



# WEST WIMMERA SHIRE COUNCIL

2019- 2020

# ANNUAL REPORT

*The best of country living*

# Council Information

## Offices

Edenhope Civic Centre  
49 Elizabeth Street  
EDENHOPE VIC 3318  
Tel: (03) 5585 9900  
Fax: (03) 5585 9950

Kaniva District Office  
25 Baker Street  
KANIVA VIC 3419  
Tel: (03) 5392 7700  
Fax: (03) 5392 7750

## Postal Address

PO Box 201  
EDENHOPE VIC 3318

## E-mail

[council@westwimmera.vic.gov.au](mailto:council@westwimmera.vic.gov.au)

## Office Hours

Monday to Friday  
8.30am – 5.00pm

## Website

[www.westwimmera.vic.gov.au](http://www.westwimmera.vic.gov.au)

## Auditor

Crowe Horwath, Ballarat  
Victorian Auditor General, Melbourne

## Banker

National Australia Bank

## Solicitors

Stewart & Lipshut  
Victoria Street, Nhill

## Internal Auditor

RSD Audit  
Breen Street, Bendigo

Maddocks

La Trobe Street, Melbourne

Russel Kennedy Solicitors

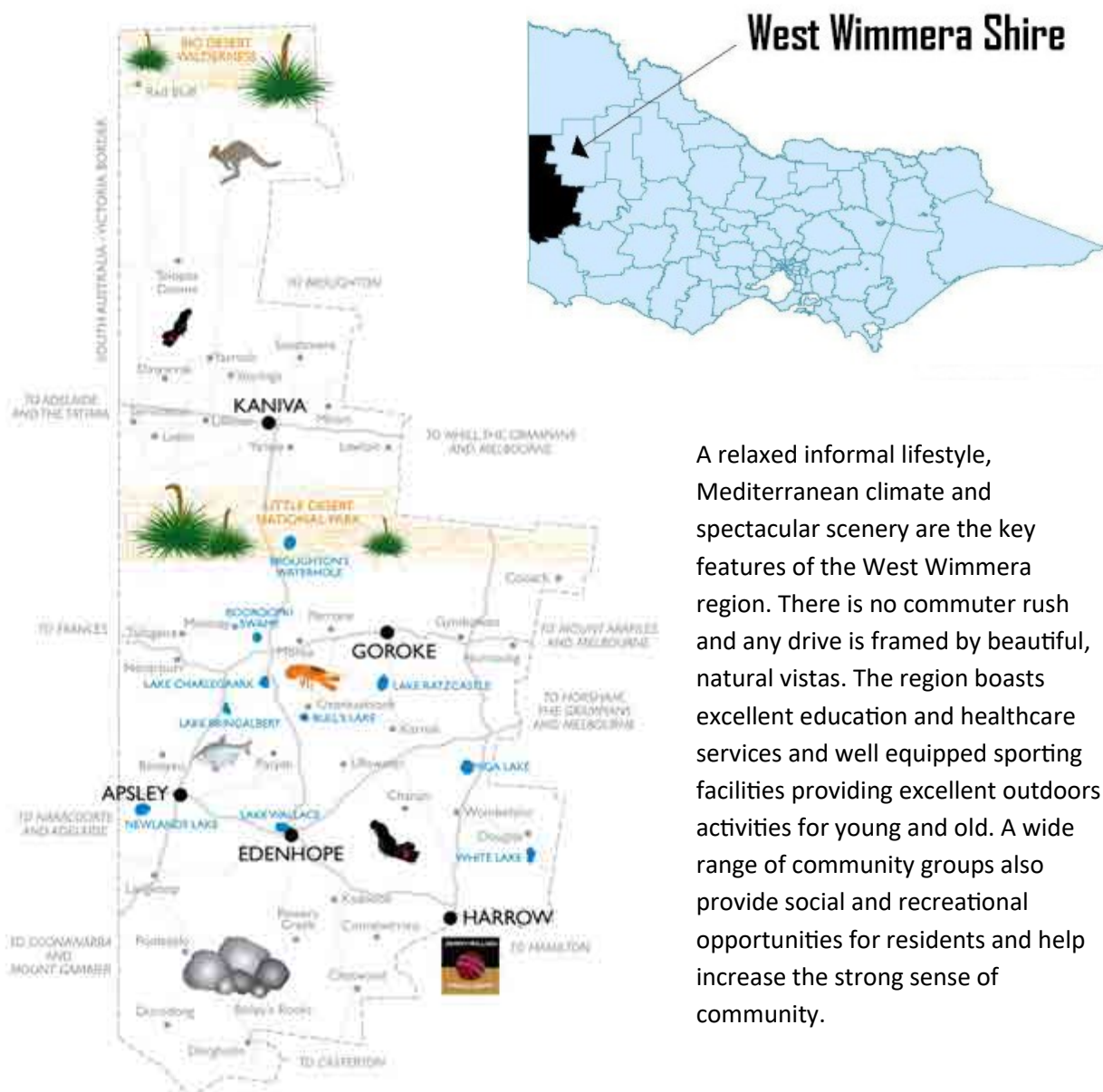
La Trobe Street, Melbourne



## About West Wimmera

West Wimmera Shire Council, situated along the Victorian - South Australian border, covers 9,200 square kilometres and includes the townships of Apsley, Edenhope and Harrow in the southern half of the shire through to Goroke, Kaniva and Serviceton in the north. Home to approximately 4,000 people, the region prides itself in its welcoming communities and wide diversity of industry and environment.

Consisting of untouched desert parks, vast wetlands and fertile plains, West Wimmera is equally known for its acres of wheat and legumes, and as a home to the famous Malleefowl, red-tail black cockatoo and a unique abundance of wildflowers.



A relaxed informal lifestyle, Mediterranean climate and spectacular scenery are the key features of the West Wimmera region. There is no commuter rush and any drive is framed by beautiful, natural vistas. The region boasts excellent education and healthcare services and well equipped sporting facilities providing excellent outdoors activities for young and old. A wide range of community groups also provide social and recreational opportunities for residents and help increase the strong sense of community.

# Council Vision, Mission, and Values

## Council Vision

West Wimmera Shire delivers the very best experience and opportunity that rural living has to offer.

## Our Values

West Wimmera Shire Council values its resident population and its wellbeing. This will be demonstrated through promotion of viable and sustainable communities, the retention of the current population and support to grow communities.

West Wimmera Shire Council values good governance and transparent decision making. Supporting community groups and advocating on their behalf will enable open dialogue to occur with residents.

Representing the whole of West Wimmera is highly valued by Councillors.

A connected community, both via transport infrastructure and modern digital technology that enables us to be connected to the world for business and education.

Partnerships (locally, regionally, and with government) are valued as a way of ensuring sustainable service delivery.



## Mayor's Message

It is my pleasure to present the 2019-20 Annual Report of West Wimmera Shire Council.

It has been a year handicapped in the latter part by Covid-19 restrictions. This has hindered some of our strong advocacy programs that are driven by face to face contact with government ministers and advisors. However we have been able to successfully maintain government support and funding for mental health outreach within our shire. This has been expanded to include other parts of the Wimmera region, based on the model that this shire has developed. Other advocacy rolls still continue but in a different form using technology to maintain our contacts.



Receiving continued financial support allows West Wimmera to successfully develop, progress and grow, which also contributes to building strong resilient communities. A number of important social infrastructure projects have either been completed or are well advanced during the year. The Edenhope Community Hall Redevelopment is nearing completion. The Edenhope Library is almost ready to relocate to its new home. We look forward to this new facility being able to better meet the needs of that community. Other significant works include the completion of the amenities upgrade at Lake Charegrark, which improves the appeal of that very popular tourist attraction, located centrally within the Shire. The Harrow Recreation Reserve upgrade is also virtually complete, and ready for use by the Harrow Community. Gender friendly facilities will be appreciated by all sporting groups' and clubs who use them.

Council continues to maintain and renew our road network; with in excess to \$9.8 million spent on capital renewal and upgrade of our roads and infrastructure on top of a further \$3.9 million of preventative maintenance works. The road network is recognised as an extremely vital part for West Wimmera, supporting our agricultural base.

I would like to acknowledge the contribution made by both the Commonwealth and Victorian Governments to the ongoing delivery of services to our Shire Communities, through recurrent finding programs such as aged and disability services and libraries. Without this ongoing funding a greater burden would fall upon our ratepayers to maintain current standards.

The Victorian Government has made new funding available to I.T upgrades to allow staff having to work from home to be able to access the council networks. Also provision has ben made to enable Councillors to be able to communicate, and run meetings through internet without having to be all present in one room as with council meetings in the past. Recent Council Meetings have had a mixture of Councillors and staff being present and on-line. This funding is greatly appreciated as enabling a way of providing a clear service to all participating, including allowing flexible community access to Council Meetings



With the Covid-19 restrictions in place council has made efforts to provide a safe workplace for its employees. When possible staff have been able to work from home. Unfortunately this means the hours of opening at the offices has had to be limited.

Services, and particularly VicRoads needs are being met by appointment. Road works are continuing as normal. 3 year old kindergarten had to cease for one term to meet social distancing requirements, but will recommence in the 3<sup>rd</sup> term after alterations to buildings have been completed.

During the year West Wimmera Shire Council undertook a review of the delivery of library services across the municipality. After careful consideration the decision was made to remain as a member in the Wimmera Regional Library Corporation. Council is confident this will continue to provide a strong and effective library service to our community.

There are many issues that affect communities and individuals within our Shire. Where it has been possible the council continues to advocate on issues that are seen as important to all of us including:

- Road funding
- Pest, Plants and Animals
- Native Vegetation
- Rural Mental Health Outreach Services
- West Wimmera Rural Water Pipeline
- Digital Connectivity



**Cr. Bruce Meyer OAM**

**Mayor**



## Chief Executive Officer's Message

On behalf of the staff of the West Wimmera Shire Council, I wish to highlight a few points of interest within the Annual Report.

The 2019/20 year saw West Wimmera complete a number of significant projects that have been in the planning phase for many years. To see a number of them finally get completed is a great achievement for a small rural shire.

The successful completion of the Edenhope Community Centre Building (former Edenhope Mechanics Hall), has been a massive win for the Edenhope Community. I

would like to acknowledge the hard work of the staff that have managed to get the project from a proposal that seemed out of reach to become a reality. The Council also must be acknowledged for taking a leap of faith and making the tough decision to invest in the development.

Ultimately the project would not have been possible without a large injection of funds from the state and federal governments. The funding assistance through the Living Libraries fund and a further injection through Regional Development Victoria, have made the facility possible. In addition to the state government funding, a considerable financial contribution was provided via the federal Drought Communities fund and Council is extremely grateful for the assistance and will hopefully get the opportunity to acknowledge this at a formal opening.

Similarly, the facilities at the Harrow and District Recreation Reserve have, for a long time, required upgrading. Through the work of the Rec Reserve committee, access to \$1m was gained from the state government through Sport and Recreation Victoria, a further contribution from the federal Drought Communities fund and funding from AFL Victoria has enabled the facilities to be constructed and provide a female friendly capacity to all of the buildings.

The final large scale project that was completed, was the Kaniva Wetlands and Fauna Park site. This project was a high priority during a social infrastructure planning exercise a number of years ago and the finished product has drawn praise from across the region. It has created a brilliant family space that can be utilised by the travelling public and the local population.

As with the other large projects, it would not have been possible without the assistance of a federal grant and a number of state government contributions.

All of the aforementioned projects have also benefitted from localised fund raising and this is an area where West Wimmera excels along with the high levels of volunteerism.



The final point I would like to touch on is the continued high scoring that West Wimmera receives through its annual community satisfaction survey. These results come from dedicated people implementing programs and providing services that are well received by the community. In particular the high level of satisfaction in the customer service areas of Council is something that the shire should particularly proud of.

As we wind our way through 2020, which has been a difficult time for so many people, we should all take the time to reflect on how lucky we are to be in a safe place and look forward to a time when we can all start to meet face to face again.

This year has tested the mettle of Local Government and West Wimmera has adapted very quickly, with Councillors meeting predominantly via video and staff working remotely, it has shown that Local Government will be quite different beyond the current circumstances.



**David Leahy**

Chief Executive Officer





# Advocacy

The West Wimmera Shire Council, Council Plan 2017-2021, has been divided into Actions and Advocacy Actions to enable more accurate tracking of activity associated with the plan and to ensure that the activities align with the plan.

In previous years, our Councillors and CEO have attended a series of appointments with state Ministers and their senior advisors.

Unfortunately due to the Covid-19 pandemic and lockdowns, Council was unable to undertake these meetings face to face with the Ministers and senior advisors.

Advocacy in the times of Covid has become a series of remote meetings, via telephone or video conferencing means, and the odd old fashioned letter to the right people.

Through this all Council maintains its contact with other tiers of government and continues to advocate on behalf of our residents.

Understandably, the focus from the Victorian and Commonwealth Governments have been upon Covid-19 response and relief activities for much of the year. Council continues to advocate to other tiers of government to ensure that we receive 'our fair share' of assistance and that our voices are heard at the top layers of government.

One example of this involves the continued advocacy Council makes regarding the South Australian border closure and the impact this has on our border community. Council has and continues to advocate to the Commonwealth, South Australian and Victorian Governments as well as the Cross-border Commissioner to ensure that our border community is treated fair and equitably



## COVID-19

As with much of the nation West Wimmera Shire was impacted throughout the year by the Covid-19 Pandemic.

During the first lockdown , Council closed its Customer Service Centres in Edenhope and Kaniva in mid March, with the majority of staff working from home where possible. A staged re-opening of the two Service Centres occurred from mid-May, with many staff returning to the office. Strict Social Distancing requirements have been put in place within the two Customer Service Centres, for both staff and customers.



Mayor Bruce having his temperature checked by Courtney on entering the Kaniva Customer Service Centre

It was considered appropriate for Council's works teams to continue to operate whilst employing strict social distancing requirements where possible. This included single driver/operators of equipment and staff travelling to worksites independently. All plant and vehicles are sanitized and thoroughly cleaned daily.

Council's Community Care services also maintained essential operations with social distancing and sanitizing requirements in place. The wearing of Personal Protective Equipment (PPE) was implemented as appropriate and training was given to staff in the correct application of PPE and hand hygiene. Where possible, assessments were conducted remotely. Staff were trained to conduct welfare 'gate checks' on clients before entering the property. Council considered the risk to our highly-valued volunteer network was such that meals on wheels delivery was taken on by Council's own staff, with all PPE being worn and client safety checks being undertaken by staff at delivery time.

The potential for serious impact from Covid-19 on our most vulnerable residents is well understood by Council. Whilst it was unfortunately not possible to continue with group social support activities, efforts were made by Council's Community Services unit to contact and provide support to our isolated and vulnerable residents. Council was, with the support of the Victorian Government and the Red Cross, able to provide a number of care packages and meals support to our residents who required assistance. Council will continue, with the assistance of the Victorian Government, to implement programs to keep in touch with our vulnerable residents, including the loaning of communication equipment to enable isolated residents to keep in touch with family and loved ones.

The full impacts of Covid-19 on our local economies is being assessed with Council staff contacting all registered businesses across the municipality.

Council continues to work alongside agencies such as the Wimmera Development Association and Regional Development Victoria to assess this impact.

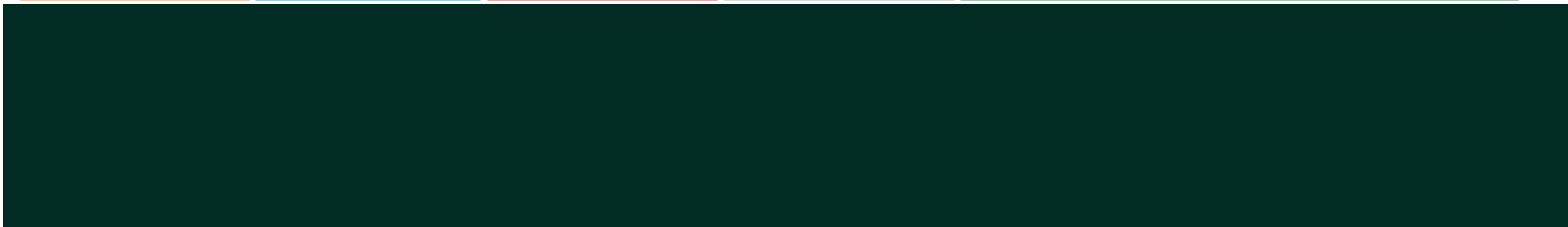
Of major concern to our communities has been the closure of the state border by the South Australian Government. This has impacted not only our cross border communities ability to access services and facilities which would normally be available but has also had a serious impact on visitor traffic, seriously impacting on our hospitality and accommodation sectors and well as greatly reducing retail from passing traffic. Of great concern to Council is the reduction in access to medical and educational facilities that happen to be across the border, as well as the severe social impacts on our border economies. Council continues to actively advocate on behalf of our border communities with the South Australian, Victorian and Commonwealth governments on this matter, so as to be able to find a common sense solution. Council recognises the difficulty caused by people needing to transition from medical and educational services across the border into the Victorian system, and stands willing to provide assistance to residents who are forced due to the political position of the South Australian government to transition in this way.

Council relaxed its Hardship provisions for rate deferment for Covid affected ratepayers by introducing a specific Covid related policy. Included in this policy are rate deferrals, longer term payment plans and the waiving of interest charges. The majority of the impact of will be felt in future years rather than 2019-20. Council also waived all business registration costs for the remainder of the 2019-20 and 2020-21 years. Council encourages all ratepayers who are suffering hardship to contact us.

Council has continued to provide stimulus into our local economy by maintaining as many of our programs as possible and utilising local suppliers as much as possible. Council made a conscious decision to maintain works and capital programs to provide spending within our shire boundaries to stimulate the local economy. Council has carried this philosophy into the 2020-21 and will continue to look to work with the Victorian and Commonwealth governments to implement stimulus activities within the municipality (More information can be seen in our Financial Statements and the 2020-21 Budget).

Council continues to work behind the scenes to advocate for our community to access health and screening services, with the possibility of a positive outcome in late 2020.

Also of concern to Council is our community's mental and social health. Council continues to provide funding support and advocacy to the Rural Mental Health outreach service and is pleased to see an expansion in this service is planned for the 2020-21 year. Council also continues to partner with both the Commonwealth and Victorian governments to provide social support and engagement services.



## Financial Summary 2019-20

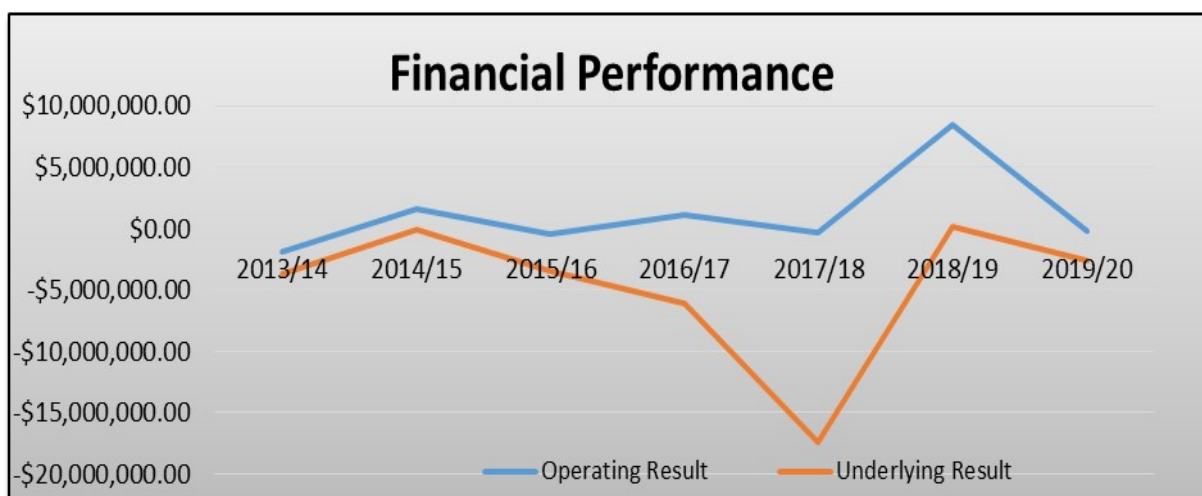
Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to Council's financial performance is included within the financial statements and performance statements addendums of this report.

### Operating Position

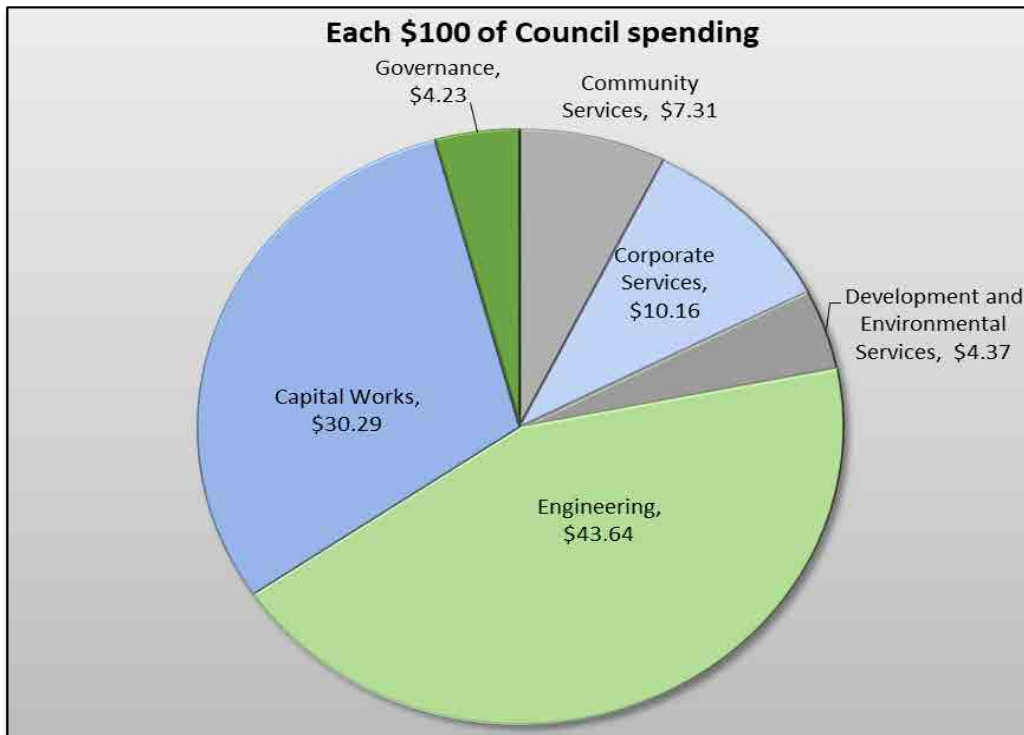
Council's operating result for 2019/20 shows a slight deficit of \$0.21million (\$5.97million surplus 2018/19). After taking into consideration other comprehensive income, Council's total comprehensive result was a deficit of \$2.41million (\$21.94million deficit 2018/19). This comprehensive deficit includes an asset revaluation decrement of \$2.07million as a result of a full revaluation of Council's land and buildings during 2019/20.

