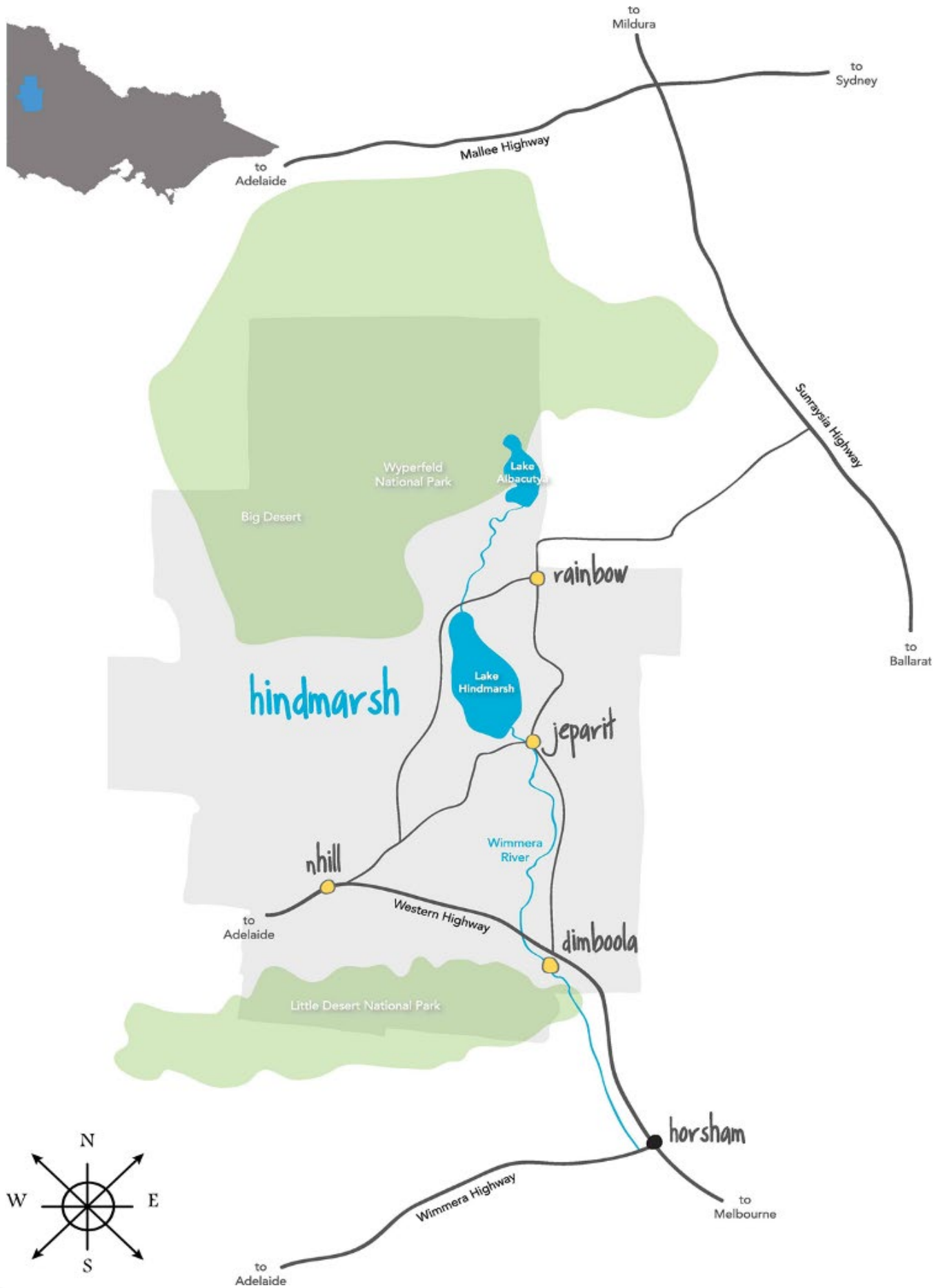


Hindmarsh Shire Council

Annual Report 2020-2021





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Introduction

Welcome to the 2020/21 Report of Operations

The *Victorian Local Government Act 2020* requires all Councils to present an Annual Report to the Minister for Local Government, presenting the report at a public Council meeting within four months of the end of the financial year.

Council's Annual Report details the achievements and performance of Hindmarsh Shire Council during the 2020/21 financial year. Council is committed to transparent reporting and accountability to the community and the report of operations provides a transparent record of Council's operations and performance during the financial year.

Snapshot of our Council

Hindmarsh Shire Council is located in the Wimmera region in Western Victoria, covering an area of 7,527 km². We are bound by two National Parks, the Little Desert in the South and Wyperfeld in the North.

Hindmarsh Shire is based in or around the Shire's four main towns of Dimboola, Jeparit, Nhill and Rainbow. We are a closely linked community of approximately 5,592 people, with a median age of 50 years.

Hindmarsh Shire is rich in natural beauty like the Wimmera River and Lake Hindmarsh, Pink Lake and Lake Albacutya. The economy is largely dependent on agriculture (primary and secondary), health services, manufacturing and retail.

58.3% of people work full time, 30.6% of people work part time, 5.1% of people were unemployed and 6.0% of people were away from work according to the 2016 Census.

83.5% of people were born in Australia, with English the only language spoken in 88.0% of homes. Our most significant group of migrants are Karen refugees from Burma (Myanmar), with approximately 180 Karen people calling Nhill home.

Our Vision

A caring, active community enhanced by its liveability, environment and economy.

Our Mission

- To provide accessible services to enable the community to be healthy, active and engaged.
 - To provide infrastructure essential to support the community.
 - To protect and enhance our natural environment.
- To foster a thriving and diversified local economy where economic growth is encouraged and supported.
- To realise the excellence in our people, processes and systems.

Our Values

Respect | Integrity | Good Leadership
Surpassing Expectations | Enthusiasm

At the heart of our values is our commitment to our community.

Our values help build our culture and guide us in all our decisions, actions and interactions.

Facts and Figures

Caravan park visits

Dimboola - **18142**

Jeparit - **261**

Rainbow - **163**

Meals on Wheels **7778**

Customer Action Requests for Roads and Footpaths **332**

Roads resealed **54077m2**

Customer Service Centres (Customers through door)

Nhill - **3119**

Dimboola - **2652**

Jeparit - **257**

Rainbow - **336**



The Year in Review

Mayor and CEO's Message

On behalf of Hindmarsh Shire Council, it is a great pleasure to present Council's 2020/21 Annual Report.

During the past twelve months we have worked through the constant restrictions and lockdowns as a result of the COVID-19 pandemic while maintaining services to our community.

COVID-19 pandemic:

The COVID-19 pandemic has continued to provide many challenges for our community, businesses and Council alike.

During this period Council has increased outreach services to vulnerable members of our community. Council has continued its call service to vulnerable community members, checking in and providing a prompt response where additional services are required. Council has coordinated and delivered food parcels to community members in need.

Lobbying:

Following years of lobbying to both the State and Federal Government funding was obtained for the construction of Albacutya Bridge. This project will see the single lane bridge replaced with a dual lane bridge to meet the needs of our agricultural industries.

Council continued to lobby to the State Government at every opportunity for passenger rail services from Nhill to Ararat. A shuttle service is required to enable Hindmarsh resident's access to the rail service currently running between Ararat and Melbourne.

Council continues to lobby for funding for road upgrades to both Hindmarsh managed roads and VicRoads managed roads.

Advocacy was also undertaken on the need improve mobile phone coverage across the Shire. Council will continue to advocate for increased funding to support small rural shires both with operational funding and capital projects based on grants commission model.

Community Consultation:

Due to the COVID-19 pandemic community consultation was disrupted, with several of Council's in-person sessions cancelled or postponed.

To assist the community stay in touch with Council, live streaming of Council meetings continued to be implemented with community members able to send their questions to Council for answering during the Council meeting and tune in via Council's Facebook Page.

A new fortnightly e-newsletter was implemented providing subscribers with relevant information on Council projects, activities and events as well as sharing important information from organisations and government.

Council sought online feedback on a number of proposed plans, policies and projects. Community members were given the opportunity to have their say on Draft Governance Rules and Public Transparency Policy, Draft Community Engagement Policy, Council's revised Customer Service Charter, COVID19 Impacts Survey, Adding Fluoride to Town Water, Proposed Local Laws: Hindmarsh Governance Local Law No. 1 (2021) and Hindmarsh Municipal Local Law No. 2 (2021), B Double Changes to Road Use and the Review of the Draft Road Management Plan 2021-2021.

During March 2021 four community meetings were held throughout the Shire. The meetings were well attended and allowed our community to discuss and put forward ideas and concerns around the Council Plan 2021-2025 and Council Vision to 2040. One meeting was live-streamed, giving the opportunity to those who could not attend the meetings to contribute to the consultation. The Draft Council Plan 2021-2025 and Community Vision to 2040 will be open for public review in the 2021/22 Financial Year.

In-person consultation or drop in sessions were also held in regards to the Nhill Streetscape Master Plan, the proposed Davis Park Redevelopment, the Draft 2021/22 Budget incorporating the Revenue and Rating Plan and the Road Management Plan 2021-2023.

In November 2020, Council conducted an online survey with its young people to inform the Youth Strategy 2021-2025, with follow up in-person discussions giving young people the opportunity to propose solutions to the issues identified in the survey.

Each month representatives from Council attend the Dimboola, Jeparit, Nhill and Rainbow Town Committee meetings. Town Committees provide a link between their respective communities and Council.

Grant Funding:

Grants are an important funding source for Council. Grants allow Council to deliver projects big and small to our community.

In July 2020, Council was successful in two funding applications for projects totalling \$585,000 through the Victorian Government's 2020-2021 Local Sports Infrastructure Fund. The Dimboola Bowling Club received a grant of \$163,500 to upgrade their facilities including a second synthetic green, improved shade structures and all-abilities access to the new green, while a grant of \$226,640 went towards the construction of new female change rooms at the Rainbow Recreation Reserve.



In November 2020, the Victorian Government announced an investment to upgrade the Wimmera Mallee Silo Art Trail which will include major works at Llew Schillings Silo in Rainbow. Hindmarsh Shire Council have been working closely with Llew Schilling and Visit Victoria over the previous two years to develop plans to create a unique silo art experience.

Hindmarsh Shire Council also received grant funding through the Victorian State Government's COVID recovery assistance program to support food and hospitality vendors to increase outdoor dining capacity. The project saw the installation of picnic table and chair settings across the Shire, including twenty 1.8 meter all-access-friendly tables with table legs positioned to allow wheel-chair access. Picnic Pods were also placed in the four towns as part of the outdoor dining grant.

Funding was received from the Federal Government for Local Roads and Community Infrastructure rounds. Round one funding was allocated towards road projects which were completed during 2020/2021.

Other grants received during 2020/2021 for small projects to assist with improving our liveability, visitor amenities or supporting events include FReeZA funding for youth events, Rainbow Talks through the Pride Events and Festivals Fund, Kindergarten central enrolment program and capacity upgrades to cater for three-year-old kindergarten

Council's Community Action Grants and Business Assistance Grants programs were again successful with Council providing funding to enable 19 community groups and businesses

within our Shire to undertake projects and improve capacity. These programs continued to support our community during 2020/21 to undertake projects to support and enhance our community.

Through the Community Activations Social Isolation (CASI) funding, Council also offered Community Connection Grants to 16 community groups and organisations to encourage social connectedness for people impacted through COVID19. CASI funding also funded events and activities throughout Hindmarsh including school holiday activities, movie matinees, concerts in each of the four towns and a meal program.

Events:

Hindmarsh Shire continues to be a great place to live, this is attributable to the many community groups who work tirelessly assisting Council to host events and activities. While COVID19 restrictions meant the cancellation or postponing of many events, a number of events were able to go ahead as scheduled.

Some of the events held in the last 12 months include the Rainbow Rises 240, themed FReeZA parties for young people including Australia Day pool parties, Australia Day Awards Ceremony, Nhill Park Run, markets, Harmony Day, Sing-a-longs, school holidays programs and Karen New Year.

We thank all of the hardworking volunteers involved in delivering a busy schedule of events across our Shire.

Volunteers:

The contribution of our volunteers should not go unrecognised, and we thank the many volunteers that support our operations around the Shire.

Council has 10 Community Asset Management Committees established under the *Local Government Act 2020* to manage Council owned community assets. Committees range from Hall Committees to larger assets such as the Yurunga Homestead Committee of Management and the Wimmera Mallee Pioneer Museum.

Council also has four Town Committees, who undertake an extraordinary amount of work within our towns and perform a valuable role as Council's conduit to our community. The contributions that these committees make to our Shire is significant and Council is very grateful for their support.

Community Satisfaction:

Our Community Satisfaction survey results remain consistent with Council scoring higher than the average of small rural shires in 11 key areas.

Performance Measures	Hindmarsh 2017	Hindmarsh 2018	Hindmarsh 2019	Hindmarsh 2020	Hindmarsh 2021	Small Rural Shires 2021
Overall Performance	63	60	65	61	61	60
Community Consultation (community consultation & engagement)	59	60	60	59	56	56
Advocacy (lobbying on behalf of the community)	60	62	61	61	59	55
Making community decisions (Decisions made in the interest of the community)	58	60	61	59	59	56
Sealed Local Roads (Condition of sealed local roads)	52	48	54	50	53	53
Customer Service	71	72	70	72	69	69
Overall Council Direction	66	51	53	52	48	53

Capital Works:

During 2020/2021 Council undertook the following capital works:

5 Reseal/Final Seals	\$ 290,690.59
8 Resheets	\$ 328,400.25
7 Sealed Reconstructions	\$1,981,798.45
3 Footpaths	\$ 112,075.01
2 Shoulder Resheets	\$ 136,855.21
1 Kerb and Channel	\$ 386,947.94
2 Culverts	\$ 15,249.82

During 2020/21 Council's construction team completed several infrastructure projects, including roads, footpaths and drainage works.

Major sealed road construction projects included Block 40 Rd, Antwerp-Woorak Rd, Perenna Road, Lorquon East Road and Kiata North Rd. There are also sealed road construction projects that were started including Salisbury-Woorak Road and Woorak-Ni Ni-Lorquon Rd. Several reseals were also undertaken throughout the shire.

The construction team also completed several gravel resheets, some include Croots Road, Wheatlands Road and Miatke Road. The projects installed a new gravel pavement to maintain all-weather access.

Footpaths were also installed in Pine Street Nhill, Lake Street Rainbow and Macpherson Street Nhill. These projects have increased safe pedestrian movement in these locations.

Major drainage projects were undertaken in Charles Street Jeparit, and started in Anderson Street Dimboola. These replaced old kerbing and underground drainage, as well as improving the aesthetics of the street.

These works are in addition to the significant amount of maintenance work Council undertakes on its road network and town amenity projects such as work to maintain and improve playgrounds, parks and sporting facilities.

Council is responsible for 3,200 kilometres of local road network. One of the main focuses for Council's capital works program is asset renewal. Council faces significant challenges into the future primarily due to the responsibility for a large local road network.

Council will continue to lobby the State and Federal governments for more appropriate funding in recognition of the size of this challenge and the importance of our road network to our economy.

Summary

Council has a team of staff members who are committed to our community. We look forward to delivering a significant number of projects in 2020/2021, continuing to make our community liveable for our residents.

During 2020/2021 works on the Dimboola Civic Hub, Jeparit Library and Customer Service Refurbishment, and Albacutya Silo Art was completed and works continued on the Wimmera River Discovery Trail incorporating visitor nodes at both Dimboola and Jeparit.

Council will continue to advocate for increased funding for small rural shires and our rural roads and well as funding which assists our community to recover from the impacts of COVID-19.



Cr Ron Ismay
Mayor



Greg Wood
Chief Executive Officer

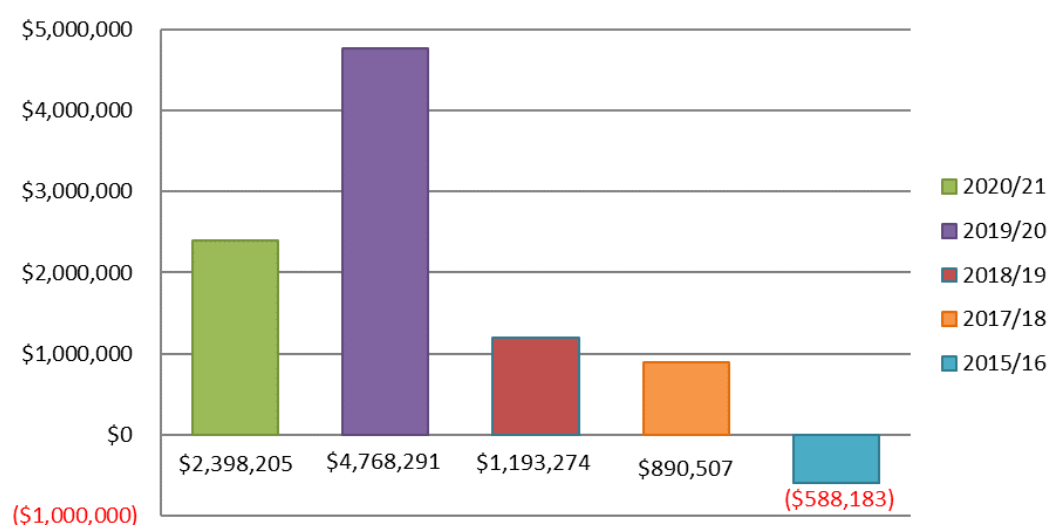


Financial Summary

Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to council's financial performance is included within the Financial Statements and Performance Statement sections of this report.

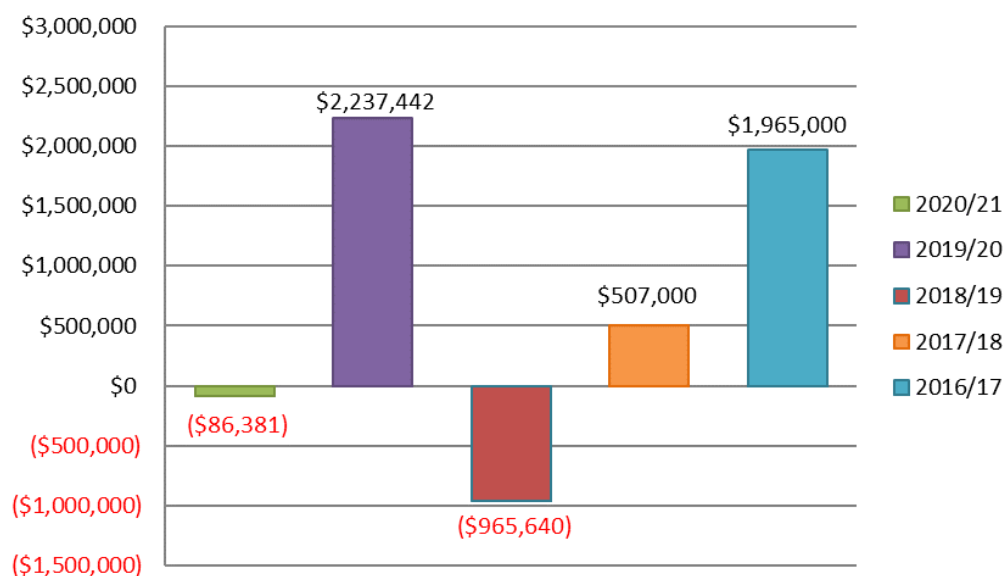
Operating Position

Council reported a surplus of \$2.398 million in 2020/2021. As per the Comprehensive Income Statement in the Financial Report, the favourable variance is due mainly to the early payment of \$2.45 million from the Commonwealth Government Financial Assistance grants received in June 2021 for the 2021/2022 financial year.



Surplus / (deficit) for the year

Council's adjusted underlying result, that is, the result after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a deficit of \$0.086 million.

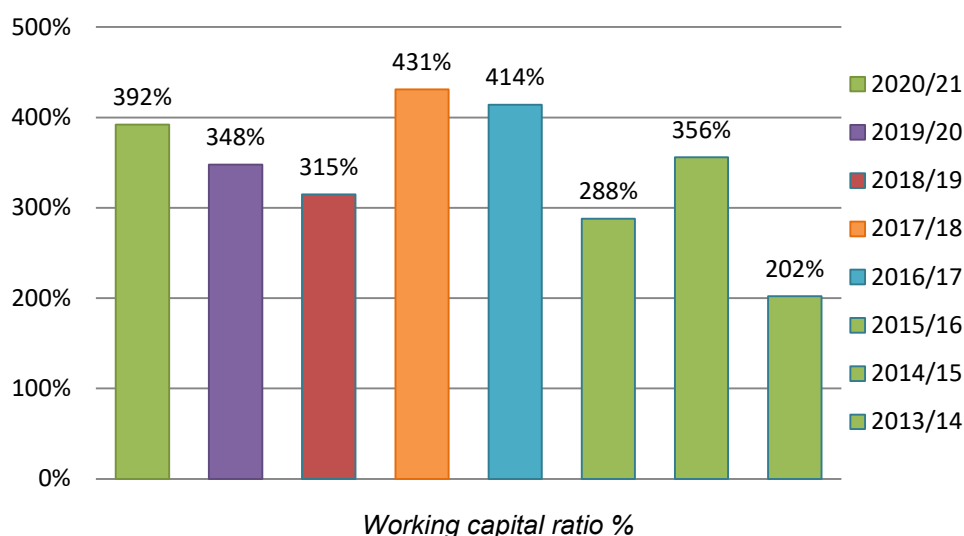


Adjusted Underlying Surplus / (deficit) for the year

Liquidity

Cash increased by \$5.44 million from the previous financial year. A significant number of grants relating to the 2021/22 financial year were paid prior to the end of the financial year. A number of larger capital works projects, including the Albacutya bridge, were not completed during 2020/21 and will be undertaken during 2021/22.

