

MITCHELL SHIRE COUNCIL ANNUAL REPORT 2020/21



MITCHELL SHIRE COUNCIL



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CUSTOMER AND LIBRARY SERVICE CENTRES

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12 Sydney Street, Kilmore

125 Anzac Avenue, Seymour
12/81 High Street, Wellington Square, Wallan

We also provide some limited customer service through our Facebook pages: Mitchell Shire Council, Mitchell Shire Council Fire Information, Mitchell Youth Services, Mitchell Shire Leisure Services, Animals of Mitchell Shire and Discover Mitchell.

While our main offices are located in Broadford, we also have staff and/or services at nearly 40 sites across the municipality including our Wallan office, depots, kindergartens, leisure centres, customer and library service centres, maternal and child health centres, outdoor pools, sports stadiums and youth centres.

ABOUT THE ANNUAL REPORT

All Victorian Councils are required to provide an Annual Report that includes a Report of Operations and information about any major changes that have taken place, major capital works, economic or other factors that have had an impact on Council's performance and a summary of activity and achievements.

The Annual Report also shows how Mitchell has performed against the commitments set in the Council Plan and Budget, as well as prescribed service performance indicators and an audited Performance Statement and Financial Statements.

COPIES OF THE ANNUAL REPORT

In an effort to reduce the impact on the environment and to reduce costs, limited copies of this document have been printed.

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(large print copies are also available on request).

Mitchell Shire Council acknowledges the Taungurung and Wurundjeri Woi Wurrung people as the Traditional Owners of the lands and waterways in the area now known as Mitchell Shire.

We pay our respect to their rich cultures and to Elders, past, present, and emerging, as well as other Aboriginal and Torres Strait Islander people who live, work, and play in the area.

Table of Contents

ABOUT THE MUNICIPALITY	1
OUR COUNCILLORS	3
YEAR IN REVIEW	9
Mayor’s Message.....	10
Chief Executive Officer’s Message	12
Financial Overview	14
Covid-19 Impact.....	21
2020/21 IN REVIEW	22
Discover Mitchell.....	31
Great Victorian Rail Trail	33
Capital Works Snapshot	34
Major Projects Snapshot	35
Emergency Management.....	45
Covid-19 Response	46
Monument Hill Reserve Fuel Management Plan	47
Consultation.....	49
My Mitchell 2050	50
Community Satisfaction Survey	53
ABOUT MITCHELL SHIRE COUNCIL.....	55
PERFORMANCE REPORTING	65
Strategic Objective 1 Advocacy	69
Strategic Objective 2 Community Participation	74
Strategic Objective 3 Responsible Planning	80
Strategic Objective 4 Strong Communities	92
Strategic Objective 5 Supporting Local Jobs and Quality Investment	112
Strategic Objective 6 Sound Financial and Organisational Management	120
Strategic Objective 7 Caring for the Environment	132
CORPORATE GOVERNANCE	141
PERFORMANCE STATEMENT	175
FINANCIAL REPORT	

ABOUT THE MUNICIPALITY

Strategically located just 40 kilometres north of Melbourne, Mitchell Shire is Victoria's fastest growing municipality.

As an interface growth area, we offer a mix of rural and urban living with affordable housing and a diversity of lifestyle and housing choices.

Mitchell Shire has a population of 47,647¹, and is projected to grow to 170,830² by 2041, and that most of this growth will occur in and around the southern townships of Beveridge, Kilmore, and Wallan.

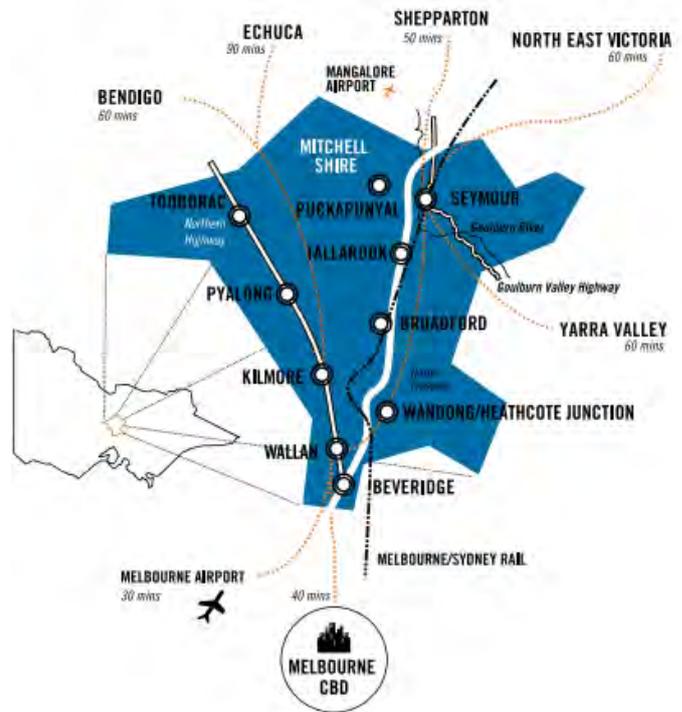
We have a high commuter workforce, and our community relies heavily on regional rail and road networks to travel to and from work and for day-to-day community activities.

Key employers within the shire include Puckapunyal Military Area, Council, hospitals, health services, schools and childcare, retail and services, Ralphs Meats and Nestle. Our agricultural, equine and tourism industries are also important contributors to our local economy.

Our rolling foothills, open farmland, mountain ranges, rivers, creeks, and natural environment are key attributes of our landscape amenity. This also means parts of our municipality are subject to natural disasters such as fires, storms, and floods.

At 2,862 square kilometres³, we are a large municipality with many larger and smaller townships and communities. These include Beveridge, Broadford, Bylands, Clonbinane, Forbes, Glenaroua, Glenhope, Glenhope East, Heathcote Junction, Heathcote South, High Camp, Hilldene, Hughes Creek, Kilmore, Kilmore East, Mia Mia, Moranding, Northwood, Nulla Vale, Puckapunyal, Pyalong, Reedy Creek, Seymour, Sugarloaf Creek, Sunday Creek, Tallarook, Tooborac, Trawool, Tyaak, Upper Plenty, Wallan, Wallan East, Wandong, Waterford Park, Whiteheads Creek and Willowmavin.

We also cover parts of Avenel, Donnybrook, Flowerdale, Highlands, Mangalore, Strath Creek, and Tarcombe.



¹ ID. forecast, 2020

² ID. forecast, 2020

³ Australian Bureau of Statistics 3218.0 Regional Population Growth 2020/21.

Who we are: an overview of our diverse community

Population

47,647

2021



170,830

2041



248.86%

rate of change

Breakdown by Township

	2021	2041
Beveridge	4,127	72,040
Broadford area	5,217	9,839
Kilmore - Kilmore East	9,584	21,012
Pyalong - Rural North West	2,064	2,429
Rural North East	2,914	3,022
Seymour	6,545	9,893
Wallan	13,650	48,890
Wandong - Heathcote Junction area	3,134	3,705



Gender split and age



50.3%

Male



47.7%

Female



9.64%

Infants to
Preschool
(0 to 5)



7.77%

Childhood
(6 to 11)



17.25%

Young People
(12 to 24)



51.84%

Adults
(25 to 64)



13.49%

Older People
(65+)

Aboriginality in Mitchell Shire 2016



1.6% of the total population
higher than
the Victorian average of 0.8 %
(ABS, 2016).

654 Aboriginal and Torres Strait Island people

Country of Birth



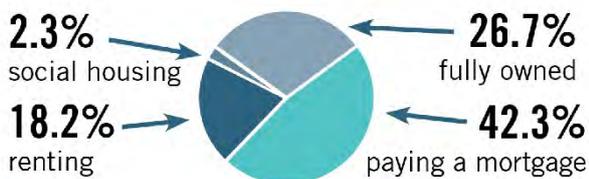
UK 3.2%

NZ 1.1%

India .7%



Tenure - Mitchell Shire in 2016



Languages - Most Spoken



84.8%

English

0.5%

Italian

0.4%

Mandarin

0.3%

Punjabi

Private Dwellings



16,289

Household Makeup



33.0%

Couples with
children



24.4%

Couples without
children



11.7%

One parent
families



20.2%

Lone
person



2.2%

Group
household



7.5%

Other
households

OUR COUNCILLORS

Mitchell Shire has three wards: North, Central and South. Residents are represented by three Councillors in each ward. The Mayor is elected by the Councillors and holds office for 12 months. The last general Council election was held in October 2020.

NORTH WARD

Cr Bill Chisholm
Cr Rhonda Sanderson
Cr Fiona Stevens

CENTRAL WARD

Cr Louise Bannister
Cr Nathan Clark
Cr Annie Goble

SOUTH WARD

Cr Christine Banks
Cr Bob Cornish
Cr Rob Eldridge

Note: In the October 2020 election, Councillors Atkinson retired, Councillors Humm and Lowe were not returned.



Figure 1 (left to right) Mayor, Cr Rhonda Sanderson, Deputy Mayor, Cr Nathan Clark, Cr Annie Goble, Cr Rob Eldridge, Cr Bob Cornish, Cr Fiona Stevens, Cr Christine Banks, Cr Bill Chisholm, Cr Louise Bannister

COUNCILLOR CHRISTINE BANKS

Councillor Banks moved with her husband to Wallan in 1983, when the town was small and there were more paddocks than houses, raised their children, and pursued her life-long passion for horses.

As Wallan has grown, her passion for protecting open space and wildlife corridors prompted her participation in the 2020 Council Election, success proving to her that anyone can have an opportunity to shape the future of their community if they are just prepared to put themselves forward.

Her focus is on balancing appropriate development with amenity, and maintaining the country feel that is so valued by the community.

Cr Banks was elected in October 2020.

COUNCILLOR LOUISE BANNISTER, (CENTRAL WARD)

Growing up on a farm near Seymour, Cr Bannister now lives in Kilmore with her partner Patrick and their infant son Hamish and values the unique lifestyle that Mitchell Shire has to offer.

Her belief in preserving this lifestyle, while still encouraging growth in community health and well-being, local economy and education drives her to promote transparency and communication between Council and community.

Cr. Bannister completed a Bachelor of Communications from Melbourne University and later a degree in Education and a Master of Applied Linguistics. She has had experience working in advocacy and research as well as community engagement.

Cr Bannister's appreciation and recognition of both the history and future of Mitchell drives her commitment to her community along with a strong focus on advocacy and evidence-based research to provide much needed infrastructure and services.

Cr Bannister was elected in October 2020.

COUNCILLOR BILL CHISHOLM, (NORTH WARD)

Councillor Chisholm, a long-time resident of the Tooborac/Pyalong community, has had an interesting and varied career in small business, from part-owning and managing a local service station, to farming and fencing enterprises.

A large part of his life experience involves raising a happy and successful family, travel, and community involvement, including School Council, Landcare, the local CFA, and other community organisations.

These varied experiences have provided him with a strong understanding of the requirements of small business and the expectations and needs of rural communities and small towns. He fully appreciates the need for sound financial management and getting the best value for every dollar.

Cr Chisholm lives with his wife Liz and family on a rural property in the Tooborac area and treasures this unique and beautiful rural environment and a supportive community.

Cr Chisholm was first elected 2012 and then again in 2016 and 2020.

DEPUTY MAYOR, COUNCILLOR NATHAN CLARK (CENTRAL WARD)

Cr Clark moved to historic Kilmore with his wife and two daughters just like many thousands of others are choosing to do.

He has a background in computer science and telecommunications, holds an Executive MBA and Master of Commerce with a passion for economics and finance, and has interests in farming activities in the Heathcote wine region to our north. He has enjoyed leadership positions in various community organisations.

Cr Clark is particularly concerned with the liveability of the communities as they transform through growth, ensuring that the existing lifestyles are preserved as best as possible, that the new communities thrive, and that we retain the wealth generated from rezoning for the benefit of existing and future residents.

He is passionate about the history of Kilmore and dealing with the impact of heavy vehicles on the main street, understanding that it takes the coordinated and committed efforts of many tiers of government to effect change.

Councillor Clark was elected in October 2020.

COUNCILLOR BOB CORNISH (SOUTH WARD)

Councillor Cornish has lived in Wallan with his wife Pauline and children for more than 40 years.

Given the expected population growth in the municipality, Cr Cornish wants to ensure that infrastructure and facilities keep pace with the community's needs. Cr Cornish is focussed on ensuring that rate revenue is spent wisely, and that grant opportunities are maximised for the benefit for the whole community.

Cr Cornish was first elected 2012 and then again in 2016 and 2020.

COUNCILLOR ROB ELDRIDGE (SOUTH WARD)

Councillor Eldridge has had a highly successful and varied career in IT, project management, general management, and business consultancy, working for organisations such as Colonial, CGU Insurance, Orica, NAB and ANZ as well as state government departments such as TAC, SRO, VicRoads.

This experience has provided him with strong business and financial planning skills and balances out his personal passion for the environment and community and is the drive behind his quest to make Mitchell Shire a great place for families and businesses.

Cr Eldridge moved to Wallan over 10 years ago with his wife after 30+ years in Eltham. His three children and their children also live in Wallan and are a considerable influence in his choice of community involvement.

He has been an active member of several Shire committees and has been heavily involved with the several community groups, including as a committee member and office bearer.

Cr Eldridge was first elected in 2016 and then again in 2020.

COUNCILLOR ANNIE GOBLE (CENTRAL WARD)

Councillor Goble was born in Melbourne, educated in Hawthorn, and it was in Gippsland where she developed her experience in the cattle and dairy industries, hospitality, and tourism. She trained in general nursing, then worked in the United Kingdom before returning to Australia to pursue further study in the healthcare sector, where she now specialises in aged and palliative care.

Cr Goble's parents inspired her social conscience, and she has had a long involvement in championing the need for improved services for the disadvantaged. She has been a Kilmore resident for many years, exploring her passion for equestrian sports as a thoroughbred trainer. Cr Goble has continued her social activism in the area and within the community she both lives and loves and has been a founding member of the Kilmore Trainers Group and as President of the Kilmore and District Residents and Ratepayers' Association, prior to her election to Council.

Cr Goble understands the potential of Mitchell Shire and wants to be part of seeing that realised. She is committed to working for the betterment of the disadvantaged and our community as a whole.

Cr Goble was first elected in 2016 and then again in 2020.

MAYOR, COUNCILLOR RHONDA SANDERSON (NORTH WARD)

Born and raised in Seymour, Cr Sanderson was first elected to Council in 2012 and re-elected in 2016 and then again in 2020. She has served as Deputy Mayor (2013/14) and Mayor (2016/17 and 2017/18, 2020/21).

Community service is important to her - both through employment and voluntary work. Cr Sanderson's career has been spent mostly in administration and management in law enforcement and training. She holds a BA (ANU 2007) and is an AICD Company Directors' Course Graduate (2015).

The issues Cr Sanderson is committed to pursuing on Council are improved consultation and transparency; fair treatment of all residents and ratepayers; township beautification; economic development and job creation; effective planning and development; more youth activities; a safe network of footpaths and trails; and community infrastructure which meets local needs.

Cr Sanderson has been an active volunteer on numerous community committees and in community organisations. She views her role on Council as a continuation of her service to the community and enjoys working to improve the quality of life of Mitchell Shire residents.

COUNCILLOR FIONA STEVENS (NORTH WARD)

Councillor Stevens is married and has two adult daughters and four grandchildren. She brings to Council extensive knowledge of the Mitchell area having grown up and been educated in Broadford. When she returned to the region to live in Seymour in 1981, she involved herself in many community organisations.

With an extensive background as a sworn member of Victoria Police, she retired in 2013. She explains her professional role was by choice in Crime Prevention: investigating child abuse, sexual assault, and domestic violence. In 2003, she was awarded the Jack Brockhoff Churchill Fellowship enabling three months' study in the United Kingdom to investigate ways to improve police and stakeholder responses.

She was President and Secretary of the Victoria Street Kindergarten; on St Mary's College committees; President and Secretary of Seymour Girl Guides; a member of the Seymour Inaugural Life Education Committee; Seymour Rotary member (past Board Member and Past President in 2008/09); a member of the Seymour Save The Outdoor Pool Committee (2001-16); and the elected community representative on the Mitchell Shire Olympic Torch Relay Planning Committee.

Cr Stevens enjoys identifying issues and researching to find solutions. She is keen to find a fair and appropriate outcome to community concerns and is passionate to see Mitchell Shire progress.

Cr Stevens was first elected in 2016 and then again in 2020.

HOW DOES LOCAL GOVERNMENT WORK?

The Community



Votes in

Councillors

Represent the community's needs and participate in decision-making.

North Ward x 3



Central Ward x 3



South Ward x 3



Appoint

CEO



Manages Council operations and ensures services are delivered and decisions are implemented.

WHO



Elect

Mayor



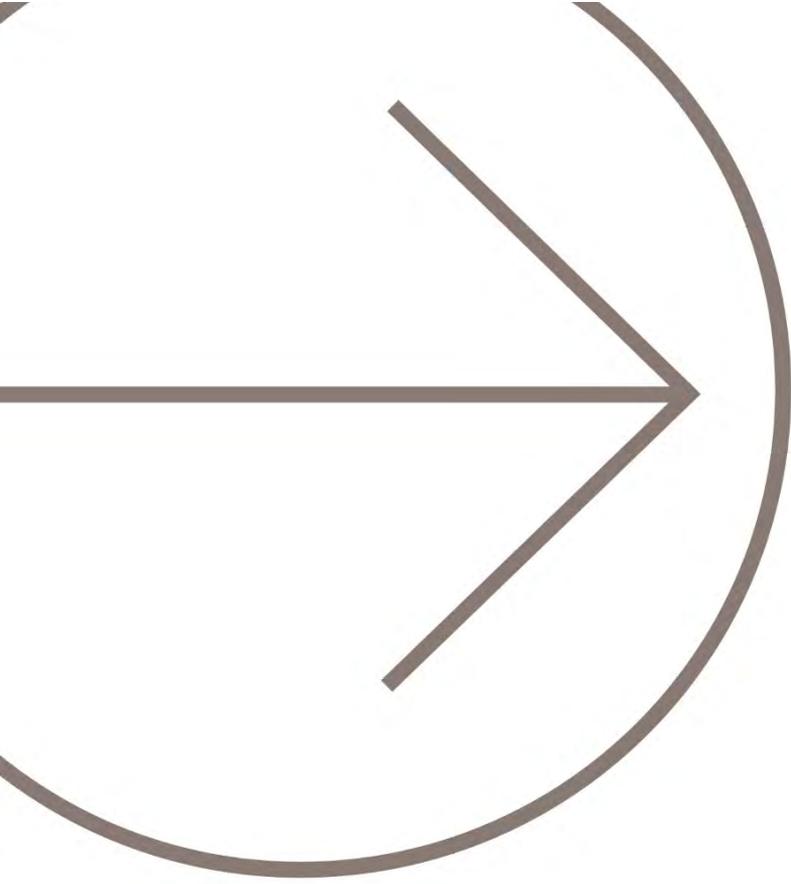
Leader and spokesperson for Council

Oversees



Staff

Deliver Council services and projects



YEAR IN REVIEW



MAYOR'S MESSAGE

Mitchell Shire Council Mayor - Councillor Rhonda Sanderson

This past year has again been a very challenging and change-filled one at Mitchell Shire Council.

We've seen a new Council elected, a new CEO appointed, and the continuing COVID-19 pandemic has affected nearly everything we do.

Despite the challenges and changes, Council has also had many welcome achievements to celebrate.

This Annual Report encompasses the last four months of the previously elected Council and the early months of the new Council following the Council elections in October 2020.

With a new Council, we've developed a renewed focus. We've been working with our community on a new four-year Council Plan, the Mitchell 2050 Community Vision and the Mitchell Shire Health and Wellbeing Plan, as well as other plans including an updated Road Management Plan, long term financial plans, and strategic land use plans.

COVID-19 again provided the biggest challenge. Once again, we found ourselves living with restrictions and lockdowns. Our community rallied when Kilmore experienced a COVID-19 outbreak, supporting each other and local businesses. It was an uplifting experience for all of us as everybody united, got out and got tested. Now we are seeing the same community spirit as people get vaccinated.

I'd like to thank our community and partner organisations for their continued support as we deliver our services remotely and find new ways to help our community and businesses through difficult times.

I would also like to thank our fantastic Mitchell Shire staff for their flexibility, with many working from home and juggling the demands of remote learning and personal uncertainties. Thank you to the many outdoor staff who have steadfastly carried on and, in particular, for their great work following the significant June 2021 storms which hit many in our community, some who were left for days without power. Our teams reached out to those who were worst affected, opening libraries and community centres, managing free green waste disposal and our crews worked tirelessly in difficult situations around the clock to clear up storm damage across Council roads, paths, parks and open spaces. The hard work and support undertaken for our community by all our staff throughout the year is very much appreciated.

Despite the many challenges, 2020/21 has also been a year of significant achievements, many of which are highlighted throughout this report.

Our teams have relentlessly advocated for projects and services to improve our liveability, such as, the Wallan Hume Freeway diamond interchange, which has received a funding commitment. We continue to strongly advocate for other transformational projects, such as the Camerons Lane interchange, the Seymour Community and Wellbeing Hub and the Kilmore Bypass, while opposing projects which will compromise our current and future communities, such as, the proposed Wallan stone quarry.

We've continued to secure government investment in services, infrastructure and facilities to meet the needs of our fast-growing population. We've seen major improvements to a number of our recreation facilities, a new youth hub, a new family and children's centre, along with

expansion works at some of our kindergartens. We've seen pedestrian bridges built, a new dog park, a new agricultural pavilion, new play spaces, and restoration works completed at some of our halls and pavilions. These funding partnerships with State and Federal governments are vital for our community as we strive to provide much needed services and infrastructure across our Shire.

All of this work is supported by our 2017-2021 Council Plan and related action plans and strategies. The 2017-21 Council Plan focused on seven key areas:

- > Advocacy
- > Community participation
- > Responsible planning
- > Strong communities
- > Local jobs, business and quality investment
- > Sound financial and organisational management
- > Caring for our environment

The 2017-21 Council Plan was developed by the previous Council and this is the final Annual Report for the four-year plan.

Despite COVID, we have delivered on most of the commitments in our annual Action Plan and annual Budget, and we have adapted and continued to work hard to support our community and businesses as we work towards COVID recovery.

Community participation in consultations to help formulate and deliver our various plans has been outstanding this year. I would like to thank our community for continuing to provide input and for being so actively involved in shaping Mitchell Shire's future.

I'd also like to acknowledge the fantastic contribution of Director Mary Agostino who acted in the role of CEO, following the passing of our former CEO David Turnbull in March 2020, until our new CEO commenced work with us. Mary's positive attitude carried the organisation through a very difficult period not the less complicated by the COVID-19 pandemic.

In late August 2020, we welcomed our new CEO, Brett Luxford. I would like to acknowledge the excellent contribution Brett has made and his leadership through these difficult times. Brett's focus on our community first, ensured we continued to deliver on our goals and objectives despite the ongoing challenges of COVID-19.

I'd like to acknowledge the work of the previous Council and, in particular, three former Councillors whose terms concluded at the October 2020 Council election: former Mayor, Cr David Lowe, former Deputy Mayor, Cr David Atkinson and Cr Bob Humm for their dedication and leadership on behalf of our community.

It's been an honour to serve alongside some familiar faces – Councillors Bill Chisholm, Bob Cornish, Rob Eldridge, Annie Goble and Fiona Stevens – and welcome new Councillors in our Deputy Mayor, Cr Nathan Clark, Cr Christine Banks and Cr Louise Bannister.

Finally, I'd like to thank all past and present Councillors for their passion and commitment as they've worked hard together towards a better quality of life for our community.

CHIEF EXECUTIVE OFFICER'S MESSAGE

Brett Luxford, Chief Executive Officer

Our community has shown remarkable strength, resilience and commitment to each other over the past 12 months in what continues to be a challenging time for all.

I joined the Mitchell Shire Council as our community continued to adapt to the COVID-19 pandemic – meaning my first introduction to you and staff was online.

In this time, we have had stages where we have been out and about in the community together – announcing new buildings, new projects and getting on with the job just like every resident.

But we've also had times where we've had to uplift each other and support people from afar – it has been a challenge. Despite that, Mitchell Shire is still growing to be a healthy, connected and resilient community through all of the life stages.

We have seen a new crop of Councillors come on board this year to lead by example and work hard as we continue to grow. Their dedication and genuine love for our community is evident and we will continue to achieve great outcomes together over the next 12 months.

While we took a little bit of a hit because of the COVID-19 pandemic, our financial position at Mitchell Shire Council is stronger than ever. We're a community punching above its weight as we continue to deliver critical community services and plough through important and essential infrastructure projects.

As the State's fastest growing and diverse shire, we continued to present strong cases to the State and Federal Governments for extra support in growing our community.

Part of this work has seen us lobby directly to Federal Government representatives for key outcomes like the Camerons Lane upgrade near Beveridge, like a services hub in Seymour and continued support for the Kilmore Bypass and mental health services.

We have also had strong support from our local members of Parliament and the State Government in securing a range of grants including supporting our sporting clubs, kindergarten services, addressing family violence and youth wellbeing.

We will continue to plan and advocate for planned and unplanned communities.

This will continue in our fight against yet another quarry in Mitchell Shire – a development which could hinder our positive growth and impact those who live here now, and anyone thinking of moving to our community.

I would like to congratulate our staff who have worked tirelessly over the past year, sometimes under uncertain and testing times. We have gone in and out of lockdowns at different times and have had to start and stop a number of programs and projects.

We have remained committed to adapting and innovating, but it hasn't always been smooth sailing.

I acknowledge them and their efforts, despite being tested time and time again.

Part of this response was also thanks to our contingent of Working for Victoria employees. We had the responsibility of onboarding up to 80 people in a number of fields across our entire organisation – all with a willingness to hit the ground running.

The State Government-funded program saw us welcome these people with open arms as we all worked through challenging times that have left an enormous legacy on our organisation.

So far, the key highlight of our year was talking to more than 1,400 of you during the first round of our Community Vision consultation. It was brilliant to see you at places like Seymour Alternative Farming Expo, like the various markets and community buildings from Beveridge to Broadford, Wallan and Kilmore. We popped up at Wandong Train Station and even online.

We're focused on the future and during this time we learnt so much about our community.

The hopes for the future. The wants in our community and what we need.

We continue this work and hope to see you very soon.

I want to thank everyone for a great first year at Mitchell Shire Council and I look forward to continued collaboration together.

FINANCIAL OVERVIEW

Laurie Ellis, Director Organisational Performance

Our financial position at the end of June 2021 reflects Council's ongoing commitment to improving the municipality's long-term financial sustainability even through the continued impacts and effects of the current COVID-19 pandemic. Council continues to rely heavily on grant funding opportunities and the continued growth can be seen in the increasing value of monetary and non-monetary contributions. Council remains agile in responding to external influences that impact financial forecasts and performance.

Council has achieved a surplus of \$31.926M, however after adjusting for non-recurrent capital income, the adjusted underlying result for 2020/21 is a deficit of \$3.07M. This result is skewed by a net loss on disposal of infrastructure, property, plant, and equipment of \$4.44M. Adjusting for this, the adjusted underlying result would be \$1.38M. This result is unfavourable when compared to the adopted budget mainly as a result of increased depreciation expenses following increased assets through capital delivery and contributions and asset revaluations.

The budget to actual material variances includes the following:

- > Increased income of \$5.2M in operating grants mainly due to the successful Working for Victoria grant of \$3.7M
- > Decreased income of \$2.76M from capital grants due to project delivery timing.
- > Increased monetary and non-monetary contributions of \$12.99M following strong subdivision development.
- > Increased employee costs of \$3.2M mainly driven with the Working for Victoria grant
- > Increased Materials and Services of \$1.5M from incurred COVID-19 response costs, legal costs and settlement, additional grant related expenditure (including natural disaster recovery) in addition to other variations.
- > Net loss of infrastructure, plant, and equipment of \$4.44M mainly due to a write-off of waste infrastructure assets of \$2.6M, buildings demolish through the year of \$2.2M and other assets disposed of \$0.4M offset by a profit of \$0.8M from the sale of plant, fleet and land.

Further detail describing the performance against budget is included in Note 1 of the 2020/21 Financial Statements.

As a result of the continued impacts of COVID-19 Council experienced reduced revenue from fees and charges due to service reduction and/or closure. To ensure community support could be provided without negatively impacting the end of year results key expenditure was reduced where possible however in some areas increased expenses were experienced, such as cleaning, protective clothing, etc.

Council remains committed to ensuring a positive adjusted underlying result into the future. The adjusted underlying result is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by non-recurrent capital income items which can often mask the operating result. This key goal remains a focus even through the continued effects of the COVID-19 pandemic.

Achieving an annual adjusted underlying surplus increases our ability to invest in community assets, which continue to remain a critical area of focus.

At the conclusion of the 2020/21 financial year, Council had \$82.07M in cash and term deposits compared to \$67.14M on 30 June 2020. This increase in cash holdings is primarily due to increased holdings in externally restricted funds, not fully expending the capital works program and key operational projects that have been deferred to 2021/22 for completion. Council's Quarterly Finance Reports are a great reference to review performance against budget throughout the financial year.

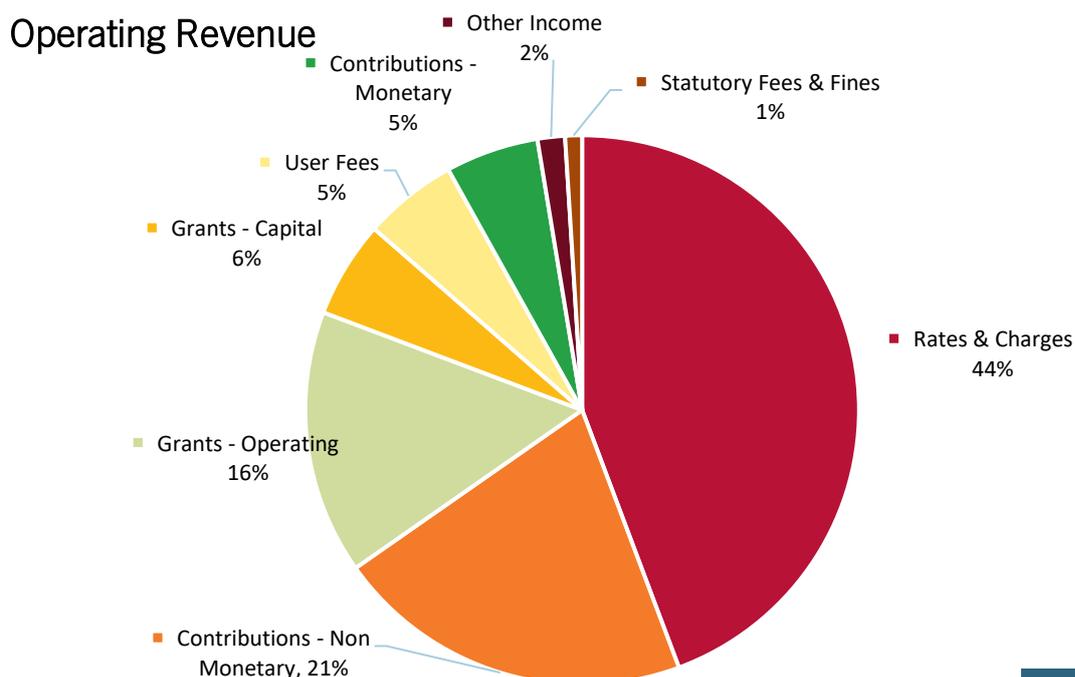
AT A GLANCE

For 2020/21, Mitchell Shire Council achieved the following results:

- > \$3.07M adjusted underlying deficit, compared to a \$5.21M adjusted underlying deficit for the previous year.
- > \$31.93M surplus (compared to \$17.24M surplus the previous year). This is derived from:
 - \$112.81M revenue with 44.3% coming from rates and charges
 - \$80.88M expenditure with 41.37% attributable to employee and labour costs (31.4% due to materials and services and 18% depreciation)
 - \$614M net assets. This is \$39.88M increase from last year
 - \$82.07M holdings in cash: this is \$14.93M more than last year as explained above
 - \$13.89M loans and borrowings. This is \$1.49M more than last year due to additional borrowings offset by scheduled repayments of existing loans

Council's total revenue for 2020/21 was \$112.81M (compared with \$93.63M in 2019/20), which includes \$23.62M in non-monetary 'gifted' assets from developers. Council received a higher level of grant funding in 2020/21, largely due to projects tied to funding reaching completion.

A breakdown of Council's operating revenue is shown in the graph below and highlights Council's reliance on rate revenue to fund community services and the renewal of community assets.



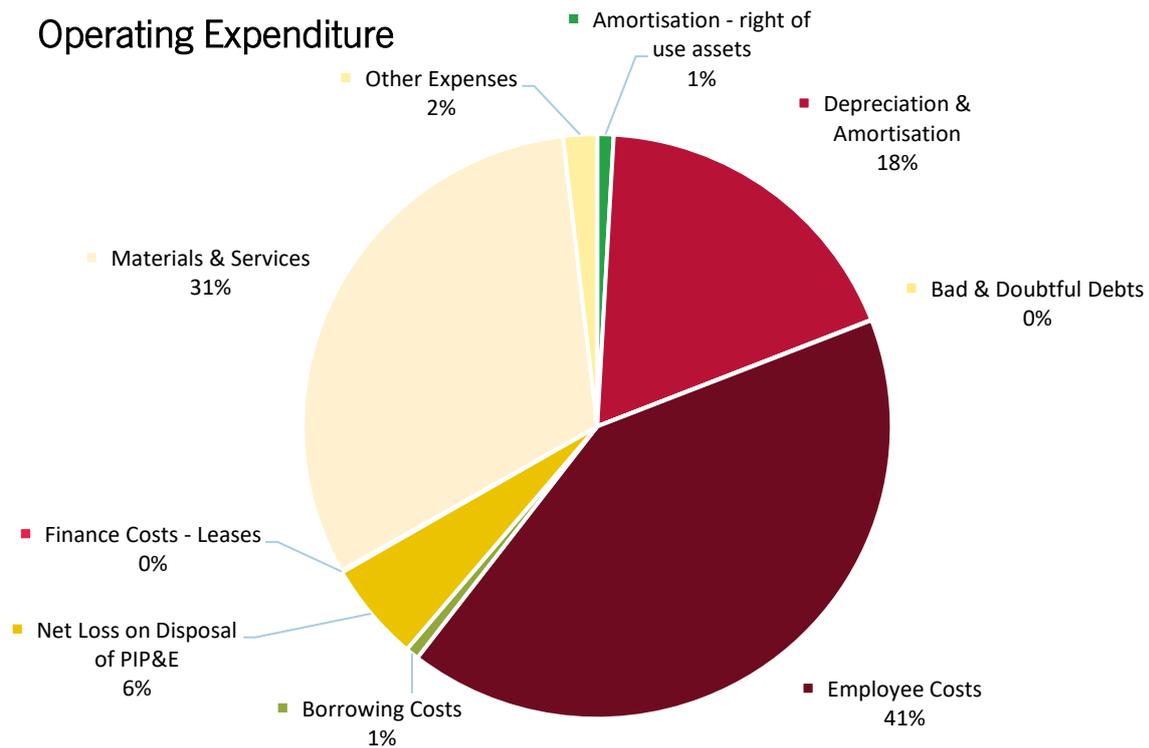
EXPENSE

Total expenditure for 2020/21 was \$80.88M (compared with \$75.78M in 2019/20).

A breakdown of Council's operating expenditure categories is shown in the graph below which reflects the fact that 90.8% of Council's total spending relates to three categories:

- > employee and labour costs at 41.37% (compared to 37.7% in 2019/20)
- > materials and services 31.4% (compared to 36.5% in 2019/20)
- > depreciation of assets at 18.1% (compared to 16.5% in 2019/20)

Operating Expenditure



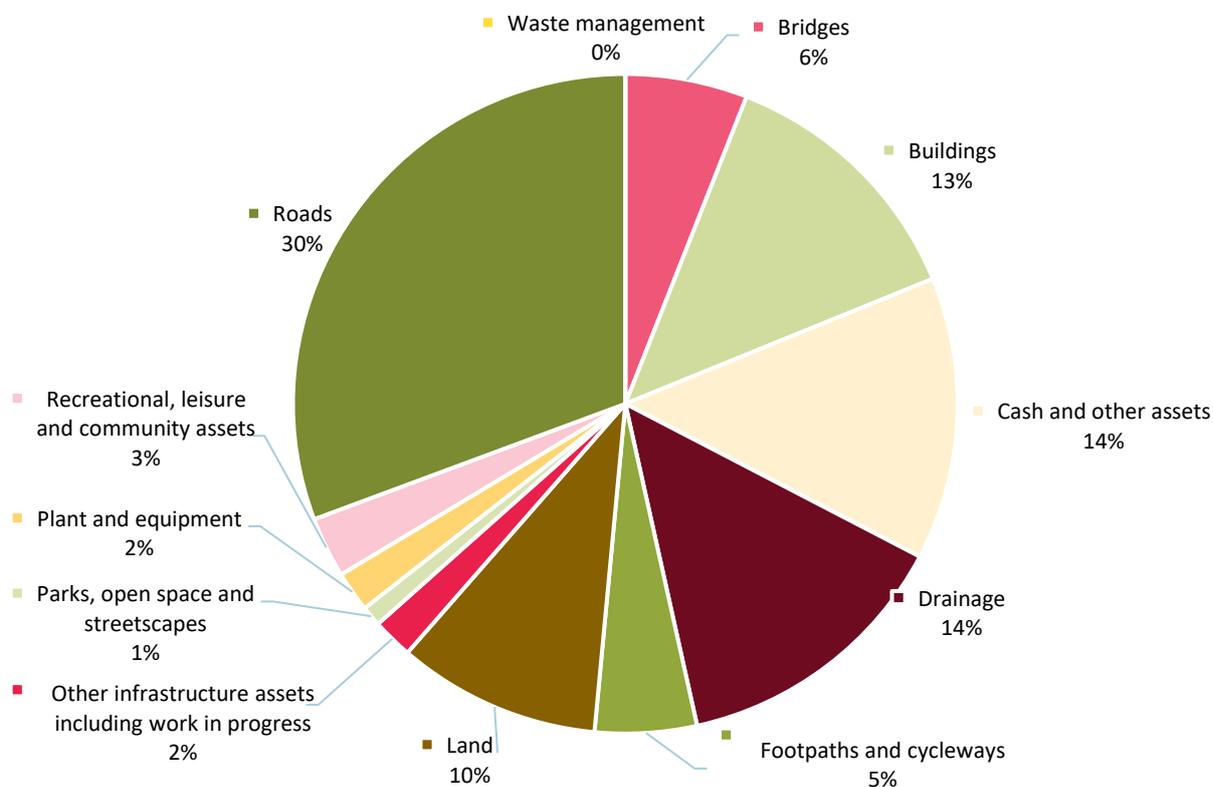
Note: where 0% appears, the actual result is less than 1%

ASSETS AND LIABILITIES

Council's financial position improved by \$39.88M during the year. This comprised an operating surplus of \$25.99M and reserve increments of \$13.89M. Council's net worth as of 30 June 2021 was \$614M (compared to \$574M in 2020) and comprised the following assets:

Asset	\$ M	%
Bridges	38.81	6
Buildings	84.57	13
Cash and other assets	95.01	14
Drainage	96.21	14
Footpaths and cycleways	30.59	5
Land	64.53	10
Roads	212.63	31
Other infrastructure assets including work in progress	15.39	2
Parks, open space, and streetscapes	5.98	1
Plant and equipment	10.73	2
Recreational, leisure and community assets	19.02	3
Waste management	2.84	0
Total	676.31	100

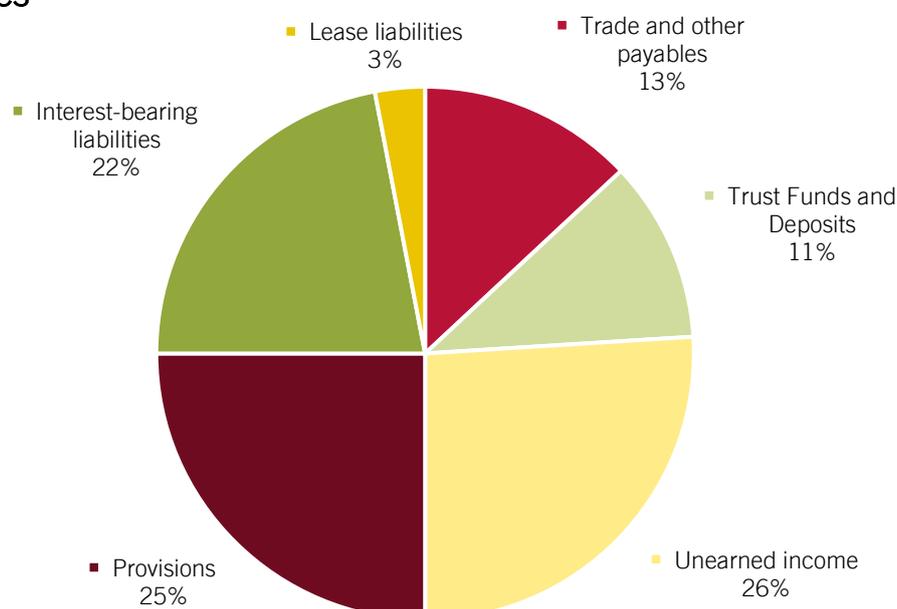
Assets



In addition to the Assets listed above, Councils Equity also includes the following liabilities:

Liabilities	\$ M	%
Trade and other payables	7.82	13
Trust Funds and Deposits	7.13	11
Unearned income	16.00	26
Provisions	15.72	25
Interest-bearing liabilities	13.89	22
Lease liabilities	1.75	3
Total	62.31	100

Liabilities



BORROWINGS

Council's borrowings on 30 June 2021 were \$13.9M, which equates to a 31.8% indebtedness level. The Victorian Auditor General's Office compares non-current liabilities to own-source revenue (typically rates and user fees and charges) and considers a prudential limit (indebtedness level) of between 40-60% as a medium risk. Council has budgeted to add a further \$7.39M to borrowings in 2021/22 to allow the construction of key missing link footpaths, development of a Seymour Resource Recovery Centre and the Southern Resource Recovery Centre construction. The borrowings will only be drawn down when these projects commence. Borrowings will be in line with Council's borrowing policy and determined as part of the annual budget process.

