



**Pyrenees**  
Shire Council

# Annual Report

2020-21





*"We want the Pyrenees Shire to be a healthy, vibrant, prosperous and connected community."*



## Pyrenees Shire Council

Three strong elements make up the Pyrenees Shire Council logo: wool, the Pyrenees mountain range and wine. The logo embraces all three images in an elegant and stylised representation, intertwining as a consolidated unit.

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We acknowledge the people past and present of the Wadawurung, Dja Dja Wurrung, Eastern Maar, and Wotjobaluk tribes whose land forms the Pyrenees Shire. We pay our respect to the customs, traditions and stewardship of the land by the elders and people of these tribes on whose land we meet today.

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*Photography in this Annual Report by Tess Astbury,  
Tara C Moore, Jayne Newgreen and Pyrenees Shire Council*



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# *Section 1:* INTRODUCTION







# WELCOME TO THE REPORT OF OPERATIONS 2020–21

The Annual Report of Operations is the primary means of advising the Pyrenees Shire community about Council's operations and performance during the financial year and demonstrates our ongoing commitment to transparent reporting and accountability to the community.

Council's performance is measured against strategic goals and objectives contained with the existing Council Plan. This is the final report for the existing Council Plan 2017-2021 which is focused on the following key areas:

- Roads and townships
- Relationships and advocacy
- Community connection and wellbeing
- Financially sustainable, high-performing organisation
- Development and environment

This report includes Council's audited financial statements, an audited performance statement and other details as required by the *Local Government Act 2020*.

To reduce environmental impact, a limited number of printed copies of this Annual Report have been produced. Residents and interested parties are encouraged to access the report via Council's website, [www.pyrenees.vic.gov.au](http://www.pyrenees.vic.gov.au). If you would like to view a printed copy of this Annual Report, please visit your local Council front counter, or you can request a copy by email at [pyrenees@pyrenees.vic.gov.au](mailto:pyrenees@pyrenees.vic.gov.au) or call 1300 797 363.

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## New Local Government Act

The new *Local Government Act 2020* received Royal Assent on 24 March 2020. The most ambitious reform to the local government sector in over 30 years, it is designed to improve local government democracy, accountability and service delivery for all Victorians.

Pyrenees Shire Council implemented the Act in four stages during 2020-21. Stage 1: provisions in place from 6 April 2020, Stage 2: 1 May 2020, Stage 3: 24 October 2020, Stage 4: 1 July 2021.

When compared with the previous Act, the *Local Government Act 2020* is a principles-based Act, with unnecessary regulatory and legislative prescription removed.

### The *Local Government Act 2020* is based on five principles:

<b>Community Engagement Principles (s56)</b>	Key document: Community Engagement Policy
<b>Public Transparency Principles (s58)</b>	Key document: Council-approved Public Transparency Policy
<b>Strategic Planning Principles (s89)</b>	Key documents: <ul style="list-style-type: none"> <li>• Community Vision</li> <li>• Council Plan</li> <li>• Financial Plan</li> <li>• Revenue and Rating Plan</li> <li>• Asset Plan</li> </ul>
<b>Financial Management Principles (s101)</b>	Impact: Very broad across Council activities
<b>Service Performance Principles (s106)</b>	Impact: Very broad across Council activities

s = section

The principles outlined above sit under the overarching Governance Principles (section 9 of the Act) articulated in Council's Governance Rules 2020 and in the Governance section of this report.



# PYRENEES SHIRE COUNCIL

## Our vision

*Healthy, vibrant, prosperous and connected communities*

## Our mission

- To provide quality road and built infrastructure for the community
- To work with others to provide services to maintain the wellbeing of the community
- To operate an efficient, forward-looking organisation

## Narrative for action

The Pyrenees Shire Council has a limited range of income sources and significant number of dispersed small communities to service. Council's resources can be much more effective when matched with resources from other levels of government. Our communities are vibrant with significant latent social infrastructure, but lack appropriate access to health and other services. Infrastructure including water, power and telecommunications comparable to other regional centres is required to grow our economy and build liveable communities.

## Our history

Pyrenees Shire Council was formed on 23 September 1994 with the amalgamation of the Shires of Ripon, Avoca and Lexton, by an Order of the Governor. It operates in accordance with the *Local Government Act 2020*.

The role of Council is to:

- Act as a representative government by considering the diverse needs of the local community in decision-making
- Provide leadership by establishing strategic objectives and monitoring their achievement
- Maintain the viability of the Council by ensuring that resources are managed in a responsible and accountable manner
- Advocate the interests of local communities to other communities and governments
- Act as a responsible partner in government by considering the needs of other communities
- Foster community cohesion and encourage active participation in civic life



## Our location



## Council's offices

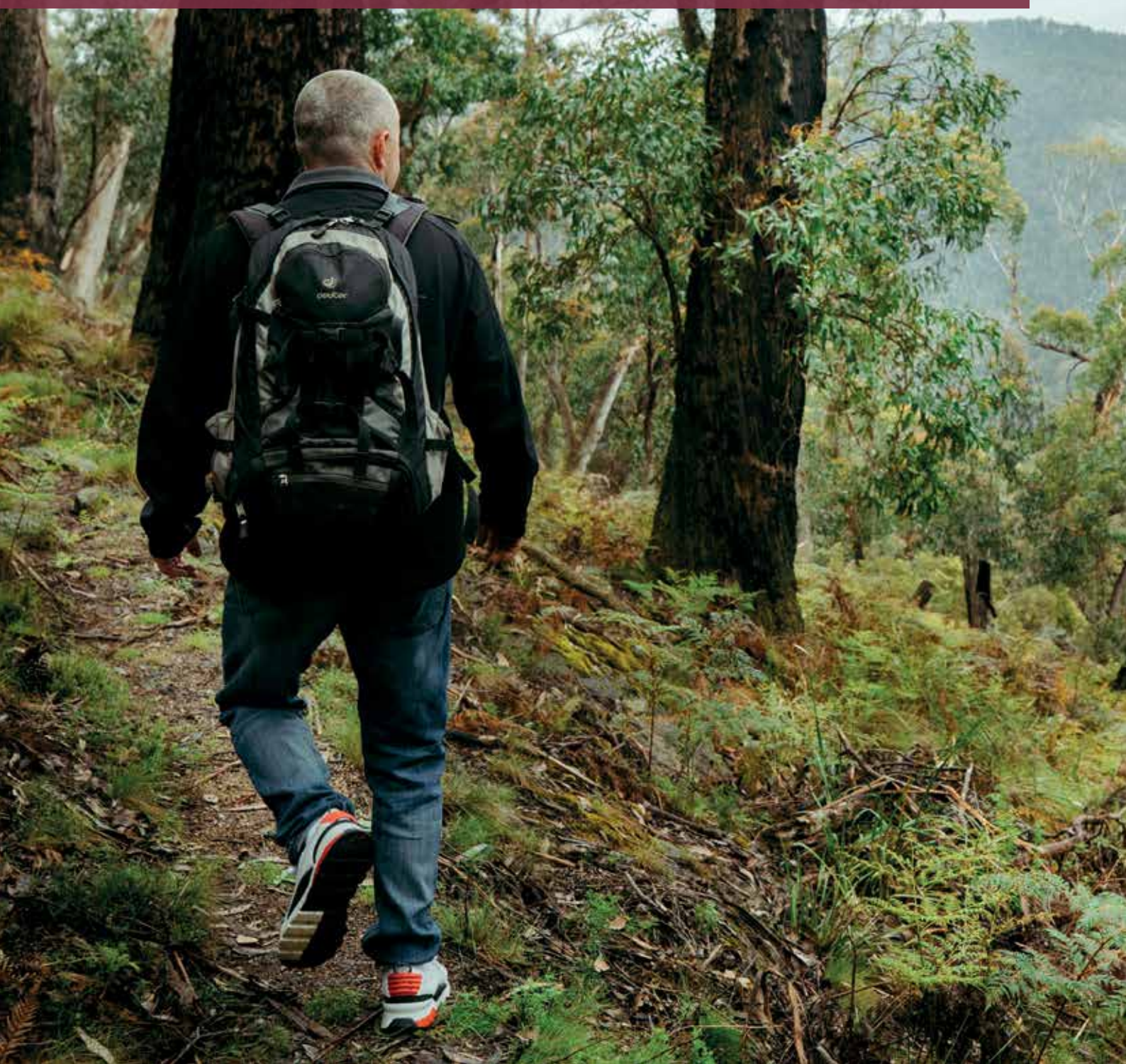
Council's administrative offices are located in Beaufort and its two works depots are located in Avoca and Beaufort. Two resource centres are located in Avoca and Beaufort where residents can access libraries, tourism information, meeting rooms, public access computers and wi-fi. Landsborough Resource Centre and Lexton Rural Transaction Centre also provide public access to computers and wi-fi.

Contact information can be found on the back cover of this report.



# Section 2:

## OVERVIEW







## MAYOR AND CHIEF EXECUTIVE OFFICER'S MESSAGE

It is a privilege to present this Annual Report on behalf of Pyrenees Shire Council for the 2020-2021 year.

This year, the **COVID-19 pandemic** continued to impact communities world-wide. In Victoria, living with an ever-changing suite of restrictions has become a necessary part of life. A strict lockdown in 2020 brought the virus under control for a period which enabled some form of recovery to occur. Regional tourism was a life saver for many Pyrenees small businesses, and the return of community sport provided a much-needed outlet for our communities.

A Pandemic Planning Committee was established to oversee Council's response. The introduction of a range of changes saw many staff working from home, progressively returning to the office environment as restrictions allowed.

Our **recovery plan** was prepared with assistance from a community taskforce which focused on tourism marketing, resulting in increased visitation to the region. The outdoor dining project funded by the State Government resulted in a range of new street furniture and beautification in our towns to encourage people to continue to support our hospitality businesses in a safer outdoor environment. Council waived food and accommodation registration fees and street trader fees for small businesses to provide some relief, and the creation of a business recovery support officer position provided direct support to businesses in navigating restrictions and grant opportunities. While the unemployment rate rose above seven per cent state-wide, it remained below five per cent in the Pyrenees Shire. Funding through the Working for Victoria Program enabled Council to employ six people for six months – four engaged in township maintenance and a Communications Officer in addition to the Business Recovery Support Officer.

The Minister for Local Government determined that **Council elections** would be held despite necessary campaign restrictions due to COVID-19. Voting was by postal vote only and mandatory training for new Councillors was held virtually. Three existing Pyrenees Shire Councillors were returned

unopposed – Cr Tanya Kehoe (Mount Emu Ward), Cr Robert Vance (De Cameron Ward) and Cr Damian Ferrari (Beaufort Ward). Cr David Clark (Ercildoune Ward) and Cr Ron Eason (Avoca Ward) were returned after hard-fought elections. The return of all five Councillors was a vote of confidence in the Council and provided stability and continuity.

One of the first tasks for the new Council period was the transition to the new *Local Government Act 2020*. Review and adoption of new **Governance Rules, Transparency Policy** and **Engagement Policy** were among the major reforms of the new Act.

While physical meetings remained the preference, **virtual Council meetings** became necessary with public participation possible via the live stream and questions submitted online. Financial assistance from the State Government allowed technology to be installed to facilitate improved live streaming.

**Major project** delivery was a focus of 2020-21. The value of capital projects undertaken was around double that of the usual capital program. The completion of stages 4 and 5 of the **Correa Park** residential development saw 39 new residential lots become available to meet the growing demand for new housing in Beaufort.

A contract for the **Lexton Community Hub** was awarded to Ballarat-based company S J Weir. Work on the \$3.805 million facility is substantially completed.

A new **inclusive playspace** and shelter will bring life to Avoca's beautiful main street, providing a new place for families to come together and a new reason for visitors to stop and spend time. The Avoca branch of the Community Bank Avoca, Maryborough and St Arnaud was a valued contributor to the project along with Council and the Victorian Government.

A new **skate park** in Snake Valley and new female-friendly changerooms at the Carngham Recreation Reserve will provide improved **recreation spaces** for our growing community.



**Roads and bridges** across the shire remained a key component of our capital program with major road construction projects on the Vinoca Road, Avoca and Waubra-Talbot Road, Evansford.

The completion of the \$2 million Federal Government's **Drought Communities Program** involved small and large projects across the shire. This included upgrades to water bores and tanks for stock and domestic use during drier months and a new synthetic bowling green at Avoca.

The **Local Road and Community Infrastructure Program** was a further welcome source of funding from the Federal Government to stimulate the economy, enabling new footpaths to be constructed in Beaufort, Avoca, Moonambel and Snake Valley.

The completion of the 149 turbine **Stockyard Hill Wind Farm** marks the largest infrastructure project in the history of the Pyrenees Shire. The project will soon see the State's renewable energy resources boosted with the generation of enough power to power 390,000 average households.

Pyrenees Shire Council partnered with 45 other councils to form the **Victorian Energy Collaboration**, the largest ever emissions reduction project by local government in Australia. This is one of many initiatives Council has taken over the year as part of its pledge to combat **climate change**. Many other projects are outlined in the **Climate Change Response and Mitigation Action Plan** endorsed by Council in February.

The **Western Victorian Transmission Network Project** is currently undergoing an Environmental Effects Statement (EES) process. If it proceeds, this project is likely to have significant impacts on farming land and landscapes from Waubra and Lexton through to Elmhurst. Council stands by our communities to ensure all options and impacts are appropriately considered and mitigated through the EES process.

The **Beaufort Bypass** of the Western Highway is also the subject of an EES. The period for public exhibition has been delayed to 2021-22 to allow the technical assessment work to be completed. Council will be looking to make a substantial submission to this process.

Council's **waste and recycling** services took a significant step forward this year when Council awarded contracts for new services. This will see glass bins added to the recycling service and the expansion of the roadside collection service to all households across the shire. This is part of the implementation of the State's circular economy policy and further demonstrates Council's commitment to responsible resource management.

Council undertook a **deliberative engagement** process with the community as part of the process for preparing a 10-year Community Vision and new Council Plan for the new Council term. This demonstrated the immense human capital that exists in our community and was a significant step in Council's commitment to involve the community more in Council activities.

Looking to the future presents a range of challenges for us all as we recover from the pandemic and learn new ways to work and go about our daily lives. The year ahead will be one to embrace the changes and opportunities to ensure our communities develop into thriving liveable places for all.

Cr Damian Ferrari  
**Mayor**

Jim Nolan  
**Chief Executive Officer**





## A CHALLENGING YEAR

This has been a year of challenges and change of no small order. We could not have imagined the ongoing impact that COVID-19 would have on the Pyrenees Shire community and on Council's operations and people. There were also changes in the way Council works with the establishment of the new *Local Government Act 2020* and major changes in the governance structure around planning for emergencies. In addition, Victorian local government general elections were held in October within an environment of COVID-19 restrictions.

### A COVID-19 environment

The pandemic continued to have an enormous impact on our whole community throughout 2020-21 as we all were constantly adjusting to rounds of lockdowns and restrictions and navigating new ways of working and living.

This placed ongoing stress on Council services and staff as we strived to continue to deliver services while also determining the best ways to support the wellbeing of our community. We were able to maintain our services largely uninterrupted while adopting COVID-safe practices to keep our community safe. We were able to provide additional support needed by our community to manage the economic impacts on employment and local businesses of lockdowns, and the mental health impacts on our residents.

### Supporting our local economy

In 2020-21 we saw the launch of many State and Federal COVID-19 support packages. Council played a critical role in supporting our community to be best placed to receive these packages.

Examples included COVID-19 Vaccine Program Community Engagement grants to raise community awareness and education; funding for outdoor dining improvements to stimulate our hospitality economy and businesses; relief

funding for food, material aid, and health and child services to support agency referrals for identified community members; and business stimulation packages such as Kick Start Events, with funding received to be made available to the local business community as a COVID-19 recovery initiative.

Council officers continue to prioritise keeping in touch with our business community and supporting them in any practicable way.

### A new way of working and living

New technology embraced by Councillors, Council staff, our partners and our community to facilitate online communication has been a key factor in ensuring the successful continuity of our business and service delivery.

Council staff readily acclimatised to new working environments, with the majority working from home. This was made possible by ICT strategies featuring mobile technology solutions that were already well progressed. One of the most notable changes was the use of new communication tools such as Zoom and Teams that kept us connected as we worked remotely. Who would have understood the humour in, "you're on mute," 18 months ago?

Our community has also learned to adapt to communicating via online platforms, not only with Council, but also with their families and communities.

### Looking to a positive future

Council is looking to a future with more flexible working arrangements and ways of communicating that have become the norm. In meeting the many challenges inflicted by COVID-19 and embracing new technologies, we have learned a new level of resilience that we could not have foreseen but that is a positive outcome of the pandemic.



# HIGHLIGHTS

We are pleased to share the following stories of our staff working closely with the community to deliver key projects that will improve life for residents across the shire.

## 'Shaping The Pyrenees' – our community's vision for 2031

The Pyrenees Shire Council is going through a period of transition. With the community as our focus, we are committed to increasing our transparency, engagement and responsiveness to community feedback.

In a first for the Pyrenees Shire, a Community Vision is currently being developed with significant input from the community. Initially, Council engaged broadly with the community through a postcard questionnaire sent out to all households. 129 responses were received from residents of all ages and from postcodes right across the shire.

Expressions of interest (EOI) were then called for to participate in a Community Panel as part of a deliberative engagement process. This panel work together to develop a Community Vision and priorities for the Council Plan and other Council strategies. 79 EOIs were received and a shortlist of participants for a Community Panel was selected by an independent consultant, comprising 25 residents and landowners representative of our community in regard to age, gender, location, occupation and cultural background.

The Community Panel was tasked with using the community's responses to develop a vision for what the Pyrenees region will be like as a place to live, play, work and visit in 2031 and how can we support the different needs of our community?

The Community Vision will inform the development of the new Council Plan 2021–2025 and guide Council's activities and strategies for the next four years. The Council Plan and Community Vision will be published, inviting community feedback in September 2021.



## A new and inclusive playspace for Avoca families

Planning and building playgrounds would have to be one of the more exciting projects our staff is involved in. We are able to relive our childhoods! The new Avoca Inclusive Playspace is a vibrant and diverse playground located on the median strip next to the barbecue area in High Street Avoca. It is already proving to be a popular spot for children and their families to stop. The fully enclosed playspace includes a sandpit, water feature, nest swing, slide and tunnel. A space for children of all ages to enjoy.

*Council partnered with the Victorian Government through Sport and Recreation Victoria along with the Community Bank Avoca, Maryborough and St Arnaud to fund the new playspace. It is part of the Activate Avoca Program which includes \$750,000 investment in public facilities, footpaths and streetscapes in the town.*



*Local parents Laura Martin and Kate Bucknall and their children enjoyed the first run of the new playspace in May.*

"A fabulous playground! Well done to all those involved!"

– Laura

"[It is] fantastic – the kids loved it and we can't wait to use the water play area in summer."

– Kate

## A new skate park for the Snake Valley community

The young and young at heart in the Snake Valley area now have access to an excellent new skate park. The new facility at Linear Park includes a bowl and street course, with provision for adding a snake run in the future.

*One of the priority projects in the Snake Valley Community Action Plan, the new skate park is the first stage in the redevelopment of Linear Park as an inclusive public recreational space. This project was funded by Sport and Recreation Victoria (\$250,000) and the Pyrenees Shire Council (\$125,000). Nine formal car parks, a crossing point and protective bollards were funded by Council. The post-and-rail fence and a rubbish bin were funded by a \$60,000 grant from the Federal Government's Drought Communities Program. Two shade sails were funded by the Day Breakers Car Club and a Pyrenees Shire Council Community Grant.*



*Emily, 13, enjoys the skate park at Snake Valley. Picture taken by Kathy Haley.*



## Inviting outdoor dining

Café barriers, planter boxes and umbrellas were installed across the shire as part of our efforts to support outdoor dining as part of our COVID-19 recovery efforts. In Beaufort, a projector was also installed in the walkway off Neill Street Beaufort. 'Pyrenees Projections' will invite participation from community organisations from across the shire to showcase visual art. Council's art collection has also been professionally photographed for the projection project.

*The \$250,000 project was funded by the Victorian Government's Outdoor Eating and Entertaining package.*



"I love the uniformity and tidiness the barriers bring, and the planter boxes give a pop of colour... [they] make it far more inviting..."

– Nicky Kay, Avoca's Olive and Lavender cafe owner

## Changing our services in times of change

During an extremely changeable year, we were changing too, constantly adapting and adjusting how we work to allow us to continue to deliver services to meet the needs and expectations of our community while also improving our practices to ensure a customer-first focus right across the organisation. Our focus included introducing COVID-safe practices, enabling customers to interact with Council at any front counter, developing digital solutions to allow customers to interact with Council at any time and from anywhere, and keeping in touch with customers who would normally use our centres as safe and social spaces during COVID-19 lockdowns.



## Keeping events running during a pandemic

After the events industry was forced into hibernation in March 2020 due to COVID-19, we were delighted to see events starting to come back in December – many in formats we would have never thought of a few years ago! – bringing life and community fun to the Pyrenees Shire.

In November 2020, as part of **NAIDOC Week**, Council donated Acknowledgement of Country signs to schools in the Pyrenees Shire. Beaufort Primary School and Beaufort Secondary College unveiled their signs at an event involving songs and storytelling with Traditional Owner Barry Gilson. Council's support of NAIDOC Week was also reflected in our social media and email signatures.

In December, the **Wild Mount Beeripmo Goldrush Trail Run** started and finished at Cave Hill Creek for the first time. The run followed a challenging 23km circuit around Mount Cole in the Buangor State Park, with participants able to take in the stunning views of our region.

In March the **Avoca Autumn Races** brought people and horses back to the racecourse with a great sense of excitement following the cancellation of the October meet due to COVID-19 and, as always, the event organisers delivered a great day for young and old alike.

In April, Avoca welcomed back the **Pyrenees Unearthed Wine and Food Festival** which showcased local winemakers and produce. Lucky festival goers from near and far were able to try some of our region's best products while enjoying amazing music in the beautiful setting of the Pyrenees Ranges, making it an unforgettable day.

In May, the **Lake Goldsmith Steam Rally** opened its gates again after missing two events in 2020, proudly showcasing classic vehicles and vintage engines that still work up a head of steam. Event organisers hailed it one of the best rallies yet.

*"We are proudly supporting NAIDOC Week to recognise the importance of working with Traditional Owners, in all aspects of our business."*

– Jim Nolan, CEO Pyrenees Shire Council





## Enticing tourists to our beautiful shire

Pyrenees Shire Council launched two tourism campaigns aimed at encouraging visitation to the Pyrenees Shire and re-activating our local tourism sector in response to the impacts of COVID-19 lockdowns.

The 'Unplug and Unwind Campaign' was designed to position the Pyrenees as the perfect place to unplug and unwind after lockdown by highlighting our uncrowded offerings and open spaces.

The 'Visiting Friends and Family Campaign' encouraged local residents to invite friends and family to visit and reconnect with family while showing off our beautiful region. The campaign ran for five weeks over Easter and the school holidays.



"It was wonderful to see locals acting as regional ambassadors and actively supporting our tourism and hospitality sectors."

– Ray Davies, Manager Economic Development and Tourism

## More than a great meal

Pyrenees Community Care's monthly community meal brings together residents from across the shire to enjoy a two-course meal and an opportunity for social interaction. Monthly meals usually attract around 25 residents.

*Pyrenees Community Care (PCC) supports clients to remain living independently in their homes for as long as possible. It offers a range of services including domestic assistance, personal care, respite, home modifications, home maintenance, goods and assistive technology, delivered meals and transport. PCC also provides a range of social interaction groups and special outings and events. Our team of 22 staff looks after approximately 280 clients from across the shire.*



Christmas in July 2021.

"It's really good because it gets me out of the unit and I really enjoy mixing with others."

– Michelle Leenaerts, a regular attendee of the monthly community meal

## A new gathering place for the Lexton community

The Lexton community is preparing to enjoy a vital new first-class community facility, with construction of the new Lexton Community Hub due to be completed by November 2021. The facility is fully disability compliant and includes a multi-purpose function room, changerooms, bar, canteen and kitchen. It will provide much-needed facility upgrades for Lexton sporting clubs and the community more broadly.

*This \$3.805 million project is jointly funded by the Federal and State Governments, Pyrenees Shire Council, bushfire recovery funds and the local community.*



*The new Community Hub at the Lexton Recreation Reserve.*

## Council's reconciliation journey continues

Pyrenees Shire Council is working with a reference group made up of community representatives to implement its new Reconciliation Action Plan (RAP) 2021-2024 after completing its first RAP. Council established its first Reconciliation Advisory Committee to help guide and provide advice to Council on our reconciliation journey. The new RAP outlines the steps that Council will take as we continue on our reconciliation journey, acknowledging and redressing the damage done to Indigenous peoples by colonisation. An important part of creating the Reconciliation Plan has been to work with Traditional Owners of the lands on which Pyrenees sits and general community members.

*As part of the previous Reconciliation Action Plan 2019-2020, Council has already implemented changes, including cultural awareness training facilitated for staff and Councillors by a local Wadawurrung Traditional Owner. Acknowledgement of Country plaques have been placed on all Pyrenees Shire Council places of work – including the Beaufort Council Offices, Beaufort Community Resource Centre, Avoca Information and Community Centre, Beaufort Depot and Avoca Depot and Community Asset Committee buildings including Beaufort Community Bank Complex, Brewster Hall, Landsborough Community Resource Centre, Lexton Community Centre, Snake Valley Hall and Waubra Community Hub. We also aim to place Acknowledgement of Country in all our communications – all these efforts are to keep the process of reconciliation front of mind for staff and community members. In addition, Council also promotes and supports NAIDOC Week, National Reconciliation Week and other reconciliation events, although the global pandemic has meant that some of the efforts we've made to promote cultural awareness have had to be cancelled.*



*The inaugural meeting of Council's Reconciliation Advisory Committee was held in Beaufort in May 2021.*

"Our new Reconciliation Plan outlines the next steps that Council will take and reaffirms our commitment to our reconciliation journey."

– Mayor, Cr Damian Ferrari



## Drought Communities Program extension

Pyrenees Shire Council received \$2 million in 2020-21 to deliver a range of drought-related infrastructure projects that provide employment for people whose work opportunities have been adversely affected by drought. Projects aimed to stimulate local community spending, use local resources, businesses and suppliers, and provide a long-lasting benefit to communities and the agricultural industries they depend on. The overall success of this program led to significant infrastructure upgrades throughout the shire and the employment of many local contractors and businesses. This investment will have a positive economic impact on the region well into the future.

*This funding was part of the Federal Government's Drought Communities Program Extension. The program was delivered over two rounds and saw the completion of 14 projects across the shire including upgrade and improvement works to: a walking path from the Snake Valley township to the Recreation Reserve; the sewer connection at the Carngam Recreation Reserve; access infrastructure at the Avoca Lions RV Park and Landsborough Caravan Park and additional cabin at the Beaufort Caravan Park; the car park at the Natte Yallock Recreation Reserve; various upgrades in the townships of Lexton, Snake Valley and Waubra. This includes walking paths, lighting, signage, new drink foundation, kerb works, road markings, new outdoor seating, and planting of shrubs/trees; the walking path from the Moonambel township to the Recreation Reserve; minor works at 15 community halls and community centres throughout the shire; the Beaufort Lake foreshore; tree planting throughout the shire; Snake Valley Linear Park; and tennis facilities at the Waubra Recreation Reserve.*



*CEO Jim Nolan, Cr Ron Eason with Member for Mallee Dr Anne Webster celebrate the new synthetic surface and shade shelters with members at the Avoca Bowls Club. A cleaning machine was also funded in the program.*



*Upgrades to water infrastructure included the installation of new bores, tanks and solar pumps and upgrades to existing equipment. Pictured is Barkly Deputy Group Officer (CFA) Peter Yuille and Landsborough farmer Zoe Crouch.*

## Cr David Clark elected to top position at Municipal Association of Victoria

Long-serving Pyrenees Shire Councillor David Clark was elected President of the State's representative body for local government in March. Cr Clark will hold the position, which involves advocating for the local government sector to the public and other levels of government, for two years. Cr Clark said strong engagement with the local government sector and other levels of government would be a hallmark of his term of office.

*The MAV is the peak representative and advocacy body for Victoria's 79 councils. The MAV President is a popularly elected position decided by the State's 79 MAV representatives.*

"Coming from one of the smallest Councils in Victoria, I am truly humbled to be elected to the role. A key part of my role will be to help Victorians understand the many ways in which they depend on Council services every day."

– Cr David Clark

## Powering Council with 100% renewable energy

Pyrenees Shire Council signed on to the Victorian Energy Collaboration (VECO), along with 46 other Victorian councils in May 2021. VECO will provide 45 per cent of all Victorian councils' electricity requirements with 100 per cent renewables, reducing CO2 emissions by 260,000 tonnes every year. This ground-breaking initiative reduce Pyrenees Shire Council's power bills by around 10 per cent and reduce electricity prices by using clean renewable energy generated in Victoria. The savings from reduced energy bills means Council can invest ratepayers' money into other important areas such as improving roads and services.

*The Victorian Energy Collaboration is the largest ever emissions reduction project by local government in Australia.*

"We are very proud to be part of this initiative. It is not only a win for Pyrenees residents, but also a powerful display of what councils can achieve through working together."

– Jim Nolan, CEO Pyrenees Shire Council

## Working for Victoria, working for the Pyrenees Shire

Council was successful in securing a grant of \$282,822 to employ six additional staff full-time for six months: an Economic and Community Recovery Officer dedicated to providing on-the-ground support for small businesses during the COVID-19 pandemic, a Communications Officer dedicated to raise the level of communication between Council and the community, and four outdoor works crew members who made a big impact, improving public spaces throughout the shire.

*The Victorian Government's \$500 million Working for Victoria Program was designed to provide work for people whose employment had been affected by COVID-19. These contracts finished in mid-June 2020, with several staff members continuing to work with Council.*



"The staff we've employed allowed us to better serve our community and support our COVID-19 economic recovery effort."

– Jim Nolan, CEO Pyrenees Shire Council

"I was able to identify gaps and continually search for ways Council could provide support to local businesses."