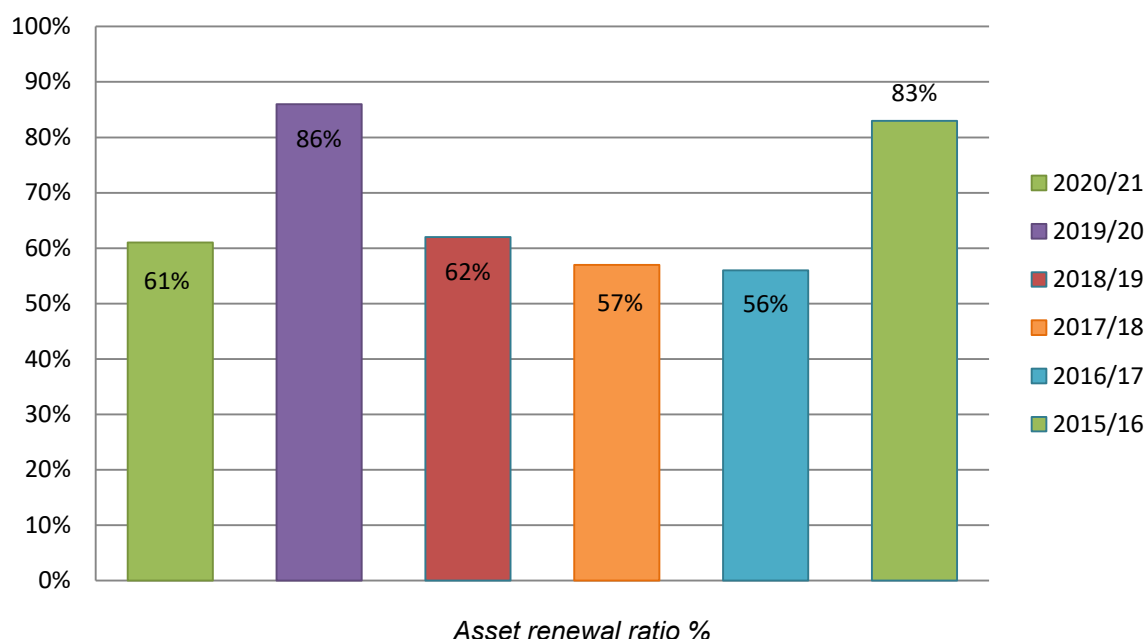
The working capital ratio which assesses Council's ability to meet its current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 392% is an indicator of Council's strong financial position and well within the band of 150% or more for the Victorian Auditor General's Office (VAGO) assessment as 'low risk'.



Obligations

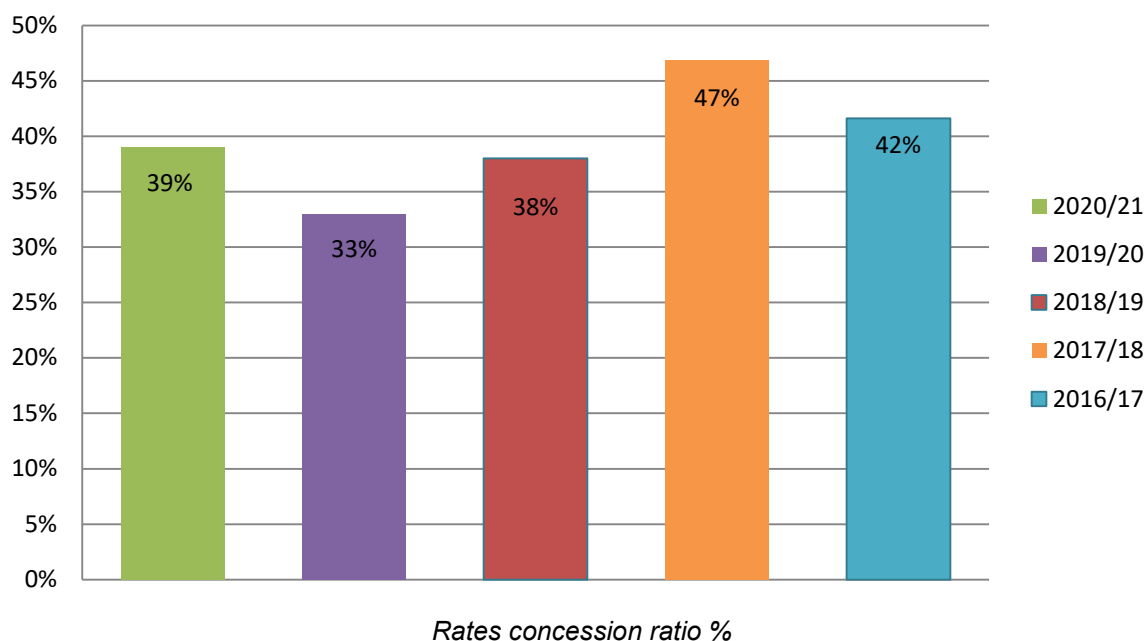
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by its community.

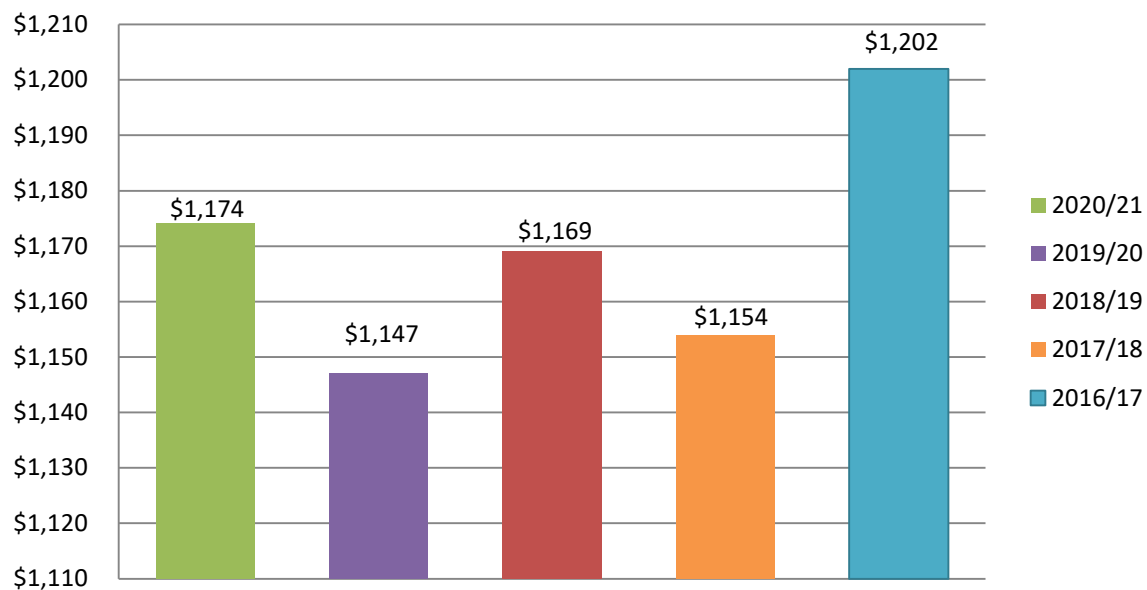
With land, building and infrastructure assets valued at more than \$150 million, it is a challenge to maintain them with an income of just \$22.89 million. Assets deteriorating faster than their maintenance and renewal can be funded creates an 'infrastructure renewal gap'. To bridge this gap, Council invested \$3.81 million in infrastructure renewal works during the 2020/21 year. Council's asset renewal ratio which is measured by comparing asset renewal expenditure to depreciation (the reduction in the value of our assets over time, due in particular to wear and tear) was 61%. The impact on the lower renewal expenditure remains a concern, therefore future budgets need to focus on renewal expenditure as a priority.



Stability and efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, Council's rates concentration which compares rate revenue to adjusted underlying revenue was 39% for the 2020/21 year which is below the expected target band of 40% - 80%. Council continues to advocate for additional grants, and appreciates the State Government's COVID recovery grants and increase in the Victorian Grants Commission Grant payment, and the Federal Government's Local Roads and Community Infrastructure grants. Average residential rates per residential assessment for 2020/21 was \$1,174 which compares favourably to similar small rural councils.





Rates per residential assessment

Description of Operations

Hindmarsh Shire Council is responsible for more than 120 services, ranging from services for children to those for older adults, from open space to community buildings, waste management and infrastructure to matters concerning business development, planning for appropriate development and ensuring accountability for Council's budget. This broad range of services and facilities are described in our Council Plan 2017-2021 and the associated budget 2020/21 and reported upon in this document. More information about Council services is contained in the section on Our Performance.

The delivery of services, facilities, support and advocacy to achieve the Strategic Objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian and federal legislation.

Economic or other factors

Council received significant grants during 2020/21 including work the construction of a new dual lane Albacutya bridge. Without funding assistance from both the State and Federal Government's Council would be unable to undertake this high priority project.

Additional grants have assisted Council to support our community during COVID with funding for activities and events, food parcels, assisting to waive food business permits, and create outdoor dining spaces throughout the Shire.

Council received funding through round two of the state governments Fixing Country Roads program which has enabled Council to undertake significant upgrade works to the Nhill Rainbow Road. This funding is only available for new or upgrade projects, and although

Council welcomes the funding, to enable Council to match their required contribution means a reduction in the completion of renewal works.

Council is able to cover the reduction in renewal works in the short term, but long term our renewal gap will increase to a level that is not sustainable. Council's budget and long term financial plan will focus on asset renewal, seeking grants for upgrade and renewal projects. Council remains debt free, with a capacity to meet short term unforeseen economic challenges due to managing its financial position prudently.

Major Capital Works & Community Development

During 2020/21 major capital works undertaken included:

Dimboola Civic Hub and Visitor Node

Works were completed on the old Shire Hall, with the official opening scheduled for July 2021. Hindmarsh Shire Council received funding of \$600,000 through the Federal Government's 2019 Community Development Grants Program to undertake refurbishment works following the construction of the new Dimboola Library / Customer Service Centre. To be known as the Dimboola Community Civic Hub, the venue will be a multi-use facility that can be used by businesses and community organisations for meetings, exhibitions, training and educational purposes as well as library events and functions.

Jeparit Customer Service Centre and Library Upgrades

Plans to convert the senior citizens and customer services areas at the Jeparit Hall into a new library began in 2019/20. The most noticeable change externally is the relocation of the office entry to the side of the building, accessed by an All Abilities Accessible ramp and expansive new deck, under the cover of a small veranda. The office space has received a makeover with partitions removed to create a larger space which will also include public access computers for the Jeparit Community. A new, wider access way leads in to a multipurpose area which in addition to being home to an historic billiards table and a host for Senior Citizens events will now also include an extensive library. A new kitchenette has also been installed as a part of the upgrade. An original meeting room has also been provided with better access, an internal door being created to provide a direct link back to the Library space. In addition to the obvious new changes, other upgrades include an extensive upgrade of electrical supply within the building and the installation of new heating and cooling. The refurbishment and re-purposing is almost complete, with new furniture and painting still to be completed. This project has been made possible with Living Libraries funding from the Victorian Government.

Woorak Ni-Ni Lorquon Road

Council obtained funding through the Local Roads and Community Infrastructure Grant from the Federal Government for the sealed road construction of Woorak – Ni Ni – Lorquon Rd heading north from the Ni Ni Well Rd. The project includes widening the pavement and seal to allow for easier transport particularly for agriculture and a safer section for all road users. This project is funded by the Local Roads and Community Infrastructure Grant from the

Federal Government. The final stage of sealing is scheduled for early in the 2021/22 Financial Year.

Perenna Rd Intersection

Council's construction staff worked on an intersection renewal and upgrade at the Perenna Rd and Lorquon-Netherby Rd intersection. The project included renewing the failed pavement and widening the seal to allow for easier transport particularly for agriculture and a safer intersection for all road users. This project was funded by the Local Roads and Community Infrastructure Grant from the Federal Government.

Anderson Street Kerb and Channel Works

During 2020/21 Council's concrete team began works to reconstruct the kerb and channel as well as sections of road on Anderson Street in Dimboola. This project will repair the uneven drainage and road pavement south-west of Lloyd Street.



Highlights of the Year

July 2020

- Hindmarsh Shire Libraries launches with close to 500 new books across the community.
- Hindmarsh Shire fills 13 full time positions through the Working for Victoria initiative.
- Funding received to upgrade two local sporting facilities through the Victorian Governments 2020-2021 Local Sports Infrastructure Fund.
- New defibrillator installed at Goldsworthy Park, Nhill.

August 2020

- Construction of the new Dimboola Library/Customer Service Centre completed.
- Hindmarsh Shire supports Science Week through Reptile Encounters live stream and science experiments recorded in our libraries.
- Dimboola Early Learning Centre Expansion Project Completed.

September 2020

- Hindmarsh Shire Council enters election period.
- Free Green Waste Month commences at all Hindmarsh Shire Transfer Stations.

October 2020

- Hindmarsh Shire Council election completed (excluding the East Ward by-election).
- New carpet and additional shelving installed in the Nhill Library.
- The new Dimboola Library and Customer Service Centres opens its doors to the public for the first time.
- Round 1 Community Action and Business Assistance Grants recipients announced

November 2020

- New Councillors elected:
 - Cr Ron Ismay (Mayor) – North Ward
 - Cr Melanie Albrecht (Deputy Mayor) – West Ward
 - Cr Debra Nelson – East Ward
 - Cr Rob Gersch – West Ward
 - Cr Brett Ireland – North Ward
- Hindmarsh Shire Council's participation in 16 days of Activism Against Gender-Based Violence Campaign commences.

December 2020

- Christmas craft activities held in Hindmarsh Libraries.
- Cr Wendy Bywaters elected as second East Ward representative in East Ward By-election.
- Yurunga Homestead Veranda reopening after completion of works and COVID19 closures.

January 2021

- Karen New Year (Kayin New Year) celebrated in Nhill.
- School Holiday Activities program brings Australia Day pool parties, movie marathons and online entertainment.
- Construction commences of a bus shelter in Lochiel Street, Dimboola.
- Australia Day Celebrations take place with the following award recipients:
- Jack Kalms – Young Citizen of the Year
- Pauline McCracken – Citizen of the Year
- Rainbow Desert Enduro Rises 240 – Community Event of the Year
- Hindmarsh Shire's first electric car charging station is launched in Nhill.

February 2021

- Screening of 'The Dry' marked the return of the Nhill Cinema after it closed in early 2020 due to the COVID19 Pandemic.
- Dimboola Bowling Club new facilities and Dimboola Library officially opened by Ms Danielle Green MP, Parliamentary Secretary for Regional Victoria and Parliamentary Secretary for Sport.
- Outdoor Dining Pods installed in Goldsworthy Park, Nhill, through the State Government's Outdoor Dining stimulus.

March 2021

- 2021 Youth Councillors elected; Celie Fuller, Heidi Smith, Leilani Elliot, Natalie Jenns, Alexis Farmers, Alexis Bone, Jandamurra Lauricella, Tessa Leach, Tarah Bond, Alissa Trener, Charlee Harberger-Smith, Amaya Woodward
- Rainbow Rises 240 off-road racing event held in Rainbow.
- Nhill and Dimboola Libraries commence extended library hours.
- Council offers subsidised access to local businesses to Retrain for the Retail Revolution Webinars.
- Hindmarsh Shire Council Plan 2021-2025 and Hindmarsh Shire Council Vision to 2040 Community Conversations held in Rainbow, Dimboola, Jeparit and Nhill.
- Visit Hindmarsh's 'Unearth Amazing' TV advertisement campaign launched.
- Harmony Day picnic in the park held at Jaypex Park in Nhill.
- Hindmarsh Shire delivers its first fortnightly e-news.
- Small Business Commissioner, Judy O'Connell visits Hindmarsh and a new partnership with the Victorian Small Business Commissions for the Small Business Friendly Council initiative is entered into.
- Installation of additional outdoor dining facilities at Dimboola Riverside Holiday Park is completed.
- Antwerp Woorak Road reconstruction completed.
- Round 2 Community Action and Business Assistance Grants recipients announced.

April 2021

- Hindmarsh Shire Libraries' April school holidays program commences, with superhero, science, craft and live wild action animals activates.
- New outdoor dining pods installed in the garden on Broadway Street in Jeparit.
- New outdoor dining pods and additional outdoor seating installed on Federal Street in Rainbow.
- Council offers COVID19 Community Connection Grants to local organisations and community groups through the Victorian Governments Community Activation and Social Isolation initiative (CASI).
- Hindmarsh Shire Libraries is successful in its application for redevelopment works through Living Libraries grant program.

May 2021

- New outdoor dining pod installed at the rear of the Dimboola Library.
- Hindmarsh Shire Council participates in International Day against Homophobia, Biphobia, Intersexism and Transphobia by flying the Rainbow Flag at the Nhill Customer Service Centre.
- CASI funded Cyber Safety for Seniors sessions are held across the Shire.
- Albacutya Silo Painting is completed by Melbourne artist Kitt Bennett.
- Council reappoints Greg Wood as CEO for a further 2 years.
- Carpe Diem, a play about men's mental health, is performed at Nhill Memorial Community Centre.

June 2021

- RB and Woolworths funded Hygiene Packs received by Council to deliver to Meals on Wheels recipients across the Shire.
- CASI funded Sing-a-Longs with Sandra Loats and Leo Tellefson are held in Jeparit, Rainbow, Nhill and Dimboola.
- Hindmarsh Shire Council hosts Dr Grenfell from the CSIRO in a Facebook-live session to discuss COVID-19 and vaccinations.
- Wimmera Pride Project and Hindmarsh Shire Council host Rainbow Talks 3 at Nhill Memorial Community Centre, screening the film Supernova and hearing from LGBTQI+ aging and aged care advocate Andrew Rogers.
- June/July School Holiday Program Commences with a gaming event, movie night and science and craft activities at the libraries.
- 2021/2022 Budget adopted by Council
- Contract awarded for dual-lane Albacutya bridge, with construction commencing in September 2021



Major Achievements

During 2020/21 the major achievements included the following:

COVID-19 Recovery Projects

A variety of projects, grants and programs were implemented by Hindmarsh Shire Council and local partnerships to assist with recovery from the impacts of the COVID-19 pandemic.

Through the Victorian Governments CASI and Working for Victoria initiatives, Council was able to employ Outreach Support Officers to connect with and support vulnerable community members. CASI funding also enabled Council to put on a variety of activities and events to help with reconnection when restrictions eased, including Cyber Safety for Seniors seminars, live music sing-a-longs and classic movie matinees.

CASI funding also supported the June/July school holidays program bringing isolated young people together to engage in social and recreational activities. Additionally, 16 Community Connection Grants were awarded to local organisations and groups to support them in delivering social connection events and opportunities. Meals on Wheels continued to operate, and were delivered by both Council staff and our community volunteers.

In May 2021, Woolworths and RB donated 50,000 Hygiene Packs to Meals on Wheels, 45 of which were allocated to be distributed to clients in Hindmarsh Shire. As part of the State Government Outdoor Dining stimulus funding in response to the COVID impacts on food outlets, dining pods were installed in Nhill, Jeparit, Rainbow and Dimboola, as well as additional street furniture outside of most hospitality outlets.

Hindmarsh Shire Council is proud of our community, volunteers, partners and staff for their resilience and hard work throughout the 2020/2021 financial year. Their continuing

commitment to provide services and support the wider community has ensured that we all stay connected in an otherwise isolating and difficult time.

Albacutya Silo Art Completion



In early 2021 artwork was completed on the Albacutya Silo, 10km north of Rainbow, marking the first silo in Hindmarsh Shire to join the Silo Art Trail. The Albacutya Silo site presents an important strategic position in establishing a tourism route link between the Yarriambiack silos and West Wimmera silos. It has been funded as part of the state government's "Wimmera Southern Mallee Destination Management Plan" implementation funding leveraged through the Wimmera Southern Mallee Regional Partnership. The viewing site works are funded by Hindmarsh Shire Council.

Melbourne artist Kitt Bennett was inspired to create an artwork that tells a story of growing up in the country as a youth. Further work is continuing at the viewing area which will include information signage about the artwork and the Silo Art Trail. An Augmented Reality experience is in the final stages of development which will add to the fun and quirkiness of the artwork. This Silo Art Trail project was made possible by the Victorian State Government, Wimmera Mallee Tourism and Hindmarsh Shire Council.

Rainbow Rises 240 Off-Road Racing Event

Rainbow hosted another extremely successful off-road racing event with the Rainbow Rises 240 on March 6-7 2021. For the second year in a row the event was won by SA driver Greg Gartner and his co-driver Max Gartner. Though looking a little different as the team worked hard to ensure the event complied with COVID requirements, competitors and spectators were both full of praise for the course and the welcome they received from the locals.

Unearth Amazing



Hindmarsh Shire Council was excited to see the Hindmarsh Shire "Unearth Amazing" television commercial screening on Channel Nine affiliated stations in regional Victoria. Funded as part of the Victorian State Government's COVID-recovery assistance program to support food and hospitality vendors to increase outdoor dining capacity, the

advertisement highlighted our townships and natural environment showing plenty of opportunity for eating local food in our parks and wide-open spaces.

The advertisement leveraged off the Wimmera Mallee Tourism region-wide “Unearth Amazing” campaign which ran in 2021, and targeted the family road-trip tourism market through following a young family driving through and explore Hindmarsh Shire. The TV commercial and related Facebook campaign were developed and managed by digital media company Aubrey and Areegra from our local region who had previously developed the successful “Unearth Amazing” branding and campaign for Wimmera Mallee Tourism. They brought a strong local understanding and appreciation of the Wimmera Mallee along with extensive digital marketing experience evident in the final product.

Advocacy

One of Council’s key roles is to advocate on behalf of our community. Council’s advocacy efforts in 2020/21 continued to be successful, with funding received from both the State and Federal Government for the construction of a dual lane Albacutya bridge. Without grant funding Council would be unable to complete this high priority project.

Council will continue to advocate at any opportunity for additional roads funding and for upgrades to Regional Roads Victoria C Class roads, which provide major links between the towns in Hindmarsh Shire.

Council continually advocates for increased grant funding, including the Victorian Grants Commission payments, and increased grant funding for small rural shires.

During 2020/2021 Council also advocated for a shuttle rail service between Nhill and Ararat to connect Hindmarsh residents to the rail service through to Melbourne; mobile phone blackspot funding and upgrades to the intersection on Nhill Rainbow Road and the Western Highway to cater for heavy vehicles turning.

Community Action Grants and Business Assistance Grants

During 2021/21 Council’s Community Action Grants and Business Assistance Grants schemes awarded \$18,425.90 to (19) community groups and businesses across our Shire.