CAPITAL WORKS

The capital works program is funded through rates, government grants, borrowings, and other contributions. Council spent \$4.08M on land and buildings and \$19.58M on infrastructure works during 2020/21, these works included \$11.05M in renewing existing assets such as roads, buildings, footpaths and kerb and channel.

The capital works program was expanded during 2020/21 following finalisation of the 2019/20 carried forward works as well as the receipt of additional grant funding. \$23.59M in capital projects have been deferred to 2021/22 following project delays and expanded budgets from additional available funding.

Key projects completed during the year included, amongst many, the reconstruction of Oak Street and Wallis Street in Seymour, the activation of Ryans Creek Reserve in Kilmore, the rebuilding of The Shack at Upper Plenty and Tallarook Mechanics Institute Hall which had both been destroyed by fires and the building of a new Agricultural Pavilion at Kings Park, Seymour, replacing two smaller aged pavilions.

CASH

Council plans for a positive net cash inflow from operating activities to provide funds for both the day-to-day operations, as well as for its capital works program. The net cash inflow from operating activities for 2020/21 was \$42.31M (\$30.53M in 2019/20). Council's cash position on 30 June 2021 was \$82.07M (compared to \$67.14M in 2019/20), an increase of \$14.93M. Council's cash holdings on 30 June 2021 ensured sufficient working capital to cover current commitments. Council remains focused on ensuring cash holdings remain at appropriate levels.

Council's working capital ratio for the 2020/21 financial year is 2.03 (compared with 2.4 in 2019/20). The result is lower than the previous year due to following main variances listed below:

- > Increased cash and other financial assets of \$19.8M offset by,
- > Increased liability in trade payables of \$2.6M,
- > Increased liability of unearned income being held for future capital projects of \$8M,
- > Increased liability in provisions liabilities for both employees leave entitlements and landfill rehabilitation and remediation expected costs of \$2.08M, and
- > Increased liability in trust funds and deposits held of \$1.9M.

CONCLUSION

Council remains focused on its financial health into the future and is committed to achieving sustained, adjusted underlying surpluses, maintaining appropriate cash holdings, and increasing investment in our assets for our existing and growing community.

Council's primary focus has not changed. The process of building a solid financial foundation to support Mitchell Shire continues and remains a long-term focus in line with Council's long-term financial planning. Council continues to work with the community to provide support through continued COVID-19 impacts and remains agile to support changing needs and unforeseen events.

While this report focuses on the financial performance over the past 12 months, Council continues to look forward with its short and long-term financial plans and models.

For a detailed picture of our financial performance please see the Financial Statement at the end of this document.



Figure 2 Top of Mount Piper, Bradford

COVID-19 IMPACT

We began 2020/21 on 1 July with the news that Stage 3 COVID restrictions had been re-introduced across Victoria, with only four reasons to leave home. By 9 July, metropolitan Melbourne and Mitchell Shire had returned to Stage 3 restrictions in what became known as lockdown 2.0.

Mitchell re-joined regional Victoria with stage 3 restrictions on 2 August, but it wasn't until mid-September that most services began to open. By early October, most services had returned. On 4 October, Mitchell hit the news headlines again when a café in Kilmore was announced as a COVID exposure site after a Melbourne resident breached restrictions and dined in there.

A number of local positive cases and other exposure sites were added in the following days.

Council assisted with traffic management at the Kilmore Hospital for symptomatic testing and helped establish a pop-up testing site for non-symptomatic testing at the Kilmore Soldiers' Memorial Hall. Our community rallied together to contain the spread, with thousands of residents turning out for testing. Thankfully, there were only a small number of cases although the impact on the community and local businesses was large.

The many economic, social and health and wellbeing impacts of COVID continued to affect our community throughout the year as we moved through various levels of restrictions and lockdowns.

While Mitchell was with regional Victoria throughout most of lockdown 2.0, we still faced significant restrictions and being so closely connected to Melbourne, we felt the impacts of the extended Melbourne lockdown very heavily too.

The impact on Council services was also a big one, with many of our face-to-face services remaining closed until mid-October. Our indoor gyms and pools were the hardest hit and didn't re-open until the end of October, followed by community facilities in November.

When Term 1 returned in 2021, we celebrated with the return of our first face-to-face library Babytime, Rhymetime and Storytime sessions since March 2020. The start of term 1 also saw Learn to Swim classes return and Youth Rooms re-open.

Just two weeks into term 1, a snap five-day lockdown was called with stage 4 restrictions and stay at home orders in place across the state. Fortunately, this was lifted, and most activities were able to resume.

In May, Kilmore District Health opened the first state-run vaccination centre in Mitchell.

By the end of May, we faced lockdown 4.0 – another snap lockdown. Within a fortnight, pools and gyms could re-open and some community sport could continue and the border between regional Victoria and Melbourne was lifted.

2020/21 IN REVIEW

JULY

COVID lockdown

- > Melbourne and Mitchell Shire go back into Stage 3 COVID restrictions for six weeks from 11.59pm on 8 July after just re-opening
- > Mitchell is one of 32 local government areas to face the restrictions.
- > All face-to-face services closed
- > Playgrounds, BBQs, outdoor gym equipment, skate parks, leisure centres, pools and community centres closed
- > 5 Citizenship ceremonies held in one day ahead of the lockdown

COVID support

- > Online business mentoring sessions available

Consultation

- > Seymour Flood Levee Meeting
- > Broadford play spaces plans released for Memorial Park playground upgrade and community services precinct
- > Road renaming proposal for Minton Street in Beveridge
- > Public transparency policy and Governance Rules drafts released

AUGUST

- > New CEO Brett Luxford starts at Mitchell Shire Council
- > Wear it Purple Day goes online
- > Fuel reduction works carried out along Dabyminga Creek in Reedy Creek

COVID support

- > MyMitchell MyHome photo competition launches
- > MitchellEats directory launched

Capital works

- > Conway Street in Kilmore closes for 10-week+ major upgrade

Consultation

- > Junction Road Kilmore renaming proposal
- > Great Victorian Rail Trail Strategic Development plan adopted alongside trail partners Mansfield Shire Council and Murrindindi Shire Council.

SEPTEMBER

- > 1,000 Books before School program begins
- > Nominations called for upcoming Mitchell Shire Council election with 16 candidates running across three wards
- > Federal Government makes \$50M funding announcement for the Hume Freeway diamond interchange at Watson Street, Wallan
- > Visitor Information Centre re-opens for regional visitors after restrictions ease to allow regional visitors on 17 September following travel bans since early July
- > Restrictions ease to allow small group outdoor fitness classes to begin
- > School holiday program goes online including library craft activity hub

COVID support

- > Libraries click and collect service launches
- > Phase 1 of Discover Mitchell regional tourism campaign launches
- > Business advice support service launches to help businesses impacted by COVID-19 including specialised accountancy and tax advice, business strategy and human relations advice

Capital works

- > Wellington Street, Wallan drainage and footpath works on west side finished. Works begin on east side.

Consultation

- > Draft Broadford Structure Plan released
- > Budget simulator open for input

OCTOBER

- > Pre-election period begins with voting closing on 22 October
- > Backyard bird count

COVID

- > Kilmore COVID outbreak after a visitor from Melbourne breached restrictions and visited a local café
- > Support provided to GV Health to expand testing at Kilmore Hospital and to establish a pop-up testing site at Kilmore Soldiers' Memorial Hall

Capital works

- > Sydney Street, Kilmore, pedestrian bridges installed

NOVEMBER

- > Mitchell Shire Council joins in the Seymour Memorial Hospital 100 Years celebrations with a special story time
- > Worm Farm and Compost Bin subsidy
- > Detox your Home drop off
- > National Recycling Week celebrations
- > Early start to summer pool season with the splash park at Wallan turned on 26 November
- > Nature Pact program kicks off highlighting local parks and outdoor spaces for people to get active and enjoy the outdoors
- >

COVID support

- > NAIDOC Week celebrations move online with special story time after events originally planned for July were postponed.
- > Draft COVID recovery plan released

Capital works

- > New intersection at O'Gradys Road and Kilmore East Road near the Kilmore East train station and underpass are nearly finished
- > Conway Street, Kilmore works complete following more than 10 weeks construction including new underground drainage, full reconstruction of the road pavement, indented parking bays, new concrete kerb and channel, Kilmore-Lancefield road intersection upgrades and new concrete footpaths (1.5m wide and 3m wide).
- > White Street, Kilmore reconstruction between Allan Street and Green Street, including road widening, new kerbing, upgraded drainage and footpaths to connect with Tootle Street.
- > Kilmore off lead dog park opens - the first Council-run dog park in Mitchell Shire.
- > Footpath inspections underway across 313km footpath and walking trail network

Consultation

- > Nominations open for Environment Advisory Committee
- > COVID recovery plan draft released for input
- > Taylors Creek shared path in Wallan input wanted
- >

Elections

- > Poll declared 6 November
- > Councillors sworn in and Councillor Rhonda Sanderson elected as Mayor and Councillor Nathan Clark elected as Deputy Mayor

DECEMBER

- > Congratulations, Mitchell Shire Leisure Services fitness, and health supervisor Kathryn McDonald who is crowned the Victorian and national AUSTSWIM WETS Instructor of the Year recently.
- > 16 Days of Activism goes online due to COVID restrictions with a special Change the Story event hosted by Mitchell and Murrindindi Shire Council, and facilitated by Women's Health Goulburn North East
- > Contrast arts program held with a group of young people from Seymour able to connect with their creative side and produce some stunning artwork
- > Storms impact New Year's Eve

COVID support

- > Discover Mitchell tourism marketing campaign launches highlighting the many treasures of Mitchell including the beauty, adventure and attractions of our region and our towns
- > COVID restrictions return New Year's Eve
- > ArtsAction program launches to support emerging or professional people who work in creative and artistic fields
- > Business concierge program opens to assist small businesses with their Council permit application process

Consultation

- > Taylors Creek Wallan shared pathway
- > Community cycling survey
- > Community Engagement Policy draft released for input
- > Mitchell Environment Advisory Committee membership appointed

Fire season

- > Fire safety education program continues
- > Fire prevention works continue with local roadside slashing program nearly halfway through planned works

JANUARY

- > Extreme weather affected Australia Day events, but the show must go on. Recipients announced at Wallan this year.
- > Summer series pool parties held
- > Citizenship ceremony held
- > Fuel reduction works along Broadford-Wandong road

FEBRUARY

- > The brand-new Wallan East kindergarten opens its doors for Term 1 at the Wallan East Family and Children's Centre which also includes Maternal and Child Health services, playgroups, parent support programs and children's activities. Community Recovery Plan endorsed

COVID

- > 2 February - Face to face programs return for Term 1 after a disruptive year last year due to COVID
- > 5 February - Masks mandatory indoors
- > Lockdown 3.0 - 12 February – after being open for less than two weeks, most council services return to stage 4 restrictions – no face-to-face service delivery. Initially a five-day lock down.
- > Planned Seymour Community Open Day cancelled
- > Most services return to face-to-face delivery 20 February
- > The first ArtsAction online workshops held for emerging or professional artists

Capital works

- > Summer makeover for Hudson Park in Kilmore with new irrigation and grassed area for families to enjoy a social kick of footy, game of cricket or throw a frisbee.
- > Seymour Pioneer Library's 130-year-old building received a fresh lease on life with new paint, hardwood floors, toilet upgrades, storeroom refurbishment and ceiling improvements.
- > Works start to fully reconstruct the shared-use tennis and netball courts at LB Davern Reserve. The works include a new court base and playing surface, and the installation of energy-efficient LED lights.
- > Works start on a \$2.5 million upgrade of facilities at Harley Hammond Reserve with new shared tennis and netball courts, competition standard lights and a shared-used pavilion.

Consultation

- > Survey about textiles - how you consume, care for, and dispose of textile waste in your household or business, such as clothing, towels, pillows, and sheets.
- > Park naming proposal in Wallara Waters
- > Road renaming for parts of Westwood Road and Kulin Drive in Kilmore
- > Immunisation services survey
- > Community Cycling Consultative Forum panel members appointed

MARCH

- > Outdoor pool season wraps up for summer
- > Council supports a number of Clean up Australia Day events by providing assistance with equipment and waste disposal.
- > Residents invited to a virtual tour of a Material Recovery Facility (MRF) next week to show people how their recycling is separated into material types ready for reprocessing
- > Council removed library fines for overdue items for good to encourage more people to use library services
- > Official opening of Activation of Ryans Creek Reserve Project
- > Official opening of Hudson Park Outdoor Fitness Equipment Project (Part of Growing Suburbs Fund project), together with the earlier site completed at Hadfield Park Wallan

COVID

- > International Women's Day held virtually with special guest Angela Barker OAM
- > Services stay open, although reduced capacity limits are in place for many
- > Small business bus returns

Capital works

- > Our capital works program hits peak season with crews working on more than 100 capital works projects in March
- > The annual road resealing and rehabilitation program is underway with more than 30 roads in Beveridge, Broadford, Hilldene, Kilmore, Pyalong, Seymour, Tallarook, Wallan and Willowmavin included
- > Missing links footpath projects are underway to connect Villers Street and High Street in Seymour, to install new footpaths on both sides of the road, between William and King Streets in Wallan and to install a new footpath on Melbourne Street, between Union Street and Bourke Street in Kilmore.
- > Works start on a new play space at Town Centre Park in Pyalong

Consultation

- > Broadford Precinct Public Safety Initiatives
- > Rural Land and Activities Review
- > COVID-19 Community Recovery Plan
- > Road Renaming: part of Westwood Road and Kulin Drive, Kilmore
- > Immunisation Services
- > Community Satisfaction Survey

APRIL

Events

- > Easter school holiday program held
- > Mitchell Kindergarten Services open days held
- > Official opening of Harley Hammond Oval Lighting Project
- > Official opening of Greenhill Reserve Netball and Main Oval Lighting Projects
- > Official opening of Kings Park Agricultural Pavilion Project
- > Official opening of Upper Plenty Shack Project
- > Official opening of Tallarook Mechanics Institute Hall Project

COVID

- > Planning and Building office in Wallan re-opens face-to-face service counter

Capital works

- > Windham Street Wallan works continue

Consultation

- > Mitchell 2050 community vision consultation program begins
- > Great Victorian Rail Trail extension to Seymour preferred route selected following landholder consultation
- > COVID-19 community recovery plan workshop held
- > Draft Budget, Draft Financial Plan, and Draft Revenue and Rating Plan released for input
- > Health and Wellbeing Plan input
- > Wandong Heathcote Junction Outdoor Fitness Equipment Project April / May – round 1 community input to determine pod locations

Community Vision: My Mitchell 2050. 32 days of engagement

- 114 unique events took place across April and May
- Mitchell #2050 online attracted 1,725 views
- 822 responses came from community pop-ups
- 1,401 responses provided formal survey feedback
- 206 participants attended a specific workshops and business evenings
- 120+ hours of consultation took place over 33 days
- 304 submissions received through Engaging Mitchell
- > Council Plan 2021 - 2025
- > Health and Wellbeing Plan 2021 - 2025

MAY

- > Volunteering Mitchell online gateway launched
- > International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) Day acknowledged including community safety Coffee with Cop session in Broadford
- > Compost Awareness Week online activities held
- > National Volunteer Week acknowledged
- > J J Clancy Reserve Integrated Community Facility (\$3.4m towards \$3.8M project)
- > Beveridge Recreation Reserve Activation (\$750K towards \$1.3M project)

Events

- > Youth Council hosts Clothes Swap
- > Mitchell acknowledges National Sorry Day

COVID

- > Kilmore opens vaccination centre
- > Kilmore COVID outbreak after a visitor from Melbourne breached restrictions and visited a local cafe
- > Lockdown 4.0
- > 25 May – some new COVID restrictions are introduced in Melbourne
- > 27 May – circuit breaker restrictions introduced across Victoria for 7 days seeing most Council services return to remote and online delivery

Capital works

- > Wallan Community Services Hub works begin

Consultation

- > Draft Budget, Financial Plan and Revenue and Rating Plan
- > Mitchell 2050 Community Vision
- > Health and Wellbeing Plan
- > Wandong Heathcote Junction outdoor fitness equipment
- > Allowances for Mayor and Councillors
- > Rural Land and Activities Review
- > Applications open for next Youth Council

JUNE

- > Mitchell features on a new rail trail TV show
- > Announcement of Council's success in obtaining Sport and Recreation Victoria grants towards
- > Female Friendly Facilities – JJ Clancy Reserve Netball/Tennis Courts
- > Active Seniors – Seniors Outdoor Fitness Equipment at Chittick Park, Seymour, The Elms Reserve, Kilmore, and Beveridge Recreation Reserve.
- > Community Sports Lighting – Kings Park, Seymour Main Oval and Wallan Tennis Facility
- > Fixed Equipment – Broadford Sports Precinct Goals
- > Community Cricket Facilities – Harley Hammond Reserve Cricket Nets

COVID

- > 3 June – snap lockdown lifted with restrictions easing for some council services to return to face-to-face delivery
- > Visitor Information Centre re-opens for June school holidays
- > Council meetings return to in person meetings in the Council Chamber

Capital works

- > The tower structure at the Community Bank® Adventure Playground at Hadfield Park in Wallan closes for maintenance with a fresh coat of paint to keep the park looking vibrant

Consultation

- > Domestic Animal Management Plan
- > Speed limit changes introduced following consultation around the O'Gradys Road and Kilmore East intersection
- > Taylors Creek Shared Path Project – Additional Community consultation round to finalise design

Emergency

- > 9 June – storms cause major damage overnight right across the shire with many trees over roads, flash flooding and extensive power outages.
- > Council offers free green waste drop off for storm damage clean up

DISCOVER MITCHELL

As part of Council's Covid Recovery Package, in Council rolled out an integrated marketing campaign for Discover Mitchell that aimed to raise awareness of Mitchell Shire as a destination and support businesses in recovery.

The Discover Mitchell campaign positioned Mitchell and its towns as an authentic travel experience, waiting to be discovered. The campaign had a multichannel approach and included video advertisement on digital platforms of Instagram, Facebook, and YouTube. A partnership with Time Out Melbourne, promotion on One Hour Out, and advertisement in regional papers such as Bendigo Advertiser.

The campaign focused on raising awareness of the Shire's many great attractions, businesses, open space, and its hidden gems. This campaign delivered some fantastic results including reaching over 800,000 users on Facebook, Instagram, and YouTube and over 5,400 engagements. The Time Out Melbourne campaign included a competition which saw over 3,400 entries. During the campaign, the tourism webpage became the second most visited page on Council's website.

To complement the work within the digital space, an updated Discover Mitchell Official Visitor Guide was also released, as well as a set of Discover Mitchell mini guides, that focus on individual townships and localities within Mitchell and provide fantastic visitor information to a reader. These guides provide information on attractions within each area of Mitchell, maps of town centres, event details and business listings including accommodation.

You can find these guides at the Seymour Visitor Information Centre, at all customer service centres and at www.mitchellshire.vic.gov.au/discovermitchell

Be sure to follow along to @DiscoverMitchell on Instagram and Facebook to find inspiration for your next trip in Mitchell.



Figure 3 Seymour and the Goulburn river



Figure 4 Hadfield Park, Wallan



Figure 5 The Guitar Room, Kilmore

GREAT VICTORIAN RAIL TRAIL

The Great Victorian Rail Trail is a 134km recreational trail that follows the old railway through Mitchell, Murrindindi, and Mansfield Shires. The section in Mitchell runs from Tallarook onto Trawool and follows the picturesque Goulburn River. In 2020/21 Council continued to implement the adopted Great Victorian Rail Trail Strategic Plan. This Plan focuses on transitioning the trail from an asset into a signature tourism experience.

The Plan highlighted a need for additional marketing and promotion of the trail and so Councils secured the opportunity to feature the Great Victorian Rail Trail and the surrounding towns on the national SBS television show called Trail Towns. The television appearance has also been complemented with an increase in promotion through social media channels, promotion through the Ride High Country campaign and a feature on the One Hour Out platform. This increase of promotion and individuals seeking open space post COVID-19 lockdown resulted in the trail having significant uptake of usage of the trail throughout the year of over 20% more than the previous years.

In March 2021, the Victorian State Government announced a Regional Tourism Investment Fund – Stimulus Round that secured funding of \$1.2 million dollars to implement large scale, x-factor art, and signage along the trail. This was a core action of the Great Victorian Rail Trail Strategic Development Plan, to allow the trail to reach its potential as an attraction and to increase economic benefit to the towns and businesses along the trail. Planning has begun for this project and we are excited to see this progress through 2022 and 2023.



Figure 6 Great Victorian Rail Trail, Tallarook

CAPITAL WORKS SNAPSHOT

The following is a summary of 2020/21 completed infrastructure projects.

FOOTPATHS

1.5km of Footpath Renewal Program and 3.4km of Missing Link Footpath projects including:

- > Conway Street, Kilmore
- > Melbourne Street, Kilmore
- > White Street, Kilmore
- > Union Street, Kilmore
- > Villers Street, Seymour
- > Windham Street, Wallan
- > Wellington Street, Wallan

ROAD SAFETY PROJECTS

- > Broadford-Wandong Road – Installation of road safety barriers
- > Broadford-Glenaroua Road – Safety improvements

BUILDING, CONSTRUCTION, AND IMPROVEMENTS

- > Kings Park, Seymour – construction of new Agricultural pavilion
- > Tallarook Mechanics Institute Hall Rebuild
- > Upper Plenty Shack Rebuild - including separate drainage and external site improvements project
- > Wallan Youth Hub (underway)
- > Wallan East Family and Children's Centre (Kindergarten and Maternal and Child Health (MCH) nearing completion

- > Old Goulburn River bridge Seymour stabilisation
- > Commenced work on the Kilmore Family and Children's Centre (expansion of the Marie Williams Kindergarten and Kilmore MCH.
- > Commence work on the Wandong Kindergarten and MCH expansion

LEISURE AND RECREATION

- > Kings Park, Seymour Main Oval Irrigation Project
- > Activating Ryans Creek Kilmore Project
- > Greenhill Reserve Wallan Netball Lighting Project
- > Greenhill Reserve Wallan Main Oval Lighting Project
- > Pyalong Social Family Recreation Space
- > RB Robson Stadium Wallan Court 1 Lighting Project
- > Lions Park, Seymour fishing platform renewal
- > Broadford Secondary College – shared facility football (soccer) pitch reconstructed
- > Broadford Secondary College – shared facility lighting upgrade to pitch and oval
- > LB Davern Reserve, Wandong – renewal of netball/tennis courts with new

MAJOR PROJECTS SNAPSHOT

ROADS, BRIDGES AND FOOTPATHS

Over the past year, significant road projects were delivered in Beveridge, Kilmore, and Wallan.

In Kilmore, the upgrade of Conway Street and White Street delivered wider roads, new footpaths and improved on-street parking for local and school time traffic. In Kilmore East, the intersection of O'Gradys Road and Kilmore East road was reconfigured to improve safety and accommodate truck traffic and speed limits were also reviewed.

In Wallan, the upgrade to Wellington Street delivered an upgraded road, improved drainage, new footpaths, and pedestrian crossing facilities, while works got underway in Windham Street to deliver an upgraded road and new footpaths.

In Beveridge, Patterson Street was constructed as part of developer works to ease traffic congestion around the new Beveridge Primary School.

New footpaths were also constructed in Union Street and Melbourne Street in Kilmore and Villers Street Seymour as part of Councils ongoing Missing Link Footpath Program.

ROAD RENEWAL

At the beginning of the year, a dedicated road renewal team was established, and in their first year of operation were able to deliver renewal works to over 30 locations within the Shire.

This has been a great outcome for the community and the team are working towards an even bigger year in 2021/22.

- > 24,739m² of patching
- > 98,600Lm of cracksealing
- > 226,607m² of resealing
- > 30,618m² of asphalt overlay



Figure 7 Broadford Wandong Road, Sunday Creek, before and after



Figure 2 Willowmavin Road Willowmavin, before and after



Figure 8 High Street Seymour, before and after

PARKS AND GARDENS

The Parks and Gardens crews were kept busy this year with township beautification works being completed across the municipality.



Figure 10 Hudson Park Kilmore



Figure 9 High Street Broadford



Figure 11 Hudson Park Kilmore in full bloom

COMMUNITY BUILDINGS

The Shack, Upper Plenty

The Upper Plenty Mechanics Institute Hall, or “The Shack” as it’s locally known, was officially reopened on Wednesday 7 April.

The hall burned down in 2015 not long after being refurbished. The new building takes pride of place on the original site, keeping true to the old design while displaying a balance between modern features and its past history.

Mitchell Shire Council, The Shack Committee of Management, community, insurers, and builders worked in partnership to create a facility which can provide a range of activities as well as a venue for the performing arts.

The interior boasts the following improved features:

- > a new stage capable of hosting a variety of performances
- > an upgraded kitchen to support community events
- > improved storage
- > new indoor toilets for improved access and comfort
- > new rooftop solar system
- > a separate landscape improvement project was also completed to brighten up the area – including park furniture, bollards, car parking and line marking, drainage, garden beds and landscaping works

The cost of the rebuild has largely come from The Shack’s insurance and Council contributed \$147,000 to the project for amenity upgrades and site landscaping.



Figure 12 The Shack, Upper Plenty

Wallan East Family and Children's Centre

Funded by the Victorian Government and Mitchell Shire Council, the \$2.4 million centre was officially opened by Member for Yan Yean Danielle Green and Mitchell Shire Mayor Cr Rhonda Sanderson on Friday 12 March.

The centre includes a kindergarten operated by Kids First, as well as Council's maternal and child health and immunisation services. With the capacity to accommodate almost 200 children, and the rollout of funded 3-year-old kinder from 2022, the centre will incorporate a transitional model that will see 99 children enrolled in 3-year-old kinder who will move in to the 4-year-old kinder program the following year. Over the next 20 years, the projected population of three and four-year-olds living in Wallan will grow by 161 per cent, from 584 in 2021 to 1522 in 2041.

Maternal and child health appointments will be available on Mondays and Thursdays from the centre, with plans to offer immunisations in the future.

First-time parent groups, young parent groups and supported playgroups will also be in run at the centre along with breastfeeding clinics and health promotion sessions.

The Wallan East Family and Children's Centre was delivered with \$2.3 million from the State Government's Growing Suburbs Fund and a Council contribution of \$164,000.

This facility is a relocatable building, the first of its kind in Mitchell, enabling early delivery of services in a fast growing and emerging community.

Wallan Youth Hub

The former Wellington Street kindergarten building has been transformed into a \$1.74 million one stop shop of essential youth support provided by The Bridge Youth Service to meet the needs of young people in one of the Victoria's fastest growing towns.

The Bridge Youth Service will manage the facility, providing their suite of services as well as assisting other providers outreaching to the area. Services that will be available include housing and homelessness services, mental health, substance abuse, family relationships and support for young parents.

There will be a variety of early intervention programs including family reconciliation, adolescent support, links to education, future parenting programs and school disengagement. It is envisaged new group programs and other services will be provided once the facility is opened.

The initiative has been a key focus for the Mitchell Shire Youth Council who worked alongside Mitchell Shire Council to highlight the need for increased youth services, particularly mental health support in the area. The partnership helped secure government funding for the fit-out.

Council made an in-kind contribution of \$1.09 million to the project, the State Government contributed \$645,789 through the Growing Suburbs Fund.

Kilmore Off-lead Dog Park

The canines of Kilmore now have an official off-lead dog park to call their own after Kilmore's new doggie play space was officially opened.

The 25m x 50m dog park offers a purpose-built space for dog owners to exercise their beloved pets in a controlled environment where pooches of all breeds can exercise and socialise leash-free with other dogs and dog park visitors.

The off-leash zone is located near the Kilmore Racecourse, at the corner of East Street and Kilmore East Road.

The park is secured by galvanised fencing and features a drinking fountain to keep your pet well hydrated, as well as some bench seating and shady trees to rest and keep cool.

The park will be open from 10am to 8pm from October to March, and from 10am to 5pm from April to September. It will be closed on race days at Kilmore Racing Club.

A Code of Conduct for use of the off-lead dog park is attached to the entrance gate, and visitors need to follow the rules at all times. Failure to do so may result in the closure of the park.

The dog park was funded thanks to a \$30,000 grant from the Victorian Government's Building Works package. The program is providing \$2.7 billion towards shovel-ready projects to get thousands of people back to work. It includes \$2.5 million for 17 new dog parks across Victoria.

Mitchell Shire Council extends its thanks to the Victorian Government for the funding as well as Department of Environment Land Water and Planning, Kilmore Racing Club and Kilmore Racecourse Trust for their support to make the project possible.



Figure 13 Off-lead dog park opening, Kilmore

Tallarook Mechanics Institute Hall rebuild



Figure 14 Tallarook Mechanics Institute Hall opening, Tallarook

A bold new facade for the Tallarook Mechanics Institute was unveiled as part of the opening, attended by a wide range of community members, businesses, and special guests.

Originally opened in 1891, the hall had been a community hub for nearly 130 years with many activities, special events and functions held across generations.

The new facade uses key design features of the old hall shape and style with a modern twist. This blend of old and new will continue throughout the hall with a contemporary look that honours the hall's history and adds more flexibility to the use of the hall space.

The hall, opened by Jaclyn Symes MP and Mayor, Councillor Rhonda Sanderson, is owned by Mitchell Shire Council and managed by the Tallarook Mechanics Institute Committee of Management under a Funding and Service Agreement.

Council has worked in close partnership with the Committee of Management and the wider community during the rebuild.

The hall was rebuilt through Council's insurers who engaged Zen Architects and Bay Builders. The committee and community members also assisted with significant in-kind supports and volunteer hours.

A \$200,000 Victorian Government grant was secured by Attorney General of Victoria, Minister for Resources and Member for Northern Victoria Jaclyn Symes MP to assist with items such as design, contents, landscaping, and equipment replacement.

RECREATION, PARKS, PLAYGROUNDS AND OPEN SPACE

2020/21 has been another busy year for improvements within Mitchell Shire. The provision of active and passive open space and sporting facilities contributes to the health and wellbeing of our community.

Broadford

- > Harley Hammond Reserve, Broadford: oval lighting renewal and upgrade
- > Broadford Secondary College Sports Precinct: pitch renewal and upgrade
- > Commencement of the Harley Hammond Netball/Tennis Pavilion and Courts Project.

Harley Hammond Reserve, Broadford

The Broadford sporting community flicked the switch on four newly installed 30-metre-high light towers at Harley Hammond Reserve Oval. Each tower houses four LED lamps that can be set to 50 lux for training and 100 lux for competition. These are the compliant standards for Australian Rules Football at a local level. A feature of the installation is that it has the capacity to be upgraded to 150 lux in the future.



Figure 15 Harley Hammond Reserve, Broadford

The improved lighting provides more even visibility across the ground which improves safety for participants and the condition of the ground, allowing more sections of the oval to be utilised for training. This is in addition to the oval being reconstructed in 2017, which provided a new playing surface, irrigation, and drainage. These upgrades have greatly improved the quality of the oval and have increased the oval's carrying capacity.

The LED fittings provide a clearer and more direct light disbursement, limiting the light spillage outside of the playing surface area of the oval. LED fittings are more energy efficient and have a longer operational life that is cost efficient and user friendly.

Local sporting groups at Harley Hammond Reserve that use the oval include:

- > Broadford Football Netball Club
- > Broadford Junior Football Netball Club
- > Broadford Auskick
- > Broadford Cricket Club

The lighting upgrade cost \$297,000 and was fully funded by Mitchell Shire Council.

Kilmore

Kilmore locals have one million reasons to enjoy the great outdoors at Ryans Creek Reserve.

Featuring play equipment, basketball half-court, picnic areas, barbecue, connecting pathways and solar lighting, the new \$1 million Ryan's Creek Reserve upgrade was officially opened by Member for Northern Victoria the Hon. Jaclyn Symes on Friday 12 March 2021.

The new space provides a much-needed recreation area for people living in the developing areas of Kilmore's west. The upgrades also improve access to the town centre and schools.

The stage 1 activation was made possible through a \$1 million grant from the Victorian Government's Growing Suburbs Fund.

The new recreation space includes:

- > play equipment
- > nature play elements
- > basketball half-court
- > picnic shelter
- > barbecue
- > seating
- > shade sail
- > connecting pathways
- > solar lighting
- > landscaping



Figure 16 Ryans Creek Reserve, Kilmore

Seymour

- > Kings Park, Seymour: new Agricultural Pavilion and main oval irrigation renewal.
- > Lions Park Fishing Platform renewal project

Council contributions to Pavilion Project was supported by funding from the Building Better Regions Fund.

Pyalong Social Family Recreation Space Project

The new play space provides extra facilities for locals in the town centre and will also encourage visitors to spend more time in Pyalong, rather than just passing through.

Work started on the Pyalong Social Family Recreation Space at Town Centre Park in late March and the park was opened to the public for the first time on June 17.

The \$120,000 fully Council-funded project was designed as a place to bring people together to socialise and to be active. The plans for the Pyalong Social Family Recreation Space were finalised following community input in 2019 and 2020.



Figure 17 Pyalong Social Family Recreation Space

Wallan

- > Greenhill Reserve main oval lighting renewal and upgrade project. This project was jointly funded by Sport and Recreation Victoria (SRV): Local Sport Infrastructure Fund (LSIF) 2020-21 Community Facilities - \$208,800 and Council - \$104,200
- > Greenhill Reserve netball court lighting project. This project was jointly funded by SRV: Country Football and Netball Program 2019-20 - \$78,478 and Council \$39,240
- > RB Robson Stadium main court lighting upgrade fully funded by Council - \$35,500

Wandong / Heathcote Junction

- > Wandong LB Daven Reserve netball/tennis courts and lighting project, jointly funded by SRV: LSIF – 2020-21 Community Facilities - \$250,000 and Council - \$315,000

EMERGENCY MANAGEMENT

Summer bushfire season

With COVID-19 significantly impacting the ability for absentee property owners to come and clean up their properties prior to the fire season, nearly 200 permits were issued by Council to these landowners so that they could attend their land and prepare for the fire season.

There were no significant fire events within Mitchell Shire this financial year. Fire Prevention roadside slashing program went well with a total of 511 kms of roadside slashed and our spraying program saw 769 kms treated.

A number of *Safer Together* projects were undertaken this year which assisted with keeping our communities safe:

- > Reedy Creek Fuel reduction project
- > Broadford Wandong roadside fuel reduction project
- > Fuel reduction works within the Wandong/Upper Plenty Rail corridor clearance
- > Green waste chipping project.

Each of these projects benefitted the community by reducing fuel loads on Council managed roadsides and private property.

Nearly 4,000 letters were sent out prior to the Fire Season asking residents to prepare their properties for the upcoming fire season. There were nearly 300 letters sent notifying those property owners that received a fire prevention notice last year to clean up their properties prior to the upcoming fire season.

There were 478 unsightly land requests dealt with by Officers. A total of 340 Fire Prevention Notices were issued this year with 21 properties forced cleared as a result of non-compliance which was significantly lower from our previous year.

Storm damage

A severe weather event on 9 June brought significant storm damage, moderate flooding, and a prolonged power outage to the community of Mitchell Shire.

There was a significant number of road closures, power, and communications outages, fortunately, minimal structural damage to homes.

A considerable number of trees fell across a wide area of the Shire, on roadsides, council managed parkland and reserves. Tree falls on private property was also significant.

Power outages across the Shire were quickly reinstated with most of the Shire reconnected by Friday morning 11 June, except for the western side of the Shire, mainly Pyalong. Mobile telephone and NBN networks were affected by the extended power outage.

When major weather events reach certain monetary milestones, they can be declared as claimable events, and Council can recover costs spent on repairing Council's assets via the Disaster Recovery Funding Arrangements administered by Emergency Management Victoria, Department of Justice and Community Safety.

COVID-19 RESPONSE

During the COVID-19 pandemic crisis, our Emergency Management Team has been coordinating support to residents requesting assistance resulting from the impact of COVID-19. The Emergency Management Team, as part of the Shire Recovery Team, liaises and works with support agencies, organisations, and community groups to ensure that requests for assistance are delivered quickly and safely.

Frontline support

In these times, the community are more and more reliant on Councils for information. Our staff have been receiving inquiries on COVID-19 services outside Council's control and jurisdictions. As a result, we have been collaborating with our colleagues from key community services (NEXUS Primary Health, Kilmore Hospital, Family Care etc.) to share information. This means they will provide Council with information about what they are doing so that we can provide assistance to the community at first contact, acting as a triage support for individuals who may never have accessed services in the past. A one-stop-shop for information - this is a first for Mitchell Shire, and our Customer Service teams have worked hard to ensure that our community has swift ready access to information.

The COVID-19 Community Recovery Plan was endorsed by Council in February 2021 following community consultation. This Plan applied a strength-based approach to help the community recover from the wide-ranging, complex, and long-lasting effects of COVID-19 and the associated restrictions. The focus is on recognising and utilising existing community capacity, strengthening social fabric, identifying, and addressing the gaps in community social infrastructure to enhance resilience and improve outcomes.



Figure 18 Memorial Park, Wandong

MONUMENT HILL RESERVE FUEL MANAGEMENT PLAN

Mitchell Shire Council was successful in obtaining a grant from the Victorian Government's *Safer Together Program* in 2020 to develop a Fuel Management Plan for the Monument Hill Reserve in Kilmore.

Monument Hill Reserve is a popular place for walking, cycling, horse-riding and discovering nature. The 68-hectare site, situated to the east of the Kilmore town centre, provides habitat for many threatened species. The site contains native vegetation which has high ecological significance in the area. It provides habitat for threatened species and important connectivity with adjoining areas of native vegetation in the landscape. Native vegetation in the reserve brings with it the risk of fire; either starting in or running through the reserve which may potentially cause damage to a range of assets.

The Taungurung people are the Traditional Owners of the Reserve. Monument Hill Reserve is public (Crown) land managed by Mitchell Shire Council in partnership with the Taungurung people and on behalf of the Victorian Government. A Land Use Activity Agreement (LUAA) applies to the reserve, giving procedural rights to the Taungurung Land and Waters Council regarding proposed activities.

Much of Monument Hill Reserve contains tree species with fibrous bark. These trees have a naturally high fuel hazard. Peppermint and Box species are also present and have coarsely fibrous bark with a lower fuel hazard. There is a relatively thin layer of leaf litter throughout the reserve. The understorey is predominantly annual grasses and in some areas the presence of shrubby plants such as *Cassinia* species create a higher fuel hazard. As part of the fuel hazard assessment process, these different layers of vegetation are combined to estimate an 'Overall Fuel Hazard' which describes the amount of fine fuel available on a site.



Figure 19 Monument Hill Walk, Kilmore

This influences fire intensity, rate of spread and likelihood of suppression success in the event of a fire. Recent fuel hazard surveys conducted in the reserve indicate that the fuel hazard varies from Low to Extreme across the site, with the higher hazard areas associated with coarsely fibrous bark and the presence of shrubby plants.

