



Council Minutes



Campaspe
Shire Council

Date: 26 October 2022

Time: 1:00 pm

Venue: Virtual Meeting

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Minutes of the open section of the Campaspe Shire Council held on Wednesday 26 October 2022, commencing at 1:00 pm as a Virtual Meeting.

Present

Councillors

Cr Christine Weller - Mayor

Cr Robert Amos

Cr Colleen Gates

Cr Daniel Mackrell

Cr Anthony Marwood

Cr Leanne Pentreath

Cr Adrian Weston

Cr John Zobec

Officers

Pauline Gordon - Chief Executive Officer

Keith Oberin - Executive Director

Matt McPherson - Acting Director Corporate

Kate Lemon - Acting Director Infrastructure

Emily Cordingley - Governance Advisor

Rebecca Jones - Governance Officer

1 Apologies

Cr Jarman

Moved by Cr Gates

Seconded by Cr Zobec

That the apology be accepted

CARRIED

2 Declarations of Conflict of Interest

In accordance with Section 130(1)(a) of the *Local Government Act 2020* Councillors are required to disclose any conflict of interest in respect of a matter to be considered at a Council meeting.

Nil.

3 Council Decisions

3.1 Annual Report 2021-22

Division: Corporate

Councils must prepare an Annual Report in respect of each financial year, as outlined in Section 98 of the *Local Government Act 2020*.

The Annual Report must be presented to an open Council meeting, within four months of the end of the financial year.

The Annual Report must contain:

- a) A report of operations of the council.

- b) Audited performance statement.
- c) Audited financial statements.
- d) A copy of the auditor's report on the performance statement.
- e) A copy of the auditor's report on the financial statements under part 3 of the Audit Act 1994.
- f) Any other matter required by the regulations.

Moved by Cr Pentreath

Seconded by Cr Amos

That Council receive the Annual Report for the year ended 30 June 2022, as attached.

CARRIED

4 Confidential Business

Nil.

5 Close Meeting

There being no further business, the Mayor closed the meeting at 1:08pm.