Community Action Grant recipients included:

- Dimboola Art Inc.
- Dimboola Bowling Club
- Dimboola Croquet Club
- Dimboola Sporting Club
- Dimboola Town Committee
- Jeparit Golf Club
- Nhill Aviation Heritage Centre
- Rainbow Gym

- Woorak Hall
- Rotary Club Nhill
- Rainbow Progress Association
- Rainbow Innovation Centre
- Rainbow Historical Society
- Nhill Tennis Club
- Nhill & District Historical Society
- Business Assurances Grant recipients included:
- Ni Ni Well
- Nhill Gutter Cleaning Services
- J&A Spreading
- Emma Dickinson Fitness

COVID-19 Community Connection Grants

Hindmarsh Shire Council utilised CASI funding to offer up to \$500 of grant funding for up to 20 community groups and organisations. The COVID-19 Community Connection Grants supported activities, initiatives and resources that create opportunities for social connectedness after the isolating impacts of COVID-19.

The COVID19 Community Connection Grant scheme awarded (16) Community Groups a combined total of \$7,772.80.

COVID19 Community Connection Grant recipients included:

- Jeparit and District Bowling Club Inc.
- Nhill and District Sporting Club
- Gallery Central Nhill
- Rainbow Archive and Historical Society
- The Oasis Rainbow
- The Combined Probus Club of Nhill Inc.
- Nhill Lake Committee
- Lowan Lodge 107

Major Changes, Challenges & Opportunities

Like most small rural council's, Hindmarsh continues to face many changes. Farming enterprises are consolidating, creating larger farms, which decreases council's rate base. The requirement for Council to maintain existing infrastructure, particularly roads, while seeking funding for projects to improve liveability within our Shire remains a challenge.

The continuing COVID-19 pandemic has meant that Hindmarsh Shire Council and its community have had to regularly adapt to changing restrictions. Through the 2020/21 Financial Year this has continued to mean that Council's offices, buildings and libraries have

been subject to closures and community events to cancellation. Hindmarsh community has remained COVID-19 free.

The COVID-19 pandemic has also affected Council's capital works projects. Slowed national and international trade and production has impacted supply of materials, and restricted travel has deterred some organisations from submitting tender applications.

Council continues to apply for State and Federal funding to upgrade Davis Park facilities, after the 1950's build timber framed grandstand was demolished in early 2020 after being independently assessed as unfit for purpose.

The pandemic is also an opportunity for Council to promote rural living. With NBN in Dimboola, Jeparit, Nhill and Rainbow, and businesses realising staff can work remotely living, in Hindmarsh Shire has many benefits. Our population density is approximately 1.8 people per kilometre of Hindmarsh road network, we have beautiful open spaces and house blocks are much larger than those in the city.

Council undertook an advertising campaign prior to Easter 2021 highlighting the many built and natural attractions in Hindmarsh Shire. The campaign generated significant interest, with tourists enjoying visiting our region when outside of lockdown. Hindmarsh has many attractions worth promoting.





Our Council

Council Profile

Hindmarsh Shire is located in the Wimmera region in western Victoria and covers an area of 7,527 km². Situated on the Western Highway, 375km west of Melbourne and 350km east of Adelaide, Hindmarsh Shire is alive with business opportunities as it lies on the second-busiest freight corridor in Australia.

Our Shire is bound by two National Parks, the Little Desert in the South and Wyperfeld in the North. Other distinct natural features include the Big Desert Wilderness Area to the West, as well as the Wimmera River and Lakes Hindmarsh and Albacutya. The central part of the Shire is utilised primarily for broad acre cropping and grazing.

The first Australians in the Hindmarsh area were the Wotjobaluk people. Communities were located near the Nhill Swamp, the Wimmera River at Dimboola, Lake Hindmarsh near Jeparit and Lake Albacutya near Rainbow, while the majority made their home along the Red Gum lined banks of the Wimmera River and Nine Creeks area in Dimboola.

Hindmarsh Shire's four main towns are Nhill, Dimboola, Jeparit and Rainbow. Each community has its own spirit and identity, but all towns offer spacious rural living, inclusive small communities and wonderful natural amenities.

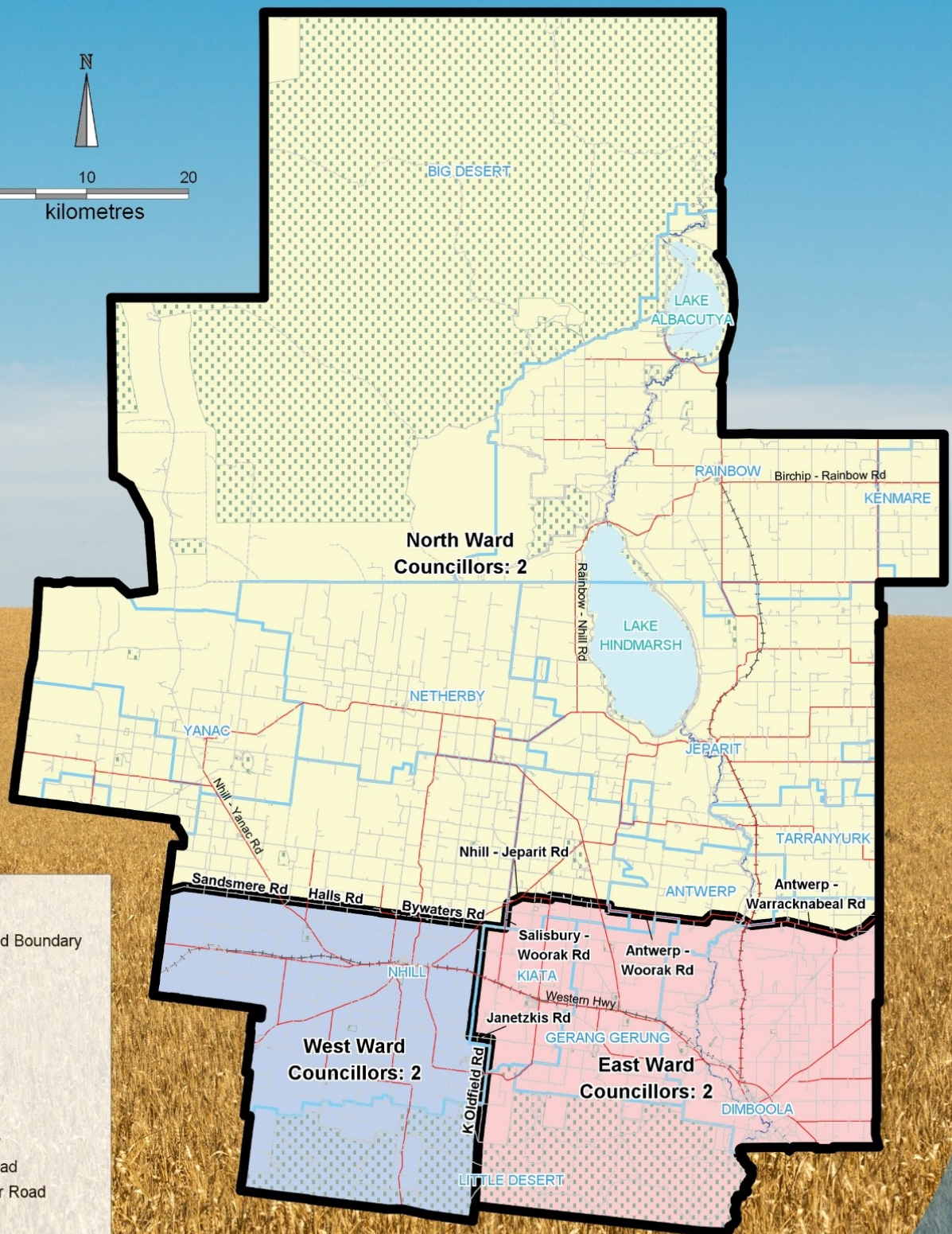
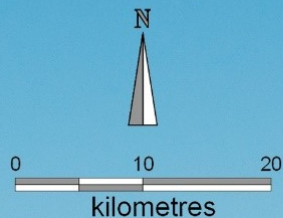
Today, 5,721 people live in Hindmarsh Shire (2016 census data), with a median age of 50 years. 83% of people in Hindmarsh Shire were born in Australia; with English the only language spoken in 88% of homes. Our most significant group of migrants are Karen refugees from Burma (Myanmar), with approximately 180 Karen people calling Nhill home.

The median weekly household income is \$907, and most people own their homes outright. Most people are employed in farming, with employment in health care coming a close second, followed by retail, manufacturing, education and transport. Hindmarsh has a very high rate of volunteering, 18% higher than the national average.

Hindmarsh Shire Council

Map of Recommended Option Six Councillors, Three Wards

Ward	Councillors	Electors	Deviation	Area sq km
East	2	1,655	-1.49%	1,054.82
North	2	1,615	-3.87%	5,721.98
West	2	1,770	+5.36%	744.69
Total	6	5,040	-3.87% - +5.36	7,521.49
Average		1,680		2,507.16



Legend

Proposed Boundary

Existing Wards

- East Ward
- North Ward
- West Ward

Map Symbols

- Freeway
- Main Road
- Collector Road
- Road
- Unsealed Road
- Railway Line
- River/Creek
- Park/Reserve
- Lake
- Locality Boundary



Map prepared by the Victorian Electoral Commission
Vicmap spatial data provided by Department of Environment and Primary Industries
Parks digital data used with the permission of Parks Victoria
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Council Offices

Nhill Office

92 Nelson Street
NHILL VIC 3418
Phone: 03 5391 4444

Dimboola Office

101 Lloyd Street
DIMBOOLA VIC 3414
Phone: 03 5361 4452

Jeparit Office

10 Roy Street
JEPARIT VIC 3423
Phone: 03 5391 4450

Rainbow Office

15 Federal Street
RAINBOW VIC 3424
Phone: 03 5391 4451

Postal address:

PO Box 250
NHILL VIC 3418
Email: info@hindmarsh.vic.gov.au

Website: www.hindmarsh.vic.gov.au

Facebook:

<http://www.facebook.com/hindmarshshirecouncil>

Councillors

On 24 October 2020, the Hindmarsh Shire community elected its Council for a four-year term to provide leadership for the good governance of the municipal district and the local community. Due to insufficient nominations for the East Ward, a by-election was held on 4 December 2020.

The municipality is divided into three wards, represented by two Councillors in each ward. The Councillors are the elected representatives of residents and ratepayers and have the responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation. The Councillors are listed below.



Cr Ron Ismay
Mayor

North Ward

Election Day:
24 October 2020

E: rismay@hindmarsh.vic.gov.au
M: 0429 951 094



Cr Melanie Albrecht
Deputy Mayor

West Ward

Election Day:
24 October 2020

E: malbrecht@hindmarsh.vic.gov.au
M: 0437 927 785



Cr Brett Ireland

North Ward

Election Day:
24 October 2020

E: bireland@hindmarsh.vic.gov.au
M: 0431 755 625



Cr Robert Gersch

West Ward

Election Day:
24 October 2020

E: rgersch@hindmarsh.vic.gov.au
M: 0427 600 122



Cr Debra Nelson

East Ward

Election Day:
24 October 2020

E: dnelson@hindmarsh.vic.gov.au
M: 0459 021 802



Cr Wendy Bywaters

East Ward

Election Day:
5 December 2020

E: wbywaters@hindmarsh.vic.gov.au
M: 0437 920 869



Our People

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Two Directors and the CEO form the Senior Management Team (SMT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



Greg Wood

Chief Executive Officer

Greg Wood was appointed to the Chief Executive Officer of Hindmarsh Shire Council in September 2016. Greg provides strategic guidance for all management and operations of Council and is responsible for the overall operations of Council.



Monica Revell

Director Corporate and Community Services

Monica Revell was appointed to the role of Director Corporate and Community Services of Hindmarsh Shire Council in December 2017. Monica is responsible for Finance, Governance, Local Laws, Information Technology, Business Development, Family, Youth and Leisure, Aged and Disability, and Economic Development.



Angela Hoy

Director Infrastructure Services

Angela Hoy was appointed to the role of Director Infrastructure Services of Hindmarsh Shire Council in June 2019. Angela is responsible for Asset planning, Engineering and Traffic, Environment and Sustainability, Infrastructure, Parks and Gardens, Building, Planning and Development.

Organisational Structure



Council Staff

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

Employee type/gender	Our People Our Processes	Built and Natural Environment	Competitive and Innovative Economy	Community Liveability	Total FTE
Permanent FT –F	8.20	2.20	0.80	2.80	14.0
Permanent FT –M	1.00	50.00	1.00	5.00	57.0
Permanent FT - X	0.00	0.00	0.00	0.00	0.0
Permanent PT –F	2.10	1.38	0.99	11.83	16.3
Permanent PT –M	0.00	1.00	0.00	0.00	1.0
Permanent PT - X	0.00	0.00	0.00	0.00	0.0
Casual – F	0.00	0.00	0.47	0.73	1.2
Casual - M	0.00	0.00	2.00	0.00	2.0
Casual – X	0.00	0.00	0.00	0.00	0.0
SO FT – F	0.80	0.80	0.20	0.20	2.0
SO FT – M	1.00	0.00	0.00	0.00	1.0
Total	13.1	55.38	5.46	20.56	94.4

FT – Full Time PT – Part Time F – Female M – Male SO – Senior Officer

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

Structure	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	Total
Classification	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Permanent Full Time - Female	0.0	0.0	0.0	1.0	4.0	5.0	1.0	3.0	2.0	16.0
Permanent Full Time - Male	0.0	6.0	27.0	9.0	6.0	5.0	1.0	3.0	1.0	58.0
Permanent Part Time - Female	1.4	5.7	0.4	5.1	2.1	1.7	0.0	0.0	0.0	16.3
Permanent Part Time - Male	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Casual - Female	0.2	0.2	0.2	0.6	0.0	0.0	0.0	0.0	0.0	1.2
Casual - Male	0.0	0.9	0.8	0.3	0.0	0.0	0.0	0.0	0.0	2.0
TOTAL	1.6	13.8	28.4	16.0	12.1	11.7	2.0	6.0	3.0	94.4

Equal Employment Opportunity Program

Council is committed to the principles of equal opportunity. In all policies and practices of the Council, there shall be no discrimination relating to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, or religious or political affiliation. Selection of individuals for employment, promotion or advancement, training and staff development will be on the basis of personal merit in fair and open competition according to the skills, qualifications, knowledge and efficiency relevant to the position involved. Council's policy on equal opportunity reflects our desire to enjoy a workplace free of discrimination where each person has the opportunity to progress to the extent of their ability.

Act @ Work

Hindmarsh Shire Council is participating in a program called Act@Work. The organisation-wide program developed by Women's Health Grampians provides intensive support to organisations in planning and implementing an Action Plan for ensuring a safe and respectful workplace. Staff throughout the organisation have undertaken training on Act@Work.

Health & Safety

Hindmarsh Shire Council is committed to the provision of the highest levels of Occupational Health and Safety. Council's aim is to maintain a safety culture that supports an incident and injury-free workplace for all employees, councillors, contractors, visitors and the public.

Gender Equality Action Plan

Under the Gender Equality Act 2020, Hindmarsh Shire Council must deliver a Gender Equality Action Plan (GEAP) as well as implement Gender Impact Assessments in policy, service and community engagement processes. The GEAP is an organisational commitment to improving gender equality in the workplace. Workplace gender equality is achieved when people are able to access and enjoy the same rewards, resources and opportunities regardless of gender.

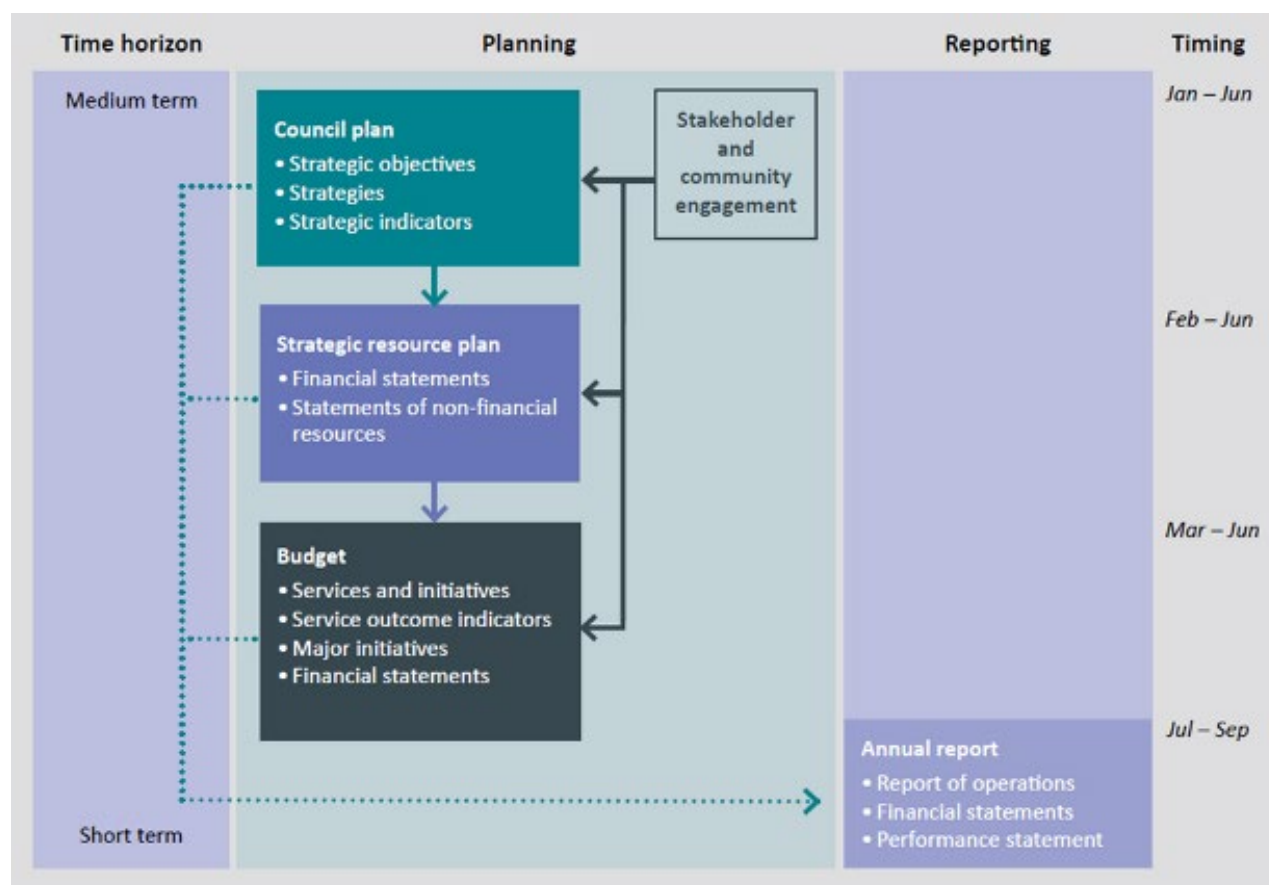
Our Performance

Planning and accountability framework

The Planning and Accountability Framework is found in part 4 of the *Local Government Act 2020*. The Act requires councils to prepare the following planning and reporting documents:


- A Council Vision with a scope of at least ten financial years by 31 October in the year following a general election.
- A Council Plan on or by 31 October in the year following a general election.
- A financial plan with a scope of at least 10 financial years by 31 October in the year following a general election.
- An Asset Plan with a scope of at least 10 financial years by 31 October in the year following a general election.
- A Revenue and Rating Plan by 30 June after a general election for a period of at least the next 4 financial years.
- A budget for each financial year.
- An annual report in respect of each financial year.

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



Council Plan

The Council Plan 2017-2021 includes strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the four strategic objectives as detailed in the Council Plan.

1. Community Liveability 	<ul style="list-style-type: none"> 1.1 An actively engaged community. 1.2 A range of effective and accessible services to support the health and wellbeing of our community. 1.3 A community that is physically active with access to a wide range of leisure, sporting and recreation facilities.
2. Built and Natural Environment 	<ul style="list-style-type: none"> 2.1 Well-maintained physical assets and infrastructure to meet community and organisational needs. 2.2 A community that reduces its reliance on water and manages this resource wisely. 2.3 A healthy natural environment. 2.4 A community living more sustainably.
3. Competitive and Innovative Economy 	<ul style="list-style-type: none"> 3.1 A strong rural economy and thriving towns. 3.2 A thriving tourism industry. 3.3 Modern and affordable information and communication technology throughout the municipality. 3.4 Transport solutions that support the needs of our communities and businesses.
4. Our people our processes 	<ul style="list-style-type: none"> 4.1 Long-term financial sustainability. 4.2 Quality customer services. 4.3 An engaged, skilled Council and workforce capable of meeting community needs. 4.4 Efficient and effective information communications technology. 4.5 Support for the community in the areas of emergency preparedness, response and recovery. 4.6 An organisation that takes its risk management responsibilities seriously and embeds a culture of risk management throughout the organisation.

Performance

Council's performance for the 2020/21 year has been reported against each strategic objective to demonstrate how council is performing in achieving the 2017-2021 council plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the budget.
- Services funded in the budget and the persons or sections of the community who are providing those services.
- Results against the prescribed service performance indicators and measures.