This year, a fuel management plan for the reserve has been developed based on the results of a fuel hazard assessment. The Plan, which will be a complementary document of the Municipal Fire Management Plan, was developed in consultation with key Council staff and external stakeholders including the Taungurung Land and Waters Council, Kilmore Fire Brigade, CFA, DELWP and Forest Fire Management Victoria. It documents actions that will be undertaken by relevant agencies including Mitchell Shire Council, the Country Fire Authority (CFA) and the Department of Environment, Land, Water and Planning (DELWP) and will be implemented according to priority and seasonal conditions, including:

- > Maintenance of the designated Fire Access Track for emergency services
- > Council will support DELWP and CFA to conduct periodic planned burns in the Reserve
- > Removal of shrubby fuel loads and saplings in strategic locations to create fuel breaks and to prevent encroachment onto tracks
- > Conduct regular inspections of assets and fuels prior to, and during the Fire Danger Period
- > Work with neighbouring landowners to help them understand their own risks and responsibilities
- > Promote CFA awareness and preparedness campaigns



Figure 20 Aerial view Monument Hill, Kilmore

CONSULTATION

Mitchell Shire Council is committed to thorough, transparent, and meaningful community engagement that will inform responsible decision making for the benefit of the community. The Mitchell Shire Community Engagement Policy and toolkit were developed in 2020/21 to better support Council staff and community providing opportunities which enhance the ability of the community to share their expectations, aspirations, and ideas. It builds on the strategic direction set in the Community Engagement Framework 2018, and Community Engagement Policy 2021.

Engaging with the community offers Mitchell Shire Council three things:

- > ensuring the community can contribute to decision making and that alternative views are sought, heard, and considered
- > providing an educational opportunity for Council to inform the community of upcoming processes, policies, programs and decisions, and the drivers and considerations behind them
- > strengthening relationships and building trust between Council and the community.

This is in line with the intention of the *Local Government Act 2020* and the recognition that when governments better understand the needs, priorities and make up of their community and bring community closer to the processes of governments, by engaging the community in decision-informing and decision-making processes providing information about the workings of government, service design and delivery is strengthened, trust is built, and maximum beneficial impact is achieved from its activities.

Local government is the closest level of government to the community and provide 100+ services. We also have legislated responsibilities for community engagement and the health and wellbeing of people in our municipality. We have a critical role to help understand, plan and advocate for the needs of our community and we rely on the strength of our relationship with our community to do this well. Our Community Engagement Framework commits Council to best practice engagement principles and provides the basis for a consistent approach to engagement activities across the organisation.

We encourage community members to get involved in consultation opportunities - whether you're a ratepayer, a resident, a volunteer, someone who works or studies in Mitchell Shire, a business owner or operator, a visitor to our community or an interested community member. Your input helps us to consider a range of views and interests to make more informed decisions on your behalf. This ultimately leads to better outcomes for our community and helps us deliver on our vision and mission – together with the community, creating a sustainable future. Council's consultation and engagement projects are listed in the 2020/21 in Review.

Visit www.engagingmitchellshire.com to provide input on a range of plans, projects, and policies.

MY MITCHELL 2050

WHY IS MITCHELL SHIRE ENGAGING, LEGISLATIVE CONTEXT

The new *Local Government Act 2020* has created a once in a generation opportunity for councils to work closely and deeply with their community to build a shared vision they can all be proud of. It is the key piece of work that unlocks how each council will position itself to respond to the community's expectations for the future. The Community Vision also importantly acts as a medium for the community to have continued conversations with Council ensuring the Vision, themes and aspirations of the community are kept in check.

The My Mitchell 2050 Community Vision will be a high-level plan that captures the long-term aspirations of the community. The 2050 Vision will be driven, developed, and owned by the Mitchell community, with Council as the facilitator of the development process.

Council is also required by legislation to develop a four-year Council Plan and a four-year Municipal Public Health and Wellbeing Plan, a long-term financial plan, a long-term asset plan and a council budget.

The Council Plan is developed at the start of each Council term (2021-2025) and sets out the strategic direction of Council for at least the next four financial years. The Council Plan is informed by the Community Vision and sets out strategic objectives and strategies for achieving Council's and the community's aspirations.

The Municipal Public Health and Wellbeing Plan (required by the Public Health and Wellbeing Act 2008) is also developed at the start of the four-year Council term and outlines how public health and wellbeing will be enhanced through collaboration between all levels of government and community stakeholders.



Figure 21 CEO Brett Luxford, and Mayor Cr Rhonda Sanderson

Activity was focused on engaging the wider community in a broad conversation about their priorities and aspirations for Mitchell in 2050.

Feedback from this process will be used to inform the following activities:

- > discussions at the Community Summit involving a panel of 25 community members
- > the Community Vision 2050, themes, and vision statement
- > the draft Council Plan for the 2021-2025 period
- > the draft Municipal Public Health and Wellbeing Plan for the 2021-2025 period

Across April and early May 2021, Mitchell Shire conducted engagement across 32 days, attending a total of 36 events. Close to 1,500 people provided formal survey feedback through either a community pop-up session, a facilitated workshop, or via written correspondence to Council.

Participation was promoted through the Mitchell Shire's community engagement website, social media channels, town entry signage, print media within pop up locations ahead of the community pop ups and postcards distributed through V Line services also a range of collateral appearing at Council managed sites, such as Libraries, Sporting Complexes and Community Centres.



Figure 22 Engagement with the Pyalong community

COMMUNITY ENGAGEMENT ACTIVITIES

A place-based approach to engagement was used to deliver this consultation program, recognising that across the 2,862 kilometres of the Shire, each township and community is unique, they have their own events, and community rituals. Therefore, going to where the people are, was a key strategy to encourage participation in this project.

This consultation program was delivered during a pandemic lockdown-free period, and with the engagement activities delivered face-to-face, taking advantage of the stable Autumn climate and the range of community events and activities on offer.

Equity and access featured highly during the planning of the engagement program, with residents, workers, and visitors spread across the Shire, preference was given to locations and events where high foot traffic was expected within the individual townships.

WHAT IS VALUED AND IMPORTANT

Participants were asked “What do you love most about your community, and why?”. A total of 1,000 participants made a comment, with the small town ‘feel’ and social connection being highly valued; neighbourliness, knowing people seen on the street, knowing what is going on in the community.

Participants expressed they valued country living with easy travel around the region, as well as the proximity to Melbourne for work or entertainment. The region’s natural features and landscapes were mentioned as what was loved about the area - the mountain ranges, trails, and forests, the green open spaces.



Figure 23 Objectives of the community engagement process

The My Mitchell Community Vision is expected to be presented to Council for consideration in October 2021.

COMMUNITY SATISFACTION SURVEY

Each year, Local Government Victoria (LGV) coordinates and auspices an annual Community Satisfaction Survey for Victorian councils. Based on input from 400 residents, the annual survey measures satisfaction across core indicators and key service areas for Mitchell Shire Council.

The survey also identifies key areas to focus on to improve satisfaction with overall performance. Interestingly, when asked what Council could do to improve satisfaction, most respondents cited things that are the responsibility of State Government and not Local Government. In the case of Mitchell Shire Council, respondents identified community decisions, condition of local roads, lobbying, community consultation and waste management as areas of particular focus for improvement.

OUR RESULTS

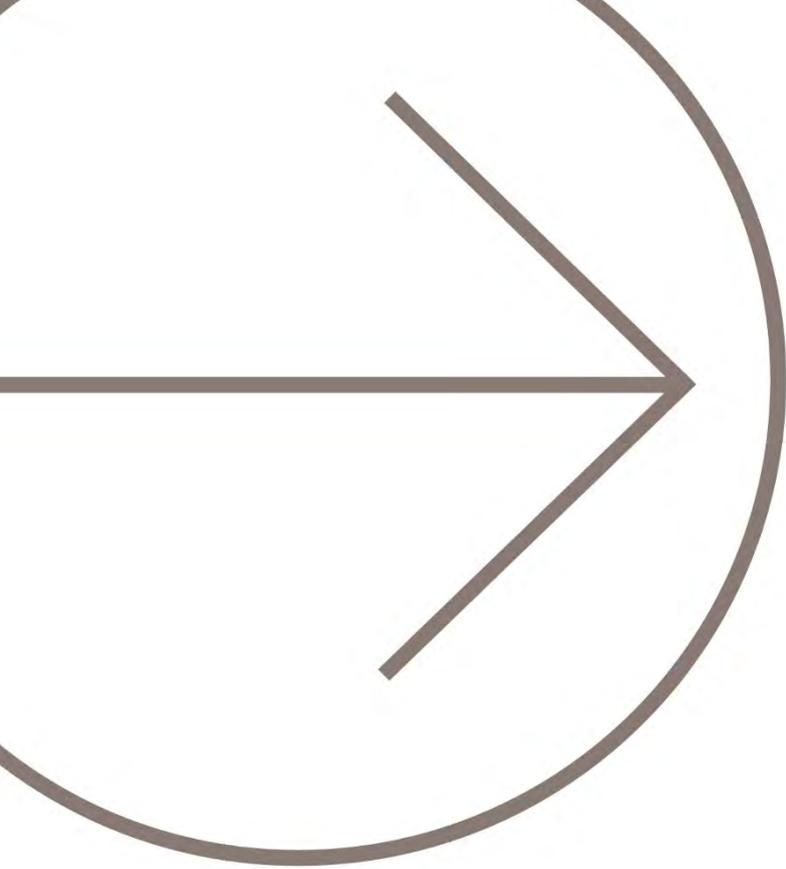
CORE MEASURES	2017	2018	2019	2020	2021
Overall performance	48	54	55	52	53
Consultation and engagement*	47	53	53	52	50
Lobbying (advocacy)*	45	48	50	49	53
Making community decisions	46	50	52	49	51
Sealed local roads	38	43	47	46	43
Customer service*	63	70	70	68	64
Overall council direction	53	56	54	50	48



Figure 24 Kilmore Customer and Library services

SERVICE MEASURES	2017	2018	2019	2020	2021
Customer service*	63	70	70	68	64
Emergency and disaster management	-	67	69	63	65
Waste management	65	65	61	56	58
Family support services	-	63	66	60	63
Appearance of public areas	61	63	68	66	66
Recreational facilities	62	62	63	63	63
Community and cultural	-	59	60	57	56
Environmental sustainability	-	56	57	52	54
Informing the community	52	54	56	54	52
Consultation and engagement*	47	53	53	52	50
Planning and building permits	-	51	50	49	52
Community decisions*	46	50	53	19	51
Business, tourism & community development	-	50	54	-	55
Planning for population growth	44	50	47	48	49
Slashing and weed control	-	49	51	44	44
Lobbying (advocacy)*	45	48	50	49	53
Unsealed roads	-	41	43	41	39
Sealed local roads	38	43	47	46	43

*indicates a core measure that is also a service area measure



ABOUT MITCHELL SHIRE COUNCIL



OUR VISION

OUR VISION

Together with the community, creating a sustainable future.

OUR MISSION

Working with our community to build a great quality of life.

Mitchell Shire Council:

- > is committed to providing good governance and compassionate leadership
- > is committed to supporting our diverse community
- > values community involvement, and vigour and diversity of opinion
- > recognises the commitment of our staff
- > will protect and enhance our natural environment
- > will plan for and promote our future
- > will promote economic development within our municipality

OUR ORGANISATION VALUES: ONE MITCHELL – WE WORK AS ONE!



Working Together

- > Teams work together to get the job done
- > Leaders guide and inspire



Respect

- > People respect and help each other to succeed
- > Staff are appreciated and valued
- > Success is celebrated



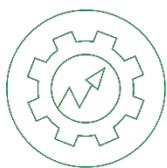
Customer Service Excellence

- > Customers experience exceptional service
- > Customers and staff are treated with dignity and respect
- > We do what we say we're going to do



Accountability

- > Every person is accountable for the success of One Mitchell...It starts with me!
- > A strong sense of dedication and pride
- > A strong sense of community and belonging



Continuous Improvement

- > Look for ways to improve the ways we work
- > Develop staff to be the best that we can be

OUR ORGANISATION

The Executive Leadership Team is comprised of the CEO and three Directors.

The CEO is responsible for managing the organisational structure for the Council, ensuring that council decisions are implemented, the day-to-day management of the council's operations and providing advice to Council.

The CEO is also responsible for supporting the mayor in the performance of their role, and the development, implementation and enforcement of policies and protocols to manage interactions between councillors and Council staff.

THE SENIOR MANAGEMENT TEAM (@30 June 2021)

Brett Luxford, CEO

Mary Agostino, Director
Advocacy and Communities

Mike McIntosh, Director
Economy, Growth, and
Infrastructure

Laurie Ellis, Director
Organisational Performance

Adam Evans, Manager
Community Amenity and
Emergency Management

Ricardo Ramos, Manager
Development Approvals

Nicole Maxwell, Manager
Finance and Assets

Jo Wilson, Manager
Community Planning and
Delivery

Tim Partridge, Manager
Engineering and Major
Projects

Lidia Harding, Manager
Governance and Risk

Vacant, Manager
Customer Experience and
Engagement

Narelle Liepa, Manager
Environment and
Sustainability

Sarah Clark, Manager
Information and Business
Transformation

Buffy Leadbeater, Manager
Life Stages

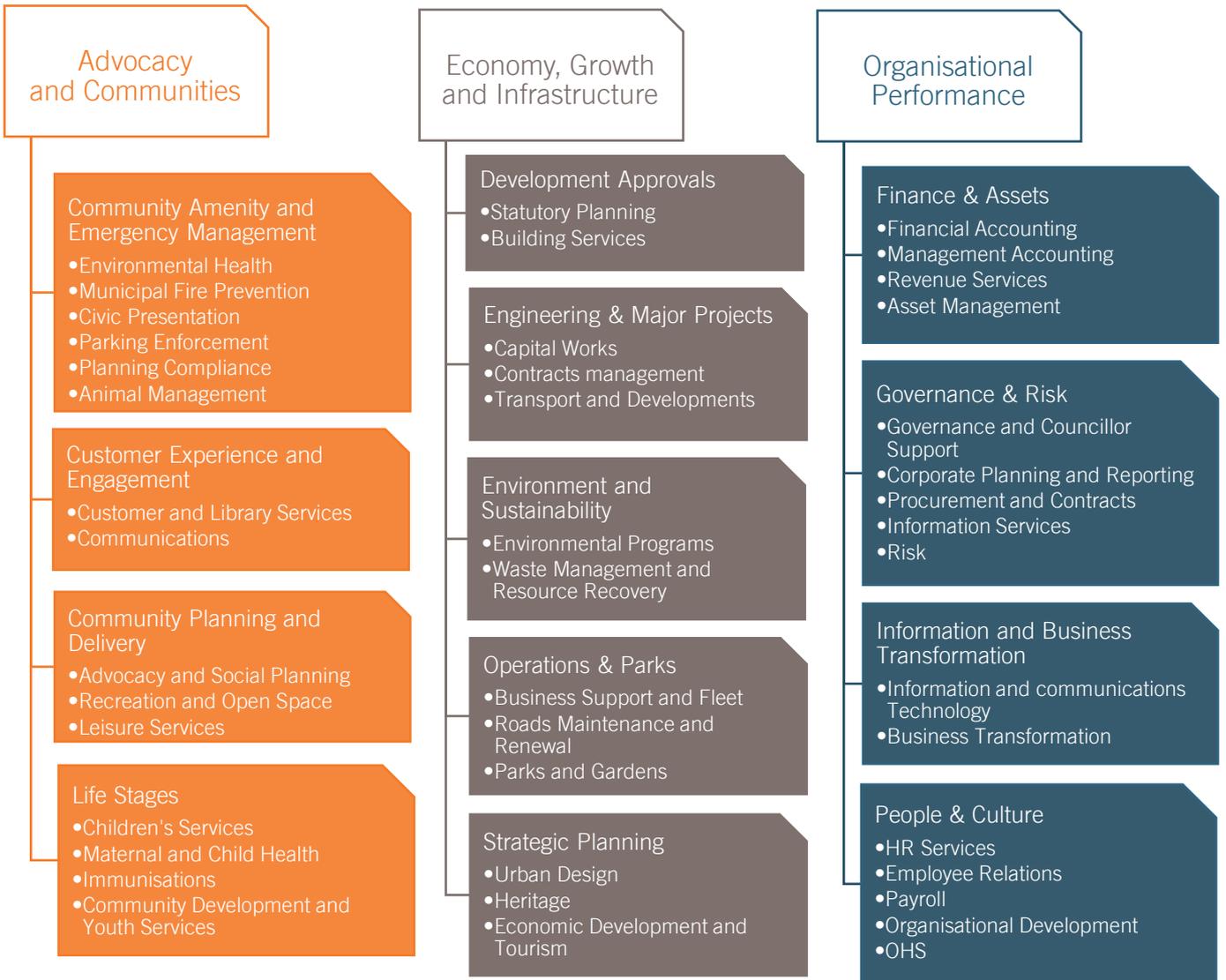
Andrew Dodd, Manager
Operations and Parks

Russell Joiner, Manager
People and Culture (acting)

Travis Conway, Manager
Strategic Planning and
Economy

ORGANISATIONAL CHART

Chief Executive Officer



OUR PEOPLE

Our five values of working together, respect, customer service excellence, accountability and continuous improvement drive our customer-focused service delivery.

ABOUT OUR PEOPLE

As of 30 June 2021, Council had 306.26 full-time equivalent employees compared to 281 on 30 June 2020, reflecting the growth and growing needs of our community. This includes permanent, temporary, and casual positions in roles covering areas such as planning, engineering, parks and environment, customer service, maternal, child and youth services, sport, leisure and recreation, finance, administration, and management.

A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender follow:

Gender		Office of CEO	Governance and Corporate Performance	Development and Infrastructure	Advocacy and Community Services	Total
Female	Casual	-	0.42	1.01	3.4889	4.9189
	Full time	1	27	25	49.5	102.5
	Part time	-	6.6841	8.2388	62.1898	77.1127
	Total	1	34.1041	34.2488	115.1787	184.5316
Male	Casual	-	0.1	0.0301	0.42	0.5501
	Full time	1	15	80	18	114
	Part time	-	1	3.3268	2.853	7.1798
	Total	1	16.1	83.3569	21.273	121.7299
X or prefer not to say	Casual	-	-	-	-	-
	Full time	-	-	-	-	-
	Part time	-	-	-	-	-
	Total	-	-	-	-	-
Organisation total FTE		2	50.2041	117.6057	136.4517	306.2615

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

Structure Classification	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	Total FTE
Permanent Full Time - F			8	19.0	24.20	19.0	3.40	4.0	24.90	102.50
Permanent Full Time - M			23	16.0	14.0	13.0	11.0	5.0	32.00	114.00
Permanent Full Time - X										0
Permanent Part Time - F	3.37	9.12	3.36	15.02	5.81	5.95	3.30	1.20	29.98	77.11
Permanent Part Time - M	1.28	0.46	2.53	0.31		1.80			0.80	7.18
Permanent Part Time - X										0
Casual - F	0.15	0.07	1.01	0.21	0.13	1	1.0	0.42	0.93	4.92
Casual - M	0.01		0.01	0.03		0.2		0.01	0.29	0.55
Casual - X										0
Organisation total	4.81	9.65	37.91	50.57	44.14	40.95	18.70	10.63	88.90	306.26

Gender categories

F - Female

M - Male

X - unspecified/prefer not to say/non-binary

EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY

Mitchell Shire Council is committed to the principles of equal employment opportunity (EEO) and believes that all employees, contract workers, agents and volunteers are entitled to work in a flexible and safe environment. Our policies and practices help ensure that discrimination relating to gender and gender identity, age, disability, marital status, sexual orientation, parenthood, race, colour, national extraction, social or ethnic origin, religion or political affiliation are not tolerated.

Training in the Prevention of Bullying, Harassment and Discrimination has been provided to all staff and all new staff members are inducted and receive training either online or face to face in EEO, Fraud Awareness, Family Violence, Human Rights & Responsibilities and Child Safe Standards.

In March 2021, the *Gender Equality Act* took effect, placing new obligations on the operations and reporting of 300 public sector organisations across Victoria including Local Government. The key pillars of the legislation are:

- > developing implement a Gender Equality Action Plan, which includes results of a workplace gender audit, and strategies for achieving workplace gender equality
- > publicly report on their progress in relation to workplace gender equality
- > promote gender equality in policies, programs and services that impact the public
- > complete gender impact assessments
- > consider and promote gender equality across policies, programs, and services

Council have developed a new Gender Equality Action Group and are working towards delivering against all obligations of the act. Including promoting, encouraging, and facilitating the achievement of gender equality and improvement in the status of women and supporting the identification and elimination of systemic causes of gender inequality in policy, programs, and delivery of services in workplaces and communities.

Together these measures will result in better and fairer outcomes for all Victorians and will ensure community members have equal access to employment opportunities services and programs that we deliver. In November 2020, 31 senior leaders received training on gender equality and their obligations under the new Act.

WORKING FOR VICTORIA

As a result of the COVID-19 Pandemic, the Victorian State Government provided grant money for Local Government organisations to support the economy and provide employment opportunities for individuals whose employment was impacted by the pandemic restrictions.

Mitchell Shire's grant application was successful, and \$3.8M was received, allowing the organisation to create 76.5 FTE positions for 6 months. To put this into perspective, this is an increase of 24 percent to Council's Full Time Equivalent staff resources.

Positions included community development officers, risk specialists, a child safe officer, accountants, IT specialists, administration officers and a statutory planner. Arborists, engineers, streetscape, and playground cleaners, also electricians, plumbers, builders, and handypersons were engaged to assist with the maintenance of our building infrastructure. Many of these employees provided direct contribution to our COVID-19 response or supported existing goals.

The program provided the opportunity for Council to work in partnership with other local organisations, including The Bridge Youth Services (Youth Counsellors), Family Care (Social Workers) and Nexus Primary Health (Social Workers, National Disability Insurance Scheme Officer and HR Officer). These roles provided much needed additional support to these organisations and our community.

Mitchell Shire's business community was also assisted directly with the help of our Economic Development team who recruited business specialists, taxation specialist, a grant writer, digital marketing, and support for "Go Seymour" with a technical expert to assist with drawing tourism to Mitchell Shire.

The Working for Victoria program was of benefit to the employees themselves as they appreciated the experience of working in local government. 25 of the employees went on to secure future work within Mitchell Shire Council and 15 gained full time work elsewhere as soon as they finished their 6 months.

LEARNING AND DEVELOPMENT

This year Council continued to deliver a tailored and varied training program aimed at developing Council staff. The program was adapted to meet the needs of staff working from home and allowed a variety of options from face to face, online and blended learning. Programs were available to staff at all levels of the organisation, providing key skills for work within the Local Government sector. A total of 514 programs were provided to staff with over 800 attending the various sessions.

Notable highlights include:

- > 50 LinkedIn Learning Licences available for staff to access over 8,000 courses
- > Certified training - Diploma in Leadership and Management
- > 3 Leadership Development programs designed specifically for leading through crisis and leading in the future ways of working. Each program had multiple sessions for effective learning.
- > Information Technology programs offered for Agile, Outlook, OneNote, Excel, Teams, Office 365, and PowerPoint applications
- > A specific Train the Trainer program for staff who deliver training and presentations
- > Introduction to Project Management
- > Superannuation Information Sessions
- > Caretaker Period information sessions to equip staff with the tools to move through the Caretaker Period prior to Council elections.
- > Continuation of compliance training modules – over 650 modules assigned and completed

ORGANISATIONAL CULTURE

One Mitchell is a culture program, framed around the principle 'We work as one!'.

One Mitchell works to implement projects and initiatives that create a positive culture and healthy working environment for all staff. This initiative will continue to be used to drive positive behaviours and create an environment where people consistently say Mitchell is a great place to work.

An initiative for this year has been to enhance the online induction program for staff onboarding through lockdowns, ensuring an informative and practical onboarding experience with an emphasis on culture and values. A total of 10 induction sessions were held with over 60 new employees attending. The online performance review system was launched successfully with staff adapting to the new easy to use system and an increase in the number of reviews completed.

There were 2 Engagement & Alignment Surveys conducted during the financial year. The first was a follow up to the pulse survey conducted in June to gauge staff wellbeing during the COVID-19 lockdown. The first pulse survey results showed a positive culture with 87% giving a positive score on Council's performance during the pandemic and the wellbeing of staff. The second survey showed a decline of 10% which could be attributed to COVID fatigue and staff being overwhelmed with work overload. The most recent Engagement and Alignment Survey showed excellent results in Community Impact, Meaning and Purpose, Innovation and Vision with areas for improvement in Accountability, Strategic Leadership and Change Capability. The survey also highlighted the need for more work to be done on staff wellbeing.

NEW ENTERPRISE AGREEMENTS

Council's Enterprise Agreement expired on 30 June 2020 and negotiations for the replacement agreement were finalised in September 2020. Detailed analysis and benchmarking was undertaken, and the information provided to employees. Extensive consultation both within the Bargaining Committee and with the whole organisation, resulted in a contemporary and accessible Agreement. The Agreement was redrafted and integrated to remove redundant or irrelevant provisions, ensure equity and consistency of conditions for all employees, as far as practical, and expressed in plain English.

The Agreement was overwhelmingly endorsed by employees, with 96% of the 277 employees who voted supporting the Agreement and approved by the Fair Work Commission in December 2020. The Mitchell Shire Council Enterprise Agreement No. 8 – 2020, came into effect on 10 December 2020, and has a nominal expiry date of 30 June 2024.

The Early Education Employees Agreement, which covers early childhood teachers and early childhood educators, was also replaced during the year.

This is a multi-enterprise Agreement and was negotiated by the Municipal Association of Victoria (MAV) on behalf of 22 councils. The Early Education Employees Agreement 2020 came into effect on 28 April 2021 and has a nominal expiry date of 30 September 2024.

COVID AND EMPLOYEE WELLBEING

Council responded quickly to the onset of the COVID-19 pandemic and immediately implemented a number of supports for our employees who were locked down, working from home and home schooling, to ensure their wellbeing.

Initially, Special COVID-19 Leave was made available to all employees, additional to their Personal and other leave. As we better understood the impacts of COVID in the community, we extended the available leave to cover employees getting COVID vaccinations, both to encourage employees to be vaccinated, to assist in stemming the spread of the virus in the community and understanding that employees may have an adverse reaction to the vaccination and are unable to work.

We conducted two pulse surveys in July and October to check in on staff wellbeing and identify any emerging issues which we needed to address, or other support or assistance we could offer employees to enhance their wellbeing while working remotely.

FUTURE WOW

We also initiated a major project to review future working arrangements – the Future Ways of Working project, or Future WoW, reviewing and building on the experience gained when employees were compelled to work from home during lockdowns.

Flexible working arrangements are a reality and will be supported where they enhance our service delivery to the community and clients, provide benefits to the organisation, and enable and support employees to achieve a balance between their work and other commitments. Flexibility will apply to all sections of the organisation and covers much more than working from home.

The increased use of technology, for online meetings and for interaction with our customers, will reduce the need for travel and enable us to enhance service delivery – access and availability of service providers.

YEARS OF SERVICE

Each year Council celebrates the Years of Service (YOS) worked by our long-serving employees. Staff are recognised for their 5, 10, 15, 20 and 30 years of employment at Mitchell Shire Council. Certificates were presented to 16 eligible 5 Years of Service recipients at Council's all staff briefing. There were 2 formal presentations of YOS awards making up for the postponed event in 2020. A total of 47 recipients were awarded for 10+ years of service.

This year, we are pleased to recognise and celebrate 1 member of staff having 30 years of service to Council. Alongside this we also recognised 2 staff at 20 years, 13 at 15 years and 9 at 10 years.

HEALTH AND WELLBEING

With the onset of the COVID-19 Pandemic, staff health and wellbeing has become more important than ever. As in previous years, the Health and Wellbeing Committee has created a broad program of events and initiatives with consideration of the restrictions of lockdowns and the COVID-19 pandemic.

Notable highlights include:

- > Training through the Resilience Project
- > Mindfulness and resilience training with Sam Eddy
- > Free staff flu vaccines
- > Training on COVID-19 Infection Control
- > Skin cancer checks
- > Continued information on the online wellbeing hub – an intranet site which provides information and links for employees
- > Focusing the annual engagement survey towards staff wellbeing
- > Men's health week

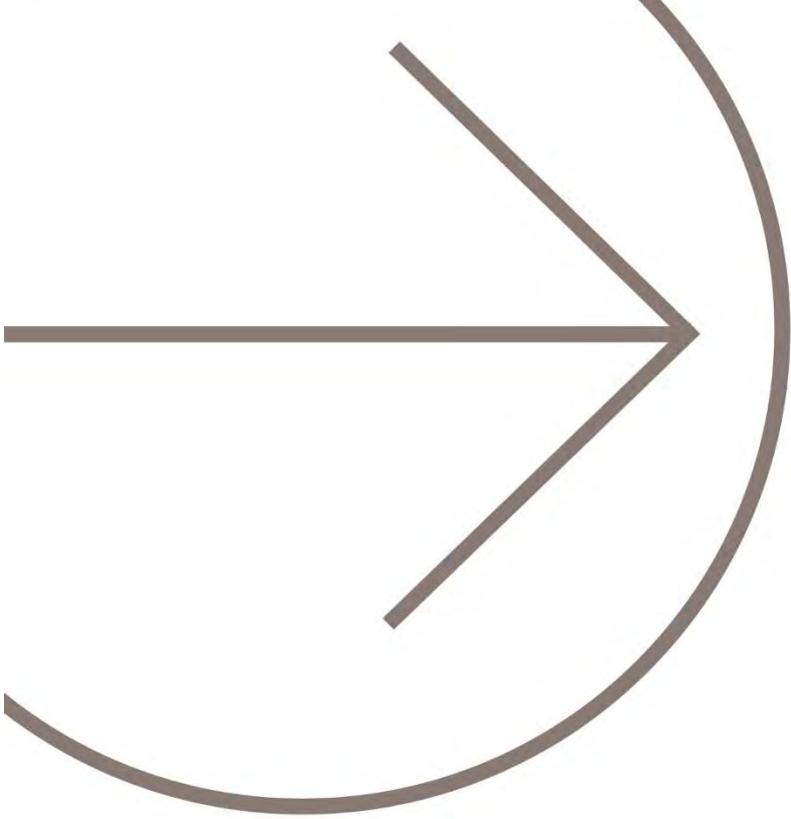
OUR VOLUNTEERS

Council acknowledges and greatly appreciates the vital role our volunteers play in building strong, inclusive, and resilient communities. Volunteers are at the heart of our community and their hard work, dedication and commitment certainly doesn't go unnoticed.

The strength of Mitchell Shire's volunteer network came to the fore during the 2020/21 and during the COVID-19 lockdowns, with volunteer groups mobilising to respond to community needs. New initiatives were created, and Mitchell's volunteer groups showed their resilience, creativity, and commitment to making the community a safe and welcoming place.

To coincide with National Volunteer Week Mitchell Shire Council, with the support of the Victorian Government, Council launched a new website to help potential volunteers find local opportunities.

The website www.volunteeringmitchell.com.au is a one-stop-shop for volunteer organisations to promote volunteering roles and for community members to browse opportunities to get involved.



PERFORMANCE REPORTING



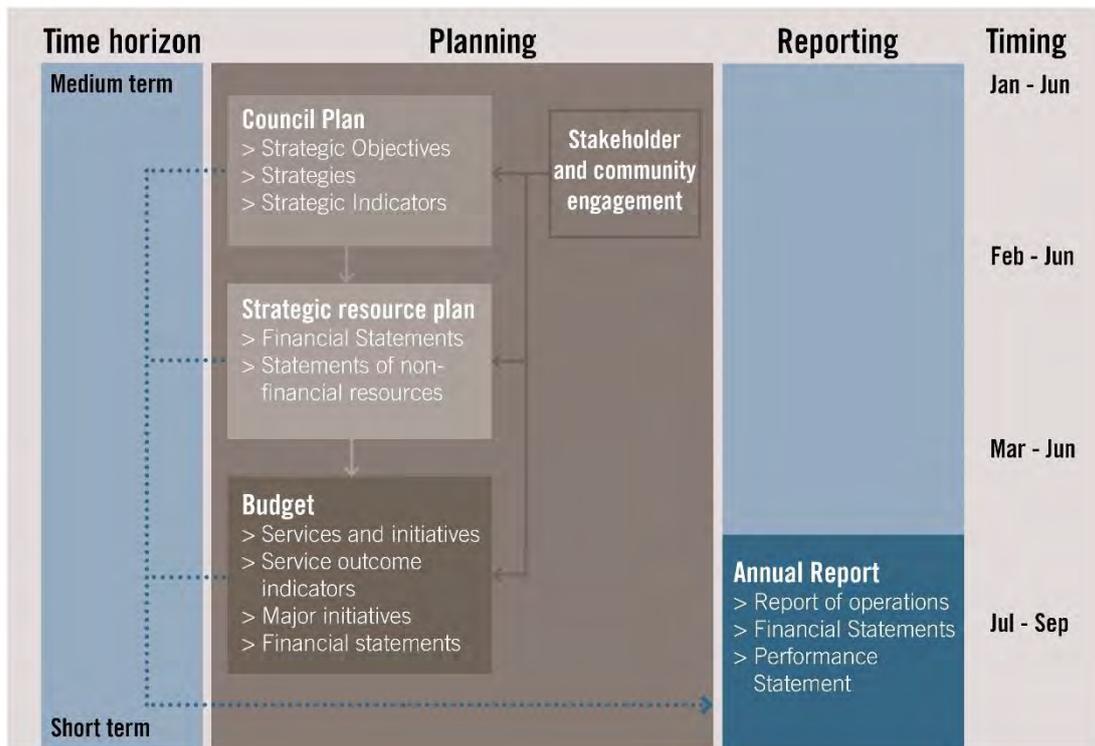
PERFORMANCE REPORTING

VICTORIAN PLANNING AND ACCOUNTABILITY FRAMEWORK

The *Local Government Act 1989 and 2020* and the *Local Government Planning and Reporting Regulations 2014 and 2020* require all Victorian Councils to prepare the following planning and reporting documents:

- > A Council Plan within 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
- > A Budget for each financial year
- > An Annual Report for 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 the opportunities for community and stakeholder involvement, input and feedback at various stages of the planning and reporting cycle.



OUR INTEGRATED PLANNING & REPORTING FRAMEWORK

Mitchell Shire Council's integrated planning and reporting framework assists Council to align key plans and strategies with available resources. The framework also provides a basis to monitor and measure performance.

The Council Plan forms a fundamental part of Mitchell's Integrated Planning Framework. The Council Plan is the connection between the external influences of government policy and population growth, Mitchell Shire's 2020 Community Plan, and Council's long-term planning processes. The following diagram emphasises the links between each of the elements.

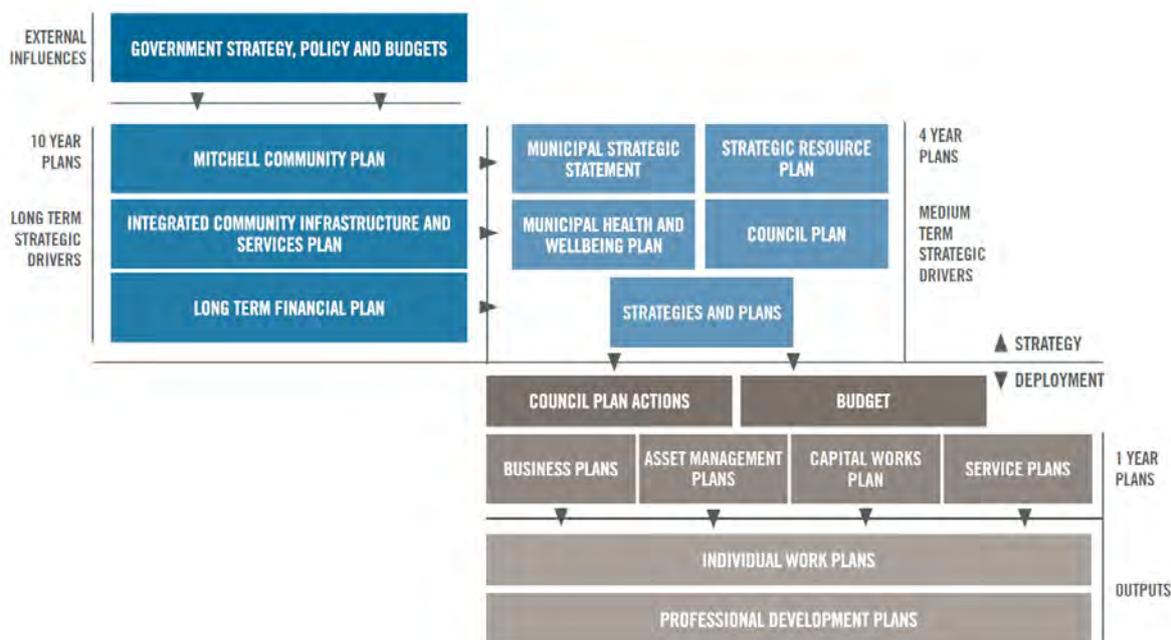


Figure 1 Mitchell's Integrated Planning and Reporting Framework

The priorities in the Mitchell Shire Council Plan 2017 - 2021 (2019 revision) are the result of in-depth community consultation. Council reviews the Plan every year to ensure the priorities and objectives remain relevant. If changes are needed, further community consultation is undertaken. Each year we prepare an annual Action Plan which commits Council to delivering specific actions to help us achieve our Strategic Objectives. The Budget is set with these priorities in mind.

Mitchell is committed to implementing an integrated approach to planning, implementation and performance reporting.

Planning is undertaken annually to review the Council Plan, develop department business plans and prepare individual work plans. This ensures a strong line of sight between Council's strategic direction, available financial resources and day-to-day delivery.

COUNCIL PLAN PERFORMANCE

Performance against the Council Plan is reported to our community in the Midyear Update Report and here in the Annual Report. These performance updates are posted on Council's website after the Council meeting at which they have been considered. These reports enable the community to note our progress and achievements and to see how we adjust priorities to meet any challenges that arise.

The Council Plan 2017 – 2021 (2019 revision) includes seven strategic objectives. Strategies for achieving these over the four-year period are covered in the Plan and a Strategic Resource Plan.

The following section provides a report of Council's performance against each strategic objective in the Council Plan, as well as progress in relation to the Annual Action Plan in the Council Plan and the major initiatives identified in the annual Budget.

Information about services funded in the budget and the people or sections of the community who the services are provided for is also included as well as results for the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework.

KEY AND STATUS SUMMARY FOR 2020/21.

Of all actions (104) undertaken:



63% (66 actions) are on track.



6% (7 actions) have been deferred to next financial year.



15% (15 actions) have progressed slower than expected.



11% (11 actions) are behind target

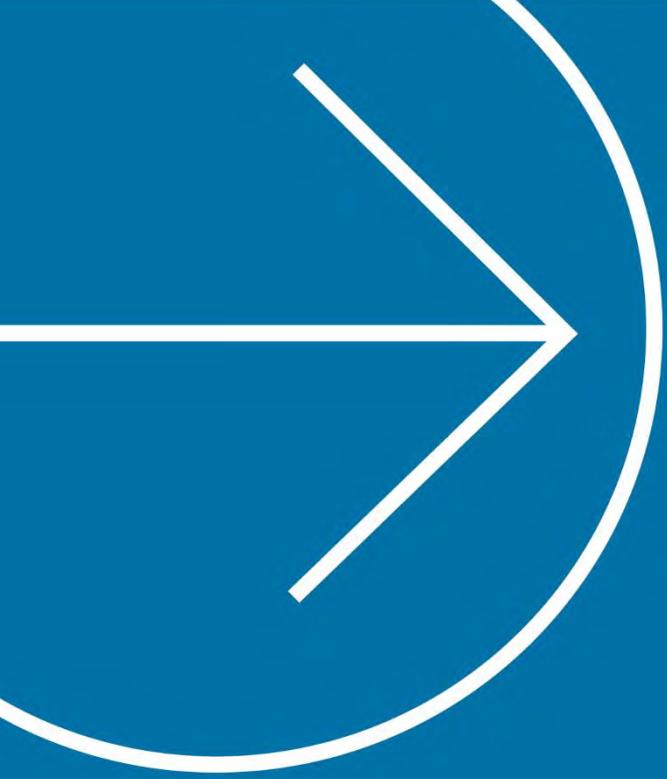


5% (5 actions) have been impacted by COVID-19 related restrictions and / or redistribution of resources and will be completed in next financial year.

Of all incomplete actions:



100% have been carried forward into the new financial year for completion.



ADVOCACY



Kilmore East Railway Station

STRATEGIC OBJECTIVE 1: ADVOCACY

To relentlessly advocate for funding to benefit our community.

To achieve our objective, we will:

- > Establish an Advocacy Strategy that includes key priorities, and clear roles and responsibilities.
- > Establish and maintain local and regional partnerships to secure funding and policy commitments.
- > Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities.

CONTEXT

Mitchell Shire has a population of 47,647 and is projected to grow to 170,830 by 2041.

A critical role of Council is to advocate to State and Federal Governments, industry and business to ensure we can provide high quality services, programs and infrastructure which meets the complex needs of our existing and emerging communities.