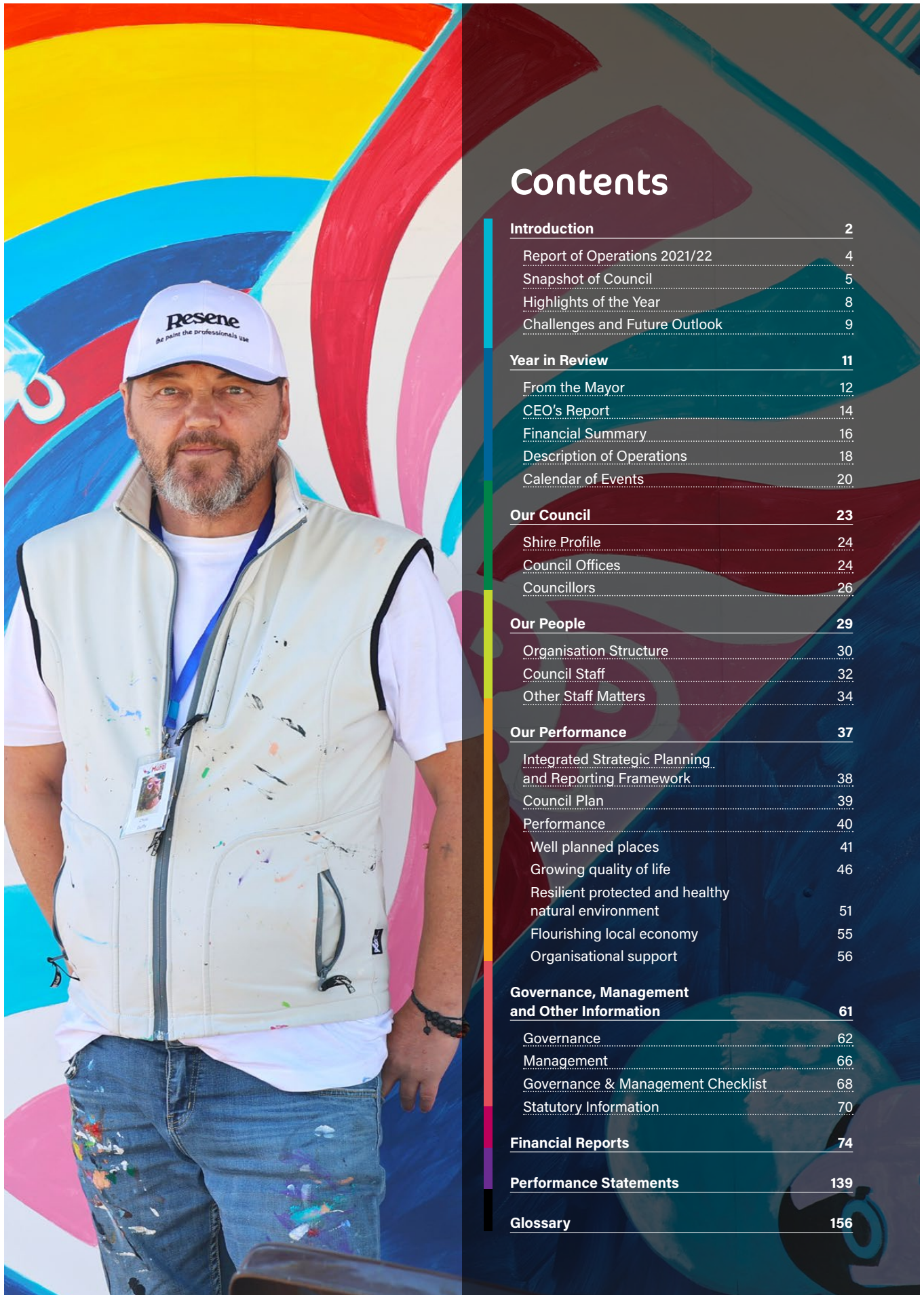
.....
CR CHRISTINE WELLER
MAYOR



2021 - 2022
**Annual
Report**



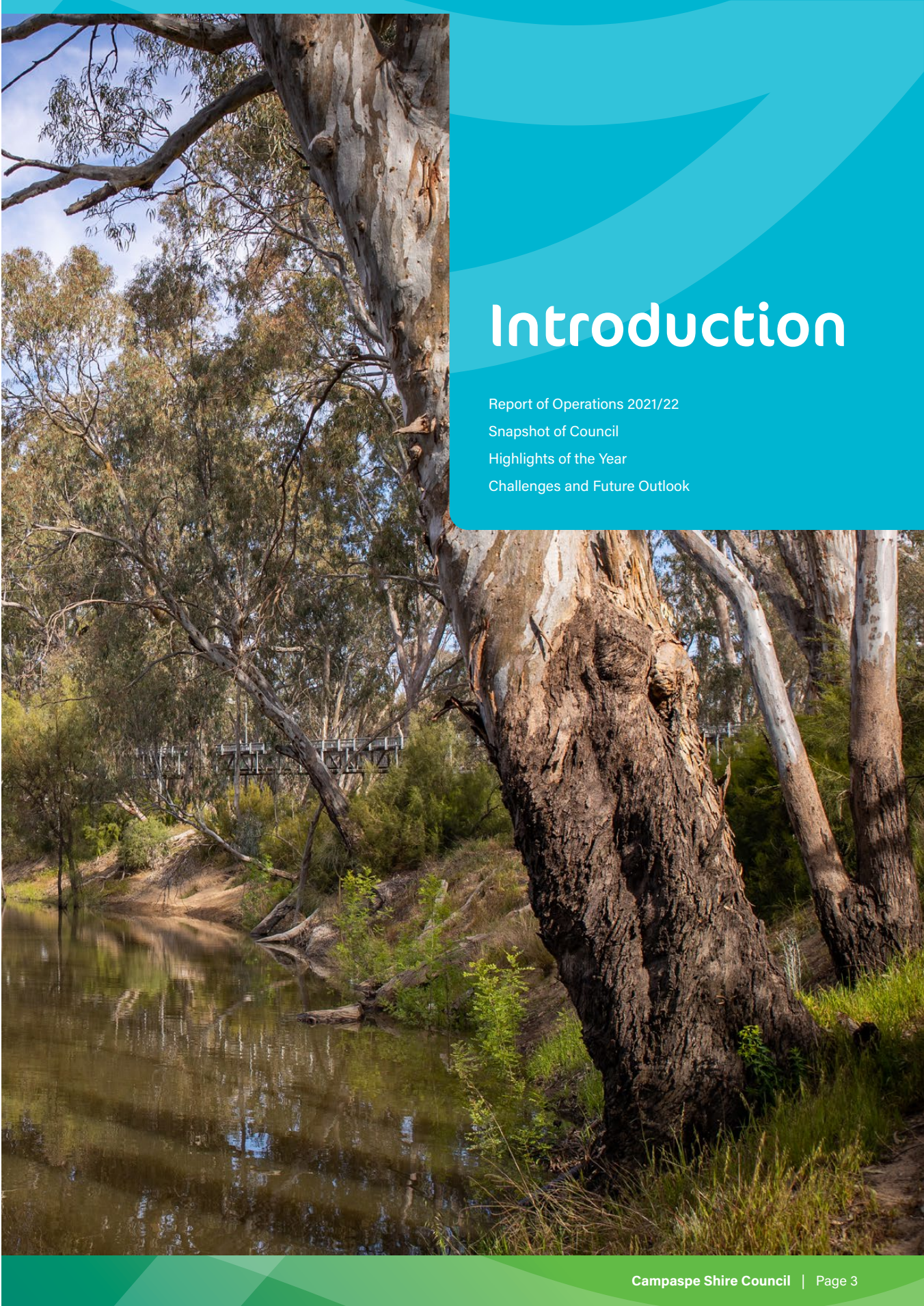




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Introduction

- Report of Operations 2021/22
- Snapshot of Council
- Highlights of the Year
- Challenges and Future Outlook



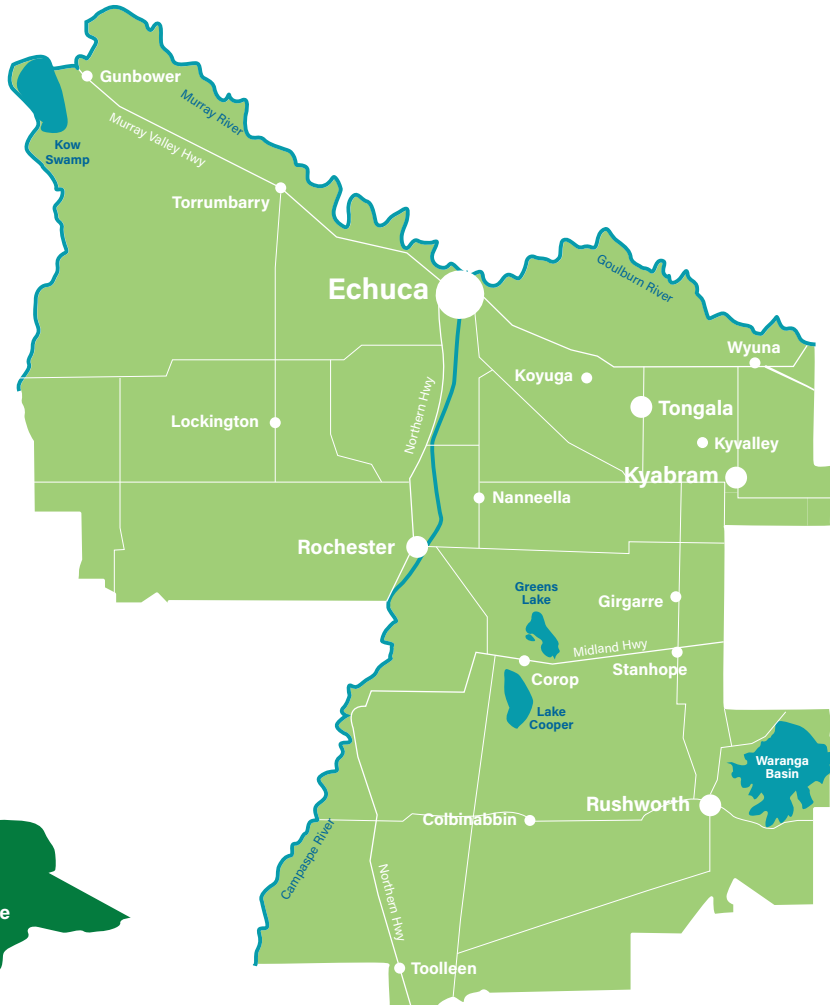
Report of Operations 2021/22

Council is committed to transparent reporting and accountability to the community and the Report of Operations 2021/22 is the primary means of advising the Campaspe Shire Council community about council's operations and performance during the financial year.

