$m
- A VBI Surplus	100.0	151.3
- A total service liability surplus	200.0	233.4
- A discounted accrued benefits surplus	217.8	256.7

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2020.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2020 VBI during August 2020.

The 2021 interim actuarial investigation

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

Superannuation contributions

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

Scheme	Type of scheme	Rate	2021 \$ '000	2020 \$ '000
Vision Super	Defined benefit	9.5%	138	174
Vision Super	Accumulation fund	11.0%	1,589	1,501

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Changes in accounting policies

i) Impact of adoption of new accounting standards

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

It is not expected that this standard will have any significant impact on Council.

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

It is not expected that this standard will have any significant impact on Council.

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

It is not expected that this standard will have any significant impact on Council.