Council will focus on strategically advocating for key local priorities to help plan and deliver the services and infrastructure that underpin liveable and socially sustainable community. We will focus on advocacy for our existing towns and rural areas as well as advocacy to support rapid growth and development of new towns in the south of the Shire.

Working in partnership with State and Federal governments to plan and deliver projects will ensure Mitchell Shire is a place where people want to live and work, now and into the future.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

SERVICE	DESCRIPTION
SOCIAL POLICY AND PARTNERSHIPS	This service is focused on influencing many of the social determinants of health and wellbeing, developing an early preventative model where services and community infrastructure can be delivered ahead of growth. By building significant relationships and partnerships, Council ensures timely and accurate information can be provided on social planning and community infrastructure needs. Community and social planning play a pivotal role in creating and maintaining healthy, connected and sustainable communities. Building opportunities to fine tune planning, social policy and advocacy. deliver richer community outcomes.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 1.1: Establish an Advocacy Strategy that includes key priorities, and clear roles and responsibilities

2020/21 Actions	Duration	Target %	% complete	Progress comment
Implement the Mitchell Shire Council Advocacy Policy.	Year 4	100	100 	<p>The Mitchell Shire Council Advocacy Policy adopted by Council in August 2020, is being implemented through multiple avenues, ensuring Council's advocacy is strategic and aligned with the Council Plan and vision for the community.</p> <p>The advocacy statement: <i>Mitchell Shire Council aims to create and maintain a healthy, connected and sustainable community</i> frames a whole-of-Council approach to advocacy and provides focus to support Council's efforts to represent our community.</p> <p>The Federal and State Budget 2021 submission is an example of the implementation of the Policy. The submission included seven transformational projects requiring federal and state budget investment that providing the opportunity to create a healthy, connected and sustainable community.</p>
Facilitate the establishment of a cross-organisational governance structure responsible for the oversight and co-ordination of the Advocacy Policy, to strengthen advocacy efforts and identify and advance advocacy focus areas.	Year 4	100	100 	<p>The Mitchell Shire Council Advocacy Policy is underpinned by a cross-organisational governance structure of the Senior Management Team (SMT). The SMT governance structure will be supported by working groups under the following areas: Healthy, Connected and Sustainable. SMT has the oversight and co-ordination of the Advocacy Statement and Principles and the development of any Focus Areas.</p>

Strategy 1.2: Establish and maintain local and regional partnerships to secure funding and policy commitments

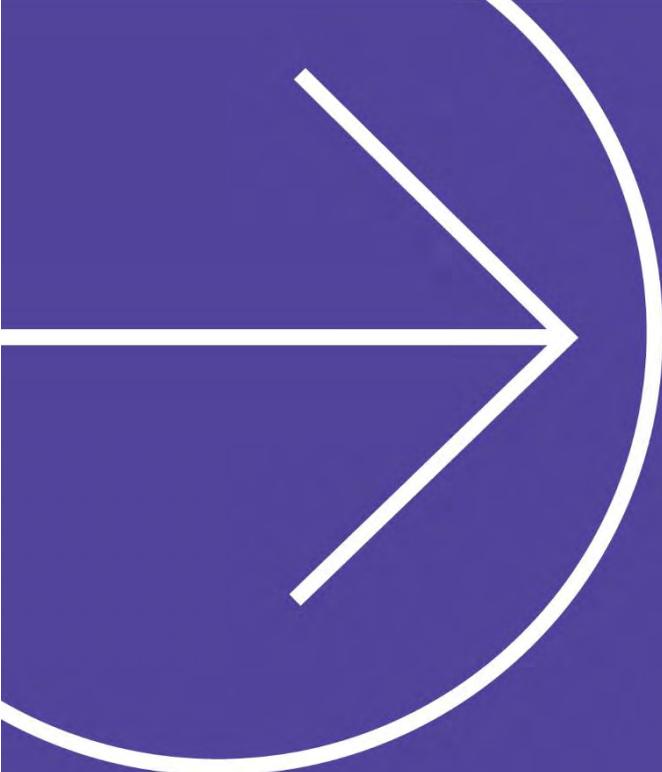
2020/21 Actions	Duration	Target %	% complete	Progress comment
Advocate for stronger recycling sector and transition to a circular economy as part of our Priorities.	Year 4	100	100 	Officers have participated in various state government working groups and consultations on kerbside reforms throughout the year in addition to participating the in Goulburn Valley Waste and Resource Recovery Local Government Forum.

Strategy 1.3: Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop an investment and advocacy plan focused on expediting the delivery of transport investment projects to support the growth of Melbourne's north.	Year 4	100	100 	<p>Mitchell Shire Council continues to work in partnership and collaboration alongside key partners (such as State / Federal Government and Developers) producing evidence-based documents focused on - unlocking transport and investment to support liveability.</p> <p>Mitchell Shire Council made numerous submissions to the Federal and Victorian Governments, focused on transport investment projects. The key transport investment projects to support and enable the growth of Melbourne's north are:</p> <ul style="list-style-type: none"> > Watson St / Hume Highway interchange and south bound ramps > Northern Highway upgrade (Hume Freeway to Watsons St) > Watsons St upgrade (Northern Highway to Hume Highway) > Camerons Lane / Hume Highway interchange > Gunns Gully Road / Hume Highway Interchange

Strategy 1.3: Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities

2020/21 Actions	Duration	Target %	% complete	Progress comment
<p>Coordinate and develop key documentation (such as business cases and summaries, feasibility studies, evidence base) that progresses Council's advocacy statement to create and maintain a healthy, connected, and sustainable community. Specific areas of focus for further development (not limited to) will be on transport and connectivity investment (e.g., the Beveridge Intramodal Freight Terminal) mental health, family violence, and COVID-19 related issue and opportunities.</p>	Year 4	100	100 	<p>Advocacy is central to Council's role in serving the community. Advocacy must be strategic, focused and requires a whole-of-Council organisational approach.</p> <p>Mitchell Shire Council successfully developed a variety of documentation that progressed Council's advocacy statement to create and maintain a healthy, connected and sustainable community.</p> <p>Mitchell Shire Council is the spokesperson for the North City Deal Plan that is a blueprint for the region to respond to the impacts of the pandemic in the immediate and medium-term, and to reform our economy for the future.</p> <p>This Plan states that the Beveridge Intermodal Freight Terminal (BIFT) as a transformational project.</p> <p>A key transport ask for Mitchell Shire Council is Camerons Lane – Hume Freeway Interchange is potentially the most significant piece of transport infrastructure for Mitchell's growth. Without construction of the interchange development will be stifled, jobs will not be created, and our growing communities will suffer from severely increased congestion</p> <p>As part of the State and Federal Government COVID stimulus packages Mitchell Shire Council ensures key transformational and enabling projects and service delivery are submitted to ensure there is significant investment and resourcing for our current and future communities, acknowledging that COVID-19 has had a significant economic and social impact upon communities in Mitchell Shire, and across the nation.</p>



COMMUNITY PARTICIPATION



'A Step for the Homeless' Volume Colour Dash, Seymour Racing Club.

STRATEGIC OBJECTIVE 2: COMMUNITY PARTICIPATION

To actively explore all opportunities for community involvement and participation in Council decisions.

To achieve our objective, we will:

- > Review and improve our community engagement framework.
- > Provide opportunities for inclusive participation across the Shire.
- > Simplify ways the community can engage with Council and access information.

CONTEXT

Council is committed to engaging with the community to ensure that a diverse range of voices are heard including those that are harder to reach. Fostering transparent, inclusive and meaningful engagement is central to the delivery of high-quality services and infrastructure.

By working closely with the community and stakeholders, Council aims to make decisions that are more broadly informed and reflective of the diverse range of views in our community. Council will communicate regularly with community about how it balances community views with resourcing and financial constraints and how we consider a range of views before making decisions.

Council will actively engage with our community to improve collaboration, and work to ensure our communication is simple to understand and consistent with the needs and expectations of our community.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

SERVICE	DESCRIPTION
COMMUNICATIONS	This service oversees all public communications activities associated with the organisation.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 2.1: Review and improve our community engagement framework

2020/21 Actions	Duration	Target %	% complete	Progress comment
Establish a Community Engagement Toolkit to improve Community Engagement resources for staff.	Year 4	100	100 	Community Engagement Toolkit has been delivered and a workshop has been undertaken with key internal stakeholders to refine the final design prior to launch.
Develop an approach to explore improvements to the 'Engaging Mitchell' digital platform, and add any actions requiring funding or further investigation to the digital roadmap.	Year 4	100	100 	Minor visual enhancements made to existing platform, with further improvements referred to 2022/23 budget.
Develop a Community Engagement Policy in response to the Local Government Act 2020 Community Engagement Principles.	Year 4	100	100 	Community Engagement Policy endorsed by Council in February 2021 in compliance with the <i>Local Government Act 2020</i> .
Investigate the feasibility of undertaking a municipal survey.	Year 4	20	20 	Investigation work is being undertaken to understand and develop an appropriate research agenda and platform for Mitchell Shire Council.
Review engagement practices and evaluation for compliance with new Local Government Act 2020.	Year 4	100	100 	Engagement practices have been reviewed and evaluated for compliance with the <i>Local Government Act 2020</i> in preparation for revision of the Policy.

Strategy 2.2: Provide opportunities for inclusive participation across the Shire

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop a (Arts, Culture and Heritage) Collections database.	Year 4	100	20  	This project has been delayed due to resourcing being unavailable.
Complete Phase two of Place-based Planning for Mitchell Shire, including the townships of Wallan, Wandong/Heathcote Junction and Tyaak/Reedy Creek.	Year 4	100	75 	Draft Place-based Plans completed. Community Consultation to take place on plans in August 2021.
Deliver the “Vulnerable Eastern Ridgeline Communities” Project.	Year 4	50	50 	Delivery of this project has been impacted by COVID-19 restrictions, and on our ability to properly engage with the target communities. Additional funding has been approved by the Safer Together Program for a further 12 months.

Strategy 2.3: Simplify ways the community can engage with Council and access information

2020/21 Actions	Duration	Target %	% complete	Progress comment
Investigate online tools to support accessibility for website users (e.g., audible content and translation applications).	Year 4	100	100 	Completed.

Strategy 2.3: Simplify ways the community can engage with Council and access information

2020/21 Actions	Duration	Target %	% complete	Progress comment
Streamline and simplify Council planning reports with more detailed attachments to provide for greater clarity in Council planning decisions.	Year 4	100	100 	Council Planning reports have been updated and are streamlined for greater clarity.
Implement an online forms solution and prioritise current PDF forms for conversion to support accessibility.	Year 4	70	80  	Online forms migration stalled until resourcing resolved. Recruitment in progress.
Develop and deliver a website user testing program to establish a baseline customer satisfaction level to establish a benchmark, and to identify focus areas for improvement.	Year 4	100	100 	Completed.
Prepare a strategy for development and maintenance of a stakeholder database for communication purposes.	Year 4	100	50 	Continuing to feed in opportunities to scope and develop this further through ICT Strategy and CRM project. Some basic segmentation of existing eNews subscription tool has occurred. Further investigation deferred due to resourcing requirements to support COVID-19 response and Community Vision development.
Develop a Communication Strategy for Council consideration.	Year 4	100	10  	Draft strategy is ready for review - timing and next steps yet to be confirmed.

Strategy 2.3: Simplify ways the community can engage with Council and access information

2020/21 Actions	Duration	Target %	% complete	Progress comment
Improve usage of website to facilitate information available to public on planning and building matters, including plain English descriptions on planning, and building application processes, and advertising of all planning permit applications online.	Year 4	100	100 	The Statutory Planning and Building Services website pages have been updated and completed. This was completed along-side the E-Services project which will allow for Statutory Planning and Building Services applications to be lodged and paid for online.

RESPONSIBLE PLANNING



View of Mt Frasier, Beveridge



STRATEGIC OBJECTIVE 3: RESPONSIBLE PLANNING

To demand best practice outcomes when planning for future growth.

To achieve our objective, we will:

- > Plan for growth and change through best practice design of services, infrastructure, open space and recreation facilities.
- > Plan for a diversity of housing and households.
- > Prioritise environmental and sustainability outcomes in planning decisions.
- > Review heritage values and support the community in protecting and enhancing local natural and built heritage.
- > Improve planning processes to ensure user-friendly and timely planning processes and high-quality decisions.
- > Employ best practice planning tools to achieve desired outcomes.
- > Improve the liveability of Mitchell Shire.
- > Support safe communities through best practice design and planning standards.
- > Improve the accessibility and connectivity of pedestrian and cycle paths within and between our towns.
- > Protect and enhance local ambience, amenity and character.

CONTEXT

Mitchell Shire is set to experience significant population growth and change over the next 20 years. It is vital that Council undertakes long term strategic planning now to ensure existing and future residents have access to diverse housing, community, recreational, educational, transport and employment opportunities. It is important that this planning is sensitive to the distinctive characteristics of the Shire including local heritage, cultural and environmental values.

Council will work to facilitate significant investment and development opportunities that align with the long-term vision and goals of our community.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community. There is a key focus on builders and developers, as well as community members who use Council facilities such as buildings, parks and assets.

SERVICE	DESCRIPTION
ENGINEERING	This service is responsible for providing Civil Engineering services and advise for capital projects, as well as asset and property management.
FACILITY MANAGEMENT	This service is responsible for managing building infrastructure maintenance and tracking, and asset renewal expenditure.
STATUTORY PLANNING	This service processes statutory planning applications, building approvals and provides control and compliance under the relevant legislation.
STRATEGIC PLANNING	This service delivers positive land use planning outcomes for current and future generations as well as an environmentally healthy and sustainable Council. It is also responsible for Growth Area Planning.
SUBDIVISIONS AND MAJOR DEVELOPMENTS	This service is mainly responsible for Subdivision plan checking and strategic transport assessments.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 3.1: Plan for growth and change through best practice design of services, infrastructure, open space, and recreation facilities

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop “Mitchell Integrated Transport Strategy” in consultation with key stakeholders.	Year 4	100	70  	The draft Mitchell Integrated Transport Strategy has been prepared and will be commencing consultation in late 2021.
Develop the Seymour Sports and Aquatic Centre Master Plan.	Year 4	n/a	n/a 	This project has been deferred. Development of a design brief to be undertaken in 2021/22.
Develop and present for consideration to Council the Station Street Masterplan, Wallan (train station and surrounding precinct) to inform future planning around Wallan East.	Year 4	100	70  	The draft Station Street Masterplan, Wallan has been prepared and presented to Council. Consultation with key agencies has commenced and community consultation will occur in late 2021.

Strategy 3.2: Plan for a diversity of housing and households

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop a governance structure and clear decision-making process for applications specifically within our growth areas.	Year 4	100	100 	All growth area applications go to the Delegate Committee meeting to determine if the application is to proceed under delegation. The monthly reporting informs the Councillors which applications are made under delegation.

Strategy 3.3: Prioritise environmental and sustainability outcomes in planning decisions

2020/21 Actions	Duration	Target %	% complete	Progress comment
No action	n/a	n/a		

Strategy 3.4: Review heritage values and support the community in protecting and enhancing local natural and built heritage

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop Cultural Heritage, Collections, and Public Arts Policies.	Year 4	100	100 	Collections Policy and public arts policy endorsed March 2021.

Strategy 3.5: Improve planning processes to ensure user-friendly and timely planning process and high-quality decisions.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop a “Development Approvals Compliance Framework” across Statutory Planning and Building Services to outline expected behaviours, also how to make a complaint and what to expect through the enforcement process.	Year 4	100	70  	Development Approvals Compliance Framework has been drafted however has been temporarily put-on hold, due to the realignment of Planning Enforcement with the rest of Local Laws.

Strategy 3.6: Employ best practice planning tools to achieve desired outcomes

2020/21 Actions	Duration	Target %	% complete	Progress comment
In line with recent legislation changes, develop and maintain a swimming pool register.	Year 4	50	100 	Establishment of the swimming pools register has been completed.

Strategy 3.7: Improve the liveability of Mitchell Shire

2020/21 Actions	Duration	Target %	% complete	Progress comment
Investigate the development of Mitchell Shire specific liveability indicators.	Year 4	75	35  	Investigation work is being undertaken to understand and develop an appropriate research agenda that builds on the report undertaken by RMIT - Neighbourhood Liveability Assessment of the major townships of the Mitchell Shire: Beveridge; Broadford; Kilmore; Seymour and Wallan. Mitchell Shire Council is partnering with RMIT and other stakeholders to develop a research collaboration focused on a shared vision to achieve sustainable, resilient and liveable development in the Northern Growth Corridor.
Establish a process to capture and measure the Mitchell Shire specific liveability indicators.	Year 4	30	30 	Investigation work is to be undertaken to develop a process to capture and measure an appropriate research agenda that is focused on liveability.

Strategy 3.8: Support safe communities through best practice design and planning standards

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop design standards for "Landscape and Open Space in New Developments".	Year 4	100	20  	Partial works completed. Record development demand over the year has not allowed officers time to further progress this.

Strategy: 3.9 Improve the accessibility and connectivity of pedestrian and cycle paths within and between towns

2020/21 Actions	Duration	Target %	% complete	Progress comment
Commence pre-work to support the future development of an on-road Cycling Strategy.	Year 4	50	10  	Cycling consultative committee established. Meetings to commence in August. This work may be a pre-cursor to the development of an On-Road Cycling Strategy

Strategy 3.10: Protect and enhance local ambience, amenity, and character

2020/21 Actions	Duration	Target %	% complete	Progress comment
Complete a service review of Council's collector and rural linkage roads to determine future road project priorities.	Year 4	100	100 	Main review and prioritized list completed to help inform future project priorities.

SERVICE PERFORMANCE INDICATORS

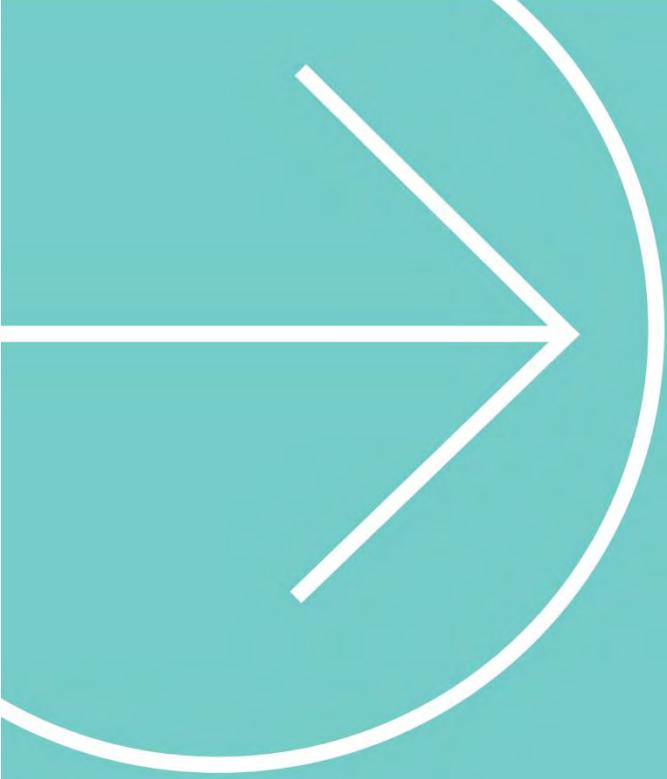
The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/2020 Result	2020/21 Result	Comments
Roads					
Satisfaction of use					
<i>Sealed local road requests</i>	15.05	19.57	47.05	78.61	Our Roads Maintenance team collect customer request data through a search of the corporate recordkeeping system, using keyword search terms and the date range for the financial year. This list is further interrogated by the Capital Works Coordinator to establish the exact number of road requests that relate to the sealed road network.
[Number of sealed local road requests / Kilometres of sealed local roads] x100					Officers have worked toward improving the accuracy of this data across both teams, and further improvement is expected in the future as the Customer Request Management System Project is rolled out across the organisation. Further work is being developed to separate other categories that may also be related to Sealed Roads such a drainage, line marking etc, which at this stage cannot be interrogated.
Condition					
<i>Sealed local roads below the intervention level</i>	94.27%	95.45%	95.56%	96.45%	Sealed road condition audits are conducted every 3-4 years and are currently being completed. Council has committed to significantly increase budget allocations for future rectification works.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					

<i>Service/indicator/measure</i>	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
<i>Service cost</i>					
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$137.47	\$64.26	\$180.90	\$36.65	The pavement's thicknesses and its layer composition are the major determinants of the final cost of a pavement construction. During the 2019/20 financial year, the program consisted of heavy pavement replacements such as Wallis and Oak Streets pavements in Seymour. Costs to re-construct sealed roads during the 2020/21 financial year are considered to be within acceptable limits and represent value for money.
<i>Service Cost</i>					
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$24.79	\$12.40	\$0	\$3.83	Costs to re-seal sealed roads during 2020/21 financial year are considered to be within acceptable limits and represent value for money.
<i>Satisfaction</i>					
<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]	43	47	46	43	Our community's level of satisfaction, while slightly lower than in the previous year and Council continues to work to improve in this area.

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Statutory Planning					
Timeliness					
<i>Time taken to decide planning applications</i>	84.00	104.00	116.50	96.00	Council has received 443 planning applications in the 2020/21 financial year. A total of 292 decisions have been made within the 60 Statutory Day timeframe.
[The median number of days between receipt of a planning application and a decision on the application]					Gross days is the total number of days an application is with Council from the date of lodgement to the date of a decision.
<i>Planning applications decided within 60 days</i>	77.06%	76.74%	71.23%	75.23%	Of the 436 planning application decisions made, 292 applications were decided within 60 statutory days, and 36 VicSmart applications within 10 days. Statutory days relates to set timeframes identified by planning legislation during the planning application process.
[Number of planning application decisions made within 60 days / Number of planning application decisions made] x100					This includes a time period of 60 days which enables a permit applicant to lodge an application for review at the Victorian Civil and Administrative Tribunal (VCAT) if Council exceeds this time period. Statutory days do not include the days when Council waits for further information from an applicant.

<i>Service/indicator/measure</i>	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
<i>Service cost</i>					
<i>Cost of statutory planning Service</i>	\$2,606.68	\$2,163.90	\$3,261.25	\$2,533.75	The cost per application this financial year has been brought back down to be in line with previous years, due to a reduction in contract staff.
[Direct cost of the statutory planning service / Number of planning applications received]					
<i>Decision making</i>					
<i>Council planning decisions upheld at VCAT</i>	33.33%	25.00%	100.00%	85.71%	In 2017/18 1 of 3 decisions were upheld at VCAT. In 2018/19 2 of 8 were upheld, and in 2019/20, 2 of 2 decisions were upheld. Now in 2020/21, 6 of 7 were upheld / varied/ affirmed / not appealed or remitted. As in previous years, any change in the results of such a small number of decisions has a significant impact on our % result.
[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					



STRONG COMMUNITIES



Community Bank® Adventure Playground, Hadfield Park, Wallan

STRATEGIC OBJECTIVE 4: STRONG COMMUNITIES

To build and nurture strong and vibrant communities where people are proud to live.

To achieve our objective, we will:

- > Promote a safe and secure environment throughout the Shire.
- > Empower our volunteer community.
- > Establish and maintain high quality roads, footpaths, parks, recreation facilities, streetscapes, bike paths and public open spaces.
- > Work with government and local partners to facilitate improved community wellbeing.
- > Provide opportunities to build strong and resilient citizens for our current and future generations.
- > Provide adaptable community infrastructure and participation opportunities for all ages, cultures and abilities.

CONTEXT

Council is committed to improving community wellbeing by providing services, programs and infrastructure that support the needs and aspirations of our community. Council supports the community by providing a range of services and programs across all life stages including maternal and child health programs, early years and kindergarten, youth services and ageing as well as library, recreation, public health and aquatic services. Council also supports a range of community, creative and cultural events and celebrations aimed at supporting a vibrant and positive culture.

We manage and maintain an extensive network of roads, footpaths, parks, recreation facilities, streetscapes, bike paths and open spaces focusing on ensuring these facilities are well maintained, fit for purpose and support the needs of our community.

Council works with the community to provide a safe and nurturing environment where people of all ages, gender, sexuality, abilities, cultures and backgrounds are supported to work together and reach their full potential.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

Early years services are provided for families and young children. Aged and disability support is provided for older people and people with a disability as well as service providers. Arts, culture, leisure, library and community development services are provided for the whole community.

SERVICE	DESCRIPTION
ARTS AND CULTURE	This service undertakes planning and community engagement to encourage community members to access and partake in arts and culture opportunities across the Shire, including public art, community events and activities.
CHILDREN'S SERVICES	This service is responsible for the management of nine licensed kindergartens, providing high quality education that enhances the health and wellbeing of children and families within the community.
COMMUNITY DEVELOPMENT, AGED CARE SERVICE PLANNING AND DISABILITY SERVICE PLANNING	This service works in partnership with residents, community groups, organisations and government agencies to build an active, vibrant, healthy and socially connected community. This is achieved through targeted program and service delivery, social planning and policy. This service also coordinates community festivals and events across the Shire.
CUSTOMER AND LIBRARY SERVICES	This service delivers four integrated libraries and customer service centres. It also provides outreach services to aged facilities, the house bound, and schools, as well as children's and youth activities. The Kilmore Library provides an extended service that includes VicRoads, VLine, the sale of fishing and mining licenses and visitor information.
LEISURE CENTRES	This service manages six leisure facilities - three outdoor seasonal pools, two indoor aquatic and fitness centres and the Wallan Adventure Playground which incorporates a splash park. This service also offers programs and services outside these facilities.
LOCAL LAWS	This service is an educational and enforcement team responsible for animal management, parking management, asset protection, local laws and the fire prevention program across the Shire.
OPERATIONS (ROADS)	This service is responsible for the maintenance of the Shire's infrastructure assets. It includes roads, footpaths, bridges, drainage and street furniture. It also manages Council's plant and vehicle fleet.

SERVICE	DESCRIPTION
PARKS AND GARDENS	This service is responsible for maintaining parks and gardens, playgrounds and sports fields and managing arboriculture, and roadside fire prevention.
PUBLIC HEALTH	This service incorporates Maternal and Child Health, Immunisations and Environmental Health. Seven Maternal and Child Health Centres across the Shire deliver the schedule of contacts and activities prescribed by the Department of Education and Training for all families. This service has an emphasis on prevention, health promotion, early detection, and intervention as required. The childhood immunisation program is provided as prescribed in the National Immunisation Schedule. Immunisations are delivered at a range of public sessions across the Shire and to staff through the flu vaccination program, as well as directly to schools. Environmental Health implements and maintains effective Environmental Health services for the Mitchell community which protect public health and wellbeing.
RECREATION AND OPEN SPACE	This service directly manages several recreation facilities and sporting complexes in Mitchell Shire and is the liaison point between Council, recreation facility committees of management, clubs, and user groups. The service also undertakes future planning for recreation facilities and open space areas.
SCHOOL CROSSING SUPERVISORS	This service provides school crossing services across the municipality.
YOUTH SERVICES	This service provides support for young people. Key activities include policy formation, community development, referral, social education, participation programs, and skills development (such as leadership skills).

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 4.1: Promote a safe and secure environment throughout the Shire

2020/21 Actions	Duration	Target %	% complete	Progress comment
Implement changes introduced by the Emergency Management Legislation Amendment Act 2018.	Year 4	100	100 	Changes introduced into the organisation are being monitored to identify any modifications that may be needed.
Facilitate the redevelopment of the Municipal Emergency Management Plan to align with new State guidelines.	Year 4	90	90 	Draft Municipal Emergency Management Plan (MEMP) was presented to the Hume Region Assurance Team for review, and the feedback provided has been used to update the MEMP, and subsequently re-presented to the Assurance Team. It is anticipated that this will be completed by August 2021.
Commence review of Local Law 1.	Year 4	50	50 	A Draft Local Law has been prepared and will be presented for community consultation in July 2021. There are a number of new Local Laws proposed, designed to improve the amenity of our Municipality.
Undertake proactive engagement of vulnerable communities to improve resilience to natural hazards through State government Safer Together Program.	Year 4	100	100 	All projects have been completed, with relevant reports and reconciliation submitted to Safer Together Program.

Strategy 4.1: Promote a safe and secure environment throughout the Shire

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop an annual program to delivery 3-yearly inspections of all street and park trees, with all works and inspections to be recorded electronically.	Year 4	75	75 	Documentation of all trees has been completed providing a clearer picture of resourcing required to undertake this action. Benchmarking is for data collection every five years.
Spatially map and catalogue all Council managed street trees contained within urban boundaries.	Year 4	80	100 	Completed October 2020.
Support and implement the recommendations of the Victorian Family Violence 10-year Strategy Free from Violence.	Year 4	100	100 	<p>Following on from the delivery of the Listen Learn and Lead program in 2017 and again the Free Mitchell from Violence Project in 2020/21, Mitchell Shire Council is now continuing its journey to improve Gender Equity in the workplace by building awareness, understanding, and leading in organisational change.</p> <ul style="list-style-type: none"> > Free Mitchell from Violence Project completed > Respect and Equality for All: Prevention in Action Training: <ul style="list-style-type: none"> o Mitchell SMT (August 2020) 24 participants o Mitchell SLT (October 2020) 38 participants > Delivery of the Orange Door Access Point > Partnership with Family Safety Victoria/Nexus & Family Care for activation of site

Strategy 4.2: Empower our volunteer community

2020/21 Actions	Duration	Target %	% complete	Progress comment
Explore expansion of home library services and recruitment of volunteers.	Year 4	100	60  	Further investigation required into expanding the home library service, including use of existing volunteers with other departments and community groups. Originally planned for Q3 2020, however COVID-19 restrictions have caused delays.
Support the modification of the Volunteering Mitchell Platform to streamline Volunteering opportunities for our Community.	Year 4	100	100 	<p>Successful transition of volunteering platform to fit-for-purpose volunteer opportunity and management system. This has allowed for local groups to engage in cost free volunteer management software increasing adherence to the National Standards for Volunteer Inclusion and improving the quality of volunteering in Mitchell Shire.</p> <p>From a community-facing perspective as the new platform continues to increase in participation and with planned promotion it will provide a one-stop web location for the engagement of potential volunteers. This will be especially important in the COVID-19 Community Recovery as volunteer labour lost during restrictions is backfilled and community members experiencing unemployment are provided opportunity for volunteer placement.</p>
Facilitate the development of the 'Training and mentoring for managers of volunteers' Program.	Year 4	100	100 	<p>Successful delivery of program engaging 43 community groups, sporting clubs and other Volunteer Involving Organisations. Provision of formal training to participant groups and individual mentoring of 35 participant groups to improve adherence to National Standards for Volunteer Involvement and increase stakeholder relationship with Council.</p> <p>Sustainability of program achieved through continuation of Volunteering Mitchell Support Network meeting thrice annually, community training workshop series, Volunteer Week Celebrations and emerging community group support available through the Community Development Officer – Liveability.</p>

Strategy 4.3: Establish and maintain high quality roads, footpaths, parks, recreation facilities, streetscapes, bike paths and public open spaces

2020/21 Actions	Duration	Target %	% complete	Progress comment
Complete the Sunday Creek Flood Study.	Year 4	100	80  	Hydraulic and hydrology modelling have been completed. Flood maps are currently being developed.
Develop an “Outdoor Pools Masterplan”.	Year 4	100		This project has been deferred. Development of a Master Plan to be undertaken in 2021/22.
Progress the development of the “Southern Mitchell Aquatic Facility Concept Plan”.	Year 4	100	25  	The project working group is investigating on site allocation, and a strategic workshop with Councillors is scheduled for August 2021.
Complete a review of the ‘Missing Link’ Footpath Program to determine future footpath project priorities.	Year 4	100	100 	Presented to Council and adopted in the June Council Meeting.
Implement a paperless system to administer the Road Management Plan including inspection and works scheduling.	Year 4	100	100 	All Road Management Plan matters including inspections and scheduling has been transitioned to asset management software program allowing for more accurate record keeping and reporting.

Strategy 4.4: Work with government and local partners to facilitate improved community wellbeing

2020/21 Actions	Duration	Target %	% complete	Progress comment
Support the implementation, education and awareness of the Gender Equity Bill and the associated legislative requirements and reporting obligations.	Year 4	60	60 	<p>Significant work has been undertaken to support the implementation of the Gender Equity Act 2021 including:</p> <ul style="list-style-type: none"> > Gender Equity training undertaken across the organisation > Partnership with Women's Health Goulburn North East (facilitating fortnightly meetings) > Internal Gender Equality Project Control Group established – (Governance, Community Strengthening, Human Resources and Organisational Development) > Commenced mapping upcoming strategies, policies, services with gender and intersectional lens including COVID-19 Community Recovery Plan, Mitchell's Health & Wellbeing Plan, Community Vision and Council Plan. > Undertaken internal audit to gather gender-disaggregated data against the workplace gender equality indicators. > Undertaken internal cultural survey (May 2021) to gather employee experience that form part of a workplace gender audit. > Engaged Women's Health Goulburn North East (WHGNE) to assist and lead in the undertaking of a workplace
Review the Mitchell Shire Council Gambling Policy (social policy).	Year 4	100		This project has been deferred due to shifting priorities.

Strategy 4.5: Provide opportunities to build strong and resilient citizens for our current and future generations

2020/21 Actions	Duration	Target %	% complete	Progress comment
Review the Library and Learning Strategy to reflect the changing needs of our community.	Year 4	100	40 	Completion of review delayed due to other priorities due to COVID-19. Review to re-commence in 2021/22.
Support Committees of Management and community sport and recreation groups in COVID-19 recovery activities.	Year 4	100	100 	Significant resources have been redirected to support Committees of Management and community sport and recreation groups in dealing with changes to Restricted Activity Directions from the Chief Health Officer. Also on liaising with Vic Sport, Sport and Recreation Victoria and state sporting associations to obtain clarification of details of RAD to accurately inform CoMs and users as quickly.
Present the Life Stages Strategy for consideration by Council.	Year 4	100	100 	The Life Stages Strategy is the inaugural Strategy that ensures people moving through different stages of their life are valued, supported, connected and well. Through this Strategy, Council seeks to recognise and respond holistically to the needs of all people across the life stages and provide directed care at key transitions. The Year One Action Plan has been completed.

Strategy 4.6: Provide adaptable community infrastructure and participation opportunities for all ages, cultures, and abilities.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Undertake a review of the Mitchell Open Space Strategy 2013-2023, with a particular focus on the future needs of the southern residential growth area of Mitchell.	Year 4	100	n/a 	Project was dependent on obtaining grant funding from Sport and Recreation Victoria. No opportunities for planning funding were announced by SRV in 2020/21. Project has been fully funded in Council's 2021/22 budget.

Strategy 4.6: Provide adaptable community infrastructure and participation opportunities for all ages, cultures, and abilities.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop and implement a community infrastructure process to enable Council to plan for and deliver appropriate and accessible community facilities that address the current and future needs of the community.	Year 4	100	20  	Work is being undertaken to develop a community infrastructure process to enable Council to plan for and deliver appropriate and accessible community facilities that address the current and future needs of the community.
Update guidelines for future community infrastructure to ensure they are appropriately located and designed to be flexible, appropriate, accessible, inclusive, inviting, multi-generational (where appropriate) and enable a seamless transition through key life stages.	Year 4	50	50 	Work is to be being undertaken to update guidelines for future community infrastructure to ensure they are appropriately located and designed to be flexible, appropriate, accessible, inclusive, inviting, multi-generational (where appropriate) and enable a seamless transition through key life stages.
Progress the “Beveridge Township Development Plan” by having the Planning Scheme Amendment exhibited.	Year 4	100	50  	The Development Plan and Planning Scheme Amendment have been prepared. Public Exhibition of the Amendment will occur in the second half of 2021.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2017/2018 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Animal Management					
Timeliness					
<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	2.24	1.29	1.59	1.66	Council received 1,618 animal management requests during 2020/21. This was the lowest number of requests received since reporting commenced. While there is no direct evidence of the reason for this drop, anecdotally, it is likely that Pandemic restrictions and an increase in the number of people working from home has contributed to this, as owners have been home and pets less likely to stray.
Service standard					
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	56.57%	54.05%	59.55%	57.31%	Reuniting animals with their owners is the priority for our animal management team. Of the 841 animals collected during 2020/21 financial year, 482 were reclaimed and 314 rehomed.
<i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x100	New in 2020	New in 2020	31.98%	37.34%	Sometimes animals can't be returned to their owners for whatever reason, so we make every effort to find them new homes. Of the 841 animals collected during 2020/21 financial year, 314 were rehomed after 482 we reclaimed by their owners.

Service/indicator/measure	2017/2018 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Animal Management					
<i>Service cost</i>					
<i>Cost of animal management service</i>	New in 2020	New in 2020	\$12.49	\$11.90	This indicator has been changed for the 2019/20 financial year onwards. Previously, it was calculated as cost/number of registered animals, now it is cost/municipal population.
[Direct cost of the animal management service / Number of registered animals]					Our Local Laws team ensure that the service we provide is efficient, effective and appropriate, and meets the needs of our community and their animals.
<i>Health and safety</i>					
<i>Percentage of successful animal management prosecutions</i>	New in 2020	New in 2020	100%	50%	Of two prosecutions completed in 2020/21 financial year, 1 was successful. This is the first occasion that has met with an unsuccessful outcome since reporting began and was due to witness testimony. As the total number of prosecutions is so small, a single unsuccessful prosecution has reduced our success rate of 100% in previous years to 50% in 2020/21 financial year.
[Number of successful animal management prosecutions / total number of prosecutions]					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Aquatic Facilities					
Service standard					
<i>Health inspections of aquatic facilities</i>	1.6	1.20	1.20	1.20	There were 6 health inspections during 2020/21 financial year - annual water quality testing for each aquatic facility, and a Risk/OHS inspection.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
Service cost					
<i>Cost of aquatic facilities</i>	New in 2020	New in 2020	\$9.12	\$15.83	The increased cost per visit is reflective of the COVID downturn in visitation and reduced income.
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]					
Utilisation					
<i>Utilisation of aquatic facilities</i>	5.53	3.95	3.85	2.16	Mitchell has a municipal population of 47,647 people who made 102,753 visits to aquatic facilities during 2020/21 financial year.
[Number of visits to aquatic facilities / Municipal population]					
Visitation decreased dramatically largely due to COVID-19 closure periods with memberships also decreasing.					