Campaspe is the traditional lands of the Dja Dja Wurrung, Taungurung and Yorta Yorta Peoples. We respect and acknowledge their unique Aboriginal cultural heritage and pay our respect to their ancestors, descendants and emerging leaders as the Traditional Owners of this country. We acknowledge their living culture and their unique role in the life of this region.

Snapshot of Council

Campaspe Shire includes the townships of **Echuca, Kyabram, Rochester, Lockington, Gunbower, Rushworth, Stanhope** and **Tongala** as well as many smaller areas outside of these main townships.



Demographic Profile



Campaspe has an estimated resident population of 38,545 and 32.4% are aged 60 years and over (ABS 2021).



Around 85% residents were born in Australia, but residents were born in 35 countries and speak 18 languages (ABS 2021).



The majority of residents, 80%, work and live within the municipality, with a further 10% working in Murray River Council, an adjoining NSW local government area (ABS 2016).



In the shire, 11.5% of households earn an income of \$3,000 or more per week (ABS 2021).

Vision

Our places are vibrant and sustainable, our people are strong and supportive.

Values

We deliver quality, innovative and community focused services today that make a difference for tomorrow.

Respect

- We embrace each individual's unique talents and value diverse life and work styles
- We operate in a spirit of cooperation and value human dignity.

Customer focused

- We listen to our customers and deliver services which meet their demonstrated needs
- We focus on customer relationships that build trust, confidence and loyalty
- We are responsible for both external and internal customer satisfaction.

Continuous improvement

- We work with enthusiasm and intellect and are driven to build upon what has already been achieved
- We improve productivity, processes and ourselves through measurement, analysis and review.

Teamwork

- We listen to and respect each other whilst working together to achieve mutually beneficial results
- We help one another, value one another's views and make our work environment fun and enjoyable
- We are not afraid to stand alone, especially when it is the right thing to do.

Accountability

- We conduct our business in accordance with the highest standards of professional behaviour and ethics
- We are open, honest and ethical in all our interactions with employees, clients, customers, vendors and the public
- We are responsible for and take ownership of our actions.



Fast Facts



48,974
calls answered



1,805
kilometres of
gravel roads graded



7,119
dogs registered



1,200
trees planted in
open spaces



4,064
vaccines given



3,764
tonnes of garden
and food material
collected in
kerbside bins



406
birth
notifications



3,750
tonnes of recycling
material collected
in kerbside bins



2,258
cats registered



21,316
visits to service
centres



93,994
visits to library
branches



7,897
tonnes of waste
collected in
kerbside bins

Highlights of the Year

The Council Plan 2021-2025 guides the work of Council in providing services and projects for the community. The plan is set out in four strategic directions and the following is a summary of achievements under those four key areas.

Well planned places

- Attractive and useable sites of importance
- Land and underlying infrastructure suitable for growing populations
- Quality, attractive recreational spaces
- Improved walkability and cyclability within townships
- Ability to travel safely and easily by road and rail
- Digital connectedness maximising mobility, economic productivity, health care access and education participation

2021/22 achievements

- Funding secured to support redevelopment of the Victoria Park boat ramp in Echuca
- Redevelopment of Gunbower Lions Park and Stage 1 Echuca East Community Precinct completed
- Echuca West Precinct Structure Plan to support residential growth in Echuca West adopted
- Asset Plan completed and adopted

Growing quality of life

- Communities have a say on local infrastructure and attractions that stimulate engagement and activity
- Effective and efficient services available locally
- Children, young people and families healthy and well
- Inclusive, connected, culturally diverse and safe

2021/22 achievements

- Announcement of a new childhood community hub to be developed in Echuca West
- Review of Council-owned businesses – caravan park, aerodrome, saleyards, animal shelter and quarries – completed
- Gender Equality Action Plan completed and approved by the Commission

Resilient protected and healthy natural environment

- Well managed resources for a sustainable future
- Sustainable water and energy use
- Protected natural environment

2021/22 achievements

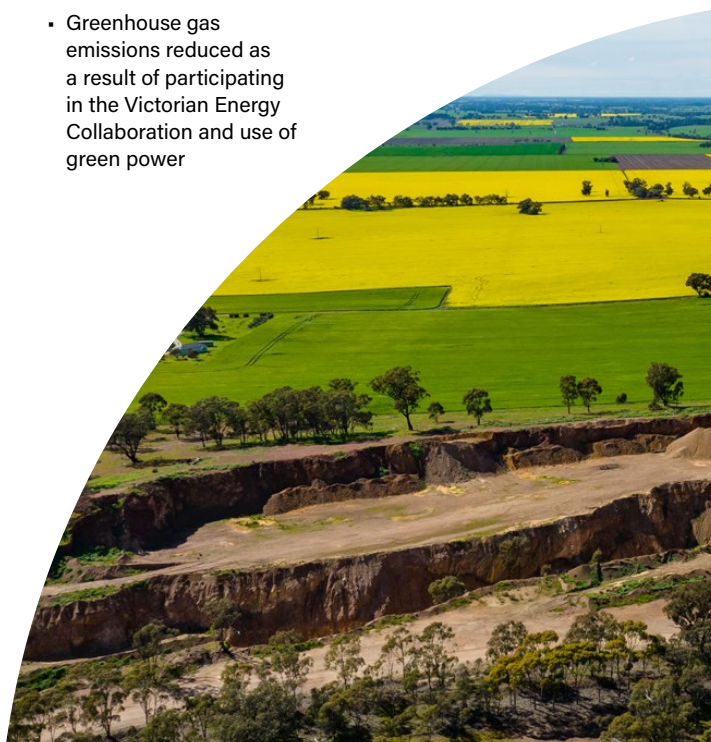
- Waste to landfill reduced by 76 tonnes
- Funding secured for redevelopment of storm water treatment within Echuca's Aquatic Reserve
- Greenhouse gas emissions reduced as a result of participating in the Victorian Energy Collaboration and use of green power