Council's underlying result for 2019/20 (the operating surplus less non-recurrent income) shows a deficit of \$2.61million (2018/19 \$0.65million deficit). This decline can be mainly attributed to decreases in grant funding and reimbursements. Recurrent operating grants such as the Financial Assistance Grants saw a small increase in 2019/20, however significant decreases in non-recurrent and capital grants lead to a total overall decline of \$7.09million in grant funding as compared to 2018/19.

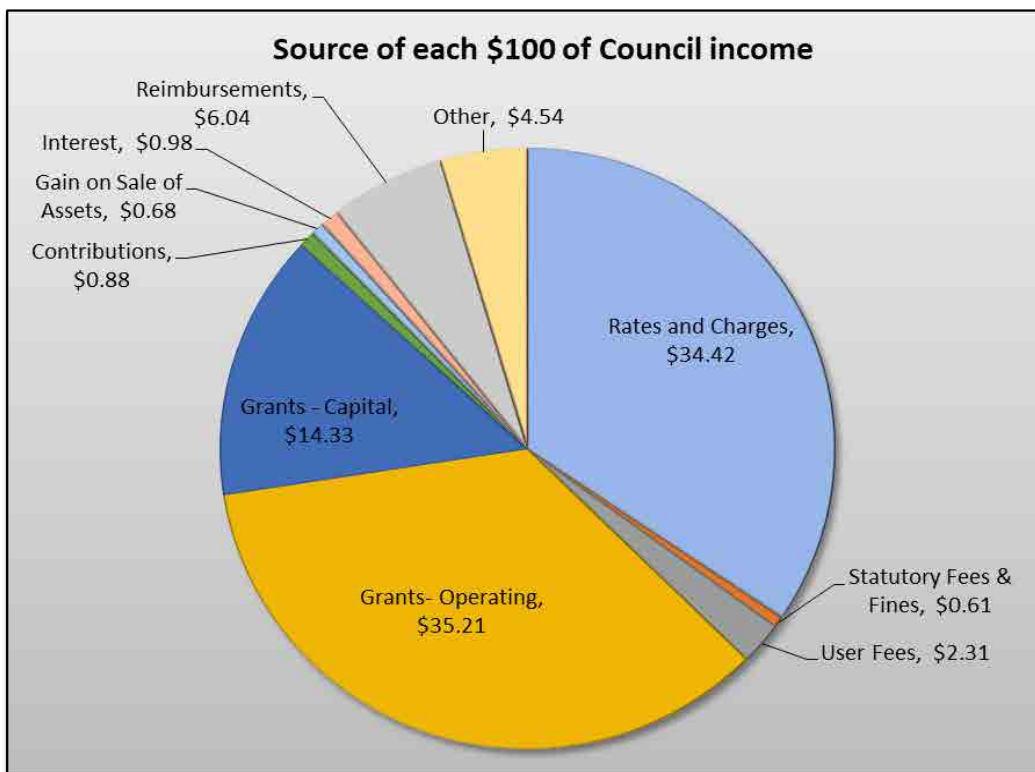
This information needs to be considered in context with all of Council's income and expenditure sources. When analysing Council's financial data, we note that Council incurs a significant depreciation charge of \$7.55million for 2019/20. This amount is not a cash expense, rather it represents the consumption of Council's assets annually. If this amount was removed from Council's underlying result, Council would be generating a significant underlying surplus. This indicates that Council is reliant on upon non-recurrent funding sources (particularly capital grants) to fund its asset renewal. It must be said that this is not an uncommon position within local government in Victoria, with all but the largest municipalities facing similar issues.



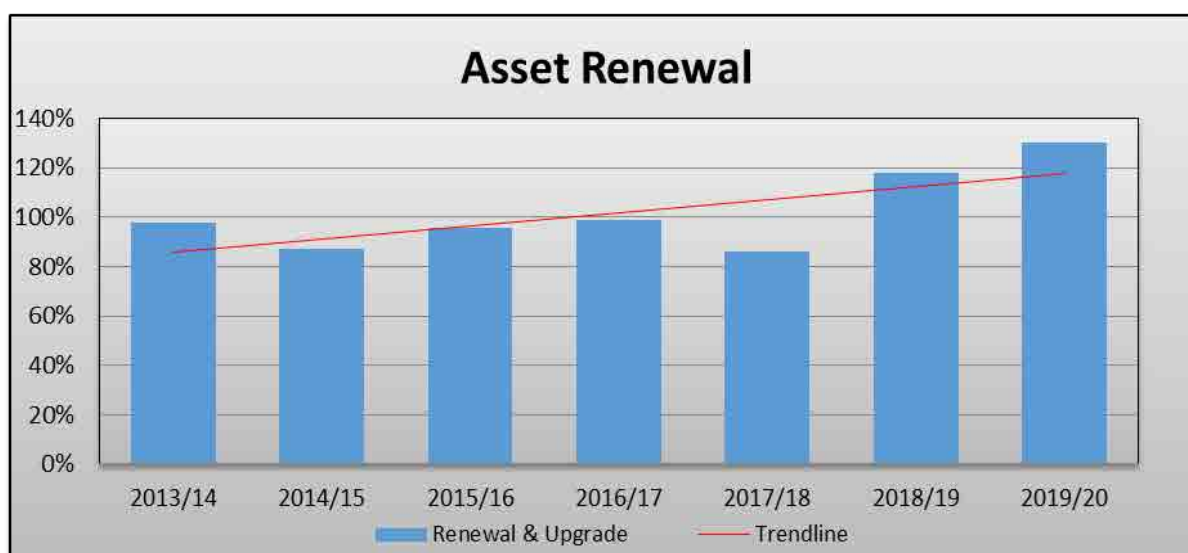
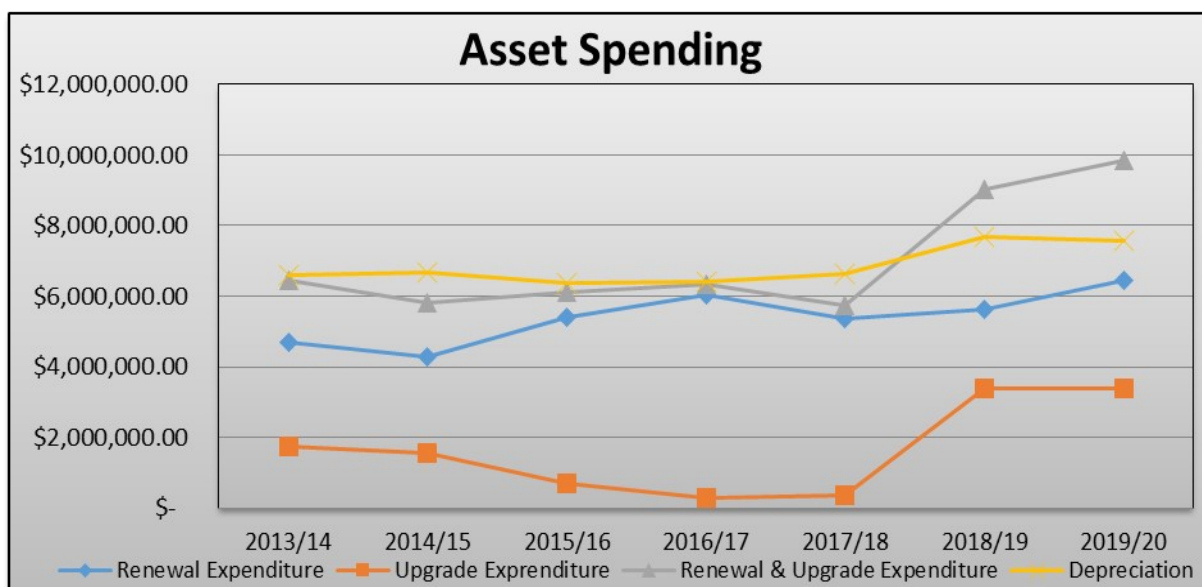
The following charts indicate the sources of Council's income and where this income is spent:



Council's reliance on grant funding can clearly be seen from the below chart, with grant funding making up \$49.54 of every \$100.00 Council receives.

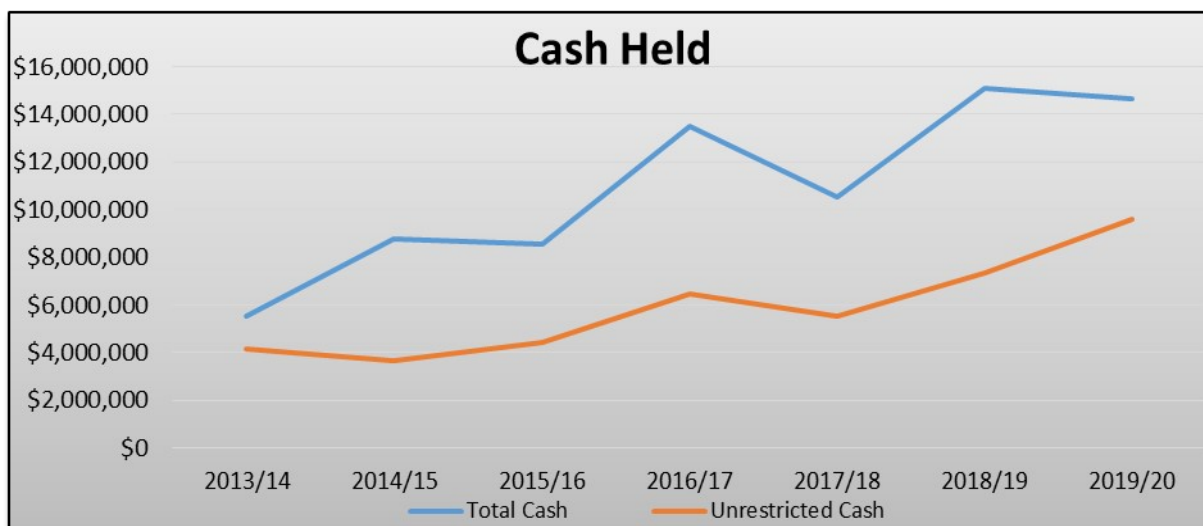


uncil delivered a significant capital expenditure program during 2019/20 of \$9.93million, an increase of 9.1% over the previous year (2018/19: \$9.1million). Of this, \$6.47million was spent on roads with a further \$0.44million spent on other infrastructure such as bridges, footpaths and drainage. Of the \$9.93million spend, \$6.44million was expended on renewing Council’s existing assets, with a further \$3.4million spent on upgrading Council’s existing assets. This amount was sufficient to cover Council’s consumption of its asset base, as measured through depreciation, meaning that Council was restoring its assets at a greater rate than it was consuming them during the year, as was also the case in the prior year 2018/19. The following graphs show Council’s last seven years of asset renewal and upgrade spending as compared to depreciation:

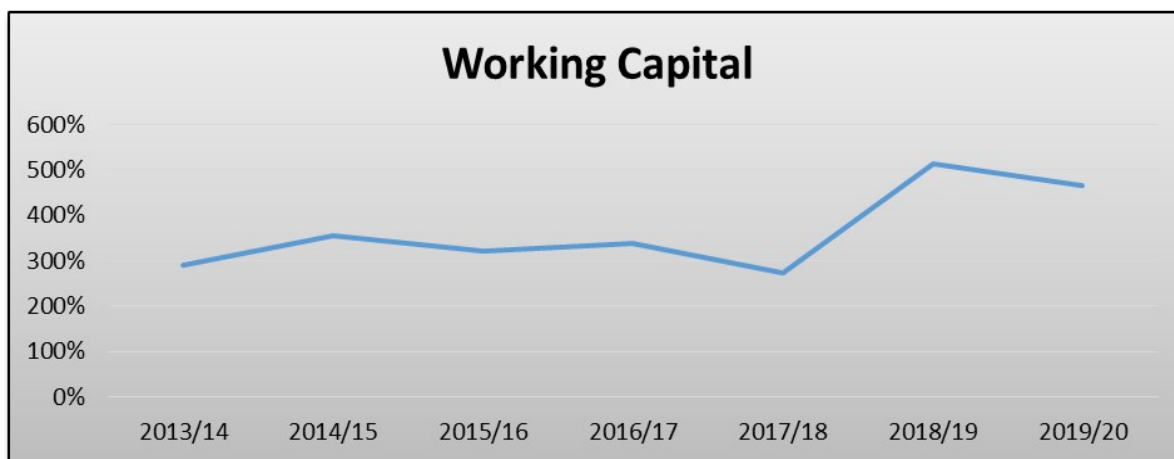


As can be seen in the above graph, Council has exceeded 100% renewal of its asset base as measured against depreciation for the current and prior financial years. Council is developing a longer term capital expenditure plan which identifies required spend on required assets to ensure effective capital renewal to enable service provisions to be met into the future.

Council’s cash position remains healthy, with \$14.67million in the bank at 30 June 2020. This represents a small decrease of \$0.44million on the previous year. Council is holding commitments by way of reserves, unspent grants and trust deposits of \$5.10million, with a further \$3.27million in grants received in advance (financial Assistance Grants), leaving an unrestricted cash amount of \$6.30million. It must be noted that the majority of the \$8.37million of funds restricted is held on a discretionary basis which Council may resolve to use for other purposes if the need arises.



Council retains a solid working capital ratio. This is the coverage of current liabilities by current assets, and measures the ability of Council to cover liabilities as and when they fall due. At 30 June 2020 Council had a working capital ratio of 467%.





Overall, Council has reported a small operating deficit for the 2019/20 year and continues to record an underlying deficit. A lack of own sourced revenue sources other than rate income coupled with the 2% rate cap creates a complex financial management issue for Council into the future.

Council has met its asset renewal requirements (as measured against depreciation expense) for the last two financial years, however the long term average indicates this is an area of ongoing concern for Council and again highlights Councils dependence on grant funding for asset renewal.

The fluctuation between operating surplus and deficit over the previous seven years is impacted by fluctuating external grant funding and events such as the flood events of 2016 and the subsequent recovery works. As Council is heavily reliant on grant funding, any fluctuation in this funding at a State or Federal level will ultimately have a significant impact on Councils financial position.



## Our Councillors

West Wimmera Shire Council consists of five councillors elected from an un-subdivided municipal district.



West Wimmera Shire Council 2016-2020

Bruce Meyer, Trevor Domaschenz, Richard Hicks, Tom Houlihan, Jodie Pretlove

### Cr. Trevor Domaschenz

Cr. Trevor Domaschenz was elected to West Wimmera Shire Council on 22 October 2016 and this is his first term in local government.

Councillor Domaschenz is West Wimmera Shire Council's representative to the following organisations and Committees:

- West Wimmera Landcare Network
- Wimmera Development Association
- Wimmera Mallee Regional Tourism Association
- West Wimmera Shire Cemetery Trust
- West Wimmera Shire Tourism Advisory Committee
- West Wimmera Shire Sustainability Advisory Committee

### **Cr. Richard Hicks**

Councillor Hicks was elected to West Wimmera Shire Council on 22 October 2016 and this is his first term in local government. He holds a Masters of Rural Science from the University of New England.

Councillor Hicks is West Wimmera Shire Council's representative to the following organisations and Committees:

- Big Desert National Park Fire Control Committee
- Little Desert National Park Fire Control Committee
- Rail Freight Alliance
- Roadsafe Wimmera
- Western Highway Action Committee
- West Wimmera Shire Cemetery Trust
- Wimmera Southern Mallee Regional Transport Group

### **Cr. Tom Houlihan**

Councillor Houlihan was elected to West Wimmera Shire Council on 22 October 2016 and this is his first term in local government.

Councillor Houlihan is West Wimmera Shire Council's representative to the following organisations and Committees:

- Douglas Mine Environment Review Committee
- Grampians Central West Waste and Resource Recovery Group – Forum Group
- Wimmera Mallee Sustainability Alliance
- Johnny Mullagh Interpretive Centre Inc.
- Municipal Emergency Management Planning (MEMP) Committee
- Municipal Fire Prevention Committee
- West Wimmera Rural Water Supply Project – Feasibility Study
- West Wimmera Shire Cemetery Trust



### **Cr. Bruce Meyer**

Councillor Bruce Meyer was re-elected to West Wimmera Shire Council on 22 October 2016. He first became an elected representative for the former Shire of Kaniva in 1993, serving until that Shire amalgamated with the Shires of Kowree and Arapiles in 1995. Councillor Meyer was elected to the inaugural West Wimmera Shire Council in 1997 and has continuously represented the Shire since then.

Councillor Meyer is West Wimmera Shire Council's representative to the following organisations and Committees:

- Kaniva Community Sporting Complex
- Kaniva Recreation Reserve Advisory Committee
- Crabtree Estate Committee
- Municipal Association Victoria
- North West Municipalities Association
- Rural Councils Victoria
- Wimmera Regional Library Corporation
- West Wimmera Shire Audit Committee
- West Wimmera Shire Cemetery Trust

### **Cr. Jodie Pretlove**

Councillor Pretlove was elected to West Wimmera Shire Council on 22 October 2016 and this is her first term in local government. Councillor Pretlove was elected Mayor in November 2018 for her second consecutive term as Mayor.

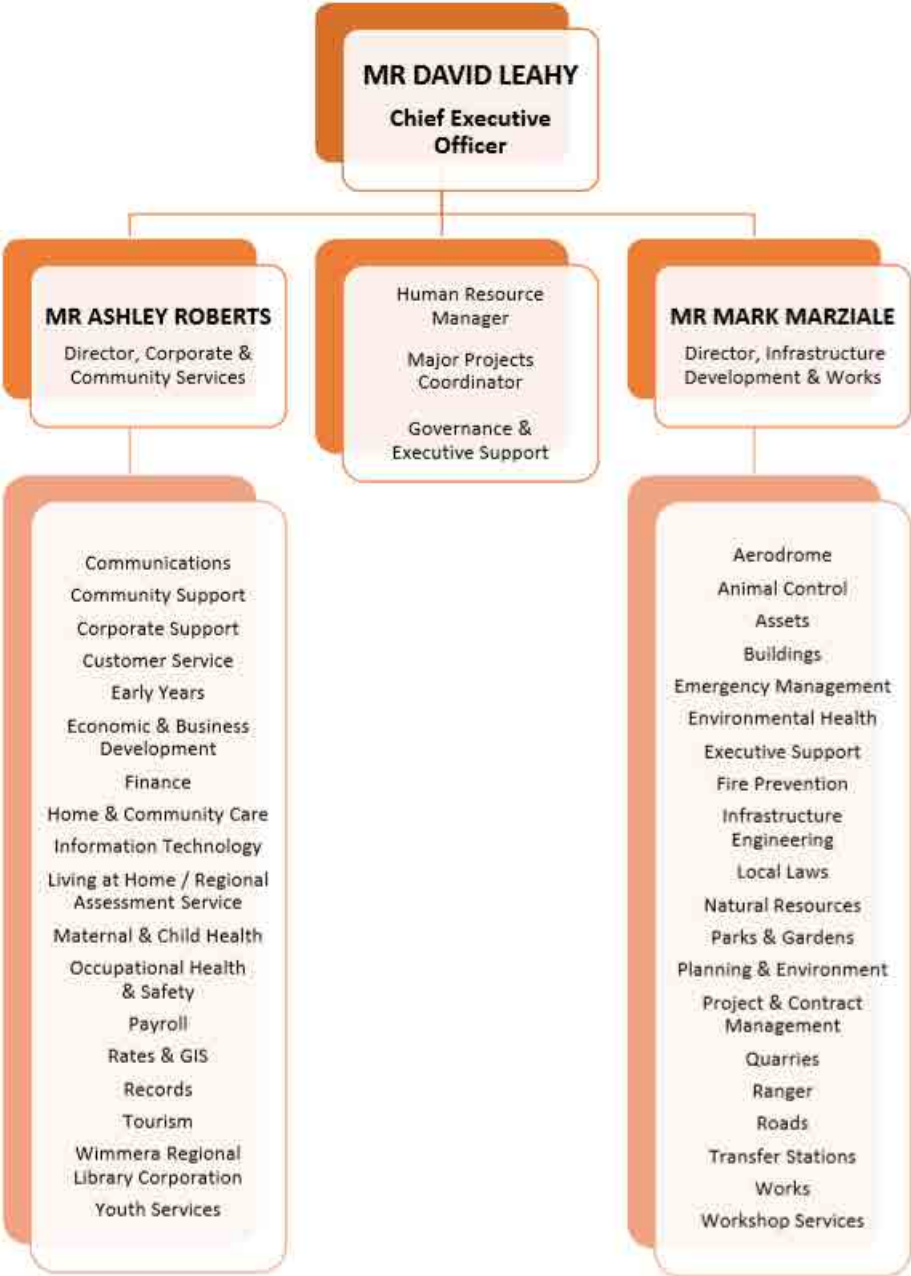
Councillor Pretlove is West Wimmera Shire Council's representative to the following organisations and Committees:

- Primary Care Partnership Wimmera
- West Wimmera Shire Audit Committee
- West Wimmera Shire Youth Council
- West Wimmera Shire Tourism Advisory Committee
- West Wimmera Shire Sustainability Advisory Committee



# Organisational Structure

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 General Managers/Directors and the CEO form the Senior Management Group.