– Sheree Chevalier, Economic and Community Recovery Officer



## FAST FACTS



Gravel roads re-sheeted

**35.3 km**

Sealed roads re-sealed

**33.4 km**

Sealed roads re-constructed

**4.2 km**



Asphalt poured

**4,152 m<sup>2</sup>**

Lines marked (roads)

**143 km**



Increase in planning applications

**2.75%**

Increase in Planning Controls  
Certificates administered

**84%**

Statutory planning application  
decisions made

**111**



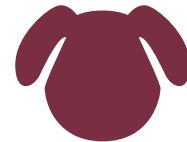
Building permits issued  
(by private surveyors)

**163**



Private swimming pool and  
spa owners assisted to comply  
with new State Government  
requirements

**130**



Stray and impounded dogs  
reunited with their owners

**100%**



Food premises registered

**127**



Library items loaned

**19,317**



Pool visits

**7,299**

(0.97 per resident)



## CHALLENGES

- Ensuring long-term sustainability and financial, workforce and service planning are aligned with community needs
- Keeping the rate of renewal of our assets above the rate in which they depreciate
- Advocacy to State and Federal Government for a fairer share of tax revenue
- Supporting our community in a sustainable future during and post-COVID-19
- Attracting businesses and people to live, work and invest in the Pyrenees Shire
- Securing funding for major initiatives, particularly post-COVID-19, as available funding may reduce
- Planning for Beaufort's economic future following completion of the Western Highway bypass
- Maintaining delivery of a high project workload
- Ensuring adequate planning for natural disasters, including preparation, response and recovery
- Continuing advocacy for improved telecommunications, for example Black Spot removal
- Achieving reticulated water for Moonambel
- Pursuing advocacy in response to the loss of the community medical centre
- Developing a new Council Strategic Plan that is aligned with our community's vision for the future
- Maintaining the community engagement and collaboration achieved during 2020-21 into the future





## THE YEAR IN REVIEW

### 2020

#### July

- In response to Victoria's second wave of COVID-19, there was a return to tougher Stage 3 restrictions which eventually lasted almost four months.
- Council established a COVID-19 Economic Task Force to aid business recovery.
- Council decided on its Waste Transition Plan to implement proposed state-wide changes in the sector.
- Council decided on almost \$1.4 million of community-focussed projects to use funding through the Local Roads and Community Infrastructure Program.
- International arrivals into Victoria were suspended and Australian border closures came into effect.
- Council staff introduced online quizzes to improve the mental health and wellbeing of staff.
- Mandatory training commenced for local government election candidates.
- Council indoor staff were mandated to work from home, with no reduction in service delivery.
- Council allocated community and capital grants worth \$47,459 across the shire.
- Council determined to implement a green space at Correa Park in response to a community petition.

#### August

- Council removed the need for waste disposal vouchers at Pyrenees transfer stations for Pyrenees Shire residents.
- Council adopted its first Governance Rules in accordance with the new *Local Government Act 2020*.

- Four Pyrenees region wineries were awarded a '5 Red Stars' rating in the nationally-recognised James Halliday Wine Companion, 2021 edition: Dalwhinnie, Summerfield, Blue Pyrenees Estate and Dog Rock.
- Designs for the Snake Valley skate park were released for public consultation.

#### September

- The local government election caretaker period commenced on 23 September.
- Prior to the caretaker period, Council awarded contracts for two key infrastructure projects: the multi-million dollar Lexton Community Hub and the Avoca Inclusive Playspace.
- The revitalisation concept plan for the Beaufort Lake foreshore was released (following earlier public consultation).
- Council supported the approval of link roads for B-Double access (where capable) and to seek funding opportunities to continue the extension of the B-Double pre-approved access network on link roads.
- Council endorsed the recommendations from the Upper Avoca Flood Modelling Report to be provided to the Minister for Planning to prepare a planning scheme amendment.
- Council provided support for the naming of the overpass in Trawalla to honour James Scullin.
- Council endorsed the Pyrenees COVID-19 Relief and Recovery Plan and the convening of a business taskforce.
- Council provided financial support to the TAC L2P Program for the lease of a vehicle.
- Council endorsed a range of projects to be funded from the 2019-20 working capital surplus of \$555,000.

## October

- No Council meeting was held due to election caretaker period.
- The Avoca Cup was cancelled because of COVID-19.
- Victoria's COVID-19 'second wave' ended with the recording of zero new cases on 26 October.
- The local government election was conducted by postal vote on 24 October.

## November

- All Pyrenees Shire Councillors were officially declared re-elected on 2 November.
- Cr Damian Ferrari elected Mayor at a Statutory Meeting of Council held on 10 November.
- The first Ordinary Council Meeting of the new council term was held on 24 November.
- Council adopted a new windfarm complaints management procedure.
- Council resolved to waive food and accommodation registration fees to support businesses in recognition of the impact of COVID-19.
- Work on the Beaufort Lake foreshore redevelopment commenced.
- Council supported NAIDOC Week 2020 by donating Acknowledgement of Country signs to schools in the shire.

## December

- The Beaufort Christmas Town Market was held on 5 December.
- The Wild Mount Beeripmo Goldrush Trail Run – a 23km loop trail run showcasing Beeripmo Loop Trail in the Mount Cole State Forest/Buangor State Park – was held on 12 December.
- The Councillor induction program commenced.
- Council resolved to provide a waiver of rates and charges to support listed community groups in recognition of the impact of COVID-19.
- Council's Pyrenees Community Care Team took its social support group clients to see the Ballarat Christmas lights on 15 December.

- Beaufort Lake re-opened to power boats for the summer season from 1 December.
- Council rolled out new outdoor dining barriers, umbrellas and flower boxes for hospitality businesses throughout the shire.
- Council supported the installation of a bioenergy boiler at the Skipton Hospital which involves the burning of straw pellets, a by-product of cropping.
- Council appointed Brian Keane as the new independent member of the Audit and Risk Committee.
- Six new employees joined the Council staff as part of the Working for Victoria Program.

## 2021

### January

- Council honoured two remarkable people at the Australia Day event hosted by the Trawalla Community: Avoca resident Tom Elliott as Citizen of the Year in recognition of his outstanding public service, and Frazer Carnes as Young Citizen of the Year in recognition of his prodigious woodchopping achievements.
- Council awarded the Landsborough and District News the winner of Event of the Year, and awarded the Beaufort Truck and Car Show (run by the Beaufort Football and Netball Club) a Certificate of Commendation.
- The Cave Hill Creek Children's Summer Camps opened from 4 to 8 January.
- Rounds of Victorian Mountain Bike Championship cross-country event were held at Mt Avoca winery on 16 and 17 January.
- The Beaufort Town Market was held.
- Councillors reconfirmed their support for the East Grampians Rural Pipeline Project.
- Community engagement commenced for the development of the Pyrenees Shire Community Vision and Council Plan.

### February

- Council committed to a deliberative engagement process to develop the Pyrenees Shire Community Vision.
- Council adopted a universal compulsory service for kerbside collections across the shire featuring landfill waste, co-mingled recycling and a separate glass bin from 1 July.



- Council adopted a new Councillor Code of Conduct for the new council term.
- The Snake Valley Community Swap Meet was held on 28 February.
- The nation-wide COVID-19 vaccination program began.
- Councillor 'Cuppa and a Chat' sessions re-commenced with a session with senior citizens groups held at the Beaufort Community Centre.
- Council approved \$50,000 funding towards the preparation of a master plan for the Beaufort Goldfields Recreation Reserve.
- Council pledged to take action to combat climate change and its impacts.
- Stage 4 COVID-19 restrictions were imposed on 12 February.
- Council awarded almost \$20,000 in Round 1 of its 2020-21 Community Grants program and approved a special grants category for programs designed to increase inclusion and diversity.
- The library outreach program recommenced following a break due to COVID-19 restrictions.

## March

- The Pyrenees Petanque Doubles Tournament was held in Avoca on 13 and 14 March.
- The Beaufort Truck and Car Show was held on 13 March.
- Council adopted a new Economic Development Strategy.
- Council resolved to enter into a 10-year contract with the Victorian Energy Collaboration for the supply of renewable energy through a Power Purchase Agreement.
- Production of the AstraZeneca vaccine in Australia received final approval and the first AstraZeneca vaccination was administered in South Australia on 5 March.
- A Councillor Cuppa and a Chat session was held at Lake Goldsmith.
- Pyrenees Shire Councillor David Clark was elected President of the Municipal Association of Victoria for the next two years.
- An online 'Greenlight' planning permit application system was introduced to facilitate faster approval times and an improved customer experience with applicants able to monitor and track the progress of their applications.

## April

- The Pyrenees Unearthed Wine and Food Festival was held in Avoca on 17 April.
- The Casablanca Movie Club continued to run their monthly sessions of old-time dances and movie events at the Avoca Shire Hall as COVID-19 restrictions allowed.
- A Federal Government agreement was entered into for the supply of the Moderna MRNA vaccine.
- A Councillor Cuppa and a Chat session was held at Glenpatrick Reserve.

## May

- Council received an additional \$2.789 million for local roads and community infrastructure.
- 25 residents were independently selected to be members of a Community Panel to develop the Pyrenees Shire Community Vision 2021–2031, 'Shaping the Pyrenees'.
- Council formally signed on to the Victorian Energy Collaboration (VECO), Australia's largest-ever local government emissions reduction project.
- Council allocated \$400,000 of Bushfire Recovery Victoria funding to a range of projects around the Lexton area.
- Council endorsed the planning control recommendations outlined in the Upper Avoca and Upper Wimmera flood investigations.
- The Lake Goldsmith Steam Rally was held for the first time in more than 12 months.
- The Mackereth's Hedon Farm Open House, showcasing the house of one of the region's first winemakers, was held on 2 May.
- Mount Mitchell Estate Tours opened to the public on 8 May.
- The inaugural meeting of new Reconciliation Advisory Committee comprising community representatives and Council Officers was held in Beaufort.
- Council awarded almost \$35,000 in Round 2 of its 2020-21 Community Grants program and resolved to open a third round before the end of the financial year.
- A Councillor Cuppa and a Chat session was held at the Raglan Hall.
- The National Reconciliation Week walk around the Koori Art Trail at Beaufort Lake was postponed due to a snap COVID-19 lockdown.

## June

- The Mayor and senior Council Officers received their first doses of COVID-19 vaccinations to encourage participation in the vaccination program.
- Council entered into an agreement to lower its greenhouse emissions and energy costs by replacing streetlights with energy efficient LEDs as part of the Lighting the Regions Project.
- Dogrock Winery installed an emissions-free solar-powered electric vehicle charging station.
- Community Panel workshops to develop the Community Vision commenced at Lexton on 6 June (the final two workshops were moved online in response due to the COVID-19 lockdown).
- Development of the Council Plan 2021–2025 commenced.
- Council adopted its annual Budget and Revenue and Rating Plan.
- A further 'circuit-breaker' lockdown was imposed on Melbourne and regional Victoria in response to an outbreak of a new variant of COVID-19.
- Council created a one-off sponsorship program of up to \$5,000 per event to help new events in the region get off the ground or for existing events to add a new component to their offering, with funding by the Victorian Government.
- Council announced an additional round of its Community Grants program, with grants of more than \$40,000 awarded.
- Council closely followed developments on the Western Victoria Transmission Network Project that impacts communities on the Pyrenees Shire's eastern border.
- Council published its Community Satisfaction Survey 2021.
- Work commenced on the construction of four crossing points to improve pedestrian safety in High Street Avoca.
- The Avoca Inclusive Playspace opened to the public.
- An outdoor projector was installed in Beaufort. Pyrenees Projections will display content from community groups across the shire to showcase the best the Pyrenees has to offer, supported by the Outdoor Dining and Entertainment Package from the Victorian Government.





## COMMUNITY GRANTS PROGRAM

Council provides financial assistance to community groups, services and organisations located or operating within the Pyrenees Shire. The grants are designed to facilitate activities and events that promote community activity, achievement, participation and wellbeing. These grants are included in Council's annual budget and are offered in two rounds.

Grants are allocated under the following two schemes:

### Community Grants

- Grants of up to \$1,500 for programs, projects and equipment
- Grants of up to \$750 for events
- Grants of up to \$1,000 for programs or projects aimed at increasing awareness or facilities for minority groups or gender equality

### Community Capital Grants

- Grants of up to \$5,000 for capital works projects

### Fast facts 2020–21

- Council allocated **\$95,000** over three rounds
- **43 community groups** were assisted



### 'The Moonambel Children' art installation

The Moonambel Historic Police Precinct is home to an unusual story, 'The Children in the Lock-Up'. In January 1896, three children were 'found wandering and not having any settled place of abode' in Moonambel. Octive Edith Dean (10), Alice Louisa Dean (8) and Constance Palmerston (1) spent the night in the Moonambel Lock-Up. They were committed for trial at the Ballarat Supreme Court and were committed to the Department for Neglected Children in February.

One of the projects delivered with the help of a Community Grant was an art installation commissioned by the Moonambel Arts and History Group. The installation by Clunes artist Tom Ripon features the three children, a bucket and blankets. Three granddaughters of Octive Dean attended the opening of the installation.

## Community grants allocated in 2020–21

Round	\$	Community group
1	\$1,500	Avoca & District Historical Society
	\$1,500	Beaufort Historical Society
	\$1,450	Beaufort & District Pony Club
	\$1,000	Avoca Pre-school Centre
	\$1,500	Beaufort Football Netball Club
	\$3,356	Evansford Community Centre
	\$750	Project Platypus Association
	\$4,010	Rotary Club of Beaufort
	\$1,500	Beaufort Agricultural Society
	\$2,300	Beaufort Progress Association
2	\$750	Beaufort Walkfest
	\$750	Beaufort CWA
	\$750	Casablanca Movie Club
	\$750	Evansford Community Centre
	\$736	Raglan Hall & Recreation Reserve Committee
	\$598	Snake Valley Hall Committee of Management
	\$1,500	Lake Goldsmith Public Hall
	\$2,080	Lexton Public Hall
	\$1,500	Avoca & District Senior Citizens Club
	\$1,060	Beaufort Agricultural Society
	\$5,000	Lake Goldsmith Steam Preservation Association
	\$1,510	Landsborough & District Historical Group
	\$6,025	Day Breakers Automobile Club of Victoria
	\$5,000	Trawalla & District Recreation Reserve
	\$6,800	Brewster Community Hall Association
3	\$750	Waubra Community Hub
	\$750	Pyrenees Petanque Club
	\$750	Beaufort Progress Association
	\$1,500	Carngham Linton Football Netball Club
	\$1,382	Beaufort Agricultural Society
	\$1,500	Landsborough & District Historical Group
	\$1,339	Avoca Community Food Pantry
	\$872	Burnbank CFA
	\$1,268	UMEC Landcare Network
	\$1,267	RSL Avoca Sub-branch
	\$1,000	The Pyrenees Chorale (through Pyrenees Arts Council)
	\$5,000	Lexton Cemetery Trust
	\$5,000	Avoca Friends of the Pool
	\$5,000	Raglan Hall & Recreation Reserve Committee
	\$3,227	Avoca Football Netball Club
	\$1,540	Avoca Sporting & Recreation Committee of Management
	\$5,000	Carngham Recreation Reserve
\$5,000	Trawalla & District Recreation Reserve	





## FINANCIAL PERFORMANCE OVERVIEW

Throughout 2020-21 Council continued to work on balancing the expectations of the community with the need to ensure that the financial foundations of Council remain strong and capable to meet the challenges of the future.

Council continually seeks to find the right balance between community expectations and financial responsibility. A commitment to cost restraint and the provision of value-for-money services for the community, combined with the continual refinement of the Long Term Financial Plan constitutes the financial framework that Council uses to address this balance. This financial framework remains imperative and continues to drive Council's financial decisions.

It is important to review these 2020-21 financial results considering the long-term financial objectives developed by Council. These are to:

- Maintain a strong cash position
- Ensure that Council remains financially sustainable in the long-term
- Continue to be debt free after Council's final loan repayment was made in September 2016
- Continue to pursue grant funding for strategic capital works from the State and Federal Governments
- Maintain the existing range and level of services available to communities within the shire
- Ensure adequate revenue to maintain a sustainable level of services for the community
- Ensure that the renewal of critical infrastructure is funded annually over the timeframe of the Long Term Financial Plan

The following is a snapshot of our 2020-21 financial position:

- \$27.3 million revenue including \$11.4 million in rates and service charges, \$9.6 million in operating grants and \$5.0 million in capital grants
- Capital grants received in 2020-21 include:
  - \$2.1 million in Roads to Recovery funding; and
  - \$1.2 million in Local Roads and Community Infrastructure funding

In 2020-21 Council also received grants for community projects including Lexton Community Hub, Avoca Inclusive Playspace, Snake Valley Skate Park and Carngham Recreation Reserve Female Friendly Change Room.

- \$12.72 million Capital Expenditure program delivered. Council claimed its full allocation under the 2020-21 Roads to Recovery Program with completion of all works by 30 June 2021.

Additional grant funding received has significantly improved the Council's Asset Renewal ratio.

- Operating surplus of \$3.23 million
- Cash holdings of \$5.9 million and other financial assets (term deposits) of \$7.0 million at year end. Part of this relates to grants received in advance for works programmed in 2021-22.
- Council continues to be debt free

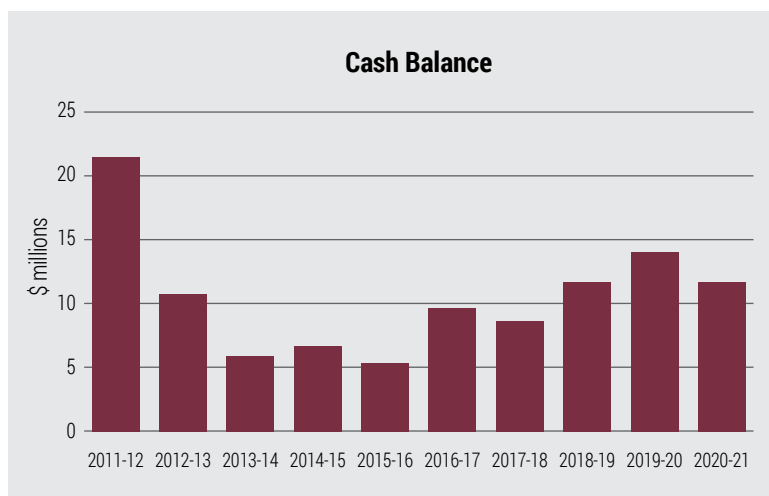
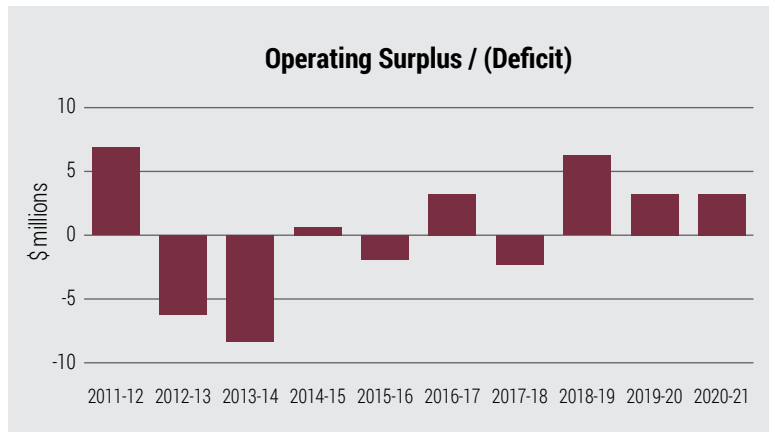
### Operating result

Council has an operating surplus of \$3.2 million in 2020-21 compared with a \$3.1 million surplus in 2019-20. This surplus can be attributed to Council being successful in attracting grant funding under the Roads to Recovery Program and a range of community projects including the Lexton Community Hub, Avoca Inclusive Playspace, Snake Valley Skate Park and Carngham Recreation Reserve female friendly change rooms in 2020-21.

### Cash holdings

Cash holdings at the end of the financial year are \$12.9 million (Cash holdings of \$5.9 million and other financial assets (term deposits) of \$7.0 million). This figure includes \$5.8 million required for capital works carried forward from 2020-21 which will be undertaken in 2021-22 and \$5.3 million in unspent operating grants to be carried forward. At 30 June 2021, Council was awaiting finalisation of a land development project it undertook in Beaufort, once this project is completed in early 2021-22 the proceeds of the sales will be retained by Council to bolster its cash position.

Council's aim is to continue to retain moderate levels of cash. This will provide Council with the flexibility to respond to future opportunities or unexpected events. These may include the potential to strategically acquire an asset or to respond to natural disasters such as flood or fire events.





### Sustainable capital expenditure

Council aims to ensure that its assets are maintained in a condition that allows them to continue to deliver the services needed by the community at a standard that is acceptable to users. During 2020-21, Council spent a total of \$12.7 million on capital expenditure across the Shire, including \$5.9 million on renewing existing assets.

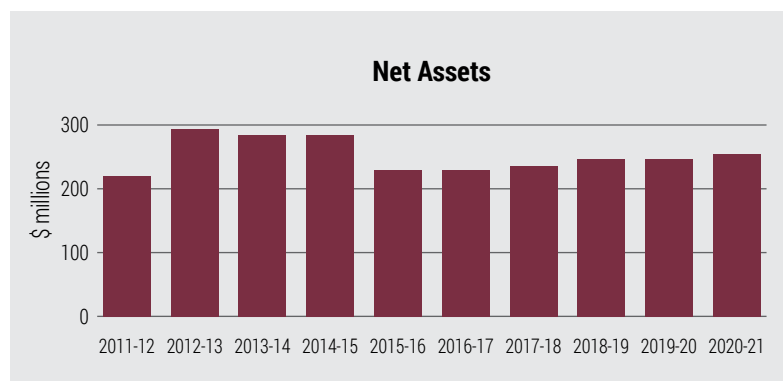
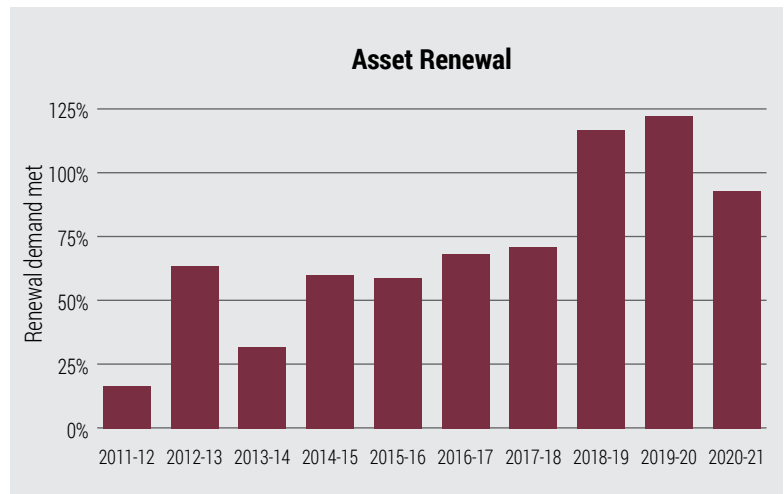
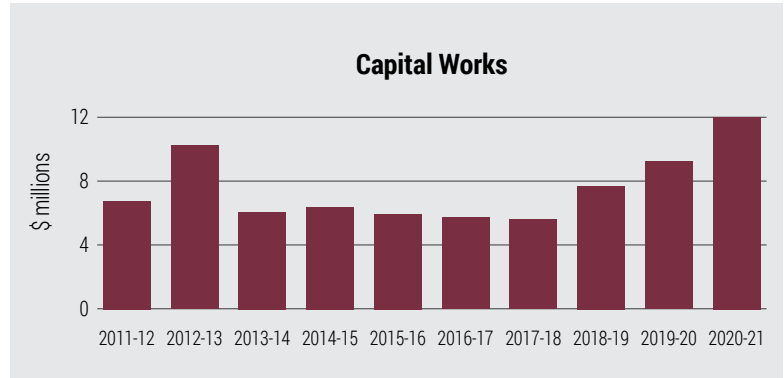
Council's 2020-21 capital expenditure continued to address the challenge of renewing community assets. It is anticipated that in future, capital expenditure will be maintained at a realistic level with a high degree of dependence on funding from government grants.

Asset renewal is measured as capital expenditure relative to asset depreciation. Council continues to face a significant challenge in funding the renewal of critical long-lived community infrastructure. In 2021-22 Council received additional funding under the Roads to Recovery Program, and the Local Roads and Community Infrastructure Program, this funding has significantly improved the Asset Renewal ratio. Council will continue to advocate for more grants that will help improve in the renewal of assets.

Meeting the continual renewal of Council's vast asset base remains an ongoing challenge for all councils.

### Financial sustainability

Council is committed to operating without bank debt where possible, and made the final loan repayment in September 2016. In 2015-16 interest on borrowings and debt redemption consumed \$0.5 million. In future years the funds used to pay interest and redeem debt can be allocated to other Council priorities which strengthen Council's financial sustainability in the medium term. Council strives to operate in a financially responsible manner while responding to community needs and striving for excellence in service delivery.



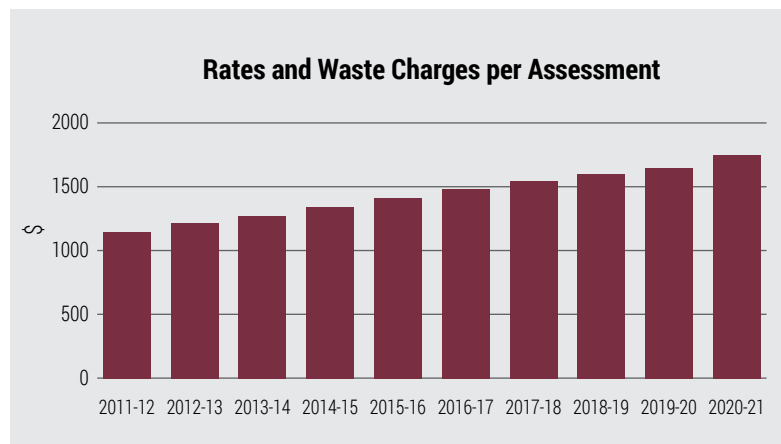
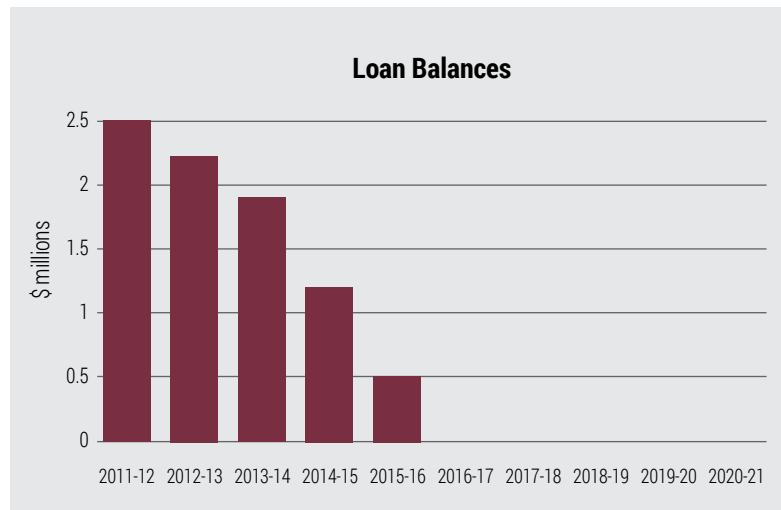
Council is mindful that the cost of rates is borne by ratepayers. Council is working towards lowering this level of annual rate increase in order to reduce the impact on ratepayers, and the State Government's "Fair Go Rates" rate capping system has acted to reduce the annual rate rises from 2016-17 onwards.

Council has many current and future demands on funding, highlighting the need for strong, long-term planning and the targeted allocation of resources. This is achieved through the preparation and annual review process of the Council Plan which is supported by Council's Strategic Resource Plan. Ultimately, these documents are guided by longer-term visions and plans including the Long Term Financial Plan, which projects Council's financial direction for the next ten years. This enables Council to identify and analyse trends of significance and provide for sound financial planning and decision-making.

The continued revision and refinement of the Long Term Financial Plan enables longer-term conversations with the community and this makes possible long-term goals that assist in creating engaged and vibrant communities.

This financial snapshot for the 2020-21 financial year gives a brief overview of Council's financial performance and the significant factors that impacted on the financial resources used to support the achievement of long-term community service and asset management objectives. A more detailed analysis of the financial performance for 2020-21 can be found in the Annual Financial Report which is available on Council's website and is attached to Council's physical Annual Report.

James Hogan  
**Principal Accounting Officer**





# *Section 3:* OUR COMMUNITY







# OUR HISTORY

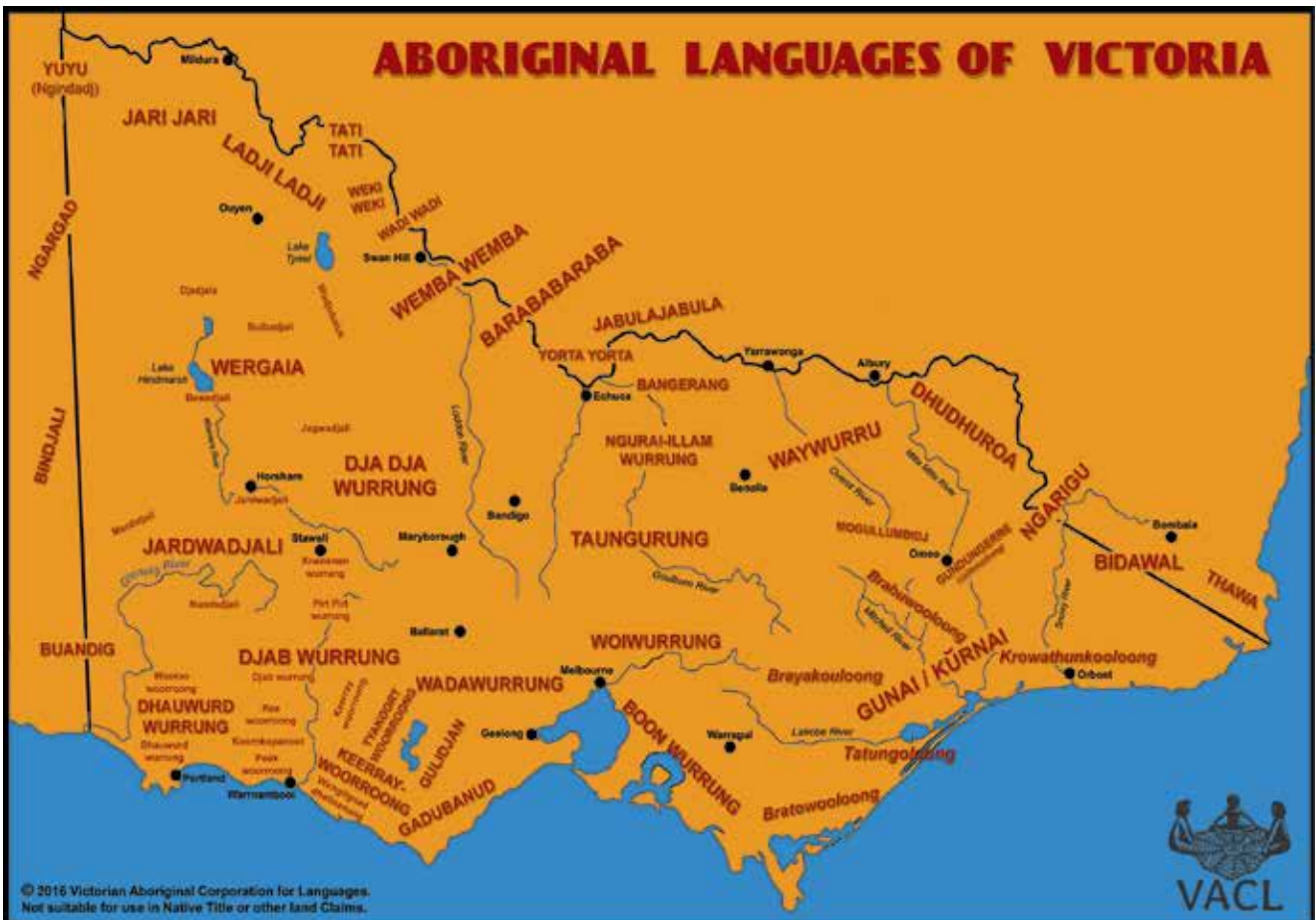
## Traditional Owners

The Traditional Owners of the land making up the Pyrenees Shire include the Wadawurrung, Dja Dja Wurrung, Eastern Maar and Wotjobaluk People. First Nations People currently make up almost 2% of the Pyrenees Shire population.