Flourishing local economy

- A resilient long-term economy attractive to local and external investors
- Stimulated economic activity that provides local jobs

2021/22 achievements

- Upgrades to the electrical services at the Echuca Holiday Park completed
- Goulburn Valley Designated Area Migration Agreement approved



Challenges and Future Outlook

Challenges

- **Cost shifting** – This occurs when local government provides a service to the community on behalf of the Federal or State Government. Over time, the funds received by local governments do not increase in line with real cost increases, such as school crossing or library services, resulting in a further reliance on rate revenue to meet service delivery expectations.
- **Rate capping** – The State Government continues with a cap on rate increases. The cap for 2021/22 was set at 1.5%.
- **Coronavirus** – The COVID pandemic presented significant challenges across the past two years, with impacts on business, households and the economy worldwide. As we move to a new phase of the pandemic, ongoing impacts have been present such as supply of materials and the recruitment of staff.
- **Ageing infrastructure** – A large amount of infrastructure which requires significant maintenance and re-investment.
- **Attracting staff** – The impact of the coronavirus pandemic has put added pressure on the ability to attract and retain staff, particularly in the areas of engineering, planning and building services.

The future

- Pursue funding of \$2.4 million to support a \$4.8 million upgrade of the Echuca Aerodrome to provide the capacity and capability to cater for new larger air ambulance fleet and aircraft to bring the facility up to industry standard.
- Progress sales of surplus Council land and facilities, in line with adopted policy.
- Develop and adopt an Environment Strategy.
- Finalise the review of the Victoria Park Master Plan in Echuca, including completing the designs for a multi-purpose facility and pursue funding opportunities.
- Progress Place Based Plans and Township Facility Plans for townships with outdoor pools as a priority.
- Complete the transition of the management of the Port of Echuca to the Campaspe Port Enterprise.
- Transition the Kyabram Fauna Park across to Zoos Victoria.







Year In Review

- From the Mayor
- CEO's Report
- Financial Summary
- Description of Operations

From the Mayor

In my second year as Mayor, it's been an honour to have had the opportunity to continue to lead Council in further consolidating our good work in 2021/22. It's been a very busy year with many highlights, some of which are outlined below.

Celebrating with the community

After a pandemic environment, with ongoing gathering restrictions, community celebrations started to slowly resume in early January and the event calendar started to fill up.

It was great to see major community events returning to our region, such as the Southern 80 Ski Race, Riverboats Music Festival, VicJam Scout Jamboree and the inaugural Urban Mountain Bike Race.

On Australia Day, community events were held across the shire with outstanding local individuals and groups formally recognised. Australia Day Awards were presented in three categories; Citizen of the year - Mitchell Bull of Kyabram; Young Citizen of the year - Dimity Pearson of Rochester; and Community Group of the year - Wirima in Rotary Park Committee (Rochester). This award program showcases how lucky Campaspe is to have such inspiring and generous community members and groups.

Across the year, Council held four citizenship ceremonies, giving residents an opportunity to celebrate with their family the last step of becoming an Australian citizen. The ceremonies supported 76 residents in their citizenship journey, up on the previous year of 19.

In May, the community came out in force to celebrate the opening of the new Echuca Moama Dhungala Bridge, crossing the Murray River. The project was the biggest infrastructure project in regional Victoria and for our shire, removes traffic and congestion in the Central Business District, particularly during key events and peak holiday periods.

Council received State Government funding through the COVID Safe Outdoor Activation Fund which enabled free school holiday programs to be run across the shire in April and June. The funding was used for a 'pop up' outdoor cinema, to engage an ice sculptor, as well as many activities with animals and science. Activities drew great crowds and were well received across the community.

Supporting our community

Council continued to support the community through a number of grant programs, either open year round, or in multiple rounds, with funds totalling more than \$280,000, some of which included:

- Community Grants - \$81,000 to community groups to deliver a broad range of community-led projects.
- Business Assistance Grants - \$37,000 to support businesses to either diversify or expand, and also encourage new businesses to start up.
- Community Equipment Grants - \$89,000 to community groups and sporting clubs to purchase equipment to support programs and activities.
- Community Event Sponsorship Grants - \$52,000 to support not for profit community organisations and groups to operate events that contribute to the shire.

A review of grant and donation programs was completed, streamlining the programs in place and application process.

Projects for the community

A \$6.94 million redevelopment of the Echuca East Recreation Reserve Stage one was completed. Stage one works involved the construction of a large community multi-purpose building, onsite parking and playground. Funding for the project was secured through the Community Infrastructure Loans Scheme, a low interest subsidised loan program offered by the State Government to deliver community infrastructure projects. Stage two works are planned to start later in the year, to include redevelopment of the open spaces, dog zones, community group storage shed and a second toilet block.

A \$1 million redevelopment of Gunbower's Lions Park, located on the scenic foreshore of the Gunbower Creek, was completed. The project created a natural play space, a canoe launching pad with disabled accessibility, a fishing jetty, picnic shelter with connecting walkways and landscaping.

A \$1.4 million upgrade of drainage in Echuca's Ash Street was completed to alleviate flooding in the area. The project included a 3,400 cubic metre detention basin, installation of connecting pipes and pits and realignment of water and sewer lines.

A range of projects totalling \$5.4 million funded from Phase 1 and Phase 2 of the Local Roads Community Infrastructure Program were completed. Some of the projects included planting of more than 150 established trees, footpath replacements, culvert upgrades, resheeting and widening of Roslynmead Road Torrumbarry, and netball court resurfacing.

Future community planning

Council's community planning program continued, with the communities of Colbinabbin and Tongala starting their Place Based Plan, to set out their needs, priorities and future aspirations. Council also made the decision to incorporate Township Facility Plans into the overall program, to review Council-owned building and land assets, to provide a more holistic approach to the consideration of infrastructure projects to meet current and future needs. This approach more closely aligns Place Based Planning with Council's Asset Management program and budget planning process to help us achieve financial sustainability into the future. While no Township Facility Plans started across the year, plans are underway to start with Tongala.

Release of residential land in Echuca West finally progressed, with the exhibition of a planning amendment completed and approved by Council for submission to the Minister for Planning for final approval. The amendment rezones, for residential development, approximately 615 hectares of land in Echuca West, bounded by Stratton Road to the west, Murray Valley Highway to the north, Northern Highway to the east, and Echuca West School Road to the south.