**Chief Executive Officer**  
**David Leahy**

David commenced with Council in February 2016. David brings to Council extensive senior management experience in governance and also works and project management across a number of public sector entities across two states.



Areas of Responsibility

- Overall Staff Management
- Strategy and Direction
- Governance
- Human Resources

**Director Corporate and Community Services**  
**Ashley Roberts**

Ashley re-joined Council in April 2016 after an earlier stint as Manager Finance between 2012-2014. Ashley brings to Council over 20 years financial management and governance experience from both the public and private sectors. Ashley holds a Bachelor Commerce and an Associate Diploma in Accounting and is a member of CPA Australia and an Associate of the Australian Institute of Company Directors.



Areas of Responsibility

- Finance, Rates and Revenue, Payroll
- Customer Service
- Occupational Health and Safety
- Kindergartens, Early Years Services
- Risk Management, Audit Committee
- Maternal & Child Health Services
- Youth Services
- Home and Community Care Services
- Community and Volunteer Support
- Information Technology
- Libraries
- Cemeteries
- Economic Development and Tourism



## **General Manager Infrastructure, Development and Works Mark Marziale**

Mark joined Council in June 2018. Prior to becoming part of the West Wimmera family Mark held senior positions in local government and the public sector across 3 states.

Mark holds a Bachelor of Arts in Planning (Architectural Studies) and a Graduate Diploma in Regional and Urban Planning. Mark is a Member of the Australian Institute of Company Directors and a Registered Planner with the Planning Institute of Australia.



### Areas of Responsibility

- Shire Buildings
- Roads Program
- Footpaths
- Culverts and Drains
- Waste, Recycling and Transfer Stations
- Public & Environmental Health
- Statutory Planning, Municipal Building Surveyor Services
- Strategic Planning
- Property Services
- Emergency Management and Fire Prevention
- Domestic Animals and By-Laws
- Roadside Pests & Weeds Program
- Parks & gardens
- Aerodrome
- Quarries
- Contracts and Procurement
- Seasonal Pools



## Description of Operations

West Wimmera Shire Council is responsible for the delivery of over 70 services across many areas including:

- Economic and business development and tourism
- Family, early years, youth services
- Home and Community Care services
- Community and volunteers
- Finance, rates and revenue, payroll
- Information technology
- Libraries
- Parks and gardens
- Council and community building maintenance
- Road works, footpaths and other civil infrastructure
- Cemeteries
- Property Management
- Public & Environmental Health
- Planning and Building Approvals
- Waste Management
- Domestic Animal Management
- Stock Control
- Emergency Management & Fire Prevention

### Economic Factors

The 2019-20 year saw the initial impact of the Covid-19 pandemic spread to the West Wimmera. During March/April 2020 the region was placed into temporary stage 3 lockdown which saw a reduction in business hours for many of our regional business coupled with a significant decline in traffic and subsequent decline in the visitor economy. Council anticipates that economic impacts of this event will be felt into the 2020-21 financial year

### Major Changes

Council underwent an internal restructure during 2019-20 which saw an realignment of some staff duties. Notable to this was the bolstering of the Governance business unit with an acknowledgement of significant work arising from the implementation of the *Local Government Act 2020*.





Also of note was the employment of a Manager of Community Support and Wellbeing to manage the day to day operations of Council’s Community Support and Wellbeing unit, which has brought together Council’s Maternal Child Health, Early Years and Aged and disability services into one management unit.

## Corporate and Community Services

2019/20 presented some unique challenges for the Corporate and Community Services directorate, with a minor internal restructure and the impacts of the Covid-19 pandemic affecting operations.

Tweaking the internal structure saw the Information Management (Records) function move to the Governance are of Council, whilst some resource shuffling within the directorate saw resources better aligned with needs. A new team known as Community Support and Wellbeing was formed to combine the day to day responsibilities of the Council’s Early Years, Youth, and Aged and All Abilities teams.

The Covid-19 Pandemic introduced many Corporate and Community Services staff to the concept of working from home for large periods of the year, placing unique demands upon Council’s ICT infrastructure. Pleasingly these demands have been largely met by Council’s



ICT services and incident recovery processes. A big thank you from management to all staff who continue to perform their duties efficiently and effectively under changing circumstances.

Council’s Community Services staff continued to provide front line service delivery to our most vulnerable and at need community members. Their dedication to ongoing service delivery for the welfare of our community during the face of the Covid-19 pandemic has shown outstanding dedication to our community.



## Financial Services

Council continues to commit to providing a financially sustainable future for our municipality whilst maintaining services to our community.

During 2019/20 Council worked within the 3.5% rate increase cap variation granted to it by the Minister for Local Government. The purpose of this additional funding was to reduce Council's asset renewal gap and improve asset conditions across the shire. Council was able to put this funding towards delivery another largest on record capital works program of \$9.93million, coming off a then record program of \$9.10million from the previous year. This additional expenditure on Council's assets places Council in a strong position to provide services to our community into the future.

## Customer Services

As the 'smiling face of Council', this past year has seen some changes and some challenges. We welcomed some new faces along the way, highlighting the importance that Council continues to provides a great customer's experience, and once again Council's customer service performance continues to be ranked extremely highly in the annual customer satisfaction survey undertaken for Local Government across the state.

The fact that Council's customer service ranks amongst the best in the state is a reflection of our skilled, dedicated and responsive Customer Service team. The team is missing our customer contact during lock down and eagerly await when the world gets back to some kind of normal.



Council maintains Customer Service Centres in Edenhope and Kaniva, and continues to provide services on behalf of Centrelink and Vic Roads to our communities.

Council's customer service team also manage the day to day operations of the Edenhope, Goroke, and Kaniva cemeteries.

## Community support and wellbeing

During 2020 the introduction of the Community Support and Wellbeing unit emerged from the Corporate and Community Services restructure. This included the appointment of a



Manger Community Support and Wellbeing. The Community Support and Wellbeing unit encompasses Maternal and Child Health, Early Years – Kindergartens and Supported Playgroup, Youth and Community Services. The unit has a focus of bringing the ages and programs together to facilitate supportive and holistic outcomes for community members within council programs.

Covid-19 saw some changes to programs and the introduction of ongoing hygiene and safety procedures. Some positive outcomes occurred during this period and have been identified as beneficial to continue into the future. The collaboration of team members in the unit enabled facilitating connections between different ages. These projects included the kindergarten children painting rocks which were given as a gift with a poem of hope to community members via the Community Support Workers. Additional funding will allow continued practical, wellbeing and technological connection and engagement support for the remainder of 2020 for those facing vulnerability in the community and challenges due to Covid-19.

A few team members of the Community Wellbeing and Support unit are also part of the pandemic sub-committee where they work collaboratively with regional and local stakeholders to assist those vulnerable in the community and contribute to the pandemic plan.

## Community Services

During 2020 the Community Services team supported 221 consumers with a variety of essential services. Services include personal care, home care, home maintenance, social support, meals and respite. The team also encountered a few staff changes with fresh ideas arising from those changes. The pandemic saw minor changes to service delivery, e.g. weekly home care reduced to



fortnightly which was quickly reinstated when restrictions eased. Appreciation was given to the Community Support Workers (CSW) who continued to provide services to the aged and disability members in our community during this unprecedented time. This dedication enabled little interruption to service delivery during this time. The CSW's also provided a great deal of wellbeing support to consumers with additional veranda chats, general wellbeing check-ins and short social distancing walks. With volunteers unable to engage in meals on wheels the CSW's also completed this valuable service.



## Kindergartens

After lengthy recruitment, which remains a challenge at West Wimmera Shire, a new teacher from Melbourne looking for a 'tree change' was appointed in January. Her teaching and worldly experience and dedication has proven a positive outcome with a new perspective to the program and the re-establishment of the Parent Advisory Group working together on projects.



Home Schooling West Wimmera Style

The kindergartens introduced new procedures with the Covid-19 which included families dropping children at the door to reduce risk of infection spread. Three year old kindergarten was suspended for term 2 and reintroduced in a shorter format for term 3 to enable appropriate hygiene procedures. Online learning programs were established for those at home during periods of government restrictions. Teachers sent out home learning packs whilst continuing to provide programs for those attending. One of the online home learner's story and photos made it to the Department of Education and Training minister. They were very impressed with West Wimmera Shire's approach to learning during challenging times.

During the term 2 school holidays WWSC Community Support and Wellbeing team together with the Parent Advisory Group (PAG) organised an exciting new inclusive and natural outdoor learning environment at Kaniva Kindergarten. This had been in planning for some years with a combination of PAG fundraising efforts and recent success of a Department of Education Infrastructure Grant.



Included in the new play environment are an all abilities play house, extended bike track, fort with changeable attachments for safe risk taking opportunities, natural river bed with water

pump, fruit and vegetable gardening spaces, calming nooks for relaxing and Inviting alcove to meet together.



The PAG also fundraised to add a large shade structure which enables additional all weather outdoor learning opportunities.



A collaborative approach between stakeholders enabled the Kaniva Kindergarten yard upgrade



Kaniva Kindergarten children enjoy the yard upgrade

### Kindergarten Enrolments 2020

Kindergarten	Four year old	Three year olds	Total
Edenhope	13	16	29
Goroke	6	5	11
Kaniva	10	12	22
Note: All kindergarten's implemented a combined 3 & 4 year old program in 2020			

Similar enrolment numbers are predicted for 2021

### Supported Playgroup

Nature play was the highlight of supported playgroups in term 1 and 2. The sessions were held at Council's two new parks - Goroke Nature Play Space and Kaniva Wetlands and Fauna Park. These sessions were very popular with large numbers of families attending.



## Maternal and Child Health

The last twelve months have been like no other in the past twenty years of the current MCH nurse!

Soon after the year clocked over I approached senior management with the proposal of employing a Perinatal Emotional Health Practitioner (PEHP) to the Shire utilizing some of the Enhanced Home Visiting monies that we have also had difficulty in finding an allocation for. This proposal was warmly received and endorsed by management with the appointment going to Adrienne Caldwell RN/RM in March 2020. Unfortunately this was just as the Covid 19 pandemic was beginning to take hold in the country so the 'in home' counselling that we had planned was delayed until restrictions were a little lifted in June. Overall this has been a very positive and warmly received service by women of the West Wimmera with access to all that require in both antenatal and postnatal periods.



The impact to the MCH service during the pandemic has been kept to a minimum so to lessen the stress and worry to already anxious families. Although most MCH services across Victoria had to cancel all face to face consultations along with the very valued home visit for newborns and enhanced clientele, I was able to keep services going as Immunisation delivery was to continue.

This allowed the continuation of Key Age and Stage visits while essential vaccinations were also administered. This also included the Under 5 year's influenza vaccination with some 175 paediatric doses given to date. This was done with the assistance of the Shire's EHO who was invaluable in ensuring social distancing was adhered to as clients made their way promptly through the clinic. We also considered the occasion a 'practice run' should we, in time, be fortunate to have a Covid 19 vaccination made available with the local governments awarded the task of administering it in the time to come.

### Enrollments

This year has not been too dissimilar from last year when it comes to new babies into our region. Unlike last year's record breaking 52 we have had 50 this year. 32 were born in Victorian hospitals and 18 in hospitals of South Australia. Difficulties lie with obtaining referrals from the birthing hospitals in South Australia and it is often by 'word of mouth' that I learn that these babies have come from hospital and requiring follow up. The pandemic

has also brought families to use the West Wimmera service who would normally attend services in Bordertown or Naracoorte, however, with border closures their admittance to buildings on that side of the border is prohibited and as such they are using the Kaniva and Edenhope centres.

### **Immunisations**

The annual report that is submitted to DHHS each July showed that the service delivered some 806 vaccinations, this does not include the visitors to the area that drop in for a catch up vaccination, nor the school program which is delivered to the three secondary colleges, nor the staff flu vax program, so you can say that once again this service has also been very busy. This is a further increase from last year's total which would be attributed to the excellent update of the local families having their children immunized against influenza. Each year we see more and more families take up the offer of having their child vaccinated against the flu, with some discussion that next year it may include even younger infants and possibly primary school children, we will just have to wait for a directive from the state Department of Health for that one.

The influenza vaccination is also available for any pregnant woman in the shire with many taking up the offer.

### **Professional Development**

Up until March professional development had been attended to as much as previous years including a national conference in Sydney which saw delegates from all over Australia come together for shared learning and networking. It is always wonderful to attend such events to 'check in' professionally and measure one's self against peers to measure that service provision to the client base of the West Wimmera is on par with others. Reflection from that event indicates that our clientele are receiving a higher standard in fact with the qualifications and experience of the nurse, the relieving nurse and now the PEHP clinician.

### **By Five WSM Early Years Project**

The partnership with the Royal Children's Hospital in Melbourne allows access to specialist paediatric support through the use of telehealth. A shared consultation with a family, the MCH nurse and pediatrician Dr William Garvey has been a wonderful way of providing the



family with a specialist consultation with no cost to them or lengthy wait to see a GP, then the transport to and from Melbourne. This service may not be needed daily or even weekly, however, when utilized it has proven to allay parents' concerns or set up the necessary pathways to specialist clinics.

Dr Billy is a true advocate for families and for Maternal and Child Health Nurses who all live rural remote and have limited access to care that city families enjoy. Let's hope the project keeps going.

Monica Feder

RN/RM/MCHN/GradDip(Mid)/GradDip(Family&ChildHealth)/MNSc(NPrac)/Nurse Immuniser

## Youth



2019-20 was shaping up to be the best ever for Youth Services West Wimmera before COVID-19 hit.

The first half of the year saw many activities for you young people in our Shire with quite a high level of engagement and participation.

School Holiday activities such as craft activities at the Red Tail Gallery Edenhope, Goroke Community Health Centre, DJ Workshops and Tie Dye T Shirts were all things that were enjoyed between July and October 2019

Bus trips to a Hollywood Themed Dance Party and Karaoke night at Nhill, Skate Park Competition in Nhill, Birchip Freeza, Halloween Party in Jeparit, Pool Party at Kaniva, Ice-Skating trip to Mount Gambier and in early 2020 a Silent Disco at the Henley on Lake Wallace Festival.



Many more activities including a Youth Week Event including the 3 High Schools in West Wimmera was planned for early Term 3, along with plans for a wide range of school holiday activities for the Easter School Holidays.

With all of those things parked for a later date, it has been a challenge to engage young people in our area, who are already rurally isolated and for most of Term 2 and the last part of Term 1, socially isolated.





Work continues to address these additional challenges in the current climate, and it is hoped that the latter part of this year will see us being able to offer a wide range of social activities, including a function at the new Edenhope Community Hub. As our Halloween Freeza was one of the last events to be held at the old Edenhope Hall, it would be great to think that we could be amongst the first to hold an exciting event at the new one.

A campaign is currently underway to recruit a new Youth Action Council which will be a cross section of the youth community, who are ready and willing to represent their peers to create activities and events that will appeal to young people across our Shire. They will also be given the opportunity to voice their opinions and concerns about things that they would like to see happen in the places they work, study and live in.



The Community Support and Wellbeing unit continually contribute to positive outcomes for the West Wimmera Shire community by focusing on WWSC Council strategic plan's visions, values and the following relevant objectives and priorities.

**WWSC Council Plan Strategic Objective**

- 3. Quality sustainable community services and infrastructure
- 5. Thriving, safe and diverse local communities
- 6. Participating in activities that address health and wellbeing issues
- 7. Providing access to and promoting the natural environment

**WWSC Municipal Health and Wellbeing Priority**

- Healthy Living
- Inclusive and Supportive communities
- WWSC Municipal Early Years Plan Priorities
- Social engagement opportunities for families
- Safe play environments



Support for all families

Sustainable services

WWSC Economic Development Plan Direct Action

WWS should plan and deliver streetscape improvements within the towns of Edenhope, Apsley, Goroke, Harrow and Kaniva

### **Kaniva Family Violence Awareness Walk 27 November 2019**

The West Wimmera Shire Council in collaboration with the West Wimmera Health Service, Kaniva LINK Neighbourhood House and Horsham PCP, held their second Family Violence Awareness Walk in Kaniva on Wednesday the 27 of November.



Approximately 50 people gathered to walk the main business precinct of Kaniva commencing at the Kaniva Men's Shed. People of all ages came along to show their support. It certainly raised awareness as people were seen peering out of their shops and waving as we walked by. A banner made by the Kaniva College students lead the way. At the end of the walk everyone gathered back to the Kaniva Men's shed where Jo- Anne Bates the Coordinator of Wimmera Sexual Assault and Family Violence Centre and Deputy Chair Wimmera South West Family Violence Partnership addressed the crowd. Jo – Anne spoke of the statistics on Family Violence in the West Wimmera Shire Council and general statistics on Family Violence throughout the state. Her speech was very moving and made a huge impact on the crowd.

Thank you to the Kaniva Men's shed for the use of their venue and for cooking the BBQ on the day.

This is such an important day on our Community calendar, thank you to all for raising the awareness of Family Violence in our community.



## Edenhope Family Violence Awareness Walk 29 November 2019



The West Wimmera Shire Council in collaboration with the Edenhope and District Memorial Hospital and the Edenhope Tourism Group along with Horsham Primary Care Partnerships held a Family Violence Awareness Walk on Friday 29<sup>th</sup> of November.

Approximately 25 people gathered at the Edenhope Lions Park to walk up both sides of Elizabeth Street to Raise Awareness of Family

Violence. People of all ages attended. A comment was made that this is a great opportunity to raise awareness in a public place and to encourage the people of the town to take notice. Robyn Lyons who is the Social Worker for the Edenhope and District Memorial Hospital addressed the crowd in the public seating area beside the Bendigo Bank.

The Edenhope Tourism Group cooked the BBQ for all the walkers who attended.

I would like to thank all those who organised and involved themselves in some way from cooking the BBQ to all the people who attended, It certainly caught the eye of the general public as they were walking or driving by.

## Economic Development

2019-20 has been a year like no other in the Economic Development area with not only the involvement in a number of major community projects, engagement and development of a major area of advocacy on the West Grampians Pipeline, but the onset and domination in the second half of the year of COVID. The need to support the businesses of West Wimmera with information resulted in many hours on the phone checking in with businesses and working with other units of Council to try and achieve this.

The impacts of COVID on our communities and township economies is yet to be fully understood, and work continues through organisation such as the Wimmera Development Association and Remplan to ensure that as best we can there is accurate data to support this understanding. Promotion of online business tools such as localised (a business to business networking website) and networking with the regional, state and national



economic development officers has been part of ensuring that West Wimmera is looking for opportunities to grow our business community. The appointment of a part time Business Support Officer as part of the restructure of the Community and Corporate Directorate was an acknowledgement of the importance that Council places on the business community

## **Tourism**

Tourism and Events has been a very busy area of Council in the 2019/20 year. Resources were aligned to the portfolio with the appointment of a part time Tourism officer (joint with the Business support officer) and together with the Events support. The end of 2019 was busy with a number of successful community run events, and the development of some significant community projects such as the Pick-my-project funded Silo painting to occur at Kaniva, Goroke and Serviceton. COVID again impacted significantly on this space. These projects have progressed as best they have been able to, and whilst the silos remain to be painted, the artists are engaged, and the agreements in place with the property owners, and funding bodies so that the projects can be completed as soon as conditions allow. Council continues to work with these impacted communities to support them to realise their ambitions and grow the tourism sector.

The loss of tourist trade and traffic and the cancellation of planned events and fundraising opportunities has been felt keenly across the Shire, and the unit has been working hard to understand the impact and support the community to adjust.

Other work has been able to proceed, and the Indigenous Cricket Trail Signage project has progressed with Barengi Gadjin Land Council (BGLC) engaged to undertake the consultation and LookEar PTY LTD appointed to work with BGLC in the delivery of the project outcomes. The project will continue into 2020/21 as COVID restrictions made the consultation process to decide on the outcomes of the on the ground outcomes very difficult without significant risk to a vulnerable sector of the community.

Wimmera Mallee Tourism Group has been able to proceed with the township and caravan park revitalisation project and the development of a touring guide and promotional campaign "Unearth Amazing".

## **Major Projects**

West Wimmera Shire has undertaken again had a busy and successful year for major projects. Projects have been undertaken with the assistance of funding sources, from both the State and Federal Governments, as well as 'in kind' and financial support from local community groups and funds committed from Council's budget.



### **Kaniva Shire Hall Refurbishment**

Council has completed refurbishing the Kaniva Shire Hall, the iconic 1924 building required significant work to return it back to its former glory.

The works have been completed over a number of years, commencing with the major structural and footing repairs which commenced in 17/18. The following year the major refurbishments were commenced and included: painting external and internal, replacement of floor coverings, kitchen upgrade including plumbing and new appliances, toilet facilities refurbishment, and Installation of heating and cooling in the supper room and office facilities.

During this year the final stages the kitchen upgrades were completed. Drainage was installed in the adjacent carpark to prevent future damage to the repaired footings. Internet antenna was installed to wi-fi enable the whole hall facility, and increase usability for a range of potential hirers, and purposes.

### **Kaniva Cultural and Tourism Precinct**

This significant landscaping and playground installation work for the Kaniva Cultural and Tourism Precinct was completed in 2019/20

- Redevelopment of the wetland area
- Installation of an accessible play space
- Construction of accessible BBQ area and shelters
- Construction of road, footpaths and parking areas
- Installation of new toilet facilities
- Construction of an additional flight aviary

Formally opened on the 2<sup>nd</sup> September 2019 by the Member for Lowan Ms Emma Kealy, the final works were completed later that year.

Once again Council is highly appreciative of the funding and support given by both the Victorian and Commonwealth Governments which has enabled this project to be realised.

The precinct has been very popular with tourists and locals alike with good utilisation and visitation as and when pandemic restrictions have allowed.



### **Edenhope Cultural and Community Centre**

Construction works which began in the second half of the 2018/19 year after an extensive public consultation program, reached practical completion in June 2020. This has been a



significant project for Council and the Community as well as other major stakeholders such as the Wimmera Regional Library Corporation.

The Edenhope Library space, a public activity space, meeting room and a large open space area suitable for larger scale functions have all been completed. Rest room facilities are included also and a room for fit out as a commercial kitchen.

In addition to funding contributed by Council, Council was funded for the construction of this facility from the Commonwealth Government through the Drought Communities *Funding Program* and from the Victorian Government through the Living Libraries Program.