## More recent past

The region has a strong history of pioneer settlement, gold exploration and mining, agriculture and viticulture, starting in the early 19th Century. The community has strong links to men and women who served in major conflicts across the globe, including the First and Second World Wars.

The community is served by dedicated community groups and organisations who work to preserve and promote the history of the districts within the shire.







## SHIRE PROFILE

### Townships and communities

The municipality includes the townships of Beaufort, Avoca and Snake Valley and the communities of Amphitheatre, Barkly, Bo Peep, Brewster, Bung Bong, Burnbank, Carngham, Carranballac, Chepstowe, Chute, Cross Roads, Crowlands, Ercildoune, Eurambeen, Evansford, Eversley, Frenchmans, Glenbrae, Glenlofty, Glenpatrick, Glenshee, Hillcrest, Lake Goldsmith, Landsborough, Lamplough, Langi Kal Kal, Lexton, Lillicur, Lower Homebush, Main Lead, Mena Park, Middle Creek, Moonambel, Mortchup, Mount Emu, Mount Lonarch, Natta Yallock, Nerring, Nowhere Creek, Percydale, Raglan, Rathscar, Redbank, Shays Flat, Shirley, Stockyard Hill, Stoneleigh, Tanwood, Trawalla, Warrenmang, Waterloo, Wattle Creek and Waubra.

### Location

Pyrenees Shire is located in the central west of Victoria, nestled in the beautiful surrounds of the Pyrenees Ranges. It is approximately two hours' drive west of Melbourne and a short drive from the popular Grampians National Park and the regional cities of Ballarat, Ararat, Stawell and Maryborough.

### Landscape

The area covers some 3,500 square kilometres made up of a wide range of distinctive landscapes, from steep mountainous forested country to basalt plains and cropping lands. It features significant areas of publicly accessible land, including the forested areas of the Pyrenees Range and Mount Cole which are popular recreational spots for camping, bike riding and bushwalking.

### Climate

The climate varies to the north and south of the Pyrenees Ranges. To the north it is warmer and drier with rainfall of about 650mm per year, while to the south it is cooler and wetter with rainfall in excess of 750mm per year.

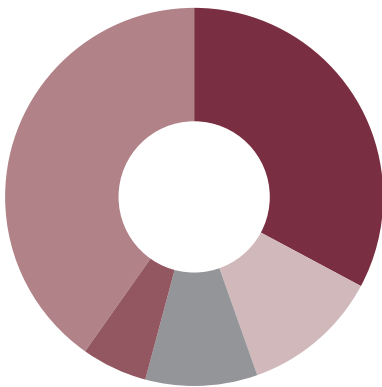
### Culture and community

With accessible health care and education, an historical heart, a broad offering of arts and culture, an abundance of natural assets for recreational pursuits, strong community sport and positive community life, the Pyrenees Shire offers the best of country living.



## ECONOMIC AND TOURISM PROFILE

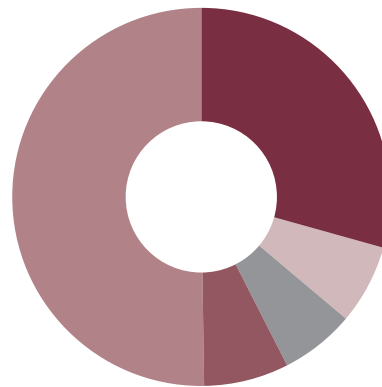
### Output



\$M

Agriculture, Forestry and Fishing	\$184.967
Construction	\$66.967
Manufacturing	\$52.958
Tourism	\$31.609
Balance	\$227.006

### Employment



Jobs

Agriculture, Forestry and Fishing	588
Construction	134
Manufacturing	130
Tourism	141
Balance	1,008

### Special attributes

- The famous Pyrenees Wine Region which is home to many established vignerons, wineries and hosts many renowned food and wine events
- A long and continuing history of gold discovery, reflected in the current bid for UNESCO World Heritage Listing for the Central Victorian Goldfields
- Heritage precincts across the shire, including in Avoca, Beaufort, Landsborough and Moonambel
- Historic homesteads listed on the Victorian Heritage Register, including Mawallok, Mount Mitchell, Ercildoun and the Percydale Historic Reserve
- A burgeoning creative sector exemplified by the Art Trax Gallery operating from the refurbished Beaufort train station and the Avoca Arts & Gardens Precinct operating from the former Avoca railway station
- Several high-profile State Parks including Mount Buangor, Pyrenees Ranges State Forest, Mount Cole and Ben Major

# MUNICIPAL SNAPSHOT

## Our community



Population  
**7,555**



Birth notifications in 2020–21  
**53**



Aboriginal & Torres Strait  
Islander Peoples  
**1.9%**



Median age  
**51**  
Population over 60 years  
**35.9%**



Level of highest  
educational attainment  
Bachelor degree or above  
**9.5%**  
Year 9 or below  
**12.9%**



Housing tenure  
Owned outright  
**50.6%**  
Rented  
**14.8%**



Median weekly household income  
**\$876**



Households with no  
internet access at home  
**24.5%**



Households where a non-English  
language is spoken at home  
**3.6%**



## Our municipality



Square kilometres

**3,434**



Local roads

(738 km sealed; 1,291 km unsealed)

**2,029 km**



Rateable properties

**6,086**

## Our schools



Government primary schools

**9**



Government secondary school

**1**

## Our people



Councillors

**5**



Council employees

**125**

## Pools



Outdoor pools

(Avoca, Beaufort, Landsborough)

**3**

## Libraries



Library/resource centres  
(Avoca, Beaufort)

**2**



Library collection items

**12,331**



Mobile library outreach service  
(Snake Valley, Landsborough, Lexton)

# *Section 4:* OUR COUNCIL

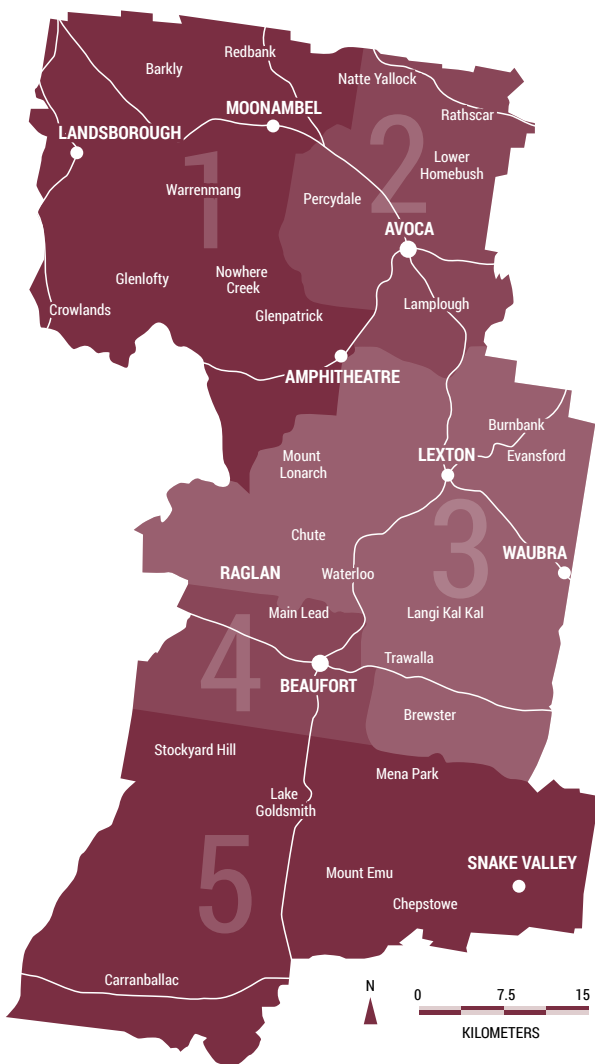




## OUR COUNCIL

Council is elected by the Pyrenees Shire community to provide leadership for the good governance of the municipal district and the local community. This Council was re-elected on 24 October 2021 for a further four-year term.

The municipality is divided into five wards, each represented by one Councillor. The five Councillors are the elected representatives of all residents and ratepayers across the Shire. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.



- 1 De Cameron Ward
- 2 Avoca Ward
- 3 Ercildoune Ward
- 4 Beaufort Ward
- 5 Mount Emu Ward





## Councillors



### **Cr Damian Ferrari – Mayor**

**Beaufort Ward**

**First elected 2018 (Beaufort Ward by-election), re-elected 2020**

**T** 0437 662 295 **E** beaufort@pyrenees.vic.gov.au

Cr Damian Ferrari was born and raised in the Beaufort area and still resides in the area on a farm at Mt Cole. Cr Ferrari is community-minded and a community advocate and genuinely cares about the people in our municipality. He would like to see Council be progressive, sustainable, accountable and accessible to the community. Cr Ferrari is passionate about ensuring the long-term sustainability and progress of Beaufort, building a harmonious, resilient and connected community, and protecting our environment. He highlights providing for our elderly and nurturing our youth as his aspirations for this Council term. Cr Ferrari enjoys camping, fishing, gardening and listening to Radio 88 FM.



### **Cr David Clark**

**Ercildoune Ward**

**First elected 1992, re-elected 1996, 1999, 2008, 2012, 2016, 2020**

**T** 0417 374 704 **E** ercildoune@pyrenees.vic.gov.au

Cr David Clark is a big picture thinker and a champion for the local community. Cr Clark's breadth of experience crosses accounting, community development, public sector governance and natural resource management. He appreciates the character of the Pyrenees landscape, particularly the rolling hills, rich soils, and forests of eucalypts and other species. Cr Clark's motivation to join Council was the chance to make a difference and use his strategic skills. He highlights continuing to improve gravel roads, working towards being a more digitally-astute Council, and communities who (in general) are all after the same things for their future as his aspirations for this Council term. Cr Clark operates a mixed farming property at Glenbrae and works in Landcare. He shares his life with his wife Peta and their three children.



## **Cr Ron Eason**

**Avoca Ward**

**First elected 2012, re-elected 2016, 2020**

**T** 0417 508 471 **E** [avoca@pyrenees.vic.gov.au](mailto:avoca@pyrenees.vic.gov.au)

Cr Ron Eason is a businessman and helpful character. Cr Eason' broad working experience includes manufacturing and small business. He loves the picturesque environment around Avoca and has found the community of Avoca so friendly, a big difference to his life in Melbourne and the Goulburn Valley. He highlights a desire to help people in the Pyrenees Shire as his aspiration for standing for Council. Cr Eason would like to see a more sustainable Council that serves the shire. Cr Eason and wife Jenny run the Avoca Newsagency.



## **Cr Tanya Kehoe**

**Mount Emu Ward**

**First elected 2012, re-elected 2016, 2020**

**T** 0439 571 480 **E** [mountemu@pyrenees.vic.gov.au](mailto:mountemu@pyrenees.vic.gov.au)

Cr Tanya Kehoe is an educator and community advocate. Cr Kehoe's professional experience spans teaching, pastoral care and farming. Cr Kehoe loves the sense of community in the Mount Emu and Snake Valley area, a community that she has been part of her whole life. In her role as Councillor, she wants to use her strengths to better her community, and strongly represent her community. Cr Kehoe would like to see the continued development of the Snake Valley township, improve opportunities for young people, and advocate for better services with regards to roads and facilities. Cr Kehoe is also keen to continue to focus on how to best support farmers, services and businesses across the shire to continue to advance the local area for all residents. Cr Kehoe and her husband run a sheep property at Mount Emu and have seven children.



## **Cr Robert Vance**

**De Cameron Ward**

**First elected 1987 (Avoca Shire Council), re-elected 1996, 1999, 2008, 2012, 2016, 2020**

**T** 0447 384 500 **E** [decameron@pyrenees.vic.gov.au](mailto:decameron@pyrenees.vic.gov.au)

Cr Robert Vance is a farmer, community lobbyist and long-serving Councillor. Cr Vance is a sheep farmer and has spent more than three decades in local government, including five years as an executive on the Rural Councils Victoria Board. He loves the natural beauty of the environment and appreciates the quality of the people that live in the Pyrenees. Cr Vance values the community's ability to come together in times of need or grief and to provide support to one another, regardless of difference. Cr Vance highlights giving back to his community as his main reason for standing for Council.





# *Section 5:* OUR PEOPLE



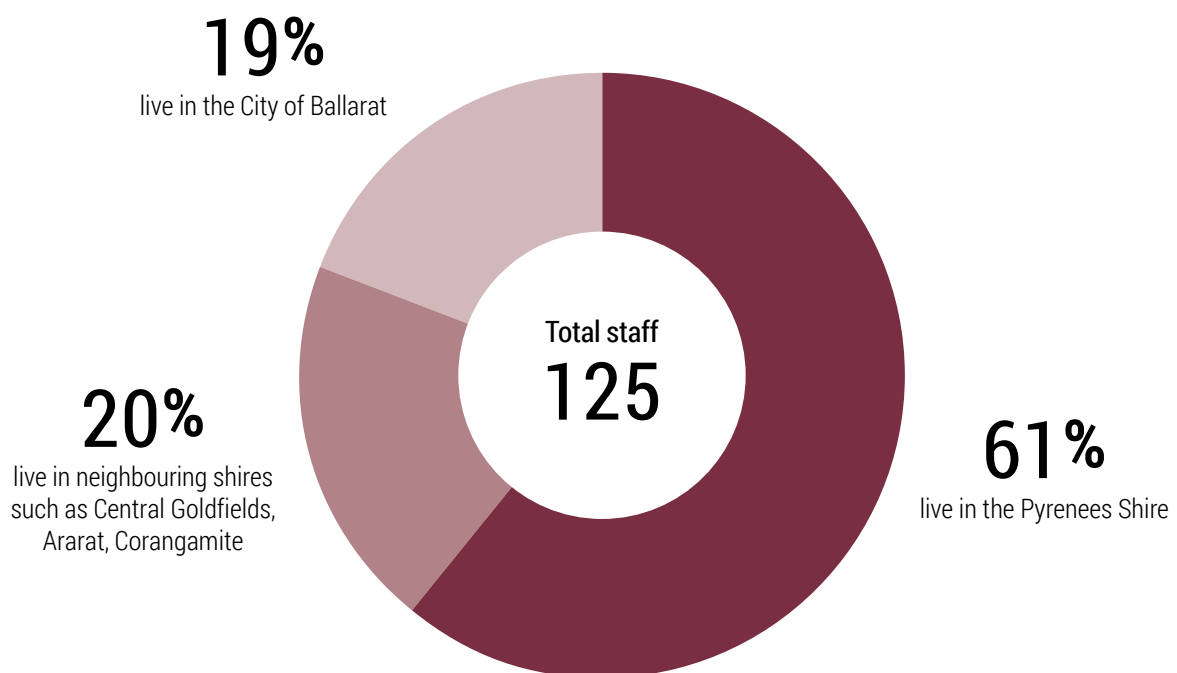




## MEET OUR TEAMS

Our staff are proud to live, work, play and be part of the Pyrenees Shire community. We are committed to continuously seeking ways to improve our performance as we work together with the community to deliver the services our community needs and expects.

### Pyrenees Shire Council staff



## Assets Team

3 team members

"We are committed to professionally planning for, managing and maintaining Council's assets to ensure they continue meet the standards and needs of the community."



*Rob Millar, Sam Kerslake and Shayne Murphy of the Beaufort Works Crew.*

## Communications Team

2 team members

"We are committed to building and maintaining effective relationships with community, government and strategic partners and advocating on key issues for our community."



*Lea Field leading storytime at the Avoca Information and Community Centre.*

## Community Wellbeing and Development Team

39 team members

"We are committed to providing recreation and community services that support and enhance the health and wellbeing of residents at every stage of life."

## Economic Development and Tourism Team

4 team members

"We are committed to attracting new residents, visitors and investment to the Pyrenees Shire, and fostering the capability of key economic sectors to develop local business and employee capacity."



*Soren Ryan, Manager Engineering, onsite at a bridge upgrade.*

## Engineering Team

5 team members

"We are committed to providing engineering services and solutions for all of Council's assets to ensure we meet the needs and expectations of our community efficiently and productively."



Kate Deppeler, right, Senior Communications Officer with fellow Local Government colleagues at a presentation at the annual LGPro Conference.

## Finance Team

6 team members

"We are committed to ensuring Council remains financially sustainable and responsive to community needs."

## Governance, Risk and Compliance Team

24 team members

"We are committed to ensuring that the whole organisation operates effectively and with integrity and meets all compliance and governance obligations to service our community."



Soren Ryan with Frontline Services staff Neroli Dunn and Jeane Rix are ready to help.

## Information and Communications Technology (ICT) Team

3 team members

"We are committed to providing reliable and secure ICT systems and services, sound ICT governance and strategic advice to support the organisation's operations."



Damien Day, left, Project Co-ordinator, with SJ Weir staff at the Lexton Community Hub construction site.



## People and Culture Team

1 team member

"We are committed to fostering a positive work culture across the organisation, fostering ongoing learning and development of staff, and supporting staff health and wellbeing."



*Jim Nolan, CEO, with long serving Pyrenees Community Care staff member Angela Harrison at a service acknowledgement.*

## Planning and Development Team

11 team members

"We are committed to ensuring development within the shire is aligned with clear and visionary planning to support sustainable growth, and ensuring community safety and amenity and environmental health are prioritised to support the resilience of our community."



*Camille Broadbent, Customer Service Officer, Sheree Chevalier, Economic and Community Recovery Officer and Alana Burge, Tourism Officer at the finals of the Top Tourism Town awards, where Beaufort and Avoca were finalists.*

## Works Team

24 team members

"We are committed to effectively planning for, managing and maintaining Council's road and street infrastructure, parks and gardens to ensure they meet the needs of our community."



*Rashil Pradhan, Engineer, out doing a road survey.*



*Bianca Davy, Parks and Gardens Maintenance Officer, taking a moment after some tree trimming in Neill Street, Beaufort.*



*Peter O'Rourke, Librarian and Community Development Officer, Customer Service Officers Tammy Nugent-Smith and Camille Broadbent with the new Library Outreach bus.*



*Sally Roberts and Muffy Dyer, Maternal and Child Health Nurses are all smiles for the dental program in the MC&H service.*



*Alex Nuske, Records Administration Officer and Norman Prueter, Manager People and Culture cover off on a new policy.*



*Clockwise, Steph Perrin, Planning Support Officer, Claire Peppin, Planning Officer, Susy Boord, Environmental Health Administration Officer, Craig Fletcher, Building Surveyor, Rory Thompson, Limited Building Inspector, Katie Gleisner, Manager Planning and Development, Ryan Roberts, Environmental Health Contractor, Jade Alexander, Acting Planning and Building Administration Officer, Planning and Development staff meeting virtually during COVID-19 restrictions.*



*Samantha Winfield, Pyrenees Community Care Support Staff member gets ready to help clients board the community bus.*





## EXECUTIVE LEADERSHIP TEAM

Council's Executive Leadership Team comprises the Chief Executive Officer (CEO) and two Directors and leads the organisation. The CEO is appointed by Council as the governing body.



### **Jim Nolan – Chief Executive Officer (CEO)**

*BEng (Civil)*

Jim was appointed Pyrenees Shire Council CEO in December 2014. Jim has over 30 years' experience in local government at Glenelg, Southern Grampians and Northern Grampians Shire Councils and has extensive experience in infrastructure, project delivery, and community and economic development.

Jim is responsible for the day-to-day operations of Council in accordance with the strategic directions of the Council Plan and the implementation of Council decisions as well as direct responsibility for economic development, people and culture, and communications.



### **Kathy Bramwell – Director Corporate & Community Services**

*DipHE (Business); Grad. Cert. Risk Management*

Kathy joined Pyrenees Shire Council in January 2017, originally working in the Governance and Risk area, and moving into the Director role in mid-2018. She has 20 years' experience in governance, risk management and compliance in the Victorian public sector, including at Brimbank City Council and RMIT University in Melbourne.

Kathy is responsible for the strategic management of the Corporate and Community Services Directorate, which includes finance and administration, information technology, governance, corporate compliance, risk management/OHS, emergency management, customer service, community wellbeing, community development, and Council's libraries and information centres. Kathy is also Council's Councillor Conduct Officer and Public Interests Disclosures Coordinator.



### **Douglas Gowans – Director Assets & Development Services**

*BEng*

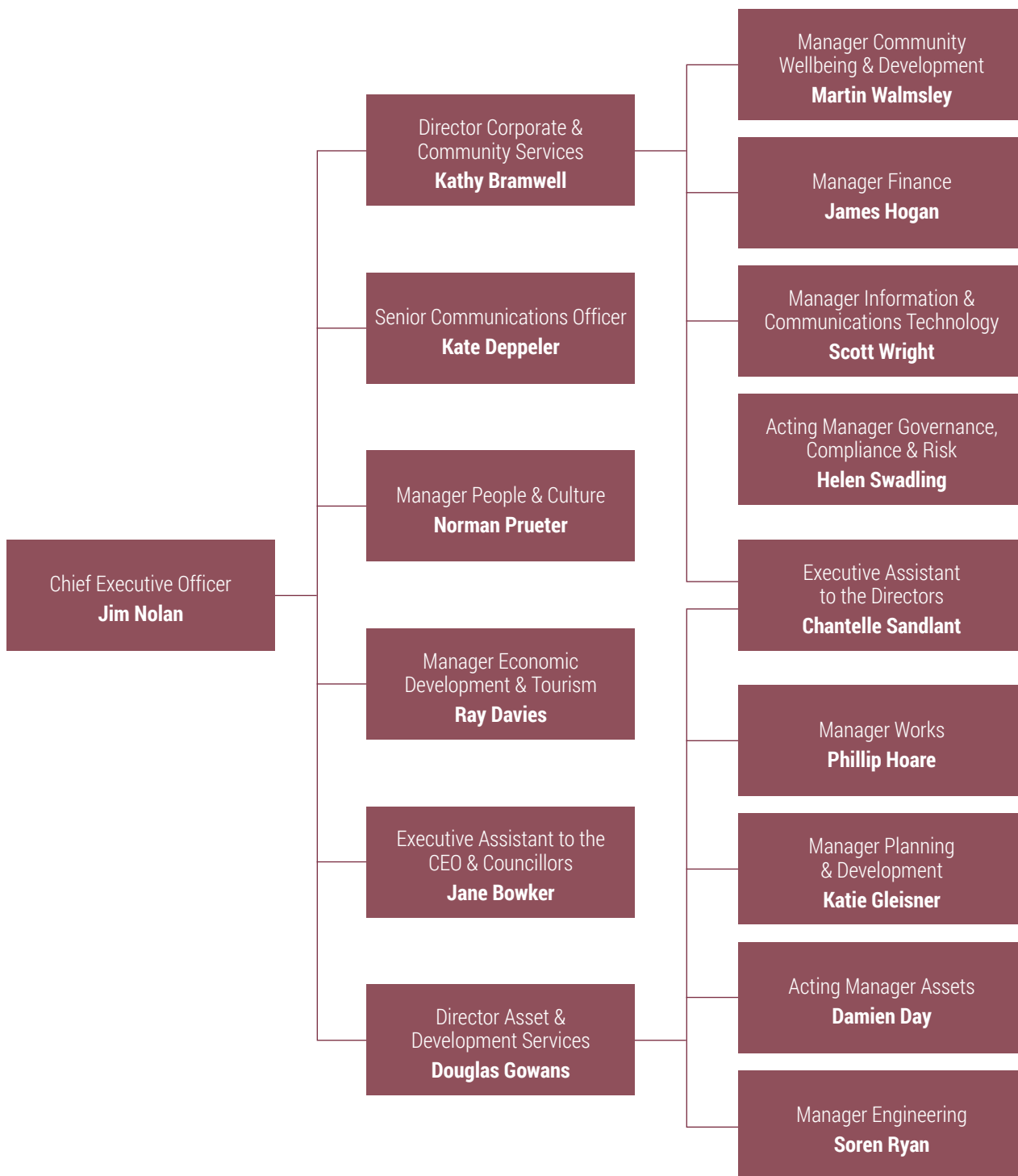
Douglas joined Pyrenees Shire Council in 2015. His experience in local government spans two decades and includes roles at Golden Plains and Hindmarsh Shire Councils.

Douglas is responsible for managing Council's operations and assets, including the construction and maintenance of critical public infrastructure such as roads and bridges, as well as waste management and recycling, public asset maintenance, environment, town planning, building services, and community safety and amenity.



# REPORTING STRUCTURE

## Pyrenees Shire Council organisational structure





## STAFF PROFILE

The following numbers are current as at 30 June 2021.

### Total employees

Pyrenees Shire Council had a total workforce of 93.7 full-time equivalent (FTE) positions and a total staff of 125 employees.

### Workforce profile

The number of FTE staff categorised by employment classification and gender

Structure Classification	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All other FTE	Total FTE
Permanent FT – F	0	0	1	2	1	7	0	2	1	14
Permanent FT – M	0	0	16	6	5	9	1	3	7	47
Permanent FT – X	0	0	0	0	0	0	0	0	0	0
Permanent PT – F	0	2.8	1.5	8.5	4.1	2.7	0.9	0	0	20.5
Permanent PT – M	0	0.4	0.2	0	0.6	0.8	0	0	0	2
Permanent PT – X	0	0	0	0	0	0	0	0	0	0
Casual – F	0.8	3	1.8	1.8	2.8	0	0	0	0	10.2
Casual – M	0	0	0	0	0	0	0	0	0	0
Casual – X	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0.8</b>	<b>6.2</b>	<b>20.5</b>	<b>18.3</b>	<b>13.5</b>	<b>19.5</b>	<b>1.9</b>	<b>5</b>	<b>8</b>	<b>93.7</b>

FTE = full-time equivalent; FT = full-time; PT = part-time; F = female; M = male; X = Non-binary

The number of FTE staff categorised by age

Age	Total
15-24	2
25-34	13
35-44	24
45-54	34
55-64	40
65 and over	12

The number of staff categorised by employment type

	Full-time	Part-time	Casual	Total
Male	46	3	0	49
Female	15	39	22	76
Non-binary	0	0	0	0



## Recruitment

Council advertised 19 positions in 2020-21.

Council continues to receive multiple applications for most positions advertised, demonstrating its position as a preferred employer.

## WorkCover

Council experienced five minor claims during the 2020-21 insurance period.

## Learning and development

Council continues to provide ongoing learning and development to all staff through internal and external programs.

A sample of the training undertaken in 2020-21 includes:

- First Aid/CPR
- Traffic management
- Operation and maintenance of chainsaws
- Risk management
- Equal employment opportunities and workplace behaviour
- Cultural awareness
- Community engagement
- Leadership Ballarat & Western Region
- Occupational health and safety
- Certificate IV in Compliance and Risk Management

In addition to the staff development program, Council provides and encourages professional development education programs. Council is committed to ongoing training and development of employees to increase efficiency, improve service delivery and develop staff skills and knowledge. Our educational support policy provides financial assistance for tertiary study where it is beneficial to our staff and organisation.

## Traineeships and work experience

- Council provided two traineeship places in 2020-21.
- Council continued to provide secondary students with the opportunity to participate in work experience programs which allow them to experience working in a local government environment.
- Council provided four placements for tertiary students in 2020-21.

## Equal Employment Opportunity Program

Council has developed and implemented an Equal Employment Opportunity Program per requirements for councils with 40 or more members of staff. It is designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters, and to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2020* (such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and/or sexual orientation) and that the workplace is free from bullying and harassment.

## Gender equality

The *Gender Equality Act 2020* was enacted on 30 March 2021. Council is working through the implementation of the Act as follows:

- Training staff on the key obligations and functions to meet the requirements of the Act
- Undertaking a baseline staff survey on gender equality using questions determined by the Victorian Gender Equality Commission
- Undertaking a Gender Equality Audit of the workplace
- Developing and implementing a process to undertake Gender Impact Assessments of new or changed projects, policies or programs
- Developing and implementing a Gender Equality Action Plan

# Section 6:

## GOVERNANCE







## COMMUNITY SATISFACTION SURVEY

Local Government Victoria's community satisfaction survey is conducted annually. It compiles direct community feedback on their council's performance in key areas over the previous 12 months. Comparisons are made between the performance of Pyrenees Shire Council and similar (small rural category) Victorian councils and the state-wide average. This survey is undertaken by JWS Research.

### Pyrenees Shire Council results at a glance

#### Overall Council performance

Results shown are index scores out of 100.



Pyrenees 61



State-wide 61











Small Rural 60





## Council performance compared to state-wide and group averages

	Areas where Council performance is significantly higher	Areas where Council performance is significantly lower
Compared to state-wide average	 Elderly support services	 Art centres & libraries  Appearance of public areas  Waste management
Compared to group average	 Sealed local roads	 Art centres & libraries  Appearance of public areas

## Pyrenees Shire Council performance results

Services	Pyrenees 2021	Pyrenees 2020	Small Rural 2021	State-wide 2021	Highest score	Lowest score
 Overall performance	61	59	60	61	Women, Aged 35-49 years	Aged 50-64 years
 Value for money	54	-	52	54	Women, Aged 65+ years	Aged 35-49 years
 Overall council direction	49	48	53	53	Aged 18-34 years, Aged 65+ years, Avoca, DeCameron residents	Aged 50-64 years
 Customer service	66	67	69	70	Women	Men
 Emergency & disaster management	72	72	72	71	Aged 18-34 years	Mt Emu residents
 Elderly support services	72	68	72	69	Avoca, DeCameron residents	Aged 18-34 years
 Appearance of public areas	70	69	75	73	Aged 18-34 years	Aged 50+ years, Women
 Art centres & Libraries	69	-	72	73	Aged 35-49 years	Mt Emu residents
 Recreational facilities	69	68	69	71	Avoca, DeCameron residents	Aged 18-34 years

Services	Pyrenees 2021	Pyrenees 2020	Small Rural 2021	State-wide 2021	Highest score	Lowest score
 Family support services	68	65	66	66	Aged 65+ years	Mt Emu residents
 Waste management	66	58	68	69	Aged 65+ years	Aged 18-49 years
 Enforcement of local laws	62	-	63	64	Aged 18-34 years	Beaufort, Ercildoune residents, Men
 Bus/community dev./tourism	60	60	62	61	Aged 18-34 years	Beaufort, Ercildoune residents
 Sealed local roads	57	51	53	57	Avoca, DeCameron residents	Mt Emu residents
 Consultation & engagement	55	55	56	56	Aged 18-34 years	Aged 50-64 years
 Community decisions	54	54	56	56	Aged 18-34 years	Aged 50-64 years
 Unsealed roads	44	43	44	45	Aged 65+ years	Aged 18-34 years

Green = Significantly higher than Pyrenees Shire Council 2021 result

Red = Significantly lower than Pyrenees Shire Council 2021 result

## Overview

Perceptions of Council's performance on all service areas evaluated remained stable or significantly improved over the past year. This is likely to have contributed to a two-point (not statistically significant) improvement in perceptions of Council's overall performance (index score of 61). Waste management is Council's most improved area in 2021. Ratings increased by a significant eight points, reversing a multi-year downward trend. Sealed local roads also improved to its highest point to date.