An announcement was made for a new childhood community hub, also in Echuca West, following development of a partnership between Council and Sandhurst Catholic Early Childhood Education and Care. Sandhurst will build and operate the community hub which aims to provide a kindergarten, children's services centre, maternal and child health rooms and support visiting allied health services. The development will help meet the demand for kindergarten places as well as providing increased choice to families.

Tim Tamlin was appointed Interim CEO in May, following the departure of Declan Moore. Declan held the position of CEO for 2.5 years, with Tim appointed to support the organisation, providing leadership and working with the Executive Management Group, to ensure continuity of operations and administration while recruitment of a new CEO was underway.

I would like to take the opportunity acknowledge Councillors for their dedication to their role and all staff for their hard work in a particularly challenging pandemic environment.

I commend the Annual Report to you as an insightful overview of many of Council's achievements for the year 2021/22.



Cr Chrissy Weller
Mayor



CEO's Report

I'm pleased to present the Campaspe Shire's Annual Report for 2021/22 and share some of the many achievements of which this organisation can be proud.

Financial overview

The financial statements for the year ending 30 June 2022 report a surplus of \$5.99 million, which is more than the budgeted surplus of \$3.46 million. This additional surplus is due to:

- A change in accounting standards requiring Council to recognise capital grants as they are spent, not when they are received.
- Prepayment of 75 per cent of the annual Financial Assistance Grants in April 2021.

When the non-cash items and capital grants are removed, the operating result is a surplus of \$1.94 million.

Work continued on our focus to attract Federal and State Government funding to support the delivery of community projects. Council was successful in receiving more than \$3.5 million of funds through a number of grant applications. This is in addition to funds received through annual grant programs, operating grants of \$18.2 million, and capital grants of \$8.2 million. Some of the successful grant applications include:

- State Government funding for youth programs, \$180,000 from the Engage! program and \$53,250 from FReeZA program to support youth participation and engagement.
- Federal and State Government funding of \$803,660 to support the redevelopment of the Victoria Park boat ramp and upstream retaining riverbank walls in Echuca.
- Federal Government funding of \$1.5 million to construct an 11 kilometre trail connecting Rushworth to Murchison along the former rail reserve via Waranga Basin.

This funding, matched by Council's and other local contributions, is vital to delivering projects. In a income constrained environment, it is even more important and forces councils to seek alternative funding options to maintain existing infrastructure and invest in new infrastructure.

Services to the community

We continued to respond to ongoing pandemic directions as announced by the State Government which resulted in the temporary closure of some services, or restrictions on participant numbers or staff numbers in the office. In addition, the State Government announced Pandemic Orders requiring the mandatory vaccination of staff. These ongoing announcements and changes impacted all staff and staff are to be commended for their resilience and adaptation. After nearly two years, restrictions finally eased in early 2022 which saw the return of many of our face to face programs and an increase in participant numbers.

The annual mosquito monitoring program started in November, with staff patrolling mosquito breeding sites and starting the trapping process. With the Japanese encephalitis virus detected in northern Victoria in early 2022, the monitoring program was extended, with Environmental Services staff continuing to monitor and treat sites as required.

Following Council's decision to move the Port of Echuca across to the beneficial enterprise management model, an independent six-member Board was appointed and recruitment for a Executive General Manager began. A delay in the appointment to this position, resulted in a delay to the transition process across to the enterprise, originally planned for 1 July, and extended to 1 October 2022.

Plans for the future

Council worked on a broad range of strategies and plans throughout the year. Some of those finalised included:

Municipal Public Health and Wellbeing Plan

- A four-year plan focusing on the health and wellbeing of our community. The plan is not about the absence of disease, it's about well, contented, satisfied and connected communities.

Road Management Plan

- A plan detailing the standards for the maintenance and upgrade of roads, footpaths, drains and other road-related assets.

Financial Plan - A plan providing a ten year focus and outlines the financial resources required to action the Council Plan and other strategies. The assumptions and decisions made to support the financial forecasts are also outlined in the plan.

Kyabram Flood Study - A result of years of extensive community consultation and tremendously detailed flood mapping by the project team, this study identifies problematic areas in Kyabram, along with how to avoid and manage any future flooding events.

Open Space Strategy - A strategy which aims to guide Council in the decision making process when planning, designing and maintaining its open space network and builds on the previous document developed in 2014.

Asset Plan - A requirement of the new Local Government Act, this plan provides a ten year financial and strategic outlook for managing the assets that are owned and controlled by Council.

In addition, policy statements continued to be reviewed across the year to ensure they provided guidance and support to staff in their day to day operations, as well as an understanding to the community.



On behalf of the executive and staff of Council, I thank the current Council for all their hard work towards the achievement of commitments made. I also thank Campaspe staff, who together, make up this dynamic organisation that achieve so much on behalf of the community.

Tim Tamlin
Interim Chief Executive Officer

Financial Summary

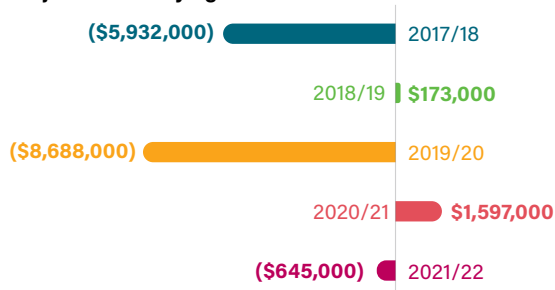
Council finished the year with an operating surplus and maintained a relatively low debt level of \$6.5 million. Detailed information about our financial performance is included within the Financial Statements sections of this Annual Report on pages 74 to 136. A summary of our performance is outlined below.

Operating position

The year-end resulted in an operating surplus of \$6.0 million, which compares favourably to the prior year deficit of \$4.7 million. The 2021/22 surplus is due to the recognition of grant income as revenue for grants received in the prior year of \$2.4 million, user fees increasing compared to last year by \$1.8 million as a result of the removal of pandemic restrictions. This allowed the Port of Echuca Discovery Centre, Echuca Paddlesteamers, Echuca Holiday Park, recreation and leisure facilities to operate at capacity.

The adjusted underlying result (after removing capital grants and non-monetary capital contributions,) is a deficit of \$645,000 or (0.75)% when compared to adjusted underlying revenue.