Strategic Objective 1: Community Liveability

Strategic Indicator/measure; results and comments

Strategic Objective 1: Community Liveability



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

Strategic Indicator/measure	Result	Comments
1.1.1 Establish stronger links with the indigenous community through the Barengi Gadjin Land Council, Goolum Goolum Aboriginal Cooperative and Wurega Aboriginal Corporation.	Reconciliation Action Plan to be developed	<p>Council's Tourism and Economic Development Officer has established links with the indigenous community.</p> <p>A reconciliation action plan will be developed through consultation with the Barengi Gadjin Land Council, Goolum Goolum Aboriginal Cooperative and Wurega Aboriginal Corporation.</p> <p>An MOU has been drafted for the Wimmera River Discovery Trail Project for which BGLC and Cultural Heritage are key.</p> <p>Council allocated funding to Wurega Aboriginal Corporation through round two of the 2019/2020 Community Action Grants program for improvements to their meeting venue in Dimboola.</p>
1.1.2 Maintain Community Action Plans for Dimboola, Jeparit, Nhill and Rainbow. Follow up on Community Action Plans and their working group projects.	Community Action Plans reviewed.	<p>Community Action Plans have been reviewed in late 2017. Dimboola Community Precinct Plan was amended in October/November 2017. Both Dimboola and Nhill's plans are reviewed on a regular basis.</p>

Strategic Indicator/measure	Result	Comments
<p>1.1.3</p> <p>Support integration of migrants into the community</p>	<p>Cultural event and information sessions held.</p> <p>Community Plan reviewed.</p>	<p>A Hindmarsh Open weekend was held in late 2017 for a group of Karen migrants from Werribee and Melbourne with some gaining employment and relocating to the Shire.</p> <p>The 2018 Karen New Year celebration was held in January 2018 with more than 500 people attending.</p> <p>The 2014 Karen Community Plan has been reviewed and a new 2017-2021 Plan has been established and was launched at the Karen New Year Celebrations in January 2018.</p> <p>The 2020 Karen New Year celebrations were held in Nhill in January and Council supported the Nhill Karen community by providing the hall and preparations of grant applications for funding assistance.</p> <p>In May 2021 Council supported the Nhill Karen community fundraising event to raise funds for displaced Karen by providing the hall.</p>
<p>1.1.4</p> <p>Support and celebrate volunteering and work collaboratively with volunteer groups.</p>	<p>Volunteering events supported.</p>	<p>Council staff have supported numerous events as volunteers throughout the year including the Wimmera Mallee Pioneer Museum Vintage Rally, the Rainbow Desert Enduro, Jeparit Fishing Contest, Nhill Lake Fiesta, Dimboola Town Committee Easter Eggstravaganza and numerous community based working bees including Clean Up Australia Day.</p> <p>Unfortunately, due to the COVID-19 pandemic Council was unable to recognise volunteers in person.</p>
<p>1.1.5</p> <p>Hold Council-Community Conversations in the four towns to provide an alternative avenue of engagement, consultation and promotion.</p>	<p>Community Conversations held.</p>	<p>Community Conversations were held during March 2018 & 2019 in Dimboola, Jeparit, Nhill, Rainbow, Antwerp, Broughton, Winiam and Woorak and in 2020 in Dimboola, Jeparit, Nhill & Rainbow.</p> <p>Community Conversations were well supported with local residents appreciating the opportunity to have input into the development of the 2018/19 & 2019/20 budget.</p> <p>Unfortunately, due to the COVID-19 pandemic our 2020 Community Conversation meetings were unable to be held.</p> <p>A Community Conversation meeting was held in Jeparit in December 2019 to discuss a number of initiatives planned for Jeparit including the Wimmera River</p>

Strategic Indicator/measure	Result	Comments
		<p>Discovery Trail Jeparit Node, Customer services / library upgrades, Jeparit Swimming hole retaining wall and Roy Street concept drawings.</p> <p>During 2020/2021 Council installed video conferencing and livestreaming technology to provide coverage of Council meetings and future community engagement forums, improving access to Council processes and decisions.</p>
<p>1.1.6</p> <p>Continue to engage with our farming community on road and road related infrastructure maintenance and improvements.</p>	Farmer consultation meetings held.	<p>Farmer consultations to identify key transport routes impacted by roadside vegetation were conducted in 2017/18.</p> <p>Feedback from farmer consultations has resulted in: The introduction of 6S roads that are used by farmers as important 'strategic' connector roads.</p> <p>The formal roadside vegetation assessment has been completed with 275km of high priority and 210kms of longer term vegetation control identified. Working with an independent vegetation assessor the pruning program commenced in 2019.</p> <p>An update of this program was provided at the 2019 Community Conversation Meetings. Council engaged with our farming community in 2021 to discuss A Double, B Double and local road user issues.</p>
<p>1.1.7</p> <p>Promote and support the development of a Dimboola Indigenous Keeping Place</p>	Consultation meetings held	<p>Council's tourism and economic development officer regularly discusses the Dimboola Indigenous Keeping Place project with Barengi Gadjin Land Council and will continue to advocate for funding.</p> <p>Initial plans have been included in the landscaping component of the Wimmera River Discovery Trail that has been incorporated into the rear of the Dimboola Library project. This will form the Dimboola visitor node of the Wimmera River Discovery Trail.</p>
<p>1.2.1</p> <p>Broaden the engagement of young people in the Shire and continue to facilitate the Hindmarsh Youth Council.</p>	2020 Hindmarsh Shire Youth Council established.	<p>Activities include the continuation of FreeZa Programs and the facilitation of the Hindmarsh Shire Youth Council. We have run school holiday programs as well as a variety of FreeZa events.</p> <p>Council has increased its reach and engagement of young people substantially over the last 12 months and exceeded its funding targets.</p> <p>The 2021 Youth Councillors were presented their certificates on 3 March 2021. Meetings have been both in person and via web meetings due to the COVID-19 pandemic. The Youth Councillors have been preparing the Youth Strategy which will be adopted in late 2021.</p>

Strategic Indicator/measure	Result	Comments
1.2.2 Review the actions in Council's Positive Ageing and Inclusion Plan.	Review commenced.	Attendees at Council's 2019 seniors concert were handed a survey to complete, further consultation was postponed and review of the plan has been delayed due to the COVID-19 pandemic.
1.2.3 Review the provision of aged and health services in the Shire and Council's role in the growing sector.	Ongoing.	Council continues to hold discussions regarding the provision of aged and health services in the Shire and Council's ongoing role. A meeting held with Nhill Learning Centre regarding providing training has resulted in one Karen employee working in Council's Community Care Services department.
1.2.4 Advocate for enhanced services in community and mental health.	Mental Health training undertaken.	Council's youth and early years officer has been facilitating mental health workshops through the Understanding Reality program which has attracted more than 100 participants. Council along with health services and neighbouring Councils has combined to provide the Rural Outreach Program. Funding for the extension to the Rural Outreach Program was provided by the State Government to allow for the continuation of this valuable program.
1.2.5 Review and implement Municipal Early Years Plan.	Review commenced.	A review of the Municipal Early Years Plan has commenced, however due to the COVID-19 pandemic consultation has been delayed.
1.2.6 Develop Dimboola Community, Civic and Business Hub (subject to funding).	Funding secured through the State Governments Living Libraries.	Funding of \$600,000 was secured from the state government and Council committed \$600,000 for construction of a new Dimboola Library. The new Dimboola Library was completed in September 2020, with an official opening held on 24 February 2021. Funding was also secured from the Federal Government for the refurbishment of the existing Old Shire Hall in Dimboola to further establish the Dimboola Community Civic Hub works were completed with an official opening held on 1 July 2021.
1.2.7 Continually review public safety, and security of assets and infrastructure in the CBDs of our towns.	Safety work (lighting) completed.	Applications for funding to improve lighting in Nhill and Dimboola was successful and implementation completed. Installation of additional lighting under verandas of shops along Lloyd Street, Dimboola and various locations around Nhill is underway. Grant applications for funding of additional street lighting in the Dimboola Recreation Reserve and the Wimmera Mallee Pioneer Museum were both successful. Security cameras have been installed surrounding the Nhill Customer Service Centre and Dimboola Library for safety purposes.

Strategic Indicator/measure	Result	Comments
1.2.8 Promote the 'traffic light' approach to health food choices in community facilities, sporting clubs and events.	Guidance material promoted and Policy adopted.	Healthy eating policy adopted by Council during 2018/19. Council promoted healthy eating as part of the Walk to School program and Children's Week activities in October 2019.
1.2.9 Promote positive, equal and respectful relationships between and among women and men, girls and boys.	Act@ Work training completed.	The Act@Work Plan has been adopted. Interview panels now have a gender balance, further tasks from the action plan will be implemented on an ongoing basis. New staff received Act@Work training during 2020/2021.
1.3.1 Develop Skate Parks in Dimboola, Rainbow and Nhill.	Skate parks constructed in Dimboola, Rainbow and Nhill.	Dimboola and Rainbow Skate Parks constructed and official openings held on 9 and 10 April 2018 respectively. The Nhill Skate Park was officially opened in September 2019. A well-attended competition was held the following week.
1.3.2 Develop and promote a public art/street art policy.	Policy adopted.	Policy developed and adopted by Council during 2018/19. Policy is available on Council's website. A large mural was commissioned and painted in August 2019 on the exterior wall of the Dimboola Café next to the Dimboola Library.
1.3.3 Complete detailed Recreation Reserve Master Plans.	Davis Park Nhill master plan developed.	Davis Park, Nhill Master Plan has been developed. The Rainbow Recreation Reserve and Caravan Park Masterplan was adopted by Council during 2018/19.
1.3.4 Undertake a feasibility	On hold.	Funding was received for establishing a new Rainbow Library & Customer Service Centre. Works are expected to be completed during 2021/22.
assessment for the development of new library hub, combining other visitor information and other services.		Work on establishing a Jeparit Library & Customer Service Centre were completed during 2020/21.
1.3.5 Advocate for the continued and expanded provision of Neighbourhood House activities / services.	Meetings held.	Rainbow Neighbourhood house is providing limited programs to Jeparit. Meetings were held between Nhill Neighbourhood House and Dimboola Community Centre committee of management.

Strategic Indicator/measure	Result	Comments
1.3.6 Redevelop Rainbow Recreation Reserve Change Rooms (subject to funding).	Funding successful.	Funding application for the Rainbow female friendly change rooms was successful. Construction works to be undertaken in 2021/2022.
1.3.7 Ongoing exploration and assessment of options and opportunities for the development of walking and cycling tracks within the main townships, to support recreational participation, health and wellbeing.	Funding obtained for development of walking track in Dimboola and Wimmera River Discovery Trail.	Development of a walking track within the Dimboola Recreation Reserve has been completed. Council supported the establishment of Nhill Parkrun. Funding has been obtained for the Wimmera River Discovery Trail. Planning has commenced on the trail with landscaping of the Dimboola Node to commence in September / October 2020.

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

Major Initiatives	Progress
Revise Library Services at Jeparit and Rainbow.	Library services have been rolled out in Jeparit and Rainbow complementing Council's Customer Service Centre. Building works have been completed at Jeparit Library and the construction of a new library in Rainbow will be completed in 2021/22.
Develop Dimboola Community, Civic and Business Hub	Redevelopment of the old Shire Hall to develop a Dimboola Community Civic Hub was completed in 2020/21 with the official opening being held on 1 July 2021.

Service; description and variances

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

		Net Cost Actual Budget Variance
Service	Description	\$
Community Development	Work with community groups, organisations and individuals to assist communities reach their aspirations and be healthy, active and engaged.	338,713 319,682 19,032
Maternal Child Health Centres	Maintain the maternal and child health centres in Dimboola and Nhill and provide support to child service providers through the Municipal Early Years Plan. (Council does not provide maternal and child health services. This service is provided by West Wimmera Health Service.)	40,004 0 40,004
Kindergarten Services	Provision of Kindergarten services in Dimboola, Jeparit, Nhill and Rainbow under contract with Wimmera Uniting Care. (Council does not directly deliver Kindergarten Services)	209,030 120,171 88,859
Youth Services	Improve the wellbeing and opportunities for youth within the Shire.	71,513 28,318 43,195
Aged and Disability Services	Home and Community Care Services aim to support people in their own homes and communities by providing services that promote and maintain independence. Deliver the full range of services provided by Council's Home and Community Care Department including: <ul style="list-style-type: none"> • Assessments • Delivered Meals and Centre Based Meals • Personal Care • Respite Care services • Home care / Domestic Assistance services • Property Maintenance and minor modifications. 	994,178 1,006,562 (12,384)
Health Promotions	To protect and enhance the health of the community.	173,344 130,319 43,025
Libraries	Provision of permanent library services in Dimboola and Nhill and mobile library services in Jeparit and Rainbow.	1,574,499 595,060 979,439
Arts, Culture and Community Events	Promote and support activities relating to arts, culture and community events throughout the Shire.	105,248 52,546 52,705
Recreation Programs	Providing a range of recreation programs that encourage an active and healthy life.	13,948 0 13,948
Public Order and Safety	Educate the community about public order and safety and enforce compliance with the local laws when required. Maintain and operate school crossings for Dimboola, Jeparit, Nhill and Rainbow. The school crossing on the Western Highway in Nhill is the only staffed crossing in the Shire. Other crossings on local roads are manned by volunteers or school teachers.	283,702 93,547 190,155
Early Years	Lead a joint effort that will give Hindmarsh children the best start in life, working collaboratively with community and early years providers.	32,560 0 32,560

Service/indicator/measure; results and material variations


Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Maternal and Child Health (MCH) Satisfaction <i>Participation in 4-week Key Age and Stage visit</i> [Number of 4-week key age and stage visits / Number of birth notifications received] x100	n/a	n/a	New in 2020	New in 2020	Not applicable. Council has no operational control over MCH services.
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	Retired in 2020	Retired in 2020	n/a	n/a	Not applicable. Council has no operational control over MCH services.
Service standard <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	n/a	n/a	n/a	n/a	Not applicable. Council has no operational control over MCH services.
Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	n/a	n/a	n/a	n/a	Not applicable. Council has no operational control over MCH services.
Food Safety Timeliness <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	n/a	1.0	1.0	1.0	No food complaints were received during 2020/2021. Council aims to respond to food complaints within 1 business day.
Service standard <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	77.53%	84.09%	86.17%	88.24%	Council completed 69 of the required 89 food inspections during 2020/2021. Lockdowns and restrictions due to the COVID-19 pandemic resulted in Council being unable to inspect a number of registered premises.
Service cost <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$884.78	\$984.15	\$772.82	\$900.07	As at 30 June 2021, 2 additional food premises were registered, the increase in business numbers reduces the cost of food safety services.

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100	n/a	100%	n/a	n/a	During 2020/21 Council received no non-compliance notifications.
Libraries Utilisation <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	0.30	0.75	1.11	1.21	The COVID-19 pandemic resulted in libraries being closed for a significant period during 2020/21.
Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	39.10%	38.37%	37.46%	37.71%	No material variation.
Service cost <i>Cost of library service per population</i> [Direct cost of the library service / Population]	\$66.95	\$65.21	New in 2020	New in 2020	No material variation.
Cost of library service [Direct cost of the library service / Number of visits]	Retired in 2020	Retired in 2020	\$10.95	\$11.28	No material variation.
Participation <i>Active library members in municipality</i> [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	6.64%	6.81%	7.71%	9.11%	The COVID-19 pandemic resulted in libraries being closed for a significant period during 2020/21.
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]	1.00	1.00	1.00	1.00	Animal management requests are responded to within 1 business day.
Service standard <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]x100	37.10%	18.60%	26.32%	36.09%	During 2020/21 Council collected 62 animals, 34 were reclaimed.

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
<i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected]x100	54.84%	72.09%	New in 2020	New in 2020	During 2020/21 council collected 62 animals, 34 were rehomed.
Service cost <i>Cost of animal management service per population</i> [Direct cost of the animal management service / Population]	\$42.05	\$35.06	New in 2020	New in 2020	Variation is due to an increase in after-hours work by Council's Local Laws Officers in relation to animal requests and animals in the pound.
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	Retired in 2020	Retired in 2020	\$92.33	\$97.52	No material variation.
Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	100%	n/a	n/a	n/a	Council prosecuted 3 animal offences during 2020/21. All 3 prosecutions were successful.

Strategic Objective 2: Build and Natural Environment

Strategic indicator/measure; results and comments

Strategic Objective 2: Build and Natural Environment 		
Strategic Indicator/measure	Result	Comments
<p>2.1.1</p> <p>Re-develop and maintain attractive streetscapes, open spaces and public places.</p>	<p>Streetscape renewals completed.</p>	<p>Replacement of park seats were completed in Lloyd Street Dimboola in late 2018 and Rainbow in June 2020.</p> <p>Dimboola Drainage project completed improving the Horsham Road entrance and with functional drainage.</p> <p>Footpaths completed in Albert Street Rainbow and Broadway Street Jeparit.</p> <p>New shelters were constructed in Jaypex Park Nhill.</p> <p>Council received funding to increase outdoor dining, this funding was utilised to install additional outdoor picnic settings in Dimboola, Jeparit, Nhill and Rainbow including outdoor dining pods in each town.</p> <p>Street furniture was purchased for Jeparit and will be installed in September 2021.</p>
<p>2.1.2</p> <p>Encourage and support residents and ratepayers to maintain the cleanliness and good order of the properties for which they are responsible.</p>	<p>One free green waste collection month held.</p>	<p>Green waste month successfully completed in October 2018, September 2019 and September 2020.</p> <p>Council received approximately 1,863 6x4 trailer loads, compared to 1,344 loads of green waste throughout the Shire (1,266 in 2018) which is an increase of 38.61% on the previous year and approximately 1194% greater than the average monthly intake (826% in 2019 and 748% in 2018).</p>
<p>2.1.3</p> <p>Develop and prioritise detailed plans relating to new infrastructure, infrastructure upgrade and renewal (including roads, bridges, drains, footpaths and buildings) for each town.</p>	<p>Footpath asset management plan adopted. Building condition and EMS audit commenced.</p>	<p>Council adopted a footpath asset management plan.</p> <p>As part of the 2017/18 budget process council adopted a 10-year capital expenditure plan for capital works.</p> <p>Building condition and Essential Safety Measure (ESM) Audits commenced in March 2019. All 180 buildings have been inspected and inspection reports received.</p>

Strategic Indicator/measure	Result	Comments
<p>2.1.4</p> <p>Enhance river and lakes environment to support informal recreation and social interaction (subject to funding).</p>	<p>Ross Lakes study commissioned. Improved Wimmera River fishing and boating facilities installed.</p>	<p>A study into the use of Ross Lake at Rainbow has been commissioned and distributed to stakeholders. The report provides a positive overview of the proposal.</p> <p>Fishing and boating pontoons have been installed at Dimboola while a fishing pontoon has been installed at Jeparit and Nhill.</p> <p>Wimmera River Waterway Management Plan developed.</p> <p>As part of the Jeparit node of the Wimmera River Discovery Trail, two concept drawings have been prepared for the redevelopment of the Jeparit Swimming Hole, with a third currently being developed to consider mobility scooter access.</p> <p>New launching pontoon constructed at Dimboola Rowing Club.</p> <p>Council took ownership of the Rainbow Lake to facilitate development of a recreational lake.</p>
<p>2.1.5</p> <p>Continue to implement the Nhill Aerodrome Master Plan.</p>	<p>Nhill Aerodrome Master Plan adopted.</p>	<p>Amenities at the Nhill Aerodrome have been upgraded.</p> <p>Construction completed on the new memorial entrance was completed in October 2019.</p> <p>Council received funding for PAPI lights and concrete hardstands for emergency services, this project will be completed in 2021/22.</p>
<p>2.1.6</p> <p>In partnership with other agencies implement recommendations from the Wimmera Catchment Management Authority's Flood Plain Management Strategy.</p>	<p>Strategy completed.</p>	<p>Council has representation on the Wimmera Floodplain Management Strategy Implementation Committee.</p>
<p>2.1.7</p> <p>Advocate for the construction of emergency services facilities in Dimboola.</p>	<p>Advocacy undertaken.</p>	<p>Council continues to advocate for the relocated emergency services in Dimboola. CFA have purchase property in High Street, Dimboola.</p> <p>Funding allocated by the State Government towards the construction of a new CFA station in Dimboola. Council will continue to advocate for full funding of this project.</p>

Strategic Indicator/measure	Result	Comments
2.1.8 Explore alternative road base treatments that reduce long term maintenance cost.	Concrete crushed and reused.	During 2018/19 Council used crush concrete on roads / laneways. Crushed concrete has also been used in rural culvert replacement. Geotec textile material to be tested in the road base along McKenzie and Grieg Roads to prevent the rising salinity reacting with the limestone.
2.2.1 Explore options for rainwater / stormwater harvesting to supplement the water supply for community assets.	Ongoing.	Council was successful in obtaining funding to replace drought relief and fire suppressions water tanks on Rainbow-Nhill Road, Lake Hindmarsh. Drought relief tanks have been installed at Diapur with the tank charged from underground aquifers. Funding of \$50,000 has been obtained through a Community Climate Change Adaptation Program to assist with the establishment of community green spaces as part of the Wimmera River Discovery Trail Visitor Nodes in Dimboola and Jeparit. Rainwater tanks have been installed at the new public amenities in Dimboola which is connected to the garden irrigation system in the Visitor Node.
2.2.2 Replace appliances in Council facilities with water efficient appliances if and when redevelopment occurs	Ongoing.	Water efficient appliances are being installed on an ongoing basis when redevelopment occurs. Rain water tanks have been installed as part of the construction of the new Dimboola Library, new amenities block and e-waste sheds in Dimboola and Nhill.
2.3.1 Continue to work with local Landcare groups.	Memorandum of Understanding with Hindmarsh Landcare Network.	A Memorandum of Understanding between Council and the Hindmarsh Landcare Network was signed in 2017. Periodic reviews are conducted of the MOU.
2.3.2 Continue to implement actions from Roadside Pest Plan and Animals Plan (subject to funding).	Rural roadsides treated for weeds.	All Hindmarsh Shire rural roadsides have been treated with weed eradication applications. In addition, Council is negotiating with the Landcare Coordinator to provide the conduit between Council and farmers that are interested in partnering with Council to treat sucker trees on low traffic volume roadsides.
2.3.3 Implement Planting Program to improve tree coverage and shade cover in high traffic urban areas.	Consultant engaged to develop Street and Reserve Tree Strategy.	Council adopted Street and Reserve Tree Strategy in November 2018. Approximately 214 trees were planted in 2019/20, and 320 trees were planted in 2020/21.

Strategic Indicator/measure	Result	Comments
2.4.1 Advocate for distributed energy generation for Shire towns using solar, waste and biomass, wind and geothermal sources, subject to funding.	Renewable energy development underway.	Kiata Windfarm project completed by private developer. Council submitted a letter of support to DELWP as part of planning consultation for the proposed Nhill Windfarm. Council participated in the Wimmera Southern Mallee Regional Planning and Energy Workshop.
2.4.2 Advocate for upgrades to the main electricity grid servicing Hindmarsh Shire to support alternative electricity generation.	Ongoing.	Where opportunities arise Council officers and Councillors advocate with Ministers for upgrades to the main electricity grid.
2.4.3 Explore innovative waste management options for green waste.	Ongoing.	Council are working with the regional waste management group on initiatives for management of organics. Council purchased a mulching head attachment for the existing skid steer, which is to be used to transform green waste into recycled mulch.
2.4.4 Continue to support Wimmera Mallee Sustainability Alliance.	Ongoing.	Membership with the Wimmera Mallee Sustainability Alliance renewed for 2019/20 and 2020/21.