<i>Service/indicator/measure</i>	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Food Safety					
<i>Timeliness</i>					
<i>Time taken to action food complaints</i>	1.00	1.00	1.00	1.00	Our Environmental Health Department action all food complaints within a maximum of two working days of receipt of a complaint.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
<i>Service standard</i>					
<i>Food safety assessments</i>	100.00%	111.25%	105.81%	100.00%	Mitchell Shire Council has completed all require food assessments for 2020 calendar year.
[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] x100					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Food Safety					
Service cost					
<i>Cost of food safety service</i>	\$392.16	\$436.19	\$456.11	\$472.40	In 2018/19 an administration resource was added to support the field officers. The ongoing cost for service is closely in line with similar councils.
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i>	100.00%	100.00%	100.00%	100.00%	Our Public Health Team consistently achieves a result of 100% for all reporting periods.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premise] x100					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Libraries					
<i>Utilisation</i>					
<i>Library collection usage</i>	2.63	2.53	1.90	1.95	<p>Mitchell Shire Library Service collection comprises of a broad range of books, audio books, magazines and e-resources. Mitchell Shire Libraries have a total of 59,077 physical items in our collection with 79,162 loans of physical items during the 2020/21 financial year.</p> <p>The reduction in usage has been contributed to by the Pandemic crisis. Since restrictions began, our libraries have been running either limited or no service depending on the requirements of the Chief Health Officer. We have expanded our home delivery service as a consequence and are looking at ways to further improve.</p> <p>Our 2020/21 financial year results reflects a subset of the entire library collection and is focussed on print material (books, magazines, serials, maps, plans, manuscripts) and physical audio visual or digital materials (CDs, DVDs) and toys and games on hand that can be reserved or borrowed. This now excludes non-physical items such as music streaming services or eBooks and other such digital services.</p>
[Number of library collection item loans / Number of library collection items]					
<i>Resource standard</i>					
<i>Standard of library collection</i>	56.09%	60.91%	55.89%	45.55%	<p>Mitchell Shire Libraries continue to commit to a modern and relevant library collection which reflects our communities' expectations to access current and high-quality material and resources. With the available budget, robust outsourcing of a shelf-ready items and obtaining the most competitive pricing for the purchasing of resources, we have been successful in sustaining the standard of the collection at an acceptable level.</p> <p>Our 2020/21 financial year result reflects the entire library collection, including print material (books, magazines, serials, maps, plans, manuscripts) and physical audio visual or digital materials (CDs, DVDs) and toys and games on hand that can be reserved or borrowed.</p>
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Libraries					
Service cost					
<i>Cost of library service</i>	New in 2020	New in 2020	\$20.73	\$21.43	Mitchell Shire has provided four static libraries and one micro-library in the main town centres of Wallan, Kilmore, Broadford, Seymour and Beveridge during 2020/21.
[Direct cost of the library service / Municipal population]					
Participation					
<i>Active library borrowers</i>	12.16%	11.00%	10.90%	8.77%	The Mitchell Shire Library Service had 2,783 active library borrowers (and renew) from the library collection during 2020/21 financial year. The reduction in borrowing has been significantly impacted by the current Pandemic crisis. Since the beginning of restrictions, our libraries have been running either limited or no service depending on the requirements of the Chief Health Officer. We have expanded our home delivery service as a consequence and are looking at ways to further improve on this service in the new financial year.
[Number of active library borrowers / Municipal population] x100					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Maternal and Child Health (MCH)					
Satisfaction					
<i>Participation in 4-week Key Age and Stage visit</i>	98.25%	100.33%	100.68%	98.72%	Participation rates continue to be impacted by a number of babies being in hospital for an extended period of time, or a home visit was declined.
[Number of 4-week KAS / Number of birth notifications received] x100					
Service standard					
<i>Infant enrolments in the MCH service</i>	101.75%	101.49%	100.68%	100.28%	For the 2020/21 financial year there were 706 birth notifications received by Council, and including transfers into our municipality, a total of 704 infants were enrolled. It should be acknowledged that participation in the MCH Service is not compulsory and some families may seek physical and developmental assessments from other services, including GPs and allied health.
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
Service cost					
<i>Cost of the MCH service</i>	\$70.49	\$78.99	\$79.64	\$77.08	In the 2020/21 financial year, the total number hours worked was 21,550.75 which equates to a cost per hour of service of \$77.08. We provide a lean and efficient service while meeting the nurse/child ratios of 1:130 as agreed to in the Enterprise Bargaining Agreement.
[Cost of the MCH service / Hours worked by MCH nurses]					

Service/indicator/measure	2017/18 Result	2018/19 Result	2019/20 Result	2020/21 Result	Comments
Maternal and Child Health (MCH)					
<i>Participation</i>					
<i>Participation in the MCH service</i>	77.29%	76.48%	77.02%	77.68%	<p>This percentage only reflects those children due a KAS consultation within the reporting timeframes. For this number to be accurate, a full 12 months numbers must be recorded. Participation in the MCH service is not compulsory and some families choose to attend other services for their health and developmental assessments, or they may also choose not to have their children assessed as they have no concerns around their children's health and development.</p> <p>Mitchell MCH continues to achieve high participation rates with our community.</p>
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<i>Participation</i>					
<i>Participation in the MCH service by Aboriginal children</i>	89.02%	82.33%	85.71%	82.57%	<p>This percentage only reflects those children that are due a KAS consultation within the reporting timeframe. For this number to be accurate, a full 12 months must be recorded. There are 18 months between 2yr and 3.5yr KAS assessment, and some Aboriginal children will not need to engage with the MCH Service at this time. Some children are in Out of Home Care or have moved out of the region, however their client file remains with Mitchell until they engage with another Local Government MCH Service.</p> <p>Mitchell MCH continues to achieve high participation rates with our community.</p>
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					



SUPPORTING LOCAL JOBS AND QUALITY INVESTMENT



Great Victorian Rail Trail, Tallarook

STRATEGIC OBJECTIVE 5: SUPPORTING LOCAL JOBS AND QUALITY INVESTMENT

To identify, encourage and actively promote investment, business and tourism.

To achieve our objective, we will:

- > Facilitate a high level of civic pride in the presentation of public and private land in our towns and communities.
- > Foster economic growth through supporting new and existing businesses, industry, public sector investment, and events.
- > Provide support for existing businesses to connect and access opportunities to improve and grow their businesses.
- > Encourage local networks which support economic growth.
- > Support the development and enhancement of local tourist attractions.
- > Promote our region and towns as a destination for tourists and visitors.

CONTEXT

Mitchell Shire is strategically located to take advantage of Victoria's growing economy. It has a sound and sustainable local business base and great economic potential and opportunities for further growth and prosperity.

Mitchell Shire supports more than 10,000 local jobs and has an estimated Gross Regional Product (GRP) of \$1.4B and total economic output of \$3.28B. With the inclusion of Beveridge and Wallan within Melbourne's urban growth boundary and anticipated growth across the rest of the Shire, our population will continue to grow strongly. This growth underscores the importance of and opportunity for creating jobs and attracting quality investment.

Council will work collaboratively with business, government and other organisations to create better conditions for job creation and business growth now and into the future. Our aim is to balance housing and job growth, diversify our local economy, advocate to government and create the conditions where economic growth can occur.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community with a focus on supporting local businesses and tourism.

SERVICE	DESCRIPTION
ECONOMIC DEVELOPMENT AND TOURISM	This service is responsible for assisting Economic Development by supporting local businesses and tourism operators as well as regional tourism and marketing. The service also coordinates tourism and business support events and operates the Seymour Visitor Information Centre.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 5.1: Facilitate a high level of civic pride in the presentation of public and private land in our towns and communities

2020/21 Actions	Duration	Target %	% complete	Progress comment
Support the delivery of the Sydney Street Kilmore Rejuvenation streetscape and public realm upgrade project.	Year 4	100	100 	The Economic Development team, project sponsor for this project, continued to actively support delivery of this project including planning and carrying out further engagement with key stakeholder groups, further development of emerging designs, and other necessary steps to continue to enable the project.

Strategy 5.2: Foster economic growth through supporting new and existing businesses, industry, public sector investment and events

2020/21 Actions	Duration	Target %	% complete	Progress comment
Support investment opportunities in Seymour as part of revitalisation strategy and elsewhere in the Shire as part of ongoing planning for expected population growth.	Year 4	100	100 	Significant work has progressed to support investment in Seymour, including the potential for the development of an industrial estate in Hilldene. Investment facilitation activities have also been ongoing with over 10 businesses supported over the quarter with their planning and other permitting enquiries, through Council's newly established Business Concierge service.
Develop and embed “Small Business Friendly Charter” and “Better Approvals” processes across the organisation.	Year 4	100	100 	The Business Concierge service, which was the key outcome of the Better Approvals project, was launched in November 2020. It was proven to be a success to not only the businesses who use the service, but also internally through inter-department collaboration to break down silos which culminates in the best possible outcome for our businesses. This ongoing service is core to being a Small Business Friendly Council.

Strategy 5.3: Provide support for existing businesses to connect and access opportunities to improve and grow their businesses

2020/21 Actions	Duration	Target %	% complete	Progress comment
Prepare a process to develop a new four-year Economic Development Strategy.	Year 4	100	50  	Economic Development have continued to support the Mitchell Community Vision project, including arranging five business engagement events. Following analysis of the community vision consultation outcomes, the scope and purpose of this strategy will be reviewed as part of the 2021/22 financial year.
Support business as part of COVID-19 recovery process.	Year 4	100	100 	<p>Council provided direct support to businesses as they accessed outdoor dining grants from State Government and also designed and administered a Hardship Recovery Fund grant for especially hard hit but so far un-assisted businesses.</p> <p>The Economic Development Team continue to support local businesses during the COVID-19 pandemic by regularly disseminating accessible financial and mental health support available to them. Two new short-term roles are being advertised to support both businesses and events with their COVID-safe practices.</p>

Strategy 5.4: Encourage local networks which support economic growth

2020/21 Actions	Duration	Target %	% complete	Progress comment
Engage and build links with Kilmore businesses and their representatives as part of the Sydney Street Kilmore Rejuvenation Project.	Year 4	100	75  	Broader stakeholder engagement has been delayed due to plan changes required by Regional Roads Victoria. Business who have previously been engaged with have been made aware of the delays. Stakeholder engagement is now due to commence in mid-July 2021.
Continue support and engagement with established Chambers of Commerce including with relation to business and tourism recovery from COVID-19	Year 4	100	100 	The Economic Development Team continue to work very closely with the two established Chambers of Commerce and are assisting with new launch of the Mitchell Women in Business group. The team provide promotional support for their programs and events that assist with recovery from the COVID-19 pandemic.

Strategy 5.5: Support the development and enhancement of local tourist attractions

2020/21 Actions	Duration	Target %	% complete	Progress comment
Review the Event Management Framework processes and the Event Organiser Concierge Service and make improvements as required based on the State Government's "Better Approvals Program".	Year 4	100	60  	Internal meetings have been taking place regarding this review. As a first step we are looking at simplifying the process for event's organisers through our website. We will look at further improvements/changes pending resources.

Strategy 5.5: Support the development and enhancement of local tourist attractions

2020/21 Actions	Duration	Target %	% complete	Progress comment
Actively engage with the outcomes of State Government Regional Tourism Review and seek to establish regional links that will most strongly support high quality growth and investment in the tourism and visitor economy.	Year 4	100	100 	The findings of the State Government Regional Tourism Review was handed down as the Visitor Economy Recovery and Reform Plan in the light of COVID-19 and other disasters. This Plan does not provide designated Regional Tourism Bodies, however, provides recommendations for the future. Council continues to advocate and work with State Government on the matter. Council also continues to work collaborative with surrounding regions.
Examine opportunities to connect Seymour to the Great Victorian Rail Trail.	Year 4	100	100 	Following the Council resolution of 15 March 2021, additional work was completed by One Mile Grid. The project is now completed, and the funding acquittal and final payment milestone has been lodged with Regional Development Victoria.

Strategy 5.6: Promote our region and towns as a destination for tourists and visitors

2020/21 Actions	Duration	Target %	% complete	Progress comment
Create and disseminate a 'Welcome Back to Mitchell' tourism promotion campaign, using a range of media including print, online/digital and audio/visual, to support Mitchell Shire's tourism and visitor economy businesses as they recover from the impact of COVID-19.	Year 4	100	100 	Conclusion of marketing occurred with continuation of campaign on Discover Mitchell Platforms. This included social media ads and digital media buys in Time Out Melbourne. Print publications supported digital activity with regional newspapers. Campaign drove target audience of Melbourne residents to our page with over 50% of our online audience now from the Melbourne Region.
Develop a targeted sector-specific prospectus for the Visitor Accommodation sector that identifies the opportunities available in Mitchell Shire and actively promote it to potential hotel, motel, and other accommodation providers.	Year 4	100	35 	Officers commenced work to understand the visitor market and to assess the existing provision of visitor accommodation in the Shire; to establish a baseline for the development of further prospectus-type information. The work has been delayed due to COVID-19 but will continue in 2021/22.



FINANCIAL AND ORGANISATIONAL MANAGEMENT



Map of Mitchell Shire, Council Civic Centre, Broadford

STRATEGIC OBJECTIVE 6: FINANCIAL AND ORGANISATIONAL MANAGEMENT

To be leaders in financial and organisational management.

To achieve our objective, we will:

- > Ensure Councillors and Council staff work together to deliver the best for the community.
- > Deliver high quality projects that benefit our community.
- > Ensure a customer-first approach for responsive service delivery and communication.
- > Develop and adopt policies and procedures that reflect responsible, transparent and accountable management of Council finances.
- > Ensure appropriate and prioritised budgeting which meets the needs of our present and future communities.
- > Support and retain high quality Council staff.
- > Ensure a strong ethical culture that is intolerant of any form of corruption.
- > Use technology to support and enhance communications and service delivery.

CONTEXT

Our financial and organisational management focus supports the organisation to provide high quality frontline services and information to the community, to recruit and retain staff and to ensure that the organisation's structures, activities and operations are conducted with probity, transparency and accountability.

It is important that the organisation embraces digital technology and demonstrates leadership by continuously improving the way we deliver our services, provide information to the community and ensure sound and sustainable financial and organisational management.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

The services are provided across the organisation, to Councillors and to the wider community.

SERVICE	DESCRIPTION
COUNCILLORS AND CHIEF EXECUTIVE OFFICER SUPPORT	This service includes the Mayor, Councillors, and the Chief Executive Officer and associated support which cannot be otherwise attributed to the direct service provision areas.
FINANCE	This service is responsible for financial services such as financial accounting, management accounting, and accounts payable services. The costs include corporate expenses such as interest on borrowings, bad debt write off, and the payment of State Government fire services levy charged on Council properties.
GOVERNANCE AND CORPORATE ACCOUNTABILITY	This service ensures that we meet our legislative responsibilities by providing an ethical basis for good governance which facilitates informed and transparent decision making.
INFORMATION SERVICES	This service is responsible for the management, maintenance and disposal of all corporate information according to government legislation, Council strategy, policy, established procedures, and business rules.
INFORMATION SYSTEMS	This service delivers appropriate and cost-effective technology, which supports Mitchell Shire Council and its employees in delivering services to the community.
PEOPLE AND CULTURE	This service is responsible for human resources, learning and development, employee relations, human resource services and payroll.
RATES REVENUE	This service is responsible for the rates revenue for the Council and manages the valuation contract, rating system, rates enquiries, and the fire services levy.
RISK, INSURANCE, AND OCCUPATIONAL HEALTH AND SAFETY	This service ensures a safe workplace and good risk management processes; and to provide services with a fair and consistent application of legislation and processes to ensure that employees and community enjoy a safe and sustainable environment.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 6.1: Ensure Councillors and Council staff work together to deliver the best for the community				
2020/21 Actions	Duration	Target %	% complete	Progress comment
Review the Councillor Code of Conduct.	Year 4	100	100 	Delivered in February 2021 as per legislative requirements
Develop the Councillor Handbook.	Year 4	100	100 	The Councillor Handbook was delivered in September 2020 in preparation for the October Councillor Elections.
Develop a program to help inform candidates on the role and responsibilities of Council, in anticipation of the next Council election.	Year 4	100	100 	Delivered in September 2020 in preparation for the October Councillor Elections.

Strategy 6.2: Deliver high quality projects that benefit our community

2020/21 Actions	Duration	Target %	% complete	Progress comment
Commence the transition to 10-year capital works planning for asset renewal program.	Year 4	n/a		This initiative will be actioned in the latter half of the financial year ahead of the 2022/23 budget development process.
Develop and document agreed community infrastructure priorities over the short, medium, and longer term, in the format of a Community Infrastructure Program as part of the Mitchell Shire Council Community Infrastructure Process to enable Council to plan for and deliver appropriate and accessible community facilities that address the current and future needs of our community.	Year 4	50	50 	As part of the community infrastructure approach work is being undertaken to enable Council to plan for and deliver appropriate and accessible community facilities that address the current and future needs of our community. This will have a focus on wholistic planning including community infrastructure and recreation and open space infrastructure.
Review and expand the Project Management Framework to cover non-capital projects.	Year 4	40	40 	Project management training and development continues to be rolled out across the organisation and new software is currently being investigated to establish standard project management systems and processes.

Strategy 6.3: Ensure a customer-first approach for responsive service delivery and communication.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Undertake data cleanse of the Name and Address Registers to support the “Customer Request Management” Project.	Year 4	60	60 	Customer data extracted and analysed. Prioritised remediation identified. Related business processes to be reviewed with various internal stakeholders to improve data quality. NAR Officer resource to be recruited in September 2021. Actions to be implemented post-recruitment.
Evaluate and improve the Customer Service Charter.	Year 4	100	100 	Customer Service Charter evaluated, and improvements made. After being presented to Council. The updated Customer Service Charter was launched.
Review the Complaints Handling Framework and Procedure in view of the new Local Government Act 2020.	Year 4	100	100 	Complaints Handling Framework updated, and changes endorsed by Council in February 2021. The updated Framework was launched on the Council website.
Collaboration between Information and Business Transformation and Customer and Library Services teams to expand rollout of Customer Request Management across all Council departments, initially targeting high volume customer requests.	Year 4	100	40  	CRM Pilot in progress. Project affected by loss of resource. Two pilot teams and dashboarding to be delivered by September. Enterprise roll-out planning underway.

Strategy 6.4: Develop and adopt policies and procedures that reflect responsible, transparent, and accountable management of Council finances and risks.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Deliver new Governance Rules to replace the current Meeting Procedure Local Law.	Year 4	100	100 	Delivered. Adopted by Council at the August 2020 Council meeting.
Implement the completion of Compliance Training during onboarding of new staff.	Year 4	100	60  	User uptake on compliance training has increased but is still lower than what is required.

Strategy 6.5: Ensure appropriate and prioritised budgeting which meets the needs of our present and future communities.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Increase community accessibility to budget performance reports via a dedicated location on the council website.	Year 4	n/a		Project has been deferred due to competing priorities.

Strategy 6.6: Support and retain high quality Council staff.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Progress workforce planning to improve Council's response to emergency.	Year 4	50	35  	Workforce planning needs to be implemented as per the Local Government Act 2020. The project is on schedule to be completed by December 2021 as required.
Implement the Enterprise Bargaining Agreement.	Year 4	100	100 	Enterprise Agreement approved and came into effect on 10 December 2020. Implementation undertaken progressively from that date.

Strategy 6.7: Monitor, scrutinise and regularly report on the operation of Mitchell Shire Council.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Prepare reports to the community on number and types of complaints.	Year 4	100	100 	Numbers of complaints reported to Councillors. Further work required to ensure numbers accurately reflect actual complaints received. Future rollout of Customer Request Management system will assist.

Strategy 6.8: Use technology to support and enhance communications and service delivery.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Deliver a new Information and Communication Technologies (ICT) Strategy with a prioritised implementation plan.	Year 4	60	30  	Progress affected by resourcing during COVID-19. Pre-scoping undertaken with key stakeholders. Report delivered identifying broad-focus areas. RFQ for full document in progress.
Progress the use of the Employee Self Service Module (ESS).	Year 4	100	100 	The management of Performance Development Plans have been migrated to the ESS Module.
Continue to improve the automation of accounts payable.	Year 4	40	40 	<p>This project is in the scoping phase and data is being gathered to assess the gaps/improvement opportunities in the current process. Stakeholder consultation has been undertaken and inputs being adapted in the improvement plan.</p> <p>This project will be implemented in this and the next year due to the inherent complexities and dependencies on the vendor.</p>
Upgrade the intranet to improve staff self-service of resources.	Year 4	100	100 	Project resourced via WFV. Project aligns with Digital Workspace project to improve information management practices. Intranet delivered.
Continue to implement the oMail project (inward email correspondence scanning).	Year 4	100	100 	This project continues to be expanded across the organisation and has supported significant streamlining of digitisation of physical mail items.

Strategy 6.8: Use technology to support and enhance communications and service delivery.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Continue to implement the Avepoint project (record management).	Year 4	75	25  	Some decisions being made as to whether the full project will be delivered or just the Cloud Governance component to begin with.
Replace microwave technology with 4G, NBN or fibre at all networked council-managed sites.	Year 4	100	100 	This project has been completed.
Complete the Skype for Business implementation project and scope migration to Microsoft Teams.	Year 4	60	10  	Project has been deferred due to competing priorities.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2017/18 Result	2018/2019 Result	2019/20 Result	2020/21 Result	Comments
Governance					
Transparency					
<i>Council decisions made at meetings closed to the public</i>	17.01%	18.70%	22.52%	16.00%	Fewer decisions were made in meetings closed to the public in 2020/21. As fewer projects were initiated due to Pandemic restrictions, these decisions, relating primarily to tenders for Capital projects, also reduced.
[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100					
Consultation and engagement					
<i>Satisfaction with community consultation and engagement</i>	53	53	52	50	This result, while slightly lower than in previous years, is a credit to Councillors and staff, all who work hard to engage with community, improve our services, obtain significant grant funding and provide great visibility to the community of new and improved infrastructure.
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement					

Service/indicator/measure	2017/18 Result	2018/2019 Result	2019/20 Result	2020/21 Result	Comments
Attendance					
<i>Councillor attendance at Council meetings</i>	97.62%	88.19%	88.24%	91.45%	As an organisation, we were able to flex with Pandemic requirements as they were being announced, and as a result of livestreaming council meetings, we have been able to maintain a very high level of Councillor attendance.
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
Service cost					
<i>Cost of governance</i>	\$40,586.39	\$40,805.66	\$40,879.72	\$44,492.65	These costs are per Councillor and are consistent with costs of Councillor allowances, training, attendance at conferences and seminars, IT equipment and other incidentals, including compulsory training of councillors over the 2020 election period.
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
Satisfaction					
<i>Satisfaction with Council decisions</i>	50	52	49	51	This result is slightly lower than in previous years. Council continues to engage with community, improve our services, obtain significant grant funding and provide great visibility to the community of new and improved infrastructure.
[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]					



CARING FOR OUR ENVIRONMENT



Clean Up Australia Day, Kilmore

STRATEGIC OBJECTIVE 7: CARING FOR THE ENVIRONMENT

To be responsible custodians, by managing and enhancing our environment, minimising the impacts of development, waste, natural disasters and climate change.

To achieve our objective, we will:

- > Protect and enhance Mitchell Shire's rural landscape and natural assets.
- > Empower the community through partnerships and education.
- > Be prepared and proactive in responding to the effects of climate change on the community.
- > Investigate and initiate innovative practices in key aspects of environmental management.
- > Provide opportunities for the community to experience nature in their everyday lives.
- > Improve compliance with fire hazard removal, weed management and appropriate waste disposal.

CONTEXT

Council plays an important role in environmental management through our controls over strategic land use planning, environmental health and in our role as a public land manager. We recognise that the environment underpins prosperity and we recognise the importance of working in partnership with environmental and land management organisations and responsible landholders.

There is a need to ensure that the rural landscape, natural assets and biodiversity are adequately protected, while planning for managed growth in our Shire.

There are significant challenges in planning for sustainable waste and resource recovery services, ensuring the rural landscape is protected.

Council seeks to increase the level of community participation and education in the management of the natural environment and empower residents to prepare for the impacts of climate change. It is committed to integrating innovative and sustainable practices into our operations to reduce energy and water usage and costs.

With an environment that is increasingly subject to climatic extremes, Council will work with communities and agencies to reduce the impacts of climate change, prepare for, and respond to, natural disasters and emergency events such as fire and flood.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2020/21 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community as well as commercial operators and people from outside the municipality who access Council's landfill.

SERVICE	DESCRIPTION
ENVIRONMENTAL SUSTAINABILITY	This service is responsible for conservation and achieving an environmentally healthy and sustainable Council including environmental planning, community planting and encouraging sustainable resource management.
FIRE PREVENTION AND EMERGENCY MANAGEMENT	This service is responsible for fire prevention activities and community education as well as emergency management planning, including the Municipal Emergency Management Plan.
WASTE MANAGEMENT	This service is responsible for the provision of waste management services at Seymour Landfill plus four resource recovery centres. This service also manages the kerbside waste collection service.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017 - 2021 Annual Action Plan 2020/21.

Strategy 7.1: Protect and enhance Mitchell Shire’s rural landscape and natural assets.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Develop and implement Tree Management Policy including linkages to the “Living Melbourne. Urban Forest Strategy” and targets.	Year 4	100	75  	Policy deferred by Council at May Council Meeting. Further work now being done to finalise this policy

Strategy 7.2: Empower the community through partnerships and education.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Collaborate with water authorities and other organisations to increase our advocacy for the use of recycled water options and water security in the Shire.	Year 4	100	100 	While work in this space is ongoing, involvement in the Goulburn Broken and Merri Creek Integrated Water Management plans and forums, and development of projects for state government funding aims to support water security in the Shire.

Strategy 7.3: Investigate and initiate practices in key aspects of environmental management.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Establish a framework for the delivery of the Mitchell Shire Council Environment Policy and commence implementation.	Year 4	100	75  	Actions have included the development of the Draft Environmentally Sustainable Design for Council Buildings Policy, involvement in the elevating ESD in the planning scheme project, engagement in the review of Council's procurement Policy and integration of sustainability principles in the review of the project management framework.
Develop a "Circular Economy Transition Plan" to reduce waste to landfill and mitigate the climate change impacts from waste.	Year 4	100	100 	Draft kerbside transition plan submitted to DELWP in September 2020. Additional measures to reduce waste to landfill and mitigate the impacts of waste on climate change to be addressed in the revised Waste Management Strategy.
Commence the review of the Waste Minimisation Strategy.	Year 4	20	20 	Commence review of current Waste Management Strategy in Q4. Will be completed by December 2021.
Develop a Southern Region Waste Resource Recovery Education Strategy for Mitchell, Strathbogie, and Murrindindi.	Year 4	100	100 	Strategy was completed and endorsed by Council in October 2020.

Strategy 7.4: Be prepared and proactive in responding to the effects of climate change on the community.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Review the Mitchell Shire Environment Strategy 2014-2024 and Sustainable Resource Management Strategy 2011.	Year 4	100	25  	The review of the Sustainable Resource Management Strategy has commenced, however the review will be informed by Councils consideration of a Climate Emergency Declaration (Notice of Motion 1004).
Implement and report on the 2020/21 Environment Strategy's action plan.	Year 4	100	100 	<p>Implementation of Council's environment strategy is ongoing. Actions for 2020/21 included:</p> <ul style="list-style-type: none"> > Council's conservation covenant grant program > flora and fauna surveys > interpretive signage > solar installation at Greater Beveridge Community Centre > appointment of a new Mitchell Shire Environment Committee > fuel management plan for Monument Hill Kilmore developed > draft ESD for Council buildings policy developed > revegetation and weed control projects delivered and collaboration with other government agencies and community groups on environmental projects. <p>A report is due to be presented to the September 2021 Council meeting</p>

Strategy 7.5: Provide opportunities for the community to experience nature in their everyday lives.

2020/21 Actions	Duration	Target %	% complete	Progress comment
Work collaboratively with DELWP to progress the Feasibility Study for the Wallan Regional Park.	Year 4	50	50 	This project is being led by DELWP. Council officers are seeking further updates from DELWP and other key stakeholders on the progress of the Feasibility Study.

Strategy 7.6: Improve compliance with fire hazard removal, weed management and appropriate waste.

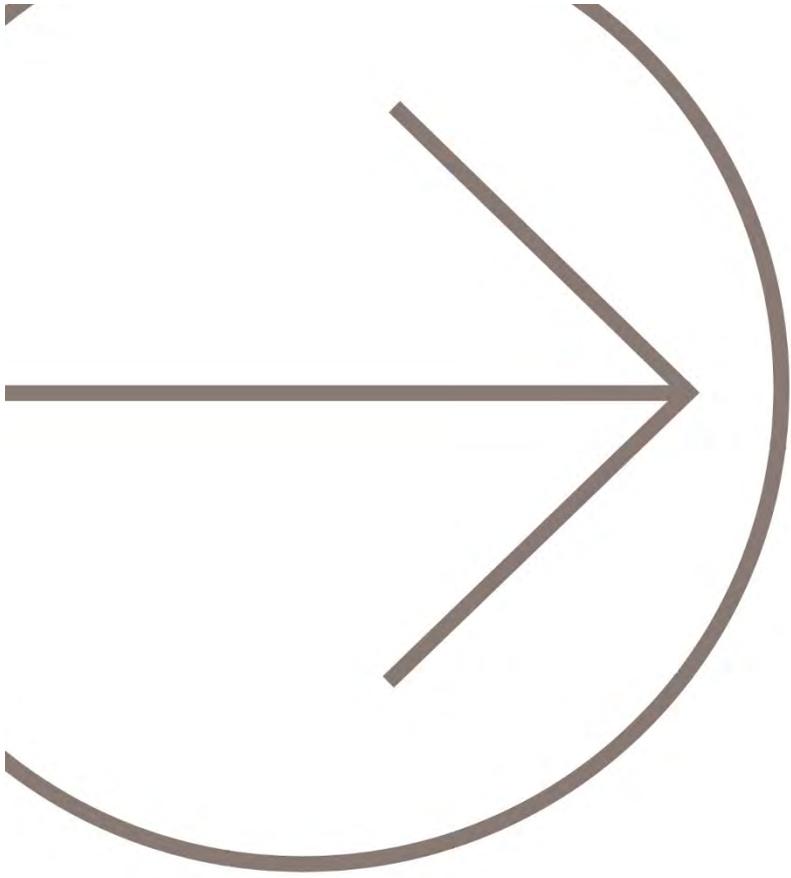
2020/21 Actions	Duration	Target %	% complete	Progress comment
Complete the final rehabilitation of the former Seymour Landfill.	Year 4	60	60 	Rehabilitation design has been revised and approved by the EPA. Tender to be released late July 2021.
Commence the design and construction of the new Seymour Resource Recovery Centre.	Year 4	50	50 	Project has been scoped and scaled to meet site and user requirements. Detailed documents are being completed in readiness for construction tender phase.
Complete the design of the future expanded Wallan Resource Recovery Centre.	Year 4	n/a		Project delivery timeframe revised to 2021/22 following purchase of land being finalised.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2017/18 Result	2018/2019 Result	2019/20 Result	2020/21 Result	Comments
Waste Collection					
Satisfaction					
<i>Kerbside bin collection requests</i>	71.16	50.33	55.67	70.02	Increased kerbside bin collections are largely associated with the transition to a work from home environment for many households and the inclusion of repair requests.
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000					
Service standard					
<i>Kerbside collection bins missed</i>	7.59	5.45	3.95	5.45	Council has experienced a slight increase in missed bin collection requests this year, however, still remain in line with all Councils at 5.03 during 2019/20 financial year.
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					
Service cost					
<i>Cost of kerbside garbage bin collection service</i>	\$58.72	\$59.94	\$82.77	\$100.00	The cost of the kerbside garbage collection service has increased this year to account for increased landfill disposal costs.
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]					

Service/indicator/measure	2017/18 Result	2018/2019 Result	2019/20 Result	2020/21 Result	Comments
Service cost					
<i>Cost of kerbside recyclables collection service</i>	\$41.86	\$49.83	\$58.90	\$59.84	The cost of the kerbside recyclable collection service has increased in line with increased processing costs experienced by the resource recovery industry.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	32.88%	32.75%	31.46%	30.62%	Our result for 2020/21 financial year has decreased slightly from the previous year. Mitchell Shire Council does not currently have a kerbside green organics collection.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					



CORPORATE GOVERNANCE



LOCAL GOVERNMENT ACT 2020

The Local Government Act 1989 and regulations prescribed many details about how councils could, amongst other things:

- make decisions
- conduct public consultation processes
- provide notices of meetings
- run meetings
- make information available to the public

Over time it became apparent this level of prescription was unnecessary for modern councils. The *Local Government Act 2020* (ratified March 2020) is a principles-based Act, removing unnecessary regulatory and legislative prescription.

The 5 principles below have guided the development of the *Local Government Act 2020*.

COMMUNITY ENGAGEMENT

This principle aims to ensure all Victorians have the opportunity to engage with their council on the future of their community. At a minimum, all councils must adopt and maintain a community engagement policy which must be used in the development of:

- > planning and financial management
- > community vision
- > council plan
- > financial plan

STRATEGIC PLANNING

The *Local Government Act 2020* requires councils to develop an integrated, longer-term and transparent approach to planning that supports councillors in leading strategically, rather than focusing on operational issues.

The strategic planning principle works together with the community engagement principle to ensure that communities are involved in strategic planning and decision making.

FINANCIAL MANAGEMENT

A significant percentage of a council's revenue comes from rates, and the community has expectations that these rates will be used to deliver an array of services and infrastructure. It is vital that councils undertake responsible spending and investment that ensures financial, social and environmental sustainability.

The new *Local Government Act 2020* is also intended to create a legislative environment that embraces innovation, modern business practices and microeconomic reform.

PUBLIC TRANSPARENCY

Openness, accountability and honesty are essential to build high levels of accountability and trust amongst citizens and enable fully informed engagement in the democratic process.

Councils will be required to adopt and maintain a public transparency policy, which must be in line with underpinning principles in the Act.

SERVICE PERFORMANCE

This principle ensure that councils deliver services to the community that are equitable, accessible, good value and meet the needs of their diverse communities.

IMPLEMENTATION

A phased approach to implementation is occurring, and as a result, difference sections of this Report will refer to one or both iterations of the Local Government Act.

The first phase includes:

- > Governance rules
- > Expenses policy
- > Delegated Committees
- > Asset Committees
- > Audit & Risk Committee
- > Public Transparency

GOVERNANCE

Mitchell Shire Council is constituted under the *Local Government Act 2020* to provide good governance for the Mitchell Shire for the benefit and wellbeing of the local community. Council has several roles including:

- > Making council decision and taking actions in accordance with relevant law
- > Giving priority to achieving the best outcomes for the community, including future generations
- > Ensuring the economic, social and environmental sustainability of the municipality including mitigation and planning for climate change risks
- > Pursuing innovation and continuous improvement
- > Collaborating with other Councils and Government and statutory bodies
- > Engaging the community in strategic planning and strategic decisions making, considering regional, state and national plans
- > Ensuring the ongoing financial stability of the Council
- > Ensuring transparency of Council decisions, actions and information; strategic management, financial management and service performance
- > Supporting the principles of community engagement, public transparency

Community input is sought on a range of matters in accordance with Council's Engagement Framework and through Advisory Committees.

Council's formal decision-making processes are conducted through Council meetings and Committees of Council. Council staff also have delegated authority for some decision-making. These delegations are exercised in accordance with adopted Council policies.

COUNCIL MEETINGS

Council decisions are made at scheduled meetings of Council. Meetings are open to the public unless Council resolves to close the meeting to consider confidential matters. Meetings are usually held on the third Monday of each month. There were no scheduled meetings in January. Council can also hold additional Council Meetings as needed.

Council also has a Community Questions and Hearings Committee which meets to hear and report to Council on submissions received under the *Local Government Act 2020* and on objections and submissions received in relation to planning permit applications and strategic planning matters under the *Planning and Environment Act 1987*.

The delegation to the Community Questions and Hearings Committee also provides the opportunity for members of the public to ask questions on issues in which Council has a direct interest or responsibility, and for community organisations to present on matters of interest.

Ordinary Council and Community Questions and Hearings Committee meetings are conducted in accordance with the Governance Rules. Reports are prepared independently by officers for both the decision and information of the Council.

Disclosure of interest provisions require a Councillor to disclose any conflicts of interest they have in matters being considered at Council meetings. These provisions also apply to meetings closed to the public. Conflict of interest disclosures are recorded in the meeting minutes.

Meeting attendance

There were 12 Council meetings, 1 Statutory Council meeting, 10 Community Questions and Hearings Committee meetings for the period in July 2020 – June 2021*.

Councillor	Council Meeting	Statutory Council Meeting	Community Questions and Hearings Committee	Total
Cr David Atkinson*	4	-	3	7
Cr Bill Chisholm	10	1	9	20
Cr Bob Cornish	7	1	6	14
Cr Rob Eldridge	10	1	6	17
Cr Bob Humm*	4	-	3	7
Cr Annie Goble	9	1	8	18
Cr David Lowe*	4	-	3	7
Cr Rhonda Sanderson	11	1	10	22
Cr Fiona Stevens	10	1	9	20

*Notes: In October 2020 a Councillor election was conducted and Councillors Atkinson retired, Councillors Humm and Lowe were not returned.

Councillor Rhonda Sanderson was elected Mayor in November 2020.

Councillor	Council Meeting	Statutory Council Meeting	Community Questions and Hearings Committee	Total
Cr Christine Banks	7	1	6	14
Cr Louise Bannister	7	1	7	15
Cr Nathan Clark	7	1	7	15

COUNCILLOR CODE OF CONDUCT

The *Local Government Act 2020* requires every council to adopt a Councillor Code of Conduct. Mitchell Shire Council adopted a revised Councillor Code of Conduct at a Council Meeting on 15 February 2021. The Code applies the principles of good governance and accountability and sets agreed standards of behaviour.

CONFLICT OF INTEREST

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

Council has procedures to accommodate disclosure and declarations of a conflict of interest are a standard agenda item for all Council and Committee meetings. If a person has a conflict of interest, they disclose it and, if necessary, step aside from the decision-making process relating to that matter. A register of declared interests is maintained and the following table provides a summary of the conflict-of-interest disclosures made by Councillors during 2020/21.

Conflict of Interest	Council Meetings	Community Questions and Hearings Committee
Direct Interest	0	0
Indirect Interest	4	1
Total	4	1

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 these allowances based on the income and population of each Council. Mitchell Shire Council is a category two council.

For the period for 1 July 2020 to 30 June 2021, the councillor annual allowance for a category 2 council (as gazetted) ranged from at \$10,914-\$26,245 per annum for the Councillor allowance and up to \$81,204 per annum for the Mayoral allowance.

Councillor	Councillor Allowance	Councillor Super	Telecomm.	Councillor Education	Memberships	Travel and Accom	Total
Cr Atkinson	\$8,211	\$780	\$154		\$550		\$9,695
Cr Chisholm*	\$26,728	\$2,539	\$2,274	\$1,330		\$382	\$33,253
Cr Cornish	\$26,728	\$2,539	\$257				\$29,524
Cr Eldridge	\$26,728	\$2,539	\$242				\$29,509
Cr Goble	\$26,728	\$2,539	\$299	\$175			\$29,741
Cr Humm	\$8,211	\$780	\$238				\$9,229
Cr Lowe	\$25,404	\$2,413					\$27,817
Cr Sanderson	\$65,504	\$6,223	\$651	\$2,059	\$300	\$1,541	\$76,278
Cr Stevens	\$26,728	\$2,539	\$620	\$525			\$30,412
Cr Banks	\$18,517	\$1,759	\$216				\$20,492
Cr Clarke	\$18,517	\$1,759	\$215	\$6,699			\$27,190
Cr Bannister	\$18,517	\$1,759	\$227				\$20,503
Total	\$296,521	\$28,168	\$5,393	\$10,788	\$850	\$1,923	\$343,643

** \$1,636 of this relates to a 3G connection at Cr Chisholm's home
Notes:

- > All figures have been rounded
- > Cr Lowe was Mayor until October 2020
- > Cr Sanderson was elected Mayor in November 2020

COUNCILLOR EXPENSES AND SUPPORT

Section 40 of the *Local Government Act 2020* also provides for the reimbursement of necessary out of pocket expenses incurred while performing the duties of a Councillor.

Mitchell's Council Expenses Policy provides for reimbursement of a range of expenses related to approved training, registration fees, conference and functions, travel and childcare. The policy also identifies the facilities, services and resources which are made available to Councillors.

A copy of this policy is available for inspection, as required under section 40 of the *Local Government Act 2020* and is available on Council's website.

In line with the policy, support is provided to the Mayor in the form of a Council vehicle, mobile telephone and computer equipment. Mobile telephones and a selection of computer equipment are also made available to all Councillors.

The following tables shows what equipment has been provided to each Councillor and what reimbursements have been provided in 2020/21.

Councillor	Mobile Phone	Tablet	Printer
Cr Atkinson	✓	✓	X
Cr Chisholm	✓	✓	✓
Cr Cornish	✓	✓	✓
Cr Eldridge	✓	✓	✓
Cr Goble	X	✓	X
Cr Humm	✓	✓	X
Cr Lowe	✓	✓	X
Cr Sanderson	✓	✓	✓
Cr Stevens	✓	✓	✓
Cr Bannister	✓	✓	X
Cr Banks	✓	✓	X
Cr Clark	✓	✓	X

Expense Categories

Councillor Allowances and Superannuation

The Victorian Government sets upper and lower limits for all allowances paid to Councillors and Mayors. Mitchell Shire Council is classified as a category two Council. Allowances are paid in accordance with section 39 of the *Local Government Act 2020*.

Telecommunication

Councillors are supplied with an iPhone, tablet and printer. The provision of these telecommunications services is paid for by Council. Any expenses associated with private use, including any use exceeding the download capacity provided, of these services and facilities, must be reimbursed to Council.

Councillor Education

This category covers registration fees associated with attendance by Councillors within Victoria at one-off or short-term training, conferences and/or functions held by local government related organisations, professional bodies or institutions.

This category also covers fees associated with specialised group training for elected Councillors.

Accommodation and Travel

This category covers expenses associated with attendance by Councillors within Victoria at approved short-term training, conferences and/or functions. The Councillor Expense and Support Policy provides for the reimbursement of car parking fees, e-tags and use of private vehicles while conducting Council business.

COUNCIL REPRESENTATION

Councillors represent the interests of our community through direct contact with residents, representation on local interest groups and involvement in broader scale agency and government committees. In addition to participation in Council meetings and engagement in direct community and individual consultation, Councillors are appointed to a variety of bodies to represent the various interests of Mitchell Shire Council and its people.

The appointments for 2020/21 are listed in the following tables. Appointments were updated at the Statutory Council Meeting on 16 November 2020.