Adjusted underlying result

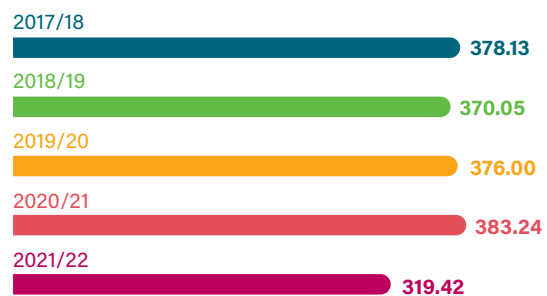


Liquidity

Cash and other financial assets are \$97.3 million which is \$16.2 million higher when compared to the 30 June 2021 figure of \$81.1 million. This is mainly attributed to receiving \$10.0 million of the 2022/23 Financial Assistance Grants in 2021/22 and \$2.6 million of Stage 3 Local Roads and Community Infrastructure funds. In addition to the grants, \$4.0 million was returned to reserves from the capital works program as savings and a number of projects being removed from the program. The increase in reserves of \$4.0 million will fund asset renewal projects.

The working capital ratio, which assesses Council's ability to meet current commitments, is calculated by measuring Council's current assets as a percentage of current liabilities. Council's liquidity ratio level of 376% is an indicator of our satisfactory financial position.

Working capital ratio %

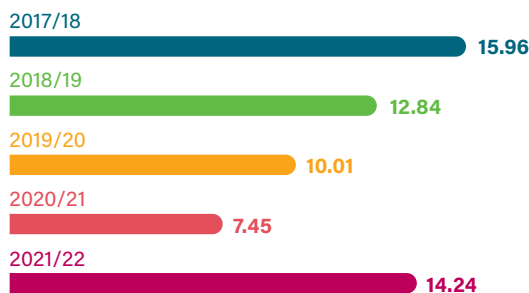


Obligations

Council aims to ensure that it can maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$25.55 million in renewal works during the 2021/22 year. This was funded from operations of \$16.82 million and cash reserves of \$4.72 million and grants of \$4.01 million.

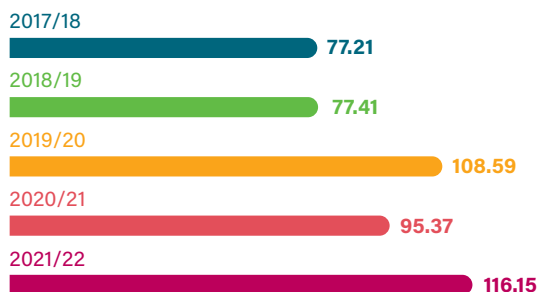
At the end of 2021/22 Council's debt ratio, which is measured by comparing interest-bearing loans and borrowings to rate revenue, was 14.24%. The result is an increase of 6.8% from 2020/21 due to the loans for Echuca East Community Precinct and Gunbower Lions Park redevelopment being drawn down.

Loan and borrowings compared to rates ratio %



Council's asset renewal ratio, which is measured by comparing asset renewal and upgrade expenditure to depreciation, was 116.15%. This indicator has changed in 2021/22 to include upgrade expenditure and previous years' figures have been recalculated.

Asset renewal ratio %



Stability & efficiency

Council raises a wide range of revenues including rates, user fees, grants and contributions. Despite this, Council's rate concentration which compares rate revenue to adjusted underlying revenue was 53.55% for the 2021/22 year.

Rate concentration ratio %



This resulted in an average rate per assessment of \$1,865.47

Revenue level ratio \$



Description of Operations

Council is responsible for more than 100 services, from family and children's services, open space, waste management, aquatic services and community buildings, to matters concerning business development, planning for appropriate development and ensuring accountability for Council's budget.

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

Economic factors

There are a number of issues facing Council which present an ongoing challenge.

Some of the key issues include:

- The ongoing coronavirus pandemic, with financial support measures put in place to assist individuals, ratepayers, businesses and organisations.
- Rate capping, which started 1 July 2016, is progressively impacting on Council's ability to fund service delivery and capital works.
- The continued high cost of utilities, particularly electricity.

Major capital works

Delivering capital projects is essential to achieving Council's aim to provide safe, accessible and appropriate infrastructure that meets the needs of the community. Across the 2021/22 year 78 capital projects were completed, to the value of \$28.2 million.

Highlights included:

- **Roads:** A total of \$11 million was spent on a number of road projects, including Sturt Street, Echuca drainage and road upgrade (\$1.1 million), Roslynmead Road, Torrumbarry road widening and resheeting (\$2 million), Fenaughty Road, Kyabram road rehabilitation (\$500,000), and \$4.3 million spent across gravel road resheeting, gravel road shoulder resheeting and sealed road resurfacing programs.
- **Drainage:** Stage 3 of Kyabram McEwen Road detention basin upgrades (\$573,000) and Ash Street, Echuca drainage upgrades (\$1.4 million).
- **Recreation:** Redevelopment of recreation spaces, Gunbower Lions Park (\$870,000) and Rochester Play Space (\$430,000).
- **Bridges:** Renewal works at Mitiamo Swamp Bridge and Runnymede Grogans Bridge, with Gunbower Watson Bridge renewal and Cornella McEvoy Bridge demolition underway at the end of the financial year.
- **Marine vessels:** Works to all three paddlesteamers totalling \$800,000 were completed, with significant works completed on the PS Pevensey.
- Delivered a range of projects, totalling \$5.4 million, through Phases 1 and 2 of the Local Roads Community Infrastructure Program, in addition to the annual Capital Works Program.

\$ value of capital works completed

	2020/21	2021/22
New	\$814,000	\$1,602,000
Renewal	\$16,808,000	\$17,443,000
Upgrade	\$2,885,000	\$6,513,000
Total	\$20,507,000	\$25,558,000

Major achievements

Completing planning amendment C117 which rezones, for residential development, approximately 615 hectares of land in Echuca West. The amendment was released for public exhibition in July and August with two community information sessions held to assist the community in understanding its aims and outcomes. In December Council adopted the planning amendment, approving the submission to the Minister for Planning.

Major changes

In September 2021, Council endorsed a renewed suite of financial support measures to assist ratepayers, residents, businesses and community groups in response to the continued challenges of the coronavirus pandemic, including the ongoing restrictions and lockdowns.