Regional Development Victoria has partnered with the Community of Edenhope and Council to fund a further project for the fit out and activation of the Community Centre, commencing in 19/20 this project will conclude in the coming year. This project funding has enabled new library shelving and fit out, the reinstatement of the mechanical services for air conditioning, supporting the communities drive to procure function room furniture.



### **Making a Difference @ Harrow**

This project, funded by a \$1.0million grant from the Victorian Government, significant community group contributions, as well as additional funding from AFL Victoria, Drought Affected Communities (Commonwealth Funding) and West Wimmera Shire Council, provides for gender friendly change rooms and facilities to benefit the sporting clubs and community groups that use the Harrow Recreation Reserve.

Commenced during 2018/19 Council in partnership with the Harrow community partnered on a redevelopment of facilities at the Harrow Recreation Reserve.

The funded project has been completed as at 30 June 2020, with the formal opening of the facility held over until community gatherings are able to occur. The community will continue to develop the site with further plans for continued upgrade works on this site to continue the growth commenced with this significant project.

### **Community Strengthening and Other Grants Program**

Council's Community Strengthening Grants program is designed to promote and increase participation in community initiatives, to build and strengthen local networks and partnerships and to support community leadership, learning and skill development.



This annual grant program is delivered across two rounds, round one at the start of the financial year and round two mid financial year. The grants are organised to provide financial assistance to local community organisations to support the provision of programs, activities and services which respond to identified community needs, contribute to the building of a stronger community, develop innovative approaches and local social issues and are in accordance with Council's strategic objectives.

A total of \$43,145.00 was granted by council through the grant process, consisting of one business strengthening grant and \$28,145.00 to the community in 2019-20 for the following projects:

<b>Community Strengthening Grant - Community Projects</b>		
<b>APPLICANT</b>	<b>PROJECT</b>	<b>GRANT</b>
Life saving Victoria	Aquatic safety program	\$ 2,732
<b>Community Strengthening Grant - Community Events</b>		
<b>APPLICANT</b>	<b>PROJECT</b>	<b>GRANT</b>
Windmill Stitchers of Kaniva	Quilt show and demonstration	\$ 500
-		
<b>Community Strengthening Grant - Facility Upgrades and Equipment Purchases</b>		
<b>APPLICANT</b>	<b>PROJECT</b>	<b>GRANT</b>
Perrone Hall	Solar panels and switch board	\$ 5,000
Lake Charlegrark Country Music Marathon	replace manual lift doors with roller doors	\$ 4,913
Kaniva and district bowls club	Ditch and wall grass repairs and upgrade	\$ 5,000
Dergholm and District Soldiers Memorial Hall	Supper room repairs and upgrade	\$ 5,000
<b>Council Community fund Grant</b>		
Harrow Discovery Centre	Performance of "Black Cockatoo" in Harrow in conjunction with Cricket Australia	\$ 5,000
<b>Business Strengthening Grant</b>		
Beetanicals – Natures little helper	Promotional video production and business expansion, including attendance at national trade fair	\$ 15,000

# Infrastructure Development and Works

## Works

The Infrastructure Engineering and Works teams have again been very busy during the past year with considerable capital works projects being completed, ongoing maintenance of council infrastructure and the continual upgrade and improvements to our asset management systems and GIS.



Kadnook Connewirricoo Road Bridge over Kadnook Creek – new deck overlay and guard rail

Council's maintenance program includes sealed and unsealed roads, bridges, council-owned buildings and reserves, playgrounds, footpaths, kerb & channel and parks & gardens. In addition, Council has the contract for maintenance of VicRoads arterial roads within the municipality including sections of the Wimmera and Western Highways.

The capital works program was boosted by the inclusion of the Victorian Government \$1.434m Fixing Country Roads allocation in addition to the Federal Government \$1.528m Roads to Recovery allocation along with Council's normal road funding allocation. In addition, there was the State Government Energy Saver program of \$50,000 combined with \$50,000 Council contribution. Capital works consisted of a variety of works including renewal, upgrade and safety initiatives of sections of roads and other infrastructure including:

- Approximately 46km of unsealed road resheeting
- 38km of sealed road shoulder resheeting
- 62km of resealing sealed road pavements
- Kadnook Connewirricoo Road Bridge over Kadnook Creek, strengthening and upgrade
- Newlands Settlement Road reconstruction
- Kybybolite Road reconstruction
- Leeor Road reconstruction





Brooks Road reconstruction  
Serviceton South Road reconstruction  
Douglas Street construction (upgrade to sealed surface)  
Kadnook Connewirricoo Road reconstruction and widening  
Ozenkadnook Mortat Road reconstruction and widening  
Fry / Yarrock Street intersection kerb and channel  
Phillips Street footpath  
Lake Wallace foreshore irrigation  
Edenhope Pound electricity connection and air conditioning  
Edenhope Shire Office Solar PV and lighting upgrade  
Goroke Preschool Solar PV and lighting upgrade  
Kaniva Shire Office Solar PV and lighting upgrade  
Kaniva Kindergarten Solar PV and lighting upgrade  
Kaniva Information Centre Solar PV and lighting upgrade  
Kaniva Shire Depot Solar PV and lighting upgrade  
Painting of Kaniva and Goroke swimming pools



## Asset Management & GIS

There have been several items of note within the Assets and GIS section below:

- Upgrade of Council's enterprise mapping system allowing increased functionality and access to information for both external customers and internal staff.
- Completion of Level 2 Bridge Inspections to enable forward works planning and budgeting of maintenance/renewal works.
- Initiation of the Drone Data Capture Program to assist in asset inspections, project design, planning permits, waste reporting and grant applications. This technology can cut down time of traditional manual survey methods by up to 80%.
- Implementation of a structured Traffic Monitoring Program – with over 300km in total of road traffic analysis completed in 2019-20 financial year. This enhances Council's knowledge on the demand of our road assets and is crucial in road design and safety.
- Implementation and utilisation of mobile technology in conducting a Road Curve Safety Review especially in determination and verification of advisory speeds on our sealed road network.

## Contracts

The Contracts Department is responsible for the development, implementation and administration of all contracts undertaken by the Council.

The activities include administration of all contracts and agreements from the preparation of specifications, advertisements, evaluation, awarding of contracts, monitoring of works to the successful completion of the project.

As at the 30<sup>th</sup> of June, the Council has 31 active contracts covering a diverse and important range of works and services for the West Wimmera Shire Council.

During the year the Council let 15 new contracts for a combination of capital plant purchases, works and services. The total value of these contracts is \$1,529,610.00.

### 2019/20 Contracts related to Capital Works:

CM0505 Kaniva Cultural & Tourism Precinct Pedestrian Bridge	\$29,890.00
CM0506 Kaniva Cultural & Tourism Precinct Shelter & Toilet Kit	\$25,223.00
CM0513 Stabilisation of Various Roads	\$189,210.00
CM0518 Kadnook Connewirricoo Rd Bridge Strengthening	\$233,452.00
CM0522 Kaniva Museum Shed Extension	\$13,500.00

### 2019/20 Contracts related to Plant and Equipment Purchases:



CM0519 Supply & Delivery of a Tip Truck and Trailer

\$289,209.00



Once again the largest project in term of dollars was the annual sealing program for local roads. This was the first year of a five year collaborative contract involving five Wimmera Councils for this work. Locally based sealing contractor Inroads P/L of Horsham are contractors for this work.

Council aims to reseal 15% of the total sealed road network each year to maintain this important asset and provide quality service to our community.



Through Procurement Australia, Council held a contract with AGL Pty Ltd for the supply of electricity to public lighting within Townships throughout the Municipality. This contract ended on 30 June 2020.

Through Procurement Australia, Council also holds a contract with Origin Energy for the supply of electricity to all of Council's 41 metered sites throughout the Municipality.

This contract ended on 30 June 2020.

Wimmera Mallee Waste from Rainbow holds three waste contracts with the Council, a weekly kerbside garbage collection service, a fortnightly kerbside recycling collection service, and the transfer of waste to the Dooen landfill.

Council has entered into a number of contracts with Procurement Australia and the Municipal Association of Victoria, who have negotiated contracts for a range of goods and services for the benefit of all Victorian Councils.



## Local Laws & Animal Control

The Local Laws and Animal team was kept busy throughout the year with a myriad of duties, from lost dogs to stock at large to pest and weed control. During the year we welcomed Donna to our team to help us continue to provide a responsive and effective service to our community.

During the 2019/20 the Local Laws and Animal Control team was busy with the following:

- Attendance at two stock vehicle rollovers (February and March) to provide site control and assist with the clean up
- Responding to five incidents of cattle being at large—whilst no infringements were issued, a number of Notices to Comply were issued to improve fencing
- Six dogs and two cats were impounded. Both cats were subsequently returned to their owner whilst two of the impounded dogs were re-homed.
- Fourteen puppies and two adult dogs were surrendered to Council. These were re-homed with the assistance of Phoenix Animal Welfare
- There were three barking dog complaints investigated.

Over the year Council had 615 dogs and 130 cats registered.

Other items which kept the Local Laws team busy included issuing fire permits to burn off, undertaking inspections and issuing Fire Prevention Notices to reduce vegetation, and inspecting and issuing Notices to Comply to clean up unsightly properties. The Local Laws team were also involved in pest and weed control measures, including working with other agencies and lobbying for funds to assist with prevention and reduction of pests and weeds across the shire.

## Environmental Health

Council's Environmental Health office undertakes tasks to ensure the public health of our community. This involves undertaking inspections of food premises and testing samples, as well as ensuring that septic systems are correctly installed.

At the beginning of 2020 Council's Environmental Health Officer (EHO) was tasked with updated Council's Pandemic Plan—a task which has taken on greater significance with the subsequent COVID-19 pandemic. Our EHO has been heavily involved in our Pandemic Sub Committee and working on our response. This includes working with registered businesses to assist them to understand and interpret the directions made by the



Chief Health Officer of Victoria.

During 2019-20 Council's EHO undertook:

- 68 inspections and assessments under the *Food Act 1984*
- 27 inspections at registered food businesses under the *Tobacco Act 1987*
- Issued 9 permits to install or alter septic tank systems

Another interesting role Council's EHO has undertaken over the year is to work through the application of the *Public Health and Wellbeing Act 2019*, in particular where this legislation relates to public swimming pools.

## Planning

Council's planning department handles enquiries, applications and issuing of planning approvals across the shire. Planning is of significant importance in applying the rules of land use under legislation and the West Wimmera Planning Scheme to ensure land is used in appropriate ways to provide for the sustainable liveability of our community.

During 2019/20 Council received 132 formal general planning enquires, with 36 Planning Permit Applications being received, and 9 Certifications being issued.

There are currently also 3 enforcement matters under investigation.

## Building Services

Council's building Services unit handles approvals for building activity within the shire in accordance with legislation. Building approvals are important as they ensure that constructions and modifications are appropriate to community expectations and are above all safe.

For the 2019/2020 fiscal year the Building Department issued 36 Council Permits to the value of \$1,830,936.66. There were 82 Private Building Surveyor Permits issued to a value of \$8,618,817.00. Overall, the total number of Building Permits has increased indicating that there is more building activity in the Shire, but for smaller scale developments. It also indicates a strong shift towards Private Building Surveyors rather than using the Municipal Building Surveyor services offered by Council. There was 14 general enquiries lodged, not including counter or phone enquiries which are not recorded. There were 48 requests for property information and 3 Building Notices issued from a total of 7 complaints.

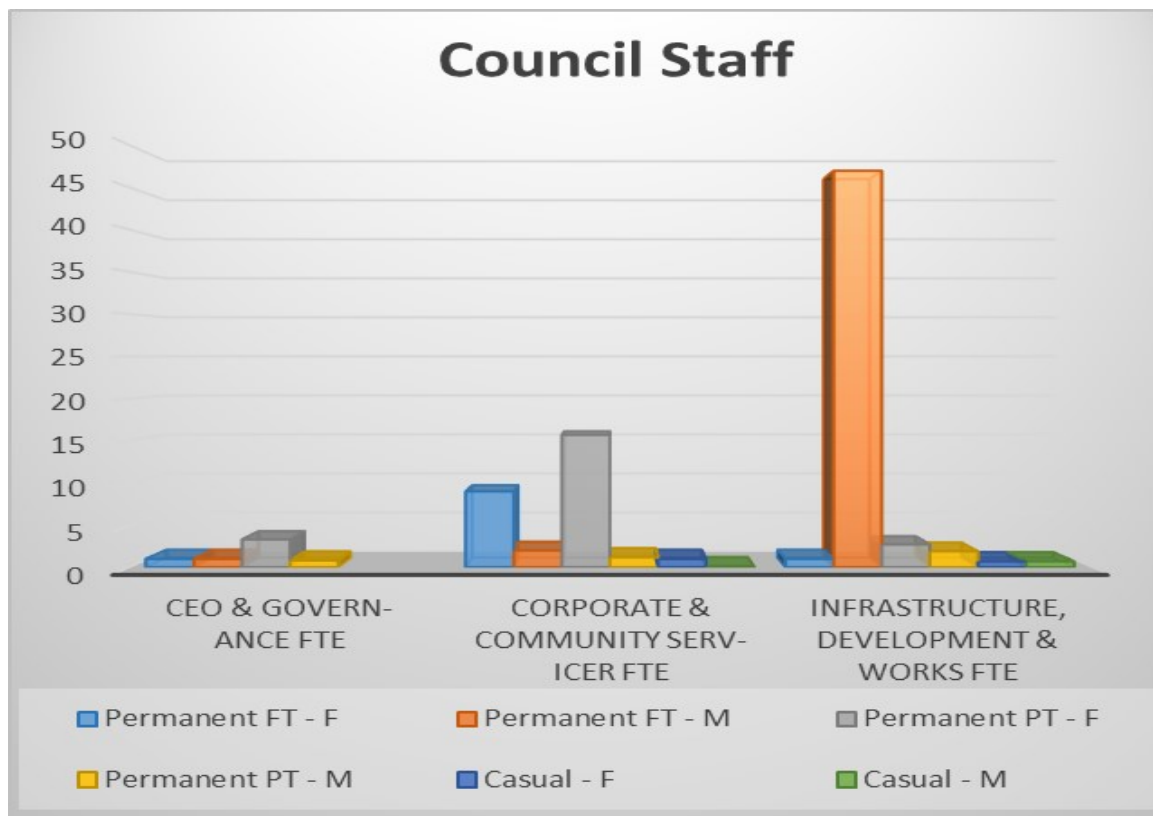




## Council Staff

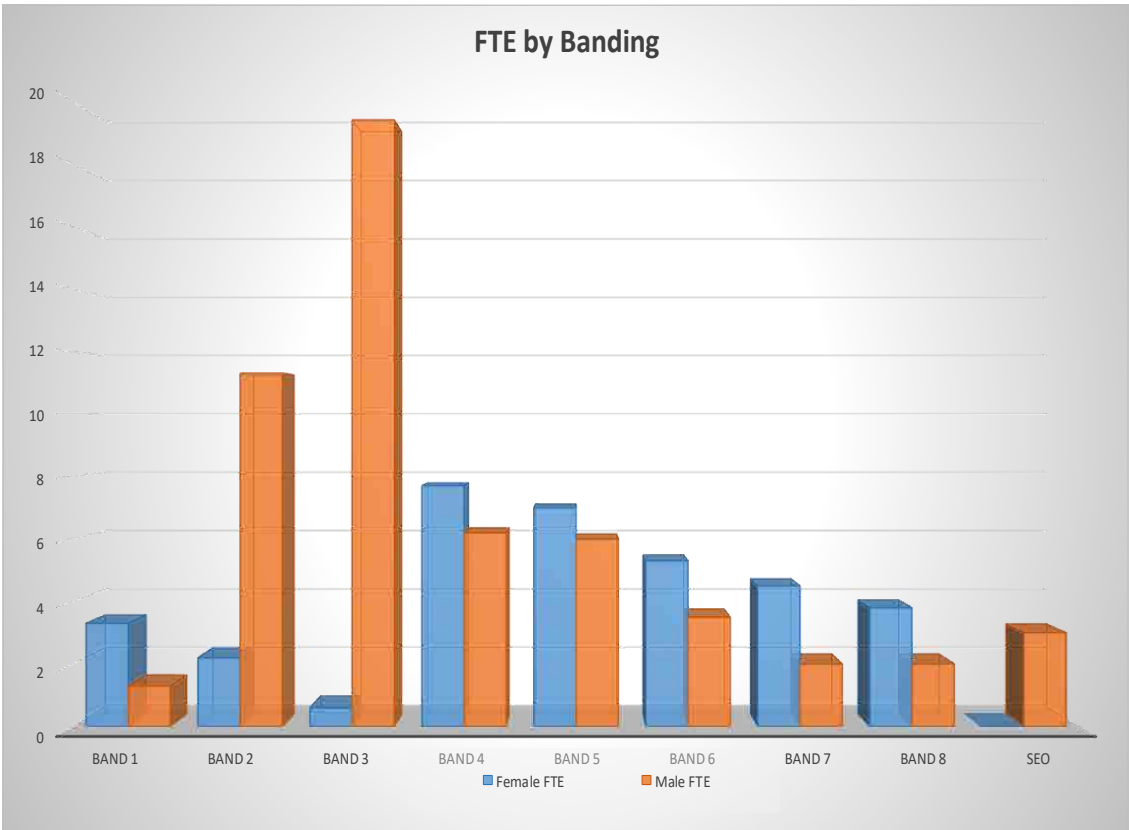
A summary of the number of full time equivalent (FTE) Council staff by organisational structure, employment type and gender is set out below.

Employment Type/ Gender	CEO & Gov- ernance FTE	Corporate & Community Ser- vices FTE	Infrastructure, De- velopment & Works FTE	Total FTE
Permanent FT - F	1.00	9.00	1.00	11.00
Permanent FT - M	1.00	2.00	47.00	50.00
Permanent PT - F	3.30	15.70	2.70	21.70
Permanent PT - M	0.80	1.20	1.90	3.90
Casual - F	-	1.00	0.70	1.70
Casual - M	-	0.20	1.90	1.70
<b>Total</b>	<b>6.10</b>	<b>29.00</b>	<b>54.00</b>	<b>89.10</b>



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

	Female			Male			TOTAL
	Permanent	Part Time	Casual	Permanent	Part Time	Casual	
Band 1	-	0.80	0.40	-	-	-	<b>1.20</b>
Band 2	11.00	3.10	1.20	-	1.30	0.30	<b>16.90</b>
Band 3	-	0.60	-	19.00	-	0.40	<b>20.00</b>
Band 4	3.00	4.70	-	5.00	1.20	-	<b>13.90</b>
Band 5	-	7.00	-	5.00	0.90	0.10	<b>13.00</b>
Band 6	3.00	2.30	-	3.00	0.50	-	<b>8.80</b>
Band 7	2.00	2.50	-	2.00	-	-	<b>6.50</b>
Band 8	3.00	0.70	0.10	2.00	-	-	<b>5.80</b>
Other	-	-	-	3.00	-	-	<b>3.00</b>
<b>TOTAL</b>	<b>22.00</b>	<b>21.70</b>	<b>1.70</b>	<b>39.00</b>	<b>3.90</b>	<b>0.80</b>	<b>89.10</b>





## Equal Employment Opportunity/Human Rights

West Wimmera Shire Council continues with its practice of providing a non-discriminatory working environment.

West Wimmera Shire Council has a responsibility to its members of the community to create and reflect the nature and needs of its community. West Wimmera Shire Council is wholly committed to the principles of Equal Employment Opportunity and Human Rights. These policies extend to all employees and potential employees.

In all our practices and policies, Council adheres to the principles of no discrimination in relation to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation. In accordance with its objective, West Wimmera Shire Council's Equal Employment Opportunity program continued to maintain a non-discriminatory working environment.

*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 Employment Opportunity reflects our desire to enjoy a workplace free of discrimination where each person has the opportunity to progress to the extent of his or her ability.*

Employees are encouraged to raise equal opportunity issues or grievances with any manager, chief executive officer or senior officer. Confidentiality will be respected.

Council is a member of the CORE (Communities Of Respect and Equality) alliance.



# **Governance, management and other information**

## **Governance**

West Wimmera Shire Council is constituted under the Local Government Act 2020 (the Act).

The Act defines the role of a Council as:

The role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community  
*(Local Government Act 2020 S.8)*

The role of a Council includes:

To participate in the decision making of the Council; and

To represent the interests of the municipal community in that decision making; and

To contribute to the strategic direction of the Council through the development and review of key strategic documents of the Council, including the Council Plan.

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.

## **Council Meetings**

Council meetings were held on the third Wednesday of the month for the 2019-20 year, with the exception of January when no Council Meeting was held. The 11 Ordinary Meetings were rotated between Edenhope, Kaniva.

No Special meetings were held through the year.

Where appropriate or required by Covid-19 regulations meetings have been held remotely via videoconference. All meetings since April 2020 have seen the public gallery closed, with live-streaming of meetings accessible to the public being provided as an alternative.

## **Community Forums**

One Community Forums was held in November 2019 at Goroke. Unfortunately Community Forums schedules at Dinyarrak for April 2020 and Apsley for May 2020 did not go ahead due to the Covid-19 Pandemic.



Community Forums give the Councillors an opportunity to have a meal with local residents and discuss local issues in a relaxed, informal atmosphere. The community is provided with the opportunity to lodge customer requests, which are followed up by the relevant staff members and outcomes communicated back to the community.

### **Local Law –Meeting Procedure & Common Seal**

Local Law No. 7 – Meeting Procedure and Common Seal was reviewed and endorsed by Council in February 2017. The Local was subsequently gazetted and has been in operation since that date.

Local Law No.7 was scheduled to cease to operate on 15 February 2026. However with the implementation of the *Local Government Act 2020* this Local Law will be replaced during the first half of the 2020-21 financial year.

### **Review of Delegations**

West Wimmera Shire Council undertook a complete review of all delegations in August 2019.

The next review is scheduled for August 2020.

### **Review of Council Policies**

West Wimmera Shire Council policies are reviewed regularly in accordance with a rolling review schedule

The review includes compliance with relevant legislation, removal of any procedural items and tailoring of policies to current activities and reformatting to current template styles.