## Comparison to State and area grouping

Council is rated in-line with the Small Rural group average on most measures, with the exception of sealed local roads, where Council performs significantly above the group average. On two service areas, the appearance of public areas and art centres and libraries, Council performance is significantly below both the Small Rural group and state-wide averages.

## Maintain gains achieved to date

Over the past 12 months, Council has seen significant improvements in three areas – elderly support services, waste management and sealed local roads. Council should look to consolidate and build on its current position, with a view to maintaining these significant gains and improving on areas that have stagnated since the highs that were achieved in 2017 – evidence that there is opportunity for further improvement in many cases.



## GOVERNANCE, MANAGEMENT AND OTHER INFORMATION

### Governance

Pyrenees Shire Council is constituted under the *Local Government Act 2020*, transitioning from the former *Local Government Act 1989* in stages throughout 2020 and 2021.

Council's role and powers remain similar – to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

In performing its role, Council must give effect to the overarching governance principles articulated in its 2020 Governance Rules:

- a) Council decisions are to be made and actions taken in accordance with the relevant law
- b) Priority is to be given to achieving the best outcomes for the municipal community, including future generations
- c) The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted
- d) The municipal community is to be engaged in strategic planning and strategic decision-making
- e) Innovation and continuous improvement is to be pursued
- f) Collaboration with other councils, governments and statutory bodies is to be sought
- g) The ongoing financial viability of Council is to be ensured
- h) Regional, state and national plans and policies are to be taken into account in strategic planning and decision-making
- i) The transparency of Council's decisions, actions and information is to be ensured

In giving effect to the overarching governance principles, the Pyrenees Shire Council takes into account the following supporting principles:

#### Community engagement principles

- A community engagement process must have a clearly defined objective and scope
- Participants in community engagement must have access to objective, relevant and timely information to inform their participation
- Participants in community engagement must be representative of the persons and groups affected by the matter that is the subject of the community engagement
- Participants in community engagement are entitled to reasonable support to enable meaningful and informed engagement
- Participants in community engagement are informed of the ways in which the community engagement process will influence Council's decision-making

#### Public transparency principles

- Council's decision-making processes must be transparent except when Council is dealing with information that is confidential
- Council information must be publicly available unless:
  - The information is confidential
  - Public availability of the information would be contrary to the public interest
- Council information must be understandable and accessible to members of the community
- Public awareness of the availability of Council information must be facilitated



### **Strategic planning principles**

- An integrated approach to planning, monitoring and performance reporting is to be adopted
- Strategic planning must address the Community Vision
- Strategic planning must take into account the resources needed for effective implementation
- Strategic planning must identify and address the risks to effective implementation
- Strategic planning must provide for ongoing monitoring of progress and regular reviews to identify and address changing circumstances

### **Financial management principles**

- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with Council's financial policies and strategic plans
- Financial risks must be monitored and managed prudently, having regard to economic circumstances
- Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community
- Accounts and records that explain the financial operations and financial position of Council must be kept

### **Service performance principles**

- Services should be provided in an equitable manner and be responsive to the diverse needs of the community
- Services should be accessible to the members of the community for whom they are intended
- Quality and cost standards for services set by Council should provide good value to the community
- Council should seek to continuously improve service delivery to the municipal community in response to performance monitoring
- Service delivery must include a fair and effective process for considering and responding to complaints about service provision

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

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 the Chief Executive Officer and Council staff. These delegations are exercised in accordance with formally adopted Instruments of Delegation and Policies.

## **Council meetings**

Council meetings are held at 6pm on the third Tuesday of each month (with the exception of December, when it may be the second Tuesday, and January, when a meeting may not be held). Details of Council meeting dates and times are published in the *The Pyrenees Advocate* and *The Maryborough Advertiser* one week prior to the meeting. Meeting dates and times are also published on Council's website.

Minutes of Council meetings are available on our website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au) or from Council's front counters.

The open non-confidential section of Council meetings is generally open to the public. During COVID-19 restrictions, by necessity this has been limited to viewing of the live stream via Council's website or YouTube.

The majority of Ordinary Council Meetings are held at the Council Chambers in Beaufort. Meetings were also held in Avoca in 2020-21. The Statutory Meeting, which included election of the Mayor, was held in Lexton on 10 November 2020.

## Councillor attendance at Council meetings

### Councillor attendance at Council meetings in 2020–21

Date	Cr Kehoe	Cr Clark	Cr Ferrari	Cr Eason	Cr Vance
21 July 2020	Yes	Yes	Yes	Yes	Yes
18 August 2020	Yes	Yes	Yes	Yes	Yes
15 September 2020	Yes	Yes	Yes	Yes	Yes
October 2020	No meeting held (caretaker period for local government general election)				
10 November 2020 (Statutory Meeting)	Yes	Yes	Yes	Yes	Yes
24 November 2020	Yes	Yes	Yes	Yes	Yes
8 December 2020	Yes	Yes	Yes	Yes	Yes
19 January 2021	No	Yes	Yes	Yes	Yes
16 February 2021	Yes	Yes	Yes	Yes	Yes
16 March 2021	No*	Yes	Yes	Yes	Yes
13 April 2021 (Special Meeting)	No*	Yes	Yes	Yes	Yes
20 April 2021	No*	Yes	Yes	Yes	Yes
18 May 2021	Yes	Yes	Yes	Yes	Yes
15 June 2021	Yes	Yes	Yes	Yes	Yes

\*Authorised leave of absence

## Councillor Code of Conduct

In accordance with section 139 of the *Local Government Act 2020*, Council adopted a new Councillor Code of Conduct in February 2021. This provides guidance to Councillors on ethical conduct and the standard of behaviour expected in their role as custodians of the Pyrenees Shire and in relation to other Councillors, Council staff and the community.

It details:

- Governing principles
- Conduct, values and behaviour
- Roles and responsibilities
- Dispute resolution processes
- Breaches of the Councillor Code of Conduct

It includes:

- Obligations regarding child safety and gender equality, diversity and inclusiveness
- Specific prohibitions on discrimination, bullying, harassment (including sexual harassment) and vilification

The Code of Conduct is available on our website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au) or from Council's front counters.

## Conflicts of interest

When acting in their official positions, Councillors and Council Officers must ensure there is no conflict or incompatibility between their personal interests and the impartial fulfilment of their public duties. Councillors, Council Officers and, when a Council delegates its powers to a committee, that committee must always act in the public's best interest.

A conflict of interest arises when a personal or private interest might compromise the ability to act in the public interest. It exists even if no improper act results from it. Even where a conflict of interest does not exist, there may be a perception that a conflict exists.

Council reviewed its processes around the disclosure of conflicts of interest in 2020-21 and adopted a revised procedure that guides the required action and disclosures where a conflict of interest might or does exist. Declaration of conflicts of interest is a standard agenda item at all Council briefings and Council meetings, and meetings of all Council-related advisory or other committees.

In general, the requirements involve disclosing the relevant interests in a specific way and then stepping aside from relevant decision-making processes or from the exercise

of the public duty. A register is maintained to record all disclosed conflicts of interests.

Operationally, Council Officers must also declare and manage any conflicts of interests prior to participating in decision-making activities where inappropriate decisions may give benefit to a related person (for example, as part of recruitment or procurement activities).

## Councillor allowances

In accordance with section 39 of the *Local Government Act 2020*, Councillors are entitled to receive an annual allowance while performing their duty as a Councillor. The Mayor is entitled to receive a higher allowance to reflect the level of commitment and time required to fulfil their required duties.

The Victorian Government sets the upper and lower levels for annual allowances paid to Councillors. Victorian Councils are divided into three categories based on their income and population. Pyrenees Shire Council is classified as a Category 1 Council which means it has a range of permitted allowances within the following:

- Councillors: \$8,833 – \$21,049
- Mayor: up to \$62,884

## Councillor expenses

In addition to their annual allowance, Councillors remain entitled to be reimbursed for any necessary out-of-pocket expenses they incur while performing their duties as a Councillor.

Council has adopted a policy in relation to the reimbursement of expenses for Councillors and members of delegated committees. This policy specifies processes for the reimbursement of expenses and the provision of resources, facilities and other support to the Mayor, Councillors and committee members to perform their roles, including regarding expenses incurred as part of carer responsibilities.

### Councillor expenses reimbursed in 2020–21

Councillor	TR \$	CM \$	CC \$	IC \$	CT \$	Total \$
Cr David Clark	0	\$270.10	\$650.00	0	0	\$920.10
Cr Ron Eason	0	\$1,441.96	0	0	0	\$1,441.96
Cr Damian Ferrari*	0	0	0	0	0	0
Cr Tanya Kehoe*	0	0	\$1,816.68	0	0	\$1,816.68
Cr Robert Vance	0	\$583.75	0	0	0	\$583.75

\*Crs Ferrari and Kehoe each held the position of Mayor during part of the year

#### Expenses legend

TR = travel; CM = car mileage; CC = child care; IC = information and communication; CT = conferences and training

During 2020-21, Pyrenees Shire Council's Mayor and Councillors allowances were paid at the maximum allowable levels plus superannuation of 9.5%.

During 2020-21, two Councillors held the position of Mayor:

- Cr Tanya Kehoe from 1 July to 24 October 2020 (election day)
- Cr Damian Ferrari from 10 November 2020 to 30 June 2021

### Councillor allowances paid in 2020–21

Councillor	Allowance \$
Cr Tanya Kehoe – Mayor/Councillor	\$38,317.88
Cr Damian Ferrari – Mayor/Councillor	\$53,587.84
Cr David Clark	\$23,047.92
Cr Ron Eason	\$23,047.92
Cr Robert Vance	\$23,047.92

Allowances paid includes superannuation



## Audit & Risk Committee

The Audit & Risk Committee is an advisory committee of Council that monitors internal controls, financial management and risk management with the support of Council's Internal Auditor. It operates in accordance with an adopted charter and annual work plan. The Committee is comprised of three independent external members and two nominated Councillors.

During 2020-2021, Council's Audit & Risk Committee comprised of four independent external members – Ms Wendy Honeyman (Chairperson), Mr Rod Poxon, Mr Geoff Price (until 30 August 2020) and Mr Brian Keane (from 24 November 2020).

Following his resignation from the Committee, it was with great sadness that Council heard of Mr Price's death in early 2021. Our condolences were expressed to Mr Price's family as well as thanks for his nine years of service on the Committee, most of which were in the role of Chairperson.

The Audit & Risk Committee monitors key controls regarding fraud and corruption prevention, financial management, recommendations made through internal audit reviews, and matters of interest arising from the activities of external public investigative bodies.

Council's internal auditors are AFS & Associates, Chartered Accountants and Auditors from Bendigo. Internal audit reviews are conducted on a rolling three-year, risk-based internal audit program, including regular reviews of outstanding actions against former recommendations.

In 2020-21, internal audit reviews were conducted in the following performance areas:

- Procurement governance
- Occupational Health & Safety management system
- Beaufort Lake Caravan Park operations

AFS & Associates also periodically conducts probity audits on high risk/high value procurement activities.

The Committee meets three times per year. In 2020-21, meetings were held on 1 September 2020, 3 December 2020 and 25 May 2021.

## Delegated committees

Pyrenees Shire Council did not have any delegated committees in 2020-21.

## Community Asset Committees

Council could not operate effectively without the assistance of the many volunteers who make up Council's Community Asset Committees (formerly known as section 86 Committees).

Community Asset Committees are established in accordance with section 65 of the *Local Government Act 2020* to manage a community asset on behalf of Council. Powers and duties are delegated to members of Community Asset Committees through a formal Instrument of Delegation from the Chief Executive Officer.

In 2020-21, five Community Asset Committees operated to manage the following community facilities on behalf of Council:

- Beaufort Community Bank Complex
- Brewster Hall
- Landsborough Community Precinct
- Snake Valley Hall
- Waubra Community Hub

Meetings are open to the public. Minutes of meetings are available for public inspection.

## Governance and Management Checklist

Council maintains strong frameworks to provide guidance in good governance and management practice.

As part of Council's mandatory performance reporting in accordance with the *Local Government Act 2020*, its assessment against the Governance and Management Checklist is provided below.

### Schedule 1 – Report of Operations – Governance and Management Checklist

Governance and management item	Requirement	Assessment outcome
1. <b>Community Engagement Policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with s55 of the Act	Adopted 16 February 2021
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	Adopted 2 May 2017 Under review in 2021
3. <b>Financial Plan</b> (plan under s91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with s91 of the Act	Under preparation – due for adoption by 31 October 2021
4. <b>Asset Plan</b> (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with s92 of the Act	Under preparation – due for adoption by 30 June 2022
5. <b>Revenue &amp; Rating Plan</b> (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with s93 of the Act	Adopted 15 June 2021
6. <b>Annual Budget</b> (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with s94 of the Act	Adopted 15 June 2021
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	Adopted 30 September 2020
8. <b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	Adopted July 2021
9. <b>Municipal emergency management plan</b> (plan under s20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintenance in accordance with s20 of the EM Act 1986	Adopted May 2020 Audited June 2020

Governance and management item	Requirement	Assessment outcome
<b>10. Procurement policy</b> (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with s108 of the Act	Adopted 2019 Revision planned for adoption September 2021
<b>11. Business continuity plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation	BCM Policy adopted May 2019 BC Plan May 2019 COVID-Safe Plan updated March 2021
<b>12. Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation	January 2015 Under review
<b>13. Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	Risk Management Policy adopted Sept 2020 Framework & Plan 2021-2024 adopted May 2021
<b>14. Audit and Risk Committee</b> (advisory committee of Council under s53 and s54 of the Act)	Established in accordance with s53 of the Act	Re-established June 2020
<b>15. Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged	Contract extended June 2021
<b>16. Performance reports</b> (six-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in s98 of the Act)	Current framework in operation	Procedure adopted 2020 Updated framework June 2020
<b>17. Council Plan report</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report	Four reports completed during year: <ul style="list-style-type: none"> <li>• August 2020</li> <li>• December 2020</li> <li>• March 2021</li> <li>• May 2021</li> </ul>
<b>18. Quarterly budget reports</b> (quarterly statements to Council under s138(1) of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with s138(1) of the 1989 Act	Four reports completed during year: <ul style="list-style-type: none"> <li>• September 2020</li> <li>• November 2020</li> <li>• February 2021</li> <li>• May 2021</li> </ul>



Governance and management item	Requirement	Assessment outcome
<b>19. Risk reports</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented	Two reports completed during year: <ul style="list-style-type: none"> <li>• September 2020</li> <li>• January 2021</li> </ul>
<b>20. Performance reports</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in s131 of the 1989 Act)	Performance reports prepared and presented	EOFY report completed September 2020 Mid-year report completed March 2021
<b>21. Annual Report</b> (annual report under s131, s132 and s133 of the <i>Local Government Act 1989</i> to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council in accordance with s134 of the 1989 Act	Last year's report adopted November 2020
<b>22. Councillor Code of Conduct</b> (code setting out the standards of conduct to be followed by Councillors and other matters)	Code of conduct reviewed and adopted in accordance with s139 of the Act	New Code of Conduct adopted February 2021
<b>23. Delegations</b> (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with s11(7) of the Act and a register kept in accordance with s11(8) and 47(7) of the Act	Council delegations reviewed and adopted September 2020 Register maintained
<b>24. Meeting procedures</b> (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with s60 of the Act	Governance Rules adopted August 2020

The Act = *Local Government Act 2020*

s = section/subsection (eg s91 = section 91)



## ENGAGEMENT

### Community engagement

The community has many opportunities to provide input into Council's decision-making processes including community consultation and public forums such as ward meetings and Councillor Cuppa and Chat sessions..

Opportunities for face-to-face engagement diminished in 2020-21 due to COVID-19 safety restrictions. The format of engagement also changed with the introduction of a Community Panel in 2021. This formed part of the deliberative community engagement process undertaken to develop a new 10-year Community Vision 2021-2031 and four-year Council Plan 2021-2025.

The Community Panel comprises 25 residents independently selected from more than 70 expressions of interest received from residents. The panel represents a cross-section of our community – covering geography, age, diversity, gender identification and level of education – designed to represent the viewpoint of all members of our community in the development of an aspirational vision for the Pyrenees Shire in 2031.

Despite two of the workshops being forced online due to COVID-19 restrictions, the engagement process successfully delivered the framework of a Community Vision to 2031 and the basis on which the Council Plan 2021-2025 is being developed.

Building on this success, this type of engagement will continue to be developed over the coming months and years.

### Councillor engagement with the community

Councillors and the Chief Executive Officer attend many public functions and meetings with the community throughout the year.

Councillors invite members of the community to meet informally with them and members of the senior executive team on a monthly basis as part of the 'Cuppa and a Chat' program. These sessions run for 45 minutes prior to the first Councillor briefing of the month. They are held in different locations across the shire each month, predominantly in our more rural and remote locations. They provide valuable opportunities for community members to discuss matters of importance with Councillors and to gain an insight into other Council activity in their part of the shire and across the whole shire. Everyone is welcome to attend.

Members of the community are also welcome to make appointments to address Councillors on topical matters at the bi-monthly briefing sessions. These briefings are generally held on the second and third Tuesday of each month.

### Communications

In addition to its evolving community engagement program, Council continued to monitor, review and report on communication activities to ensure residents remain well-informed about Council's programs and services as well as news and information relevant to our community members.

This ongoing activity was particularly important in 2020-21 due to the changeable nature of COVID-19 and its impact on our community with regard to advisory safety measures, mandatory changes in restrictions imposed to minimise virus spread, and information relating to the impact on delivery of Council services.

Council has established a streamlined approach to delivering messages to residents using a variety of channels as follows:

- **Electronic communication channels:** Council's website, Facebook page, YouTube channel and email direct marketing (EDM) subscription program

- **Traditional communication channels:** Quarterly community newsletter (mailed to every address in the Pyrenees Shire), weekly public notices published in two newspapers and important updates (mailed to every address in the Pyrenees Shire)

Council's need to communicate with the community and the community's desire to stay in touch with Council have increased over the past 12 months.

Forced changes due to COVID-19 restrictions have now become 'business as usual' operations, including the live streaming of Council meetings. Council used a grant of \$98,500 from the Victorian Government's Rural Councils ICT Infrastructure Support Program to install a room-specific video conferencing and live streaming solution in the Beaufort Council Chamber. Council contributed an additional \$30,419 to purchase a portable solution which allows live streaming from anywhere.

The employment of an additional Communications Officer in 2020-21 through the Working for Victoria program has greatly enhanced Council's communications efforts and increased our communications output.

- Our email newsletters increased in frequency and the amount of content. These are published monthly and on an ad-hoc basis for special announcements such as COVID-19 restrictions. We have approximately 2,200 subscribers.
- Our website traffic almost doubled, with page views increasing to 302,201 in 2020-21 (up from 157,516 in 2019-2020) and users increased to 50,700 (up from 40,974).
- Our Facebook page reach has been increasing 18.7% year-on-year, with the number of likes increasing to 1,650 in 2020-21 (up from 1,446 in 2019-20).
- In addition to our quarterly community newsletter, mail-outs were also sent with information on the changes to Council's waste and recycling service and additional information on surviving lockdown was provided with the annual rates notices.
- Our survey participation rates have steadily increased. 174 people responded to the Waste and Recycling Survey and more than 200 people responded to the Waste Calendar Survey.

## **New initiatives to improve engagement with the community in 2020–21**

- Enlarged and improved weekly public notices were published in two newspapers. The Noticeboard advertisement is now full page and includes all of Council's advertising. This advertisement is shared weekly on our website and Facebook page and is also shared to community Facebook groups.
- Video content was generated on various subject matters, such as to help explain elements of the new waste and recycling service and to provide an update on the construction of the Lexton Hub.
- Content posted on social media increased. We were named in the top ten post leaders by Shunt in February 2021 (with 73 posts) and made number 5 on the Highly Engaged list for the level of engagement.
- Pyrenees Projects is a new feature on our website where community members can find details about projects and timeframes, view photo updates and get a greater understanding of the work Council does. 22 projects were listed on our website in 2020-21.





## STATUTORY INFORMATION

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

### Child-safe organisation

Throughout 2020-21 Council continued to work to maintain its status as a child-safe organisation. Ensuring the protection and safety of children who interact with Council is paramount.

### Gender Equality Act implementation

The new *Gender Equality Act 2020* took effect on 31 March 2021. As a defined entity, Council must develop and implement strategies to improve gender equality, including:

- Take positive action towards achieving workplace gender equality
- Consider and promote gender equality in all Council policies, programs and services

During the latter part of the financial year, Council commissioned a baseline gender equality staff survey to inform a workplace gender audit and to support the development and implementation of a gender equality action plan.

#### Intersectionality

For many Victorians, gender inequality may be compounded by other forms of disadvantage or discrimination that a person may experience on the basis of race, Aboriginality, religion, ethnicity, disability, age, sexual orientation, gender identity, or other attributes. Council is required to consider these when developing strategies and measures to promote gender equality.

#### Objectives of the Gender Equality Act

- Promote, encourage and facilitate the achievement of gender equality and improvement in the status of women
- Support the identification and elimination of systemic causes of gender inequality in policy, programs and delivery of services in workplaces and communities

- Recognise that gender inequality may be compounded by other forms of disadvantage or discrimination that a person may experience on the basis of Aboriginality, age, disability, ethnicity, gender identity, race, religion, sexual orientation or other attributes
- Redress disadvantage, address stigma, stereotyping, prejudice and violence, and accommodate persons of different genders by way of structural change
- Enhance economic and social participation by persons of different genders
- Further promote the right to equality set out in the Charter of Human Rights and Responsibilities and the Convention on the Elimination of all Forms of Discrimination against Women
- Communities of Respect and Equality (CoRE) – Council maintains its work as part of CoRE as part of a regional approach for the prevention of violence against women and their children

### Domestic Animal Management Plan

The Victorian *Domestic Animals Act 1994* requires councils to undertake certain duties with regard to domestic animals within the municipality, including:

- Registration of dogs and cats
- Control of dogs and cats
- Control of dangerous, menacing and restricted breed dogs
- Control of commercial domestic animal businesses

In accordance with section 68A (part 5A) of the *Domestic Animals Act 1994*, Council must prepare a Domestic Animal Management Plan at four-yearly intervals. This plan sets out the methods for evaluating whether the normal control services provided by Council are adequate to give effect to the requirements of the Act and the regulations, and a range of programs, services and strategies which Council intends to pursue in its municipal district, as detailed in section 68A(2) of the Act. Council's Domestic Animal Management Plan 2017-2025 is published on Council's website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au)

## Domestic Animal Management Plan

Section 68A(3)(c) of the Act requires Council to publish an evaluation of its implementation of the Domestic Animal Management Plan in its Annual Report:

Activity	When	Evaluation criteria	Outcome
<b>Section 4 - Objective 1: <i>Ensure all staff involved in animal management have the knowledge and skills necessary to carry out their work</i></b>			
Conduct annual performance reviews	Annually	Completion of annual review monitored by Human Resources	Completed
Officers to attend training conducted by DEDJTR* and the Bureau of Animal Welfare periodically <small>*Department of Economic Development, Jobs, Transport and Resources</small>	As offered	Annual review to include review of attendance with training register	Completed
Train new officers in Certificate IV in Government	ASAP after start	Successful completion of course included as part of annual review	In progress
Review qualifications and training requirements for Council's animal management staff	Ongoing	Included as part of annual review	Completed
Encourage Animal Management Officers to undergo further training and study	As offered	Training register (review of attendance) included as part of annual review	In progress
<b>Section 4 - Objective 2: <i>Develop and maintain a training register for individual officers detailing completed and proposed training</i></b>			
Maintain a training record for individual officers detailing completed and proposed training	Ongoing	Training register maintained and reviewed as part of annual review process	Completed
<b>Section 5 - Objective 1: <i>Ensure all dogs and cats are registered and identified as required</i></b>			
Investigate the opportunity for Authorised Officers to undertake training to implant microchips	ASAP	Completion of training included as part of annual review	Not required
Promote and advertise registration requirements prior to the April 10th renewal date in local newspapers, community newsletters and Council's website	Feb/March/April each year	At least one article submitted before renewal date	Completed
Provide information to residents on when and how to register their pets on Council's website	Annually	Information reviewed annually – before registration renewal period begins	Ongoing
<b>Section 5 - Objective 2: <i>Return animals home</i></b>			
Return home registered, microchipped cats and dogs found at large by Council officers instead of impounding them (this may be subject to a release fee and may only allow the animal to be returned home once before being impounded), with dangerous and aggressive animals to be dealt with at the discretion of the Authorised Officer	ASAP	Statistics for impounded and reclaimed pets reviewed annually – should reflect whether this has been successful	Ongoing

Activity	When	Evaluation criteria	Outcome
<b>Section 6 - Objective 1: Reduce cat nuisance complaints</b>			
Continue to enforce cat curfew	Ongoing	Register of nuisance complaints maintained	Ongoing
Continue to promote desexing of cats	Ongoing	Continual promotion	Ongoing
Provide educational material about cat enclosures and nuisance	Ongoing	Website content and brochures available at Council's front counters reviewed annually	Ongoing
Use social media as a tool to promote responsible cat ownership	Mar/April each year	Posts on social media platforms should promote responsible cat ownership at least once annually – especially around renewal time	Completed
<b>Section 6 - Objective 2: Reduce dog nuisance complaints</b>			
Make available information about how to address barking dogs (for owners and neighbours) and how to go about solving nuisance issues	ASAP	Register of nuisance complaints maintained – increased information should result in less complaints	Ongoing
Use Council's on-hold message facility, website and social media as promotional tools	Ongoing	Continual promotion of responsible pet ownership – content reviewed annually	Ongoing
Continue to promote desexing of animals via Council's website and social media	Ongoing	Continual promotion of responsible pet ownership – content reviewed annually	Ongoing
Review signage and placement of dog faeces bag dispensers in the municipality and increase them in areas where required	Ongoing	Increased availability should result in less complaints about dog faeces in public places	Ongoing
<b>Section 6 - Objective 3: Inspect and audit all declared dog premises annually to ensure they are following the keeping requirements</b>			
Liaise with Council's Planning Department in regard to animal keeping planning permit applications	Ongoing	Compliance of animal owners with legislation	Ongoing
<b>Section 7 - Objective 1: Identify and register all declared dogs in the municipality</b>			
Enforce restricted breed dog laws as per DAA	Immediately	Restricted breed dog laws enforced	Ongoing
Cross-reference microchip database information with current Council registration database for potential restricted breed dogs	Ongoing	Information reviewed annually	Ongoing
Educate the community about what is a declared dog and the risks of dog attacks	Ongoing	Promoted on website to improve public awareness – reviewed annually	As required
<b>Section 7 - Objective 2: Effectively inspect and audit all declared dog premises annually to ensure they are following the keeping requirements</b>			
Conduct annual premises inspection of all properties with a declared dog to ensure owners of dangerous dogs are aware of their legal obligations and are compliant	Annually	Annual reminder sent to owners about requirements	Completed



Activity	When	Evaluation criteria	Outcome
<b>Section 8 - Objective 1: Reduce attacks by dogs and cats on people, livestock, pets and wildlife</b>			
Review procedures for dealing with dog attacks and complaints	Annually	Annual review	Established work practices followed by not yet documented as a procedure
Ensure any dangerous and restricted breed dogs are properly identified and managed by their owners	Annually	Annual audit of properties containing dangerous and restricted breed dogs conducted	Completed and ongoing
Ensure all dogs declared by Council are recorded on the Victorian Declared Dog Register	Annually	Audit completed annually	Completed
Publicise key dog attack prevention messages (eg confinement of dogs to property, leash laws etc) through media articles, mail-outs, and on Council's website	Ongoing	Publicity campaign completed at least once a year	Publicity campaign not yet undertaken
<b>Section 8 - Objective 2: Increase reporting of dog attacks in the community</b>			
Improve public awareness of what a dog attack is and the importance of reporting immediately	Ongoing	Dog attack statistics recorded – should see a decrease in attacks if message is getting through	Recorded in Customer Action Requests (CARs) system Publicity campaign not yet undertaken
Enforce DAA as required, including the destruction of dogs found at large where livestock is kept	As required	Dog owners educated as to their rights and responsibilities	Completed and ongoing
<b>Section 9 - Objective 1: Reduce percentage of registered dogs and cats that are currently entire and not part of a domestic animal breeding business each year</b>			
Make available desexing vouchers for pets of low-income earners via agreements with local vet clinics	Ongoing	Owners assisted to achieve compliance and responsible pet ownership	Not applicable
Continue to promote desexing of pets	Ongoing	Responsible pet ownership	Ongoing
<b>Section 9 - Objective 2: Raise awareness about semi-owned cat population</b>			
Undertake awareness campaign highlighting the operation of illegal cat breeders and feeders of strays	Ongoing	The incidence of stray and nuisance cats reduced	Publicity campaign not yet undertaken
Educate people about the consequences of feeding stray cats	Ongoing	Impound cat or adopt cat as own and care for it as required	As required

Activity	When	Evaluation criteria	Outcome
<b>Section 9 - Objective 3: Undertake an education campaign to promote awareness about illegally operating domestic animal breeding establishments in the municipality</b>			
Undertake an education campaign to promote awareness about illegally operating domestic animal breeding establishments in the municipality	Annually	Education	As required
Identify and audit every domestic animal breeding establishment for compliance	Annually	Non-compliance identified	Completed
Encourage the public to report suspected illegal breeding establishments	Ongoing	Compliance with legislation and animal welfare best practice achieved	Completed
Improve database of impounded animals through use of photographs	Ongoing	Effective and accurate identification achieved	Completed
<b>Section 10 - Objective 1: Ensure all domestic animal businesses operate in accordance with statutory requirements and community expectations</b>			
Identify non-registered domestic animal businesses by monitoring social media, local advertising boards and newspapers or similar in the municipality as well as online sites to identify businesses selling pet products and services	Ongoing	Compliance achieved	Completed and ongoing
Audit all domestic animal businesses and breeders within the municipality	Annually	Audit register maintained and reviewed annually	Completed
<b>Section 10 - Objective 2: Identify and register all domestic animal businesses in the municipality</b>			
Identify new domestic animal businesses following changes to legislation	Ongoing	Compliance achieved	Completed and ongoing
<b>Section 11 - Objective 1: Ensure relevant and current information is made available</b>			
Provide brochures in relation to pets in emergencies	Current	Brochures completed	Publicity campaign not yet undertaken
<b>Section 11 - Objective 2: Ensure all aspects of the role of Animal Management Officers are undertaken effectively</b>			
Provide ongoing professional development opportunities	Ongoing	Animal Management Officers equipped to be more proactive and effective	Ongoing
Develop new policies and procedures as required	Ongoing	More effective workflow achieved	Ongoing

## Food Act Ministerial Directions

The role of councils under the Victorian *Food Act 1984* is outlined in section 7A of the Act. Section 7E of the Act requires Council to publish a summary of any Ministerial Directions received during the financial year in its Annual Report.