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

Major Initiatives	Progress
2 large reconstruction projects: a section of Lorquon East Road and Kiata North Road.	Lorquon East Road widening project was completed from the Nhill-Jeparit Road heading west for 1 kilometre and Kiata North Road widening project was completed from the Western Highway heading north for 1.5 kilometres. Both projects were sealed to 8 metres wide and will improve access for heavy vehicles and safety for all users.

Service; description and variances

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

		Net Cost
		Actual
		<u>Budget</u>
		Variance
Service	Description	\$
Local Roads and Bridges	The aim of Council's road and bridges program is to provide safe, all weather access to residences and allow for efficient transport of goods to and from the Shire.	8,622,401 <u>2,557,823</u> 6,064,578
Drainage Management	The aim of this program is to have well maintained, fit for purpose drainage systems within townships.	538,130 <u>0</u> 538,130
Paths and Trails	The aim of Council's paths and trails program is to provide well maintained pedestrian, including disabled, access to critical and popular destinations around our townships.	729,797 <u>40,000</u> 689,797
Tree Management	The aim of Council's Tree Management program is to conduct maintenance, inspections and replanting works on Council road reserves, parks and gardens and recreation reserves.	322,720 <u>0</u> 322,720
Town Beautification	The aim of Council's Town Beautification program is to maintain and redevelop public open spaces in Dimboola, Jeparit, Nhill and Rainbow.	599,614 <u>12,000</u> 587,614
Community Centres and Public Halls	Maintenance, renewal and upgrade of Council-owned and controlled community centres and halls, and supporting communities that undertake these activities on behalf of Council.	437,638 <u>7,123</u> 430,515
Recreation Facilities	Maintenance, renewal and upgrade of Council owned and controlled recreational land, buildings and facilities. Council also supports groups that undertake these activities on behalf of Council.	1,419,944 <u>234,045</u> 1,185,899
Waste Management	Management of Council's transfer stations and collection and disposal of domestic waste and recyclables across the Shire.	1,243,652 <u>1,249,793</u> (6,131)
Quarry Operations	Management of Council-owned and controlled quarries and gravel pits for extraction of gravel for road making.	355,823 <u>505,408</u> (149,585)
Waterway Management	Management of Council-controlled waterways including weir pools and lakes.	67,725 <u>0</u> 67,725
Environment Management	Manage, protect and enhance Council's natural assets in conjunction with Government departments and environmental groups.	175,288 <u>75,000</u> 100,288
Fire Protection	To identify potential fire hazards and to prevent loss to life and property caused by fire.	106,648 <u>34,170</u> 72,478

Service/indicator/measure; results and material variations

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Roads					
Satisfaction of use Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	9.34	8.82	9.19	11.69	No material variation.
Condition Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / kilometres of sealed local roads] x100	99.83%	99.83%	99.83%	99.83%	No material variation.
Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / square metres of sealed local roads reconstructed]	\$20.77	\$30.74	\$25.79	\$24.05	The decrease in cost of sealed local road reconstruction is due to the location of works resulting in a reduction in transportation of materials, upgrades to load capacity in Council's plant and utilising sandstone rather than limestone.
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$5.08	\$5.04	\$4.93	\$4.78	No material variation.
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	53	50	54	48	No material variation.
Aquatic Facilities					
Service standard Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / number of Council aquatic facilities]	1.50	2.00	1.00	0.75	Council undertook pre-opening inspections on all four swimming pools, then conducted inspections to two swimming pools during the opening season.

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Cost of aquatic facilities [Direct cost of aquatic facilities less income received / number of visits to outdoor aquatic facilities]	\$29.45	\$32.92	New in 2020	New in 2020	This indicator is reflective of direct costs for running the four swimming pools in Dimboola, Jeparit, Nhill and Rainbow.
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / number of visits to outdoor aquatic facilities]	Retired in 2020	Retired in 2020	\$17.51	\$17.42	No material variation.
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / municipal population]	2.14	2.92	3.62	3.40	There were 4,367 less visits to aquatic facilities during 2020/21 (4,116 less in 2019/20).
Waste Collection Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / number of kerbside bin collection households] x1,000	25.72	14.76	4.26	10.63	Due to Council's small rate base, even a small increase or decrease of requests will result in a material variation. Council received an additional 26 requests during 2020/2021.
Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	0.09	0.66	0.14	1.91	During 2020/21 only 2 bins were missed (14 2019/20).
Service cost <i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$198.18	\$196.46	\$177.09	\$168.37	Council contracts out Waste and Recycling collection. The service costs reflect costs invoiced to Council by the contractor.

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / number of kerbside recyclables collection bins]	\$121.17	\$88.86	\$99.14	\$84.65	Council contracts out Waste and Recycling collection. The increase in costs is reflective of a full year of recycling collection and increases in costs associated with recycling.
Waste Diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / weight of garbage, recyclables and green organics collected from kerbside bins] x100	30.10%	5.37%	32.26%	34.91%	The increase in waste diverted from landfill is a result of recycling collection for the full year.

Strategic Objective 3: Competitive and Innovative Economy

Strategic indicator/measure; results and comments

Strategic Objective 3: Competitive and Innovative Economy



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

Strategic Indicator/measure	Result	Comments
<p>3.1.1</p> <p>Market the Shire's liveability, its stunning environment, relaxed country living and unique business opportunities.</p>	Ongoing.	<p>Hindmarsh Shire Youth Council prepared a tourism guide for families which has been printed and distributed.</p> <p>Migrant open weekends have been held promoting the Shire's liveability.</p> <p>Ongoing implementation of improved signage promoting towns and the Shire.</p> <p>Albacutya Silo Art project completed in early 2021 with funding secured for the Llew Schilling Silo and Arkona Silo Art projects.</p> <p>Council completed the Better Approvals project developing a business kit and investment prospectus and signed up to the Small business charter.</p>
<p>3.1.2</p> <p>Prepare designs and prospectus for Dimboola Industrial Estate.</p>	Subject to funding.	<p>This project will be completed subject to funding being available.</p>
<p>3.1.3</p> <p>Support and promote work experience, apprenticeships and cadetships.</p>	Work experience students engaged.	<p>Engagement of work experience students has continued across a range of Council departments.</p> <p>Infrastructure Services accommodated an engineering student placement and have a student Town Planner employed two days per week.</p>
<p>3.1.4</p> <p>Facilitate business and social enterprise incubators, workshops and training.</p>	Business workshops held throughout the Shire.	<p>A range of small business workshops were held across the Shire in 2017 on a range of different topics. Council continues to promote the Business Assistance Grants program, providing funding to a range of businesses within the Shire.</p> <p>Social enterprise workshops were held with the Australian Centre for Rural Entrepreneurship in Nhill and Rainbow in late 2018.</p>

Strategic Indicator/measure	Result	Comments
3.1.5 Support Emerging Entrepreneurs Program in partnership with Rural Councils Victoria	To be completed.	Project has not commenced.
3.1.6 Encourage investment in housing stock to address housing shortages	To be completed.	Council is a member of the Wimmera Development Association Housing project.
3.1.7 Active involvement in Rural Councils Victoria (RCV) and Wimmera Development Association (WDA).	Continued support/membership of Rural Councils Victoria and Wimmera Development Association.	Membership and active involvement with RCV and WDA is continuing and an ongoing basis.
3.1.8 Work regionally / collaboratively with other organisations.	Continued support / membership of other organisations.	Council continues to support / be members of the Wimmera Regional Sports Assembly, Western Highway Action Groups, Wimmera Regional Transport Group, Wimmera Regional Library Corporation, and Wimmera Indigenous Tourism Group.
3.1.9 Review Hindmarsh Planning Scheme, including Municipal Strategic Statement, with a focus on industrial and residential development.	Consultant appointed to undertake review.	Council engaged a consultant to undertake a review of the Municipal Strategic Statement, a draft is currently being prepared. The draft translation of the Hindmarsh Local Planning policies into the Planning Policy Framework has been reviewed and was considered by Council in August 2020. Consent was given to the Minister to prepare and approve an amendment to the Hindmarsh Planning Scheme.
3.2.1 Implement recommendations from the Wimmera Mallee Pioneer Museum Master Plan.	Not achieved.	Council's Tourism & Economic Development Officer attends monthly Wimmera Mallee Pioneer Museum Committee of Management meetings and is attempting to implement recommendations from the Master Plan. A funding application for the purchase and installation of solar powered lights at Wimmera Mallee Pioneer Museum was successful. Repairs were undertaken to Shed 4 during 2020 including re-aligning vertical posts and strengthening footings.
3.2.2 Promote and continue to develop our tourism facilities	Ongoing.	Strategic Signage Plan has been development. Hindmarsh Heritage Drive brochures have been developed and distributed. Recreational Bikes for the Riverside Holiday Park, Dimboola have been purchased.

Strategic Indicator/measure	Result	Comments
		<p>New signage has been placed at the front entrance for the Riverside Holiday Park, also in Dimboola, Jeparit and Rainbow.</p> <p>Wimmera River Discovery Trail and Albacutya Silo Art both received funding.</p> <p>Yurunga Homestead northern verandah was repaired through a Heritage Victoria grant.</p> <p>"Hindmarsh Highlights" tourism signs have been installed in all four towns.</p> <p>Unearthed Amazing campaign showcasing Hindmarsh Shire was created and advertised on television in the lead up to Easter 2021.</p>
<p>3.2.3</p> <p>Develop a trail along the Wimmera River and Lake Hindmarsh (subject to funding).</p>	<p>Funding obtained for Stage 1.</p>	<p>Council has been successful in obtaining funding through the Building Better Regions Fund for the Wimmera River Discovery Trail, Stage 1 from Dimboola to Jeparit.</p> <p>Works at the Dimboola Visitor Node were completed during 2020/21.</p> <p>Preparation of a Cultural Heritage Management Plan will be completed during 2021/22 to register sites of significance along the trail.</p>
<p>3.2.4</p> <p>Support innovative community-driven events and festivals that stimulate tourism growth and the region.</p>	<p>Events supported.</p>	<p>Council has provided support for the Nhill Lake Fiesta, Jeparit Fishing Competition, Dimboola Rowing Regatta and Fishing Classic, Rainbow Desert Enduro, Wimmera Mallee Pioneer Museum Vintage Rally, Park Run in Nhill and NAHC Vintage Military Vehicle rendezvous amount others.</p> <p>Council has developed an events management guide to assist with event management.</p> <p>An improved process for the assessment and approvals for community based events has been established.</p>
<p>3.2.5</p> <p>Facilitate links between contemporary local and regional events, tourism product and businesses to maximise economic outcomes across the Shire.</p>	<p>Calendar of events hosted and promoted on Visit Hindmarsh & Facebook.</p>	<p>Council events listed on the Visit Hindmarsh website and promoted on Council's Facebook page.</p> <p>Council continues to work pro-actively with event organisers for Shire tourism promotional opportunities at events.</p> <p>Live Stream digital marketing at Rainbow Enduro events and HPV event.</p>
<p>3.2.6</p> <p>Review the management of Council's caravan and camping accommodation.</p>	<p>Report presented to Council.</p>	<p>A report was present to Council with suggested management options for consideration.</p> <p>Dimboola caretaker is living onsite, offering improved service delivery.</p>

Strategic Indicator/measure	Result	Comments
3.2.7 Facilitate “Tourism is everyone’s business” forums.	Forums held.	Successful Tourism forums were held in Dimboola, Jeparit, Nhill and Rainbow during February 2018. Hindmarsh Tourism group has been established and meets on a regular basis. Council’s Tourism & Economic Development Officer attends these meetings.
3.2.8 Promote and support local historic assets and heritage groups.	Brochures developed and distributed.	Heritage Drive brochure has been developed and distributed. Hindmarsh Shire Youth Councillors developed a tourism brochure – A tourism guide for families, which has been distributed. Grants obtained for the Nhill Aerodrome entrance and Yurunga verandah repairs. Hindmarsh Cemetery Drive developed digitally and available on visit Hindmarsh website. Nhill historic and nature walks flyer produced by Nhill Tourism Group and Nhill Historical Society.
3.2.9 Work collaboratively with the Wimmera Mallee region’s Indigenous Tourism Group	Active participation in regional tourism group.	Council’s Tourism and Economic Development Officer is a very active participant in the Wimmera Mallee Tourism Association and is developing substantial links with the BGLC. The Dimboola mural has a strong indigenous theme.
3.3.1 Advocate for appropriate NBN coverage.	Ongoing.	Council continues to advocate for NBN coverage within our community.
3.3.2 Promote the use of latest technology to advance business practices.	Ongoing.	Promotion is ongoing. Council’s road construction team now uses latest technology being 3D machine control on the graders, increasing efficiency.
3.3.3 Advocate for improved mobile phone coverage, including telecommunications tower at Yanac.	Ongoing.	Council continues to advocate for improved mobile phone coverage within our community. A tower at Yanac was announced in March 2019 as part of the Mobile Black Spot program with construction completed during 2020/21.
3.3.4 Advocate strongly for installation of a television repeater tower at Rainbow.	Ongoing	Council continues to advocate for improved television coverage in Rainbow.

Strategic Indicator/measure	Result	Comments
<p>3.4.1</p> <p>Advocate for flexible and responsive public and freight transport.</p>	<p>Active involvement in Western Highway Action Committee and Wimmera Regional Transport Group.</p>	<p>Council's membership with WHAC and WRTG continues.</p> <p>Road transport and bulk grain handling featured heavily in the Economic Development Strategy discussions.</p> <p>Council is also a member of the Rail Freight Alliance.</p>
<p>3.4.2</p> <p>Investigate innovative transport solutions and facility upgrades.</p>	<p>Planning underway.</p>	<p>Redevelopment of the Dimboola Bus Stop is proposed as part of the redevelopment of the Dimboola Library.</p> <p>Council staff have considered options and it is envisaged that the new stop located in Lochiel Street (adjacent to the former Dimboola Hotel site) will be established as the permanent coach stop location.</p>

Service; description and variances

The following statements provide information in relation to the services funded in the 2020/21 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$
Economic Development	To encourage Economic Development throughout the municipality.	359,759 <u>361,970</u> (2,211)
Tourism	To develop a thriving Wimmera Mallee Tourism industry predominantly based on, but not limited to, the Shire's heritage and environmental assets.	283,179 <u>32,596</u> 250,584
Private Works	Provision of private civil works services. Provide quotations for private works undertaken by the Council works department to residents, contractors and other authorities. Potential private works include grading of farm driveways, grading of fence lines, construction of driveway cross-overs, and supply of labour, plant and materials. Private works also include repair to Council's infrastructure caused by repair to third party assets.	290,033 <u>463,125</u> (173,092)
Caravan Parks and Camping Grounds	Maintenance, renewal and upgrade of Council Caravan Parks and Camping Grounds.	674,646 <u>600,533</u> 74,112
Land Use Planning	To ensure that any development that occurs in Hindmarsh Shire is carried out in accordance with relevant planning policies, principles and controls. Provide customers with advice on planning scheme requirements. Prepare and assess planning scheme amendments and consider planning permit applications. Represent Council at Panel Hearings and at Victorian Civil and Administrative Tribunal. Undertake planning scheme compliance checks when necessary. Process subdivisions and planning certificates. Implement actions from the Wimmera Southern Mallee Regional Growth Plan.	228,692 <u>78,257</u> 150,435
Building Control	To provide statutory and private building services to the community. To carry out Council's statutory private building requirements. Issuing of building permits and certificates. Receipt and recording of building permits undertaken by private building surveyors. Undertake building enforcement and compliance checks. Provision of reports to the Building Control Commission.	219,232 <u>61,469</u> 157,763
Aerodrome	Manage and maintain the Nhill Aerodrome.	74,203 <u>10,659</u> 63,544

Service/indicator/measure; results and material variations

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Statutory Planning Timeliness <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	43	43	72	58	No material variation.
Service standard <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	76.19%	80.49%	52.78%	68.97%	Council utilised contract planning services for the provision of Statutory Planning from 2019/20 onwards.
Service cost <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$4,315	\$5,266	\$4,241	\$4,454	Council utilised contract planning services for the provision of Statutory Planning in 2020/21.
Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0%	0%	0%	50%	No planning matters were taken to VCAT during 2020/21.

Strategic Objective 4: Our people, our processes

Strategic indicator/measure; results and comments

Strategic Objective 4: Our people, our processes



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

Strategic Indicator/measure	Result	Comments
4.1.1 An equitable, efficient and transparent rating strategy.	Annual review conducted.	A Revenue and Rating Policy was prepared and adopted as part of Council's 2021/22 Budget.
4.1.2 Further develop 10 year financial plan.	Ten Year Plan updated annually.	We have developed a Long Term Financial Plan, which has been reviewed by our internal auditors and is updated annually as part of the Budget process.
4.1.3 Advocate to State and Federal Governments for a sustainable funding model for small rural councils.	Advocacy on various levels.	Deputations to Canberra were undertaken in early 2019. We will continue to advocate with Federal and State members at an opportunity that arises. Actively support Rural Council's Victoria lobbying to Minister for Local Government and the Treasurer on behalf of Council.
4.1.4 Build strong relationships with upper and lower house representatives at a State and Federal level.	Close relationships formed with state and federal ministers.	Close relationships have been developed with Emma Kealy MP and Anne Webster MP. Council held a Federal Election Forum for Mallee Candidates in April 2019.
4.1.5 Undertake service planning across Council's operations	Service reviews commenced.	Service planning has commenced for Operations and Statutory Planning. Reviews of service levels are discussed during the annual budget preparation.
4.2.1 Develop and implement a customer service strategy.	Adoption of Customer Service Charter.	Council adopted a new Customer Service Charter which clearly details Council's service strategy for customer service standards.

Strategic Indicator/measure	Result	Comments
4.3.1 Implement a project management system, including training for key staff.	Project Management system being rolled out.	Implementation of a new project management system has been completed and project management framework adopted by Senior Management Team. Training has been completed with key staff.
4.3.2 Provide professional development opportunities and training for staff and Councillors	Training and professional development undertaken.	Staff and Councillors are encouraged to undertake professional development. Sessions such as dispute resolution training have been held in Nhill for a number of staff. Staff training requirements are identified during annual performance reviews. Councillor inductions were completed as part of the requirements of the <i>Local Government Act 2020</i> .
4.3.3 Implement actions and initiatives from the Act@Work program.	A number of initiatives implemented.	Staff have undertaken Act@Work training and appropriate action plan has been developed and approved by the Chief Executive Officer. Survey conducted post training measured attitudes, awareness and knowledge of the prevention of violence against women and made comparisons with an initial survey. A second staff survey was completed. This 'post training' survey measured the current attitudes, awareness and knowledge of the prevention of violence against women and made comparisons with the outcomes of the initial baseline survey. Recent interview panels have ensured a gender balance.
4.4.1 Review and implement Council's IT strategy.	To be completed.	Council are currently working with 3 other Rural Councils following the successful application for the Rural Councils Transformation Project (RCTP) funding which is looking at transforming Council's Information Technology. A review will be undertaken alongside this project.

Strategic Indicator/measure	Result	Comments
4.5.1 Review Council's role in emergency management.	Report presented to Council.	A report was presented to Council on Phase 1 of Local Government Victoria's <i>Council in Emergencies</i> project and also the potential changes and impacts of the Emergency Management Bill. Funding was obtained for the continuation of the Municipal Emergency Resourcing Program for a further four years.
4.5.2 Maintain the Jeparit levee bank.	Condition report.	A Jeparit Flood Levee Management Plan was developed in March 2014. The Wimmera Catchment Management Authority presented to Council in August 2018 on the draft Wimmera Flood Strategy.
4.6.1 Include risk management as a standing item on Audit Committee, Council and Senior Management Team agendas.	Audit Committee meetings have considered risk management items.	Risk management is included as a standing item on Audit committee agendas. An updated Fraud Prevention and Control Policy and Plan was developed and adopted by Council. A risk management internal audit was undertaken in November 2020. Officers are working through the recommendations of the audit (subject to funding).
4.6.2 Develop a governance and compliance framework within Council.	Framework developed.	Council employed a Governance Advisor who developed and implemented a governance and compliance review framework. Regular reviews are undertaken to ensure council is compliant with required legislation and the requirements of the <i>Local Government Act 2020</i> .

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

Major Initiatives	Progress
Collaboration with neighbouring Councils in the Rural Council's Transformation Project.	Council along with Horsham Rural City Council, West Wimmera Shire Council, and Loddon Shire Council continue to progress the Rural Council's Transformation Project. The project will be completed over a number of years-.