As policies are reviewed and endorsed by Council, they are uploaded on to Council's website (where public access is available).

### **Councillor Code of Conduct**

In accordance with Section 76C of the Act, Council adopted a revised Councillor Code of Conduct on 15 December 2016, which was revised in June 2019. A council must review the Councillor Code of Conduct within the period of 4 months after a general election.



The Councillor Code of Conduct outlines the following:

#### Core Values

In pursuing its strategic objective, West Wimmera Shire Council believes in and is committed to the following values:

- Integrity
- Respect
- Selflessness
- Openness

Under the Local Government Act 1989 Councillors must:

- act with integrity; and
- impartially exercise his or her responsibilities in the interests of the local community; and not improperly seek to confer an advantage or disadvantage on any person.
- avoid conflicts between his or her public duties as a Councillor and his or her personal interests and obligations
- act honestly and avoid statements (whether oral or in writing) or actions that will or are likely to mislead or deceive a person;
- treat all persons with respect and have due regard to the opinions, beliefs, rights and responsibilities of other Councillors, Council staff and other persons;
- exercise reasonable care and diligence and submit himself or herself to the lawful scrutiny that is appropriate to his or her office;
- endeavour to ensure that public resources are used prudently and solely in the public interest;
- act lawfully and in accordance with the trust placed in him or her as an elected representative;
- support and promote these principles by leadership and example and act in a way that secures and preserves public confidence in the office of Councillor.



## Councillor Allowances

In accordance with Section 39 of the Act, 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 per determination of the Victorian Independent Remuneration Tribunal. Councils are divided into three categories based on the income and population of each council. In this instance West Wimmera Shire Council is recognised as a category one council.

For the period 1 July 2019 – 30 November 2019, the councillor annual allowance as a category one council (as defined by the Local Government Act 1989) was fixed at \$19,376 per annum (+ 9.5% superannuation equivalent) and the allowance for the mayor was \$45,215 (+ 9.5% superannuation equivalent) per annum. The Minister for Local Government approved an annual adjustment of 2.0% to take effect as from 1 December 2019. The annual allowances were adjusted for the period 1 December 2019 to 30 June 2020 at \$19,764 per annum for the councillor allowance (plus 9.5% superannuation equivalent) and \$46,120 per annum for the mayoral allowance (+9.5% superannuation equivalent). The Mayor also receives access to a fully maintained motor vehicle.

The following table contains a summary of the allowances paid to each councillor during the year (including allowance equivalent to superannuation):

Councillor	Allowance \$	Superannua- tion Equivalent \$	Total \$
Cr. T Domaschenz	19,629.10	1,862.24	21,491.34
Cr. R Hicks	19,629.10	1,862.24	21,491.34
Cr. T Houlihan	16,255.03	1,542.69	17,797.72
Cr. B Meyer (Mayor November 2019 - June 2020)	36,452.58	3,613.13	40,065.71
Cr. J Pretlove (Mayor July 2019- October 2019)	29,278.16	2,628.79	31,906.95

## Council Meetings: Councilor Attendance Record 2019-2020 Financial Year

Ordinary Meetings	Cr Meyer	Cr Pretlove	Cr Hicks	Cr Houlihan	Cr Domaschenz
Wed 17 Jul 2019	1	1	1	1	0
Wed 21 Aug 2019	1	1	1	1	1
Wed 18 Sep 2019	1	1	1	1	1
Mon 14 Oct 2019	1	1	1	1	1
Wed 20 Nov 2019	1	1	1	1	1
Wed 18 Dec 2019	1	1	1	1	1
Wed 19 Feb 2020	1	1	1	0	1
Wed 18 Mar 2020	1	1	1	1	1
Wed 15 Apr 2020	1	0	1	1	1
Wed 20 May 2020	1	1	1	1	1
Thu 18 Jun 2020	1	1	1	1	1
<b>Total</b>	<b>11</b>	<b>10</b>	<b>11</b>	<b>10</b>	<b>10</b>
Annual Statutory Meeting	Cr Meyer	Cr Pretlove	Cr Hicks	Cr Houlihan	Cr Domaschenz
Wed 6 Nov 2019	1	1	1	1	1
Special Meetings	Cr Meyer	Cr Pretlove	Cr Hicks	Cr Houlihan	Cr Domaschenz
Wed 3 July 2019	1	1	1	1	1
Wed 24 June 2020	1	1	1	1	1
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
	Cr Meyer	Cr Pretlove	Cr Hicks	Cr Houlihan	Cr Domaschenz
<b>Total Meetings attended in 2019-2020 Financial Year</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>13</b>	<b>13</b>
<b>Percentage of meetings attended for 2019-2020</b>	<b>100.00</b>	<b>92.86</b>	<b>100.00</b>	<b>92.86</b>	<b>92.86</b>

During the 2019-20 year a complaint of serious misconduct was lodged against Cr. Houlihan. This complaint resulted in a Councillor Code of Conduct Panel being convened on 25 November 2019 to hear the complaint

The Councillor Code of Conduct Panel handed down its determination on 19 December 2019 that found that one count of Serious Misconduct and one count of Misconduct be sustained against Cr Houlihan.

Subsequently Cr Houlihan was suspended for a period of two months, resulting in Cr Houlihan missing the February 2020 Council meeting.



## Councillor Expenses

In accordance with Section 40 of the *Local Government Act 2020*, council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the council. The details of the expenses for the 2019-20 year are set out in the following table.

Councillor	Travel (excluding Mileage) \$	Mileage \$	Accommoda- tion & Meals \$	ICT expend- itures \$	Confer- ences & Training \$	Total \$
Cr. T Domaschenz	-	2,981.75	1,390.78	425.40	-	<b>4,797.93</b>
Cr. R Hicks	154.72	997.71	1,161.80	500.40	1,287.13	<b>4,101.76</b>
Cr. T Houlihan	-	2,625.48	-	398.38	-	<b>3,023.86</b>
Cr. B Meyer	-	-	283.87	425.40	-	<b>709.27</b>
Cr. J Pretlove	-	1,428.91	-	534.48	-	<b>1,963.39</b>

## Governance and Management Checklist

	Column 1 Governance and Management Item	Column 2 Assessment	
1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 16 August 2017	X
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: 16 August 2017	X
3	Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 20 June 2019	X
4	Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 20 June 2019	X
5	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 Strategy Adopted 21 March 2018	X
6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 19 September 2018	X
7	Risk policy ( policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 21 February 2018	X
8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 21 February 2018	X
9	Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <b>Emergency Management Act 1986</b> Date of preparation: 20 December 2017	X



## Governance and Management Checklist

10	Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <b>Local Government Act 1989</b> Date of approval: 21 May 2019	<input checked="" type="checkbox"/>
11	Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan adopted 16 June 2017	<input checked="" type="checkbox"/>
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	No plan Reason for no plan: Council has commenced preparing a Disaster Recovery Plan in accordance with an internal audit into Council's current Business Continuity capacities . It is anticipated that this be completed by 30 June 2020.	<input type="checkbox"/>
13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 21 February 2018	<input checked="" type="checkbox"/>
14	Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 16 May 2013	<input checked="" type="checkbox"/>
15	Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement of current provider: 21 February 2018	<input checked="" type="checkbox"/>
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 21 July 2017	<input checked="" type="checkbox"/>
17	Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	No Report Reason for no report: Quarterly Reports are presented to Council at assembly meetings.	<input type="checkbox"/>

## Governance and Management Checklist

18	Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Most Statements presented to Council in accordance with section 138(1) of the Act. June 2018 quarter not presented separately to annual financials. Dates statements presented: PE 30 Sep 2018 - 15 October 2018 PE 31 Dec 2018 – 20 February 2019 PE 31 Mar 2019 – 17 April 2019 PE 30 Jun 2019—17 July 2019	<b>X</b>
19	Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	No reports Reason for no reports: Risk reports are made to Audit Committee and presented to Council with minutes of Audit Committee Meetings	<input type="checkbox"/>
20	Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	No reports Reason for no reports: Council's systems are at the moment not flexible in reporting.	<input type="checkbox"/>
21	Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Considered at meeting of the Council in accordance with section 134 of the Act Date of consideration: 15 October 2018	<b>X</b>
22	Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date reviewed: 20 June 2019	<b>X</b>
23	Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: 15 May 2019	<b>X</b>
24	Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 16 June 2017	<b>X</b>



## Major Initiatives

Council identified a number of major initiatives in its 2019/20 Annual Budget. Each of these major initiatives is aligned with a Strategic Objective in the Council Plan. The following table indicates Council's progress against these major initiatives:

Council Plan Reference	Major Initiative	Status	Comments
Strategic Objective 1: A proactive, well-governed, professional and financially sustainable organisation that encourages community participation.	Continue to identify and drive shared service opportunities within the region which may be of benefit to West Wimmera Shire Council.	Achieved/ Underway	Council has resolved to continue its involvement in a regional group with the Rural Councils Transformation Program.
Strategic Objective 2: Meaningful partnerships to support advocacy priorities and service provision.	Investigate opportunities to improve access to utilities for the WWSC community.	Achieved/ Underway	A privately operated Fixed Wireless NBN internet service has been attracted to the northern end of the municipality. WWSC continues to lobby for improved NBN connectivity to our shire.
	Promote and advocate the business case for rural pipeline water supply	Achieved	Council is participating as a stakeholder in this non-council led study, and continues to advocate on behalf of the project to other tiers of government.
Strategic Objective 3: Quality sustainable community infrastructure	Undertake mapping of Community Assets to maximise coverage and prioritise Council investment	Underway	Council has commenced a review of all Council assets including identifying and mapping all services. This will be used in future service review and investment planning.

## Major Initiatives

Council Plan Reference	Major Initiative	Status	Comments
Strategic Objective 4: Building on our agricultural and business strengths and supporting economic development.	Investigate cost effective ways to support local businesses.	Underway	Council has utilized its Business Assistance fund to provide strategic investment in local business. Post Covid-19 stimulus is being considered.
Strategic Objective 5: Thriving, safe and diverse local communities	Prepare outline community needs analysis as a basis for developing future detailed community plans	Not Achieved	Whilst some asset mapping has commenced, community planning processes have been delayed.
Strategic Objective 6: Participating in activities that address health and well being issues	Continue to advocate for improved health services to our community, including mental health and general practitioner services	Partially Achieved	Council continues to lobby for improved mental health outreach services within the municipality, with a level of success. Council continues to provide on going services as well as more specific Covid-19 support to our vulnera-
Strategic Objective 7: Providing access to, and promoting the natural environment.	Produce Lake Wallace Management Plan	Ongoing	Lake Wallace Management Planning has commenced.



**West Wimmera Shire Council  
ANNUAL FINANCIAL REPORT**

*For the Year Ended 30 June 2020*



**West Wimmera Shire Council**  
**Financial Report**  
**Table of Contents**

<b>FINANCIAL REPORT</b>	<b>Page</b>
Certification of the Financial Statements	1
Victorian Auditor-General's Audit Report	2
<b>Financial Statements</b>	
Comprehensive Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Capital Works	8
<b>Overview</b>	9
<b>Notes to Financial Statements</b>	
Note 1 Performance against budget	10
1.1. Income and expenditure	10
1.2. Capital works	12
Note 2 Analysis of Council results by program	13
Note 2.1 COVID-19 impact on 2019-20 operations of Council	15
Note 3 Funding for the delivery of our services	16
3.1. Rates and charges	16
3.2. Statutory fees and fines	16
3.3. User fees	16
3.4. Funding from other levels of government	16
3.5. Contributions	17
3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	17
3.7. Other income	18
Note 4 The cost of delivering services	18
4.1. Employee costs	18
4.2. Materials and services	18
4.3. Depreciation	18
4.4. Bad and doubtful debts	19
4.5. Other expenses	19
Note 5 Our financial position	19
5.1. Financial assets	19
5.2. Non-financial assets	21
5.3. Payables	21
5.4. Provisions	22
5.5. Funding arrangements	23
5.6. Commitments	24
5.7. Leases	24
Note 6 Assets we manage	26
6.1. Non current assets classified as held for sale	26
6.2. Property, infrastructure plant and equipment	27
6.3. Investments in associates, joint arrangements and subsidiaries	33
Note 7 People and relationships	35
7.1. Council and key management remuneration	35
7.2. Related party disclosure	36
Note 8 Managing uncertainties	37
8.1. Contingent assets and liabilities	37
8.2. Change in accounting standards	37
8.3. Financial instruments	38
8.4. Fair value measurement	40
8.5. Events occurring after balance date	40
Note 9 Other matters	41
9.1. Reserves	41
9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	42
9.3. Superannuation	42
Note 10 Change in accounting policy	44

## **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.

*Mr Ashley Roberts, B.Com, AssocDip Acc, CPA, AICD*  
**Principal Accounting Officer**

**Date :** 30-Sep-20

*Edenhope*

In our opinion the accompanying financial statements present fairly the financial transactions of West Wimmera Shire Council for the year ended 30 June 2020 and the financial position of the Council as at that date.

As 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 Jodie Pretlove*

**Councillor**

**Date :** 30-Sep-20

*Edenhope*

*Cr Bruce Meyer*

**Councillor**

**Date :** 30-Sep-20

*Mr David Leahy*

**Chief Executive Officer**

*Edenhope*

<INSERT VAGO REPORT - PAGE 1>



**<INSERT VAGO REPORT - PAGE 2>**

## Comprehensive Income Statement For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
<b>Income</b>			
Rates and charges	3.1	7,793	7,510
Statutory fees and fines	3.2	137	192
User fees	3.3	524	571
Grants - operating	3.4	7,971	8,512
Grants - capital	3.4	3,245	9,796
Contributions - monetary	3.5	199	112
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	153	75
Share of net profits (or loss) of associates and joint ventures	6.3	132	(425)
Reimbursements - Vic Roads	3.7	1,368	1,562
Other income	3.7	1,117	1,222
<b>Total income</b>		<b>22,639</b>	<b>29,127</b>
<b>Expenses</b>			
Employee costs	4.1	8,152	7,107
Materials and services	4.2	6,894	7,025
Depreciation	4.3	7,554	7,664
Bad and doubtful debts	4.4	2	17
Asset write downs		-	1,039
Other expenses	4.5	249	303
<b>Total expenses</b>		<b>22,851</b>	<b>23,155</b>
<b>Surplus/(deficit) for the year</b>		<b>(212)</b>	<b>5,972</b>
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	6.2	(2,074)	(28,344)
Share of other comprehensive income of associates and joint ventures	6.3	(120)	430
<b>Total comprehensive result</b>		<b>(2,406)</b>	<b>(21,942)</b>

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

**Balance Sheet**  
**As at 30 June 2020**

	Note	2020 \$'000	2019 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	14,674	15,118
Trade and other receivables	5.1	315	2,091
Inventories	5.2	155	263
Non-current assets classified as held for sale	6.1	-	14
Other assets	5.2	356	287
<b>Total current assets</b>		<b>15,500</b>	<b>17,773</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1	160	167
Investments in associates, joint arrangements and	6.3	436	436
Property, infrastructure, plant and equipment	6.2	194,964	195,212
<b>Total non-current assets</b>		<b>195,560</b>	<b>195,815</b>
<b>Total assets</b>		<b>211,060</b>	<b>213,588</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	718	1,293
Trust funds and deposits	5.3	232	32
Provisions	5.4	2,370	2,399
<b>Total current liabilities</b>		<b>3,320</b>	<b>3,724</b>
<b>Non-current liabilities</b>			
Provisions	5.4	600	306
<b>Total non-current liabilities</b>		<b>600</b>	<b>306</b>
<b>Total liabilities</b>		<b>3,920</b>	<b>4,030</b>
<b>Net assets</b>		<b>207,140</b>	<b>209,558</b>
<b>Equity</b>			
Accumulated surplus		45,033	43,787
Reserves	9.1	162,107	165,771
<b>Total Equity</b>		<b>207,140</b>	<b>209,558</b>

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

### Statement of Changes in Equity For the Year Ended 30 June 2020

2020	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		209,558	43,787	161,786	3,985
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	-	-	-	-
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities	10	-	-	-	-
Impact of change in accounting policy - AASB 16 Leases	5.8	-	-	-	-
Adjusted Opening balance		209,558	43,787	161,786	3,985
Surplus/(deficit) for the year		(212)	(212)	-	-
Share of other comprehensive income of associates	6.3	(132)	(132)	-	-
Net asset revaluation increment/(decrement)	6.2	(2,074)	-	(2,074)	-
Transfers to other reserves	9.1	-	(1,085)	-	1,085
Transfers from other reserves	9.1	-	2,675	-	(2,675)
<b>Balance at end of the financial year</b>		<b>207,140</b>	<b>45,033</b>	<b>159,712</b>	<b>2,395</b>

2019			Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		231,500	36,992	190,130	4,378
Surplus/(deficit) for the year		5,972	5,972	-	-
Share of other comprehensive income of associates	6.3	430	430	-	-
Net asset revaluation increment/(decrement)	6.2	(28,344)	-	(28,344)	-
Transfers to other reserves	9.1	-	(2,879)	-	2,879
Transfers from other reserves	9.1	-	3,272	-	(3,272)
<b>Balance at end of the financial year</b>		<b>209,558</b>	<b>43,787</b>	<b>161,786</b>	<b>3,985</b>

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

## Statement of Cash Flows For the Year Ended 30 June 2020

	Note	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		7,891	7,473
Statutory fees and fines		137	211
User fees		861	308
Grants - operating		7,971	8,512
Grants - capital		3,245	9,796
Contributions - monetary		199	112
Interest received		221	256
Other receipts		2,263	3,723
Employee costs		(7,887)	(6,824)
Materials and services		(6,319)	(11,100)
<b>Net cash provided by/(used in) operating activities</b>		<b>8,582</b>	<b>12,467</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(9,458)	(9,102)
Proceeds from sale of property, infrastructure, plant and equipment		232	150
<b>Net cash provided by/(used in) investing activities</b>		<b>(9,226)</b>	<b>(8,952)</b>
Trust funds and other deposits		200	-
Movement in investments		-	1,100
Repayment of borrowings		-	(34)
<b>Net cash provided by/(used in) financing activities</b>		<b>200</b>	<b>1,066</b>
Net increase (decrease) in cash and cash equivalents		(444)	4,581
Cash and cash equivalents at the beginning of the financial year		15,118	10,537
<b>Cash and cash equivalents at the end of the financial year</b>		<b>14,674</b>	<b>15,118</b>
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 2020**

	Note	2020 \$'000	2019 \$'000
<b>Property</b>			
Land improvements		51	620
<b>Total land</b>		<b>51</b>	<b>620</b>
Buildings		1,900	1,263
<b>Total buildings</b>		<b>1,900</b>	<b>1,263</b>
<b>Total property</b>		<b>1,951</b>	<b>1,883</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		1,053	540
Fixtures, fittings and furniture		23	21
<b>Total plant and equipment</b>		<b>1,076</b>	<b>561</b>
<b>Infrastructure</b>			
Roads		6,466	5,632
Bridges		285	626
Footpaths and cycleways		95	179
Drainage		57	221
<b>Total Infrastructure</b>		<b>6,903</b>	<b>6,658</b>
<b>Total capital works expenditure</b>		<b>9,930</b>	<b>9,102</b>
<b>Represented by:</b>			
New asset expenditure		90	77
Asset renewal expenditure		6,442	5,643
Asset upgrade expenditure		3,398	3,382
<b>Total capital works expenditure</b>		<b>9,930</b>	<b>9,102</b>

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

## OVERVIEW

### Introduction

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

The Council's main office is located at 49 Elizabeth Street, Edenhope, VIC 3318

### 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 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee 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)

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on Council based on known information. The consideration extends to the nature of services offered, facilities and assets Council manages and operates, Council staffing, ratepayers and the geographic area that Council operates in. The key area of estimate and judgement associated with COVID-19 and Council's financial statements, is detailed in Note 6.2 regarding fair value of property, infrastructure, plant and equipment.

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 (except where transitional requirements of *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities* do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

**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 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

**1.1 Income and expenditure**

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
<b>Income</b>					
Rates and charges	7,766	7,793	27	0.35%	
Statutory fees and fines	129	137	8	6.20%	
User fees	677	524	(153)	-22.60%	1
Grants - operating	7,310	7,971	661	9.04%	2
Grants - capital	3,078	3,245	167	5.42%	3
Contributions - monetary	86	199	113	131.40%	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	90	153	63	70.00%	5
Share of net profits/(losses) of associates and joint v	-	132	132	100.00%	
Other income	2,631	2,485	(146)	-5.55%	6
<b>Total income</b>	<b>21,767</b>	<b>22,639</b>	<b>841</b>	<b>3.86%</b>	
<b>Expenses</b>					
Employee costs	7,707	8,152	445	5.77%	7
Materials and services	6,159	6,894	735	11.93%	8
Depreciation	6,998	7,554	556	7.95%	9
Bad and doubtful debts	-	2	2	100.00%	
Borrowing costs	7	-	(7)	-100.00%	
Other expenses	266	249	(17)	6.39%	
<b>Total expenses</b>	<b>21,137</b>	<b>22,851</b>	<b>1,714</b>	<b>8.11%</b>	
<b>Surplus/(deficit) for the year</b>	<b>630</b>	<b>(212)</b>	<b>(873)</b>	<b>-133.65%</b>	

**(i) Explanation of material variations**

Variance Ref	Item	
1	User fees	User fees were 22.57% (\$153,000) below the original budget for 2019/20. This is predominantly due to income from quarry operations originally being budgeted to User Fees instead of Other Income. User Fees excluding the budgeted income from quarry operations were \$58,000 above budget, which predominantly relates to higher than anticipated reimbursements for private works.
2	Grants - operating	Operating grants were 9.04% (\$661,000) above 2019/20 original budget. This is predominantly due to higher than anticipated Financial Assistance funding along with the Victorian Grants Commission prepayment for the 2020/21 year being higher than originally budgeted for.
3	Grants - capital	Capital grants received by Council were 5.43% (\$167,000) above original budget for the 2019/20 year. This is mainly due to the receipt of Flood Recovery funding of \$656,000 in relation to a prior year which had not been budgeted for. This is somewhat offset by lower than anticipated income from the Fixing Country Roads program.