No such Ministerial Directions were received by Council in 2020-21.

## Freedom of Information

### Part II Statement – Information Publication Scheme

In accordance with *Part II – Information Publication Scheme of the Freedom of Information Act 1982* (FOI Act) Council is required to publish a plan showing each of the following:

- a. What information Council proposes to publish for the purposes of this Part
- b. How, and to whom, Council proposes to publish information for the purposes of this Part
- c. How Council otherwise proposes to comply with this Part

Council has published a plan on its website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au) detailing the following information:

- The Plan as required above
- Council's organisational structure
- The functions undertaken by Council
- Details of the appointments of Council Officers made under Acts
- Information published in its Annual Report
- Details of arrangements for members of the public to comment on specific policy proposals, including how and to whom those comments may be made
- Information in documents to which Council routinely gives access in response to requests under Part III of the FOI Act (access to documents), except where information is exempt
- Information held by Council that is routinely provided to the Parliament in response to requests and orders from the Parliament
- Contact details for an officer who can be contacted about access to Council's information or documents under the FOI Act
- Council's operational information as required under section 8A of the FOI Act

Council provides reading room facilities at its Beaufort Community Resource Centre and Avoca Information and Community Centre where members of the public can find and access information relating to Council and the kinds of documents it holds. Alternatively, members of the public can request access to documents as detailed below.

### Requests for information made under the Freedom of Information Act

Council processed three non-personal requests for information in 2020-21 and nil personal requests. Of these requests, three were granted access in full.

A total of fees and charges collected by Council with regard to these requests are detailed as follows:

- \$59.20 collected as application fees
- \$44.42 collected as charges (eg for photocopying or search times)
- \$29.60 application fee waived upon request

Access to documents may be obtained upon request to the Freedom of Information Officer as follows:

- Requests should be made in writing
- Requests should identify as clearly as possible which document is being requested
- Requests should be accompanied by the appropriate application fee (as detailed on Council's website)

Application fees may be waived in certain circumstances (eg financial hardship) upon request to the Freedom of Information Officer. However, a request does not become valid for processing until either payment of the application fee is made or written acceptance of a fee waiver is received.

Access charges may also apply once documents have been processed and a decision on access has been made (eg charges for photocopying, search or retrieval activities).

Applications for access to documents should be addressed to Council's Freedom of Information Officer as follows:

- By mail to Pyrenees Shire Council, 5 Lawrence Street BEAUFORT VIC 3373
- By email to [pyrenees@pyrenees.vic.gov.au](mailto:pyrenees@pyrenees.vic.gov.au) (please note, a request does not become valid until the application fee has been paid)
- In person at any of Council's front counters

Further information regarding Freedom of Information can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au).



## Documents available for public inspection

Council must operate in accordance with the public transparency principles detailed in section 58 of the *Local Government Act 2020*. To this end, Council information must be publicly available unless:

- The information is confidential, or
- Public availability of the information would be contrary to the public interest

In accordance with the *Local Government Act 2020* the following information has been made publicly available on Council's website:

- Register of delegations made by Council (section 11(8))
- Council adopted policies, strategies and plans
- Council meeting agendas and minutes (open sections)
- Local Laws in place (section 75)
- Annual Reports and Financial Reports
- Annual Budget
- Processes for making complaints and submitting public interest disclosures
- Notice on intention to sell or exchange land (if applicable) (section 114)
- Summary of personal interests returns (division 3, section 135)
- Councillor Code of Conduct (section 139)
- Summary of election campaign donation returns (section 307)

## Public Interest Disclosure procedures

In accordance with Victoria's *Public Interest Disclosures Act 2012*, Council has obligations regarding the receipt, management and notification of public interest disclosures made that relate to the conduct of Council or a Council Officer. Council is committed to the aims and objectives of the Act in the reporting of improper conduct, including corruption, and does not tolerate improper conduct in the organisation.

The Act aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide confidentiality and protection for people who make disclosures.

Information on how to make a disclosure to Council is available on Council's website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au) however any disclosure may be made to the Director Corporate & Community Services.

No disclosures were notified to Council Officers appointed to receive disclosures, or to the Independent Broad-based Anti-corruption Commission (IBAC) relating to Council in 2020-21.

## Road Management Act Ministerial Directions

The *Road Management Act 2004* imposes requirements on Council as a road management authority for the local roads network on its public road register. This includes the development of a Road Management Plan for the Pyrenees Shire which is available on Council's website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au)

The register of public roads is available for inspection by members of the public upon request at any of Council's front counters during normal business hours. This is free of charge.

Under section 22 of the Act, the Minister has the power to give Ministerial Directions and Council must publish any such directions in this report.

No such Ministerial Directions were received by Council in 2020-21.



## EMERGENCY MANAGEMENT

An emergency can occur due to the actual or imminent occurrence of an event which has the potential to endanger the health and safety of any person, or damage or destroy property. This includes environmental assets such as natural habitat and plant and animal species.

The Pyrenees Shire Council and the Pyrenees Shire community have a shared responsibility for emergency management before, during and after an emergency. The responsibility is led by the relevant lead response agency as follows: the CFA for a fire emergency, the SES for a flood emergency, and Victoria Police for other emergencies. The role of Council is to support the lead response agencies with regard to preparation and response and to take a lead role in the relief and recovery stages in the aftermath of an event.

Emergency management legislation changed in December 2020, requiring a re-establishment of the Municipal Emergency Management Planning Committee and transferring primary responsibility from councils to the core members of that Committee. The committee is made up of representatives of responder and emergency control agencies.

Council retained responsibility to support the key emergency control agencies because they are the closest level of government to their communities and have access to specialised local knowledge about the environmental and demographic features of their districts. Communities also naturally seek help from their local council and emergency management agencies during emergencies and the recovery process.

Emergency management responsibility and roles now focus on:

### 1. Before an emergency

Risk mitigation and building community resilience is now a shared responsibility. Everyone has a part to play in emergency planning, including individuals, businesses, local government, and State and Federal governments.

### 2. During an emergency

Community members should watch and listen to warnings, take directions from the lead response agencies (CFA, SES and Victoria Police) to ensure they are safe such as preparing to make decisions should the need arise and knowing what to do and where to go for assistance. Community members are responsible for preparing and enacting their personal emergency preparedness plans as needed. Council's role during an emergency is to support the lead response agencies in their response activities. This includes opening a relief centre in response to a request from the Incident Control Centre, providing liaison officers to facilitate communications between the Incident Control Centre and Council operations, providing resources (plant and operators) for creating fire breaks, animal management or disposal operations, and undertaking impact assessments.

### 3. After an emergency

Recovery is a shared role across many organisations, including councils, the Department of Fairness, Families and Housing, Australian Red Cross, and other health service providers. Council performs a key role in connecting the community to these services after an emergency and has responsibility for restoring services, reconstructing critical public infrastructure and supporting the economic recovery and wellbeing of the community. The recovery process includes addressing short-term needs such as clean-up and providing material aid as well as longer term needs such as addressing community and economic recovery and environmental rehabilitation.

## History of emergencies in the Pyrenees Shire

Pyrenees Shire has experienced a number of diverse emergency events over the past 15 years.

Some of these emergencies have resulted in the loss of life, primary residences and other property, and/or livestock. An extraordinary community effort has been required to recover from these events.

- Traffic accident – Trawalla (2007)
- Flood – Beaufort (2011)
- Bushfire – Chepstowe (2013)
- Flooding – Shire-wide (2016)
- Bushfire – Natte Yallock (2019)
- Bushfire – Lexton-Ben Major (2019-20)
- COVID-19 pandemic (2020 ongoing)

## Emergency management in 2020-21

Council focused on the following emergency management activities in 2020-21:

- Achieving a very successful audit outcome for the review of the Municipal Emergency Management Plan (MEMPC) – the audit was undertaken by the SES in June 2020
- Supporting the re-establishment of the Municipal Emergency Management Planning Committee (MEMPC) and supporting sub-committees in accordance with legislative changes – this was undertaken between December 2020 and February 2021. Sub-committees include:
  - Fire Sub-Committee
  - Relief and Recovery Sub-Committee
  - Flood Working Group
- Appointing two new statutory emergency management positions:
  - Municipal Emergency Management Officer (MEMO) – an amalgamation of the former Municipal Emergency Resourcing Officer (MERO) and the Municipal Emergency Manager (MEM) – this position is held by the Manager Governance Risk & Compliance
  - Municipal Recovery Manager (MRM) – this position was already in place even though it was not previously mandated under law – this position is held by the Manager Community Wellbeing & Development

- Supporting the MEMPC in commencing the next review of the Municipal Emergency Management Plan into a new format as required under State and Regional emergency planning. This is due for audit in 2023.
- Securing Federal funding to conduct the Upper Avoca Flood Study as part of Council's work on flood management. The draft study was presented to Council on 15 September 2020, which resulted in a number of recommendations focused on mitigation and planning amendments for future consideration. The report, which was finalised in May 2021, identified flood impact and likeliness based on modelling and hydrogeological data in the Avoca River Catchment area. Information will be reviewed by MEMPC sub-committees so that the flood plans can be updated as the plans are reviewed.
- Hosting a training session for MEMO and MRM staff over two days which was attended by a number of our neighbouring councils.
- Supporting a number of Council staff to complete COVID-19 Safety Advisor training, ensuring operational practices will be compliant in emergency situations, such as opening a relief centre.
- Contributing to the building of the new Lexton Community Hub (partly funded by Lexton-Ben Major bushfire recovery funding).

## Municipal Emergency Management Planning Committee

The Pyrenees Shire has a newly formed Municipal Emergency Management Planning Committee (MEMPC) as a result of changes to emergency management legislation in December 2020. This committee is no longer a sub-committee of Council.

The MEMPC operates using an integrated planning model that promotes community resilience and a coordinated approach that best utilises the resources, knowledge and skills within our community.

MEMPC membership is made up of representatives the Pyrenees Shire Council and core agencies (Australian Red Cross, SES, CFA, Victoria Police, the Department of Fairness, Families and Housing, the Department of Agriculture, and other local health service providers).



## **Municipal Emergency Management Plan**

The MEMPC is required to develop and maintain a Municipal Emergency Management Plan (MEMPC) which outlines how all agencies will meet their emergency management responsibilities.

A three-year review of the MEMPC concluded in 2020, with a successful audit outcome. The next audit process will occur over three years to 2023. The MEMPC audit process was repealed and replaced on 1 December 2020 with a new self-assurance process. The MEMPC will be responsible for ensuring that new plans comply with the new planning framework before submitting to the Regional Emergency Management Planning Committee for approval.

Plans are published on Council's website at [pyrenees.vic.gov.au](http://pyrenees.vic.gov.au)



# *Section 7:* OUR PERFORMANCE







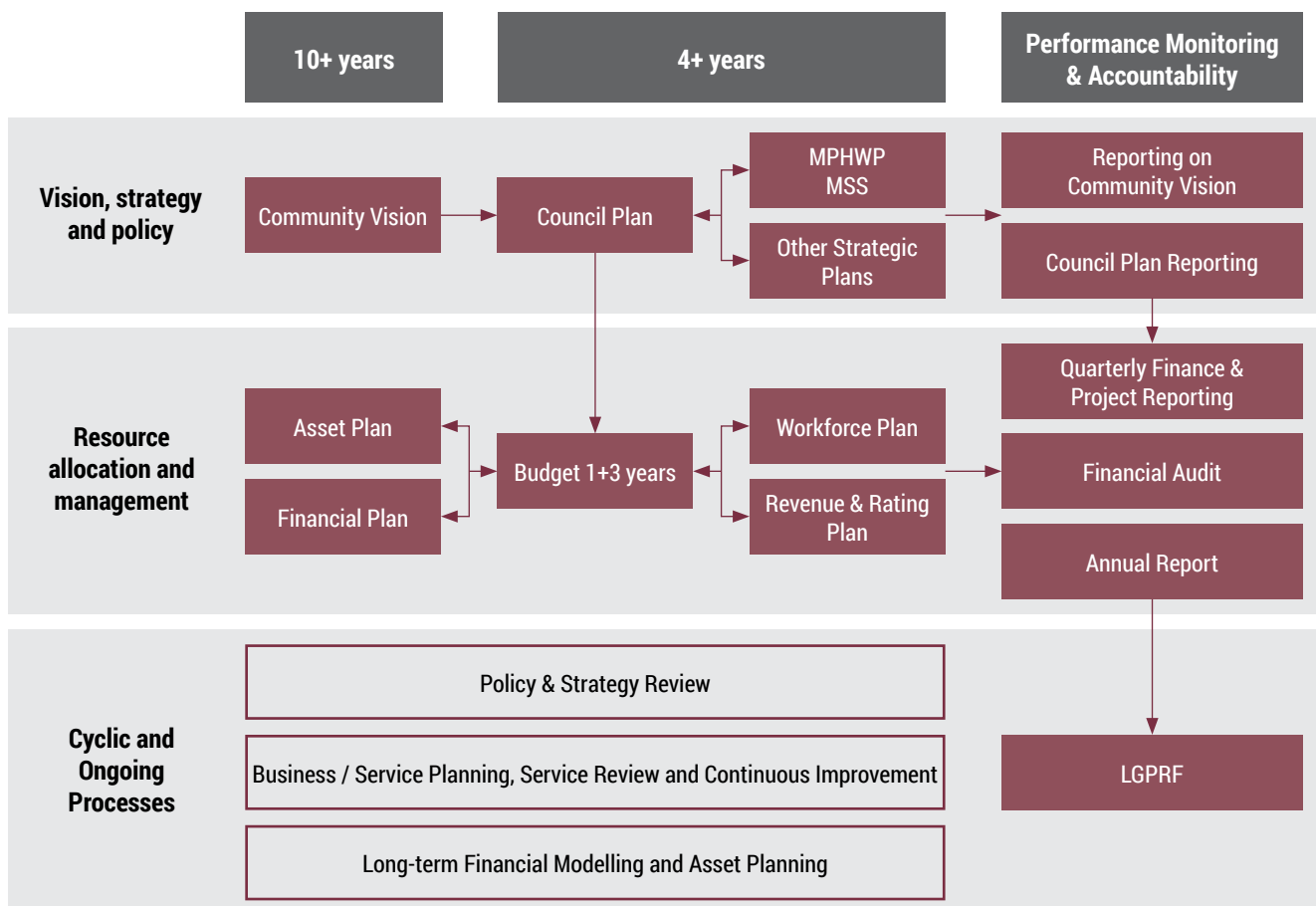
# INTEGRATED STRATEGIC PLANNING AND REPORTING FRAMEWORK

## A new integrated approach to strategic planning and reporting

The new provisions within the *Local Government Act 2020* require councils to take a more integrated approach to strategic planning and reporting. A co-design process ran from August to October 2020, with councils working together focused on the question: "How do we make strategic planning and reporting more integrated so that it works better for councils and their communities?"

This resulted in the development of an integrated strategic planning and reporting framework that is designed to provide transparency and accountability to our community.

### Pyrenees Shire Council integrated strategic planning and reporting framework





## Delivery of the integrated strategic planning and reporting framework

Pyrenees Shire Council started delivery during 2020-21 as follows:

Component	Detail	How we do it	Status
<b>Community Vision</b> (planning)	10-year vision of what the community wants the Pyrenees Shire to look like in 2031 <i>Deliver by 31 October 2021</i>	Deliberative engagement (workshops with Community Panel)	In progress – draft completed and awaiting final community feedback
<b>Council Plan</b> (planning)	4-year plan, based on the Community Vision, detailing Council's strategic objectives for the current term <i>Deliver by 31 October 2021</i>	Deliberative engagement, built on by workshops with Councillors, managers and staff	In progress – draft being prepared for community feedback
<b>Financial Plan</b> (planning)	10-year financial plan focused on the delivery of the Community Vision and Council Plan <i>Deliver by 31 October 2021</i>	Internal collaborative development, built on by community consultation	In progress
<b>Asset Plan</b> (planning)	10-year strategic plan detailing Council's management of critical public assets <i>Deliver by 30 June 2022</i>	Deliberative engagement, focused on community-led strategies and priorities	In progress
<b>Annual Budget</b> (planning)	Rolling 4-year budget detailing how resources will be allocated across programs, services and capital works <i>Deliver by 30 June 2021</i>	Community consultation	Completed and adopted
<b>Revenue and Rating Plan</b> (planning)	4-year plan that provides transparency on policy objectives and benefits and that details how Council will generate income to deliver on the programs, services and capital works commitments outlined in the Council Plan <i>Deliver by 30 June 2021</i>	Organisational collaboration	Completed and adopted
<b>Workforce Plan</b> (planning)	4-year plan detailing the optimum organisational structure and projected staffing requirements required to deliver Council's programs and services <i>Deliver by 31 December 2021</i>	Organisational collaboration	In progress
<b>Annual Report</b> (reporting)	Reporting on Council's annual performance <i>Deliver by 30 October 2021</i>	Organisational collaboration	Completed (this document)
<b>Financial Audit</b> (reporting)	Annual independent verification of Council's financial practices	Independent government audit	Completed (included in this document)
<b>Local Government Performance Reporting Framework</b> (reporting)	Public comparison of Council's performance (reported online) that provides verified data that can be compared with other like councils <i>Deliver by 30 October 2021</i>	Organisational collaboration	In progress
<b>Quarterly reporting</b>	Reporting on: <ul style="list-style-type: none"> <li>• Financials/Budget</li> <li>• Council Plan delivery</li> <li>• Community Vision</li> <li>• Projects</li> </ul>	Organisational collaboration	Ongoing











Overview		Elements	Outcomes
<p>A community vision reflects a consensus view of the future community wants and needs, and the high level actions required to achieve desired outcomes.</p> <p>Vision statements reflect shared values and aspirations and create active tension between the current and desired future state.</p>	10-years +	<p><b>Community Vision</b> &gt; 10-year aspiration for community</p>	<p>There is a consensus view of the desired future (10+ years) for the community and potential pathway to achieve this.</p> <p>Intended directions, pathways and investments have legitimacy.</p> <p>Council's jurisdiction and targets for advocacy are understood.</p> <p>There is an understanding of community, civil society and broader partnerships required to achieve the Vision.</p>
<p>A Financial Plan is used by Council, community and the organisation to ensure the long term viability and sustainability of the Council. It supports the achievement of the Community Vision and establishes investment and spending thresholds.</p> <p>The Asset Plan ensures effective management and stewardship of community assets.</p>		<p><b>Financial Plan</b> 10-year financial framework to support achievement of Community Vision and Council Plan</p> <p><b>Asset Plan</b> 10-year asset management framework to support achievement of Community Vision and Council Plan</p>	<p>Improved understanding of Council's capability to achieve its vision.</p> <p>Clear view of the fiscal capacity and constraints of Council.</p> <p>Financial risk and potential areas of volatility are managed.</p> <p>Council Plan, strategies, programs and projects can be resourced.</p> <p>Council is a trusted and responsible steward and community assets meet future community needs.</p>
<p>Council Plan outlines the agenda for a new Council and supports the achievement of the Community Vision through Strategic objectives and strategies.</p> <p>Revenue and Rating Plan outlines a medium-term view of how Council will raise revenue to support activities and achievement of Council Plan strategies and objectives.</p>	4-years +	<p><b>Council Plan</b> 4-year plan to support achievement of Community Vision Strategic objectives, major initiatives, strategies and indicators</p> <p><b>Revenue and Rating Plan</b> 4-year plan to support achievement of Community Vision and Council Plan</p>	<p>Council owns the Council Plan and the community is clear on its strategic direction.</p> <p>There is a clarity on how strategic objectives will be achieved and consistency with available resources.</p> <p>There is alignment with and progress towards the Community Vision.</p> <p>It is clear how Council will collect revenue to support activities.</p>
<p>Council will develop and adopt a budget each year that describes in more detail the way in which revenue will be raised and expenditure directed.</p> <p>The budget must include 3-year financial projections as well as description of services, major initiatives and performance measures.</p> <p>The CEO must prepare and maintain a 4-year Workforce Plan.</p>		<p><b>Annual Budget</b> 1 + 3-year budget supporting Council Plan delivery, includes description of services, major initiatives and performance measures</p> <p><b>Workforce Plan</b> 4-year plan reflecting organisational structure and staffing requirements to support delivery of Council Plan [s46 (4)]</p>	<p>Strategies and initiatives to achieve Council Plan are clearly articulated, mapped and resourced.</p> <p>Programs and initiatives have quality and cost standards.</p> <p>Resources (including people) required to deliver on commitments are understood.</p> <p>The community has had an opportunity for deliberative engagement.</p>
<p>The Council is accountable for its performance through the Annual Report, Local Government Performance Reporting Framework and mandatory quarterly financial reports that are presented to Council.</p> <p>Many Councils develop and maintain additional mechanisms to ensure public accountability, these include: quarterly reporting on achievement of capital works and Council Plan initiatives, routine reporting on project, program and policy initiatives.</p>	1-year +	<p><b>Annual Report</b> Report on operations including implementation of Council Plan and major initiatives Service performance indicators Financial performance statement</p> <p><b>LGPRF</b> Local Government Performance Reporting Framework</p>	<p>Transparent monitoring of financial, service and program performance.</p> <p>Improved accountability to Council and community for achievement of objectives.</p> <p>Improvement opportunities captured and incorporated into planning.</p>



## PART 1: DELIVERY AGAINST THE COUNCIL PLAN 2017–2021

The Council Plan 2017-2021 sets out strategic objectives and a pathway to achieve, monitor and resource these.

The 2020-21 financial year is the final year of delivery against the Council Plan 2017-2021. Pyrenees Shire Council's performance in 2020-21 is reported against each strategic objective below.

Status Legend			
 0% completed	 25% completed	 50% completed	 75% completed
 Fully completed	 Funding required	 Information required	 Ongoing
 On hold	 Cancelled		





## STRATEGIC OBJECTIVE 1: Roads and townships

*We will plan, manage, maintain and renew infrastructure in a sustainable way that responds to the needs of the community.*

To achieve our objective, we will continue to ensure that:

- Our sealed road network is well-maintained while key strategic link roads are upgraded
- The quality and function of the gravel road network across the shire is improved by increasing spending in real terms
- The amenity of our townships is improved and key infrastructure projects are delivered with other levels of government

### Major initiatives – progress against Strategic Objective 1 in 2020–21

Major initiatives	Progress in 2020–21	Status
Implement the following initiatives contained in the Gravel Road Strategy	Use of higher quality materials for gravel road re-sheeting – materials used have been specified to meet quality criteria for most applications	→
Renew and upgrade key strategic roads	Vinoca Road – completed	✓
	Waubra-Talbot Road – completed	✓
	Carngham-Streatham Road – completed	✓
	Carngham-Linton Road – survey and design completed, project on hold with priority for this road replaced by the Carngham-Streatham Road (see above) which was developing significant pavement failures	!
	Lexton-Ararat Road Bridge – following further technical assessments of this structure, the priority for this bridge was replaced by Bridge 139 on the Raglan-Elmhurst Road for which funding to renew has been received	!
Review key strategic documents	Road Management Plan – underway	🕒
	Gravel Road Strategy – will be undertaken as part of the Asset Management Plan review in 2021-22	○
	Asset Management Strategy – part of implementation of the <i>Local Government Act 2020</i> integrated strategic business planning project – planning underway, due June 2022, no further work required in this financial year	🕒

Major initiatives	Progress in 2020–21	Status	
Review key strategic documents	Service and Asset Management Plans – part of implementation of <i>Local Government Act 2020</i> integrated strategic business planning project – planning underway, due June 2022, no further work required in this financial year		
	Roadside Management Plan – completed in 2020		
Maintain safe roads by controlling encroachment of roadside vegetation	Ongoing 2020-21 works program		
Undertake two internal audits per year on compliance with the Road Management Plan	Both audits completed		
Continue to advocate for the reclassification of the Eurambeen-Streatham Road	Raised at every opportunity when meeting with VicRoads and Regional Roads Victoria		
Undertake condition assessments of key assets	Roads – budget allocated for roads assessment inspections every three years, with additional budget allocation prepared in respect to emergency condition (pre-condition information required under emergency management reimbursement schemes)		
	Bridges – budget allocated for condition assessment inspections every three years by consultants		
	Major culverts – condition inspections undertaken using internal resources		
	Buildings – to maintain data format and consistency, quote obtained and accepted from company who completed the previous condition assessments		
	Loss prevention inspections conducted in 2020		
Deliver 2020-21 road and asset renewal programs	Re-sheeting of gravel roads – completed		
	Re-sealing of sealed surfaces – underway		
	Pavement reconstruction – completed		
	<b>Bridge and major culvert (MC) program:</b>		
	Bridge 38 Pittong-Snake Valley Road – completed		
	Bridge 110 Moonambel-Warrenmang Road – funding application successful, tender documentation being prepared, scheduled to be completed in early 2022		
	Bridge 139 Raglan Elmhurst Road – geotech report completed, tender for bridgeworks being prepared, scheduled to be completed in 2021-22		
	Bridge 32 Carngham-Streatham Road – design underway using internal resources, survey and geotech report completed		
	MC 212 Barkly-Navarre Road – project withdrawn		
	MC266 Skene Street Lexton – contract awarded, project delayed due to inclement weather		

Major initiatives	Progress in 2020–21	Status
Deliver 2020-21 road and asset renewal programs	MC 188 Robertson Street Lexton – contract awarded, project delayed due to inclement weather	
	<b>Drainage program:</b>	
	Napier Street Avoca – completed	
	Astbury Street Avoca – completed	
Improve the public amenity of townships by increased level of maintenance at town entrances, street tree replacement planting, better signage and use of GATT seals	Water bores – all works planned for 2020-21 completed	
	Street tree replacement completed	
	Signage being progressively upgraded	
Deliver agreed works and infrastructure improvements in towns under the Drought Communities Program	Works completed	
Implement initiatives contained in Township Framework Plans	Works in Snake Valley, Waubra, Avoca and Lexton – nearing completion	
Seek funding to implement actions to ensure Beaufort is ready for the bypass	Awaiting finalisation of bypass planning	
Implement funded projects in Avoca	<b>Activate Avoca:</b>	
	Railway precinct – gravel footpath completed, paving at front entrance to commence ASAP (weather permitting)	
	Hall construction progress – plaster 100%; windows and doors 90%; fixtures and fittings 80%; joinery 80%; painting 100%; electrical 95%; plumbing 50%; external concrete paving 80%; DDA (disability) compliant carpark 80%	
	Streetscape – construction of outstands commenced, landscaping and timber bollards to be installed after completion	
	Inclusive Playspace – completed	
Implement funded projects in Snake Valley	BBQ shelter – completed	
	Linear Park/Skate Park – completed	
Implement funded projects in Lexton	Female-friendly change facility – building construction completed	
	Lexton Community Hub – works underway, scheduled to be completed in October 2021	
Work with appropriate authorities to develop flood plans for Avoca and Raglan	Raglan Flood Plan – adopted, planning amendment underway	
	Avoca Flood Plan – adopted, planning amendment underway	
Implement initiatives identified through flood planning to mitigate flood and drainage impacts in Lexton, Waubra, Avoca, Natte Yallock, Landsborough, Beaufort and Raglan	Where Flood Plans have been adopted – mitigation actions underway (budgets allowing), including clearer information available to communities to prevent inappropriate development	





## STRATEGIC OBJECTIVE 2: Relationships and advocacy

*We will build and maintain effective relationships with community, government and strategic partners, and advocate on key issues to advance our communities.*

To achieve our objective, we will continue to ensure that:

- Our communities are active and engaged
- Investments are secured from other levels of government to meet our community's needs
- Council has a reputation for active leadership on issues that are important to our communities

### Major initiatives – progress against Strategic Objective 2 in 2020–21

Major initiatives	Progress in 2020–21	Status
Review Community Engagement Strategy	Completed and adopted	✓
Implement Community Engagement Strategy	Community Vision – community engagement and development of draft completed, on track to be finalised and adopted in late October 2021	◐
Implement Integrated Strategic Planning Framework in accordance with <i>Local Government Act 2020</i>	Community Engagement Strategy – planning underway, strategy will be reviewed in late 2021	◐
Implement Frontline Services Review recommendations with a focus on providing a better service to our communities	Change plan developed, implementation underway (multi-year project)	◐
Work with other Local Government Areas (LGAs) to develop a strategy for the delivery of shared services	Central Highlands Rural Council Transformation Project suspended in late 2020 CEO meets with other CEOs weekly Director Corporate & Community Services meets with other directors from neighbouring LGAs monthly Shared arrangements negotiated with City of Brimbank for project-focused Information and Communications Technology (ICT) and Geographic Information System (GIS) activities Collaboration to share planning for future of home-based aged care in rural Victoria underway	➔
Provide strong leadership through timely and effective communication with Members of Parliament and relevant government agencies	Advocacy undertaken whenever opportunity arises	➔

Major initiatives	Progress in 2020–21	Status
<p>Advocate to government (in partnership with peak bodies and relevant community and industry groups) on key projects and issues important to our community</p>	<p>Financial assistance grants – discussions undertaken in early 2021 regarding methodology</p> <p>Beaufort Bypass – Regional Roads Victoria (RRV) engaged in discussions, community update provided by RRV end April 2021, Environment Effects Statement (EES) being finalised, public exhibition expected in mid 2021, C2 has been nominated as preferred route</p> <p>Advocacy for an Ararat- Maryborough Rail Line</p> <p>Improved telecommunications across the shire – Optus tower installed in Lexton, Telstra booster tower installed in Waubra, joint advocacy proposed with Central Highlands Local Government Areas to improve connectivity</p> <p>Improved access to data communication and successful NBN rollout in blackspot areas across the shire</p> <p>Maintaining the level of Roads to Recovery funding which is essential to support our local roads network</p> <p>Advocacy to gain access to State and Federal funding for local and community infrastructure</p> <p>Improved water security and access – funding secured for Beaufort recycled water project</p> <p>Achieving equitable cost sharing across all levels of government</p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with sector peak bodies including Municipal Association of Victoria (MAV), Rural Councils Victoria and Victorian Local Government Association</p>	<p>Membership and participation maintained (ongoing)</p> <p>Engagement with the MAV has increased to support the implementation of the <i>Local Government Act 2020</i></p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with business associations including Business for Beaufort and Advance Avoca</p>	<p>Ongoing participation in the COVID-19 economic development community team activities by local business representatives</p> <p>Business associations were involved with deliberative engagement in the development of the Community Vision</p> <p>Active COVID-19 recovery program being delivered via a dedicated Economic and Community Recovery Officer</p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with industry sector bodies including Pyrenees Grape Growers &amp; Winemakers (PGW), Visit Ballarat and the Victorian Farmers Federation</p>	<p>Regular contact with the PGW, Activate Avoca, Business 4 Beaufort and Beaufort Progress Association maintained</p> <p>Strategic Partnerships were supported via a \$30,000 Commonwealth Bushfire Recovery Grant to hold the 2021 Pyrenees Unearthed wine and food festival</p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with regional bodies including Central Highlands Councils Victoria (CHCV), Central Victorian Greenhouse Alliance and Committee for Ballarat</p>	<p>Participation in CHCV maintained (group meets monthly)</p> <p>CEO meets with other CEOs regularly</p>	<p>→</p>