Services; descriptions and variances

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

Service	Description	Net Cost Actual Budget Variance \$
Civic Leadership and Governance	<p>To ensure that Council provides effective leadership and that its decisions are transparent, inclusive and based on sound recommendations and advice.</p> <ul style="list-style-type: none"> • Management support for the Mayor and Council. • Regular media releases and newsletters to inform the community of current issues. • Lobbying of politicians and government departments. • Advocacy on behalf of the community on key local government issues. • Memberships include Municipal Association of Victoria, Rural Council Victoria, North West Municipalities Association and Wimmera Development Corporation • Community Satisfaction Feedback Survey 	<p>843,510</p> <hr/> <p>0</p> <p>843,510</p>
Customer Service Centres	<p>Operation and maintenance of customer service centres to provide facilities from which Council can efficiently deliver services to the community.</p> <ul style="list-style-type: none"> • Management of professionally-focused Customer Service Centres in each township. • Seek improvement in the community satisfaction survey conducted annually. • Adherence to Council's Customer Services Charter. • Provide licensing and registration services on behalf of VicRoads. • Provision of information to ratepayers and the general public on a broad range of services provided by Council and other government agencies. 	<p>529,004</p> <hr/> <p>0</p> <p>529,004</p>
Council Elections	<p>Efficient and effective running of Elections by the Victorian Electoral Commission on behalf of Council.</p> <ul style="list-style-type: none"> • Ongoing maintenance of the voters' rolls. 	<p>93,570</p> <hr/> <p>913</p> <p>92,657</p>

**Net Cost
Actual
Budget
Variance
\$**

Service	Description	
Financial Management	<p>To ensure the efficient and effective allocation of resources through sound financial planning and management that secures the long term financial viability of the municipality.</p> <ul style="list-style-type: none"> • Preparation of the annual budget, including the capital works budget • Preparation of Council's Annual Report • Preparation of management reports to Council and Senior Managers. • Investment of surplus funds in accordance with Council's investment policy having regard to legislation and financial risk. • Support of the internal and external audit functions • Management of Council's taxation obligations • Continued lobbying of governments for additional funding and resources 	<p>531,819 <u>4,963,771</u> (4,431,952)</p>
Rating and Valuations	<p>Management of Council's rating system, including valuation of properties and the levying of rates and charges.</p> <ul style="list-style-type: none"> • Maintenance of property and valuation records, including supplementary valuations. • Administering Pensioner rate concessions on behalf of the State Government. • Issue of quarterly Rates and Valuations notices. • Collection of rates and legal action where necessary. • Issue of Land Information Certificates. 	<p>197,343 <u>7,998,843</u> (7,801,501)</p>
Records Management	<p>Effective and efficient recording, storage, retrieval and disposal of records in line with the standards of the Public Records Office of Victoria.</p> <ul style="list-style-type: none"> • Compliance with Privacy and Freedom of Information Legislation. • Ensure that Council records, stores and disposes of its records in accordance with statutory obligations. 	<p>60,186 <u>30</u> (60,156)</p>
Information Technology	<p>Using Information Technology as a tool to connect with the community and provide efficient and effective services.</p>	<p>431,728 <u>100,000</u> 331,728</p>

		Net Cost Actual Budget Variance \$
Service	Description	
Risk Management	<p>Monitor and manage Council's risks in relation to operations, employment and infrastructure.</p> <ul style="list-style-type: none"> • Monitor and review the Risk Register. • Regular review of the risks and control measures by Senior Management. • Ensuring that Council's assets and interests are insured adequately against risk. • Management of WorkCover Authority insurance and work place injury claims. • Quarterly meetings of the Risk Management Committee. • Quarterly meetings of the Audit Committee. • Advise staff and contractors in relation to Workplace Health and Safety. • Ensure that Council is aware of, and complies with, all of its statutory obligations. 	503,654 <u>7,979</u> 495,675
Contract Management	<p>Preparation of contract specifications, administration of tender processes and management of Council's contracted services.</p> <ul style="list-style-type: none"> • Tender preparation and specification development. • Supervision and management of contracted Council services. • Ensure that Council's tendering process (including letting of tenders and appointment of contractors) comply with Council purchasing policies and statutory obligations. • Ensure value for money and best products are achieved. 	157,438 <u>0</u> 157,438
Payroll and Human Resources Services	<p>Provision of payroll services to Council employees and the provision of human resources services to management.</p>	700,699 <u>378,066</u> 322,633
Emergency Management	<p>Provide support to the community in the areas of emergency preparedness, emergency response and emergency recovery.</p>	69,687 <u>0</u> 69,687
Depots and Workshops	<p>Operation of Council's depots and workshops including the provision of heavy plant and equipment.</p> <ul style="list-style-type: none"> • Securely house plant, equipment and materials. • Provide a base for the outdoor staff. • Provide a location to carry out maintenance and repairs of Council's plant and equipment. • Purchase and maintain plant and equipment to enable the delivery of works 	692,120 <u>0</u> 692,120

**Net Cost
Actual
Budget
Variance
\$**

Service	Description	
Asset Management	Provision of skills, resources and systems to ensure the most efficient and effective management of Council's assets. <ul style="list-style-type: none"> • Ensure that Council targets the correct level of asset expenditure to achieve and maintain the desired levels of service into the foreseeable future. • Ensure that Council's asset renewal expenditure targets the most critical assets. • Provide Council's asset valuations. 	414,409 <u>3,563</u> 410,846
Fleet Management	Ensure that Council's vehicle fleet is managed, maintained and replaced in the most efficient and effective way possible. <ul style="list-style-type: none"> • Timely maintenance of fleet vehicles. • Purchase and replacement of fleet vehicles in accordance with Council policy. 	442,884 <u>86,211</u> 356,673
Accounts Payable	Payment of invoices in an efficient and timely manner. <ul style="list-style-type: none"> • Maintenance of secure payment systems and processes. • Payment of invoices in accordance with Councils payment terms (within 30 days). • All payments to be made via EFT or Direct Credit. 	34,924 <u>0</u> 34,924
Accounts Receivable	Receival of payments from debtors in an efficient and timely manner. <ul style="list-style-type: none"> • Monthly invoicing of accounts. • Ensure Council's Outstanding Debtor Policy is adhered to. • Regular reports to management on outstanding debtors. 	17,084 <u>0</u> 17,084

Service/indicator/measure, results and material variations

Service/Indicator/measure	Result 2021	Result 2020	Result 2019	Result 2018	Material Variations
Governance Transparency <i>Council resolutions at meetings closed to the public</i> [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	14.07%	15.97%	24.19%	16.13%	Decisions made in closed council relate to personnel matters, contractual matters, hardship applications and legal advice. Council considered less contractual matters during 2020/21.
Consultation and engagement <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	56	59	60	60	No material variation.
Attendance <i>Council attendance at Council meetings</i> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100	95.24%	97.92%	94.70%	96.97%	No material variation.
Service cost <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$42,056	\$41,701	\$47,441	\$46,391	No material variation.
Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	59	59	61	60	No material variation.

Governance, management and other information

Governance

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

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

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes, including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of Council.

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

Meetings of Council

Hindmarsh Shire Council operates in accordance with the Local Government Act 2020, and hold Council meetings monthly, generally on the first Wednesday of each month with the exception of January where no meeting is held.

Council encourages members of the public to attend Council meetings (subject to COVID-19 restrictions) or to view our Council meetings live through Hindmarsh Shire Council's Facebook page.

Community members wishing to ask questions at council meetings may do so, in writing, at least 24 hours prior to the council meeting. Both the question and answer will be read out at the meeting. Questions may be submitted by mail, email info@hindmarsh.vic.gov.au or delivered in person to a council customer centre but are limited to two questions and 100 words including any pre-amble. Offensive, trivial and repetitive questions or questions, which have been recently answered, may be excluded at the discretion of the Mayor.

The question must be accompanied by a name and the locality where the questioner resides or works, which will be read out at the meeting. By submitting a question, the questioner gives

consent to this information being read out in public. Anonymous questions will not be answered.

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

- 12 ordinary Council meetings.
- 2 special Council meetings.

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

Councillors	Council Meeting	Special Council Meeting	Total
Cr Ron Ismay (Mayor)	12	2	14
Cr Rob Gersch	11	2	13
Cr Deb Nelson	12	2	14
Cr Melanie Albrecht	8	2	10
Cr Brett Ireland	8	2	10
Cr Wendy Bywaters	7	-	7
Cr Tony Schneider	4	-	4
Cr Ron Lowe	4	-	4
Cr David Colbert	4	-	4
Total meetings held	12	2	14

Special Committees

The *Local Government Act 2020* allows Council's to establish one or more special committees consisting of:

- Councillors.
- Council staff.
- Other persons.

Any combination of the above.

The following table contains a list of all special committees established by Council and the purpose for which each committee was established.

Advisory Committee	Councillors	Officers	Other	Purpose
Nhill Town Committee	1	1	7	To represent the diverse members of the Nhill community, identify community needs and interests, and advocate on behalf of the community.
Dimboola Town Committee	1	1	11	To represent the diverse members of the Dimboola community, identify community needs and interests, and advocate on behalf of the community.
Jeparit Town Committee	1	1	7	To represent the diverse members of the Jeparit community, identify community needs and interests, and advocate on behalf of the community.
Rainbow Town Committee	1	1	10	To represent the diverse members of the Rainbow community, identify community needs and interests, and advocate on behalf of the community.

Community Advisory Committee	Councillors	Officers	Other	Purpose
Antwerp Hall Committee	No delegate	No delegate	11	To provide a public hall facility for the use and benefit of the citizens of Antwerp and district.
Diapur Hall Committee	No delegate	No delegate	12	To provide a public hall facility for the use and benefit of the citizens of Diapur and district.
Gerang Hall Committee	No delegate	No delegate	6	To provide a public hall facility for the use and benefit of the citizens of Gerang and district.
Jeparit Memorial Hall Committee	No delegate	No delegate	8	To provide a public hall facility for the use and benefit of the citizens of Jeparit and district, and to manage/sub lease the

				Returned Service League Clubrooms and Senior Citizens Clubrooms.
Lorquon Memorial Hall Committee	No delegate	No delegate	5	To provide a public hall facility for the use and benefit of the citizens of Lorquon and district.
Rainbow Civic Centre Committee	No delegate	No delegate	7	To promote, develop and maintain the premises for the benefit of the community and to satisfy the financial return to the Council in order that the Civic Centre move to becoming self-supporting.
Yanac Hall & Recreation Reserve Committee	1	No delegate	13	To provide a public hall and recreation reserve for the use and benefit of the citizens of Yanac and district.
Rainbow Recreation Reserve Committee	No delegate	No delegate	5	To provide a public hall and recreation reserve facilities for the use and benefit of the citizens of Rainbow and district.
Wimmera Mallee Pioneer Museum Committee	1	1	11	To manage the Wimmera Mallee Pioneer Museum.
Yurunga Homestead Committee	1	1	6	To manage the Yurunga Homestead.

Code of Conduct

The *Local Government Act 2020* requires Councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. On 3 February 2021, Council adopted a revised Councillor Code of Conduct which is designed to:

- Assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter;
- Attract the highest level of confidence from Council's stakeholders;
- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillors Conduct Principles, the Code also outlines:

- Other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest;
- Roles and relationships;
- Dispute resolution procedures.

Conflict of Interest

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

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

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

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 2020/21, 13 conflicts of interest were declared at Council and Special Committee meetings.

Councillor Allowances

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

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

For the period 1 July 2020 to 30 June 2021, the councillor annual allowance for a category 1 council (as defined by the *Local Government Act 1989*) was fixed at \$21,048 per annum and the allowance for the Mayor was \$62,884 per annum.

The following table contains a summary of the allowances paid to each councillor during the year.

Councillors	Allowance \$
Cr Ron Ismay (Mayor)	\$45,576.93
Cr Melanie Albrecht (Deputy Mayor)	\$13,027.71
Cr Robert Gersch	\$32,883.54
Cr Deb Nelson	\$19,673.69
Cr Brett Ireland	\$13,027.71
Cr Wendy Bywaters	\$11,446.72
Cr Ron Lowe	\$6,645.98
Cr David Colbert	\$6,645.98
Cr Tony Schneider	\$6,645.98

Councillors Expenses

In accordance with Section 40 of the *Local Government Act 2020*, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the

reimbursement of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the Council. The details of the expenses for the 2020/21 year are set out in the following table.

Councillors	TR \$	CM \$	CC \$	IC \$	CE \$	CT \$
Cr Robert Gersch					1,050.00	548.46
Cr David Colbert					69.97	
Cr Ron Ismay					198.90	533.76
Cr Ron Lowe					286.26	
Cr Deb Nelson		858.20			720.80	
Cr Tony Schneider					215.70	
Cr Wendy Bywaters					301.85	500.00
Cr Melanie Albrecht					436.82	
Cr Brett Ireland					198.90	

Legend: TR-Travel CM-Car Mileage CC-Child Care IC-Information and CE-Communication expenses CT-Conferences and Training expenses.

Note: No expenses were paid by Council including reimbursements to members of Council committees during the year.

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having a strong governance and management framework leads to better decision making by Council. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this assessment in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

Audit and Risk Committee

The Audit and Risk Committee's role is to review, evaluate and recommend improvements to the system of procedures and internal controls established by the Council. As part of the audit planning process, the Internal Auditor assists Council in identifying and assessing the operational and financial risks to which it is exposed. The internal audit function monitors compliance to ensure that internal controls over financial and operational areas are effective. The Audit and Risk Committee consists of four independent members, Mr Bernard Young (Chair), Mr Darren Welsh, Mr Ashley Roberts, Ms Krista Thiele and two Councillors. The desired Audit and Risk Committee membership comprises two Councillors and up to four independent members and their term of membership coincides with the term of the Councillors of the Hindmarsh Shire Council. The members of the Audit and Risk Committee elect a Chairman to fill that role until the Committee resolves that a new Chairman should be elected.

The Audit and Risk Committee meets at least three times in each financial year. The Internal Auditor, Chief Executive Officer and Director Corporate & Community Services attend all Audit and Risk Committee meetings. Other management representatives attend as required to present reports. The external auditors generally attend the June and September Audit and Risk Committee meetings to present the annual audit plan and Independent Audit Report.

Copies of the minutes of the meetings from each Audit and Risk Committee meeting are subsequently reported to, and considered by Council.

Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. A risk based audit plan is prepared 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 Internal Auditor attends Audit Committee meetings to report on the status of the audit plan, comment on the implementation of audit recommendations and to present findings of completed reviews.

During 2020/21 internal audits were completed on Risk Management, and Asset Management and Road Maintenance.

External Audit

Council is externally audited by the Victorian Auditor-General. For 2020/21, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative, Mr Martin Thompson of Crowe.

Crowe, VAGO's representative since the 2014/15 financial year, attended the September 2020 Audit Committee meeting to present the independent audit report for the 2019/20 financial year, and also attended the March 2021 to present the 2020/21 audit strategy, and June 2021 to discuss the interim 2020/21 audit. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk Management

In May 2021 Council updated its Risk Management Policy, addressing items such as:

- Risk management processes and procedures;
- Communication and training;
- Responsibilities of internal and external stakeholders;
- Risk registers.

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
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. It combines policy document and guidelines. <input checked="" type="radio"/> Date of adoption: 3 February 2021.
Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Adopted in accordance the Act. It combines policy document and guidelines. <input checked="" type="radio"/> Date of adoption: 3 February 2021.
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)	Financial Plan will be adopted by 31 October 2021 as per requirements of the <i>Local Government Act 2020</i> . <input type="checkbox"/>
Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Asset Management Plan will be adopted by 30 June 2022 as per requirements of the <i>Local Government Act 2020</i> . <input type="checkbox"/>
Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act. <input checked="" type="radio"/> Date of adoption: 23 June 2021.
Annual budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act. <input checked="" type="radio"/> Date of adoption: 23 June 2021.
Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Date of operation of current policy: 05 May 2021 <input checked="" type="radio"/>
Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Date of operation of current policy: 21 October 2019 <input checked="" type="radio"/>
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> <input checked="" type="radio"/> Date of preparation: 01 July 2017

Governance and Management Items	Assessment
Procurement policy (policy outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 108 of the <i>Local Government Act 2020</i> . Date of approval: 16 December 2021. ⊗
Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Council has in place a business continuity plan, updated 01 September 2020. ⊗
Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Council has in place a disaster recovery plan included within Business Continuity Plan, updated 01 September 2020. ⊗
Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Date of operation of current Risk Management Strategy, 05 May 2021. ⊗
Audit and Risk Committee (advisory committee of council under section 53 and 54 of the Act)	Established in accordance with section 54 of the Act Date of establishment: 15 July 2020 ⊗
Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Date of engagement of current provider: 09 June 2021 ⊗
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>)	Date of operation of current framework: 01 July 2014 ⊗
Council Plan reporting (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Quarterly reports on the performance against the Council Plan are presented to Council. Date reports presented: 23 September 2020; 21 October 2020; 3 March 2021 and 9 June 2021. ⊗
Financial reporting (quarterly statements to Council under section 138(1) of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Date statements presented: 19 August 2020; 23 September 2020; 21 October 2020; 3 March 2021 and 9 June 2021. ⊗
Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports were presented to the Audit and Risk Committee meeting on 15 September 2020; 10 March 2021 and 9 June 2021. ⊗

Governance and Management Items	Assessment
Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of Council in accordance with section 134 of the Act Annual report considered: 21 October 2021 ⊗
Councillor Code of Conduct (Code setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed and adopted in accordance with section 139 of the Act Date reviewed: 3 February 2021 ⊗
Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	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: 19 August 2020. ⊗
Meeting procedures (Governance Rules governing the conduct of meetings of council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act. Date adopted: 19 August 2020 ⊗

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



Cr Ron Ismay
Mayor
 22 September 2021



Greg Wood
Chief Executive Officer
 22 September 2021

Statutory Information

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

Documents available for public inspection

Council adopted a public transparency policy on 19 August 2020 in accordance with sections 57 and 58 of the *Local Government Act 2020*. The following public transparency principles are contained within the policy:

- a) Council decision making processes must be transparent except when Council is dealing with information that is confidential by virtue of the Act or any other Act;
- b) Council information must be publicly available unless –
 - i. the information is confidential by virtue of the Act or any other Act;
 - ii. public availability of the information would be contrary to the public interest;
- c) Council information must be understandable and accessible to members of the municipal community;
- d) public awareness of the availability of Council information must be facilitated.

A copy of the policy is available on Council's website (www.hindmarsh.vic.gov.au) under the heading Governance and Transparency.

Best value

In accordance with section 208B(f) of the *Local Government Act 1989*, at least once every year a Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation.

The following Best Value initiatives were undertaken during 2020/21:

- Budget process – review of guidelines and processes for the preparation of the annual budget.
- Long term financial planning – further evaluation and improvement of underlying assumptions.
- Long term asset planning – four-year capital works program developed with the aim to increase this to a ten-year capital works program.
- Rural Council Transformation Project – along with Horsham Rural City, West Wimmera Shire, and Loddon Shire the RCTP will see a transform to Council's corporate services functions including finance and records management. This project will be undertaken over a number of years aiming to conclude in 2022.

Carers Recognition

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

practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*.

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

- Distributing printed material through relevant Council services.
- Providing information at Council's customer service centres.

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 Aged and Disability Services;
- Council induction and training programs for staff working in front-line positions with the general community;
- Induction and training programs for volunteers working directly with the community.

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and has provided the following additional activities and resources to recognise the care relationship:

- Provision of respite services for carers;
- Providing regular carer support in the form of Memory Lane Cafés.

Contracts

During the 2020/21 financial year Council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works without first engaging in a competitive process.

Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, Council has prepared a Disability Action Plan – Positive Ageing and Inclusion in Hindmarsh Shire 2013-2018. Council must report on the implementation of the Disability Action Plan in its annual report. Council's Positive Ageing and Inclusion Plan will be incorporated into the Council Plan 2021-2025.

The following actions have been implemented from the Positive Ageing and Inclusion in Hindmarsh 2013-2018 plan:

- The creation of the Hindmarsh Shire Event Management Guide, through public safety and security indicate that events are All Access to ensure that events cater for all abilities.
- Council continues to advocate for those with a disability by recognising training needs for staff to assist in giving those with a disability choice and control when it comes to accessing services through council.
- Participation in Wimmera Disability Access Forum.

- Continued partnerships with Wimmera service providers that provide Disability Advocacy.
- Council continues to explore funding opportunities and partnerships to enhance integrated and specific programs for people with disabilities.

Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the annual report.

Council adopted its Domestic Animal Management Plan 2017-2021 on 25 October 2017. The plan was developed through consultation with Council's Local Laws Team and consideration of input from other Council departments.

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

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 its annual report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately, however provides the following summary of the application and operation of the Freedom of Information Act 1982.

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:

- Requests should be in writing.
- Requests should identify as clearly as possible what documents are being requested.
- Requests 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 also be lodged by email.

Access charges may apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au and on our website www.hindmarsh.vic.gov.au.

Public Interest Disclosure Procedures

In accordance with section 69 of the *Public Interest Disclosures Act 2012*, a Council must include in its annual report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected 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 on Council's website.

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

Road Management Act Ministerial direction

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

Infrastructure and development contributions

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

No such contributions were received by Council during the financial year.



Performance Statement

For the year ended June 2021



HINDMARSH SHIRE COUNCIL

Performance Statement

For the year ended 30 June 2021

Our Municipality

Hindmarsh Shire is located in the Wimmera region in western Victoria and covers an area of 7,527km². Situated on the Western Highway, 375km west of Melbourne and 350km east of Adelaide, Hindmarsh Shire is alive with business opportunities as it lies on the second-busiest freight corridor in Australia.

Our Shire is bound by two National Parks, the Little Desert in the South and Wyperfeld in the North. Other distinct natural features include the Big Desert Wilderness Area to the West, as well as the Wimmera River and Lakes Hindmarsh and Albacutya. The central part of the Shire is utilised primarily for broad acre cropping and grazing.

Hindmarsh Shire's four main towns are Nhill, Dimboola, Jeparit and Rainbow. Each community has its own spirit and identity, but all towns offer spacious rural living, inclusive small communities, and wonderful natural amenities.

The first Australians in the Hindmarsh area were the Wotjobaluk people. Communities were located near the Nhill Swamp, the Wimmera River at Dimboola, Lake Hindmarsh near Jeparit and Lake Albacutya near Rainbow, while the majority made their home along the Red Gum lined banks of the Wimmera River and Nine Creeks area in Dimboola.

Today it is estimated, 5,592 people live in Hindmarsh Shire, with a median age of 50 years. According to the 2016 Census 83% of people in Hindmarsh Shire were born in Australia, with English the only language spoken in 88% of homes. Our most significant group of migrants are Karen refugees from Burma (Myanmar), with approximately 190 calling Nhill home.

The median weekly household income is \$906, and most people own their homes outright. Most people are employed in farming, with employment in health care coming a close second, followed by retail, manufacturing, education and transport. Hindmarsh has a very high rate of volunteering, 18% higher than the national average.



Sustainable Capacity Indicators

For the year ended 30 June 2021

<i>Indicator/measure</i>	Results 2018	Results 2019	Results 2020	Results 2021	Material Variations
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,891	\$2,048	\$2,199	\$2,242	No material variation.
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$1,200	\$1,125	\$1,235	\$1,204	No material variation.
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$3,048	\$4,219	\$3,918	\$3,684	Expenses per head of population have decreased due to the finalisation of expenditure on flood recovery and a slight reduction in population.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$27,273	\$27,580	\$28,683	\$28,387	No material variation.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	1.79	1.78	1.85	1.85	No material variation.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	2	2	2	2	No material variation.
Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	18.2%	19.8%	11.5%	19.6%	Due to the small number of staff employed by Council, staff turnover statistics are sensitive to resignations.

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2021

Service/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Material Variations
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	60	61	59	59	No material variation.
Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50%	0%	n/a	n/a	No planning applications were taken to VCAT during 2020/2021.
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	48	54	50	53	No material variation.
Libraries Participation <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / Municipal population] x100	9.1%	7.7%	6.8%	6.6%	The COVID-19 pandemic resulted in library services being closed for a number of months throughout 2020/2021. This has resulted in a decrease in active library members.