Notes to the Financial Report  
For the Year Ended 30 June 2020

4	Contributions - Monetary	Contributions - Monetary received by Council were 131.16% (\$113,000) over the original 2019/20 budget. This is due to higher than anticipated contributions received towards major projects including the Harrow Recreation Reserve, Kaniva Cultural Precinct and the Edenhope and Districts Community Centre.
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Net gain/(loss) on disposal of property, infrastructure, plant and equipment was 69.83% (\$63,000) above budget. This is due to higher than anticipated proceeds from trade-in of fleet vehicles & transport equipment.
6	Other income	Other income was 5.55% (\$146,000) below budget for 2019/20. This is due to VicRoads works and subsequent reimbursements having not been completed to the budgeted schedule. Higher than anticipated income from Quarry operations partly offsets this variance.
7	Employee costs	Employee operating costs were 5.78% (\$445,000) above original budget for 2019/20. Capital employee costs were below budget by \$277,000 therefore total employee costs were \$168,000 over the original budget. This variance can be mainly attributed to the following: - Long service leave expense in relation to the corresponding provision totalled \$258,000 which was \$79,000 higher than budget - Income protection insurance was \$106,000 higher than budget - Sick leave was \$230,000 higher than budget, however this has been partially offset with \$154,802 claimed back through Income Protection and \$46,789 through Workers Compensation Insurance (shown in Other Income)
8	Materials and services	Materials and services were 11.93% (\$735,000) above the original 2019/20 budget. This is predominantly in the contractors area and in relation to additional works undertaken as a result of additional operational funding.
9	Depreciation	Depreciation shows a variance of 7.95% (\$556,000) above budget for 2019/20. This is largely a result of increased infrastructure depreciation resulting from a reassessment of useful lives as part of the revaluation process undertaken during 2018-19.

## 1.2 Capital works

	Budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Buildings	962	1,900	938	97.51%	10
<b>Total buildings</b>	<b>962</b>	<b>1,900</b>	<b>938</b>	<b>97.51%</b>	
<b>Total property</b>	<b>962</b>	<b>1,900</b>	<b>938</b>	<b>97.51%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,020	1,053	33	3.24%	
Computers and telecommunications	15	23	8	53.33%	11
<b>Total plant and equipment</b>	<b>1,035</b>	<b>1,076</b>	<b>41</b>	<b>3.96%</b>	
<b>Infrastructure</b>					
Roads	6,590	6,466	(124)	-1.88%	12
Bridges	325	285	(40)	-12.31%	13
Footpaths and cycleways	85	95	10	11.76%	
Drainage	50	57	7	14.00%	
Parks, open space and streetscapes	149	51	(98)	-65.77%	14
<b>Total infrastructure</b>	<b>149</b>	<b>6,954</b>	<b>(245)</b>	<b>-164.43%</b>	
<b>Represented by:</b>					
New asset expenditure	137	90	(47)	-34.31%	
Asset renewal expenditure	7,617	6,442	(1,175)	-15.43%	
Asset upgrade expenditure	1,442	3,398	1,956	135.64%	
<b>Total capital works expenditure</b>	<b>9,196</b>	<b>9,930</b>	<b>734</b>	<b>7.98%</b>	

### (i) Explanation of material variations

Variance Ref	Item	
10	Buildings	Capital works on buildings were 97.51% (\$938,000) over original budget for 2019/20. This is predominantly due to increased funding received during the year which was spent on major building projects such as the Edenhope and Districts Community Centre, Kaniva Wetlands buildings and public amenities buildings.
11	Computers and telecommunications	Computers and telecommunications shows a variance of 53.33% (\$8,000) above budget. This is due to funds carried forward from a prior year being expensed in 2019/20.
12	Roads	Capital works on roads are 1.88% (\$124,000) below the budget for 2020 financial year. This variance is due to several road projects coming in slightly under budget along with the construction of several projects including Border Road not yet undertaken, with budgeted funds to be carried over to the 2021 financial year.
13	Bridges	Capital works on bridges are 12.31% (\$40,000) below budget for the 2020 financial year. This is mostly due to the Kadnook-Connewirricoo bridge project cost being lower than anticipated.
14	Parks, open space and streetscapes	Capital spending on Parks, Gardens and Other is 65.77% (\$98,000) below budget for the 2020 financial year. This is predominantly due to several projects including Henley Park playground equipment and the Indigenous Cricket Trail project yet to be completed.

**Note 2 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

**2 (a) Community Services**

Community Services provides efficient and effective services to meet the growing needs of the community and is dedicated to the health, safety and amenity of the community. Its services include Aged and Disability Services, Arts and Culture, Children Youth and Family Services, Recreation Sport Leisure and Tourism and Events.

**Corporate Services**

Corporate Services provides a range of administrative services to Council, including Customer Services, Finance, Human Resources, Information Technology, Occupational Health and Safety and Records Management.

**Development and Environmental Services**

Development and Environmental Services provide for the planning and encouragement of growth and development within the shire. Services include Town Planning, Building Control, Local Laws and Regulatory Services, Environmental Health and Economic Development.

**Engineering**

Engineering is responsible for constructing new infrastructure and maintaining existing infrastructure across a diverse range of assets that underpin the wellbeing of the community. These assets include capital works engineering services, waste management, parks and gardens, emergency management and infrastructure maintenance.

**Governance**

Governance provides effective governance oversight of the organisation. Service areas include Community Support, CEO Office and Elected Members.

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

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2020</b>					
Community Services	1,652	(2,398)	(746)	1,355	53
Corporate Services	12,064	(3,330)	8,734	4,070	16,136
Development and Environmental Services	1,027	(1,432)	(405)	844	56
Engineering	7,895	(14,305)	(6,410)	4,947	191,704
Governance	0	(1,385)	(1,385)	-	3,111
	22,640	(22,850)	(212)	11,216	211,060

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2019</b>					
Community Services	1,522	(2,225)	(703)	1,205	-
Corporate Services	12,084	(3,081)	9,003	4,906	18,603
Development and Environmental Services	4,723	(1,563)	3,160	4,470	14
Engineering	10,722	(15,196)	(4,474)	7,652	191,454
Governance	76	(1,090)	(1,014)	75	3,517
	29,127	(23,155)	5,972	18,308	213,588

**Note 2.1 COVID-19 impact on 2019-20 operations of Council**

The Coronavirus (COVID-19), was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had an impact on the Australian and local economy.

As at the date of preparation of these financial statements the impact of the Coronavirus (COVID-19) pandemic is ongoing and the situation is rapidly changing, developing. The speed and recovery of economic activity is largely dependent on measures imposed by the Australian Government, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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

- Council's leisure centre facilities, libraries, town halls, community centres and customer service centres were closed for periods of time during the last quarter of FY 2020. User charge based items such as admission fees and hall hire fees have reduced due to stay at home measures. Closure of some of Council's facilities and reduction in user charge based items has resulted in a decrease in Council's user fee revenue and also decreased associated expenses.
- Council's rate revenue may be impacted by rate and interest deferrals available to ratepayers whom lodge hardship claims under our new Covid-19 Hardship Policy.

The above impacts on the financial statements for the year ended 30 June 2020, have led to a reduction in income and expenditure in some areas, however overall there has not been a significant impact to Council's 30 June 2020 financial statements.

Given the dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic on the preparation of these financial statements, changes to the estimates and judgements that have been applied in the measurement of assets and liabilities may arise in the future. Other than adjusting events that provide evidence of conditions that existed at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future reporting periods.

<b>Note 3 Funding for the delivery of our services</b>	<b>2020</b>	<b>2019</b>
<b>3.1 Rates and charges</b>	<b>\$'000</b>	<b>\$'000</b>

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its current market value determined by Council's contract valuer.

The valuation base used to calculate general rates for 2019/20 was \$2,569 million (2018/19 \$2,098 million).

General rates	6,813	6,558
Municipal charge	448	434
Waste management charge	532	518
<b>Total rates and charges</b>	<b>7,793</b>	<b>7,510</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2019.

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 management	27	37
Building fees	49	82
Permits	4	16
Town planning fees	43	29
Infringements and costs	2	3
Other	12	25
<b>Total statutory fees and fines</b>	<b>137</b>	<b>192</b>

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

### 3.3 User fees

Refuse disposal fees	44	38
User charges	90	22
Caravan park fees	22	34
Other fees and charges	-	93
<b>Total user fees</b>	<b>156</b>	<b>187</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised over time	-	-
User fees recognised at a point in time	524	571
<b>Total user fees</b>	<b>524</b>	<b>571</b>

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

### 3.4 Funding from other levels of government

Grants were received in respect of the following :

<b>Summary of grants</b>		
Commonwealth funded grants	8,828	13,738
State funded grants	2,388	4,570
<b>Total grants received</b>	<b>11,216</b>	<b>18,308</b>

#### (a) Operating Grants

##### **Recurrent - Commonwealth Government**

Financial Assistance Grants	6,328	5,869
CHSP	364	336

##### **Recurrent - State Government**

HACC Programs	141	128
Preschool operating	399	293
Maternal and child health	306	263
Pest and weed control	75	67
Preschool cluster management	42	89
Supported Parent Groups and Playgroups	15	56
Senior citizens	3	14
Youth initiatives	24	22
Other	6	17
<b>Total recurrent operating grants</b>	<b>7,703</b>	<b>7,154</b>

	2020 \$'000	2019 \$'000
<b>Non-recurrent - Commonwealth Government</b>		
Staff Training	2	-
<b>Non-recurrent - State Government</b>		
Harrow Recreation Reserve upgrade	100	1,092
Fire Services Levy Implementation Grant	43	41
Goroke Silo Art	-	9
Serviceeton & Kaniva Silo Art	-	91
Rural Outreach Project	-	75
Lake Charlegrark Precinct Development	-	50
Community Activation & Social Isolation	34	-
COVID-19 Support	11	-
Kaniva Kinder Landscaping	50	-
Kinder IT Funding	4	-
Digitise Lawloit Times	15	-
MAV Health Projects	8	-
Immunisations	1	-
<b>Total non-recurrent operating grants</b>	<b>268</b>	<b>1,358</b>
<b>Total operating grants</b>	<b>7,971</b>	<b>8,512</b>
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,528	1,446
Community Halls	(50)	1,268
Recreation	-	517
<b>Recurrent - State Government</b>		
New or Upgraded Bridges	-	214
New or Upgraded Roads	-	1,283
<b>Total recurrent capital grants</b>	<b>1,478</b>	<b>4,728</b>
<b>Non-recurrent - Commonwealth Government</b>		
Flood Recovery (NDRRA)	656	4,302
<b>Non-recurrent - State Government</b>		
Community Services	29	29
Lillimur Stn Rd	-	50
Buildings	157	622
Recreation	11	57
Cemeteries	-	8
Fixing Country Roads	862	-
Fire Access Road Subsidy	18	-
Indigenous Trail	45	-
<b>Total non-recurrent capital grants</b>	<b>1,767</b>	<b>5,068</b>
<b>Total capital grants</b>	<b>3,245</b>	<b>9,796</b>
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
<b>Operating</b>		
Balance at start of year	-	-
Received during the financial year and remained unspent at balance date	-	-
Received in prior years and spent during the financial year	-	-
Balance at year end	-	-
<b>Capital</b>		
Balance at start of year	554	466
Received during the financial year and remained unspent at balance date	229	231
Received in prior years and spent during the financial year	(520)	(143)
Balance at year end	263	554

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

### 3.5 Contributions

Monetary	199	112
<b>Total contributions</b>	<b>199</b>	<b>112</b>

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

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

Proceeds of sale	232	150
Written down value of assets disposed	(79)	(75)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>153</b>	<b>75</b>

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

	2020	2019
	\$'000	\$'000
<b>3.7 Other income</b>		
Reimbursements - Vic Roads	1,368	1,562
Quarry operations	445	407
Interest	221	256
Reimbursements - other	98	121
Insurance refunds	204	37
Rent	69	68
Fuel tax refund	47	47
Other	33	285
<b>Total other income</b>	<b>2,485</b>	<b>2,784</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

#### Note 4 The cost of delivering services

##### 4.1 (a) Employee costs

Wages and salaries	7,225	6,249
WorkCover	159	144
Superannuation	704	638
Fringe benefits tax	64	76
<b>Total employee costs</b>	<b>8,152</b>	<b>7,107</b>

##### (b) Superannuation

Council made contributions to the following funds:

##### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	64	64
	<b>64</b>	<b>64</b>

##### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	310	279
Employer contributions - other funds	322	304
	<b>632</b>	<b>583</b>

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

##### 4.2 Materials and services

Contract payments	3,447	3,562
Plant and equipment maintenance	935	864
Utilities	360	371
Office administration	75	56
Information technology	141	143
Insurance	297	346
Consultants	251	191
Other materials and services	1,388	1,492
<b>Total materials and services</b>	<b>6,894</b>	<b>7,025</b>

##### 4.3 Depreciation

Property	714	775
Plant and equipment	783	839
Infrastructure	6,057	6,050
<b>Total depreciation</b>	<b>7,554</b>	<b>7,664</b>

Refer to note 5.2(c), 5.7 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.



4.4 Bad and doubtful debts	2020 \$'000	2019 \$'000
Other debtors	2	17
<b>Total bad and doubtful debts</b>	<b>2</b>	<b>17</b>

**Movement in provisions for doubtful debts**

Balance at the beginning of the year	69	53
New provisions recognised during the year	1	16
Balance at end of year	<b>70</b>	<b>69</b>

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

**4.5 Other expenses**

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	29	40
Auditors' remuneration - Internal	20	42
Councillors' allowances	129	150
Operating lease rentals	19	23
Assets written-off / impaired	-	1,039
Others	52	48
<b>Total other expenses</b>	<b>249</b>	<b>1,342</b>

**Note 5 Our financial position**

**5.1 Financial assets**

**(a) Cash and cash equivalents**

Cash on hand	1	1
Cash at bank	439	280
Term deposits	14,234	14,837
<b>Total cash and cash equivalents</b>	<b>14,674</b>	<b>15,118</b>

**Total financial assets** **14,674** **15,118**

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)	232	32
- Unspent Grants (Note 3.4)	263	554
- Cemetery Trust funds (Note 6.4)	196	169
Total restricted funds	<b>691</b>	<b>755</b>
Total unrestricted cash and cash equivalents	<b>13,983</b>	<b>14,363</b>

**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	828	2,663
- Cash held to fund long service leave provision	2,079	1,727
- Other discretionary reserves	1,501	1,322
Total funds subject to intended allocations	<b>4,408</b>	<b>5,712</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days 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.

	2020	2019
	\$'000	\$'000
<b>(c) Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	323	202
Provision for doubtful debts - rates	(69)	(46)
Sundry debtors	62	1,958
Provision for doubtful debts - other debtors	(1)	(23)
Total current trade and other receivables	<u>315</u>	<u>2,091</u>
<b>Non-current</b>		
<i>Non statutory receivables</i>		
Loans and advances to community organisations	160	167
Total non-current trade and other receivables	<u>160</u>	<u>167</u>
<b>Total trade and other receivables</b>	<u><b>475</b></u>	<u><b>2,258</b></u>

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

**(d) Ageing of Receivables**

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

Current (not yet due)	28	1,603
Past due by up to 30 days	1	332
Past due between 31 and 180 days	32	-
Total trade and other receivables	<u>61</u>	<u>1,935</u>

**(e) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$62,000 (2019: \$1,958,300) were impaired. The amount of the provision raised against these debtors was \$1,000 (2019: \$23,097). 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)	-	1
Past due by up to 30 days	-	9
Past due between 31 and 180 days	-	1
Total trade & other receivables	<u>-</u>	<u>11</u>

5.2 Non-financial assets	2020	2019
(a) Inventories	\$'000	\$'000
Inventories held for distribution	155	263
<b>Total inventories</b>	<b>155</b>	<b>263</b>

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	287	249
Accrued income	69	38
Other	-	-
<b>Total other assets</b>	<b>356</b>	<b>287</b>

**5.3 Payables**

**(a) Trade and other payables**

Trade payables	605	1,058
GST creditor	5	-
Accrued expenses	10	105
Accrued salaries	98	130
<b>Total trade and other payables</b>	<b>718</b>	<b>1,293</b>

**(b) Trust funds and deposits**

Refundable deposits	131	3
Fire services levy	80	7
Retention amounts	-	-
Other refundable deposits		
Refundable Trust Kaniva Rotary Club	15	15
Refundable Trust Newlands Lake Restoration	3	3
Refundable Trust Lake Wallace Committee proceeds	2	2
Refundable Trust Edenhope Skateboard Park	1	2
<b>Total trust funds and deposits</b>	<b>232</b>	<b>32</b>

**(c) Unearned income**

Grants received in advance - operating	-	-
Grants received in advance - capital	263	554
Other	-	-
<b>Total unearned income</b>	<b>263</b>	<b>554</b>

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 monthly 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

	Annual Leave	Long Service Leave	Rostered Days Off	Time in Lieu	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>2020</b>					
Balance at beginning of the financial year	890	1,727	50	38	2,705
Additional provisions	525	(41)	210	109	803
Amounts used	(435)	(130)	(189)	(91)	(845)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	19	523	-	-	542
Balance at the end of the financial year	<b>999</b>	<b>2,079</b>	<b>71</b>	<b>56</b>	<b>3,205</b>
<b>2019</b>					
Balance at beginning of the financial year	867	1,457	58	40	2,422
Additional provisions	480	117	207	78	882
Amounts used	(472)	(69)	(215)	(80)	(836)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	15	222	-	-	237
Balance at the end of the financial year	<b>890</b>	<b>1,727</b>	<b>50</b>	<b>38</b>	<b>2,705</b>

	2020	2019
	\$'000	\$'000
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	619	617
Long service leave	207	164
Rostered Days Off	71	50
Time in Lieu	57	38
	<u>954</u>	<u>869</u>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	381	273
Long service leave	1,416	1,257
	<u>1,797</u>	<u>1,530</u>
Total current employee provisions	<u>2,751</u>	<u>2,399</u>
<b>Non-current</b>		
Long service leave	219	306
Total non-current employee provisions	<u>219</u>	<u>306</u>
Aggregate carrying amount of employee provisions:		
Current	2,751	2,399
Non-current	219	306
Total aggregate carrying amount of employee provisions	<u>2,970</u>	<u>2,705</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:

- index rate	3.38%	2.10%
--------------	-------	-------

### 5.5 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2020.

Bank overdraft	2,000	2,000
Credit card facilities	16	16
Total facilities	<u>2,016</u>	<u>2,016</u>
Used facilities	-	-
Unused facilities	<u>2,016</u>	<u>2,016</u>

#### 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.

2020	Not later than 1	Later than 1	Later than 2	Later than 5	Total
	year	year and not	years and not	years	
	\$'000	later than 2	later than 5	Later than 5	\$'000
		years	years	years	
		\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Caravan park caretaker	19	9	-	-	28
Cleaning of Council buildings	81	81	-	-	162
Consultancies	219	122	-	-	341
Garbage collection	70	-	-	-	70
Meals for delivery	38	-	-	-	38
Recycling	151	-	-	-	151
Street cleaning services	24	24	-	-	48
Swimming pool management	160	162	-	-	322
<b>Total</b>	<b>762</b>	<b>398</b>	<b>-</b>	<b>-</b>	<b>1,160</b>

2019	Not later than 1	Later than 1	Later than 2	Later than 5	Total
	year	year and not	years and not	years	
	\$'000	later than 2	later than 5	Later than 5	\$'000
		years	years	years	
		\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Caravan park caretaker	19	9	-	-	28
Cleaning of Council buildings	65	-	-	-	65
Consultancies	214	130	-	-	344
Garbage collection	169	70	-	-	239
Meals for delivery	37	37	37	-	111
Recycling	101	101	-	-	202
Street cleaning services	93	-	-	-	93
Swimming pool management	82	8	-	-	90
<b>Total</b>	<b>780</b>	<b>355</b>	<b>37</b>	<b>-</b>	<b>1,172</b>

#### 5.7 Leases

##### Policy applicable before 1 July 2019

As a lessee, council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

**Policy applicable after 1 July 2019**

Council has applied AASB 16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The council applied the approach consistently to all leases in which it is a lessee.

On transition to AASB 16 Leases, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The council has applied this practical expedient to all of its contracts and therefore applied AASB 16 Leases only to contracts that were previously identified as 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.

**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.

	2020
	\$'000
<b>Expenses relating to:</b>	
Short-term leases	13
Leases of low value assets	-
<b>Total</b>	<b>13</b>
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:

Payable:	
Within one year	13
Later than one year but not later than five years	-
<b>Total lease commitments</b>	<b>13</b>

i. Leases classified as operating leases under AASB 117 Leases

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117 Leases .

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

ii. Leases previously classified as finance leases

For leases that were classified as finance leases under AASB 117 Leases , the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

**Impact on financial statements**

There was no impact to Council on transition to AASB 16 Leases at balance date.

<b>Note 6 Assets we manage</b>	<b>2020</b>	<b>2019</b>
<b>6.1 Non current assets classified as held for sale</b>	<b>\$'000</b>	<b>\$'000</b>
Cost of acquisition	-	-
Fair value of land held for resale	-	14
<b>Total non current assets classified as held for sale</b>	<b>-</b>	<b>14</b>

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.