In May 2022, Council saw a change in its Chief Executive Officer, Declan Moore. An Interim CEO was appointed to ensure Councillors and staff were supported while the recruitment of a CEO was underway.



Calendar of Events

July

Council signed a new three-year agreement with Murray Regional Tourism maintaining its contribution to the development of tourism assets, activities and opportunities across the shire.

A Public Places Trading Policy was adopted, following community consultation, detailing how Council will manage trading activities on Council-owned assets and land.

Construction started for stage one redevelopment of the Echuca East Community Precinct.

Council noted the finalisation of the Kyabram Place Based Plan and the Tongala community started their plan.

The State Government announced a further lockdown in response to increasing coronavirus positive reports.

30 residents received their Australian citizenship.

August

Council announced incorporation of Township Facility Plans into the Place Based Planning program, with the additional plan to focus on Council-owned building and land assets to provide a more holistic approach to infrastructure projects.

September

Following an extensive review of management options and the local economic and tourism impacts of Council's tourism activities within the Council-owned and managed Port of Echuca Precinct, Council agreed to transition to the Beneficial Enterprise model.

Council allocated an additional \$205,000 for "catch up" gravel road maintenance to address a backlog of work due to an inability to grade the roads amid wet conditions.

Council endorsed a renewed suite of financial assistance measures to assist the community to address the continued challenges of the coronavirus pandemic.

20 residents received their Australian citizenship.

October

A one year extension of event agreements associated with the Riverboats Music Festival and Southern 80 was approved following impacts of coronavirus restrictions and postponement of events.

Council announced household garden waste would be accepted free of charge at transfer stations for a four week period to support the upcoming fire season.

The Municipal Public Health and Wellbeing Plan, Road Management Plan and Financial Plan were adopted following community consultation.

The Kyabram Flood Study was adopted, a document identifying problematic areas in the town and how to avoid and manage any future flooding events.

The annual roadside slashing program started.

The Victorian Seniors Festival was once again hosted virtually due to ongoing pandemic restrictions.

A long term strategic plan, Campaspe Tomorrow, incorporating the community vision and aspirations was adopted.

November

Cr Chrissy Weller was re-elected unopposed as Mayor, with Cr Colleen Gates elected Deputy Mayor.

A ten year Capital Works Program was adopted, identifying infrastructure projects through to 2031.

Redevelopment of Gunbower's Lions Park started.

The annual mosquito monitoring program started.

A new grant program opened up, Community Equipment Grants, supporting community groups to purchase equipment.

December

Community groups finalised plans ahead of the festive season for township Christmas decorations, on display through to mid-January.

In partnership with the community, Council launched the development of the Colbinabbin Place Based Plan and Township Facility Plan.

An additional \$5.2 million through the Federal Government's Local Roads and Community Infrastructure Program was announced.

The appointment of six Directors, including Chairperson, to the Campaspe Port Enterprise Pty Ltd Board was announced.

Council adopted a planning amendment for Echuca West, following public exhibition.

Council opened up pre-budget proposals allowing the community to put forward proposals for consideration as part of developing the 2022-23 Budget.

January

Council agreed not to consider a decision on the future of outdoor pools until individual Township Facility Plans were completed for each town.

Winners of Australia Day awards were announced and presented across the shire as part of Australia Day celebrations.

Bush Nippers, a swim program focusing on lifesaving skills and river safety for children aged 5 to 14 years, was coordinated by the Aquatics team.

Six residents received their Australian citizenship.

February

Council adopted the 2021-25 Domestic Animal Management Plan following public exhibition.

The Campaspe Port Enterprise held an inaugural meeting in Echuca, including a familiarisation tour of the Port Precinct.

Council announced the success of youth funding through the FReeZA and Engage! programs.

March

Campaspe Libraries hosted a Echuca Moama Discovery Day attracting hundreds of residents keen to find out more about their local community.

Redevelopment of public spaces, improvements to public transport and aerodrome upgrades were among the five key advocacy priorities adopted by Council.

With ongoing rainfall, Council's mosquito monitoring program was extended through to mid-April.

April

Thanks to funding from the State Government's Covid Safe Outdoor Activation Fund, Council was able to provide a variety of activities for school holidays, on top of the regular library school holiday activities.

The official opening of the new Echuca Moama Dhungala Bridge was celebrated with the community.

Regional Victoria was announced to host the 2026 Commonwealth Games, with events to be held across multiple locations.

20 residents received their Australian citizenship.

May

In partnership with Sandhurst Catholic Early Childhood Education and Care, Council announced a new early childhood hub for Echuca West.

Nominations for the Campaspe Murray Business Awards opened up.

Tim Tamlin was appointed Interim Chief Executive Officer.

June

Funding of \$803,660 from the Federal and State governments was announced to support the redevelopment of the Victoria Park boat ramp and upstream retaining riverbank walls in Echuca.

Kotta Station was moved from the Port of Echuca back to its original location at Kotta.

Council was once again able to provide additional school holiday activities, thanks to State Government funding.

Council adopted the 2022-23 Budget, following community consultation.





Our Council

- Shire Profile
- Council Offices
- Councillors

Shire Profile

Campaspe Shire Council is located in north central Victoria, approximately 180 kilometres north of Melbourne.

It includes the communities of Echuca, Kyabram, Rochester, Lockington, Gunbower, Rushworth, Stanhope and Tongala as well as many smaller areas outside of these main townships. The shire is located in the heart of one of the richest and most diverse agriculture and food processing areas in Victoria. Its climate, history, cultural heritage, natural assets and location in relation to major urban centres provide the shire with extensive opportunities. The shire encompasses a total land area of over 4,500 square kilometres.

The shire has an estimated residential population of 38,545 (ABS 2021).