Regional, State-Wide and Local Organisations

Organisation	Appointments (as at 16 November 2020)
Australian Local Government Women's Association – Victorian Branch	Cr Sanderson
Goulburn Broken Greenhouse Alliance	Cr Bannister
Goulburn Valley Waste and Resource Recovery Group (GVWRRG)	Cr Clark
Hume Region Local Government Network (HRLGN)	Mayor, Cr Sanderson Chief Executive Officer
Interface Council Group	Mayor, Cr Sanderson Chief Executive Officer
Merri Creek Management Committee Inc.	Cr Eldridge
Municipal Association of Victoria	Mayor, Cr Sanderson Deputy Mayor, Cr Clark
Municipal Emergency Management Planning Committee	Cr Chisholm
Municipal Fire Management Planning Committee	Cr Chisholm
RoadSafe Goulburn Valley	Cr Stevens Cr Chisholm (substitute) Director Economy, Growth and Infrastructure or delegate
Rural Council Victoria	Mayor, Cr Sanderson
Northern Councillor's Alliance	Mayor, Cr Sanderson Deputy Mayor, Cr Clark
Mitchell Honbetsu Sister City Association Inc	Cr Goble
Mitchell Shire Pest Plan and Animal Taskforce	Cr Chisholm
Rail Freight Alliance	Cr Chisholm
L2P Program	Cr Eldridge

Committees of Management

Central Ward

Organisation	Appointments (as at 16 November 2020)
JJ Clancy Reserve	Cr Bannister
Kilmore Soldiers Memorial Hall	Cr Clark
Wandong Sports and Community	Cr Clark
Wandong Public Hall	Cr Goble
Upper Plenty Mechanics Institute	Cr Goble

North Ward

Organisation	Appointments (as at 16 November 2020)
Australian Light Horse Memorial Park	Cr Sanderson
Harley Hammond Reserve	Cr Chisholm
Kings Park Recreation Reserve	Cr Sanderson
Pyalong Recreation Reserve	Cr Chisholm
Seymour Bushland Park	Cr Sanderson
Seymour Old Courthouse	Cr Stevens
Seymour Tennis Complex	Cr Stevens
Tallarook Mechanics Institute	Cr Chisholm
Tallarook Recreation Reserve	Cr Stevens
Tooborac Mechanics Hall and Reserve	Cr Chisholm

South Ward

Organisation	Appointments (as at 16 November 2020)
Greenhill Social Club	Cr Banks
Committee of Management RB Robson Stadium	Cr Cornish

COUNCIL AND ADVISORY COMMITTEES

Council has established three formal Committees to assist the Council in decision making on specific areas of Council's functions and responsibilities.

Depending on their role and the need for delegated powers, these Committees are advisory committees. Each of these Committees has a Charter adopted by Council resolution and their meetings are governed by Council's Governance Rules.

Council Committees

Organisation	Appointments (as at 25 November 2020)
Audit and Risk Committee	Cr Clark Cr Stevens Cr Sanderson, Mayor (ex-officio)
CEO Performance Review Advisory Committee	Cr Sanderson Cr Clark Cr Bannister Cr Cornish
Community Questions and Hearings Committee	All Councillors

Advisory Committees

Organisation	Appointments (as at 25 November 29)
Mitchell Youth Advisory Committee	Cr Cornish
Social Justice Advisory Committee	Cr Eldridge
Mitchell Environment Advisory Committee	Cr Eldridge
Mitchell Fire Consultative Forum	Cr Chisholm Cr Banks (Substitute)
Mitchell Heritage Advisory Committee	Cr Goble
Mitchell Early Years Reference Group	Cr Cornish
Australia Day Awards Committee	Cr Sanderson Cr Stevens Cr Goble Cr Cornish
Broadford Living & Learning Centre	Cr Stevens

AUDITING

AUDIT AND RISK COMMITTEE

Council has established an independent Audit and Risk Committee (Committee) pursuant to section 53 of the *Local Government Act 2020* (the Act), which supports Council in discharging its oversight responsibilities related to financial reporting, risk management, maintenance of sound systems of internal control, assurance activities including internal and external audit and Council's performance with regard to legislative and regulatory compliance and its Codes of Conduct. It acts in this capacity by monitoring, reviewing and advising on issues within its scope of responsibility. The Committee operates under a Charter which was approved by Council in March 2021.

The primary objective of Mitchell's Audit and Risk Committee is to assist Council in the effective conduct of its responsibilities for managing risk and maintaining a reliable system of internal controls and associated reporting.

The Audit and Risk Committee monitors and provides advice to Council on:

- > External financial reporting
- > Internal and external audit
- > Internal control and risk management
- > Compliance and ethics
- > Fraud prevention
- > Good governance

Membership

The Audit and Risk Committee comprises three independent members, one of whom is appointed Chair, and two Councillors. The Mayor attends in an ex officio capacity and acts as an alternate Councillor member if required. Council members are appointed annually. Independent members are appointed through a recruitment process for an initial three-year period and may be reappointed for two additional three-year terms.

Councillor Members July 2020 to October 2020

Cr David Lowe (Mayor ex officio), Cr David Atkinson and Cr Bob Humm

Councillor Members November 2020 – October 2021

Cr Rhonda Sanderson (Mayor ex officio), Cr Fiona Stevens and Cr Nathan Clark

Independent Members

Bruce Potgieter (chair)

Bruce has over 20 years' involvement with local government as auditor and consultant and is currently an independent member of five Audit Committees. Bruce is a Chartered Accountant with a background in audit, specialising in the local government and health sectors. He was a former member of the local government taskforce which developed the model budget for the sector and chaired the Municipal Association of Victoria's Annual Reporting Awards Committee.

Robert Wernli

A partner in DFK Kidsons, he is a career Chartered Accountant with over 35 years of professional public practice experience. His experience is in audit, finance, due diligence, risk and governance advisory. He has particular experience in local government being involved as an independent member of Audit Committees, being the internal auditor for numerous local governments, and being responsible for the performance of external audits in the local government sector as an audit service provider for the Victorian Auditor General's Office. Robert is a Fellow of Chartered Accountants Australia New Zealand, a Registered Company Auditor, and holds a Bachelor of Commerce from the University of Melbourne.

Marilyn Kearney

Marilyn Kearney has held advisory roles with School of Management at Monash University, LGPro and Women's Housing Ltd. Marilyn holds qualifications in Local Government Law and Public Policy and Management. Marilyn's executive career spans over 25 years in both state and local government. Her responsibilities during her 20 plus years in local government, included the full suite of traditional corporate services including finance, internal and external audit and risk management and legal services. Her role in the state government (Victoria Police) entailed a broader corporate services function including strategic procurement, business planning and development of Key Performance Indicators.

Other participants

Council's Chief Executive Officer, Director Organisational Performance, Director Economy Growth and Infrastructure and Director Advocacy and Communities, Manager Finance and Assets, Manager Governance and Risk, Risk Coordinator, representatives from People and Culture and the Internal Auditor (Pitcher Partners) attend all meetings by invitation of the Committee. The External Auditor (LD Assurance) attended meetings to present the external audit plan and the statutory audit for the Annual Statements and Interim Audit.

Attendance

The Audit Committee met four times during the 2020/21 financial year.

The meetings were held on 24 September 2020, 26 November 2020, 25 February 2021 and 20 May 2021. A quorum was achieved at every meeting except May 2021.

MEMBER	24/09/2020	26/11/2020	25/02/2021	20/05/2021
Mr Michael Ulbrick	✓	X ¹	X	X
Mr Bruce Potgieter (Chair)	✓	✓	✓	✓
Mr Rob Wernli	✓	✓	✓	X
Ms Marilyn Kearney	X [^]	✓	✓	X
Cr Fiona Stevens	X [^]	✓	✓	X
Cr Nathan Clark	X [^]	✓	✓	✓
Cr Rhonda Sanderson (ex Officio)	X [^]	✓	✓	✓
Cr David Lowe (ex Officio)	✓	X [*]	X [*]	X [*]
Cr Bob Humm	✓	X [*]	X [*]	X [*]
Cr David Atkinson	✓	X [*]	X [*]	X [*]

¹ No longer Chair

X* No longer on Council

X[^] New to the Committee

Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the operations of Council. A three-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers council's risk framework, the council plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit and Risk Committee annually.

This year, Council's internal auditor, Pitcher Partners, conducted comprehensive audits of Asset Maintenance, Fraud and Corruption, Corporate Cards, Risk Management and Contract Management.

External Audit

Council's external auditor is selected by the Victorian Auditor General's Office with LD Assurance appointed as Council's external auditor for a three-year period. The Audit Committee reviewed the Annual Financial and Performance Statements and also considered responses prepared by management in the annual statutory audit along with monitoring progress of management in implementing agreed actions.

During the course of review of annual statements, the Audit Committee is also provided an opportunity to meet with the external auditors without management to discuss any issues of relevance.

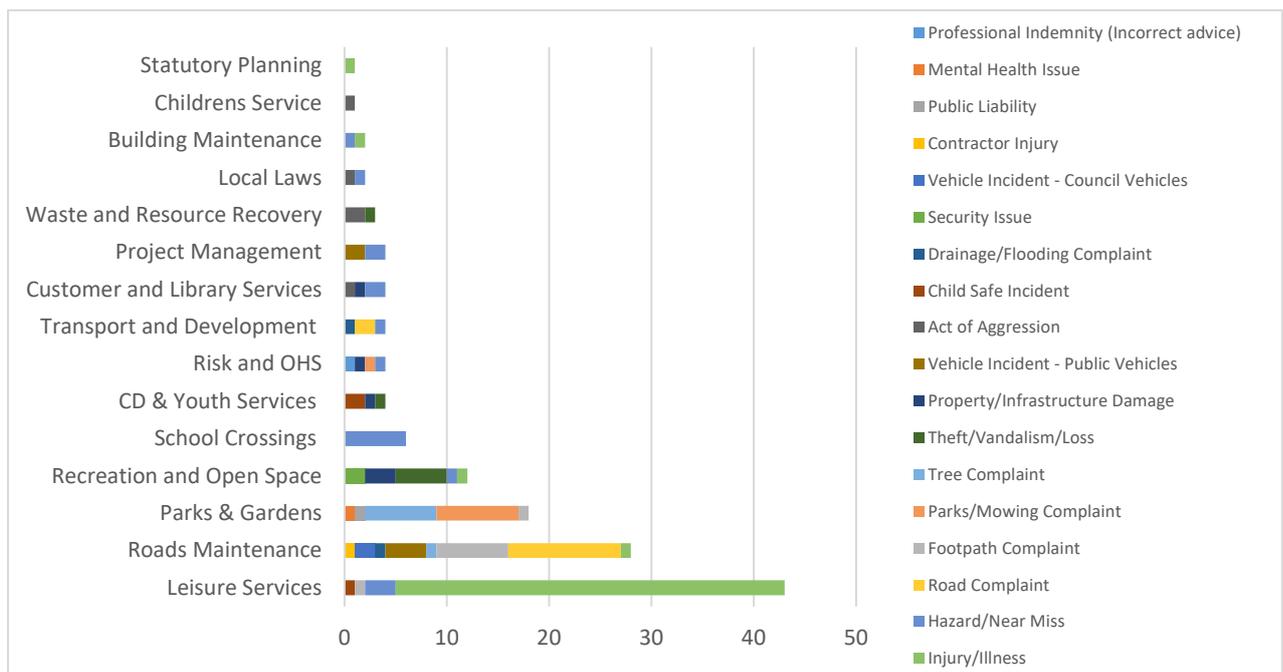
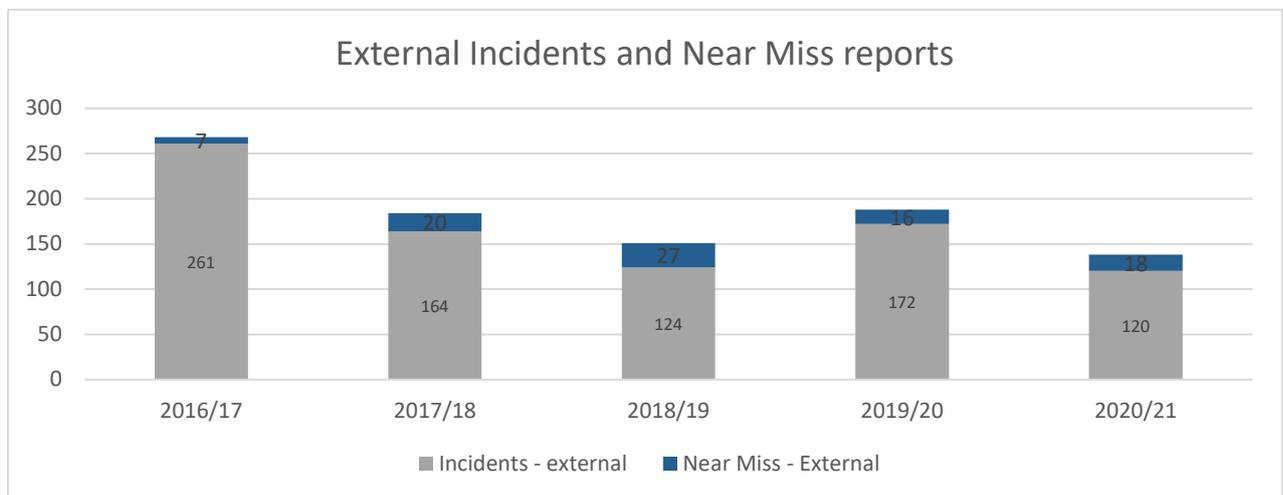
RISK MANAGEMENT

RISK FRAMEWORK

Council is committed to pro-active risk management to help manage the risks of the organisation – reputational, financial, project and outcomes, sustainability, environmental and people resourcing. Risk management helps to provide a safe environment, infrastructure and facilities for employees and for the community. Council manages risk through a framework developed using the International Standard ISO31000. The Risk Management Framework, reviewed in 2017, reflects the risk appetite of the organisation.

The Risk software manages our risk register and has allowed for a systematic review of risks with all leaders in the organisation to identify risks, controls and actions to mitigate strategic and operational risks.

Incidents were reported by the community for roads, footpaths and tree issues.



RISK AUDIT

Council is regularly audited on many aspects of risk management as part of a wider insurance framework. The audits are scored and benchmarked against other councils and specific regions within the state. The level of performance also has an impact on the premiums for Public Liability, Commercial Crime and Asset Protection.

BUSINESS CONTINUITY PLAN

Business continuity planning helps the organisation respond to events which could impact on Council's ability to meet the needs of the community. The Business Continuity Framework identifies opportunities to prevent or minimise business disruption and encourages a culture of resilience and preparedness.

The Business Continuity Framework continues to be tested with the COVID-19 Pandemic. This has shown that Council is able to manage in a mix of online and on-site services and was adept at changing to respond to the various lockdowns and conditions imposed on the organisation by the Victorian Government. The Crisis Management Team grew during the crisis and a Recovery Team emerged to assist the organisation to return to the offices as it was permitted.

The Crisis Team and the Recovery Team worked with the Executive Leadership Team to ensure communication and activities of the Council was done effectively and with one voice.

This ongoing testing of the organisation's preparedness in relation to Business Continuity demonstrates that Council continues to improve and evolve our capacity to meet the needs of our community during disruptions.

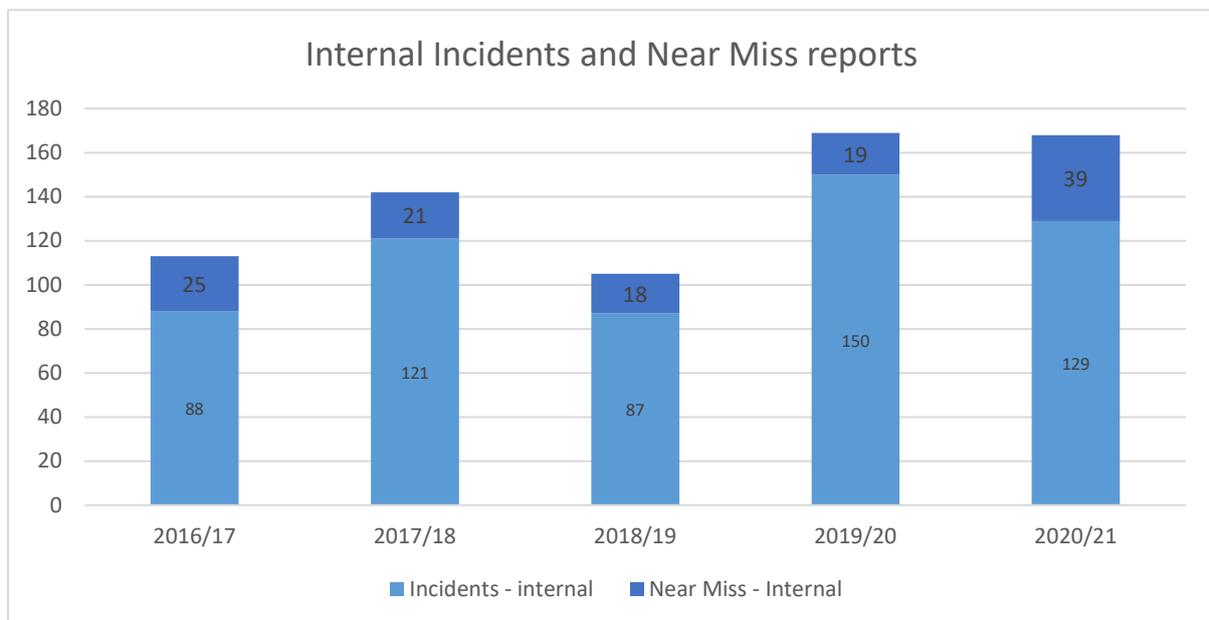
OCCUPATIONAL HEALTH AND SAFETY

Mitchell Shire Council is committed to ensuring the health and safety of employees, contractors and the public. This is achieved using procedures, guidelines and management tools which have developed an informed safety culture and meet our legislative requirements.

REPORTED INCIDENTS AND NEAR MISS REPORTS

All incidents, including near misses must be reported and then actioned by the manager or supervisor in the relevant area.

The incident reporting system is embedded now since its implementation in 2019/20 which has led to improved reporting timelines and continued focus on the reporting of incidents. Risk and OHS continues to use incident data to monitor performance and implement continuous improvement activities to prevent recurrence of incidents. Overall reporting of near misses has grown as the organisation has embraced the reporting system.



An audit of OHS practices in the 5 areas of the organisation was undertaken by the Risk and OHS team with additional Working for Victoria employees and identified areas for improvement for OHS practices. Specifically, a Safety Management Plan for each operational area will be implemented in 2021/22.

ASSET MANAGEMENT

In 2020/21 Council's asset replacement cost has increased from \$685M to \$725M. Council invested just over \$28M of new upgrade and renewal of assets from its capital works program, and a further \$22M of assets were gifted to Council from new subdivisions (roads, drainage, open spaces).

Council is continually reviewing asset management practices through its Asset Management Working Group (AMWG) led by the CEO, Executive, and Managers from each Directorate. With the release of the new *Local Government Act 2020* Council is now required to have in place a 10-year Asset Management Plan. The focus of the AMWG this year is to have this plan prepared and ready before June 2022.

The intent of the Asset Plan is to ensure that assets used to support the services delivered by Mitchell Shire Council are being appropriately planned for and managed to guarantee that quality services continue to be available to the community for the long-term future. Council is taking a long-term strategic focus to ensure it is positioned to address new, upgrade and renewal requirements of assets so that the services Council delivers continue to meet the expectations of the community.

NEW SUBDIVISIONS

The Mitchell Shire continues to be one of the fastest growing Council's in Australia and each year this means growth of our asset base. Developers gift to Council the roadways, footpaths, stormwater drainage, and parks and open spaces that they develop as part of new residential estates. These become Council's assets to manage and maintain for as long as they are required by the community.

In 2020/21 the number of subdivisions completed grew from 500 in 2019/20 to 1,130 in 2020/21. In 2021/22 we expect to see the number of lots increase dramatically to 1,800 as government stimulus has an impact, and as the industry manages to continue to work through COVID-19.

CAPITAL WORKS

In 2020/21 Council invested \$28.7M in existing and new assets through its capital works program. There were 149 projects completed which included; the Wallan East Family and Children Centre development (\$2.2M), Purchase of land for the southern Resource Recovery Centre (\$1.42M), Conway Street road safety upgrades (\$1.05M) and Ryans Creek Reserve (\$995K) in Kilmore, the Kings Park Agricultural Pavilion (\$900K) and completion of Oak Street kerb and Channel (\$609K) in Seymour, Soccer pitch improvements (\$500K) and Harley Hammond Reserve Lighting (\$250K) in Broadford, Diggings Road Culvert (\$283K) in Willowmavin, Wandong Kindergarten playground improvements (\$228K), Completion of the Mechanics Institute Hall (\$180K) and Primary School Streetscape (\$100K) in Tallarook, amongst many other successful projects.

Development of new assets also requires the rationalisation or replacement of aged and underperforming assets, or the sale of surplus assets, such as land. As part of this year's capital works, there was also \$3.8M in assets that have been disposed of to make way for new constructions, to generate income, or lower our maintenance costs.

ASSET RENEWAL

Renewal investment in assets is a critical sustainability measure for Local Government Councils. The more our asset portfolio grows, the more Council must spend on the ongoing maintenance and management of these assets. All the while Council is still required to deliver new assets to growing communities. The challenge of getting the right balance of investment between renewal and new assets is critical; to ensure our existing assets continue to perform at a high level, and that new communities also have access to the types of services our established communities have.

In 2020/21 our overall renewal investment was \$11M. This is an increase of \$3.15M from 2019/20. Council takes its asset renewal obligations very seriously, and it is expected the 2021/22 figure will exceed 2020/21 as we improve our renewal planning through data capture, analysis, inspections and modelling.

ASSET MANAGEMENT PLANS

In 2020/21 Council undertook a project to audit all Council's aquatic facilities to understand their current condition and assess their present value and replacement cost. The data from this aquatic facilities audit will be available soon through Council's first aquatic facilities Asset management Plan. All Council's major culverts were also inspected to understand their present condition. From these audits we can generate priority works to ensure these assets remain fit for purpose. Council officer are also working to finalise an updated bridges Asset management plan now the culvert data is available.

In 2021/22 Council will review and update all its Asset Management Plans as it prepares to deliver the first 10-year Asset Plan required under the new *Local Government Act 2020*.

OTHER STATUTORY INFORMATION

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with regulation 12 of the *Local Government (General) Regulations 2015* the following are prescribed documents that are available for public inspection. Copies of the documents can be obtained for the purposes of section 222 of the Act at 113 High Street Broadford, or by contacting our Governance and Corporate Accountability Department on 5734 6200:

- a) a document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by councillor or any member of council staff in the previous 12 months
- b) minutes of ordinary and Statutory meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- c) the minutes of meetings of Statutory committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- d) a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- e) a document containing details of all leases involving land which were entered into by the council as lessor, including the lessee and the terms and the value of the lease
- f) a register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- g) a list of donations and grants made by the council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

BEST VALUE

In accordance with section 208B(F) of the *Local Government Act 1989*, Council is required to report annually on initiatives carried out in relation to best value principles:

- > Specific quality and cost standards for council services
- > Responsiveness to community needs
- > Accessibility and appropriately targeted services
- > Continuous improvement
- > Regular community consultation on all service and activities
- > Frequent community reporting.

Council undertook 11 Service Reviews during 2020/21, surfacing many opportunities for process or procedural improvement.

Council sought community input on several projects, services and activities; took part in the State Government's Community Satisfaction Survey and provided regular reports on the Local Government Performance Reporting Framework and Council Plan activities throughout the year.

CARERS RECOGNITION

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

Council has promoted the principles of that Act to people in care relationships who receive council services, to people in care relationships, and to the wider community by:

- > Distributing printed material through relevant Council service
- > Providing information to organisations represented in council/community networks.

Council has taken all practicable measures to ensure staff, Council agents and volunteers working for council are informed about the principles and obligations of the Act by including information on the care relationship in Council induction and training programs for staff working in Community Services and front-line positions.

CONTRACTS

In accordance with the *Local Government Act 2020*, Council is required to disclose any contracts valued at more than \$200,000 that were not engaged via a public tender process. During the year, Council did not enter into any contracts over \$200,000 outside of the tender process.

DISABILITY ACTION PLAN

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

Mitchell Shire Council's first Social Justice Framework was adopted in November 2018, with the aim to promote equal rights and opportunities for all people within Mitchell and to redress the impact that social and economic inequalities have on both the people experiencing it and the wider community.

The Framework provides a set of guiding principles to support Council, key stakeholders and community members to deliver accessible, equitable and inclusive programs, services and decision-making processes.

DOMESTIC ANIMAL MANAGEMENT PLAN

In July 2017, Council approved in full Mitchell Shire Councils Domestic Animal Management Plan 2017 – 2021 (DAMP). As part of the requirement and in accordance with the *Domestic Animals Act 1994*, Council is required to review its DAMP on an annual basis.

As part of the implementation of the DAMP, Council appointed a Domestic Animal Management Plan Consultative Committee (DAMPCC) to oversee and review the DAMP on a regular basis. The Committee was formed by community submissions and represents members within our community with specific knowledge and skills required to ensure that the Plan is implemented, reviewed and that any changes that were required are made.

The Manager Community Amenity and Emergency Management has delegated authority in relation to the review of the DAMP and after consultation with the DAMPCC there have been no changes made to the Plan.

Keys Achievements to date

Investigate fenced off lead areas within Mitchell (Years 1 - 4)

- Council was successful in obtaining grant funding from DELWP to facilitate a fenced Off-lead Dog Park located on East Street, Kilmore.
- Council is also consulting with developers to implement fenced dog off-lead areas. It is understood that the next fenced Off-lead Dog Park will be created in Beveridge as a result of these discussions.

Review Dog Barking process

- A review has been conducted on the nuisance dog barking investigation process, with this in mind there has been a change to the way an investigation is conducted to shorten the investigation time.
- The DAMPCC noted that the RSPCA is also working on assisting dog owners with a user kit which will them with barking nuisance. Council will work with the RSPCA and provide information when the works have been completed.

Develop a 10-point plan

- A 10-point plan on responsible pet ownership has been developed which focusses on new owners. During this process, Council also developed a 10-point plan for the newly implemented Cat Curfew. Council is also working on a 10-point plan on “I have a pet. What now?” which will focus on how to make sure that your pet is being cared for and further tips on being a responsible pet owner.

Preparation of the DAMP 2021 - 2025

- A scope of works has been developed for the preparation and delivery of the next DAMP. A draft and extensive engagement is expected for October 2021.

During COVID restrictions some aspect of the DAMP have been difficult to achieve. The DAMPCC noted that the DAMP was tracking well and that all components were being achieved to date.

LOCAL LAWS

Local Law No. 1 Community and Environment 2013

Local Law No. 1 Community and Environment 2013 was last reviewed and adopted by Council in June 2013. It covers alcohol, animals, asset protection, firewood collection, fireworks, open air vehicles, recreational vehicles, road closures, skip bins and trading. It outlines permits and procedures required, as well as the relevant fines for infringement of these procedures.

The objectives of the local law are to:

- > Provide for the peace, order and wellbeing of people in the municipal district by enhancing public safety and community amenity
- > Provide for the safe and equitable use and enjoyment of public places
- > Protect and enhance the environment and amenity of the municipality
- > Regulate and control activities and behaviours which may be regarded as dangerous, unsafe or detrimental
- > Allow uniform and fair administration of this local law

Local Law No. 1 is currently being reviewed and a draft made available for public consultation in July 2021.

Common Seal and Conduct at Meetings Local Law 2020

The purpose of the Local Law is to regulate the use of Council's Common Seal and set out offences and penalties associated with the misuse of the Common Seal and particular provisions of the Governance Rules.

FOOD ACT MINISTERIAL DIRECTIONS

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received by Council during the financial year.

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* grants the community the right to access certain Council documents. This general right of access is limited by exceptions and exemptions which have been prescribed to protect public interests and the private and business affairs of people about whom Council holds information. The Act has four principles:

1. The public has the right of access to information.
2. Local governments are required to publish information on the documents they hold.
3. People may request that inaccurate, incomplete, out-of-date or misleading information in their personal records be amended.
4. People may appeal against a decision not to give access to the information or not to amend a personal record.

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, council is required to publish certain statements in their annual report or separately such as on its website, concerning its functions and information available. Following is the summary of the application and operation of the *Freedom of Information Act 1982*.

FOI Requests received	2016/17	2017/18	2018/19	2019/20	2020/21
New requests	24	10	10	13	21
Access granted in full	2	5	1	0	4
Access granted in part	16	4	9	9	10
Access denied in full	0	0	0	0	0
Requests withdrawn / did not proceed	2	0	0	0	4
Requests determined not to be FOI requests	1	1	1	1	0
Requests still under consideration	0	0	1	0	1
Requests, no documents existed	3	0	0	3	2
Number of internal reviews sought	0	0	0	0	0
Appeals lodged with VCAT	0	0	0	0	0

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- > it should be in writing
- > it should identify as clearly as possible which document is being requested
- > it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of council should be addressed to the Freedom of Information Officer. Requests can be made by email to mitchell@mitchellshire.vic.gov.au or in writing addressed to the Freedom of Information Officer, Mitchell Shire Council 113 High Street Broadford 3658.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges). Further information regarding FOI can be found at www.ovic.vic.gov.au.

INFORMATION PRIVACY

The responsible handling of personal information is a key aspect of democratic governance and Council is committed to protecting an individual's right to privacy. Council will take the necessary steps to ensure that the personal information that people share with us remains confidential. Accordingly, Council is committed to full compliance with its obligations under the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*. Council's Information Privacy Policy is available on our website.

A complaint process is available if any person feels aggrieved by Council's collection or handling of their personal information. An individual may make a complaint to Council's Privacy Officer by emailing mitchell@mitchellshire.vic.gov.au calling (03) 5734 6200 or by sending written correspondence to Mitchell Shire Council, 113 High Street, Broadford, Victoria 3658.

Mitchell Shire Council received two privacy complaints in 2020/21. One complaint was not deemed a privacy breach and the other was deemed an internal failure which was addressed.

NATIONAL COMPETITION POLICY COMPLIANCE

The National Competition Policy promotes efficient public resource allocation. Its underpinning principles are intended to ensure reform of monopolies; that there is separation of regulatory and business functions; that legislative restrictions on competition are removed; and that price reforms are adopted to offset any public ownership advantages enjoyed by government businesses.

Mitchell Shire Council is required to comply in three areas:

1. Trade Practices (Competition Code, *Competition Policy Reform Act 1995*)
2. Local Laws
3. Competitive Neutrality

Mitchell Shire Council continues to recognise its obligations to comply with the *Trade Practices Act 1974* Part IV (Competition Code in Victoria). There were no complaints to Council or any referrals or investigations by the Australian Competition and Consumer Commission related to Trade Practices in 2020/21. Council is also required to review its Local Laws to ensure they do not restrict competition.

Council recognises its obligations towards competitive neutrality in accordance with the requirements of Victorian Government Policy, National Competition Policy and Local Government. Council takes public interest considerations into account in deciding whether competitive neutrality should apply and believes that all principles of competitive neutrality have been correctly applied.

No complaints were received in 2020/21.

PUBLIC INTEREST DISCLOSURES

In accordance with section 69 of the *Public Interest Disclosures Act 2012* a council must include in their annual report information about how to access the procedures established by the council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Public Interest Disclosures Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available council's website.

During the 2020/21 year no disclosures were notified to council officers appointed to receive disclosures, or to Independent Broad-based Anti-Corruption Commission (IBAC).

ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the financial year.

DEVELOPMENT CONTRIBUTIONS PLAN REPORT

Infrastructure and development contributions.

In accordance with sections 46M(1) and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be included in a council's annual report.

For the 2020/21 year the following information about infrastructure and development contributions is disclosed.

Development Contributions Plan Report

Total DCP Levies received in 2020/21 financial year.

DCP name	Year approved	Levies received 2020/21
Lockerbie	2012	\$2,671,403
Lockerbie North	2012	-

DCP land, works, services or facilities accepted as works-in-kind in 2020/21

No land, works, services or facilities were accepted as works-in-kind in 2020/21.

Total DCP contributions received and expended to date (for DCP's approved after June 2016)

Council has no DCPs approved after June 2016.

Land, works, services or facilities delivered in 2020/21 from DCP levies collected

No land, works, services or facilities were delivered in 2020.

Infrastructure Contributions Plan Report

Total ICP Contributions received in 2020/21

Name of Collecting Agency	ICP name	Monetary component in levies received in 2020/21	Value of works in kind received in satisfaction of monetary component in 2020/21	Total monetary contribution received in 2020/21
Mitchell Shire Council	Beveridge Central	\$1,649,159	-	\$1,649,159
Mitchell Shire Council	Donnybrook Woodstock	-	-	-

Inner Purpose public land received in 2020/21

No inner purpose public land received in 2020/21.

Total Land Equalisation and Land Credit in 2020/21

Name of collecting agency	Name of ICP	Total of any LEAs received in 2020/21 financial year (\$)	Total of any LCAs paid in 2020/21 financial year (\$)
Mitchell Shire Council	Donnybrook/Woodstock	-	-
Mitchell Shire Council	Beveridge Central	\$647,227	-
Total		\$647,227	-

Table 3: Total Land Equalisation Amount (LEA) received, and Land Credit Amount (LCA) paid in 2020-21 financial year

ICP land, works, services or facilities accepted as works-in-kind in 2020/21

No land, works, services or facilities accepted as works-in-kind in 2020/2021.

Total ICP contributions expended by development agency in 2020/21

Name of development agency	Name of ICP	Project ID	Project description	ICP money expended (\$)	Percentage of project delivered
Mitchell Shire Council	Donnybrook/Woodstock	n/a	n/a	-	n/a
Mitchell Shire Council	Beveridge Central	RD-02 (part)	Patterson Street - North-South secondary Arterial Road between Rankin Street and Camerons Lane. Construction of 1st Carriageway - interim configuration.	\$303,840	11.0%
Mitchell Shire Council	Beveridge Central	IN-03 (part)	Patterson Street and Camerons Lane Intersection Construction (interim) of a 4-way Signalised Arterial Road Intersection.	\$250,293	4.9%
Mitchell Shire Council	Beveridge Central	IN-04 (part)	Patterson Street and Lithgow Street Intersection Construction (interim) of a 4-way Signalised Connector Street to Arterial Road Intersection.	\$682,980	20.0%
Total				\$1,237,113	

Table 4: Total ICP monetary contributions expended by development agency in 2020/21

Use and development of inner public purpose land our outer public purpose land which has vested in, been acquired or been transferred to, the development agency in 2020/21

No development of inner public purpose land our outer public purpose land in 2020/21.

Use of works, services or facilities accepted as works-in-kind in 2020/21

No works-in-kind accepted in 2021/21.

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 outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act ✓ Date of adoption: 15/02/2021
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation ✓ Date of operation of current guidelines: 19/11/2018
3. Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Plan adopted in accordance with section 91 of the Act ✓ Date of adoption: 28/06/2021
4. Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act ✓ Date of operation of current plans: Bridges 13/11/2018, Buildings 19/02/2019, Recreation and Open Spaces 28/05/2019, Roads 13/11/2018, Drainage 29/01/2019.
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 with section 93 of the Act ✓ Date of adoption: 28/06/2021
6. Annual budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act ✓ Date of adoption: 28/06/2021
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy ✓ Date of operation: 12/04/2018
8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy ✓ Date of operation: 15/03/2021
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: 21/02/2018

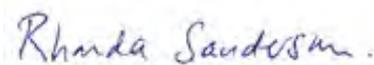
Governance and Management items	Assessment
<p>10. Procurement policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)</p>	<p>Adopted in accordance with section 108 of the Act ✓ Date of approval: 15/02/2021</p>
<p>11. Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)</p>	<p>Plan ✓ Current plan in operation: 09/04/2019</p>
<p>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)</p>	<p>Plan ✓ Current plan in operation: 09/04/2019</p>
<p>13. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)</p>	<p>Framework ✓ Current framework in operation: 12/04/2018</p>
<p>14. Audit and Risk Committee (advisory committee of Council under section 53 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)</p>	<p>Established in accordance with section 53 of the Act ✓ Date of establishment: 22/06/2020</p>
<p>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)</p>	<p>Engaged ✓ Date of engagement: 01/03/2017</p>
<p>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 <i>Local Government Act 1989</i>)</p>	<p>Framework ✓ Current framework in operation: 15/05/2018</p>
<p>17. Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)</p>	<p>Report ✓ Date of current report: 15/03/2021</p>
<p>18. Financial reporting (quarterly statements to the Council under section 138(1) of the <i>Local Government Act 1989</i>, comparing actual and budgeted results and an explanation of any material variations)</p>	<p>Quarterly statements presented to Council in accordance with section 138(1) of the <i>Local Government Act 1989</i> ✓ Date statements presented: 21/09/2020, 30/11/2020, 15/02/2021, 17/05/2021</p>

Governance and Management items	Assessment
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: 24/09/2020, 26/11/2020, 25/02/2021, 20/05/2021
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 <i>Local Government Act 1989</i>)	Report ✓ Date of reports: 30/11/2020 & 15/03/2021
21. Annual report (annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council in accordance with section 134 of the <i>Local Government Act 1989</i> ✓ Date of report: 30/11/2020
22. Councillor Code of Conduct (Code under section 139 of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 139 of the Act ✓ Date reviewed: 15/02/2021
23. Delegations (documents 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 a register kept in accordance with sections 11(8) and 47(7) of the Act ✓ Date of review: 17/08/2020
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 adopted: 17/08/2020

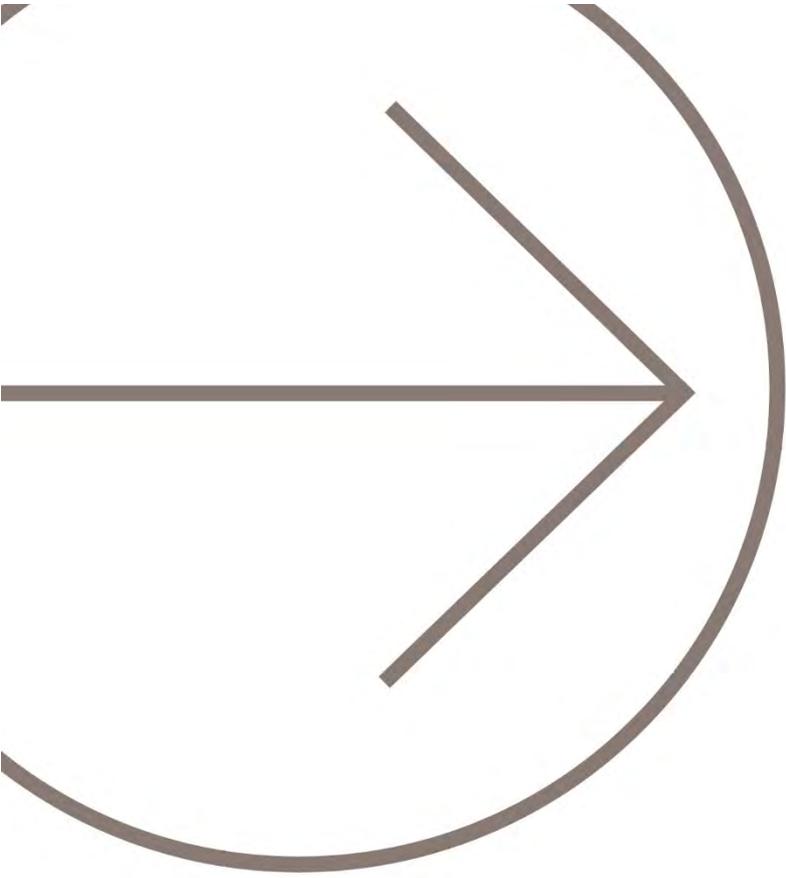
I certify that this information presents fairly the status of Council's governance and management arrangements.



Brett Luxford
 Chief Executive Officer
 Dated: 20 September 2021



Cr Rhonda Sanderson
 Mayor
 Dated: 20 September 2021



PERFORMANCE STATEMENT



Independent Auditor's Report

To the Councillors of Mitchell Shire Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Mitchell Shire 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>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. 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>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 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>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</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
23 September 2021



Sanchu Chummar
as delegate for the Auditor-General of Victoria

DESCRIPTION OF MUNICIPALITY

Strategically located just 40 kilometres north of Melbourne, Mitchell Shire is one of Victoria's fastest growing municipalities.

As an interface growth area, we offer a mix of rural and urban living with affordable housing and a diversity of lifestyle and housing choices.

Mitchell Shire has an estimated population of 47,647¹ Mitchell Shire is projected to grow to 170,830² people by 2041 Mitchell home, and that most of this growth will occur in and around the southern townships of Beveridge, Kilmore, and Wallan.

We have a high commuter workforce, and our community relies heavily on regional rail and road networks to travel to and from work and for day-to-day community activities.

Key employers within the shire include Puckapunyal Military Area, Council, hospitals, health services, schools and childcare, supermarkets, Ralphs Meats and Nestle. Our agricultural, equine and tourism industries are also important contributors to our local economy.

Our rolling foothills, open farmland, mountain ranges, rivers, creeks, and natural environment are key attributes of our landscape amenity. This also means parts of our municipality are subject to natural disasters such as fires, storms, and floods.