6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2019 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	At Fair Value 30 June 2020 \$'000
Property	17,802	233	-	(2,074)	(714)	-	-	-	15,247
Plant and equipment	2,954	1,076	-	-	(783)	(79)	-	-	3,168
Infrastructure	172,606	5,847	-	-	(6,057)	-	-	471	172,867
Work in progress	1,850	2,303	-	-	-	-	-	(471)	3,682
	195,212	9,459	-	(2,074)	(7,554)	(79)	-	-	194,964

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	1,290	1,718	-	(1)	3,007
Plant and equipment	27	-	-	-	27
Infrastructure	533	585	-	(471)	647
Total	1,850	2,303	-	(472)	3,681

Notes to the Financial Report  
For the Year Ended 30 June 2020

(a) Property

	Land - specialised	Land - non specialised	Land improvements	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	953	66	3,513	4,532	59	31,442	1,214	32,715	1,290	38,537
Accumulated depreciation at 1 July 2019	-	-	(1,311)	(1,311)	(49)	(17,468)	(617)	(18,134)	-	(19,445)
	953	66	2,202	3,221	10	13,974	597	14,581	1,290	19,092
<b>Movements in fair value</b>										
Additions	-	-	51	51	-	182	-	182	1,718	1,951
Revaluation	(177)	22	-	(155)	52	1,725	51	1,828	-	1,673
Transfers	-	-	-	-	-	1	-	1	(1)	-
	(177)	22	51	(104)	52	1,908	51	2,011	1,717	3,624
<b>Movements in accumulated depreciation</b>										
Depreciation and amortisation	-	-	(158)	(158)	(1)	(534)	(21)	(556)	-	(714)
Revaluation	-	-	-	-	(53)	(3,626)	(68)	(3,747)	-	(3,747)
	-	-	(158)	(158)	(54)	(4,160)	(89)	(4,303)	-	(4,461)
At fair value 30 June 2020	776	88	3,564	4,428	111	33,350	1,265	34,726	3,007	42,161
Accumulated depreciation at 30 June 2020	-	-	(1,469)	(1,469)	(103)	(21,628)	(706)	(22,437)	-	(23,906)
	776	88	2,095	2,959	8	11,722	559	12,289	3,007	18,255

(b) Plant and Equipment

	Motor vehicles	Plant & Equipment	Fixtures fittings and furniture	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	651	8,017	1,407	27	10,102
Accumulated depreciation at 1 July 2019	(248)	(5,545)	(1,328)	-	(7,121)
	403	2,472	79	27	2,981
<b>Movements in fair value</b>					
Additions	123	930	23	-	1,076
Disposal	(121)	(503)	-	-	(624)
	2	427	23	-	452
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(115)	(639)	(29)	-	(783)
Accumulated depreciation of disposals	66	479	-	-	545
	(49)	(160)	(29)	-	(238)
At fair value 30 June 2020	653	8,444	1,430	27	10,554
Accumulated depreciation at 30 June 2020	(297)	(5,705)	(1,357)	-	(7,359)
	356	2,739	73	27	3,195

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	240,420	2,972	4,079	15,760	533	263,764
Accumulated depreciation at 1 July 2019	(78,239)	(1,412)	(1,472)	(9,502)	-	(90,625)
	162,181	1,560	2,607	6,258	533	173,139
<b>Movements in fair value</b>						
Additions	5,550	228	12	57	585	6,432
Transfers	470	-	1	-	(471)	-
	6,020	228	13	57	114	6,432
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(5,722)	(62)	(62)	(191)	-	(6,057)
	(5,722)	(62)	(62)	(191)	-	(6,057)
At fair value 30 June 2020	246,440	3,200	4,092	15,817	647	270,196
Accumulated depreciation at 30 June 2020	(83,961)	(1,474)	(1,554)	(9,693)	-	(96,682)
	162,479	1,726	2,538	6,124	647	173,514

*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the time. 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 been 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	-	5
land improvements	6 - 50 years	5
Buildings		
buildings	30 - 120 years	5
building and leasehold improvements	30 - 120 years	5
Plant and Equipment		
plant, machinery and equipment	3 - 40 years	1
fixtures, fittings and furniture	3 - 10 years	1
computers and telecommunications	3 - 10 years	1
Infrastructure		
road pavements and seals	17 - 75 years	5
road substructure	75 years	5
road formation and earthworks	75 years	5
road kerb, channel and minor culverts	50 - 70 years	5
bridges deck	35 - 80 years	5
bridges substructure	35 - 80 years	5
footpaths and cycleways	25 - 50 years	5
drainage	70 - 80 years	5
Intangible assets		

*Land under roads*

Council recognises land under roads it controls at fair value.

*Depreciation and amortisation*

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

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

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 (Mr Peter Wigg of WBP Group). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The land and buildings were subject to full independent valuation in August 2020 by accredited independent valuers. Council does not believe there has been a material movement in fair value since the 30 June 2020 valuation date.

The valuation was performed during the COVID-19 pandemic, with limited market activity and low sales volumes. While the valuer's independent valuation report did not indicate impairment of land and buildings, it does present estimation uncertainty regarding the valuation of land and buildings by acknowledging that past cycles indicate a lag for property markets to react to economic events, and that the extent of any decline in value is presently uncertain, and may depend on the length of the COVID-19 pandemic. Also, there is not yet any comparable market evidence available to determine what, if any, impact the current COVID-19 pandemic may have on the value or marketability of the subject property, particularly in the short and medium terms.

The fair value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the date of valuation). Refer to Significant accounting policies under Overview section and Note 8.4 for further information on fair value measurement.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Land	-	439	-	Jun-20
Specialised land	-	-	425	Jun-20
Land Improvements	-	-	2,095	Jun-20
Heritage Buildings	-	-	8	Jun-20
Buildings	-	-	12,280	Jun-20
Total	-	439	14,808	

**Valuation of infrastructure**

Valuation of infrastructure assets has been undertaken by Mr Hayden Baird, Local Government Engineer and Mr Peter Maloney of Maloney Asset Management Systems.

The date of the current valuation is detailed in the following table. An index based revaluation was conducted in the prior year, this valuation was based on unit rate and useful life data analysis, a full revaluation of these assets will be conducted in 2020/21.

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 2020 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Roads	-	-	162,479	Jun-19
Bridges	-	-	1,726	Jun-19
Footpaths and cycleways	-	-	2,538	Jun-19
Drainage	-	-	6,124	Jun-19
Total	-	-	172,867	

**Description of significant unobservable inputs into level 3 valuations**

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently Council records no land under roads.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$350 to \$1,700 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 40 years to 60 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 1 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.

	2020	2019
	\$'000	\$'000
<b>Reconciliation of specialised land</b>		
Municipal Office Land	90	103
Waste Disposal Land	-	116
Community Services Land	73	84
Infrastructure and Works Operations Land	113	325
Recreational and Sundry Council Land	149	325
<b>Total specialised land</b>	<b>425</b>	<b>953</b>

	2020	2019
	\$'000	\$'000
<b>6.3 Investments in associates, joint arrangements and subsidiaries</b>		
<b>(a) Investments in associates</b>		
Investments in associates accounted for by the equity method are:		
- Wimmera Regional Library Corporation	371	330
- Wimmera Development Association	76	73
<b>Wimmera Regional Library Corporation</b>		
<i>Background</i>		
Council's investment in the Wimmera Regional Library Corporation is based on the equity method of accounting.		
Council's interest in equity	27.23%	27.33%
<b>Fair value of Council's investment in Wimmera Regional Library Corporation</b>	<u>371</u>	<u>330</u>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus/(deficit) at start of year	(94)	153
Reported surplus/(deficit) for year	129	(422)
Transfers (to) from reserves	(2)	(10)
Change in equity share apportionment	197	185
Council's share of accumulated surplus/(deficit) at end of year	<u>230</u>	<u>(94)</u>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	457	202
Transfers (to) from reserves	2	10
Change in equity share apportionment	(318)	245
Council's share of reserves at end of year	<u>141</u>	<u>457</u>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	362	354
Share of surplus/(deficit) for year	129	(422)
Change in equity share apportionment	(120)	430
Carrying value of investment at end of year	<u>371</u>	<u>362</u>
<b>Wimmera Development Association</b>		
Council's investment in the Wimmera Development Association is based on the equity method of accounting.		
Council's interest in equity	7.76%	7.76%
<b>Fair value of Council's investment in Wimmera Regional Library Corporation</b>	<u>76</u>	<u>73</u>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus/(deficit) at start of year	39	54
Reported surplus/(deficit) for year	3	(3)
Transfers (to) from reserves	(5)	(12)
Council's share of accumulated surplus/(deficit) at end of year	<u>37</u>	<u>39</u>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	35	23
Transfers (to) from reserves	5	12
Council's share of reserves at end of year	<u>40</u>	<u>35</u>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	74	77
Share of surplus/(deficit) for year	3	(3)
Carrying value of investment at end of year	<u>77</u>	<u>74</u>

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.

The Council is the Committee of Management for the Edenhope, Goroke and Kaniva Cemeteries. The assets and liabilities of the Committees have been included in Council's financial statement and are summarised below:

	2020 \$'000	2019 \$'000
<b>(b) Edenhope Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	55	44
<b>Total Current assets</b>	<b>55</b>	<b>44</b>
<b>Total Non-current assets</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>55</b>	<b>44</b>
<b>Income</b>		
Fees and Charges	33	25
<b>Total Income</b>	<b>33</b>	<b>25</b>
<b>Expenses</b>		
Other Materials & Services	22	26
<b>Total Expenses</b>	<b>22</b>	<b>26</b>
<b>Surplus(Loss) for period</b>	<b>11</b>	<b>(1)</b>
<b>(c) Goroke Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	15	23
<b>Total Current assets</b>	<b>15</b>	<b>23</b>
<b>Net Assets</b>	<b>15</b>	<b>23</b>
<b>Income</b>		
Fees and Charges	9	17
<b>Total Income</b>	<b>9</b>	<b>17</b>
<b>Expenses</b>		
Other Materials & Services	17	8
<b>Total Expenses</b>	<b>17</b>	<b>8</b>
<b>Surplus(Loss) for period</b>	<b>(8)</b>	<b>9</b>
<b>(d) Kaniva Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	126	102
<b>Total Current assets</b>	<b>126</b>	<b>102</b>
<b>Net Assets</b>	<b>126</b>	<b>102</b>
<b>Income</b>		
Fees and Charges	29	37
<b>Total Income</b>	<b>29</b>	<b>37</b>
<b>Expenses</b>		
Other Materials & Services	20	22
<b>Total Expenses</b>	<b>20</b>	<b>22</b>
<b>Surplus(Loss) for period</b>	<b>9</b>	<b>15</b>



	2020 No.	2019 No.
<b>Note 7 People and relationships</b>		
<b>7.1 Council and key management remuneration</b>		
<b>(a) Related Parties</b>		
<i>Parent entity</i>		
West Wimmera Shire Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Interests in subsidiaries and associates are detailed in Note 6.3.		
<b>(b) Key Management Personnel</b>		
Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:		
<b>Councillors</b>		
Mayor Bruce Meyer		
Councillor Jodie Pretlove		
Councillor Trevor Domaschenz		
Councillor Richard Hicks		
Councillor Tom Houlihan		
Chief Executive Officer David Leahy		
Director - Corporate & Community Services Ashley Roberts		
Director - Infrastructure Development & Works Mark Marziale		
<b>Total Number of Councillors</b>	5	5
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	3	3
<b>Total Number of Key Management Personnel</b>	8	8
<b>(c) Remuneration of Key Management Personnel</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term benefits	629	614
Long-term benefits	83	(10)
Post employment benefits	-	47
<b>Total</b>	712	651
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
\$10,000 - \$19,999	1	-
\$20,000 - \$29,999	2	4
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	1	-
\$150,000 - \$159,999	-	2
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	2	-
\$200,000 - \$229,999	1	-
	8	8
<b>(d) Senior Officer Remuneration</b>		
Council has no officers that meet the requirements of a Senior Officer in the current or previous financial year.		

**7.2 Related party disclosure**

**(a) Transactions with related parties**

There were no transactions during the year between Council and related parties.

**(b) Outstanding balances with related parties**

There are no commitments to or from related parties at balance date.

**(c) Loans to/from related parties**

There were no loans during the year between Council and related parties.

**(d) Commitments to/from related parties**

There were no commitments during the year between Council and related parties.

**Note 8 Managing uncertainties**

**8.1 Contingent assets and liabilities**

**(a) Contingent assets**

Council has no contingent assets identified at balance date.

**(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, West Wimmera Shire Council has paid unfunded liability payments to Vision Super totalling \$0.00 (2017/18 \$0.00). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2019. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020 are \$63,518.

**Landfill**

Council does not operate any landfill site within its boundaries. There are no former licenced landfill sites within the shire.

**Insurance claims**

Council has had no major insurance claims that could have a material impact on future operations.

**Legal matters**

Council may be subject to a compensation claim by a shire resident who was prosecuted by the Commonwealth Environment Department over illegal clearing of native vegetation. At this stage Council is unable to assign any cost to this potentiality.

Council may be subject to legal action regarding an alleged workplace injury by a former employee of West Wimmera Shire Council. At this stage Council is unable to assign any cost to this potentiality.

**Building cladding**

Council has no known exposure to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

**Liability Mutual Insurance**

Council is (was) 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**

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. Council has no knowledge of any shortfall and has not been called to make a contribution as at 30 June 2020.

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

Council has made no guarantees for loans to other entities.

## 8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting

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

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 *Fair Value Measurement*. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 *Property, Plant and Equipment* or AASB 138 *Intangible Assets*, as appropriate, except as specified AASB 1059;

· recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and

· disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement. [OR]

Based on the Council's current assessment, there is expected to be no material impact on the transactions and balances recognised in the financial statements.

### **AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)**

The Standard principally amends AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

### **AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)**

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. The impacts on the local government sector are expected to be minimal.

## 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 impaired.

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

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

**(d) Liquidity risk**

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

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

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

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

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

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

**(e) Sensitivity disclosure analysis**

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.11%.

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;

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

There have been no significant events occurring after the balance date which may affect the Council's operations or the results of those operations, except for noting that the COVID-19 pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date.

Note 9 Other matters

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2020</b>			
<b>Property</b>			
Land	724	(155)	569
Land and land improvements	198	-	198
Buildings	9,485	(1,919)	7,566
	10,407	(2,074)	8,333
<b>Infrastructure</b>			
Roads	141,636	-	141,636
Footpaths and cycleways	5,273	-	5,273
Drainage	4,470	-	4,470
	151,379	-	151,379
<b>Total asset revaluation reserves</b>	<b>161,786</b>	<b>(2,074)</b>	<b>159,712</b>
<b>2019</b>			
<b>Property</b>			
Land	724	-	724
Land and land improvements	198	-	198
Buildings	9,485	-	9,485
	10,407	-	10,407
<b>Infrastructure</b>			
Roads	169,429	(27,793)	141,636
Bridges	576	(576)	-
Footpaths and cycleways	5,809	(536)	5,273
Drainage	3,909	561	4,470
	179,723	(28,344)	151,379
<b>Total asset revaluation reserves</b>	<b>190,130</b>	<b>(28,344)</b>	<b>161,786</b>

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

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>				
<b>2020</b>				
Plant replacement	534	82	-	616
Quarry restoration	113	3	-	116
Capital improvement	301	7	-	308
Rates revaluation	334	77	(12)	399
Elections	40	22	-	62
Kindergarten operation	-	-	-	-
Carried Forward project Reserve	2,663	894	(2,663)	894
<b>Total Other reserves</b>	<b>3,985</b>	<b>1,085</b>	<b>(2,675)</b>	<b>2,395</b>
<b>2019</b>				
Plant replacement	456	78	-	534
Crabtree trust	17	-	(17)	-
Quarry restoration	110	3	-	113
Capital improvement	294	7	-	301
Rates revaluation	235	108	(9)	334
Elections	20	20	-	40
Kindergarten operation	-	-	-	-
Carried Forward project Reserve	3,246	2,663	(3,246)	2,663
<b>Total Other reserves</b>	<b>4,378</b>	<b>2,879</b>	<b>(3,272)</b>	<b>3,985</b>

Description of nature and purpose of each of Council's discretionary reserves are:

The Plant Replacement is funded by the Plant Operating Surplus and is maintained to replace all major items of Plant and Equipment Crabtree Trust Reserve was bequeathed to Council to provide funds for the upgrade of facilities at the Lake Charlegrark Reserve.

The Quarry Restoration Reserve was generated via a charge against the sale price of quarry stocks that was retained to restore the quarry sites to natural levels once quarrying has ceased. There have been no further charges (other than nominal interest) generated for this reserve since the 1997/98 financial year as the retained reserve is considered adequate to undertake restoration Capital Improvement Reserve is generated via transfers from Surplus Funds from time to time as determined by Council for use on any significant capital infrastructure projects.

Rates Revaluation Reserve provides funds to undertake each property revaluation for rating purposes every two years.

The Elections Reserve provides funds to undertake Council Elections every 4th year.

The Kindergarten Operations Reserve provides that unspent budgeted funds from each year are brought forward and made available for kindergarten spending in future years. In this way negative effects of falling enrolments can be minimised.

The Carried Forward Projects Reserve provides for all budgeted amounts which have not been spent as at 30 June and which are required to be carried forward to the next financial year and are not budgeted in the next financial year.

	2020	2019
	\$'000	\$'000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	(212)	5,972
Depreciation	7,554	7,664
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(153)	(75)
Finance Costs	-	-
Asset Write Downs	-	1,039
Share of net (profit)/loss of associates	(132)	425
<i>Change in assets and liabilities</i>	-	(1,494)
(Increase)/decrease in trade and other receivables	1,783	(222)
(Increase)/decrease in other income	(69)	(1,114)
Increase/(decrease) in trade and other payables	(575)	-
Increase/(decrease) in other liabilities	-	-
(Increase)/decrease in inventories	122	(11)
Increase/(decrease) in provisions	264	283
Net cash provided by/(used in) operating activities	<b>8,582</b>	<b>12,467</b>

### 9.3 Superannuation

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

#### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2020, 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 Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

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

A triennial actuarial review is currently underway for the Defined Benefit category as at 30 June 2020 and is expected to be completed by 31 December 2020.

As at 30 June 2020, the vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%

As at 30 June 2019, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 107.1%. The financial assumptions used to calculate the VBIs were:

- Net investment returns 6.0% pa
- Salary information 3.5% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 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 2017 full 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 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate is expected to increase in line with any increases in the SG contribution rate and 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 2019 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and the last full actuarial investigation was conducted as at 30 June 2017.

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

	2019 \$m	2017 \$m
- A VBI Surplus	151.3	69.8
- A total service liability surplus	233.4	193.5
- A discounted accrued benefits surplus	256.7	228.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2019.

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 2019.

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 2019.

#### The 2020 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed by 31 December 2020. The financial assumptions for the purposes of this investigation are:

	2020 Triennial investigation	2017 Triennial investigation
Net investment return	5.6% pa	6.5% pa
Salary inflation	2.5% pa for the first two years and 2.75% pa thereafter	3.5% pa
Price inflation	2.0% pa	2.5% pa

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of Scheme	Rate	2020 \$,000	2019 \$,000
Vision super	Defined benefit	9.50%	64	64
Vision super	Accumulation fund	9.50%	310	279
Other super funds	Accumulation fund	9.50%	322	304

In addition to the above contributions, West Wimmera Shire Council has paid unfunded liability payments to Vision Super totalling \$0.00 (2018/19 \$0.00).

There were \$0.00 contributions outstanding and \$0.00 loans issued from or to the above schemes as at 30 June 2020.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 is \$65,695.58.

#### 10 Change in accounting policy

Council has adopted *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities*, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

##### a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption

*AASB 15 Revenue from Contracts with Customers* applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted *AASB 15 Revenue from Contracts with Customers* using the modified (cumulative catch up) method. Revenue for 2019 as reported under *AASB 118 Revenue* is not adjusted, because the new standard is only applied from the date of initial application.

*AASB 15 Revenue from Contracts with Customers* requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

##### b) AASB 16 Leases

*AASB 16 Leases* requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

##### c) AASB 1058 Income of Not-for-Profit Entities

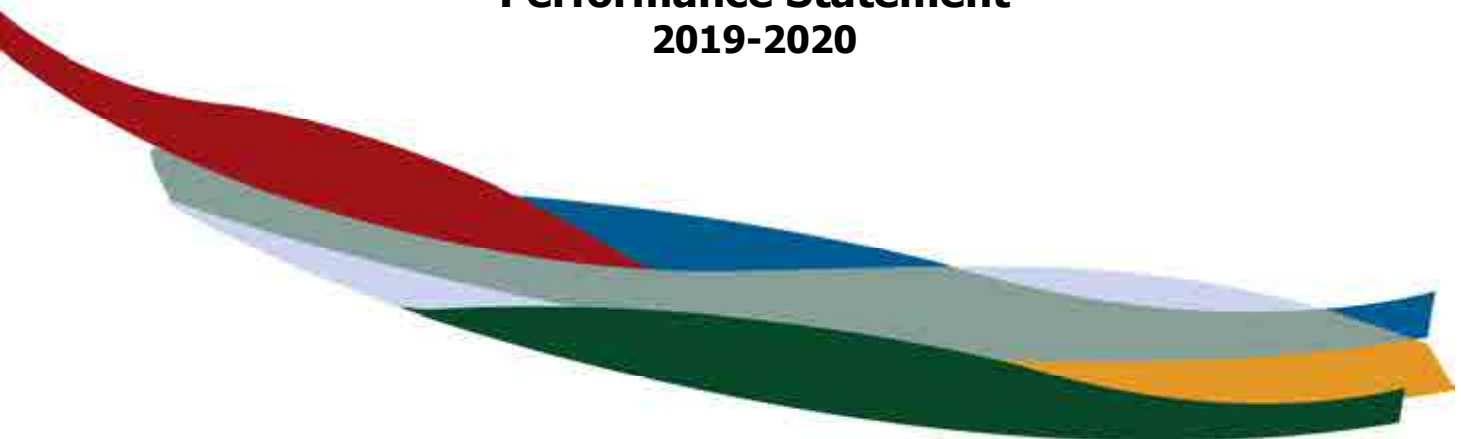
*AASB 1058 Income of Not-for-Profit Entities* applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted *AASB 1058 Income of Not-for-Profit Entities* using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

*AASB 1058 Income of Not-for-Profit Entities* requires income to be recognised as Council satisfies the performance obligations under the contract.