Major initiatives	Progress in 2020–21	Status
<p>Develop and foster strategic partnerships by actively engaging with local groups and clubs including Community Action Planning committees, clubs and associations</p>	<p>Former s86 Committees successfully transitioned to Community Action Committees, work will continue on redevelopment of Community Action Planning across the shire in 2021-22</p> <p>Avoca Community Arts &amp; Gardens Committee appointed as Community Action Committee for newly acquired property at 2 Station Street Avoca</p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with issue-specific lobby groups including Western Highway Action Committee and Ballarat Rail Action Committee</p>	<p>Ongoing</p>	<p>→</p>
<p>Develop and foster strategic partnerships by actively engaging with Traditional Owner groups to increase awareness of cultural heritage matters through the implementation of Council's Reconciliation Action Plan</p>	<p>'Reflect' Reconciliation Action Plan – implementation completed in October 2020</p> <p>New Reconciliation Action Plan – development advanced, Working Group appointed to progress development and volunteers appointed from the community to support Council in delivering the Reconciliation Action Plan</p>	<p>✓</p> <p>◐</p>





## STRATEGIC OBJECTIVE 3: Community connection & wellbeing

*We will engage with our communities to provide responsive, efficient services that enhance the quality of life for residents and promote connected, active and resilient communities.*

To achieve our objective, we will continue to ensure that:

- Our communities are connected, vibrant and active
- Our services align with community needs
- Communities are supported to actively plan for their future and to implement their plans
- The cost of services is well-managed and program cost-shifting is controlled

### Major initiatives – progress against Strategic Objective 3 in 2020–21

Major initiatives	Progress in 2020–21	Status
Implementation of the key priorities from the Municipal Public Health and Wellbeing Plan (MPHWP)	Existing MPHWP – implementation of well advanced New MPHWP –being developed in collaboration with neighbouring Local Government Areas, almost complete	🕒
Undertake appropriate measures in response to and recovery from the COVID-19 pandemic, as overseen by Council's Pandemic Planning Committee	Pandemic Planning Committee meets fortnightly to review pandemic updates and actions undertaken and needed, and to monitor impacts on staff, organisation and community COVID-Safe Plan updated in late 2020 and early 2021 New staff desk booking system implemented to facilitate staff numbers greater than available workspaces in the Council offices Indoor staff required to work from the office three days per week	➔
Implementation of the key priorities from the Recreation Strategy	Implementation underway Preparation for the 2021-2024 pools contract tender completed, tenders scheduled to be invited in early July 2021 Pools Strategy to be developed	🕒
Support the participation of youth in the Western Bulldogs Foundation Leadership Program	Council sponsored a group of nine young people to participate in the leadership program in 2021, following a gap in 2020 due to COVID-19. It is expected that five of this cohort will graduate from the program.	✅
Examine and implement improvements in the maintenance of ovals and hard courts	Governance manual and responsibilities for maintenance completed in collaboration with Community Asset Committees Risk assessments and asset management inspection regimes will be developed and implemented in collaboration with these committees 2021-22	✅ 🕒

Major initiatives	Progress in 2020–21	Status
Plan for, respond to and assist the community to build resilience and recover from natural disasters including monitor and review the Municipal Emergency Management Plan (MEMP)	MEMP review completed in 2020, successful audit completed New Municipal Emergency Management Planning Committee (MEMPC) established under emergency management legislative changes Self-assessment (under new emergency management arrangements) completed MEMP three-year review commenced	→
Participate in the Children and Youth Area Partnership	Partnership dissolved due to a lack of resourcing by the Victorian Government	✕
Participate in the Grampians Pyrenees Primary Care Partnership	Participation maintained, with Council represented by Manager Community Wellbeing & Development	→
Review Community Action Plans (CAP) to inform decision-making and Council priorities Provide support to Community Action Plan coordinators to maintain plans that are inclusive and reflective of the whole community	Some new CAPs for 2020 have been finalised and published on Council's website The CAP process will be reviewed in 2021-22 and work will be undertaken to redevelop the process in collaboration with community groups	🕒
Maintain a list of 'pipeline projects' and meet regularly with funding partners to proactively seek grants for projects that are well planned and have wide community support	Work underway to establish a list of community-focused projects that will be 'shovel-ready' in preparation for future funding opportunities	🕒
Implement the Act@Work Action Plan	Act@Work Action Plan – implementation completed <i>Gender Equality Act 2020</i> came into force in March 2021 – training to support conducting gender impact assessments and the preparation of a Gender Equality Action Plan completed	✓
Continue to promote and participate in Communities of Respect and Equality (CoRE)	Participation in CoRE meetings and activities maintained where practicable	→
Investigate potential options for improved service delivery for youth	Youth safety an ongoing focus for the Pyrenees Shire Community Safety Advisory Committee (led by Victoria Police) Youth Sub-Committee established, funding application submitted for a project to develop a Pyrenees Youth Safety and Development Strategy – no response received yet	→
Investigate potential options for improved service delivery in Allied Health services	Renegotiation for aged care services funding through Commonwealth Home Support Programme (CHSP) successful, resulting in reducing the need for Council subsidy Through this process, additional services added including home maintenance and positive ageing activities (eg laughing yoga and hydrotherapy sessions)	→
Investigate potential options for improved service delivery as opportunities arise	Following the Royal Commission into Aged Care and Commonwealth plans to change models, Council investigating strategies for the future of home-based care Positive Ageing Strategy to be reviewed in 2021 to assist in identifying opportunities that proactively support community members to maintain independence for longer	🕒



## STRATEGIC OBJECTIVE 4: Financially sustainable, high-performing organisation

*Our organisation will respond to community needs, attend to our core business and strive for excellence in service delivery in an ethical and financially responsible manner.*


To achieve our objective, we will continue to ensure that:

- Our long-term financial viability is managed effectively within the political environment
- Our workforce and contractors strive to achieve the best outcomes for the community
- Best value is achieved through innovation, shared services and cooperative action

### Major initiatives – progress against Strategic Objective 4 in 2020–21

Major initiatives	Progress in 2020–21	Status
Continuously improve organisational processes by reviewing and mapping two processes per year to eliminate waste and inefficiency	Rolling four-year Service Review Plan adopted in April 2021 Review of Planning and Development underway	
Develop an annual corporate training program	Corporate training program developed Annual Performance Review System purchased to assist in delivery and monitoring of program – 95% implemented, scheduled to be fully implemented by end August 2021	
Monitor and report on our performance in responding to Customer Action Requests (CARs) against agreed standards	Work continues in improving the response and closure of outstanding CARs, including better use of transfer to budget and other options for complex or long-term case management Systemic upgrade solutions will be investigated in 2022	
Implement a program to build a strong organisational culture	Considerable work undertaken to maintain morale and mental wellbeing within the organisation in the face of the challenges presented by COVID-19 Development of a strong frontline services team underway and development of a customer service culture change plan continues Gender impact assessments for policies, projects and programs commenced	



Major initiatives	Progress in 2020–21	Status
Review our employee recruitment process	Next full review due in 2022 Review in 2021 planned to implement firm criteria around remuneration levels of new managers CEO recruitment and remuneration policy development due at end 2021	
Undertake two service reviews per year against Best Value principles, which consider shared services and alternative service delivery models	Rolling four-year service review plan adopted by Council in April Review of Planning & Development underway	
Leverage the benefits from the implementation of Council's new website	Website increasingly used as an important tool for providing our community with information, especially in relation to the extremely changeable environment due to COVID-19	
Participate in the Victorian Government's annual Community Satisfaction Survey and use the results to inform the annual review of the Council Plan	Completed	
Implement the key recommendations of the ICT Strategy encompassing the 'digital first' methodology	Existing ICT Strategy – fully implemented or superseded New ICT Strategy – development underway, consultant used to identify key business priority areas to develop a user strategy	
Implement a three-year internal audit plan integrated with the risk register Undertake two internal audits per year	New Internal Audit Plan 2020-2023 adopted in September 2020 Program for 2020-21 successfully completed	
Implement a Mental Health Plan for the organisation	Mental Health Steering Group, Working Group and Strategy put in place Increased support made available for staff during the pandemic	
Conduct an annual staff satisfaction survey and action plan	Staff survey undertaken as part of the implementation of the <i>Gender Equality Act 2020</i> in place of the annual staff satisfaction survey, awaiting outcomes to inform workplace gender audit required in 2021-22	
Monitor and report on the development of Council's risk register	Strategic Risk Register review and re-format completed	
Rollout and compliance with the OH&S National Assessment Compliance tool (MAV WorkCare)	Completed	
Prepare and submit the annual Budget to the Minister by 30 June each year	Completed	
Review the Long-Term Financial Plan (LTFP) incorporating the Strategic Resource Plan on an annual basis in conjunction with the development of the annual Budget	LTFP full review underway as part of the Integrated Strategic Business Planning project, scheduled to be completed in October 2021 (finalisation dependent on outcomes of Community Vision and Council Plan development)	

Major initiatives	Progress in 2020–21	Status
Participate with Central Highlands Councils Victoria to deliver the Rural Councils Transformation Project	Program cancelled due to withdrawal by lead agency	
Implement the transition provisions relating to the new <i>Local Government Act 2020</i> as they relate to the Pyrenees Shire Council	Integrated Strategic Business Planning and Reporting Framework implementation underway Monthly reporting to Council on progress obligations met, all 2020-21 deadline obligations met	
In conjunction with the Victorian Electoral Commission, ensure Council meets its responsibilities in respect to the 2020 Council elections and that the newly elected Council is sworn in and appropriately inducted as required by the <i>Local Government Act 2020</i>	Election 2020 completed (all existing Councillors returned) Oaths, statutory meeting and councillor induction all completed	



## STRATEGIC OBJECTIVE 5: Development and environment

*We will undertake forward planning and facilitate growth in our local economy while protecting key natural and built environmental values.*


To achieve our objective, we will continue to ensure that:








- Avoca and Beaufort have clear, visionary township plans that guide development
- Our rural townships and their communities have forward-looking plans with their own uniqueness
- Our economy is growing sustainably
- Innovation is encouraged to identify and deliver environmental sustainability projects

### Major initiatives – progress against Strategic Objective 5 in 2020–21

Major initiatives	Progress in 2020–21	Status
Undertake Planning Scheme amendments to incorporate updated township plans	Documentation prepared, preliminary approval received from the Department of Environment, Land, Water and Planning (DELWP), awaiting formal response from the Country Fire Authority (CFA) before progressing to seeking Ministerial permission to exhibit	
Develop and implement a strategic planning program including further Planning Scheme amendments to improve its effectiveness, and Rural Land Use Strategy	In progress Rural Land Use Strategy background documentation prepared, ready for tender	
'Pyrenees Futures' project – work with communities to prepare and finalise Township Framework Plans to guide future development in Beaufort, Landsborough, Moonambel, Amphitheatre and Raglan	Works for different elements of this large project at different stages Finalisation awaiting the Rural Land Use Strategy development	
Implement actions in Council's Growth Strategy including encourage residential growth by preparing a residential housing strategy for the shire and developing Correa Park in Beaufort	Correa Park development completed Housing Strategy development underway Housing Strategy and Workforce Plan being developed under the OPAN (Opportunities Pyrenees, Ararat and Northern Grampians) project	
Seek commitment from partners to deliver Moonambel Water Project	Feasibility, concept and tech assessment, and business case completed Advocacy continues for stimulus project funding	



Major initiatives	Progress in 2020–21	Status
<p>Partner with Northern Grampians and Ararat Councils to restart the OPAN (Opportunities Pyrenees, Ararat and Northern Grampians) project once conditions are appropriate to do so</p>	<p>OPAN project restarted in Q3</p> <p>Project manager appointed, consultants working on migration and housing components</p> <p>OPAN expanded to include a review of the future of aged care provision for the participating councils</p>	
<p>Plan for the development of the Avoca Industrial Estate</p>	<p>The Economic Development Strategy adopted in February 2020 identified that Council's Industrial Land Strategy needs to be updated – this will examine the demand for additional industrial land and potential uses by investors so that future development can be tailored to attract investment in these</p> <p>New budget initiative submitted</p>	
<p>Work with Grampians Wimmera Mallee Water (GWM Water) and other partners to plan for and develop the East Grampians Water Project (EGWP) and agricultural precinct</p>	<p>Contractors appointed by GWM Water to design and construct the pipeline, Rural Land Review will be undertaken which will include an assessment of opportunities associated with the EGRP, contractors engaged for design and construct phase</p> <p>Potential North East Pyrenees Pipeline water supply project at Natte Yallock and surrounds – support expressed from GWM Water and Central Highlands Water, commitment sought from Central Goldfields Shire Council and Northern Grampians Shire Council (briefings pending)</p>	 
<p>Work with regional partners to build on opportunities for growth in the agriculture sector identified in the Ballarat Region Line of Sight Project and the Future Landscapes Project</p>	<p>Pyrenees Shire Council is the lead organisation for a report into establishing a Central Highlands Agribusiness Leadership Group (CHALG), final report presented in early 2021</p> <p>Central Highlands Regional Partnership will discuss and determine next steps</p>	
<p>Deliver targeted initiatives to make Beaufort bypass-ready, and develop Beaufort as a destination town</p>	<p>Ongoing active participation in the Technical Reference Group (TRG) for the bypass allows Council to maintain an understanding of likely impacts while lobbying for initiatives and design outcomes that will have a positive impact on the township post-bypass</p> <p>Capacity to deliver a range of functions has been impacted by increased demands associated with additional staff workload pressures arising from COVID-19</p>	
<p>Implement actions in Council's Tourism Strategy including working with tourism partners to develop and implement the Grampians Pyrenees Wine Tourism Marketing Plan</p>	<p>Ongoing implementation of actions identified in the Tourism Strategy (Grampians Tourism is the lead agency for this project)</p> <p>Contractors appointed to raise the profile of wine regions by delivering a Melbourne-based wine event in mid 2021 – event postponed due to COVID-19 lockdowns, with the acquittal for this phase of the project due December 2021</p>	 
<p>Review and implement Memorandum of Understanding (MOU) with City of Ballarat to collaborate and grow the visitor economy</p>	<p>MOU finalised and signed by both parties in February 2021</p>	

Major initiatives	Progress in 2020–21	Status
Work with regional partners to implement changes to waste management services in response to state and national directions	Waste transition plan including kerbside glass pick-up to be implemented from 1 July 2021	
Review and implement the Pyrenees Domestic Wastewater Management Plan	Annual program completed	
Implementation of Local Laws which protect amenity and environmental values	<p>Completed, within parameters of available resources</p> <p>All footpath trading permits assessed and granted in line with place activation initiatives to provide stimulus during COVID-19</p> <p>A number of notices and infringements issued in relation to dangerous or unsightly land (where it is a significant issue that will take many years to address)</p> <p>Managed increased workload associated with unauthorised occupation and activities on rural lots as a result of increased migration into rural areas in response to COVID-19</p>	
Work with Victorian councils to implement a Power Purchase Agreement	Agreement implemented in collaboration with other Victorian LGAs	
Work with Grampians regional councils to investigate opportunities to implement the Grampians Regional Renewable Energy Roadmap	<p>Work with the Streatham Straw Alliance to convert straw to energy continues including opportunities for industrial purposes</p> <p>The Skipton Hospital straw-to-energy project was 90% completed</p> <p>Interest being shown in a proposal for an industrial-scale biogas facility that takes 100,000 tonnes of straw annually</p>	
Support investigation and delivery of effective sustainability projects including the Beaufort Recycled Water Project	Construction phase of the Beaufort Recycled Water Project tendered, main trunk pipeline expected to be installed by the end of 2021 (project being managed by Central Highlands Water)	
Support investigation and delivery of effective sustainability projects including the Straw to Energy Project	Skipton Hospital straw-fuelled boiler project completed	



## PART 2: SERVICE PERFORMANCE INDICATORS

	Service Performance Indicators Service / Indicator / Measure	Results 2020	Results 2021	Comments
<b>Roads</b>				
R1	<b>Satisfaction of use</b> Sealed local road requests [Number of sealed local road requests / km of sealed local roads] x 100	7.72	9.89	Customer request numbers remain low as Council has increased funding for maintenance of the local roads network.
R2	<b>Condition</b> Sealed local roads maintained to condition standards [Number of km of sealed local roads below the renewal intervention level set by Council / km of sealed local roads] x 100	99.13%	99.13%	Council uses regular condition reports to manage its high percentage of roads maintained to condition standards.
R3	<b>Service cost</b> Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / sq m of sealed local roads reconstructed]	\$84.04	\$88.35	Variability of costs for this measure is impacted by the complexity and size of works undertaken in the financial year. During 2020-21 complex projects were undertaken.
R4	<b>Service cost</b> Cost of sealed local road resealing [Direct cost of sealed local road resealing / sq m of sealed local roads resealed]	\$4.92	\$6.21	This service is undertaken by a shared services contract with several other councils and is subject to market testing. The cost of road sealing is influenced by the complexity of specific jobs and the price of bitumen and other raw materials.
R5	<b>Satisfaction</b> Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	51.00	57.00	Community satisfaction with sealed roads remains constant and similar to the average result for similar councils.



	<b>Service Performance Indicators Service / Indicator / Measure</b>	<b>Results 2020</b>	<b>Results 2021</b>	<b>Comments</b>
<b>Governance</b>				
G1	<b>Transparency</b> Council decisions made at meetings closed to the public	10.47%	15.47%	The percentage of decisions made in closed Council sessions is higher than the previous year, reflecting the number of confidential tenders being awarded during the year, but it remains within the expected range to reflect appropriate transparency of decision-making.
G2	<b>Consultation and engagement</b> Satisfaction with community consultation and engagement	55.00	55.00	Council is working at improving its community engagement practices. The introduction of a new online engagement hub and project information dashboard will enhance the ability for our community to keep informed and participate in decision-making and public conversations.
G3	<b>Attendance</b> Councillor attendance at Council meetings	91.43%	98.46%	Councillor attendance at council meetings remained high reflecting an ongoing commitment to effective and transparent decision making. It is noted that Councillors taking an approved leave of absence remain counted as attending a meeting for statistical purposes.
G4	<b>Service Cost</b> Cost of elected representation [Direct cost of the governance service / number of Councillors]	\$44,068.12	\$41,366.52	Operating expenses directly related to the activities of elected Councillors included allowances, training and professional development, conferences and seminars and other support costs. These expenses reduced slightly from the previous year due to less Council-related travel in a COVID-environment.
G5	<b>Satisfaction</b> Community satisfaction with Council decisions	54.00	54.00	Community satisfaction with how Council has performed in making decisions in the interest of the community remained similar to the previous year but has reduced slightly from earlier years.
<b>Aquatic facilities</b>				
AF2	<b>Service standard</b> Health inspections of aquatic facilities per facility	1.00	1.00	Pyrenees Shire has three public pools and one authorised officer.
AF6	<b>Utilisation</b> Number of visits to aquatic facilities / population	1.61	0.99	The impacts of a short season for outdoor rural pools, COVID-19 restrictions on public activities and a cool summer resulted in lower participation rates in 2020-21.
AF7	<b>Service cost</b> Cost of aquatic facilities / per visit	\$24.77	\$58.72	Contractual issues resulted in a one-year temporary contract being implemented for the season at an additional cost to the previous year, exacerbated by the low participation rates in a restricted and cool summer.

<b>Service Performance Indicators</b> Service / Indicator / Measure		<b>Results</b> 2020	<b>Results</b> 2021	<b>Comments</b>
<b>Animal management</b>				
AM1	<b>Timeliness</b> Average time taken to action animal management requests [days]	1.00	1.00	Council has maintained its responsiveness to animal management requests by averaging a response within one working day for each report.
AM2	<b>Service standard</b> Animals reclaimed	31.78%	39.29%	The animal reclamation rate has increased on the previous year, although high costs associated with reclaiming pets and the distance of pound facilities from the shire continue to act as a deterrent, keeping percentages low.
AM5	<b>Service standard</b> Animals rehomed	6.98%	16.67%	Rehoming statistics have more than doubled during the year demonstrating Council's ongoing commitment to increasing the number of animals rehomed in future years.
AM6	<b>Service cost</b> Cost of animal management service per population	\$28.02	\$26.78	Operating expenses directly related to the delivery of the animal management service has remained steady over the previous year.
AM7	<b>Health and safety</b> Successful animal management prosecutions	100%	100%	Two animal management matters were successfully prosecuted and no matters were unsuccessful.
<b>Food safety</b>				
FS1	<b>Timeliness</b> Average time taken to action food complaints [days]	1.40	1.25	Response time has improved slightly from the previous year, reflecting a very responsive service.
FS2	<b>Service standard</b> Food safety assessments	104.17%	100.00%	Food safety assessments were undertaken of all registered food premises during the reported year.
FS3	<b>Service cost</b> Average cost of food safety service	\$319.91	\$480.26	The cost of the food safety service has increased over previous years due to contract renewal subject to price increases, Council waiving registration fees as part of its COVID-19 support efforts for business, and a reduction in the numbers of registered premises.
FS4	<b>Health and safety</b> Critical and major non-compliance outcome notifications	100.00%	100.00%	Public health and safety remained of paramount importance with 100% of critical non-compliance outcome notifications being followed up.

Service Performance Indicators Service / Indicator / Measure		Results 2020	Results 2021	Comments
<b>Libraries</b>				
LB1	<b>Utilisation</b> Physical library collection usage [number of loans / numbers of collection items]	1.77	1.65	This indicator reduced slightly in the past two years, impacted by the restrictions implemented to protect the community from COVID-19.
LB2	<b>Resource standard</b> Recently purchased library collection [purchased in <5 years)	67.92%	57.57%	COVID-19 impacted on library usage during the year. This is reflected in a reduction of new items purchased than in the previous year.
LB4	<b>Participation</b> Active library borrowers in municipality [Number of active borrowers / populations]	9.94%	8.43%	The number of active borrowers in the municipality reduced in 2020-21, impacted by COVID-19 restrictions which disrupted the ability of borrowers to access collections, particularly via the mobile library outreach service.
LB5	<b>Service cost</b> Average cost of library service per person	\$44.96	\$49.62	The cost of the library service has risen from the previous year due to the reduction in activity as a result of the COVID restrictions during the year.
<b>Maternal and Child Health (MCH)</b>				
MC2	<b>Service standard</b> % of infant enrolments in the MCH service	96.55%	100.00%	100% of children aged 0-1 year were enrolled in the MCH service, suggesting a high appreciation of the service. This service supports families in the areas of parenting, health and development, social supports, and linking with local communities.
MC3	<b>Service cost</b> Average cost of the MCH service per hour worked	\$85.93	\$69.30	The cost of providing a maternal and child health service reduced in 2020-21 due to general participation rates being impacted by COVID-19 restrictions.
MC4	<b>Participation</b> Participation in the service / number of children enrolled	92.97%	78.46%	Participation rates were impacted by COVID-19 restrictions imposed during 2020-21.
MC5	<b>Participation</b> Participation in the service by Aboriginal children / number of children enrolled	93.33%	100.00%	Low numbers of participants can result in high variations year on year.
MC6	<b>Satisfaction</b> Participation in 4-week key age and stage visit	101.72%	105.66%	A good percentage of infants enrolled participated in the 4-week key age and stage visit.



Service Performance Indicators Service / Indicator / Measure		Results 2020	Results 2021	Comments
<b>Statutory planning</b>				
SP1	<b>Timeliness</b> Average time taken to decide planning applications [days]	77.00	100.00	Planning application numbers continue to increase, both in quantity and complexity of decisions required, resulting in increased decision-making timeframes. Council experienced a 26% increase in application numbers, managed with no additional resources.
SP2	<b>Service standard</b> Planning application decisions made within required time frames	90.00%	85.95%	A reduction in percentage from the previous year reflects the increase in application numbers and complexity. COVID-19 restrictions imposed difficulties in meeting with applicants to assist with the planning process.
SP3	<b>Service cost</b> Average cost of statutory planning service [per application]	\$3,123.73	\$2,601.05	The cost of the service reduced in 2020-21 due to a 29% increase in planning applications being managed by the same level of resources.
SP4	<b>Decision-making</b> % of Council planning decisions upheld at VCAT	0.00%	0.00%	No planning decisions went to VCAT.
<b>Waste collection</b>				
WC1	<b>Satisfaction</b> Average number of kerbside bin collection requests	32.99	20.71	The number of requests remains variable subject to changes in growth rates and condition of existing bins.
WC2	<b>Service standard</b> Average number of missed kerbside collections	5.07	5.54	This indicator represents the number of bins missed per 10,000 bins during kerbside collection services and reflects 110 bins missed out of almost 200,000 collections.
WC3	<b>Service cost</b> Cost of kerbside garbage bin collection service	\$101.81	\$112.39	Costs increased as new service areas continued to be included during the year.
WC4	<b>Service cost</b> Cost of kerbside recyclables bin collection service	\$51.86	\$68.64	Costs increased as new service areas continue to be included during the year, but remains below the average for similar councils.
WC5	<b>Waste diversion</b> % of kerbside collection waste diverted from landfill	19.64%	29.56%	The percentage of waste diverted from landfill returned to more normal levels as residents accepted the use of dedicated skips within townships for glass recycling and as a result of improved communication efforts on recycling.



## PART 3: FINANCIAL PERFORMANCE INDICATORS

	Service Performance Indicators Service / Indicator / Measure	Results 2020	Results 2021	Comments
<b>Operating position</b>				
OP1	<b>Adjusted underlying result</b> Adjusted underlying surplus (or deficit)	1.63%	1.45%	In recent years, Council's result in this areas was heavily influenced by the early payment of Financial Assistance Grants.
<b>Liquidity</b>				
L1	<b>Working capital</b> Current assets compared to current liabilities	223.13%	179.56%	A reduction in percentage in 2021 reflects the impacts of grants received in advance in the previous year and the timing of land sales.
L2	<b>Unrestricted cash</b> Unrestricted cash compared to current liabilities	66.69%	-70.94%	A reduction in percentage in 2021 compared to the previous year reflects the impacts of the timing of land sales and the receipt of revenue.
<b>Obligations</b>				
<b>Loans and borrowings</b>				
Q2	Loans and borrowings compared to rates	0.00%	0.00%	Council has no loans or borrowings and is currently debt free.
Q3	Loans and borrowing repayments compared to rates	0.00%	0.00%	
Q4	<b>Indebtedness</b> Non-current liabilities compared to own source revenue	1.78%	1.16%	Council is debt free and non-current liabilities held reflect employee provisions.
Q5	<b>Asset renewal and upgrade</b> Asset renewal and upgrade compared to depreciation	128.67%	109.94%	A reduction in percentage from the previous year reflects the impacts of non-recurrent grants. In recent years Council has been fortunate in receiving additional grant funding from various sources to help alleviate its long-term renewal funding shortfall.

Service Performance Indicators Service / Indicator / Measure		Results 2020	Results 2021	Comments
<b>Stability</b>				
S1	<b>Rates concentration</b> Rates compared to adjusted underlying revenue	46.55%	46.57%	This indicates the percentage of Council revenue through own-sourced funds (i.e. rates and charges).
S2	<b>Rates effort</b> Rates compared to property values	0.45%	0.41%	This indicator shows rate revenue as a percentage of property values in the municipality. Its capacity to increase at the same rate as property values is limited due to rate increase caps set, resulting in a steady reduction in this measure over recent years.
<b>Efficiency</b>				
E2	<b>Expenditure level</b> Expenses per property assessment	\$3,683.74	\$3,961.60	Council's expenses per head of population are subject to fluctuation from year to year due to timing of external non-recurrent grants received, and expenditure incurred in delivery of funded projects.
E4	<b>Revenue level</b> Average rate per property assessment	\$1,407.26	\$1,462.54	This indicator reflects Council's revenue through rates and charges for the reporting year, on average.





## PART 4: SUSTAINABILITY CAPACITY PERFORMANCE INDICATORS

Service Performance Indicators Service / Indicator / Measure		Results 2020	Results 2021	Comments
<b>Efficiency</b>				
C1	<b>Population</b> Expenses per head of municipal population	\$2,974.30	\$3,191.30	This measure provides an assessment of Council's capacity to provide services to its community.
C2	<b>Population</b> Infrastructure per head of municipal population	\$30,936.03	\$31,352.35	This measure provides an assessment of Council's commitment to improving infrastructure and represents Council's high commitment to ongoing infrastructure improvement.
C3	<b>Population</b> Population density per length of road	3.64	3.72	In small rural councils with low population growth, this figure is like to remain fairly static from year to year.
C4	<b>Own-source revenue</b> Own-source revenue per head of municipal population	\$1,651.23	\$1,695.04	This indicator represents the percentage of Council revenue obtained through its rates and charges.
C5	<b>Recurrent grants</b> Recurrent grants per head of municipal population	\$1,184.56	\$1,205.16	This indicator assesses the level of revenue generated from a range of sources other than through rates and charges. A higher amount of grant revenue suggests greater capacity to deliver community services but is dependent upon availability of such revenue.
C6	<b>Disadvantage</b> Relative Socio-Economic Disadvantage	3.00	3.00	This index summarises a range of information about the economic and social conditions of a community, and ranges from 1 to 10. A lower level may suggest a greater need for some services.
C7	<b>Workforce turnover</b> Percentage of staff turnover	7.1%	12.4%	After a very low staff turnover rate in the previous year, staff turnover returned to more normal levels in 2020/21. Turnover during the year reflected a number of retirements, staff relocating from the area, and a number of staff moving to other Councils to further their career.



## PART 5: SERVICE PROVISION RESULTS

Service Provision	2019	2020	2021
<b>Maternal and Child Health</b>			
Number of infants enrolled from birth notifications	63	56	53
Number of new enrolments	77	62	58
Number of active infant records	235	244	255
Additional consultations	142	204	170
Telephone consultations	18.67	54.2	22.68
Community strengthening activities	5.27	23.75	9
Supported playgroup sessions	32	26	26
<b>Pyrenees Community Care</b>			
Domestic assistance	6,465 hours	6,414 hours	6,835 hours
Personal care	2,141 hours	1,661 hours	2,041 hours
Respite care	1,090 hours	976 hours	1,067 hours
Delivered meals	4,666 meals	4,563 meals	4,361 meals
Home modifications	\$1,197.00	\$6,629.00	\$14,613.00
Assessment *	24 hours	52 hours	70 hours
Planned activity groups	7,852 hours	5,115 hours	3,592 hours †
Transport ‡	1 trip	34 trips	364 trips
Home maintenance §	0 hours	0 hours	179 hours
Good equipment and assistive technology ¶	0 items	0 items	38 items
Allied health and podiatry #	700 hours	0 hours	73 hours
COVID-19 support services	0 hours	177 hours	355 hours

\* Excluding initial assessment undertaken by the regional assessment service

† Impacted by COVID-19 restrictions in 2020–21

‡ New funding received for transport from May 2020

§ New funding received for home maintenance from May 2020

¶ New funding received for good equipment and assistive technology from May 2020

# Difficulties experienced in accessing allied health professionals in rural areas



# *Section 8:* FINANCIAL REPORT







## PERFORMANCE STATEMENT AND FINANCIAL REPORT

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 2020* and *Local Government (Planning and Reporting) Regulations 2014*.