Service/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Material Variations
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	34.9%	32.2%	5.4%	30.1%	The increase in waste diverted from landfill is a result of recycling collection for the full year. During 2019/2020 the global recycling crisis resulted in recycling being taken to landfill.
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.4	3.6	2.9	2.1	Aquatic facilities were open from November 2019 to March 2020. A decrease of 4,367 people visited Council's aquatic facilities during 2020/2021.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	n/a	n/a	n/a	100%	Council prosecuted 3 animal offences during 2020/2021. All 3 prosecutions were successful.
Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	n/a	n/a	100%	n/a	During 2020/2021 there were no non-compliance notifications.
Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	n/a	n/a	n/a	n/a	Not applicable. Council has no operational control over MCH services.

Service/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Material Variations
Participation					
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	n/a	n/a	n/a	n/a	Not applicable. Council has no operational control over MCH services.

Definitions

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

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

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

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

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

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

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

"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/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Material Variations
					2022	2023	2024	2025	
Operating position									
Adjusted underlying result									
Adjusted underlying surplus (or deficit)	2.7%	-4.2%	7.92%	-1.98%	-3.23%	-5.09%	-4.22%	-4.83%	Council's result at 30 June 2020 was an underlying surplus due to a number of operational grants being received throughout the 2019/20 financial year, and early payment of the VGC grant.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									The forecasted decreasing trend is mainly due to the introduction of rates capping.
Liquidity									
Working capital									
Current assets compared to current liabilities	431.2%	310.0%	347.7%	248.8%	116.7%	77.9%	52.3%	35.9%	Trade and other payables at 30 June 2020 was significantly lower than 30 June 2019 and is expected to remain steady for the next 4 years.
[Current assets / Current liabilities] x100									
Unrestricted cash									
Unrestricted cash compared to current liabilities	393.9%	254.9%	295.4%	164.9%	66.9%	40.5%	14.5%	1.3%	Unrestricted cash remained steady at 30 June 2020, current liabilities were lower than the previous year due to a reduction in trade and other payables. The decreasing trend over the 4 years to 2023 is due to forecasted lower cash position.
[Unrestricted cash / Current liabilities] x100									

Dimension/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Material Variations
					2022	2023	2024	2025	
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	n/a	n/a	n/a	n/a	0.0%	0.0%	0.0%	0.0%	Council continues to remain debt free with no loans or borrowings.
Loans and borrowings <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	n/a	n/a	n/a	n/a	0.0%	0.0%	0.0%	0.0%	Council continues to remain debt free with no loans or borrowings.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	2.3%	2.3%	2.1%	1.2%	1.4%	3.5%	3.5%	3.6%	No material variation.
Asset renewal & upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expenses / Asset depreciation] x100	New in 2020	New in 2020	155.2%	93.1%	183.6%	92.8%	95.4%	95.3%	Expenditure on Asset renewal remains a high priority for Council with increased investment in Asset Renewal during 2019/20.

Dimension/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Material Variations
					2022	2023	2024	2025	
Stability									
Rates concentration									
<i>Rates compared to adjusted underlying revenue</i>	46.9%	37.8%	37.1%	44.9%	47.8%	48.7%	48.2%	48.3%	A significant increase in recurrent grants (mainly the Victorian Grants Commission) has resulted in a reduction in rates concentration.
[Rate revenue / Adjusted underlying revenue] x100									
Rates effort									
<i>Rates compared to property values</i>	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	No material variation.
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									
Efficiency									
Expenditure level									
<i>Expenses per property assessment</i>	\$3,362	\$4,670	\$4,253	\$4,015	\$3,881	\$3,896	\$3,974	\$4,075	Expenses per property assessment has decreased due to the finalisation of expenditure on flood recovery.
[Total expenses / Number of property assessments]									
Revenue level									
<i>Average rate per property assessment</i>	New in 2020	New in 2020	\$1,508	\$1,541	\$1,561	\$1,568	\$1,594	\$1,619	No material variation.
[General rates and Municipal charge / Number of property assessments]									

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2021

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by Council in its annual budget on 23 June 2021. The estimates are 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 annual budget can be obtained by contacting Council at its municipal offices at 92 Nelson Street Nhill, online at www.hindmarsh.vic.gov.au by email to info@hindmarsh.vic.gov.au or phone 03 5391 4444.

Certificate 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*.



Ms Monica Revell

Director Corporate and Community Services

Dated: 22 September 2021

In our opinion, the accompanying performance statement of the Hindmarsh 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*.

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.



Cr Ron Ismay

Mayor

Dated: 22 September 2021



Cr Melanie Albrecht

Deputy Mayor

Dated: 22 September 2021



Mr Greg Wood

Chief Executive Officer

Independent Auditor's Report

To the Councillors of Hindmarsh Shire Council

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

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

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

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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

MELBOURNE
30 September 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria



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.



Heather Boyd, BBAA, MBA
Principal Accounting Officer

Date : 22-Sep-21

Nhill

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

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

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



Cr Ron Ismay
Councillor

Date : 22-Sep-21

Nhill



Cr Melanie Albrecht
Councillor

Date : 22-Sep-21

Nhill



Greg Wood
Chief Executive Officer

Date : 22-Sep-21

Nhill

Independent Auditor's Report

To the Councillors of Hindmarsh Shire Council

Opinion	<p>I have audited the financial report of Hindmarsh Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2021• comprehensive income statement for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• statement of capital works for the year then ended• notes to the financial statements, including significant accounting policies• certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
30 September 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Rates and charges	3.1	9,076	8,829
Statutory fees and fines	3.2	257	208
User fees	3.3	1,493	1,358
Grants - operating	3.4	6,235	10,372
Grants - capital	3.4	3,879	3,763
Contributions - monetary	3.5	348	241
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	76	60
Share of net profits (or loss) of associates and joint ventures	6.2	112	(74)
Other income	3.7	1,525	1,909
Total income		23,002	26,666
Expenses			
Employee costs	4.1	(7,801)	(7,292)
Materials and services	4.2	(5,081)	(7,655)
Depreciation	4.3	(6,286)	(5,416)
Other expenses	4.5	(1,435)	(1,536)
Total expenses		(20,603)	(21,899)
Surplus/(deficit) for the year		2,399	4,767
Other comprehensive income/expenditure			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)		(1,458)	-
Total comprehensive result		941	4,767

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

**Balance Sheet
As at 30 June 2021**

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	17,319	11,033
Trade and other receivables	5.1	1,138	999
Inventories	5.2	430	328
Other assets	5.2	126	249
Total current assets		19,013	12,609
Non-current assets			
Trade and other receivables	5.1	2	2
Investments in associates, joint arrangements and subsidiaries	6.2	213	410
Property, infrastructure, plant and equipment	6.1	161,300	162,650
Total non-current assets		161,515	163,062
Total assets		180,528	175,671
Liabilities			
Current liabilities			
Trade and other payables	5.3	483	916
Unearned Revenue	5.3	4,771	525
Trust funds and deposits	5.3	101	88
Provisions	5.4	2,286	2,097
Total current liabilities		7,641	3,626
Non-current liabilities			
Provisions	5.4	160	259
Total non-current liabilities		160	259
Total liabilities		7,801	3,885
Net assets		172,727	171,786
Equity			
Accumulated surplus		71,533	69,134
Reserves	9.1	101,194	102,652
Total Equity		172,727	171,786

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

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2021					
Balance at beginning of the financial year		171,786	69,134	102,652	-
Adjusted Opening balance		171,786	69,134	102,652	-
Surplus/(deficit) for the year		2,399	2,399	-	-
Net asset revaluation increment/(decrement)	6.1	(1,458)	-	(1,458)	-
		941	2,399	(1,458)	-
Balance at end of the financial year		172,727	71,533	101,194	-

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2020					
Balance at beginning of the financial year		168,063	65,411	102,652	-
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities		(1,044)	(1,044)	-	-
Impact of change in accounting policy - AASB 16 Leases		-	-	-	-
Adjusted Opening balance		167,019	64,367	102,652	-
Surplus/(deficit) for the year		4,767	4,767	-	-
Net asset revaluation increment/(decrement)	6.1	-	-	-	-
		4,767	4,767	-	-
Balance at end of the financial year		171,786	69,134	102,652	-

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

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		9,001	9,397
Statutory fees and fines		23	208
User fees		1,275	2,189
Grants - operating		6,541	10,403
Grants - capital		7,820	2,628
Contributions - monetary		348	241
Interest received		83	90
Other receipts		1,477	1,819
Net GST refund/payment		390	354
Employee costs		(7,661)	(6,957)
Materials and services		(5,353)	(1,632)
Short-term, low value and variable lease payments		(1,426)	(9,615)
Trust funds and deposits repaid		(101)	(24)
Net cash provided by/(used in) operating activities		12,418	9,101
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(6,495)	(10,093)
Proceeds from sale of property, infrastructure, plant and equipment		363	148
Net cash provided by/(used in) investing activities		(6,132)	(9,945)
Net increase (decrease) in cash and cash equivalents		6,286	(844)
Cash and cash equivalents at the beginning of the financial year		11,033	11,877
Cash and cash equivalents at the end of the financial year		17,319	11,033
Financing arrangements	5.5		
Restrictions on cash assets	5.1		

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**

	Note	2021 \$'000	2020 \$'000
Property			
Land		-	-
Total land		-	-
Buildings		1,277	1,218
Total buildings		1,277	1,218
Total property		1,277	1,218
Plant and equipment			
Plant, machinery and equipment		617	2,796
Fixtures, fittings and furniture		95	137
Computers and telecommunications		25	-
Library books		43	-
Total plant and equipment		780	2,933
Infrastructure			
Roads		3,296	4,462
Bridges		12	725
Footpaths and cycleways		500	249
Drainage		40	99
Other infrastructure		590	407
Total infrastructure		4,438	5,942
Total capital works expenditure		6,495	10,093
Represented by:			
New asset expenditure		644	1,687
Asset renewal expenditure		3,817	4,642
Asset upgrade expenditure		2,034	3,764
Total capital works expenditure		6,495	10,093

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

OVERVIEW

Introduction

The Hindmarsh Shire Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate.

The Council's main office is located at 92 Nelson Street, Nhill, 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 the 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 5.4)
- the determination of landfill provisions (refer to Note 5.4)
- 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 5.7)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable (refer to Note 10)
- 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

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

- Additional revenue – Outdoor Dining Grant, Grant for the livestreaming of Council meetings.
- Revenue reductions – reduction in revenue from hall rental, movie tickets and caravan park revenue
- Additional costs – materials provided in response to the outdoor dining grant as well as for livestreaming the Council meetings.

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 \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and expenditure

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
Income					
Rates and charges	9,086	9,076	(10)	0%	
Statutory fees and fines	161	257	96	60%	1
User fees	1,221	1,493	272	22%	2
Grants - operating	3,576	6,235	2,659	74%	3
Grants - capital	3,508	3,879	371	11%	4
Contributions - monetary	53	348	295	557%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	545	76	(469)	-86%	6
Share of net profits/(losses) of associates and joint ventures	(50)	112	162	324%	7
Other income	1,157	1,525	368	32%	8
Total income	19,258	23,002	3,744	19%	
Expenses					
Employee costs	7,965	7,801	(164)	-2%	
Materials and services	4,457	5,081	624	14%	9
Depreciation	5,499	6,286	787	14%	10
Other expenses	1,987	1,435	(552)	-28%	11
Total expenses	19,908	20,603	695	3%	
Surplus/(deficit) for the year	(650)	2,399	3,049	469%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Statutory fees and fines are higher than budgeted largely due to a number of fire prevention fines being issued.
2	User Fees	User fees are higher than budgeted due to an increase in income from private works, aged and disability services as well as from Caravan park fees.
3	Grants - operating	Recurrent operating grants are higher than budgeted due to the receipt of half of the 2021/2022 Grants Commission funding. Council has received additional funding for aged care services.
4	Grants - capital	Grants - Capital is higher than budgeted due to income received from the Local Roads and Infrastructure Program, Local Roads to Market Program as well as funding for the Dimboola Bowling Club facilities.
5	Contributions - monetary	Contributions are higher than budgeted due to receipt of final payment from the Dimboola & District Sporting Club toward the female change rooms facility, monies from the Dimboola rowing club for the pontoon, and Rainbow MECCA lighting contribution.
6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment.	Net Gain/loss on sale of plant is lower than budgeted due to the delay in replacement of some major items of plant.
7	Share of net profits/(losses) of associates and joint ventures	The additional revenue is due to an increase in Hindmarsh Shire Councils shares in the Wimmera Development Association.
8	Other Income	Additional income has been received through internal recovery in the operation of the quarry and plant.

9	Materials and Services	Is higher than budgeted due to additional costs for aged care services, including meals on wheels which are offset by additional income.
10	Depreciation	Depreciation is higher than budgeted due to the revaluation of buildings and the recognition of capital work undertaken during the financial year.
11	Other Expenses	Other expenses is lower than anticipated due to the timing of the budget in relation to periodic payments such as utilities and insurance.

1.2 Capital works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	-	-	-	
Land improvements	-	-	-	-	
Total land	-	-	-	-	
Buildings	655	1,277	622	95%	1
Heritage buildings	-	-	-	-	
Total buildings	655	1,277	622	95%	
Total property	655	1,277	622	95%	
Plant and equipment					
Plant, machinery and equipment	2,244	617	(1,627)	-73%	2
Fixtures, fittings and furniture	45	95	50	111%	3
Computers and telecommunications	-	68	68	100%	
Library books	-	-	-	0%	
Total plant and equipment	2,289	780	(1,509)	-66%	
Infrastructure					
Roads	3,331	3,296	(35)	-1%	
Bridges	0	12	12	100%	4
Footpaths and cycleways	195	500	305	156%	5
Drainage	53	40	(13)	-25%	
Other infrastructure	686	590	(96)	-14%	
Total infrastructure	4,266	4,438	172	4%	
Total capital works expenditure	7,210	6,495	(715)	-10%	
Represented by:					
New asset expenditure	447	644	197	44%	
Asset renewal expenditure	4,981	3,817	(1,164)	-23%	
Asset expansion expenditure	-	-	-	0%	
Asset upgrade expenditure	1,782	2,034	252	14%	
Total capital works expenditure	7,210	6,495	(715)	-10%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	The variance in actual expenditure to budgeted is due to the timing of the Dimboola library and Civic Hub project and the value of carried forward money for this project not reflected in the current year budget.
2	Plant and Machinery	The purchase of plant and machinery is lower than budgeted as Council has not yet received plant and fleet that have been ordered.
3	Fixtures, fittings and furniture	The increased expenditure is due to the installation of Conferencing and Livestream equipment in the Community Centre (grant funded).
4	Bridges	Grant funding was received in 2020/2021 to replace the Albacutya Bridge, with preliminary work commencing this financial year.
5	Footpaths and cycleways	This variance is mainly due to the phasing of the Wimmera River Discovery Trail which is a project carried forward from 2019/2020.

Note 2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Community Liveability

Community Liveability focuses on achieving an actively engaged community, providing a range of effective and accessible services to support the health and wellbeing of our community, and promoting a community that is physically active with access to a wide range of leisure, sporting and recreation facilities.

Built and Natural Environment

Built and Natural Environment focuses on provision of well maintained physical assets and infrastructure to meet community and organisational needs. A community that reduces its reliance on water and manages this resource wisely. A healthy natural environment and a community living more sustainably.

Competitive and Innovative Economy

A strong rural economy and thriving towns, a thriving tourism industry, modern and affordable information and communication technology through the municipality, and transport solutions that support the needs of our communities and businesses.

Our People, Our Processes

This area of Council focuses on long term financial sustainability, quality customer services, an engaged, skilled Council and workforce capable of meeting community needs, efficient and effective information communications technology. Providing support for the community in the areas of emergency preparedness, response and recovery. Also, an organisation that takes its risk management responsibilities seriously and embeds a culture of risk management throughout the organisation.

2 (b) Summary of revenues, expenses, grant revenue and assets by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2021					
Community Liveability	2,342	(2,557)	(215)	1,619	1,914
Built and Natural Environment	3,806	(9,484)	(5,678)	2,836	143,337
Competitive and Innovative Economy	1,524	(1,797)	(273)	426	4,636
Our People, Our Processes	15,330	(6,765)	8,565	5,233	29,530
Unattributed	-	-	-	-	1,111
	23,002	(20,603)	2,399	10,114	180,528
	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Community Liveability	1,395	(2,512)	(1,117)	878	5,688
Built and Natural Environment	10,022	(13,761)	(3,739)	7,093	146,538
Competitive and Innovative Economy	869	(1,470)	(601)	36	1,224
Our People, Our Processes	14,454	(4,230)	10,224	6,128	19,995
Unattributed	-	-	-	-	2,226
	26,740	(21,973)	4,767	14,135	175,671

Note 3 Funding for the delivery of our services	2021	2020
3.1 Rates and charges	\$'000	\$'000

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

The valuation base used to calculate general rates for 2020/21 was \$1,666million (2019/20 \$1,450million).

General rates	7,161	7,020
Municipal charge	745	746
Waste management charge	1,076	973
Revenue in lieu of rates	94	90
Total rates and charges	9,076	8,829

The date of the latest general revaluation of land for rating purposes within the municipal district was 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

Animal registration fees	71	61
Building fees	55	27
Infringements and costs	46	66
Town planning fees	77	46
Land information certificates	7	6
Permits	1	2
Total statutory fees and fines	257	208

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

3.3 User fees

Aged and health services	332	343
Private works	84	104
Caravan parks & camping fees	458	356
Transfer station fees	98	90
Commercial garbage collection fees	44	43
Film screenings and hall hire	7	24
Regional Roads Victoria works	392	292
Other fees and charges	78	106
Total user fees	1,493	1,358

User fees by timing of revenue recognition

User fees recognised at a point in time	1,493	1,358
Total user fees	1,493	1,358

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.

3.4 Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	6,357	6,572
State funded grants	3,758	7,563
Total grants received	10,115	14,135

(a) Operating Grants

Recurrent - Commonwealth Government

Financial Assistance Grants	4,723	4,988
General home care	520	475
Other	33	29

Recurrent - State Government

Delivered Meals	45	1
Home care services	57	82
Home maintenance	5	6
Senior citizens	23	23
School crossing supervisors	6	6
Libraries	118	108

Notes to the Financial Report
For the Year Ended 30 June 2021

Youth participation program	25	25
Roadside weeks and pest management	75	75
Case Assessment	23	-
Other	-	3
Total recurrent operating grants	5,653	5,821
	2021	2020
	\$'000	\$'000
Non-recurrent - Commonwealth Government		
Other	-	-
Non-recurrent - State Government		
Community health	-	39
Kindergarten central enrolment	24	36
Regional events funding	24	5
Walk to school	-	1
Facilitated playgroup	59	28
Disaster recovery	-	4,405
Planning and change management	-	35
LG Business Concierge & Hospitality	60	-
Outdoor Dining	250	-
Covid Relief Program	15	-
Community Activation & Social Isolation	90	-
Community Climate Change Adaption	40	-
Other	20	2
Total non-recurrent operating grants	582	4,551
Total operating grants	6,235	10,372
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,081	1,081
Recurrent - State Government		
Other	-	-
Total recurrent capital grants	1,081.00	1,081.00
Non-recurrent - Commonwealth Government		
Other	-	-
Non-recurrent - State Government		
Skate parks	-	10
Aerodrome entrance and heritage walk	-	33
Dimboola boating pontoon	-	80
E-waste sheds	-	140
Fixing country roads	-	1,061
Heavy vehicle safety & productivity program	-	150
Heritage Victoria	-	32
Kindergarten refurbishment	-	10
Living libraries	-	600
Local Roads & Infrastructure Program	1,406	-
Regional partnership funding	-	100
Roads to market	50	370
Working for Victoria	378	96
Nhill Early Learning Facility Upgrade	17	-
Dimboola Early Learning Facility Upgrade	17	-
Dimboola Community Civic Hub	450	-
Dimboola Bowling Club Sporting Facility	164	-
Yurunga Homestead Veranda	32	-
Riverside Holiday Park All Abilities Amenities	143	-
ICT Infrastructure Program	100	-
CFA Fire Access Grant	21	-
Public Safety Infrastructure grant	20	-
Total non-recurrent capital grants	2,798	2,682
Total capital grants	3,879	3,763

Notes to the Financial Report
For the Year Ended 30 June 2021

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

Operating		
Balance at start of year	196	69
Received during the financial year and remained unspent at balance date	49	188
Received in prior years and spent during the financial year	(196)	(61)
Balance at year end	<u>49</u>	<u>196</u>
Capital		
Balance at start of year	37	997
Received during the financial year and remained unspent at balance date	4,722	-
Received in prior years and spent during the financial year	(37)	(960)
Balance at year end	<u>4,722</u>	<u>37</u>

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

	2021	2020
	\$'000	\$'000
3.5 Contributions		
Monetary	348	241
Total contributions	<u>348</u>	<u>241</u>

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

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

Proceeds of sale	363	148
Written down value of assets disposed	(287)	(88)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>76</u>	<u>60</u>

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

Plant operations	852	976
Quarry operations	496	603
Interest	83	89
Recoupments	25	169
Fire services levy administration	44	43
Scrap metal and transfer station fees	22	26
Vicroads agency administration	2	2
Other	1	1
Total other income	<u>1,525</u>	<u>1,909</u>

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.

Note 4 The cost of delivering services

4.1 (a) Employee costs

Wages and salaries	5,961	5,323
WorkCover	172	137
Annual leave, sick leave and long service leave	693	887
Superannuation	697	645
Fringe benefits tax	91	89
Training	149	176
Other	38	35
Total employee costs	<u>7,801</u>	<u>7,292</u>

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	52	55
	<u>52</u>	<u>55</u>
Employer contributions payable at reporting date.	0	Nil

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	312	304
Employer contributions - other funds	332	288
	<u>644</u>	<u>592</u>
Employer contributions payable at reporting date.	0	24

Refer to note 9.3 for further information relating to Council's superannuation obligations.