**Performance Statement  
2019-2020**

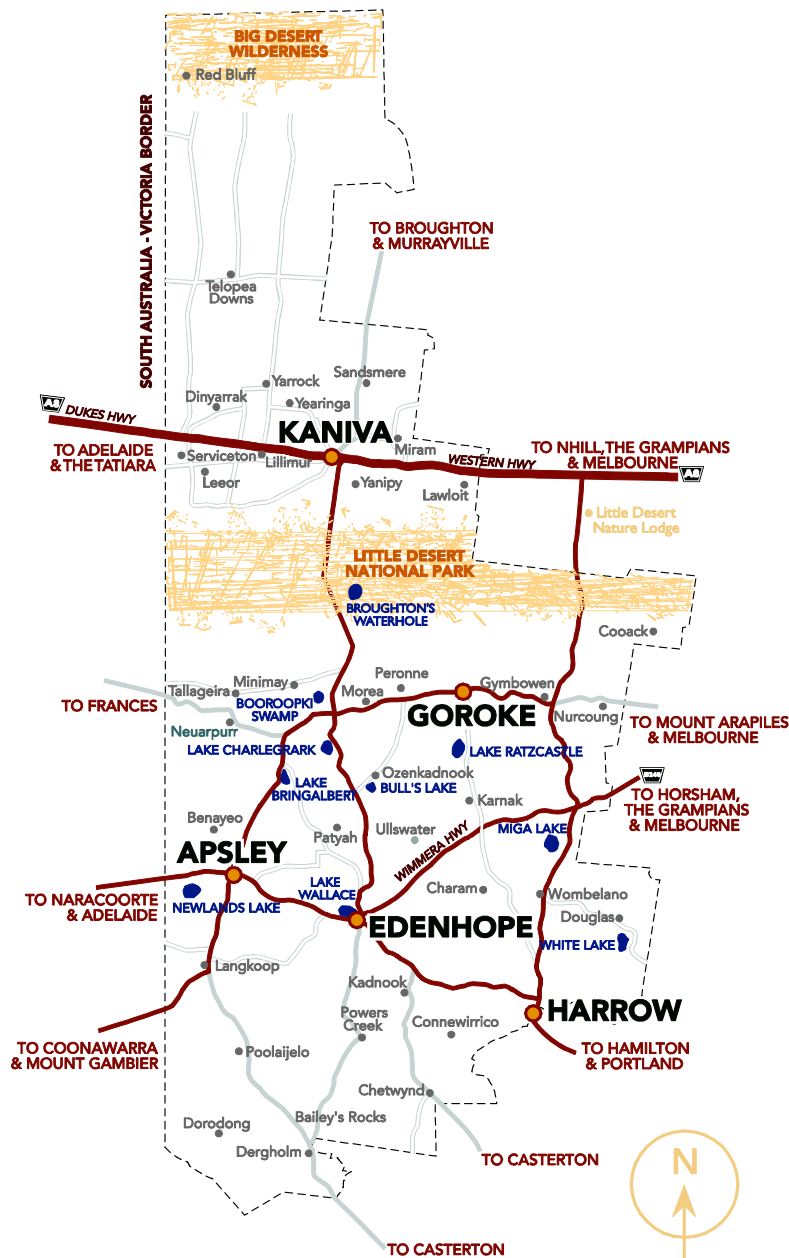


# Performance Statement

For the year ended 30 June 2020

## Description of municipality

West Wimmera Shire Council is located in Western Victoria and has a strong economy, primarily based on agriculture with growth sectors in health, education and retail. The Shire covers an area of 9,256 square kilometres and includes the townships of Apsley, Edenhope and Harrow to the south of the Shire and Goroke, Kaniva and Serviceton to the north.



## Operational Summary

Council has seen the majority of performance indicators remain relatively steady during 2019/20 compared to the prior year.

Council continues to face the challenges of a gradually declining population which is reflected in some of the population-based performance indicators. As has been the case in prior years, Council has continued to experience fluctuations in grant funding and own-sourced revenue with a significant decline in recurrent grants during 2019/20.

Satisfaction with sealed local roads has improved slightly during 2019/20. Council has more than covered its asset renewal and upgrade requirements when compared to depreciation for 2019/20 with this ratio forecast to remain over 100% for the following four years.

The last quarter of the 2019-20 financial year brought challenging times for businesses and residents within the Shire with the COVID-19 global pandemic and associated government directives to slow the spread of the virus in Australia. Council's leisure and recreation facilities such as libraries, swimming pools, playgrounds and halls were closed for a period of time during the final quarter of 2019/20. As such, some performance indicators in relation to Council recreation and leisure facilities have seen slight declines.



## Sustainable Capacity Indicators

For the year ended 30 June 2020

Indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations
<b>Population</b>					
<i>Expenses per head of municipal population</i>	\$7,182.88	\$8,344.97	\$5,995.60	\$5,949.23	Expenses per head of population have remained steady for 2019-20 when compared to 2018-19. The figures for 2016-17 and 2017-18 were inflated by additional costs relating to flood disaster recovery works undertaken in that year.
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$41,897.28	\$56,295.06	\$50,283.01	\$50,533.72	Infrastructure movements over the four year period have fluctuated according to movements in asset valuations. There is no significant movements in the 2019-20 year when compared to the previous year.
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	1.42	1.42	1.41	1.36	Council's population density per length of road is gradually declining as Council's population continues to decline. This decline is anticipated to continue over the next four years.
[Municipal population / Kilometres of local roads]					
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i>	\$2,902.20	\$3,191.88	\$2,722.40	\$2,922.16	Own sourced revenue has fluctuated somewhat over the four year period due to changes in Council's private works and contracts income levels, as well as some fluctuations in building and planning permit fees. Council's own sourced revenue is anticipated to decline marginally over the next two years as business fees are reduced to assist with Covid-19 recovery programs.
[Own-source revenue / Municipal population]					



West Wimmera Shire Council  
2019-2020 Performance Statement

Indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i>	\$2,752.01	\$2,229.12	\$3,076.61	\$2,390.26	Recurrent grants have fluctuated somewhat over the period due to changes in funding programs, in particular the Rural Roads Victoria program which has seen a decline of over \$1.2 million for 2019-20 from the previous year. Recurrent grant funding is forecast to remain as is.
[Recurrent grants / Municipal population]					
<b>Disadvantage</b>					
<i>Relative Socio-Economic Disadvantage</i>	5.00	5.00	5.00	5.00	No material variations
[Index of Relative Socio-Economic Disadvantage by decile]					
<b>Workforce turnover</b>					
<i>Percentage of staff turnover</i>	16.5%	4.4%	15.4%	11.2%	Council's staff turnover rate has fluctuated over the previous 4 years. One of the major drivers here is that Council's workforce has an average age of over 50, with gradual age related turnover anticipated to continue into the next four years.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					



**Definitions**

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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





## Service Performance Indicators

For the year ended 30 June 2020

Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations
<b>Aquatic Facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i>	2.79	3.73	3.99	3.37	Seasonal Conditions affect usage - all facilities are outdoors.
[Number of visits to aquatic facilities / Municipal population]					
<b>Animal Management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i>	0.00	0.00	0.00	0.00	No prosecutions during 2019/20
[Number of successful animal management prosecutions]					
<b>Food Safety</b>					
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i>	0.00%	0.00%	100.00%	100.00%	One notification recorded and followed up during 2019/20
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					
<b>Governance</b>					
<b>Satisfaction</b>					
<i>Satisfaction with council decisions</i>	59.00	61.00	61.00	58.00	No material variation
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
<b>Libraries</b>					
<b>Participation</b>					
<i>Active library members</i>	12.92%	12.67%	13.65%	12.49%	No material variations
[Number of active library members / Municipal population] x100					



Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations
<b>Maternal and Child Health (MCH)</b>					
<b>Participation</b>					
<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	88.68%	97.31%	96.23%	96.53%	No material variations
<b>Participation</b>					
<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	50.00%	50.00%	100.00%	100.00%	No material variations
<b>Roads</b>					
<b>Satisfaction</b>					
<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]	45	50	53	55	Council has made a significant effort to repair and renew our local roads on the back of damage caused from extreme weather events in the previous years.
<b>Statutory Planning</b>					
<b>Decision making</b>					
<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	0.00%	0.00%	0.00%	0.00%	No material variations
<b>Waste Collection</b>					
<b>Waste diversion</b>					
<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	22.03%	22.45%	22.22%	3.81%	As with many other municipalities, Council was impacted by the closure of major recycling facilities within the state, and the removal of access to international markets for this material. Council continues to seek alternate arrangements alongside its contractor.



## Definitions

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

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

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

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

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

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

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

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

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

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"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

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.



## Financial Performance Indicators

For the year ended 30 June 2020

Dimension/indicator/measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Efficiency</b>									
<b>Expenditure level</b>									
<i>Expenses per property assessment</i>	\$5,538.00	\$6,454.00	\$4,631.00	\$4,861.91	\$4,108.00	\$4,109.35	\$4,274.55	\$4,360.65	Council's expenses per assessment have increased slightly from 2018-19 to 2019-20 as anticipated. This is largely due to the number of property assessments remaining basically static as Council's population declines. The results for 2016-17 and 2018-19 were somewhat inflated by additional expenses incurred in those years due to flood recovery disaster response works. Council anticipates a gradual increase in expenses per assessment over the coming years.
[Total expenses / Number of property assessments]									
<b>Revenue level</b>									
<i>Average rate per property assessment</i>	New in 2020	New in 2020	New in 2020	\$1,544.68	\$1,477.00	\$1,506.64	\$1,536.67	\$1,567.40	In prior years, this indicator only captured residential rate data.
[Total expenses / Number of property assessments]									
<b>Liquidity</b>									
<b>Working capital</b>									
<i>Current assets compared to current liabilities</i>	337.98%	273.72%	515.01%	466.90%	950.19%	927.16%	909.8%	885.57%	Council's working capital ratio has fluctuated over the years largely as cash levels move. For the 2019-20 year Council is holding lower cash and trade debtor levels at the end of the year.
[Current assets / Current liabilities] x100									



West Wimmera Shire Council  
2019-2020 Performance Statement

Dimension/indicator/measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Unrestricted cash</b>									
<i>Unrestricted cash compared to current liabilities</i>	279.68%	144.94%	265.60%	427.08%	897.81%	874.69%	858.02%	834.81%	Due to a change in accounting methods, unrestricted cash is showing an increase of 60.8%. This is due to no longer deducting employee provisions and non-statutory reserve balances in unrestricted cash as has been the case in prior years.
[Unrestricted cash / Current liabilities] x100									
<b>Obligations</b>									
<b>Loans and borrowings</b>									
<i>Loans and borrowings compared to rates</i>	2.34%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council's outstanding loans and borrowings have been fully extinguished during the 2019/20 year. Council has no plans to undertake new borrowings in the next 4 years.
[Interest bearing loans and borrowings / Rate revenue] x100									
<i>Loans and borrowings repayments compared to rates</i>	1.93%	1.91%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	Council's outstanding loans and borrowings have been fully extinguished during the 2019/20 year. Council has no plans to undertake new borrowings in the next 4 years.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

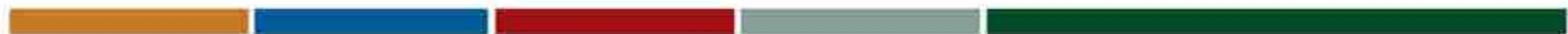


West Wimmera Shire Council  
2019-2020 Performance Statement

Dimension/indicator/measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	2.29%	2.50%	5.41%	5.35%	5.72%	5.77%	5.82%	5.87%	No material variations.
<b>Asset renewal and upgrade</b> <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	New in 2020	130.26%	113.69%	114.23%	112.55%	114.20%	Council has committed significant funds to asset renewal and upgrade, with the ratio forecast to remain over 100% for the next 4 years.
<b>Operating position</b> <b>Adjusted underlying result</b>  <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-24.91%	-50.96%	3.31%	-10.54%	2.20%	2.47%	2.74%	3.00%	Council's adjusted underlying result saw a significant decline into an underlying deficit for 2019-20, largely on the back of a large decline in recurrent grant funding (in particular road funding) and Council's private works and contract income. It is anticipated that this funding will increase over the next four years to push Council back into a small underlying surplus.

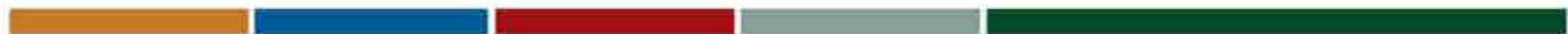


Dimension/indicator/measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i>	31.58%	33.87%	31.36%	37.69%	37.84%	37.74%	37.63%	37.52%	Council's underlying revenue for the 2019-20 year declined as recurrent grants reduced by over \$1 million. This leads rate revenue to make up a larger share of Council's underlying revenue. Underlying revenue is anticipated to gradually increase over the next 4 years.
[Rate revenue / Adjusted underlying revenue] x100									
<b>Rates effort</b>									
<i>Rates compared to property values</i>	0.40%	0.41%	0.36%	0.30%	0.26%	0.26%	0.26%	0.26%	Council has seen a significant increase in property values over the last two years, particularly amongst rural land values which account for over 90% of Council's rateable valuations. This property class has seen valuation increases of over 20% per annum over the last two years. Keeping rate increases to the rate cap levels has resulted in a decline in the calculated Rates Effort over this period.
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									



**Retired Measures**

Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Comments
<b>Animal Management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i>	\$17.70	\$24.42	\$22.37	Retired in 2020	This measure was replaced by AM7 from 1 July 2019.
[Number of successful animal management prosecutions]					
<b>Efficiency</b>					
<b>Revenue level</b>					
<i>Average residential rate per residential property assessment</i>	\$637.00	\$654.00	\$664.50	Retired in 2020	This measure was replaced by E4 from 1 July 2019.
[Residential rate revenue / Number of residential property assessments]					
<b>Obligations</b>					
<b>Asset renewal</b>					
<i>Asset renewal compared to depreciation</i>	94.34%	80.87%	73.63%	Retired in 2020	This measure was replaced by O5 in 1 July 2019.
[Asset renewal expense / Asset depreciation] x100					





**Definitions**

"adjusted underlying revenue" means total income other than—

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

"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 2020

### 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.

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 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 budget update to the Strategic Resource Plan on 15 July 2020 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.



## Certification of the performance statement

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

*Mr Ashley Roberts, B. Com, AssocDip Acc, CPA, AICD*

**Principal Accounting Officer**

**Dated:** 18 September 2020

In our opinion, the accompanying performance statement of the West Wimmera Shire Council for the year ended 30 June 2020 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 Jodie Pretlove

**Mayor**

**Dated:** 18 September 2020

  
Cr Meyer

Cr Bruce Meyer

**Councillor**

**Dated:** 18 September 2020



Mr David Leahy

**Chief Executive Officer**

**Dated:** 18 September 2020





**AUDIT & RISK COMMITTEE MINUTES – 22 September 2020**  
**WEST WIMMERA SHIRE COUNCIL**

---

**MEETING HELD:** Tuesday 22 September 2020

**LOCATION:** Edenhope Council Chamber  
49 Elizabeth Street, Edenhope, and via Microsoft Teams video conference

**COMMENCEMENT:** 2:04 pm

---

<b>IN ATTENDANCE:</b>	
<b>Committee Members</b>	<b>Senior Management/Officers</b>
Monica Revell Celeste Gregory Cr Bruce Meyer	David Leahy Chief Executive Officer  Ashley Roberts Director Corporate and Community Services  Melanie Jordan Finance Coordinator  Louise Gabbe Business Performance Coordinator
<b>External Parties</b>	
Cassandra Gravenall – Crowe Australasia Kathie Teasdale – RSD Audit	
<b>APOLOGIES</b>	
Cr Jodie Pretlove	

---

***Vision Statement:** Our West Wimmera communities are healthy, thriving, diverse, harmonious, prosperous and self-sustaining, with regional and global connectivity*



## WELCOME AND APOLOGIES

## ELECTION OF CHAIRPERSON

Ashley Roberts acted as temporary chairperson and offered the role of chairperson for this meeting to both external members, Monica Revell & Celeste Gregory. Monica accepted the role.

## DECLARATION OF CONFLICTS OF INTEREST

Nil declared

## BUSINESS

### 1. CONFIRMATION OF MINUTES

Minutes of previous Audit and Risk Committee meetings are attached for member's information & confirmation.

**Moved:** Ms Celeste Gregory

**Seconded:** Cr Bruce Meyer

**That the Minutes of the Audit and Risk Committee Meeting held on 23 June 2020 as circulated, be taken as read and confirmed.**

**Carried Unanimously**

## NEW ITEMS

### 2. UPDATE ON INDEPENDENT AUDIT COMMITTEE MEMBER

Ashley Roberts informed the Audit and Risk Committee that Council have advertised for the position of independent member twice, in May 2020 and July 2020, but unfortunately no applications have been received. Advertising was conducted in local newspapers and online through Council's website and social media. Ashley indicated Covid-19 may have impacted the lack of interest in the position.

Council will readvertise for the position shortly, making mention that there is no requirement to travel to the Shire, as meetings via video conferencing have been successful so far and the Committee will continue to offer this platform for future meetings.



### 3. 2019-20 FINANCIAL STATEMENTS AUDIT

Council's external auditors, Crowe Australasia, conducted their 2019-20 final audit in August and September 2020. Attached is a copy of the 2019-20 Financial Statements for the member's information.

Cassandra Gravenall from Crowe informed the Audit and Risk Committee that the 2019-20 audit of the Financial Statements and Performance Statement has been completed and sent to VAGO with the recommendation that they issue a clean, unmodified audit report for both the Financial Statements and Performance Statement. The report from VAGO has not yet been received. This is not a reflection of the quality or any issues with the statements, simply the normal course of business and turnaround times at VAGO.

Cassandra discussed the following key audit results with the Audit and Risk Committee;

- Crowe was very pleased with the audit process, thanking Council's management team for their assistance and cooperation. Cassandra feels the audit process ran smoother than the prior year.
- There were no material adjustments required to the Financial Statements or Performance Statement
- There were no immaterial adjustments required to the Financial Statements or Performance Statement
- There were some updates required to the disclosures, including the addition of a Covid-19 disclosure, but no major changes were required
- There were no management representations required as all objectives were achieved from the key focus areas in the audit strategy. These key focus areas included;
  - o Valuations
  - o Impact of Covid-19
  - o New Accounting Standards
  - o Capital works programs, including additions and year-end balances
  - o Materials and services procurement
  - o Management override of controls
  - o Performance statement and commentary

Monica asked whether prior year management letter open item had been addressed. Cassandra responded that three items had been closed and they will work with management on the remaining open items to determine which can be closed or removed due to irrelevance.

### 4. 2019-20 FINANCIAL STATEMENTS IN PRINCIPLE ENDORSEMENT

The Audit and Risk Committee is asked to endorse in principle, subject to final audit by the Victorian Auditor-General, the 2019-20 Financial Statements and Performance Statement.



**Moved:** Ms Celeste Gregory  
**Seconded:** Cr Bruce Meyer

**1. That the Audit and Risk Committee endorses that council resolves under S.132 (2) of the Local Government Act 1989 to give ‘in principal’ approval to the Financial Statements and Performance Statement for the year ended 30 June 2020.**

**2. That the Audit and Committee endorses that council resolves under S.132(5) of the Local Government Act 1989 to nominate three councillors as signatories with authorisation given for any two of the three nominated councillors to certify the Financial Statements and Performance Statement for the year ended 30 June 2020 in their final forms.**

**Carried Unanimously**

## **STANDING ITEMS**

### **5. WWSC CREDIT CARDS**

West Wimmera Shire Council holds a small number of credit cards for the use of staff and the Mayor. Statements from the CEO’s credit card are provided for the Committee’s information.

**Moved:** Ms Celeste Gregory

**Seconded:** Ms Monica Revell

**That the Audit and Risk Committee notes the use of Council Credit Cards.**

**Carried Unanimously**

### **6. INTERNAL AUDIT UPDATE**

Kathie Teasdale from RSD Audit addressed the Audit and Risk Committee to provide an update on internal audit along with the project scope for the Rating Strategy internal audit due to take place in November 2020.

Kathie confirmed Council is up to date with its internal audit schedule. The scope for the internal audit into the rating strategy will focus on ensuring Council is following best practice, the strategic framework and investigating how decisions are being made. The internal audit will be looking as far back as 2004 and will also look into how model budgets are put together.

Celeste queried the term ‘limited risk coverage’ in the audit scope, to which Kathie clarified this is due to risks that apply to the audit not perfectly matching the risk register.



**7. FINAL MANAGEMENT LETTER ISSUES – UPDATE**

Held over for this meeting

**8. QUARTERLY FINANCIAL PERFORMANCE REPORT**

Held over for this meeting.

**9. INTERNAL AUDIT RECOMMENDATIONS – UPDATE OF ACTIONS**

Held over for this meeting.

**10. RISK REGISTER & OHS COMMITTEE**

Standing Item – Status of Risk Register.

**Moved: Cr Bruce Meyer**

**Seconded: Ms Celeste Gregory**

**That the Audit and Risk Committee receives the report on Risk Management and OHS for information.**

**Carried Unanimously**

**11. POLICY TRACKER LISTING**

Standing Item – Status of Policy Tracker.

**Moved: Ms Celeste Gregory**

**Seconded: Ms Monica Revell**

**That the Audit and Risk Committee receives the Policy Tracker.**

**Carried Unanimously**

**12. AUDIT COMMITTEE MEETING ACTIONS UPDATE**

Standing Item – status update of actions arising from previous Audit Committee meetings.

**Moved: Cr Bruce Meyer**

**Seconded: Ms Celeste Gregory**





**That the Audit and Risk Committee receives the report on Audit Committee actions update for information.**

**Carried Unanimously**

### **13. AUDIT & RISK COMMITTEE WORK PLAN**

Standing Item – a work plan for the next 12 months is attached, along with specific reports relating to items on that work plan.

**Moved: Ms Celeste Gregory**

**Seconded: Ms Monica Revell**

**That the Audit and Risk Committee receive the annual work plan and attachment report flowing from the work plan.**

**Carried Unanimously**

### **14. EXTERNAL AUDIT STRATEGY**

Standing Item – status of the external Audit Strategy as provided by Crowe.

Chairperson noted that this item has already been covered by Cassandra Gravenall in agenda item 2, therefore no further discussion is required.

### **15. COUNCILLOR AND CEO REIMBURSEMENTS**

Held over for this meeting.

**NEXT MEETING DATE: 8 DECEMBER 2020 AT 2:00PM**

**MEETING CONCLUDED: 2:56PM**