The Financial Report is a key report of the Pyrenees Shire Council. It shows how Council performed financially during the 2020-21 financial year and the overall position at the end (June 30, 2021) of the financial year. Council presents its Financial Report in accordance with the Australian Accounting Standards.

Particular terms required by the Standards may not be familiar to some readers. Further, Council is a 'not-for-profit' organisation and some of the generally recognised terms used in private sector company reports are not appropriate to Council's Reports.

The Performance Statement and Financial Report are available to download from Council's website [www.pyrenees.vic.gov.au](http://www.pyrenees.vic.gov.au) or you can contact the office to request a printed copy.

**Pyrenees Shire Council  
ANNUAL FINANCIAL REPORT**

*For the Year Ended 30 June 2021*

**Pyrenees Shire Council  
Financial Report  
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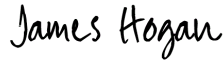
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### **Certification of the Financial Statements**

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

*James Hogan CPA*  
**Principal Accounting Officer**



**Date :** 30 September 2021  
*Beaufort*

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

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

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

*Ron Eason*  
**Councillor**



**Date :** 30 September 2021  
*Beaufort*

*Damian Ferrari*  
**Councillor**



**Date :** 30 September 2021  
*Beaufort*

*Jim Nolan*  
**Chief Executive Officer**



**Date :** 30 September 2021  
*Beaufort*

# Independent Auditor's Report

## To the Councillors of Pyrenees Shire Council

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

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**Auditor's responsibilities for the audit of the financial report**

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

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

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

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

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MELBOURNE  
14 October 2021



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*



## Comprehensive Income Statement For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<b>Income</b>			
Rates and charges	3.1	11,393	10,518
Statutory fees and fines	3.2	212	207
User fees	3.3	809	808
Grants - operating	3.4	9,568	7,981
Grants - capital	3.4	4,967	4,843
Contributions - monetary	3.5	-	182
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	110	6
Other income	3.7	282	799
<b>Total income</b>		<b>27,341</b>	<b>25,344</b>
<b>Expenses</b>			
Employee costs	4.1	(8,798)	(7,703)
Materials and services	4.2	(8,350)	(7,999)
Depreciation	4.3	(6,646)	(6,222)
Amortisation - right of use assets	4.4	(13)	(13)
Bad and doubtful debts	4.5	(43)	(30)
Finance costs - leases	4.6	(2)	(6)
Other expenses	4.7	(258)	(251)
<b>Total expenses</b>		<b>(24,110)</b>	<b>(22,224)</b>
<b>Surplus/(deficit) for the year</b>		<b>3,231</b>	<b>3,120</b>
<b>Total comprehensive result</b>		<b>3,231</b>	<b>3,120</b>

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

**Balance Sheet**  
**As at 30 June 2021**

	Note	2021 \$'000	2020 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	5,933	14,354
Trade and other receivables	5.1	994	1,043
Other financial assets	5.1	7,020	20
Inventories	5.2	4	2
Other assets	5.2	166	761
<b>Total current assets</b>		<u>14,117</u>	<u>16,180</u>
<b>Non-current assets</b>			
Trade and other receivables	5.1	33	44
Property, infrastructure, plant and equipment	6.2	243,672	237,813
Right-of-use assets	5.7	29	42
<b>Total non-current assets</b>		<u>243,734</u>	<u>237,899</u>
<b>Total assets</b>		<u>257,851</u>	<u>254,079</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	5,017	4,923
Trust funds and deposits	5.3	374	148
Provisions	5.4	2,457	2,167
Lease liabilities	5.7	14	13
<b>Total current liabilities</b>		<u>7,862</u>	<u>7,251</u>
<b>Non-current liabilities</b>			
Provisions	5.5	132	188
Lease liabilities	5.7	17	31
<b>Total non-current liabilities</b>		<u>149</u>	<u>219</u>
<b>Total liabilities</b>		<u>8,011</u>	<u>7,470</u>
<b>Net assets</b>		<u>249,840</u>	<u>246,609</u>
<b>Equity</b>			
Accumulated surplus		94,201	90,970
Reserves	9.1	155,639	155,639
<b>Total Equity</b>		<u>249,840</u>	<u>246,609</u>

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

**Statement of Changes in Equity  
For the Year Ended 30 June 2021**

2021	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		246,609	90,970	155,630	9
Surplus/(deficit) for the year		3,231	3,231	-	-
		<u>249,840</u>	<u>94,201</u>	<u>155,630</u>	<u>9</u>
<b>Balance at end of the financial year</b>		<b><u>249,840</u></b>	<b><u>94,201</u></b>	<b><u>155,630</u></b>	<b><u>9</u></b>

2020		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		245,914	90,275	155,630	9
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers		(2,425)	(2,425)	-	-
Adjusted Opening balance		<u>243,489</u>	<u>87,850</u>	<u>155,630</u>	<u>9</u>
Surplus/(deficit) for the year		3,120	3,120	-	-
		<u>246,609</u>	<u>90,970</u>	<u>155,630</u>	<u>9</u>
<b>Balance at end of the financial year</b>		<b><u>246,609</u></b>	<b><u>90,970</u></b>	<b><u>155,630</u></b>	<b><u>9</u></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 2021**

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		11,382	10,493
Statutory fees and fines		212	207
User fees		1,266	1,669
Grants - operating		9,568	7,984
Grants - capital		4,635	2,736
Contributions - monetary		-	200
Interest received		282	121
Other receipts		-	680
Net GST refund/(payment)		(11)	1,539
Employee costs		(8,564)	(7,545)
Materials and services		(7,749)	(5,068)
Trust funds and deposits taken/(repaid)		226	(8)
Other payments		(258)	(309)
<b>Net cash provided by/(used in) operating activities</b>		<b>10,989</b>	<b>12,699</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(12,723)	(10,565)
Proceeds from sale of property, infrastructure, plant and equipment		328	206
Payments for investments		(7,000)	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(19,395)</b>	<b>(10,359)</b>
<b>Cash flows from financing activities</b>			
Interest paid - lease liability		(2)	(6)
Repayment of lease liabilities		(13)	(9)
<b>Net cash provided by/(used in) financing activities</b>		<b>(15)</b>	<b>(15)</b>
Net increase (decrease) in cash and cash equivalents		(8,421)	2,325
Cash and cash equivalents at the beginning of the financial year		14,354	12,029
<b>Cash and cash equivalents at the end of the financial year</b>	5.1(a)	<b>5,933</b>	<b>14,354</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 2021**

	Note	2021 \$'000	2020 \$'000
<b>Property</b>			
Land		1,504	1,191
<b>Total land</b>		<u>1,504</u>	<u>1,191</u>
Buildings		2,289	414
Building improvements		131	217
<b>Total buildings</b>		<u>2,420</u>	<u>631</u>
<b>Total property</b>		<u>3,924</u>	<u>1,822</u>
<b>Plant and equipment</b>			
Plant, machinery and equipment		1,300	1,179
Fixtures, fittings and furniture		239	3
Computers and telecommunications		210	210
Library books		28	35
<b>Total plant and equipment</b>		<u>1,777</u>	<u>1,427</u>
<b>Infrastructure</b>			
Roads		4,365	3,904
Bridges		668	2,004
Footpaths and cycleways		613	35
Drainage		105	-
Recreational, leisure and community facilities		983	253
Other infrastructure		288	5
<b>Total infrastructure</b>		<u>7,022</u>	<u>6,201</u>
<b>Total capital works expenditure</b>		<u>12,723</u>	<u>9,450</u>
<b>Represented by:</b>			
New asset expenditure		5,418	1,444
Asset renewal expenditure		5,921	7,563
Asset expansion expenditure		-	-
Asset upgrade expenditure		1,385	443
<b>Total capital works expenditure</b>		<u>12,724</u>	<u>9,450</u>

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

## OVERVIEW

### Introduction

The Pyrenees Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate. The Council's main office is located at 5 Lawrence Street Beaufort.

### Statement of compliance

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

### Significant accounting policies

#### (a) Basis of accounting

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

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

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

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

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

#### (b) Impact of Covid-19

On 16 March 2020, a state of emergency was declared in Victoria due to the global COVID-19 pandemic. A state of disaster was subsequently declared on 2 August 2020. Although the overall economic impact of the COVID-19 pandemic has been felt throughout Australia, Victoria was particularly hard hit with the second wave in May/June and two more lockdowns which followed in February and May/June 2021.

Although the Council tailored its response to the community during this crisis by providing relief and financial assistance packages, the economic knock-on effect of the COVID 19-pandemic on a small shire like the Pyrenees Shire Council resulted in:

- Additional costs: Council incurred \$140K in additional expenditure as part of its COVID Emergency Respons. This included additional cleaning costs (\$37K) and costs associated with enabling better social distancing within council offices and to facilitate staff working from home(\$82K).
- Additional funding: During the financial year, Council also received COVID-19 funding which included:
  - Australia Day 2021 COVID Safe Grants Program \$20,000,
  - CHSP - COVID-19 Emergency Support \$42,848 and
  - COVID Outdoor Eating & Dining Project \$250,000
- Reduction in revenue from:
  - Deferral or waiver of registration fees for businesses resulting in approximately \$26K less than the budget estimate.
  - Full or partial waiver of the rates and charges totalling \$11K for some Community Groups.
  - Decline in user fees and charges by around \$25K less than the budget estimate.

**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 per cent for each indicator or \$250,000 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 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
<b>Income</b>					
Rates and charges	11,695	11,393	(302)	-3%	1
Statutory fees and fines	208	212	4	2%	
User fees	766	809	43	6%	
Grants - operating	7,742	9,568	1,826	24%	2
Grants - capital	2,092	4,967	2,875	137%	3
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	63	110	47	75%	4
Other income	238	282	44	19%	5
<b>Total income</b>	<b>22,804</b>	<b>27,341</b>	<b>4,537</b>	<b>20%</b>	
<b>Expenses</b>					
Employee costs	(8,870)	(8,798)	(72)	1%	
Materials and services	(8,088)	(8,350)	262	-3%	6
Depreciation	(6,270)	(6,646)	376	-6%	
Amortisation - Right of use assets	-	(13)	13	-	
Bad and doubtful debts	-	(43)	43	-	
Finance costs - Leases	-	(2)	-	-	
Other expenses	(274)	(258)	(16)	6%	7
<b>Total expenses</b>	<b>(23,502)</b>	<b>(24,110)</b>	<b>606</b>	<b>-3%</b>	
<b>Surplus/(deficit) for the year</b>	<b>(698)</b>	<b>3,231</b>	<b>3,931</b>	<b>-564%</b>	

**(i) Explanation of material variations**

1	Rates and charges	Variance primarily relates to lower than budgeted windfarm revenue due a delays in commissioning of the Stockyard Hill Windfarm
2	Grants - operating	The variance is primarily caused by grant funding carried forward from 2019/20 for projects including: Female Friendly Changerooms at the Carngham Recreation Reserve (\$155K), the Skipton Hospital Straw Heating Project (\$155K), and various projects delivered under the Drought Program (\$354K). Council was successful in obtaining unbudgeted grants under the Working for Victoria Program (\$274K).
3	Grants - capital	Council was successful in obtaining unbudgeted grants under the Local Roads and Community Infrastructure Program (\$1.2M), Rural Council's ICT Program (\$98K) and the COVID Outdoor Eating and Dining Program (\$239K). The variance is also caused by funding for projects carried forward from 2019/20 including the Lexton Community Hub (\$594K), the Activate Avoca Project (\$239K), the Snake Valley Skate Park (\$208K) and the Avoca Inclusive Playspace (\$192K).
4	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Council was able to achieve abnormally high sale prices for plant and equipment sold.
5	Other Income	A restructuring of employee vehicle contributions has resulted in additional income being reported.
6	Materials and Services	Additional expenditure was incurred in Council's response to COVID and on unbudgeted grant funded projects.
7	Other expenses	Savings primarily relate to operating lease costs.



1.2 Capital works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Land	200	1,504	1,304	652%	1
<b>Total land</b>	<b>200</b>	<b>1,504</b>	<b>1,304</b>	<b>652%</b>	
Buildings	158	2,289	2,131	1349%	2
Building improvements	-	131	131	-	
<b>Total buildings</b>	<b>158</b>	<b>2,420</b>	<b>2,262</b>	<b>1432%</b>	
<b>Total property</b>	<b>358</b>	<b>3,924</b>	<b>3,566</b>	<b>996%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	970	1,300	330	34%	3
Fixtures, fittings and furniture	23	239	216	939%	4
Computers and telecommunications	235	210	(25)	-11%	5
Library books	56	28	(28)	-50%	6
<b>Total plant and equipment</b>	<b>1,284</b>	<b>1,777</b>	<b>493</b>	<b>38%</b>	
<b>Infrastructure</b>					
Roads	3,407	4,365	958	28%	7
Bridges	1,427	668	(759)	-53%	8
Footpaths and cycleways	28	613	585	2089%	9
Drainage	308	105	(203)	-66%	10
Recreational, leisure and community facilities	70	983	913	1304%	11
Waste management	59	-	(59)	-100%	12
Other infrastructure	100	288	188	188%	13
<b>Total infrastructure</b>	<b>5,399</b>	<b>7,022</b>	<b>1,623</b>	<b>30%</b>	
<b>Total capital works expenditure</b>	<b>7,041</b>	<b>12,723</b>	<b>5,682</b>	<b>81%</b>	
<b>Represented by:</b>					
New asset expenditure	276	5,418	5,142	1863%	
Asset renewal expenditure	6,342	5,921	(421)	-7%	
Asset upgrade expenditure	423	1,385	962	228%	
<b>Total capital works expenditure</b>	<b>7,041</b>	<b>12,724</b>	<b>5,683</b>	<b>81%</b>	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Variance relates to works on a residential subdivision project which were carried forward from the 2019/20 budget. Project could not be completed as planned due to protracted negotiations on the acquisition of land required.
2	Buildings	Variance relates to works on the Lexton Community Facility project which were carried forward from the 2019/20 budget. Project could not be completed as grant funding for the project needed to be secured.
3	Plant, machinery and equipment	Variance primarily relates to unbudgeted water infrastructure projects that were funded by the Commonwealth's Drought Funding Program
4	Fixtures, fittings and furniture	Additional unbudgeted expenditure was incurred in the delivery of the state funded COVID Outdoor Eating and Dining Project
5	Computers and telecommunications	Council purchased additional IT equipment as part of the Rural Council's ICT Infrastructure Support Program.
6	Library books	Expenditure on library collection renewal was significantly less than budget and this created a budget saving of \$30K.
7	Roads	Planned works on an upgrade to Vinoca Road were delayed in 2019/20 and were completed in 2020/21.
8	Bridges	Work on two bridge projects were delayed as Council was seeking external grant funding. Funding has now been secured so Council's contribution to the projects will be carried forward into 2020/21 to complete the projects.
9	Footpaths and cycleways	Council was successful in obtaining additional grant funding for Footpath projects in 2020/21.

10	Drainage	Planned projects for 2020/21 could not be completed due to unavailability of contractors and unfavourable weather conditions. These projects will be carried forward and completed in 2021/22.
11	Recreational, leisure and community facilities	Projects including the Snake Valley Skate Park (\$361K) and the Avoca Inclusive Playspace (\$327K) carried forward from the 2019/20 budget were completed in 2020/21. Additional expenditure was also incurred on projects that Council received grant funding for.
12	Waste management	Due to unavailability of key contractors certain 2020/21 budgeted projects have been carried forward into 2021/22.
13	Other infrastructure	Variance primarily relates to projects carried forward from 2019/20 being completed in 2020/21 and projects which Council was able to deliver using unbudgeted grant funding.

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

Council delivers its functions and activities through the following programs.

**2 (a) Roads and Townships**

We will plan, manage, maintain and renew infrastructure in a sustainable way that responds to the needs of the community.

**Relationships and Advocacy**

We will build and maintain effective relationships with community, government and strategic partners, and advocate on key issues.

**Community Connection and Wellbeing**

We will engage with communities to provide responsive, efficient services that enhance the quality of life of residents and promote connected, active and resilient communities.

**Financially Sustainable, High Performing Organisation**

Our organisation will respond to community needs, attend to our core business, and strive for excellence in service delivery in an ethical and financially responsible manner.

**Development and Environment**

We will undertake forward planning, and facilitate growth in our local economy while protecting key natural and built environmental values.

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>2021</b>					
Roads and Townships	4,130	5,919	(1,788)	4,001	230,289
Relationships and Advocacy	247	4,155	(3,908)	108	3,374
Community Connection and Wellbeing	1,885	3,179	(1,293)	1,428	4,879
Financially Sustainable, High Performing Organisation	-	158	(158)	-	-
Development and Environment	2,506	3,977	(1,470)	280	5,944
<u>Unallocated</u>					
Capital Grants	5,009	-	5,009	5,010	-
Net asset sales	123	-	123	-	-
Rates Revenue	9,730	-	9,730	-	316
Federal Assistance Grants - general purpose	3,637	-	3,637	3,637	-
Disaster Restoration works	72	78	(6)	72	96
Depreciation	-	6,646	(6,646)	-	-
Cash and cash equivalent and other financial assets	-	-	-	-	12,953
	<u>27,341</u>	<u>24,110</u>	<u>3,231</u>	<u>14,535</u>	<u>257,851</u>

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2020</b>					
Roads and Townships	1,233	5,096	(3,863)	264	225,957
Relationships and Advocacy	96	3,551	(3,455)	2	3,296
Community Connection and Wellbeing	1,634	2,818	(1,184)	1,108	4,933
Financially Sustainable, High Performing Organisation	-	176	(176)	-	-
Development and Environment	2,305	3,638	(1,333)	189	4,700
<u>Unallocated</u>					
Capital grants	6,789	-	6,789	2,417	-
Net asset sales	187	181	6	-	-
Rates Revenue	9,098	-	9,098	-	305
Federal Assistance Grants - general purpose	3,494	-	3,494	3,494	-
Disaster Restoration works	508	542	(34)	507	514
Depreciation	-	6,222	(6,222)	-	-
Cash and cash equivalent and other financial assets	-	-	-	-	14,374
	<u>25,344</u>	<u>22,224</u>	<u>3,120</u>	<u>7,981</u>	<u>254,079</u>



**Note 3 Funding for the delivery of our services**

**3.1 Rates and charges**

2021	2020
\$'000	\$'000

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

The valuation base used to calculate general rates for 2020/21 was \$2,759 million (2019/20 was \$2,299 million).

The 2020-2021 general rate - cents in the CIV dollar was 0.3559 (2019-2020 was 0.3998).

Farm and Rural	4,459	4,293
Residential	3,054	3,070
Vacant land	1,022	822
Commercial and Industrial	366	305
Recreation and Cultural	14	159
Waste management charge	1,662	1,420
Interest on rates and charges	38	44
Revenue in lieu of rates	778	405
<b>Total rates and charges</b>	<b>11,393</b>	<b>10,518</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation was first applied in the rating year commencing 1 July 2020.

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**

Town planning fees	165	120
Environmental health fees	5	33
Land information and building certificate fees	20	23
Fines	22	31
<b>Total statutory fees and fines</b>	<b>212</b>	<b>207</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**

Caravan park charges	223	230
Home care charges	253	182
Building charges	50	34
Animal registration charges	129	112
Rental and function charges	29	17
Delivered meals charges	28	30
Goldfields Recreation Reserve venue hire charges	11	28
Waste disposal charges	10	21
Resource and information centre charges	40	41
Community transport charges	2	10
Other charges	34	103
<b>Total user fees</b>	<b>809</b>	<b>808</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 :

**Summary of grants**

Commonwealth funded grants	11,982	9,186
State funded grants	2,553	3,638
<b>Total grants received</b>	<b>14,535</b>	<b>12,824</b>

(a) Operating Grants

**Recurrent - Commonwealth Government**

Federal Assistance Grants - general purpose	3,637	3,494
Federal Assistance Grants - local roads	2,191	2,207
Commonwealth Home Support Program	599	545

**Recurrent - State Government**

Aged Care Services	152	146
Libraries	122	120
Family & Childrens Services	263	212
Other	-	35
Health & Preventative Services	37	-
Planning	12	-
<b>Total recurrent operating grants</b>	<b>7,013</b>	<b>6,759</b>

**Non-recurrent - Commonwealth Government**

Lexton Fire - 20th December 2019 Reimbursement	\$'000 72	\$'000 507
Drought Relief Funding	1,355	177
Bushfire Support Inc (Commonwealth)	91	-
Regional Tourism Bushfire Recovery Grant	30	-
Federal Assistance Grant - Natural Disasters	105	-

**Non-recurrent - State Government**

Skipton Hospital Straw Heating Project State Grant	155	-
Intergrated Water Management - Beaufort Closed Loop State Grant	29	70
Emergency Planning Process	133	60
Roadside Weeds & Pest Management Program	56	56
Avoca Oval - Playing Surface Grant	15	5
Carngham Recreation Reserve - Female Friendly Toilets Grant	155	45
Beaufort New Practice Nets & Storage Shed	13	-
Working for Victoria	274	-
Pyrenees Planning Scheme Amendment flood studies - DELWP	30	-
Avoca War Memorial	-	24
Upper Avoca River Flood Study	-	128
Raglan Flood Study	-	83
Other	42	67
<b>Total non-recurrent operating grants</b>	<b>2,555</b>	<b>1,222</b>

**Total operating grants**

<b>9,568</b>	<b>7,981</b>
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(b) Capital Grants

**Recurrent - Commonwealth Government**

Roads to recovery	2,092	2,092
<b>Total recurrent capital grants</b>	<b>2,092</b>	<b>2,092</b>

**Non-recurrent - Commonwealth Government**

Lexton Community Facility Federal Grant	595	-
Local Roads and Community Infrastructure Program	1,209	-
Local Roads and Community Infrastructure Program - Round 2	8	-
Drought Relief Funding	-	164

<b>Non-recurrent - State Government</b>		
Activate Avoca	239	260
Rural Councils ICT Infrastructure Support Program	99	-
COVID Outdoor Eating & Dining Project	239	-
Bridge 91 Landsborough Elmhurst Road	-	184
Bridge 13 - Beaufort Carngham Road	-	239
Lexton Community Facility	-	125
Bridge 59 - Eurambeen Streatham Road (FCR)	-	432
Eurambeen Streatham Road - Stage 2 (FCR)	-	216
Raglan Elmhurst Road 1.68km Reconstruction (FCR)	-	438
Langi Kal Kal Road 1.75km Reconstruction (FCR)	-	457
Bridge 110 Moonabell-WarrenmangRoad (Agribus)	1	-
Avoca Inclusive Playspace Grant Inc	193	15
Snake Valley Linear Park Skate Component Grant	208	42
Pyrenees Mobile Library Bus Project State Grant	31	47
Buildings Energy Efficiency	-	122
Upper Avoca River Flood Study	32	-
Raglan Flood Study	21	10
<b>Total non-recurrent capital grants</b>	<b>2,875</b>	<b>2,751</b>
<b>Total capital grants</b>	<b>4,967</b>	<b>4,843</b>
<b>Total grants</b>	<b>14,535</b>	<b>12,824</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	4,063	3,369
Received during the financial year and remained unspent at balance date	859	4,043
Received in prior years and spent during the financial year	(3,845)	(3,349)
Balance at year end	<b>1,077</b>	<b>4,063</b>
<b>Capital</b>		
Balance at start of year	1,206	2,140
Received during the financial year and remained unspent at balance date	1,472	302
Received in prior years and spent during the financial year	(1,165)	(1,236)
Balance at year end	<b>1,513</b>	<b>1,206</b>

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

	2021	2020
	\$'000	\$'000
<b>3.5 Contributions</b>		
Monetary	-	182
<b>Total contributions</b>	<b>-</b>	<b>182</b>

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

<b>3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
Proceeds of sale	341	187
Written down value of assets disposed	(218)	(181)
Selling costs	(13)	-
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>110</b>	<b>6</b>

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

3.7 Other income	2021 \$'000	2020 \$'000
Interest on investments	39	119
Reimbursement - Workcover wages	26	88
Reimbursement - State Revenue Office	44	47
Legal fees - rates	-	-
Private works	106	495
Other	67	50
<b>Total other income</b>	<b>282</b>	<b>799</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	7,883	6,874
Superannuation	736	668
Fringe benefits tax	36	62
WorkCover	143	100
<b>Total employee costs</b>	<b>8,798</b>	<b>7,704</b>

(b) Superannuation	2021 \$'000	2020 \$'000
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Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	69	123
Employer contributions - other funds	-	-
	<u>69</u>	<u>123</u>
Employer contributions payable at reporting date.	-	-

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	667	545
Employer contributions - other funds	-	-
	<u>667</u>	<u>545</u>
Employer contributions payable at reporting date.	-	-

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

**4.2 Materials and services**

Contractors	3,643	3,602
Consumables	1,720	1,390
Contracted Service Delivery	1,342	1,241
Insurance	402	343
Electricity and water	183	250
Plant expenses	63	307
Information technology	298	201
Telecommunications	221	220
Subscriptions and memberships	95	102
Advertising	88	92
Legal fees	69	46
Stationery, postage, photocopying and printing	56	53
Conferences and training	58	68
Contributions and donations	87	56
Valuations	12	15
Fire services levy	13	13
<b>Total materials and services</b>	<b>8,350</b>	<b>7,999</b>



#### 4.3 Depreciation

Property	1,242	1,247
Plant and equipment	765	632
Infrastructure	4,639	4,343
<b>Total depreciation</b>	<b>6,646</b>	<b>6,222</b>

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

#### 4.4 Amortisation - Right of use assets

Printers	13	13
<b>Total Amortisation - Right of use assets</b>	<b>13</b>	<b>13</b>

#### 4.5 Bad and doubtful debts

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Fire Infringement Debtors	-	20
Other debtors	43	10
<b>Total bad and doubtful debts</b>	<b>43</b>	<b>30</b>

#### Movement in provisions for doubtful debts

Balance at the beginning of the year	(37)	(7)
New provisions recognised during the year	(6)	(30)
Amounts already provided for and written off as uncollectible	-	-
Amounts provided for but recovered during the year	21	-
Balance at end of year	(22)	(37)

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.

#### 4.6 Finance Costs - Leases

Interest - Lease Liabilities	2	6
<b>Total finance costs</b>	<b>2</b>	<b>6</b>

#### 4.7 Other expenses

Councillors' allowances	164	167
Operating lease rentals	11	5
Auditors' remuneration - internal auditor	35	30
Auditors' remuneration - audit of the financial statements, performance statements and grant acquittals by the Victorian Auditor General's Office (VAGO)	41	41
Internal audit committee	7	8
Other	-	-
<b>Total other expenses</b>	<b>258</b>	<b>251</b>

Note 5 Our financial position	2021	2020
5.1 Financial assets	\$'000	\$'000
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1	3
Cash at bank	5,932	4,351
Term deposits	-	10,000
<b>Total cash and cash equivalents</b>	<u>5,933</u>	<u>14,354</u>
<b>(b) Other financial assets</b>		
Term deposits - current	7,020	20
<b>Total other financial assets</b>	<u>7,020</u>	<u>20</u>
<b>Total financial assets</b>	<u>12,953</u>	<u>14,374</u>

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)	374	148
-Recreational land (Note 9(b) Other reserves)	9	9
Total restricted funds	<u>383</u>	<u>157</u>
Total unrestricted cash and cash equivalents	<u>5,550</u>	<u>14,197</u>

**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	5,833	4,905
- Victoria Grants Commission funding received in advance	3,076	2,947
- Other grant funding received in advance	2,590	1,509
Total funds subject to intended allocations	<u>11,499</u>	<u>9,361</u>

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

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

(c) Trade and other receivables	2021	2020
	\$'000	\$'000
<b>Current</b>		
Rates debtors	316	305
Net GST receivable	220	209
Special rate assessment	10	11
Other debtors	470	554
Provision for doubtful debts - other debtors	(22)	(36)
Total current trade and other receivables	<u>994</u>	<u>1,043</u>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	33	44
Total non-current trade and other receivables	<u>33</u>	<u>44</u>
<b>Total trade and other receivables</b>	<u>1,027</u>	<u>1,087</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)	57	428
Past due by up to 30 days	376	63
Past due between 31 and 180 days	26	19
Past due between 181 and 365 days	4	17
Past due by more than 1 year	8	27
Total trade and other receivables	<u>470</u>	<u>554</u>

5.2 Non-financial assets	2021	2020
(a) Inventories	\$'000	\$'000
Inventories held for sale	4	2
<b>Total inventories</b>	<b>4</b>	<b>2</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	70	247
Accrued income	96	514
<b>Total other assets</b>	<b>166</b>	<b>761</b>

5.3 Payables	\$'000	\$'000
(a) Trade and other payables		
Trade payables	1,161	1,484
Accrued expenses	1,266	519
<b>Total trade and other payables</b>	<b>2,427</b>	<b>2,003</b>

**(b) Trust funds and deposits**

Refundable deposits	61	65
Landsborough Community trust funds	77	66
Camp Hill trust funds	14	17
Fire Services Levy	219	
Other refundable deposits	3	-
<b>Total trust funds and deposits</b>	<b>374</b>	<b>148</b>

**(c) Unearned income**

Grants received in advance - operating	1,077	1,509
Grants received in advance - capital	1,513	1,412
Other	-	-
<b>Total unearned income</b>	<b>2,590</b>	<b>2,921</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 quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

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

5.4 Provisions

	Employee	Total
<b>2021</b>	<b>\$ '000</b>	<b>\$ '000</b>
Balance at beginning of the financial year	2,355	2,355
Additional provisions	1,162	1,162
Amounts used	(712)	(712)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(216)	(216)
Balance at the end of the financial year	<u>2,589</u>	<u>2,589</u>
<b>2020</b>		
Balance at beginning of the financial year	2,197	2,197
Additional provisions	810	810
Amounts used	(686)	(686)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	34	34
Balance at the end of the financial year	<u>2,355</u>	<u>2,355</u>
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12</b>		
Annual leave	505	424
Long service leave	421	455
	<u>926</u>	<u>879</u>
<b>Current provisions expected to be wholly settled after 12</b>		
Annual leave	219	188
Long service leave	1,312	1,100
	<u>1,531</u>	<u>1,288</u>
<b>Total current employee provisions</b>	<u>2,457</u>	<u>2,167</u>
<b>Non-current</b>		
Long service leave	132	188
Annual leave	-	-
<b>Total non-current employee provisions</b>	<u>132</u>	<u>188</u>
Aggregate carrying amount of employee provisions:		
Current	2,457	2,167
Non-current	132	188
<b>Total aggregate carrying amount of employee provisions</b>	<u>2,589</u>	<u>2,355</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.