At 2,862 square kilometres³, we are a large municipality with many larger and smaller townships and communities. These include Beveridge, Broadford, Bylands, Clonbinane, Forbes, Glenaroua, Glenhope, Glenhope East, Heathcote Junction, Heathcote South, High Camp, Hilldene, Hughes Creek, Kilmore, Kilmore East, Mia Mia, Moranding, Northwood, Nulla Vale, Puckapunyal, Pyalong, Reedy Creek, Seymour, Sugarloaf Creek, Sunday Creek, Tallarook, Tooborac, Trawool, Tyaak, Upper Plenty, Wallan, Wallan East, Wandong, Waterford Park, Whiteheads Creek and Willowmavin.

We also cover parts of Avenel, Donnybrook, Flowerdale, Highlands, Mangalore, Strath Creek, and Tarcombe.

¹ Australian Bureau of Statistics 3218.0 Regional Population Growth

² ID.forecast, 2020

³ Australian Bureau of Statistics 3218.0 Regional Population Growth

IMPACT OF COVID-19 PANDEMIC ON COUNCIL OPERATIONS AND FINANCIAL REPORT:

The ongoing COVID-19 Pandemic has impacted many services across Council due to sporadic lockdowns as well as time taken to receive vaccinations.

This had the greatest impact on our Aquatic Services as visitation numbers were at first reduced, then facilities closed. Library Services were also significantly reduced, and at varying points, prohibited.

This crisis and measures taken to mitigate it has impacted operations in the following areas for the financial year ended 30 June 2021:

- In response to significant decrease in demand / government directive amidst the COVID-19 outbreak, leisure facilities / libraries / community and customer service centres were closed.
- Additional revenues received (additional grant funding) \$4.29M
- Loss of revenue linked to service closures and government directives \$1.47M
- Foregone revenue (waived fees and charges) \$0.01M
- Additional costs incurred \$4.42M (\$3.95M linked to additional grant revenue received)
- Reduced expenditure linked to service closures \$0.79M
- There were no material impacts to any of the indicators.

Sustainable Capacity Indicators

For the year ended 30 June 2021

Service/indicator[measure]	Results				Material variations
	2018	2019	2020	2021	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,485.99	\$1,447.84	\$1,644.48	\$1,697.59	No material variation.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,277.93	\$9,604.30	\$10,493.79	\$10,847.19	The results are impacted by the volume of contributed assets being built and handed over to Council related to new developments. This was \$23.62M in 2020/21, an increase of \$6.16M from \$17.45M in 2019/20. This is an increase of 35.3%, when our population only increased by 3.4% during the 12 months of the financial year. As a growing population with increasing needs for new infrastructure, this is expected to increase in future years until our population reaches a much higher level and starts to bring the per capita result lower.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	30.76	31.51	32.54	33.60	No material variation.

Service/indicator[measure]	Results				Material variations
	2018	2019	2020	2021	
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$1,158.99	\$1,211.45	\$1,209.63	\$1,240.60	No material variation.
[Own-source revenue / Municipal population]					
Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$267.98	\$264.00	\$277.29	\$279.91	No material variation.
[Recurrent grants / Municipal population]					
Disadvantage					
<i>Relative Socio-Economic Disadvantage</i>	6	6	6	6	No material variation.
[Index of Relative Socio-Economic Disadvantage by decile]					
Workforce turnover					
<i>Resignations and terminations compared to average staff</i>	12.70%	14.86%	11.46%	14.66%	Staff turnover has increased by 3.6% in 2020/21 financial year to 14.66%. This reflects the significant challenges faced or decisions made by individuals during the Pandemic crisis, when we saw staff retire, change industries, or just find something closer to home. This result is still within our target of <15% turnover.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

Definitions

“adjusted underlying revenue” means total income other than —

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

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

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

“population” means the resident population estimated by council.

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

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

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

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2021

Service/indicator[measure]	Results				Material variations
	2018	2019	2020	2021	
Aquatic facilities					
Utilisation					
<i>Utilisation of aquatic facilities</i>	5.53	3.95	3.85	2.16	The decrease in visitation is reflective of the COVID downturn in visitation.
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
Health and safety					
<i>Animal management prosecutions</i>	New in 2020	New in 2020	100.00%	50.00%	Of two prosecutions completed in 2020/21 financial year, 1 was successful. This is the first occasion that has met with an unsuccessful outcome since reporting began and was due to witness testimony. As the total number of prosecutions is so small, a single unsuccessful prosecution has reduced our success rate of 100% in previous years to 50% in 2020/21 financial year.
[Number of successful animal management prosecutions / total prosecutions]					
Food safety					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i>	100.00%	100.00%	100.00%	100.00%	No material variation.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					

Service/indicator[measure]	Results				Material variations
	2018	2019	2020	2021	
Governance					
Satisfaction					
<i>Satisfaction with council decisions</i>	50	52	49	51	No material variation.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
Libraries					
Participation					
<i>Active library members</i>	12.16%	11.00%	10.90%	8.77%	The Mitchell Shire Library Service had 2,783 active library borrowers (and renew) from the library collection during 2020/21 financial year. The reduction in borrowing has been significantly impacted by the current Pandemic crisis. Since the beginning of restrictions, our libraries have been running either limited or no service depending on the requirements of the Chief Health Officer.
[Number of active library members / Municipal population] x100					
Maternal and child health					
Participation					
<i>Participation in the MCH service</i>	77.29%	76.48%	77.02%	77.68%	No material variation.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	89.02%	82.33%	85.71%	82.57%	No material variation.
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					

Service/ <i>indicator</i> [measure]	Results				Material variations
	2018	2019	2020	2021	
Roads					
<i>Satisfaction</i>					
<i>Satisfaction with sealed local roads</i>	43	47	46	43	No material variation.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
Statutory Planning					
<i>Decision making</i>					
<i>Council planning decisions upheld at VCAT</i>	33.33%	25.00%	100.00%	85.71%	In 2017/18 1 of 3 decisions were upheld at VCAT. In 2018/19 2 of 8 were upheld, and in 2019/20, 2 of 2 decisions were upheld.
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					Now in 2020/21, 6 of 7 were upheld / varied / affirmed / not appealed or remitted.
					As in previous years, any change in the results of such a small number of decisions has a significant impact on our % result.
Waste Collection					
<i>Waste diversion</i>					
<i>Kerbside collection waste diverted from landfill</i>	32.88%	32.75%	31.46%	30.62%	No material variation.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 ⁴					

⁴ As Mitchell Shire Council does not collect them, green organics are excluded from this indicator.

Definitions

"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 sections 131, 132 and 133 of the Act

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

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

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

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

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

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

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

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2021

Dimension / <i>indicator</i> / <i>measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
<i>Efficiency</i>									
<i>Expenses per property assessment</i>	\$3,179.65	\$3,013.44	\$3,444.59	\$3,676.59	\$3,365.87	\$3,403.17	\$3,426.00	\$3,509.73	No material variation.
[Total expenses / Number of property assessments]									
<i>Average rate per property assessment</i>	New in 2020	New in 2020	\$1,804.77	\$1,901.36	\$1,921.26	\$1,937.50	\$1,961.72	\$1,991.27	No material variation.
[General rates and Municipal charges / Number of property assessments]									

Dimension / <i>indicator</i> / <i>measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Liquidity									
Working capital									
<i>Current assets compared to current liabilities</i>	278.69%	382.12%	236.68%	202.54%	236.71%	320.00%	331.02%	291.65%	Current assets will sufficiently cover Council operations and current liabilities. At 30 June 2021, current assets include cash held for capital works of \$10.40M which skews the year end result.
[Current assets / Current liabilities] x100									
Unrestricted cash									
<i>Unrestricted cash compared to current liabilities</i>	121.92%	-112.19%	-63.14%	-35.94%	-60.56%	-110.79%	-97.79%	-91.35%	Council's Unrestricted Cash does not take into account \$6.13M held in term deposit with a maturity date after 30 June 2022. Also, based on definitions per LGPRF, we have excluded Other Financial Assets (investments with maturities greater than 90 days totalling \$32.87M) from the Cash and Cash Equivalents resulting in a negative ratio.
[Unrestricted cash / Current liabilities] x100									

Dimension / <i>indicator</i> / <i>measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Obligations									
<i>Loans and borrowings</i>									
<i>Loans and borrowings compared to rates</i>	39.51%	32.95%	26.35%	27.62%	35.25%	36.23%	37.47%	34.40%	Council's current year's result of 27.62% is within the expected range for this measure as per the Council's Loan Borrowing Policy, which is 0 – 60%.
[Interest bearing loans and borrowings / Rate revenue] x100									Over the next four years, Council is expecting to borrow a total of \$23.49M as well as make a \$4M balloon loan repayment, of which ratios and Council's long term financial sustainability has been considered when forecasting new borrowings. Due to the timing of new borrowings and the \$4M once-off repayment, the forecasted ratio result over the four years fluctuates, which is expected.
<i>Loans and borrowings</i>									
<i>Loans and borrowings repayments compared to rates</i>	6.24%	5.78%	5.32%	5.13%	5.63%	13.59%	6.87%	5.84%	Debt servicing costs are in line with current loan borrowing schedules.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									This ratio result spikes in 2022/23 due to a \$4M once-off repayment expected in that year.
<i>Indebtedness</i>									
<i>Non-current liabilities compared to own source revenue</i>	31.60%	33.53%	33.22%	31.81%	26.08%	33.68%	33.30%	32.80%	During the 2020/21 financial year, Council was able to increase its revenue from own sources by \$3.28M.
[Non-current liabilities / Own source revenue] x100									This ratio result will fluctuate year on year depending on the level of borrowings utilised to deliver new and upgrade infrastructure for our community.

Dimension / indicator / measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
<i>Asset renewal and upgrade</i> <i>Asset renewal and upgrade compared to depreciation</i> <i>[Asset renewal and upgrade expense / Asset depreciation] x100</i>	New in 2020	New in 2020	95.18%	130.04%	156.97%	122.49%	83.52%	96.12%	Asset renewal and upgrade in 2020/21 was 130.03% however are expected to decline to be less than 100% in 2023/24 and 2024/25. Council will continue to balance the need for new with renewal and upgrade, ensuring renewal projects are prioritised to ensure funds are directed where needed most. The impacts of not achieving sufficient asset renewal will be monitored.

Dimension / <i>indicator</i> / <i>measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Operating position <i>Adjusted underlying result</i> <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	2.06%	11.71%	-2.22%	-3.85%	0.76%	0.68%	2.39%	2.28%	The 2020/21 and 2019/20 underlying results have been impacted by a \$4.44M and \$3.62M, respectively, net loss on disposal of assets, which is a non-cash expense item. The adjusted underlying result is one ratio and measure used in the overall assessment of Council's financial sustainability.
Stability <i>Rates concentration</i> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	62.19%	59.41%	63.48%	64.57%	68.69%	68.56%	67.73%	67.15%	No material variation.
<i>Rates effort</i> <i>Rates compared to property values</i> Rate revenue / Capital improved value of rateable properties in the municipality] x100]	0.54%	0.45%	0.42%	0.44%	0.42%	0.41%	0.39%	0.38%	No material variation.

Definitions

“adjusted underlying revenue” means total income other than—

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

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure.

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

“current assets” has the same meaning as in the AAS.

“current liabilities” has the same meaning as in the AAS.

“non-current assets” means all assets other than current assets.

“non-current liabilities” means all liabilities other than current liabilities.

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

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

“population” means the resident population estimated by council.

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges.

“recurrent grant” means a grant other than a non-recurrent grant.

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties.

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

“unrestricted cash” means all cash and cash equivalents other than restricted cash

Other Information

For the year ended 30 June 2021

Basis of preparation:

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2020 require explanation of any material variations outside of set thresholds in the results contained in the performance statement. These variations were received and noted by the Audit Committee on 20 May 2021.

The forecast figures included in the performance statement are those adopted by Council in its Strategic Resource Plan on 28 June 2021. 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 is available on Council's website at www.mitchellshire.vic.gov.au or 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*).



Laurie Ellis
Director Corporate Performance

20 September 2021
Mitchell Shire Council, Broadford, VIC

In our opinion, the accompanying performance statement of the Mitchell Shire 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.



Nathan Clark
Deputy Mayor, Councillor

20 September 2021
Mitchell Shire Council, Broadford, VIC



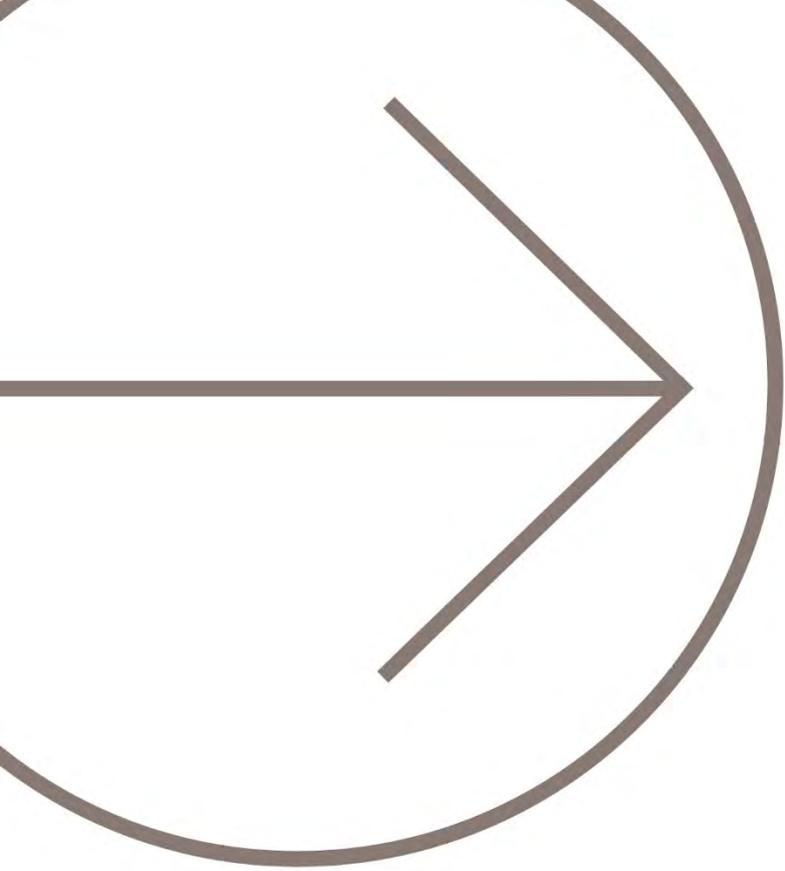
Fiona Stevens
Councillor

20 September 2021
Mitchell Shire Council, Broadford, VIC



Brett Luxford
Chief Executive Officer

20 September 2021
Mitchell Shire Council, Broadford, VIC



FINANCIAL REPORT



Annual Financial Report

for the year ended 30 June 2021

Contents of the Notes accompanying the Annual Financial Report	Page
Certification of the Financial Statements	3
Victorian Auditor-General's Office Report	4
Understanding Council's Financial Statements	6
Primary Annual Financial Report	
Comprehensive Income Statement	7
Balance Sheet	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Statement of Capital Works	11
Overview	12
Notes to the Annual Financial Report	
Note 1 Performance against budget	14
1.1 Income and expenditure	14
1.2 Capital works	17
Note 2 Analysis of Council results by program	20
Note 3 Funding for the delivery of our services	23
3.1 Rates and charges	23
3.2 Statutory fees and fines	23
3.3 User fees	24
3.4 Funding from other levels of government	25
3.5 Contributions	27
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment	28
3.7 Other income	28
Note 4 The cost of delivering services	29
4.1 Employee costs	29
4.2 Materials and services	29
4.3 Depreciation	30
4.4 Amortisation – intangible assets	30
4.5 Amortisation – right of use assets	30
4.6 Bad and doubtful debts	31
4.7 Borrowing costs	31
4.8 Finance costs – leases	31
4.9 Other expenses	31
Note 5 Our financial position	32
5.1 Financial assets	32
5.2 Non-financial assets	34
5.3 Payables	35
5.4 Interest-bearing liabilities	36
5.5 Provisions	37

Annual Financial Report

for the year ended 30 June 2021

Contents of the Notes accompanying the Annual Financial Report	Page
5.6 Financing arrangements	39
5.7 Commitments	40
5.8 Leases	41
Note 6 Assets we manage	43
6.1 Property, infrastructure, plant and equipment	43
Note 7 People and relationships	51
7.1 Council and key management remuneration	51
7.2 Related party disclosure	54
Note 8 Managing uncertainties	55
8.1 Contingent assets and liabilities	55
8.2 Change in accounting standards	56
8.3 Financial instruments	57
8.4 Fair value measurement	59
8.5 Events occurring after balance date	60
Note 9 Other matters	61
9.1 Reserves	61
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	64
9.3 Superannuation	64
Note 10 Changes in accounting policies	67

Content Overview

- i. These financial statements are General Purpose Financial Statements and cover the consolidated operations for Mitchell Shire Council.
- ii. All figures presented in these financial statements are presented in Australian Currency.
- iii. These financial statements were authorised for issue by the Council on 20/09/2021. Council has the power to amend and reissue these financial statements.

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.



Laurie Ellis
Principal Accounting Officer
20 September 2021
Mitchell Shire Council, Broadford, Victoria

In our opinion the accompanying financial statements present fairly the financial transactions of Mitchell Shire 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.



Fiona Stevens
Councillor
20 September 2021
Mitchell Shire Council, Broadford, Victoria



Nathan Clark
Councillor
20 September 2021
Mitchell Shire Council, Broadford, Victoria



Brett Luxford
Chief Executive Officer
20 September 2021
Mitchell Shire Council, Broadford, Victoria

Independent Auditor's Report

To the Councillors of Mitchell Shire Council

Opinion	<p>I have audited the financial report of Mitchell Shire Council (the council) which comprises the:</p> <p>balance sheet as at 30 June 2021</p> <ul style="list-style-type: none">• 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
23 September 2021



Sanchu Chummar
as delegate for the Auditor-General of Victoria

Mitchell Shire Council

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 sets 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 ('VAGO').

VAGO 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

	Notes	2021 \$ '000	2020 \$ '000
Income			
Rates and charges	3.1	49,991	46,873
Statutory fees and fines	3.2	1,113	1,025
User fees	3.3	6,200	6,496
Grants - operating	3.4	17,524	13,649
Grants - capital	3.4	6,419	2,444
Contributions - monetary	3.5	6,136	3,722
Contributions - non monetary	3.5	23,621	17,461
Other income	3.7	1,807	1,965
Total income		112,811	93,635
Expenses			
Employee costs	4.1	33,466	28,546
Materials and services	4.2	25,368	27,658
Depreciation	4.3	14,602	12,478
Amortisation - intangible assets	4.4	86	617
Amortisation - right of use assets	4.5	726	690
Bad and doubtful debts	4.6	21	90
Borrowing costs	4.7	593	681
Finance costs - leases	4.8	80	101
Net loss on disposal of property, infrastructure, plant and equipment	3.6	4,443	3,734
Revaluation decrement of property, infrastructure, plant and equipment	6.1	–	8
Other expenses	4.9	1,500	1,795
Total expenses		80,885	76,398
Surplus/(deficit) for the year		31,926	17,237
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	9.1	7,951	39,186
Net asset revaluation increment on financial assets		–	120
Total items which will not be reclassified subsequently to the operating result		7,951	39,306
Total other comprehensive income for the year		7,951	39,306
Total comprehensive result		39,877	56,543

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	38,948	28,136
Other financial assets	5.1	38,000	29,000
Trade and other receivables	5.1	9,790	7,913
Inventories	5.2	139	150
Other assets	5.2	1,244	1,953
Total current assets		88,121	67,152
Non-current assets			
Other financial assets	5.1	5,125	10,125
Property, infrastructure, plant and equipment	6.1	581,301	541,164
Intangible assets	5.2	70	156
Right-of-use assets	5.8	1,691	2,410
Total non-current assets		588,187	553,855
Total assets		676,308	621,007
Liabilities			
Current liabilities			
Trade and other payables	5.3	7,819	5,211
Trust funds and deposits	5.3	7,127	5,226
Unearned income	5.3	16,002	7,908
Provisions	5.5	9,479	7,395
Interest-bearing liabilities	5.4	2,352	1,916
Lease liabilities	5.8(b)	728	715
Total current liabilities		43,507	28,371
Non-current liabilities			
Provisions	5.5	6,239	6,294
Interest-bearing liabilities	5.4	11,540	10,484
Lease liabilities	5.8(b)	1,026	1,739
Total non-current liabilities		18,805	18,517
Total liabilities		62,312	46,888
Net assets		613,996	574,119
Equity			
Accumulated surplus		348,202	322,211
Reserves	9.1	265,794	251,908
Total Equity		613,996	574,119

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	Other Reserves \$ '000
2021					
Balance at beginning of the financial year		574,119	322,211	232,851	19,057
Surplus/(deficit) for the year		31,926	31,926	–	–
Other comprehensive income					
- Net asset revaluation increment/(decrement)	9.1	7,951	–	7,951	–
- Revaluation increment on financial asset		–	–	–	–
Other comprehensive income		7,951	–	7,951	–
Total comprehensive income		39,877	31,926	7,951	–
Transfers to other reserves	9.1	–	(6,105)	–	6,105
Transfers from other reserves	9.1	–	170	–	(170)
Balance at end of the financial year		613,996	348,202	240,802	24,992
2020					
Balance at beginning of the financial year		515,599	308,979	191,568	15,052
Correction of prior period errors – retrospective	9.1	1,977	–	1,977	–
Adjusted opening balance		517,576	308,979	193,545	15,052
Surplus/(deficit) for the year		17,237	17,237	–	–
Other comprehensive income					
- Net asset revaluation increment/(decrement)	9.1	39,186	–	39,186	–
- Revaluation increment on financial asset		120	–	120	–
Other comprehensive income		39,306	–	39,306	–
Total comprehensive income		56,543	17,237	39,306	–
Transfers to other reserves	9.1	–	(4,535)	–	4,535
Transfers from other reserves	9.1	–	530	–	(530)
Balance at end of the financial year		574,119	322,211	232,851	19,057

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
	Notes	Inflows/ (Outflows) \$ '000	Inflows/ (Outflows) \$ '000
Cash flows from operating activities			
Rates and charges		49,258	46,179
Statutory fees and fines		1,136	1,261
User fees		6,491	6,234
Grants - operating		18,327	15,684
Grants - capital		13,496	9,841
Contributions - monetary		6,136	3,722
Interest received		859	1,469
Trust funds and deposits taken		1,901	1,599
Other receipts		1,767	880
Net GST refund/payment		3,592	2,431
Employee costs		(32,457)	(24,957)
Materials and services		(26,495)	(31,356)
Short-term, low value and variable lease payments		(51)	(110)
Other payments		(1,650)	(2,225)
Net cash provided by/(used in) operating activities	9.2	<u>42,310</u>	<u>30,652</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(28,469)	(15,477)
Proceeds from sale of property, infrastructure, plant and equipment		859	1,186
Payments for investments		(4,000)	-
Net cash provided by/(used in) investing activities		<u>(31,610)</u>	<u>(14,291)</u>
Cash flows from financing activities			
Finance costs		(593)	(681)
Proceeds from borrowings		3,479	-
Repayment of borrowings		(1,987)	(1,821)
Interest paid - lease liability		(80)	(101)
Repayment of lease liabilities		(707)	(646)
Net cash flow provided by/(used in) financing activities		<u>112</u>	<u>(3,249)</u>
Net Increase (decrease) in cash and cash equivalents		<u>10,812</u>	<u>13,112</u>
Cash and cash equivalents at the beginning of the financial year		28,136	15,024
Cash and cash equivalents at the end of the financial year		<u>38,948</u>	<u>28,136</u>
Financing arrangements	5.6	15,896	15,284
Restrictions on cash assets	5.1	27,606	20,093

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	1,426	92
Total land	<u>1,426</u>	<u>92</u>
Buildings	3,799	3,609
Building improvements	278	–
Total buildings	<u>4,077</u>	<u>3,609</u>
Total property	<u>5,503</u>	<u>3,701</u>
Plant and equipment		
Plant, machinery and equipment	2,329	2,990
Fixtures, fittings and furniture	285	492
Computers and telecommunications	855	1,082
Library books	189	190
Total plant and equipment	<u>3,658</u>	<u>4,754</u>
Infrastructure		
Roads	10,749	2,209
Bridges	660	447
Footpaths and cycleways	1,051	938
Drainage	138	219
Recreational, leisure and community facilities	3,817	3,170
Waste management	1,248	699
Parks, open space and streetscapes	1,381	990
Off street car parks	321	12
Other infrastructure	220	216
Total infrastructure	<u>19,585</u>	<u>8,900</u>
Total capital works expenditure	<u>28,746</u>	<u>17,355</u>
Represented by:		
New asset expenditure	9,758	5,291
Asset renewal expenditure	11,052	7,898
Asset expansion expenditure	–	193
Asset upgrade expenditure	7,936	3,973
Total capital works expenditure	<u>28,746</u>	<u>17,355</u>

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 Mitchell Shire Council was established by an Order of the Governor in Council on 11 November 1994 and is a body corporate.

The Council's main office is located at 113 High Street, Broadford, Victoria.

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

During the financial year Council has been experiencing the continuing effects of the COVID-19 pandemic. The greatest impact continues to be experienced within our Aquatic Services as the facilities experienced visitation restrictions and at some points closures. Library Services, Customer Service Centres and Community Facilities, were also services that were reduced and at times closed. The overall financial impact which consisted of both reduced revenue and increased costs due to the COVID-19 Pandemic were managed throughout the year.

Annual Financial Report

for the year ended 30 June 2021

Overview (continued)

The material impacts managed within the 2020-2021 financial year included the following,

- Community and Recreation Facility Hire reduced due to closures and / or restrictions \$110K
- Reduced user fees of \$904K for leisure facilities due to closures and / or restrictions offset by reduction in leisure staffing and other costs of \$786K
- Reduction in permit fees \$10K
- Increased leave costs for Covid-19 \$60K
- Increased costs in protective clothing and equipment and additional cleaning. \$409K
- Reduction in kindergarten fees \$455k offset by a grant of \$470K
- Grants to support working for Victoria project \$3.71M offset by costs associated of \$3.84M

Notes to the Annual Financial Report

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 \$500k 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	49,722	49,991	269	1%	
Statutory fees and fines	967	1,113	146	15%	1
User fees	6,614	6,200	(414)	(6)%	2
Grants - operating	12,304	17,524	5,220	42%	3
Grants - capital	9,183	6,419	(2,764)	(30)%	4
Contributions - monetary	4,765	6,136	1,371	29%	5
Contributions - non monetary	12,000	23,621	11,621	97%	6
Other income	1,769	1,807	38	2%	
Total income	97,324	112,811	15,487	16%	
Expenses					
Employee costs	30,242	33,466	(3,224)	(11)%	7
Materials and services	23,828	25,368	(1,540)	(6)%	8
Depreciation	12,990	14,602	(1,612)	(12)%	9
Amortisation - intangible assets	388	86	302	78%	10
Amortisation - right of use assets	716	726	(10)	(1)%	
Bad and doubtful debts	2	21	(19)	(950)%	
Borrowing costs	716	593	123	17%	11
Finance costs - leases	265	80	185	70%	12
Net loss on disposal of property, infrastructure, plant and equipment	-	4,443	(4,443)	∞	13
Other expenses	1,803	1,500	303	17%	14
Total expenses	70,950	80,885	(9,935)	(14)%	
Surplus/(deficit) for the year	26,374	31,926	5,552	21%	

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	<p>Statutory fees and fines were \$146K higher than budget mainly due to:</p> <ul style="list-style-type: none"> • an increase in the number of planning permits issued throughout the financial year (\$120K); and • failure to vote fines related to the 2020 Council election (\$35K).
2.	<p>Income from user fees was \$414K lower than budget mainly due to:</p> <ul style="list-style-type: none"> • the impact of COVID-19 on Leisure Centres services (\$913K); • the reduction in Kindergarten fees due to the State Government providing grant funding to Council to offer free kindergarten due to COVID-19 (\$453K); • reduced income of \$429K related to the closure of the Landfill to commercial customers as a result of limitations of airspace; offset by • increased building permits issued throughout the financial year (\$361K); • reclassification of ex-gratia income from the classification of other income (\$323K); • increased supervisions, plan checking and permits issues related to new developments (\$263K); • increased local laws permits and issued in relation to (\$205K); and • income received from developers to meet requirements for tree planting within new estates (\$102K).
3.	<p>Operating grant income was \$5.22M higher than budget mainly due to:</p> <ul style="list-style-type: none"> • unbudgeted funding received related to the Working for Victoria, Kindergarten school readiness and COVID hardship business support programs (\$4.04M); • increased kindergarten funding combined with funding provided by the State Government to subsidise Council being able to offer free kindergarten throughout the financial year (\$1.06M).
4.	<p>Capital grant income was \$2.76M lower than budget due to:</p> <ul style="list-style-type: none"> • increased finalised carry forward grant income from 2019-2020 (\$1.92M); • successful grant applications throughout the financial year (\$4.76M); offset by • identified carry forward income (\$8.94M) into 2021-2022; and • reduced grant income due to project scope not requiring full grant allocation (\$499K).
5.	<p>Monetary contributions were \$1.37M higher than budgeted due to additional development contributions as a result of the growth in the south of the Shire.</p>
6.	<p>Non-monetary contributions represent assets such as roads, drains and open space, transferred to Council from developers. It is difficult to estimate the value and timing of these contributions. In 2020-2021 transferred assets were \$11.62M higher than budget. This is mainly due to more developments reaching completion during the year than expected in the budget.</p>
7.	<p>Employee costs were \$3.22M higher than budgeted mainly due to:</p> <ul style="list-style-type: none"> • costs linked to the delivery and administration of the Working for Victoria program (\$3.82M); • costs linked to the grant funded School Readiness program (\$76K); offset by • reduced costs linked to Leisure Centre closures during periods of COVID lockdown (\$719K).
8.	<p>Materials and services expenditure was \$1.54M higher than budgeted mainly due to:</p> <ul style="list-style-type: none"> • \$810K legal settlement linked to a contract dispute; • \$281K related to COVID-19 costs including additional cleaning services and products, advertising, protective equipment etc. • \$278K of capital works projects expensed; • \$246K emergency works expenditure as a result of natural disasters; • \$1.1M in landfill provision expenses • (\$1.11M) in operational project carry forwards into 2021-2022.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

9. Depreciation is an accounting measure which attempts to allocate the value of assets over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The 2020-2021 depreciation is \$1.61M higher than budget mainly due to higher depreciation for the below asset classes due to increased assets both in number and value through additions, revaluations and condition audits.

Asset Class	Budget 2020-2021 \$000's	Actuals 2020-2021 \$000's	Variance
Drainage	945	1,443	(498)
Footpath	665	899	(234)
Plant and machinery	777	832	(55)
Motor vehicles	714	823	(108)
Information and business transformation	455	862	(408)

10. Amortisation – intangible assets is an accounting measure which attempts to allocate the value of landfill airspace over its useful life, which is assessed and calculated annually. During 2020-2021 airspace asset used up was of \$86k as the cell is almost filled up. This was less than expected.
11. Borrowing costs were lower than budgeted mainly due to delays in the drawdown of loans linked to capital works projects.
12. Finance costs for leases was \$80K for the year, which was \$187K less than the prior forecast. This is due to an accounting calculation error during the budget development and forecast review process throughout the financial year. This has been corrected within the 2021-2022 budget and 2021/22 to 2030/31 Financial Plan.
13. Gain/(Loss) on disposal of assets is budgeted at \$0. It is assumed that the book value of the assets to be sold are a reasonable estimate of sale proceeds. However, the year end result shows a loss on disposal of assets of \$4.44M, primarily relating to infrastructure assets that were written off with a written down value of \$2.7M and buildings demolished of \$1M and \$0.5M of buildings with asbestos disposed.
14. Other expenses were \$0.30M lower than budgeted mainly due to:
- reduced landfill levy costs of \$388K linked to the closure of the Landfill to commercial customers as a result of limitations of airspace; offset by
 - expenditure linked to unbudgeted COVID hardship business support program (\$110K).

Notes to the Annual Financial Report

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	960	1,426	466	49%	1
Total land	960	1,426	466	49%	
Buildings	1,296	3,799	2,503	193%	2
Building improvements	–	278	278	∞	
Total buildings	1,296	4,077	2,781	215%	
Total property	2,256	5,503	3,247	144%	
Plant and equipment					
Plant, machinery and equipment	3,094	2,329	(765)	(25)%	3
Fixtures, fittings and furniture	256	285	29	11%	
Computers and telecommunications	1,018	855	(163)	(16)%	4
Library books	180	189	9	5%	
Total plant and equipment	4,548	3,658	(890)	(20)%	
Infrastructure					
Roads	12,554	10,749	(1,805)	(14)%	5
Bridges	870	660	(210)	(24)%	6
Footpaths and cycleways	1,763	1,051	(712)	(40)%	7
Drainage	120	138	18	15%	
Recreational, leisure and community facilities	4,178	3,817	(361)	(9)%	
Waste management	7,326	1,248	(6,078)	(83)%	8
Parks, open space and streetscapes	6,229	1,381	(4,848)	(78)%	9
Off street car parks	–	321	321	∞	10
Other infrastructure	200	220	20	10%	
Total infrastructure	33,240	19,585	(13,655)	(41)%	
Total capital works expenditure	40,044	28,746	(11,298)	(28)%	
Represented by:					
New asset expenditure	16,591	9,758	(6,833)	(41)%	
Asset renewal expenditure	17,978	11,052	(6,926)	(39)%	
Asset upgrade expenditure	5,475	7,936	2,461	45%	
Total capital works expenditure	40,044	28,746	(11,298)	(28)%	

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

The variance between the actuals and the budgets are impacted by:

- an increase to the budgets due to finalised carried forward projects from 2019-2020 financial year;
- successful grant applications; and
- a reduction due to projects been carried forward into 2021-2022

Variance Explanation**Ref**

1. The \$466K variance in land is mainly due to:
 - a reduction of \$960K for the purchase of strategic land purchase. The purchase occurred within the previous financial year and the budget adjusted accordingly. Offset by:
 - an increased cost of \$225K associated with the southern resource recovery centre land purchase, offset by \$200K savings identified from waste projects.
2. The \$2.5M variance in buildings is mainly due to:
 - additional carry forward expenditure from 2019-2020 of \$264K; and
 - additional \$2.89M expenditure linked to new grant funded projects; offset by
 - identified carry forwards into 2021-2022 of \$2.89M.
3. The total variance in Plant and equipment of \$765k is as below.

A \$532K variance in Plant is mainly due to:

 - identified carry forwards into 2021-2022 of \$679K; offset by
 - additional expenditure linked to the replacement of stolen or damaged items (\$112K); and
 - expenditure linked to additional purchase not budgeted for (\$36K).

A \$233K variance in fleet is mainly due to:

 - identified carry forwards into 2021-2022 of \$237K; and
 - project savings \$49K; offset by
 - identified carried forwards from 2019-2020 of \$51K.
4. The \$163K variance in computers and telecommunications is mainly due to:
 - identified carry forwards into 2021-2022 of \$349K; offset by
 - additional carried forward expenditure from 2019-2020 of \$187K.
5. The \$1.80M variance in roads is mainly due to:
 - identified carry forwards into 2021-2022 of \$3.92M;
 - expenditure savings of \$531K linked to grant funded projects; offset by
 - expenditure savings of \$167K linked to Conway Street (council cash);
 - additional \$1.17M expenditure linked to Local Roads and Community Infrastructure grant funding stream; and
 - identified carried forwards from 2019-2020 of \$1.77M.
6. The \$210K variance in bridges is mainly due to:
 - identified carry forwards into 2021-2022 of \$468K; and
 - classification of expenditure being operating in nature \$107K; offset by
 - identified carried forwards from 2019-2020 of \$387K.
7. The \$712K variance in footpaths and cycleways is mainly due to:
 - identified carry forwards into 2021-2022 of \$1.26M; offset by
 - additional carry forward expenditure from 2019-2020 of \$503; and
 - expenditure linked to increase project scope not budgeted for (\$40K).

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

8. The \$6.1M variance in waste management is mainly due to :
- identified carry forwards into 2021-2022 of \$4.91K;
 - project savings of \$200K identified to fund increased spend associated with southern resource recovery centre land purchase; offset by
 - expenditure linked to new projects and increased project scope not budgeted for (\$88K); and
 - additional carried forward expenditure from 2019-2020 of \$142K.
9. The \$4.85M variance in parks and open space is mainly due to:
- identified carry forwards into 2021-2022 of \$4.95M; offset by
 - additional carry forwards of \$220K from 2019-2020.
10. The \$321K variance on offstreet car parks is mainly due to:
- additional carry forwards of \$323K from 2019-2020.

Notes to the Annual Financial Report

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.

Business and Information Transformations

This service delivers appropriate and cost effective technology, which supports Mitchell Shire Council and its employees in delivering services to the community.

Communications, Jobs and Investment

This service is responsible for:

- assisting Economic Development by supporting local businesses and tourism operators as well as regional tourism and marketing. The service also coordinates tourism and business support events, and operates the Seymour Visitor Information Centre; and
- oversees all public communications activities associated with Council.

Community strengthening

This service is responsible for:

- Children Services;
- Community Development, Positive Ageing and Social Justice;
- Emergency Management;
- Maternal child health and immunisations;
- Social Policy and Partnerships; and
- Youth Services.

Development approvals

This service processes statutory planning applications, building approvals and also provides control and compliance under the relevant legislation.

Engineering and major projects

This service is responsible for:

- the coordination, monitoring, reporting and delivery of Council's annual capital works program;
- ensuring Council's buildings and facilities remain safe and fit for occupation, and that ongoing regulatory building compliance is achieved; and
- ensuring infrastructure assets constructed as part of new developments are fit for purpose and constructed to Council's standards.

Environmental sustainability

This service is responsible for conservation and achieving an environmentally healthy and sustainable Council including environmental planning, community planting and encouraging sustainable resource management.

Finance and assets

This service is responsible for:

- financial services such as financial accounting, management accounting, and accounts payable services. The costs include corporate expenses such as interest on borrowings, bad debt write off, and the payment of fire services levy charged on Council properties; and
- the maintenance of data relating to the economic lifecycle of all Council owned infrastructure assets, and the management of Council owned properties.

Governance and corporate accountability

This service:

- ensures that we meet our legislative responsibilities by providing an ethical basis for good governance which facilitates informed and transparent decision making;
- is responsible for the management, maintenance and disposal of all corporate information according to government legislation, Council strategy, policy, established procedures, and business rules; and
- includes the Mayor, Councillors, and the Chief Executive Officer and associated support.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 2. Analysis of Council results by program (continued)

Liveable communities

This service is responsible for:

- Customer and Library Services;
- Leisure Centres; and
- Recreation and Open Space.

Community amenity and emergency management

This service:

- is an educational and enforcement team responsible for animal management, parking management, asset protection, local laws and environmental health service across the Shire;
- fire prevention activities and community education; and
- provides school crossing services across the municipality.

Operations and parks

This service is responsible for:

- the maintenance of the Shire's infrastructure assets. It includes roads, footpaths, bridges, drainage, street furniture and depreciation. It also manages Council's plant and vehicle fleet; and
- maintaining parks and gardens, playgrounds and sportsfields and managing arboriculture, and roadside fire prevention.

People and culture

This service is responsible for:

- human resources, learning and development, employee relations, human resource services and payroll; and
- ensures a safe workplace and good risk management processes; and to provide services with a fair and consistent application of legislation and processes to ensure that employees and community enjoy a safe and sustainable environment.

Strategic planning

This service delivers positive land use planning outcomes for current and future generations as well as an environmentally healthy and sustainable Council. It is also responsible for Growth Area Planning.