	2021	2020
	\$'000	\$'000
4.2 Materials and services		
Contract payments	328	198
Building maintenance	158	121
Flood recovery expenditure	-	2,686
Depots and workshops	69	68
Emergency assistance and fire prevention	32	25
Health promotion	216	12
Home and community care	141	119
Community development, tourism and youth activities	163	167
Garbage and recycling collection and waste disposal	618	543
Utilities	383	325
Office administration	135	38
Information technology	437	279
Parks, reserves and aerodromes	83	191
Plant and fleet operations	992	1,168
Printing, stationery and advertising	51	48
Quarry operations	370	590
Rating and valuation	8	17
Roads, footpaths, bridges and drainage management	475	653
Swimming pool maintenance and management	280	292
Town beautification	36	65
Consultants and labour hire	17	31
Other	89	19
Total materials and services	5,081	7,655

4.3 Depreciation		
Property	1,027	490
Plant and equipment	997	952
Infrastructure	4,262	3,974
Total depreciation	6,286	5,416

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

	2021	2020
	\$'000	\$'000
4.4 Bad and doubtful debts		
Rates debtors	-	-
Other debtors	-	-
Total bad and doubtful debts	-	-

Movement in provisions for doubtful debts

Balance at the beginning of the year	18	17
New provisions recognised during the year	11	3
Amounts already provided for and written off as uncollectible	-	-
Amounts provided for but recovered during the year	-	(2)
Balance at end of year	29	18

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.

	2021	2020
	\$'000	\$'000
4.5 Other expenses		
Advertising	58	55
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	45	46
Auditors' remuneration - Internal	16	16
Bank Charges	31	29
Community action grants	55	25
Council contributions - other	111	117
Councillors' allowances	171	181
Fire services levy	23	23
Hindmarsh landcare network contribution	10	10
Insurance	340	289
Landfill charges	272	227
Legal costs	56	51
Postage	22	22
Regional library contribution	-	237
Subscriptions	159	137
Telecommunications	19	23
Town Committees	30	30
Others	17	18
Total other expenses	1,435	1,536

Note 5 Our financial position	2021	2020
	\$'000	\$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	4	4
Cash at bank	5,315	7,029
Term deposits	12,000	4,000
Total cash and cash equivalents	17,319	11,033

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

- Trust funds and deposits (Note 5.3)	101	88
Total restricted funds	101	88
Total unrestricted cash and cash equivalents	17,218	10,945

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	4,721	3,166
- cash held to fund carried forward operational works	49	522
Total funds subject to intended allocations	4,770	3,688

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

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

	2021 \$'000	2020 \$'000
(b) Trade and other receivables		
Current		
Rates debtors	475	400
Building permit debtors	9	6
Infringement debtors	163	138
GST receivable	(256)	134
<i>Non statutory receivables</i>		
Other debtors	114	112
Sundry debtors	662	226
Street scheme debtors	-	1
Provision for doubtful debts - other debtors	(29)	(18)
Total current trade and other receivables	1,138	999
Non-current		
<i>Non statutory receivables</i>		
Street scheme debtors	2	2
Total non-current trade and other receivables	2	2
Total trade and other receivables	1,140	1,001

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.

(c) Ageing of Receivables

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

Current (not yet due)	-	-
Past due by up to 30 days	341	176
Past due between 31 and 180 days	27	6
Past due between 181 and 365 days	365	11
Past due by more than 1 year	45	43
Total trade and other receivables	778	236

(d) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$6,084 (2020: \$18,143) were impaired. The amount of the provision raised against these debtors was \$6,084 (2020: \$18,143). 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:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	6	18
Total trade & other receivables	6	18

5.2 Non-financial assets	2021	2020
(a) Inventories	\$'000	\$'000
Inventories held for distribution	430	328
Total inventories	430	328

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		
Prepayments	126	249
Total other assets	126	249

5.3 Payables	2021	2020
(a) Trade and other payables	\$'000	\$'000
Trade payables	246	731
Accrued expenses	237	185
Total trade and other payables	483	916

(b) Trust funds and deposits		
Refundable deposits	12	12
Fire services levy	89	76
Total trust funds and deposits	101	88

(c) Unearned income		
Grants received in advance - operating	48	60
Grants received in advance - capital	4,723	465
Other	-	-
Total unearned income	4,771	525

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.

5.4 Provisions	Employee	Landfill restoration	Quarry	Total
2021	\$ '000	\$ '000	\$ '000	\$ '000
Balance at beginning of the financial year	2,175	28	153	2,356
Additional provisions	1,014	-	1	1,015
Amounts used	(925)	-	-	(925)
Balance at the end of the financial year	2,264	28	154	2,446
2020				
Balance at beginning of the financial year	1,828	24	168	2,020
Additional provisions	1,107	4	11	1,122
Amounts used	(760)	-	(26)	(786)
Balance at the end of the financial year	2,175	28	153	2,356

	2021 \$'000	2020 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	665	726
Long service leave	60	60
	<u>725</u>	<u>786</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	147	128
Long service leave	1,273	1,094
	<u>1,420</u>	<u>1,222</u>
Total current employee provisions	<u>2,145</u>	<u>2,008</u>
Non-current		
Long service leave	119	167
Annual leave	-	-
Total non-current employee provisions	<u>119</u>	<u>167</u>
Aggregate carrying amount of employee provisions:		
Current	2,145	2,008
Non-current	119	167
Total aggregate carrying amount of employee provisions	<u>2,264</u>	<u>2,175</u>

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	-0.015%	0.872%
- index rate	4.250%	4.250%

	2021 \$'000	2020 \$'000
(b) Landfill restoration		
Current	28	28
Non-current	-	-
	<u>28</u>	<u>28</u>

Council is obligated to restore a number of landfill and quarry sites to a particular standard. The forecast life of the sites is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the sites 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:

-estimated cost to rehabilitate	28	28
- index rate	-	-

(c) Quarry restoration

Current	113	61
Non-current	41	92
	<u>154</u>	<u>153</u>

Key assumptions:

-estimated cost to rehabilitate	154	153
---------------------------------	-----	-----

5.5 Financing arrangements

	2021 \$'000	2020 \$'000
The Council has the following funding arrangements in place as at 30 June.		
Bank overdraft	2,000	2,000
Credit card facilities	30	30
Total facilities	2,030	2,030
Used facilities	10	10
Unused facilities	2,020	2,020

5.6 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	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Building services	122	130	-	-	252
Recycling	179	-	-	-	179
Garbage collection	252	-	-	-	252
Transport waste and recycling to Doen	84	-	-	-	84
Swimming pool management	276	-	-	-	276
Meals for delivery	100	102	-	-	202
Internal audit services	14	14	15	-	43
Kindergarten services	20	20	20	-	60
Information Communication and Technology	40	40	40	40	160
Total	1,087	306	75	40	1,508

2020	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Building services	115	122	130	-	367
Recycling	176	179	-	-	355
Garbage collection	250	252	-	-	502
Transport waste and recycling to Doen	82	84	-	-	166
Swimming pool management	250	276	-	-	526
Meals for delivery	98	100	102	-	300
Internal audit services	49	49	-	-	98
Kindergarten services	60	60	60	-	180
Total	1,080	1,122	292	-	2,494

5.7 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.

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.

	2021 \$'000	2020 \$'000
Expenses relating to:		
Short-term leases	-	-
Leases of low value assets	6	5
Total	6	5
Variable lease payments (not included in measurement of lease liabilities)	-	-

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:

	2021 \$'000	2020 \$'000
Payable:		
Within one year	2	2
Later than one year but not later than five years	-	-
Total lease commitments	2	2

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	26,101	-	-	(1,458)	(922)	-	-	2,420	26,141
Plant and equipment	7,268	1,009	-	-	(1,102)	(287)	-	-	6,888
Infrastructure	126,298	4,110	-	-	(4,262)	-	-	-	126,146
Work in progress	2,983	1,825	-	-	-	-	-	(2,683)	2,125
	162,650	6,944	-	(1,458)	(6,286)	(287)	-	(263)	161,300

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	1,274	237	-	(1,274)	237
Plant and equipment	-	-	-	-	-
Infrastructure	1,709	1,588	-	(1,409)	1,888
Total	2,983	1,825	-	(2,683)	2,125

(a) Property

	Land - specialised \$'000	Total Land & Land Improvements \$'000	Heritage buildings \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2020	2,368	2,368	215	28,125	28,340	1,274	31,982
Accumulated depreciation at 1 July 2020	-	-	(47)	(4,560)	(4,607)	-	(4,607)
	2,368	2,368	168	23,565	23,733	1,274	27,375
Movements in fair value							
Additions	-	-	-	-	-	237	237
Revaluation	193	193	28	(1,679)	(1,651)	-	(1,458)
Disposal	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-
Transfers	-	-	(61)	(3,048)	(3,109)	(1,274)	(4,383)
Impairment losses recognised in operating result	-	-	-	-	-	-	-
	193	193	(33)	(4,727)	(4,760)	(1,037)	(5,604)
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	(14)	(908)	(922)	-	(922)
Accumulated depreciation of disposals	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-
Transfers	-	-	61	5,468	5,529	-	5,529
	-	-	47	4,560	4,607	-	4,607
At fair value 30 June 2021	2,561	2,561	182	23,398	23,580	237	26,378
Accumulated depreciation at 30 June 2021	-	-	-	-	-	-	-
	2,561	2,561	182	23,398	23,580	237	26,378

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	12,281	1,285	-	-	13,566
Accumulated depreciation at 1 July 2020	(5,361)	(937)	-	-	(6,298)
	6,920	348	-	-	7,268
Movements in fair value					
Additions	616	163	-	230	1,009
Revaluation	-	-	-	-	-
Disposal	(886)	-	-	-	(886)
Write-off	-	-	-	-	-
Transfers	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-
	(270)	163	-	230	123
Movements in accumulated depreciation					
Depreciation and amortisation	(997)	(82)	-	(23)	(1,102)
Accumulated depreciation of disposals	599	-	-	-	599
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	-
	(398)	(82)	-	(23)	(503)
At fair value 30 June 2021	12,011	1,448	-	230	13,689
Accumulated depreciation at 30 June 2021	(5,759)	(1,019)	-	(23)	(6,801)
	6,252	429	-	207	6,888

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb & Channel	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	129,145	7,720	7,038	6,737	19,760	11,686	1,709	183,795
Accumulated depreciation at 1 July 2020	(38,895)	(2,371)	(3,643)	(2,237)	(4,942)	(3,700)	-	(55,788)
	90,250	5,349	3,395	4,500	14,818	7,986	1,709	128,007
Movements in fair value								
Additions	3,044	-	165	81	371	449	-	4,110
Revaluation	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	179	179
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-
	3,044	-	165	81	371	449	179	4,289
Movements in accumulated depreciation								
Depreciation and amortisation	(3,188)	(68)	(162)	(84)	(252)	(508)	-	(4,262)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
	(3,188)	(68)	(162)	(84)	(252)	(508)	-	(4,262)
At fair value 30 June 2021	132,189	7,720	7,203	6,818	20,131	12,135	1,888	188,084
Accumulated depreciation at 30 June 2021	(42,083)	(2,439)	(3,805)	(2,321)	(5,194)	(4,208)	-	(60,050)
	90,106	5,281	3,398	4,497	14,937	7,927	1,888	128,034

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.

	Depreciation Period	Threshold Limit \$'000
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
land	-	1
Buildings		
buildings	30 - 100 years	1
Plant and Equipment		
plant, machinery and equipment	2 - 20 years	1
Fixtures, fittings and furniture	2 - 50 years	1
Infrastructure		
roads - pavements, substructure, formation and earthworks	15 - 110 years	1
roads - kerb, channel and minor culverts and other	60 - 100 years	1
bridges	70 - 120 years	1
footpaths and cycleways	15 - 80 years	1
drainage	80 - 120 years	1
others	5 - 100 years	1

Land under roads

Council recognises land under roads, acquired after 1 July 2008 at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Ben Sawyer AAPI Reg 63163 of Preston Rowe Paterson Horsham and Wimmera Pty Ltd as at 30 June 2021. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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	Level2	Level 3	Date of Valuation
Land	-	-	2,561	Jun-21
Heritage Buildings	-	-	182	Jun-21
Buildings	-	-	23,398	Jun-21
Total	-	-	26,141	

Valuation of infrastructure

Valuation of road and kerb and channel assets has been determined in accordance with an independent valuation undertaken by Talis Consultants Pty Ltd. An independent valuation of bridges has also been undertaken, by Pitt & Sherry. The valuation of all other infrastructure assets has been determined by Mrs Angela Hoy, Director of Infrastructure Services.

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

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Roads	-	-	90,106	Jun-17
Bridges	-	-	5,281	Jun-18
Footpaths and cycleways	-	-	3,398	Jun-20
Drainage	-	-	4,497	Jun-20
Kerb & Channel	-	-	14,937	Jun-17
Other infrastructure	-	-	7,927	Jun-20
Total	-	-	126,146	

Description of significant unobservable inputs into level 3 valuations

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$300 to \$2600 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 5 years to 75 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 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2021 \$'000	2020 \$'000
6.2 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
Investments in associates accounted for by the equity method are:		
- Wimmera Regional Library Corporation	-	309
- Wimmera Development Association	213	101
	213	410
Wimmera Regional Library Corporation		
<i>Background</i>		
Hindmarsh Shire Council, in conjunction with Horsham Rural City Council, Northern Grampians Shire Council, West Wimmera Shire Council and Yarriambiack Shire Council, had an interest in the Wimmera Regional Library Corporation. Hindmarsh Shire Council withdrew from the Wimmera Regional Library Corporation from 01 July, 2020.		
Fair value of Council's investment in Wimmera Regional Library Corporation	-	309
Movement in carrying value of specific investment		
Carrying value of investment at start of year	309	386
Change in equity share apportionment	(309)	-
Share of surplus(deficit) for year	-	(77)
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	-	309
Wimmera Development Association		
<i>Background</i>		
Hindmarsh Shire Council, in conjunction with Horsham Rural City Council, Northern Grampians Shire Council, West Wimmera Shire Council and Yarriambiack Shire Council, have an interest in the Wimmera Development Association.		
Hindmarsh Shire has a 10.34% interest in equity (10.34% in 2019/20).		
Fair value of Council's investment in Wimmera Development Association	213	101
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	77	74
Change in equity share apportionment	-	-
Reported surplus(deficit) for year	112	3
Transfers (to) from reserves	-	-
Distributions for the year	-	-
Council's share of accumulated surplus(deficit) at end of year	189	77
Council's share of reserves		
Council's share of reserves at start of year	24	24
Change in equity share apportionment	-	-
Transfers (to) from reserves	-	-
Council's share of reserves at end of year	24	24
Movement in carrying value of specific investment		
Carrying value of investment at start of year	101	98
Change in equity share apportionment	-	-
Share of surplus(deficit) for year	112	3
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	213	101

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Committees of management

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

	2021 No.	2020 No.
Note 7 People and relationships		
7.1 Council and key management remuneration		
(a) Related Parties		
<i>Parent entity</i>		
Hindmarsh Shire Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Interests in subsidiaries and associates are detailed in Note 6.2.		
(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		
Councillor R Ismay (Councillor 1/7/2020 - 24/10/2020; Mayor 18/11/2020-30/6/2021)		
Councillor R Gersch (Mayor 1/7/2020-24/10/2020; Councillor 18/11/2020 - 30/06/2021)		
Councillor D Albrecht (Deputy Mayor 18/11/2020-30/6/2021)		
Councillor R Lowe (Deputy Mayor 1/7/2020-24/10/2020)		
Councillor D Nelson (Councillor 1/7/2020-24/10/2021; 18/11/2020-30/06/2021)		
Councillor B Ireland (Councillor 18/11/2020-30/6/2021)		
Councillor W Bywaters (Councillor 16/12/2020-30/6/2021)		
Councillor T Schneider (Councillor 1/7/2020-24/10/2020)		
Councillor D Colbert (Councillor 1/7/2020-24/10/2020)		
Chief Executive Officer		
Director - Corporate and Community Services		
Director - Infrastructure Services		
Total Number of Councillors	9	6
Total of Chief Executive Officer and other Key Management Personnel	3	3
Total Number of Key Management Personnel	12	9
	2021	2020
	\$	\$
(c) Remuneration of Key Management Personnel		
Total remuneration of key management personnel was as follows:		
Short-term benefits	743	605
Long-term benefits	30	-
Post employment benefits	53	-
Total	826	605
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
	2021	2020
	No.	No.
\$0-\$9,999	3	-
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	1	4
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	1	-
\$50,000-\$59,999	-	1
\$160,000 - \$169,999	-	1
\$180,000-\$189,999	2	1
\$250,000-\$259,999	-	1
\$280,000-\$289,999	1	-
	12	9
	2021	2020
	\$'000	\$'000
7.2 Related party disclosure		
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
<i>Council entered into purchases of materials and services on normal commercial terms and arrangements with the following businesses:</i>		
<i>T.Ismay & Co (a related party to Cr R. Ismay)</i>	9	7
<i>Westmix Concrete Letoway (a related party to Cr R Gersch)</i>	-	66
<i>Allambi Elderly Peoples Home (a related party to Cr D Nelson)</i>	46	-
<i>Jeparit Golf Club (a related party to Cr B Ireland)</i>	2	-
<i>Hindmarsh Landcare Network (a related party to Cr D Nelson)</i>	10	-
(b) Outstanding balances with related parties		
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
<i>T.Ismay & Co (a related party to Cr R. Ismay)</i>	Nil	Nil
<i>Allambi Elderly Peoples Home (a related party to Cr D Nelson)</i>	Nil	Nil
<i>Jeparit Golf Club (a related party to Cr B Ireland)</i>	Nil	Nil
<i>Hindmarsh Landcare Network (a related party to Cr D Nelson)</i>	Nil	Nil

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Operating lease receivables

Council receives lease payments for telephone towers, small sections of land and rooms within Council owned buildings. The receivable is incidental to the purpose for holding the property. The lease terms are between 1 and 10 years and include a CPI based revision annually.

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

	2021	2020
	\$'000	\$'000
Not later than one year	42	44
Later than one year and not later than five years	174	174
Later than five years	76	118
	<u>292</u>	<u>336</u>

(b) Contingent liabilities

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

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

In addition to the disclosed contributions, Hindmarsh Shire Council has paid unfunded liability payments to Vision Super totalling \$0 during the 2020/21 year (2019/20 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$96,468.

Liability Mutual Insurance

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

MAV Workcare

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV. In accordance with the Authority's decision not to renew the MAV's self-insurance licence, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme participation agreement stated that each participant would remain liable to make further contributions to the Scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability would continue whether or not the participant remained a participant in future insurance years.

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

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

(c) Guarantees for loans to other entities

Council holds financial guarantees totalling \$131,000 held with the National Australia Bank on behalf of the Minister for Energy and Resources for the purpose of ensuring quarry sites are restored to an environmentally satisfactory condition. If Council fail to meet the conditions of these

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 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.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / 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 have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 2% and -1% in market interest rates (AUD) from year-end rates of 0.85%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

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

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

8.5 Events occurring after balance date

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

8.6 Impact of Covid 19 Pandemic on Council operations and 2020-2021 financial report:

In March 2020 COVID-19 was declared as a global pandemic by the World Health Organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. Council has carefully considered the impact of the measures taken to mitigate it and has found there are no material impacts for the financial year ended 30 June 2021. Council has not needed to defer any capital works programs or stand down staff.

Movie screenings ceased in March 2020 and resumed in March 2021, resulting in Council not incurring any expenses for this service. Movie screenings are a service provided to the community at a cost to Council.

Council closed directly managed Caravan parks in Dimboola, Jeparit and Rainbow for a period of 3 months resulting in a reduction in revenue and also decreased associated expenses.

Council received Working for Victoria funding and employed an additional 13 full time staff members for a period of 6 months.

Council meetings were relocated to the Nhill Memorial Community Centre where live streaming equipment was installed to allow for the Council meetings to be streamed across social media.

Funding was received to allow for COVID safe outdoor dining in the municipality.

Note 9 Other matters

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation of Buildings by an associate \$'000	Balance at end of reporting period \$'000
9.1 Reserves				
(a) Asset revaluation reserves				
2021				
Property				
Land and land improvements	1,639	193	-	1,832
Buildings	9,827	(1,651)	-	8,176
	11,466	(1,458)	-	10,008
Infrastructure				
Roads	86,443	-	-	86,443
Bridges	218	-	-	218
Footpaths and Cycleways	1,479	-	-	1,479
Drainage	2,416	-	-	2,416
Other infrastructure	602	-	-	602
Share of asset revaluation in associates	28	-	-	28
	91,186	-	-	91,186
Total asset revaluation reserves	102,652	(1,458)	-	101,194
2020				
Property				
Land and land improvements	1,639	-	-	1,639
Buildings	9,827	-	-	9,827
	11,466	-	-	11,466
Infrastructure				
Roads	86,443	-	-	86,443
Bridges	218	-	-	218
Footpaths and cycleways	1,479	-	-	1,479
Drainage	2,416	-	-	2,416
Other infrastructure	602	-	-	602
Share of asset revaluation in associates	28	-	-	28
	91,186	-	-	91,186
Total asset revaluation reserves	102,652	-	-	102,652

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

	2021 \$'000	2020 \$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	2,399	4,767
Depreciation	6,286	5,416
Profit/(loss) on disposal of property, infrastructure, plant and equipment	76	(60)
Other	(140)	6
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(139)	1,086
(Increase)/decrease in prepayments	123	(59)
Increase/(decrease) in accrued income	-	-
Increase/(decrease) in trade and other payables	(485)	(1,746)
(Decrease)/increase in other liabilities	4,246	(525)
(Increase)/decrease in inventories	(102)	(37)
Increase/(decrease) in provisions	89	336
Increase/(decrease) in trust funds and deposits	13	56
Increase/(decrease) in accrued expenses	52	(213)
Net cash provided by/(used in) operating activities	12,418	9,027

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

Council makes both employer and employee contributions to The Fund's accumulation category, Vision MySuper/Vision Super Saver, 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 the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

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

Funding arrangements

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

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

- Net investment returns 5.6% pa
- Salary information 2.5% pa for two years and 2.75% pa thereafter
- Price inflation (CPI) 2.0% pa.

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

Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7%.

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 is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation 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.

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of Scheme	Rate	2021 \$'000	2020 \$'000
Vision super	Defined benefit	9.50%	52	55
Vision super	Accumulation fund	9.50%	312	304
Other Funds	Accumulation fund	9.50%	332	288

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$0 (2019/20 \$0).

There were \$24,115 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$96,468.

10 Change in accounting policy

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)

Hindmarsh Shire Council does not have any Service Concession Arrangements.

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. This standard principally amends AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, changes in Accounting Estimates and Errors*. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications.

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. This standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB.

It is not expected that these standards will have any significant impact on council.



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