The following assumptions were adopted in measuring the present value of employee benefits:

Weighted average increase in employee costs	2.950%	4.250%
Weighted average discount rates	1.491%	0.872%
Weighted average long service leave settlement period	15 years	15 years



### 5.5 Financing arrangements

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

Credit card facilities	8	11
Total facilities	<u>8</u>	<u>11</u>
Unused facilities	67	39
Unused facilities	<u>67</u>	<u>39</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.

2021	Not later than 1	Later than 1	Later than 2	Later than 5	Total
	year	year and not later than 2 years	years and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Waste services	545	556	1,735	-	2,836
Mobile Waste Bins	200	-	-	-	200
Transfer Station Management	527	-	-	-	527
Cleaning services	146	150	-	-	296
Internal audit	19	-	-	-	19
Telecommunications	145	36	-	-	181
Municipal Building Surveyor	78	80	82	-	240
Environmental Health	213	217	109	-	539
Total	<u>1,873</u>	<u>1,039</u>	<u>1,926</u>	<u>-</u>	<u>4,838</u>
<b>Capital</b>					
Lexton Community Hub	1,419	-	-	-	1,419
High Street Avoca Pedestrian Crossing	406	-	-	-	406
South Street Foothpath Construction Beaufort	170	-	-	-	170
Total	<u>1,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,995</u>
2020	Not later than 1	Later than 1	Later than 2	Later than 5	Total
	year	year and not later than 2 years	years and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Delivered meals	50	-	-	-	50
Waste services	886	-	-	-	886
Cleaning services	142	146	150	-	438
Internal audit	17	-	-	-	17
Telecommunications	145	145	36	-	326
Environmental Health	84	-	-	-	84
Total Operating Commitments	<u>1,324</u>	<u>291</u>	<u>186</u>	<u>-</u>	<u>1,801</u>
<b>Capital</b>					
Correa Park Subdivision Works	818	-	-	-	818
Total	<u>818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>818</u>

5.7 Leases

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

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

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

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

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

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

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

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

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

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

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

<b>Right-of-Use Assets</b>	<b>Printers</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2020	42	42
Additions	-	-
Amortisation charge	(13)	(13)
Balance at 30 June 2021	<u>29</u>	<u>29</u>

<b>Lease Liabilities</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	15	13
One to five years	18	31
More than five years	-	-
Total undiscounted lease liabilities as at 30 June:	<u>33</u>	<u>44</u>

Lease liabilities included in the Balance Sheet at 30 June:		
Current	14	13
Non-current	17	31
Total lease liabilities	<u>31</u>	<u>44</u>

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2020 \$'000	Additions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	At Fair Value 30 June 2021 \$'000
Land	6,659	316	-	(170)	-	-	-	6,805
Buildings	27,245	11	-	(1,072)	-	-	-	26,184
Plant and equipment	4,305	1,777	-	(766)	(217)	-	-	5,099
Infrastructure	197,590	6,410	-	(4,639)	-	-	476	199,837
Work in progress	2,014	4,209	-	-	-	-	(476)	5,747
	<u>237,813</u>	<u>12,723</u>	<u>-</u>	<u>(6,647)</u>	<u>(217)</u>	<u>-</u>	<u>-</u>	<u>243,672</u>

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Infrastructure	118	473	-	(208)	383
Property	1,896	3,736	-	(268)	5,364
Total	<u>2,014</u>	<u>4,209</u>	<u>-</u>	<u>(476)</u>	<u>5,747</u>

(a) Property

	Land - specialised \$'000	Land improvements \$'000	Total Land and Land \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2020	4,178	4,802	8,980	53,476	53,476	1,896	64,352
Accumulated depreciation at 1 July 2020	-	(2,321)	(2,321)	(26,231)	(26,231)	-	(28,552)
	<u>4,178</u>	<u>2,481</u>	<u>6,659</u>	<u>27,245</u>	<u>27,245</u>	<u>1,896</u>	<u>35,800</u>
<b>Movements in fair value</b>							
Additions	47	269	316	11	11	3,736	4,063
Transfers	-	-	-	-	-	(268)	(268)
	<u>47</u>	<u>269</u>	<u>316</u>	<u>11</u>	<u>11</u>	<u>3,468</u>	<u>3,795</u>
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	-	(170)	(170)	(1,072)	(1,072)	-	(1,242)
	<u>-</u>	<u>(170)</u>	<u>(170)</u>	<u>(1,072)</u>	<u>(1,072)</u>	<u>-</u>	<u>(1,242)</u>
At fair value 30 June 2021	4,225	5,071	9,296	53,487	53,487	5,364	68,147
Accumulated depreciation at 30 June 2021	-	(2,491)	(2,491)	(27,303)	(27,303)	-	(29,794)
	<u>4,225</u>	<u>2,580</u>	<u>6,805</u>	<u>26,184</u>	<u>26,184</u>	<u>5,364</u>	<u>38,353</u>

(b) Plant and Equipment

	Plant, machinery and equipment	Fixtures, fittings and furniture	Computers and telecommu- nications	Library collection	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	6,976	324	2,843	433	10,576
Accumulated depreciation at 1 July 2020	(3,151)	(282)	(2,543)	(295)	(6,271)
	3,825	42	300	138	4,305
<b>Movements in fair value</b>					
Additions	1,300	239	210	28	1,777
Disposal	(834)	-	(176)	-	(1,010)
	466	239	34	28	767
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(606)	(22)	(117)	(21)	(766)
Accumulated depreciation of disposals	700	-	93	-	793
	94	(22)	(24)	(21)	27
At fair value 30 June 2021	7,442	563	2,877	461	11,343
Accumulated depreciation at 30 June 2021	(3,057)	(304)	(2,567)	(316)	(6,244)
	<b>4,385</b>	<b>259</b>	<b>310</b>	<b>145</b>	<b>5,099</b>

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Other structures	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	239,681	47,795	2,531	20,902	837	118	311,864
Accumulated depreciation at 1 July 2020	(85,629)	(19,508)	(1,063)	(7,493)	(463)	-	(114,156)
	154,052	28,287	1,468	13,409	374	118	197,708
<b>Movements in fair value</b>							
Additions	4,321	646	428	94	921	473	6,883
Transfers	21	9	1	-	445	(208)	268
	4,342	655	429	94	1,366	265	7,151
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	(3,842)	(372)	(50)	(218)	(157)	-	(4,639)
	(3,842)	(372)	(50)	(218)	(157)	-	(4,639)
At fair value 30 June 2021	244,023	48,450	2,960	20,996	2,203	383	319,015
Accumulated depreciation at 30 June 2021	(89,471)	(19,880)	(1,113)	(7,711)	(620)	-	(118,795)
	154,552	28,570	1,847	13,285	1,583	383	200,220



*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of construction. Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

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

	Depreciation Period	Threshold Limit \$'000
<i>Asset recognition thresholds and depreciation periods</i>		
<b>Property</b>		
land	-	-
land improvements	25 years	10
<b>Buildings</b>		
heritage buildings	years	10
buildings	120 years	10
building improvements	years	10
leasehold improvements	years	10
<b>Plant and Equipment</b>		
plant, machinery and equipment	5-10 years	5
fixtures, fittings and furniture	3-10 years	5
computers and telecommunications	3-10 years	5
library collection	3-10 years	-
<b>Infrastructure</b>		
sealed roads formation	100 years	10
unsealed roads formation	100 years	10
sealed roads pavement	88.7 years	10
unsealed roads pavement	34.4 years	10
sealed surfaces	20.4 years	10
footpaths	52.6 years	5
kerb and channel	78.1 years	5
major culverts, pipes and pits	80-100 years	5
bridges	128 years	10
other structures	10-25 years	5

*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.

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

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

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

*Repairs and maintenance*

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

**Valuation of land and buildings**

Valuation of land and buildings was undertaken by qualified independent valuer Mr Chris Barrett, BSc., MBA, AAPI, Certified Practising Valuer. 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 date of the current valuation is detailed in the following table.

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

	Level 1	Level2	Level 3	Date of Valuation
Specialised land	-	-	4,225	30.06.2018
Land Improvements	-	-	2,580	30.06.2018
Specialised buildings	-	-	26,184	30.06.2018
Total	-	-	32,989	

**Valuation of infrastructure**

Valuation of bridge, footpath and cycleway, kerb and channel, road pavement, road formation and sealed surface assets has been determined in accordance with an independent valuation undertaken by Mr Peter Moloney, Dip. C.E., MIE Australia.

Valuation of major culvert, pit and pipe assets has been determined in accordance with a valuation undertaken by Council's Manager of Assets, Mr Robert Rowe.

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

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

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

	Level 1	Level2	Level 3	Date of Valuation
Roads	-	-	154,552	31.12.2018
Footpaths and cycleways	-	-	1,847	31.12.2018
Drainage	-	-	13,285	31.12.2018
Bridges	-	-	28,570	31.12.2018
Other structures	-	-	1,583	30.06.2016
Total	-	-	199,837	

**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 0% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$266 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$141 to \$4575 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 28 years to 30 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 one year to 128 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.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of specialised land</b>		
Recreation	2,102	2,054
Industry	439	439
Tourism	638	638
Works	390	390
Waste Management	340	340
Children's services	68	68
Roads	181	181
Administration	67	67
<b>Total specialised land</b>	<b>4,225</b>	<b>4,177</b>

**6.2 Investments in associates, joint arrangements and subsidiaries**

Council does not have any investments in associates, joint arrangements or subsidiaries.

**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.

**Note 7 People and relationships**

**7.1 Council and key management remuneration**

**(a) Related Parties**

*Subsidiaries and Associates*

As at 30 June 2021 Council does not have any interests in any subsidiaries and/or associates.

**(b) Key Management Personnel**

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

<b>Councillors</b>	Councillor David Clark
	Councillor Robert Vance
	Councillor Ronald Eason
	Councillor Tanya Kehoe (Mayor 30.10.2019 - 23.10.2020)
	Councillor Damien Ferrari (Mayor 10.11.2020 - current)
	Jim Nolan - Chief Executive Officer
	Kathy Bramwell - Director Corporate and Community Services
	Douglas Gowans - Director Assets and Development

<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>	<b>8</b>	<b>8</b>

**(c) Remuneration of Key Management Personnel**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Total remuneration of key management personnel was as follows:		
Short-term benefits	701	702
Long-term benefits	16	(11)
Post employment benefits	53	50
<b>Total</b>	<b>770</b>	<b>741</b>

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
\$20,000 - \$29,999	3	3
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	1	1
\$180,000 - \$189,999	1	2
\$190,000 - \$200,000	1	-
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	-
<b>Total Key Management Personnel</b>	<b>8</b>	<b>8</b>

**(d) Senior Officer Remuneration**

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

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

During the year, Council did not have any staff that were deemed to be Senior Officers under the above definition (nil in 2019/2020).

**7.2 Related party disclosure**

**(a) Transactions with related parties**

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

Purchase of goods and services under normal trading terms	12	19
Employee remuneration under normal employment terms	72	71
	<b>84</b>	<b>90</b>



## Note 8 Managing uncertainties

### 8.1 Contingent assets and liabilities

#### (a) Contingent assets

Council has no disclosable contingent assets.

#### (b) Contingent liabilities

##### 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*

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$110,000.

##### 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

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV.

In accordance with the Authority's decision not to renew the MAV's self-insurance licence, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council was a participant of the MAV WorkCare Scheme.

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

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

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

### 8.2 Change in accounting standards

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

### 8.3 Financial instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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

**(c) Credit risk**

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

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

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

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

All financial liabilities are expected to be settled within normal terms of trade.

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

**(e) Sensitivity disclosure analysis**

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

- A parallel shift of + 2.0% and -1.0% in market interest rates (AUD) from year-end rates of 0.10% (0.10% as at 2 June 2021).

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

#### 8.4 Fair value measurement

##### *Fair value hierarchy*

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

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

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

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

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

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

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

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

##### *Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

##### *Impairment of assets*

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

#### 8.5 Events occurring after balance date

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

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>2021</b>			
<b>Property</b>			
Land and land improvements	2,455	-	2,455
Buildings	20,700	-	20,700
	<u>23,155</u>	<u>-</u>	<u>23,155</u>
<b>Infrastructure</b>			
Roads	101,328	-	101,328
Footpaths and cycleways	1,111	-	1,111
Drainage	11,458	-	11,458
Bridges	18,238	-	18,238
Plant and equipment	301	-	301
Furniture and fittings	40	-	40
	<u>132,475</u>	<u>-</u>	<u>132,475</u>
<b>Total asset revaluation reserves</b>	<b>155,630</b>	<b>-</b>	<b>155,630</b>
<b>2020</b>			
<b>Property</b>			
Land and land improvements	2,455	-	2,455
Buildings	20,700	-	20,700
	<u>23,155</u>	<u>-</u>	<u>23,155</u>
<b>Infrastructure</b>			
Roads	101,328	-	101,328
Footpaths and cycleways	1,111	-	1,111
Drainage	11,458	-	11,458
Bridges	18,238	-	18,238
Plant and equipment	301	-	301
Furniture and fittings	40	-	40
	<u>132,475</u>	<u>-</u>	<u>132,475</u>
<b>Total asset revaluation reserves</b>	<b>155,630</b>	<b>-</b>	<b>155,630</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>2021</b>				
Recreational land	9	-	-	9
<b>Total recreational land reserves</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>9</b>
<b>2020</b>				
Recreational land	9	-	-	9
<b>Total recreational land reserves</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>9</b>

The recreational land reserve contains contributions paid by developers undertaking the subdivision of residential land. These funds are required to be expended on the creation or expansion of recreational opportunities for the community, and are held until such time the relevant expenditure is incurred.



	2021 \$'000	2020 \$'000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	3,231	3,120
Depreciation	6,646	6,222
Amortisation - right of use assets	13	13
Net gain on disposal of property, infrastructure, plant and equipment	(110)	(6)
Finance Cost - Leases	2	6
Change in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	49	813
(Increase)/Decrease in inventories	(2)	-
(Increase)/Decrease in prepayments	177	(47)
(Increase)/Decrease in accrued income	418	324
Increase/(Decrease) in unearned income	(332)	496
Increase/(Decrease) in trade and other payables	426	519
Increase/(Decrease) in provisions	234	158
Increase/(Decrease) in trust funds and deposits	226	(8)
Net GST on operating activities	11	1,091
<b>Net cash provided by operating activities</b>	<b>10,989</b>	<b>12,701</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 the Comprehensive Operating Statement when they are made or due.

#### Accumulation

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

#### Defined Benefit

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

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

#### Funding arrangements

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

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020.

The vested benefit index (VBI) of the Defined Benefit category of which Pyrenees Shire Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

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

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

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### Employer contributions

##### Regular contributions

On the basis of the results of the 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019/2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

#### Funding calls

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

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

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

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

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

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

#### The 2020 triennial actuarial investigation surplus amounts

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

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

	2020 (Triennial) \$m	2019 (Interim) \$m
- A VBI Surplus	100.0	151.3
- A total service liability surplus	200.0	233.4
- A discounted accrued benefits surplus	217.8	256.7

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2020.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

#### The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

#### Superannuation contributions

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

Scheme	Type of Scheme	Rate	2021 \$'000	2020 \$'000
Vision super	Defined benefits	9.50%	69	123
Vision super	Accumulation fund	9.50%	667	545

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

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$110,000.

**10 Change in accounting policy**

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

Council has adopted AASB 1059 Service Concession Arrangements: Grantors , from 1 July 2020

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

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020

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

Council does not expect any material impact to future financial statements as we do not generally enter into service concession arrangements.

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

**Pyrenees Shire Council**

**Performance Statement**

**For the year ended 30 June 2021**



## Performance Statement

For the year ended 30 June 2021

<p>R17(1)</p> <p>BP</p>	<p><b>Description of municipality</b></p> <p>The Pyrenees Shire is in the Central West of Victoria, about 130 kilometers North West of Melbourne. It is heavily dependent on primary industry and is renowned for its wool, viticulture, and forestry activity. Thirty percent of the workforce is involved in agriculture. Key areas of production are wool, cereal, hay crops and meat. Grape and wine production have expanded significantly in recent times. Gold, along with sand, gravel and slate all contribute to the economy.</p> <p>The Pyrenees Shire comprises an area of nearly 3,500 square kilometres and a population of approximately 7,555 residents. The Shire takes its name from the ranges in the north that hold similarity to the Pyrenees Ranges in Europe.</p> <p>Council administration is based in the township of Beaufort, and several Council services also operate from the township of Avoca. These services include health and aged care, roads and infrastructure maintenance, library, and information centres.</p> <p>Excellent educational facilities are available in the Pyrenees Shire, including integrated children's centres, primary schools, a secondary college and Community Resource and Information Centres incorporating adult education and library services.</p> <p>Recreational activities are available in abundance in the region, giving community members and visitors wonderful opportunities to experience new pastimes. Most townships in the Shire have their own sporting facilities, such as sports ovals and netball courts. Avoca, Beaufort and Snake Valley also have skate parks.</p> <p>Tourism is ever growing throughout the region. Hang-gliding from Mount Cole, croquet in Beaufort, the French game of Petanque in Avoca and the long-running Lake Goldsmith Steam Rally, attract large numbers of visitors year-round. In recent years, the action sport of mountain bike riding has risen in popularity.</p> <p>In addition to the sporting opportunities, the Pyrenees is known for its wineries and culinary delights. Community markets are a popular attraction, as are the region's antique fairs, picnic horse races and music festivals.</p> <p>Recovery activities and support from the 2019/20 Ben Major – Lexton bushfire continued during the financial year.</p> <p>The COVID-19 global pandemic continued throughout the whole of the 2020/21 financial year with a multitude of measures taken by Council to support staff, its community and other levels of government in living and working through the ongoing crisis, maintaining financial and mental wellness and responding appropriately to the periodic restrictions imposed. Additional resources were obtained through the Working for Victoria Fund and other opportunities to help in this work.</p>
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## Sustainable Capacity Indicators

For the year ended 30 June 2021

	<i>Indicator/measure</i>	Results				Material variations
		2018	2019	2020	2021	
R15(3) Sch3 R16(1) R17(2)	<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$3,501.57	\$3,337.28	\$2,974.30	\$3,191.30	This measure provides an assessment of Council's capacity to provide services to its community.
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$30,115.97	\$31,000.82	\$30,936.03	\$31,352.35	This measure provides an assessment of Council's commitment to improving infrastructure and represents Council's high commitment to ongoing infrastructure improvement.
	<i>Population density per length of road</i> [Municipal population / kilometres of local roads]	3.73	3.59	3.64	3.72	In small rural councils with low population growth, this figure is likely to remain fairly static from year to year.
	<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,536.68	\$1,551.75	\$1,651.23	\$1,695.04	This indicator represents the percentage of Council revenue obtained through its rates and charges.
	<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$1,116.24	\$1,040.12	\$1,184.56	\$1,205.16	This indicator assesses the level of revenue generated from a range of sources other than through rates and charges. A higher amount of grant revenue suggests greater capacity to deliver community services but is dependent upon availability of such revenue.
	<b>Disadvantage</b> <i>Relative socio-economic disadvantage of the municipality</i> [Index of Relative Socio-economic Disadvantage by decile]	1.00	3.00	3.00	3.00	This index summarises a range of information about the economic and social conditions of a community, and ranges from 1 to 10. A lower level may suggest a greater need for some services.
	<b>Workforce turnover</b> <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations /	23.4%	16.3%	7.1%	12.4%	After a very low staff turnover rate in the previous year, staff turnover returned to more normal levels in 2020/21. Turnover during the year reflected a number of retirements, staff relocating from the area and a number of staff moving to other Councils to

Average number of permanent staff for the financial year] x100					further their career.
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BP	<p><b>Definitions</b></p> <p>"adjusted underlying revenue" means total income other than:</p> <ul style="list-style-type: none"> <li>(a) non-recurrent grants used to fund capital expenditure; and</li> <li>(b) non-monetary asset contributions; and</li> <li>(c) contributions to fund capital expenditure from sources other than those referred to above</li> </ul> <p>"infrastructure" means non-current property, plant and equipment excluding land</p> <p>"local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004</p> <p>"population" means the resident population estimated by council</p> <p>"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)</p> <p>"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</p> <p>"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website</p> <p>"unrestricted cash" means all cash and cash equivalents other than restricted cash.</p>
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## Service Performance Indicators

For the year ended 30 June 2021

	<i>Service/Indicator/measure</i>	Results				Material variations
		2018	2019	2020	2021	
R15(1) Sch3 R16(1) R17(2)	<b>Aquatic facilities utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.66	1.48	1.61	0.99	The impacts of a short season for outdoor rural pools, COVID-19 restrictions on public activities and a cool summer resulted in less participation rates in 2020/21.
	<b>Animal management</b> <b>Health and Safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	New in 2020	New in 2020	100.00%	100.00%	Two animal management matters were successfully prosecuted, and no matters were unsuccessful.
	<b>Food safety</b> <b>Health and Safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical and major non-compliance outcome notifications about a food premises followed up / Number of critical and major non-compliance outcome notifications about a food premises] x 100	75.00%	100.00%	100.00%	100.00%	Public health and safety remained of paramount importance with 100% of critical non-compliance outcome notifications being followed up.
	<b>Governance Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	57.00	56.00	54.00	54.00	Community satisfaction with how Council has performed in making decisions in the interest of the community remained similar to the previous year, but reduced slightly from earlier years.



<i>Service/Indicator/measure</i>	<b>Results</b>				<b>Material variations</b>
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	
<b><i>Libraries participation</i></b> <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / the sum of the population for the last three years] x 100	11.00%	11.02%	9.94%	8.43%	The number of active borrowers reduced in 2020/21, impacted by COVID-19 restrictions disrupting the ability of borrowers to access collections, particularly via the mobile library outreach service.
<b><i>Maternal and child health Participation</i></b> <i>Participation in the MCH Service</i> [Number of children who attend MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	83.77%	88.62%	92.97%	78.46%	Participation was impacted by COVID-19 restrictions imposed during 2020/21.
<b><i>MCH Participation</i></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 children enrolled in the MCH service] x 100	100.00%	100.00%	93.33%	100.00%	Low numbers of participants can result in high variations year on year.
<b><i>Roads Satisfaction</i></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]	54.00	54.00	51.00	57.00	Community satisfaction with sealed roads remains constant and similar to the average result for similar councils.
<b><i>Statutory Planning Decision making</i></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] x	0.00%	0.00%	0.00%	0.00%	No planning matters went to VCAT.

	Service/Indicator/measure	Results				Material variations
		2018	2019	2020	2021	
	100					
	<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] x 100	42.02%	31.22%	19.64%	29.56%	The percentage of waste diverted from landfill returned to more normal levels as residents accepted the use of dedicated skips within townships for glass recycling and improved communication efforts on recycling.

<b>BP</b>	<p><b>Definitions</b></p> <p>"Aboriginal child" means a child who is an Aboriginal person</p> <p>"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006</p> <p>"active library member" means a member of a library who has borrowed a book from the library</p> <p>"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act</p> <p>"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English</p> <p>"class 1 food premises" means food premises, within the meaning of the <i>Food Act 1984</i>, that have been declared as class 1 food premises under section 19C of that Act</p> <p>"class 2 food premises" means food premises, within the meaning of the <i>Food Act 1984</i>, that have been declared as class 2 food premises under section 19C of that Act</p> <p>"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i>, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health</p> <p>"food premises" has the same meaning as in the <i>Food Act 1984</i></p> <p>"local road" means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i></p> <p>"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i>, 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</p> <p>"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</p> <p>"population" means the resident population estimated by council</p> <p>"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 <i>Occupational Health and Safety Act 2004</i>.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</p> <p>"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</p>
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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 2021

	<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
		2018	2019	2020	2021	2022	2023	2024	2025	
R15(2) Sch3 R16(1) R16(2) R17(2) R17(3)	<b>Efficiency</b> <b>Expenditure level</b> <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$4,287.67	\$4,089.83	\$3,683.74	\$3,961.60	\$4,632.27	\$3,837.16	\$3,816.09	\$3,756.75	Council's expenses per head of population are subject to fluctuation from year to year due to timing of external non-recurrent grants received, and expenditure incurred in delivery of funded projects. Expenses per head of population is expected to rise in 2021/22 as Council has funded a number of projects in the 2021/22 budget utilising its working capital surplus.
	<b>Revenue level</b> <i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	New in 2020	New in 2020	\$1,407.26	\$1,462.54	\$1,500.49	\$1,489.44	\$1,489.92	\$1,490.44	This indicator reflects Council's revenue through rates and charges for the reporting year, on average.
	<b>Liquidity</b> <b>Working Capital</b> <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x 100	276.85%	402.70%	223.13%	179.56%	121.67%	121.45%	120.95%	120.48%	A percentage reduction in 2021 reflects the impacts of grants received in advance in the previous year and the timing of land sales. A forecast reduction in 2022 assumes the potential impacts of grants received in advance in the previous year and delivery of carried forward capital works.
	<b>Unrestricted cash</b> <i>Unrestricted cash compared to current liabilities</i>	23.85%	69.07%	66.69%	-70.94%	97.69%	97.89%	97.87%	97.87%	A reduction in the ratio in 2021 compared to the previous year reflects impact of the

<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
[Unrestricted cash / Current liabilities] x 100									classification of \$7M worth of Council's Term Deposits being classified as other financial assets at year-end rather than as cash. The increase in unrestricted cash projected for 2021/22 coincides with expected land sales.
<b>Obligations</b> <b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rates revenue] x 100	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council has no loans or borrowings and is currently debt free.
<b>Loans and borrowings</b> <i>Loans and borrowings repayments compared to rates</i> [Interest and principle repayments on interest bearing loans and borrowings / Rate revenue] x 100	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council has no loans or borrowings and is currently debt free.
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x 100	0.71%	1.13%	1.78%	1.16%	1.03%	0.96%	0.94%	0.92%	Council is debt free and non-current liabilities held reflect employee provisions.
<b>Asset renewal and upgrade</b> <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and upgrade expense / Asset depreciation] x 100	New in 2020	New in 2020	128.67%	109.94%	214.48%	82.62%	83.50%	87.92%	A reduction in percentage from the previous year reflects impacts of non-recurrent grants. In recent years Council has been fortunate in receiving additional grant funding from various



<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
									sources to help alleviate its long-term renewal funding shortfall. Council has included confirmed funding in its 2021/22 prediction but expects a return to normal levels of external grants from 2022/23 onward.
<b>Operating position</b> <b>Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100	-13.12%	10.54%	1.63%	1.45%	-27.89%	-6.34%	-6.10%	-4.79%	In recent years, Council's result in this area was heavily influenced by the early payment of Financial Assistance Grants. 2022 forecast is impacted by Council funding a number of projects in its budget utilising its working capital surplus and an assumption that Financial Assistance Grants will not be paid early.
<b>Stability</b> <b>Rates concentration</b> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x 100	42.39%	36.47%	46.55%	46.57%	56.06%	56.21%	56.39%	56.56%	This indicates the percentage of Council revenue through own-sourced funds (i.e., rates and charges). The forecast increase in 2022 is impacted by (a) early payment of Financial Assistance Grants in 2020/21; (b) An expected reduction in Council's Roads to Recovery Grant Allocation, and (c) Increased revenue from windfarms.
<b>Rates effort</b> <i>Rates compared to Property values</i> [Rate revenue / Capital Improved Value of rateable properties in the municipality] x 100	0.57%	0.47%	0.45%	0.41%	0.40%	0.40%	0.40%	0.40%	This indicator shows rate revenue as a percentage of property values in the municipality. Its capacity to increase at the same rate as property values is limited due to rate increase caps set, resulting

	<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
		2018	2019	2020	2021	2022	2023	2024	2025	
										in a steady reduction in this measure over recent years.

BP	<p><b>Definitions</b></p> <p>"adjusted underlying revenue" means total income other than:</p> <ul style="list-style-type: none"> <li>(a) non-recurrent grants used to fund capital expenditure; and</li> <li>(b) non-monetary asset contributions; and</li> <li>(c) contributions to fund capital expenditure from sources other than those referred to above</li> </ul> <p>"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure</p> <p>"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</p> <p>"current assets" has the same meaning as in the AAS</p> <p>"current liabilities" has the same meaning as in the AAS</p> <p>"non-current assets" means all assets other than current assets</p> <p>"non-current liabilities" means all liabilities other than current liabilities</p> <p>"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</p> <p>"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants</p> <p>"population "means the resident population estimated by council</p> <p>"rate revenue" means revenue from general rates, municipal charges, service rates and service charges</p> <p>"recurrent grant "means a grant other than a non-recurrent grant</p> <p>"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties</p> <p>"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</p> <p>"unrestricted cash" means all cash and cash equivalents other than restricted cash.</p>
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## Retired Service Performance Indicators

For the year ended 30 June 2021

	<b>Retired measures</b> <i>Service/Indicator/measure</i>	<b>Results</b>				<b>Material variations</b>
		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	
R15(1) Sch3 R16(1) R17(2)	<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	3.00	Retired in 2020	Retired in 2020	This measure was replaced from 1 July 2019
	<b>Efficiency</b> <b>Revenue level</b> <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$987.67	\$941.00	Retired in 2020	Retired in 2020	This measure was replaced from 1 July 2019
	<b>Obligations</b> <b>Asset renewal</b> <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	72.33%	115.75%	Retired in 2020	Retired in 2020	This measure was replaced from 1 July 2019

# Other Information

For the year ended 30 June 2021

BP	<p><b>1. Basis of preparation</b></p> <p>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 <i>Local Government Act 1989</i> and <i>2020</i> and <i>Local Government (Planning and Reporting) Regulations 2014</i>.</p> <p>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).</p> <p>The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's strategic resource plan. The <i>Local Government (Planning and Reporting) Regulations 2014</i> 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.</p> <p>The forecast figures included in the performance statement are those adopted by Council on 15 June 2021 in its Budget for the four years ending 30 June 2025. The Four-Year Budget 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 budget can be obtained by contacting Council.</p>
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## Certification of the Performance Statement

R18(1)  
R18(2)

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*.



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James Hogan  
**Principal Accounting Officer**  
**Dated:** 30 September 2021

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2021 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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



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Cr Damian Ferrari  
**Mayor / Councillor**  
**Dated:** 30 September 2021



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Cr Ron Eason  
**Councillor**  
**Dated:** 30 September 2021



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Jim Nolan  
**Chief Executive Officer**  
**Dated:** 30 September 2021



# Independent Auditor's Report

## To the Councillors of Pyrenees Shire Council

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

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

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

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

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

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MELBOURNE  
14 October 2021



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*

# Annual Report

2020-21



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Shire Council

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