Waste and resource recovery

The service is responsible for the management of Mitchell Landfill at Hilldene plus four resource recovery centres. This service also manages the kerbside waste and recycling collection service.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 2. Analysis of Council results by program (continued)

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					
Information and business transformation	122	4,254	(4,132)	101	–
Communications, jobs and investment	147	1,623	(1,476)	135	–
Community strengthening	4,572	7,312	(2,740)	4,485	–
Development approvals	1,473	1,892	(419)	24	–
Engineering and major projects	1,204	3,211	(2,007)	–	–
Environmental sustainability	108	780	(672)	90	–
Finance and assets	82,982	11,938	71,044	7,694	150,376
Governance and corporate accountability	35	1,700	(1,665)	–	98,112
Liveable communities	3,080	8,368	(5,288)	1,749	25,679
Community Amenity and Emergency Management	2,125	3,510	(1,385)	431	–
Operations and parks	6,011	18,931	(12,920)	5,485	399,229
People and culture	–	2,077	(2,077)	–	–
Strategic planning	6,049	1,652	4,397	12	–
Waste and resource recovery	1,192	9,383	(8,191)	27	2,912
Working for Victoria	3,711	4,254	(543)	3,710	–
Total functions and activities	112,811	80,885	31,926	23,943	676,308
2020					
Information and business transformation	186	3,975	(3,789)	101	–
Communications, jobs and investment	111	1,762	(1,651)	90	–
Community strengthening	3,957	7,162	(3,205)	3,568	–
Development approvals	1,074	1,863	(789)	–	–
Engineering and major projects	886	2,963	(2,077)	8	–
Environmental sustainability	66	683	(617)	47	–
Finance and assets	75,786	9,942	65,844	6,272	141,693
Governance and corporate accountability	7	1,801	(1,794)	–	83,141
Liveable communities	3,092	8,840	(5,748)	810	23,865
Community Amenity and Emergency Management	1,719	2,787	(1,068)	135	–
Operations and parks	5,022	18,763	(13,741)	4,820	366,464
People and culture	7	1,759	(1,752)	–	–
Strategic planning	69	1,592	(1,523)	57	–
Waste and resource recovery	1,653	12,506	(10,853)	185	5,844
Total functions and activities	93,635	76,398	17,237	16,093	621,007

Notes to the Annual Financial Report

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 amount which that property might be expected to realise at the time of valuation if offered for sale on reasonable terms and conditions.

The valuation base used to calculate general rates for 2020/21 was \$11,396 million (2019/20: \$10,789 million).

	2020-2021 cents in the dollar	2019-2020 cents in the dollar
General Rates	0.2908	0.2851
Vacant / Subdivisional	0.5816	0.5702
Rural Agricultural 40-100ha	0.2617	0.2566
Rural Agricultural >100ha	0.2326	0.2281
Vacant Commercial / Vacant Industrial	0.7270	0.6842

General rates	34,532	32,066
Municipal charge	6,094	6,560
Waste management charge	7,929	6,932
Supplementary rates and rate adjustments	1,204	1,079
Interest on rates and charges	232	236
Total rates and charges	49,991	46,873

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.

3.2 Statutory fees and fines

Infringements and costs	528	543
Town planning fees	585	482
Total statutory fees and fines	1,113	1,025

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

Notes to the Annual Financial Report

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
3.3 User fees		
Aged services fees	–	1
Leisure centre fees	1,176	1,958
Building services fees	801	503
Waste management services	904	1,276
Design and supervision fees	1,190	883
Kindergarten fees	–	205
Library fees and fines	40	55
Animal registration fees and fines	551	469
Ex gratia revenue	306	190
Environmental health fees	75	168
Legal fees recovered	134	98
Other fees and charges	1,023	690
Total user fees	6,200	6,496

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 Annual Financial Report

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	10,432	9,439
State funded grants	13,511	6,654
Total grants received	23,943	16,093
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - general purpose funding	6,233	6,056
Financial Assistance Grants - roads funding	1,966	2,068
Aged and disability services	30	29
Community development	15	14
Public health	3	4
Road maintenance	49	48
Recurrent - State Government		
Community development	83	68
Emergency management	166	85
Library and customer services	326	312
Public health	727	623
Youth services	22	24
Childrens services	2,533	2,263
Total recurrent operating grants	12,153	11,594
Non-recurrent - Commonwealth Government		
Environmental Programs	12	6
Non-recurrent - State Government		
Other	24	-
Emergency management	189	1,198
Aged and disability services	-	1
Children services	877	376
Community development	287	100
Environmental programs	42	5
Local laws	17	18
Recreation and open space	-	30
Strategic planning	12	70
Waste management	10	30
Youth services	27	32
Public health	112	73
Economic development and tourism	52	116
Working for Victoria Grant	3,710	-
Total non-recurrent operating grants	5,371	2,055
Total operating grants	17,524	13,649

Notes to the Annual Financial Report

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	1,174	1,174
Recurrent - State Government		
Libraries	10	10
Total recurrent capital grants	1,184	1,184
Non-recurrent - Commonwealth Government		
Recreation leisure and community	–	40
Roads	950	–
Non-recurrent - State Government		
Drainage	14	195
Waste management	–	125
Youth Services	–	2
Libraries	–	7
Bridges	–	125
Buildings	1,381	39
Parks, open space and streetscapes	874	194
Recreation leisure and community	1,354	279
Roads	411	6
Early years	142	135
Transport development	8	12
Other	101	101
Total non-recurrent capital grants	5,235	1,260
Total capital grants	6,419	2,444
(c) Unspent grants received on condition that they be spent in a specific manner:		
Operating		
Balance at start of year	1,294	1,122
Received during the financial year and remained unspent at balance date	1,017	862
Received in prior years and spent during the financial year	(183)	(690)
Balance at year end	2,128	1,294
Capital		
Balance at start of year	11,235	7,937
Received during the financial year and remained unspent at balance date	7,077	7,046
Received in prior years and spent during the financial year	(3,549)	(3,748)
Balance at year end	14,763	11,235

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

Notes to the Annual Financial Report

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
3.5 Contributions		
Monetary contributions		
Community infrastructure	177	375
Public open space	524	256
Development infrastructure	3,689	2,774
Capital works project contributions	50	164
Community recreation	479	–
Land equalisation	647	–
Transport infrastructure	505	–
Other	65	153
Total monetary contributions	6,136	3,722
Non-monetary contributions		
Land under roads	785	714
Roads	7,677	6,781
Footpaths	3,014	2,405
Bridges	280	3,418
Drainage	10,212	4,143
Parks, open space	120	–
Buildings - non specialised	1,533	–
Total non-monetary contributions	23,621	17,461
Total contributions	29,757	21,183

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

Land	785	714
Roads	7,677	6,781
Other infrastructure	15,159	9,966
Total non-monetary contributions	23,621	17,461

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

Notes to the Annual Financial Report

for the year ended 30 June 2021

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

	2021 \$ '000	2020 \$ '000
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Land and buildings		
Proceeds of sale	128	445
Written down value of assets disposed	(1,619)	(3,957)
Total net gain/(loss) on disposal of land and buildings	(1,491)	(3,512)
Plant and equipment		
Proceeds of sale	731	741
Written down value of assets disposed	(238)	(505)
Total net gain/(loss) on disposal of plant and equipment	493	236
Infrastructure Assets		
Written down value of assets disposed	(3,445)	(458)
Total net gain/(loss) on disposal of Infrastructure Assets	(3,445)	(458)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(4,443)	(3,734)

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	859	1,119
Other rent	220	287
Reimbursements	658	473
Fuel rebate	70	86
Total other income	1,807	1,965

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 Annual Financial Report

for the year ended 30 June 2021

Note 4. The cost of delivering services

	2021 \$ '000	2020 \$ '000
4.1 Employee costs		
(a) Employee costs		
Wages and salaries	28,173	23,491
WorkCover	288	191
Casual staff	1,907	2,157
Superannuation	2,659	2,255
Fringe benefits tax	304	313
Other	135	139
Total employee costs	33,466	28,546
(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	78	111
	78	111
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,449	1,367
Employer contributions - other funds	1,132	777
	2,581	2,144
Total superannuation costs	2,659	2,255
Refer to Note 9.3 for further information relating to Council's superannuation obligations.		
4.2 Materials and services		
Utilities	1,495	1,604
Information technology	1,857	1,727
Insurance	879	738
Contractors and consultants	6,805	6,521
Maintenance expenses	1,385	1,307
Consultants	1,459	2,105
Labour hire	605	800
Legal consultants	645	905
Waste management expenses	3,895	3,039
Expenses from short term leases	47	107
Expenses from leases of low value assets	4	3
Landfill rehabilitation costs	990	2,841
Materials	1,774	2,155
Motor vehicles	1,623	1,653
Education and training	429	359
General expenses	1,476	1,794
Total materials and services	25,368	27,658

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.3 Depreciation		
Property		
Heritage buildings	2	2
Buildings - specialised	755	43
Buildings - non specialised	1,384	626
Building improvements	157	117
Total depreciation - property	2,298	788
Plant and equipment		
Library books	174	175
Plant and machinery	832	774
Motor vehicles	823	782
Equipment and furniture	175	137
IT equipment	863	839
Total depreciation - plant and equipment	2,867	2,707
Infrastructure		
Roads	4,852	4,349
Bridges	653	412
Footpaths and cycleways	899	604
Drainage	1,443	1,352
Recreational, leisure and community	1,207	1,150
Waste management	159	960
Parks open spaces and streetscapes	165	106
Other infrastructure	59	50
Total depreciation - infrastructure	9,437	8,983
Total depreciation	14,602	12,478

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

4.4 Amortisation - intangible assets

Other	86	617
Total Amortisation - Intangible assets	86	617

4.5 Amortisation - right of use assets

Property	207	157
Vehicles	428	428
Other	91	105
Total Amortisation - Right of use assets	726	690

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.6 Bad and doubtful debts		
Other debtors	21	90
Total bad and doubtful debts	21	90
Movement in provisions for doubtful debts		
Balance at the beginning of the year	124	106
New provisions recognised during the year	21	90
Amounts already provided for and written off as uncollectible	(76)	(72)
Balance at end of year	69	124

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

4.7 Borrowing costs

Interest - Borrowings	593	681
Total borrowing costs	593	681

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.

4.8 Finance costs - leases

Interest - Lease Liabilities	80	101
Total finance costs	80	101

4.9 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	42	47
Auditors' remuneration - internal audit	96	110
Councillors' allowances and superannuation	325	316
Electronic payment fees	39	40
Bank fees	91	101
Grants to community bodies	564	601
Landfill levy	317	562
Other	26	18
Total other expenses	1,500	1,795

Notes to the Annual Financial Report

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 at bank and on hand		18,818	13,136
Term deposits		20,130	15,000
Total current cash and cash equivalents		38,948	28,136
(b) Other financial assets			
Current			
Term deposits		38,000	29,000
Total current other financial assets		38,000	29,000
Non-current			
Term deposits		5,000	10,000
Investments in Procurement Australasia Ltd		125	125
Total non-current other financial assets		5,125	10,125
Total current financial assets		76,948	57,136
Total non-current financial assets		5,125	10,125
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	7,127	5,226
Reserve funds and deposits	9.1(b)	20,479	14,867
Total restricted funds		27,606	20,093
Total unrestricted cash and cash equivalents		11,342	8,043
Intended allocations			
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:			
Cash held to fund carried forward capital works		10,087	13,323
Unspent capital grants received in advance for 2021/22 capital works		14,763	11,339
Unspent grants (operating)		2,128	1,294
Council contributions relating to unspent grant projects		24	34
Cash held to fund strategic planning projects carried forward		188	42
Waste reserve		3,765	3,563
Property proceeds reserve		741	615
Total funds subject to intended allocations		31,696	30,210

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. Total unrestricted cash and cash equivalents excludes other financial assets that when included, will cover the intended allocations listed above. 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 Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(c) Trade & Other Receivables		
Current		
Statutory receivables		
Rates debtors	5,448	4,715
Goods and service tax paid	1,982	1,107
Infringement debtors	248	255
Non-statutory receivables		
Car park and footpath schemes	8	8
Sundry receivables	2,173	1,952
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - other debtors	(69)	(124)
Total current trade and other receivables	9,790	7,913

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

(d) Ageing of receivables

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

Current (not yet due)	1,728	1,268
Past due by up to 30 days	91	201
Past due between 31 and 180 days	327	567
Past due between 181 and 365 days	46	66
Past due by more than 1 year	237	113
Total trade and other receivables	2,429	2,215

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$2.498m (2020: \$2.339m) were impaired. The amount of the provision raised against these debtors was \$0.069m (2020: \$0.124m). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Past due between 31 and 180 days	36	48
Past due between 181 and 365 days	7	24
Past due by more than 1 year	26	52
Total trade and other receivables	69	124

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
5.2 Non-financial assets		
(a) Inventories		
Current		
Inventories held for sale	13	26
Inventories held for own use	126	124
Total current inventories	139	150
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	714	768
Accrued income	530	1,185
Total current other assets	1,244	1,953
(c) Intangible assets		
Non-current		
Landfill air space	70	156
Total intangible assets	70	156
	Landfill Air Space \$ '000	Total \$ '000
Gross Carrying Amount		
Balance at 1 July 2020	1,993	1,993
Balance at 1 July 2021	1,993	1,993
Accumulated amortisation and impairment		
Balance at 1 July 2020	1,837	1,837
Amortisation Expense	86	86
Balance at 1 July 2021	1,923	1,923
Net book value at 30 June 2020	156	156
Net book value at 30 June 2021	70	70

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

Notes to the Annual Financial Report

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	7,439	4,965
Accrued interest	33	38
Accrued salaries and wages	347	208
Total current trade and other payables	7,819	5,211

(b) Trust funds and deposits

Current		
Fire services levy	721	734
Other refundable deposits	135	66
Refundable crossing deposits	37	127
Refundable contract retentions	233	251
Refundable developer bonds	5,864	3,856
Town planning deposits	2	4
Non standard lighting deposits	135	134
Unearned contributions	-	54
Total current trust funds and deposits	7,127	5,226

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

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

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

(c) Unearned income

Current		
Grants received in advance:		
Grants received in advance - operating	1,879	862
Grants received in advance - capital	14,123	7,046
Total grants received in advance	16,002	7,908
Total unearned income	16,002	7,908

Notes to the Annual Financial Report

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	2,352	1,916
	<u>2,352</u>	<u>1,916</u>
Non-current		
Borrowings - secured	11,540	10,484
	<u>11,540</u>	<u>10,484</u>
Total	<u>13,892</u>	<u>12,400</u>

Borrowings are secured by a charge on the general rates revenue of the Council

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

Not later than one year	2,352	1,916
Later than one year and not later than five years	7,831	6,762
Later than five years	3,709	3,722
	<u>13,892</u>	<u>12,400</u>

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 Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	Employee provisions \$ '000	Landfill restoration \$ '000	Total \$ '000
5.5 Provisions			
2021			
Balance at the beginning of the financial year	5,901	7,788	13,689
Additional provisions	3,025	1,122	4,147
Amounts used	(1,987)	(131)	(2,118)
Balance at the end of the financial year	6,939	8,779	15,718
2020			
Balance at the beginning of the financial year	4,888	4,948	9,836
Additional provisions	2,718	3,150	5,868
Amounts used	(1,705)	(310)	(2,015)
Balance at the end of the financial year	5,901	7,788	13,689
Summary of provisions			
		2021	2020
		\$ '000	\$ '000
Current provisions		9,479	7,395
Non current provisions		6,239	6,294
Total Provisions		15,718	13,689

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,490	1,280
Long service leave	316	350
	1,806	1,630
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,452	1,043
Long service leave	2,675	2,325
	4,127	3,368
Total current employee provisions	5,933	4,998
Non-Current		
Long service leave	1,006	903
Total Non-Current Employee Provisions	1,006	903
Aggregate Carrying Amount of Employee Provisions:		
Current	5,933	4,998
Non-current	1,006	903
Total Aggregate Carrying Amount of Employee Provisions	6,939	5,901

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, annual leave and accumulated sick 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.

Key assumptions:

- discount rate	1.49%	0.87%
- Wage inflation rate	2.95%	4.25%

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(b) Landfill restoration		
Current		
Current	3,546	2,397
Total current	3,546	2,397
Non-current		
Non-current	5,233	5,391
Total non-current	5,233	5,391

Council is obligated to restore Seymour landfill site to a particular standard and to cap the Hilldene landfill. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. Council has also allowed for the cappings costs at the Broadford landfill site. 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	0.18%	0.58%
- index rate	2.50%	2.50%

5.6 Financing arrangements

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

Credit card facilities	250	250
Other facilities	13,892	12,400
Leasing arrangements	1,754	2,634
Total Facilities	15,896	15,284
Used facilities	15,679	15,042
Used facilities	15,679	15,042
Unused facilities	217	242

Notes to the Annual Financial Report

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
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					
Animal Management Services	50	50	50	–	150
Information Technology					
Advisory Services	31	31	–	–	62
Consultancies	31	–	–	–	31
Waste collection and garbage	2,945	2,945	–	–	5,890
Street cleaning services	357	119	–	–	476
Cleaning of council buildings	618	618	–	–	1,236
Internal audit services	74	75	–	–	149
Environmental health service	550	550	–	–	1,100
Security patrols	98	98	–	–	196
Oval maintenance	129	129	–	–	258
Banking Services	107	109	–	–	216
Mechanical Services	26	26	–	–	52
Total	5,016	4,750	50	–	9,816
Capital					
Construction works	4,030	15	15	–	4,060
Total	4,030	15	15	–	4,060
2020					
Operating					
Waste collection and garbage	2,945	2,945	2,945	–	8,835
Street cleaning services	357	357	119	–	833
Cleaning of council buildings	618	618	618	–	1,854
Internal audit services	72	74	75	–	221
Environmental health service	550	550	550	–	1,650
Security patrols	98	98	98	–	294
Oval maintenance	129	129	129	–	387
Banking Services	105	107	109	–	321
Mechanical Services	26	26	26	–	78
Total	4,900	4,904	4,669	–	14,473
Capital					
Construction works	6,270	–	–	–	6,270
Total	6,270	–	–	–	6,270

Notes to the Annual Financial Report

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 5 leases which are considered as peppercorn leases and have been entered into to support key community infrastructure facility requirements. Details of these community facilities are provided below:

Start Date	Term	Description
1/10/2009	Open	Part of Land used to provide a Public Bus Shelter and Rubbish Bin
1/01/2013	15 Years	Agreement for joint use of Netball Courts and lighting
1/03/2016	21 Years	Use of land and building as an Early Years Learning Centre
1/11/2018	20 Years	Agreement for joint use of rooms in College
1/12/2018	3 Years	Part of Buildings used as Maternal Child Health Centre

Market value of the above leases is difficult to quantify but not expected to be material.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 5. Our financial position (continued)

(a) Right-of-Use Assets

	Property \$ '000	Vehicles \$ '000	Other \$ '000	Total \$ '000
2021				
Balance at 1 July	599	1,568	243	2,410
Additions	–	–	14	14
Amortisation charge	(207)	(428)	(91)	(726)
Other	(7)	–	–	(7)
Balance at 30 June	385	1,140	166	1,691
2020				
Balance at 1 July	101	1,996	339	2,436
Additions	659	–	4	663
Amortisation charge	(161)	(428)	(100)	(689)
Balance at 30 June	599	1,568	243	2,410

	2021 \$ '000	2020 \$ '000
(b) Lease Liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	781	795
One to five years	1,010	1,773
More than five years	60	66
Total undiscounted lease liabilities as at 30 June:	1,851	2,634
Lease liabilities included in the Balance Sheet at 30 June:		
Current	728	715
Non-current	1,026	1,739
Total lease liabilities	1,754	2,454

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 AUD\$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:

Short-term leases	47	107
Leases of low value assets	4	3
Total	51	110

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	2	35
Later than one year but not later than five years	2	5
Total lease commitments	4	40

Notes to the Annual Financial Report
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	139,540	4,288	2,318	4,735	(2,298)	(1,619)	–	2,137	149,101
Plant and equipment	10,376	3,335	–	–	(2,867)	(238)	–	121	10,727
Infrastructure	379,615	12,728	21,303	3,216	(9,437)	(757)	(2,688)	2,575	406,555
Work in progress	11,633	8,395	–	–	–	–	(277)	(4,833)	14,918
Total	541,164	28,746	23,621	7,951	(14,602)	(2,614)	(2,965)	–	581,301

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	2,153	1,259	–	(2,137)	1,275
Plant and equipment	685	293	(246)	(121)	611
Infrastructure	8,795	6,843	(31)	(2,575)	13,032
Total	11,633	8,395	(277)	(4,833)	14,918

Notes to the Annual Financial Report for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Land \$ '000	Land specialised \$ '000	Total land and land improvements \$ '000	Heritage buildings \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Building improvements \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
Property										
At fair value 1 July 2020	50,937	6,653	57,590	495	36,711	102,580	3,297	143,083	2,153	202,826
Accumulated depreciation at 1 July 2020	–	–	–	(367)	(14,990)	(44,515)	(1,261)	(61,133)	–	(61,133)
Carrying value - 1 July 2020	<u>50,937</u>	<u>6,653</u>	<u>57,590</u>	<u>128</u>	<u>21,721</u>	<u>58,065</u>	<u>2,036</u>	<u>81,950</u>	<u>2,153</u>	<u>141,693</u>
Movements in fair value										
Additions	1,425	–	1,425	–	46	2,539	278	2,863	1,259	5,547
Contributions	–	785	785	–	–	1,533	–	1,533	–	2,318
Revaluation	4,735	–	4,735	–	–	–	–	–	–	4,735
Disposal	–	–	–	–	–	(2,759)	(37)	(2,796)	–	(2,796)
Transfers	(32,480)	32,480	–	–	–	2,137	–	2,137	(2,137)	–
Total movements in fair value	<u>(26,320)</u>	<u>33,265</u>	<u>6,945</u>	<u>–</u>	<u>46</u>	<u>3,450</u>	<u>241</u>	<u>3,737</u>	<u>(878)</u>	<u>9,804</u>
Movements in accumulated depreciation										
Depreciation and amortisation	–	–	–	(2)	(755)	(1,384)	(157)	(2,298)	–	(2,298)
Accumulated depreciation of disposals	–	–	–	–	–	1,153	24	1,177	–	1,177
Total movements in accumulated depreciation	<u>–</u>	<u>–</u>	<u>–</u>	<u>(2)</u>	<u>(755)</u>	<u>(231)</u>	<u>(133)</u>	<u>(1,121)</u>	<u>–</u>	<u>(1,121)</u>
At fair value 30 June 2021	24,617	39,918	64,535	495	36,757	106,030	3,538	146,820	1,275	212,630
Accumulated depreciation at 30 June 2021	–	–	–	(369)	(15,745)	(44,746)	(1,394)	(62,254)	–	(62,254)
Carrying value - 30 June 2021	<u>24,617</u>	<u>39,918</u>	<u>64,535</u>	<u>126</u>	<u>21,012</u>	<u>61,284</u>	<u>2,144</u>	<u>84,566</u>	<u>1,275</u>	<u>150,376</u>

Notes to the Annual Financial Report for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Library books \$ '000	Plant and machinery \$ '000	Motor vehicles \$ '000	Equipment and furniture \$ '000	IT equipment \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
Plant and Equipment								
At fair value 1 July 2020	3,322	8,797	3,209	3,341	7,377	26,046	685	26,731
Accumulated depreciation at 1 July 2020	(2,660)	(4,097)	(1,114)	(2,466)	(5,333)	(15,670)	–	(15,670)
Carrying value - 1 July 2020	662	4,700	2,095	875	2,044	10,376	685	11,061
Movements in fair value								
Additions	189	1,599	844	242	461	3,335	293	3,628
Disposal	(1,749)	(1,169)	(484)	(2)	–	(3,404)	(246)	(3,650)
Transfers	–	–	–	29	92	121	(121)	–
Total movements in fair value	(1,560)	430	360	269	553	52	(74)	(22)
Movements in accumulated depreciation								
Depreciation and amortisation	(174)	(832)	(823)	(175)	(863)	(2,867)	–	(2,867)
Accumulated depreciation of disposals	1,749	1,060	357	–	–	3,166	–	3,166
Total movements in accumulated depreciation	1,575	228	(466)	(175)	(863)	299	–	299
At fair value 30 June 2021	1,762	9,227	3,569	3,610	7,930	26,098	611	26,709
Accumulated depreciation at 30 June 2021	(1,085)	(3,869)	(1,580)	(2,641)	(6,196)	(15,371)	–	(15,371)
Carrying value - 30 June 2021	677	5,358	1,989	969	1,734	10,727	611	11,338

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 6. Assets we manage

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and commu- nity \$ '000	Waste manage- ment \$ '000	Parks open spaces and streets - capes \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total work in progress \$ '000	Total infra- structure \$ '000
Infrastructure												
At fair value 1 July 2020	288,375	64,740	39,449	109,590	27,805	10,196	4,430	759	545,344	8,796	8,796	554,140
Accumulated depreciation at 1 July 2020	(86,075)	(25,580)	(16,371)	(23,781)	(8,537)	(4,508)	(495)	(383)	(165,730)	–	–	(165,730)
Carrying value - 1 July 2020	202,300	39,160	23,078	85,809	19,268	5,688	3,935	376	379,614	8,796	8,796	388,410
Movements in fair value												
Additions	6,971	951	1,324	1,554	815	(19)	1,009	123	12,728	6,843	6,843	19,571
Contributions	7,677	280	3,014	10,212	–	–	120	–	21,303	–	–	21,303
Revaluation	–	2,980	2,192	–	–	–	–	–	5,172	–	–	5,172
Disposal	(453)	(156)	(138)	(168)	(224)	–	–	–	(1,139)	(32)	(32)	(1,171)
Write-off	–	–	–	–	–	(5,488)	–	–	(5,488)	–	–	(5,488)
Transfers	865	–	108	196	289	19	1,078	20	2,575	(2,575)	(2,575)	–
Total movements in fair value	15,060	4,055	6,500	11,794	880	(5,488)	2,207	143	35,151	4,236	4,236	39,387
Movements in accumulated depreciation												
Depreciation and amortisation	(4,852)	(653)	(899)	(1,443)	(1,207)	(159)	(165)	(59)	(9,437)	–	–	(9,437)
Accumulated depreciation of disposals	125	52	67	54	84	–	–	–	382	–	–	382
Revaluation	–	(3,796)	1,840	–	–	–	–	–	(1,956)	–	–	(1,956)
Write-off	–	–	–	–	–	2,801	–	–	2,801	–	–	2,801
Total movements in accumulated depreciation	(4,727)	(4,397)	1,008	(1,389)	(1,123)	2,642	(165)	(59)	(8,210)	–	–	(8,210)
At fair value 30 June 2021	303,435	68,795	45,949	121,384	28,685	4,708	6,637	902	580,495	13,032	13,032	593,527
Accumulated depreciation at 30 June 2021	(90,802)	(29,977)	(15,363)	(25,170)	(9,660)	(1,866)	(660)	(442)	(173,940)	–	–	(173,940)
Carrying value - 30 June 2021	212,633	38,818	30,586	96,214	19,025	2,842	5,977	460	406,555	13,032	13,032	419,587

Notes to the Annual Financial Report

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		
Land	Not depreciated	1,000
Land improvements	40 to 60 years	1,000
Buildings		
Heritage buildings	50 to 200 years	10,000
Buildings	5 to 170 years	10,000
Building and leasehold improvements	0 to 50 years	10,000
Plant and Equipment		
Library books	6.5 years	1
Plant, machinery and equipment	10 to 15 years	1,000
Furniture and equipment	3 to 10 years	1,000
Computers and telecommunications	3 years	1,000
Motor vehicles	4 years	1,000
Infrastructure		
Road seals	10 to 50 years	20,000
Road pavements	12 to 80 years	20,000
Road formation and earthworks	Not depreciated	20,000
Road kerb channel and minor culverts	50 to 70 years	5,000
Bridges - deck and substructure	50 to 150 years	20,000
Bridges - other (culverts)	50 to 150 years	5,000
Footpaths and cycleways	15 to 60 years	5,000
Drainage	25 to 150 years	5,000
Recreational leisure and community facilities	5 to 60 years	5,000
Waste management	15 years	20,000
Parks, open space and streetscapes	10 to 150 years	5,000
Off street carparks	10 to 80 years	1,000
Intangible assets		
Airspace asset	2 to 5 years	1,000

Land under roads

Council recognises land under roads it controls at fair value.

Notes to the Annual Financial Report

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.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer (PW Newman, API 62050). The valuation of land and buildings is at fair value (Refer Note 8.4), 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.

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.

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:

	Level 1 2021 \$ '000	Level 2 2021 \$ '000	Level 3 2021 \$ '000	Date of valuation
Non-specialised land	–	24,617	–	30/06/21
Specialised land	–	–	39,918	30/06/14
Specialised Buildings	–	–	21,012	30/06/20
Heritage buildings	–	–	126	30/06/20
Buildings	–	61,284	–	30/06/20
Building improvements	–	–	2,144	30/06/20
Total	–	85,901	63,200	

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

Valuation of Infrastructure

Council undertakes condition audits of its high value and high risk infrastructure assets on a cyclical basis. In 2020/21 condition audits were done on our footpath and shared path network as well as our major culverts network. Major culverts form part of our bridges asset class. Bridges were audited in 2019/20. Moving forward, Council will audit bridges and major culverts together in the same financial year.

For complex assets like bridges, the audit also provides an estimate of replacement value. Council does not build or replace bridges regularly, so generating replacement rates from our own capital works can be challenging, thus we request the auditor provide this. This was included in the service provided by Pitt and Sherry for bridges and major culverts. In contrast, Council, and Council's more broadly build and replace a significant amount of footpath each year. Utilising rates for new installed footpath, and comparing those to the rates shared by other Council's, or rates supplied to Council by developers who build and gift footpath to Council, we can generate a regional based estimate for footpath to base our revaluations on.

As our revaluation rates impact our replacement values, depreciation and write down values, it is important we are thorough in generating revaluation unit rates. As such, where additional industry information is available, then we utilise that to form an average rate across multiple information sources. We utilise unit rates supplied through Rawlinson's Construction Cost Guide which is used widely in the market for estimation purposes. We also take note of the Australian Bureau of Statistics (ABS) Producer Price Index (PPI) which we apply to Council's last endorsed revaluation rate before we average that rate against other Council's, Rawlinson's, Developer gifted assets and our own new capital works.

In summary, Council utilises the all the following sources, or a sub set of these if that is the limit of data availability;

- Council's last endorsed revaluation rate plus the current years PPI increase/decrease
- Council's Capital Works projects
- Rawlinson's construction cost guide
- Other neighbouring Council current unit rates
- Developer unit rates from gifted assets
- Auditor supplied replacement rates

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

The valuation is at fair value (Refer Note 8.4) 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
Roads	–	–	212,633	30/06/18
Bridges	–	–	38,818	30/06/21
Footpaths and cycleways	–	–	30,586	30/06/21
Drainage	–	–	96,214	30/06/20
Recreational, leisure & community facilities	–	–	19,025	30/06/20
Waste management	–	–	2,842	30/06/17
Parks, open space & streetscapes	–	–	5,977	30/06/20
Other Infrastructure	–	–	460	30/06/14
Total	–	–	406,555	

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 46% and 65%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values are \$4 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 is calculated on a square

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

metre basis and ranges from \$33 to \$5,484 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 200 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 10 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

	2021 \$ '000	2020 \$ '000
Land under roads	7,438	6,653
Parks and reserves	32,480	–
Total specialised land	39,918	6,653

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Mitchell Shire Council is the parent entity and has no subsidiaries or 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

A Goble
 B Chisholm
 B Christine (from 16/11/20)
 B Cornish
 B Humm (to 24/10/20)
 B Louise (from 16/11/20)
 C Nathan (from 16/11/20)
 D Atkinson (to 24/10/20)
 D Lowe (Mayor to 24/10/20)
 F Stevens
 R Eldridge
 R Sanderson (Mayor from 16/11/20)

		2021 No.	2020 No.
Total Number of Councillors		12	9
B Luxford	- Chief Executive Officer (from 24/08/2020)	1	-
D Turnbull	- Chief Executive Officer (to 27/03/2020)	-	1
Mary Agostino	- Acting Chief Executive Officer (01/07/2020 to 23/08/2020) - Director - Advocacy and Community Services (from 24/08/2020)	1	1
J Wilson	- Acting Director - Advocacy and Community Services (01/07/2020 to 23/08/2020) (07/09/2020 to 18/10/2020)	1	1
K Watson	- Acting Director - Advocacy and Community Services	-	1
L Ellis	- Director - Governance and Corporate Performance	1	1
M McIntosh	- Director - Development and Infrastructure	1	1
Total Number of Key Management Personnel		17	15

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 7. People and relationships (continued)

	2021 \$ '000	2020 \$ '000
(c) Remuneration of Key Management Personnel		
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,385	1,559
Long-term benefits	57	22
Termination benefits	–	13
Total	1,442	1,594

	2021 No.	2020 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1,000 - \$9,999	2	–
\$20,000 - \$29,999	9	7
\$40,000 - \$49,999	–	1
\$60,000 - \$69,999	1	1
\$80,000 - \$89,999	1	–
\$120,000 - \$129,999	–	1
\$130,000 - \$139,999	–	1
\$210,000 - \$219,999	–	1
\$240,000 - \$249,999	2	1
\$250,000 - \$259,999	–	1
\$270,000 - \$279,999	1	–
\$280,000 - \$289,999	–	1
\$300,000 - \$309,999	1	–
	17	15

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 7. People and relationships (continued)

(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:		
< \$151,000	4	4
\$160,000 - \$169,999	4	5
\$170,000 - \$179,999	3	5
\$180,000 - \$189,999	2	-
	13	14

	2021 \$ '000	2020 \$ '000
Total Remuneration for the reporting year for Senior Officers included above amounted to:	1,971	1,952

Notes to the Annual Financial Report

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 did not enter into any material transactions with related parties.

(b) Outstanding balances with related parties

There are no outstanding balances with any of the above mentioned related parties as at 30 June 2021.

(c) Loans to/from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 8. Managing uncertainties

	2021	2020
	\$ '000	\$ '000
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	178	171
Later than one year and not later than five years	85	92
Later than five years	76	90
	339	353

(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

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$81,848.

Legal matters

Council is currently involved in continuing negotiations around the ongoing management responsibilities of Council in relation to the closed Kilmore Landfill that is not located on Council land. Further legal costs are expected in the order of \$100k. Regular reporting to the audit and risk committee on the progress of these matters is undertaken and budget implications will be adjusted as the matter progresses.

Building cladding

Council is not aware of any building structures with building cladding that would require material costs to remediate.

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.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

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.

Mitchell Shire Council entered into a guarantor agreement with the Bendigo Bank in 2017 for a loan that the Wallan Bowling Club has drawn down. This was for the installation of a synthetic bowling green for which the Wallan Bowling Club also received a grant from the Community Sports Infrastructure Fund 2016-2017 and provided their own contribution, along with the loan. The guarantee is for \$60,000 for a period of ten years (current balance outstanding \$28,511.57), subject to the Wallan Bowling Club satisfactorily meeting the loan guarantee criteria and reporting obligations as set out in the guarantee agreement. At the date of this report, the possible obligation to Mitchell Shire Council under the guarantee is not considered probable hence, as such is reported as a contingent liability under *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*.

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.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

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 / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*.

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

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

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

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council 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).

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c) and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.5 % and - 0.5 % in market interest rates (AUD) from year-end rates of 0.50 - 1.40%.

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

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

8.4 Fair value measurement

Fair Value Hierarchy

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

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

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 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

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

Notes to the Annual Financial Report
for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

8.5 Events occurring after balance date

The state of emergency in Victoria has been extended to the 23 September 2021 with a possibility of further extension. The impacts of COVID-19 are still being experienced as services are limited and/or closed during lockdown periods. The overall impact can not be estimated due to the uncertainty and ongoing nature, however staff are monitoring forecasts closely and adjustments will be made as the impacts are quantified.

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

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Other adjustments \$ '000	Balance at end of reporting period \$ '000
9.1 Reserves				
(a) Asset revaluation reserves				
2021				
Property				
Land - specialised	17,501	–	–	17,501
Land - non specialised	15,509	4,735	–	20,244
Buildings	43,121	–	–	43,121
Buildings - non specialised	4,506	–	–	4,506
Non current financial assets	120	–	–	120
	80,757	4,735	–	85,492
Infrastructure				
Roads	103,094	–	–	103,094
Bridges	6,372	(816)	–	5,556
Footpaths and cycleways	55	4,032	–	4,087
Drainage	32,561	–	–	32,561
Recreational, leisure and community facilities	7,962	–	–	7,962
Waste management	277	–	–	277
Parks, open space and streetscapes	416	–	–	416
Other infrastructure	1,357	–	–	1,357
	152,094	3,216	–	155,310
Total asset revaluation reserves	232,851	7,951	–	240,802
2020				
Property				
Land - specialised	17,501	–	–	17,501
Land - non specialised	13,532	–	1,977	15,509
Buildings	42,385	736	–	43,121
Buildings - non specialised	–	4,506	–	4,506
Non current financial assets	–	120	–	120
	73,418	5,362	1,977	80,757
Infrastructure				
Roads	103,094	–	–	103,094
Bridges	6,372	–	–	6,372
Footpaths and cycleways	55	–	–	55
Drainage	6,995	25,566	–	32,561
Recreational, leisure and community facilities	–	7,962	–	7,962
Waste management	277	–	–	277
Parks, open space and streetscapes	–	416	–	416
Other infrastructure	1,357	–	–	1,357
	118,150	33,944	–	152,094
Total asset revaluation reserves	191,568	39,306	1,977	232,851

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 9. Other matters (continued)

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

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
(b) Other reserves				
2021				
Restricted reserves				
Public open space	2,077	441	(16)	2,502
Community infrastructure	3,456	263	(112)	3,607
Development infrastructure	9,334	2,823	–	12,157
Standard Transport	–	669	(37)	632
Supplementary Transport	–	450	–	450
Community and Recreation	–	481	–	481
Land Equalisation	–	650	–	650
Total restricted reserves	14,867	5,777	(165)	20,479
Discretionary reserves				
Waste management	3,563	202	–	3,765
Property proceeds	615	126	–	741
Vegetation offset reserve	12	–	(5)	7
Total discretionary reserves	4,190	328	(5)	4,513
Total other reserves	19,057	6,105	(170)	24,992

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
2020				
Restricted reserves				
Public open space	2,094	305	(322)	2,077
Community infrastructure	3,053	403	–	3,456
Development infrastructure	6,516	2,922	(104)	9,334
Total restricted reserves	11,663	3,630	(426)	14,867
Discretionary reserves				
Waste management	3,100	463	–	3,563
Property proceeds	273	442	(100)	615
Vegetation offset reserve	16	–	(4)	12
Total discretionary reserves	3,389	905	(104)	4,190
Total other reserves	15,052	4,535	(530)	19,057

Council maintains Restricted Reserves for the creation and/or development of recreation facilities, public open space infrastructure and other infrastructure works throughout the Municipality. The balance of the reserve equals the total of contributions received from property developers less expenditure on related development of recreational facilities, open space and infrastructure works. Property Proceeds Reserve has been established to fund land acquisition, new capital works or debt reduction from proceeds derived from property realisation. Council also maintains a Waste Management Reserve to provide for the rehabilitation, replacement and expansion of waste management infrastructure throughout the Municipality.

	2021 \$ '000	2020 \$ '000
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(c) Adjustments directly to Equity

Adjustment to prior year Land revaluations	-	1,977
Total Adjustments directly to Equity	-	1,977

(d) Summary of Reserves

Asset Revaluation Reserves	240,802	232,851
Other Reserves	24,992	19,057
Total Reserves	265,794	251,908

Notes to the Annual Financial Report

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	31,926	17,237
Depreciation/amortisation	15,414	13,168
Profit/(loss) on disposal of property, infrastructure, plant and equipment	4,443	3,734
Contributions - Non-monetary assets	(23,621)	(17,461)
Amounts disclosed in financing activities	673	782
Revaluation decrements through income statement	-	8
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(1,877)	734
(Increase)/decrease in inventories	11	26
(Increase)/decrease in prepayments	54	(397)
(Increase)/decrease in accrued income	655	483
(Increase)/decrease in other assets	-	12
Increase/(decrease) in trade and other payables	2,608	(1,034)
Increase/(decrease) in provisions	2,029	3,853
(Decrease)/increase in trust funds and deposits	1,901	1,599
Increase/(decrease) in Unearned income	8,094	7,908
Net cash provided by/(used in) operating activities	42,310	30,652

9.3 Superannuation

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

Accumulation

The Fund's accumulation 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).

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.

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%.

Notes to the Annual Financial Report

for the year ended 30 June 2021

Note 9. Other matters (continued)

The financial assumptions used to calculate the VBIs were:

Net investment returns	5.60% pa
Salary information	2.50% pa for two years and 2.75% pa thereafter
Price inflation (CPI)	2.00% 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 estimated VBI at June 2021 was 109.7%. The financial assumptions used to calculate this VBI were:

Net investment returns	4.80% 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 2019/2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

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 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 Annual Financial Report

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 (2019: August 2019).

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

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 benefits	9.5%	78	111
Vision Super	Accumulation fund	9.5%	1,449	1,367
Other funds	Accumulation fund	9.5%	1,132	777

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$81,848

Notes to the Annual Financial Report
for the year ended 30 June 2021

Note 10. Changes in accounting policies

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

Council has adopted AASB 1059 Service Concession Arrangements: Grantors , from 1 July 2020. Council does not have any service concession arrangements in place hence this accounting standard does not impact Council.

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

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020.

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

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework from 1 July 2020.

It is not expected that these standards will have any significant impact on Council.



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