Council Offices

Headquarters:

Echuca, 2 Heygarth Street

Service Centres:

Kyabram, 19 Lake Road

Rochester, 43-45 Mackay Street

Rushworth, 33 High Street

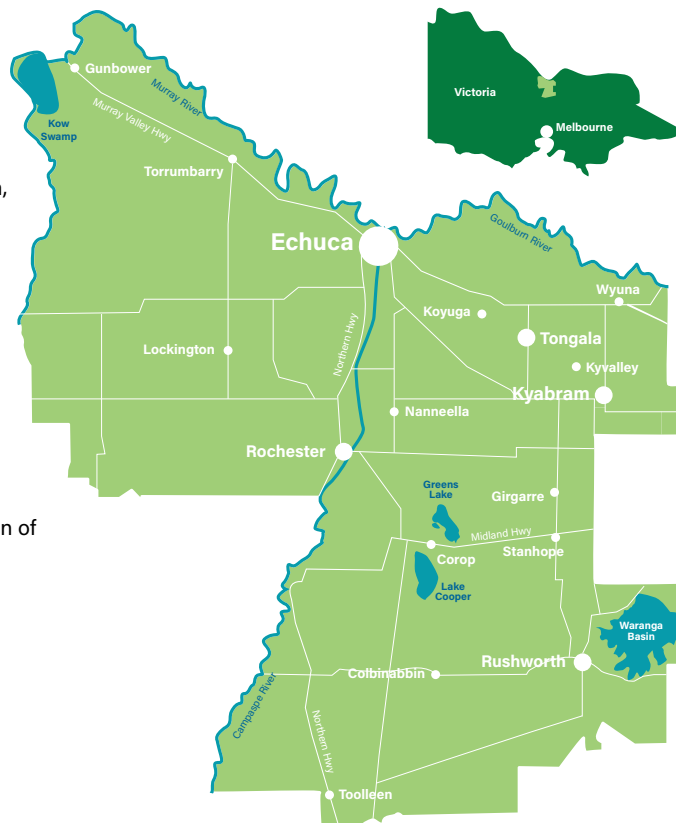
Tongala, 37 Mangan Street

Postal address: PO Box 35, Echuca VIC 3564

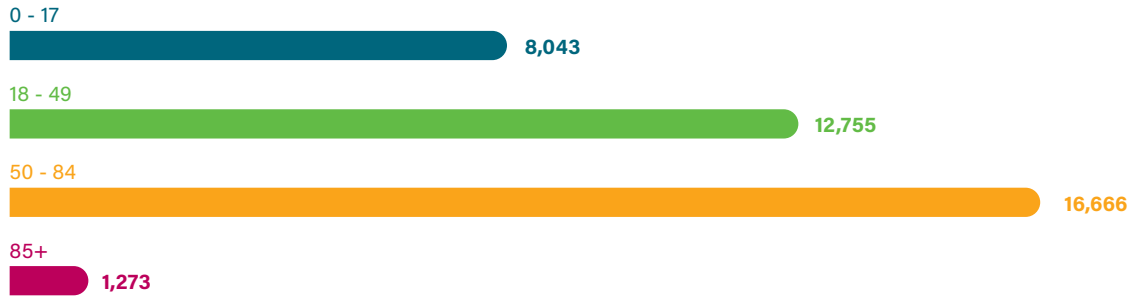
Telephone: (03) 5481 2200

Email: shire@campaspe.vic.gov.au

Website: www.campaspe.vic.gov.au



Age



About us



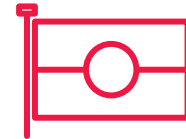
We are growing

2019: 37,600 (ERP)
 2016: 37,595
 2021: 38,545
 2036: 43,000 (forecast)
 ABS: 2021



We have lower levels of education

53.1% of residents held a qualification of some sort in 2016 compared with 57.2% for regional Victoria.
 ABS: 2016



We have a sizeable Aboriginal population

3.0% of residents are Aboriginal, compared to 2.0% for regional Victoria.
 ABS: 2021



We are becoming older

17.7% of residents are aged 70 and over, compared with 15.7% for regional Victoria.
 ABS: 2021



We mainly work in

Manufacturing, Agriculture, Health Care, and Tourism.
 ABS: 2021



On average, we earn less

In 2016 the median weekly income was only \$1,081, compared to \$1,124 for regional Victoria.
 ABS: 2016

Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. In 2020 the Campaspe Shire Council community elected this Council for a four year term.

The municipality is divided into five wards, two multi-councillor wards, and three single-councillor wards. The nine 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.

The Councillors are:

Cr Rob Amos

Echuca Ward

Date elected: 24 October 2020

Mobile: 0437 042 170

Email: r.amos@campaspe.vic.gov.au

Council appointments: Audit and Risk Committee, Echuca Moama and District Tourism Development Association



Cr Colleen Gates

Kyabram Deakin Ward

Date elected: 24 October 2020

Deputy Mayor: 2021

Mobile: 0457 916 615

Email: c.gates@campaspe.vic.gov.au

Council appointments: Municipal Association of Victoria, Goulburn Valley Regional Waste and Resource Recovery Forum



Cr Paul Jarman

Rochester Ward

Date elected: 24 October 2020

Mobile: 0407 825 133

Email: p.jarman@campaspe.vic.gov.au



Cr Daniel Mackrell

Kyabram Deakin Ward

Date elected: 22 October 2016

(Echuca Ward)

Re-elected: 24 October 2020

Mobile: 0429 517 535

Email: d.mackrell@campaspe.vic.gov.au



Cr Tony Marwood

Echuca Ward

Date elected: 24 October 2020

Mobile: 0437 517 535

Email:

t.marwood@campaspe.vic.gov.au

Council appointments: Audit and Risk Committee, Senior Combined Partners, MAV Planning Committee



Cr Leanne Pentreath

Western Ward

Date elected: 20 February 2016
(by-election)

Re-elected: 22 October 2016,
24 October 2020

Mobile: 0428 862 201

Email: l.pentreath@campaspe.vic.gov.au

Council appointments: Murray River Group of Councils



Cr Adrian Weston

Waranga Ward

Date elected: 27 October 2012

Re-elected: 22 October 2016,
24 October 2020

Mayor: 2016, 2017, 2018, 2019

Mobile: 0428 320 464

Email: a.weston@campaspe.vic.gov.au

Council appointments: Senior Combined Partners



Cr Chrissy Weller

Echuca Ward

First elected: 24 October 2020

Mayor: 2020, 2021

Mobile: 0437 567 401

Email: c.weller@campaspe.vic.gov.au

Council appointments: Murray River Group of Councils, Loddon Campaspe Councils, Rural Councils Victoria, Goulburn Broken Greenhouse Alliance



Cr John Zobec

Kyabram Deakin Ward

First elected: 28 January 2015

(2012 election count-back)

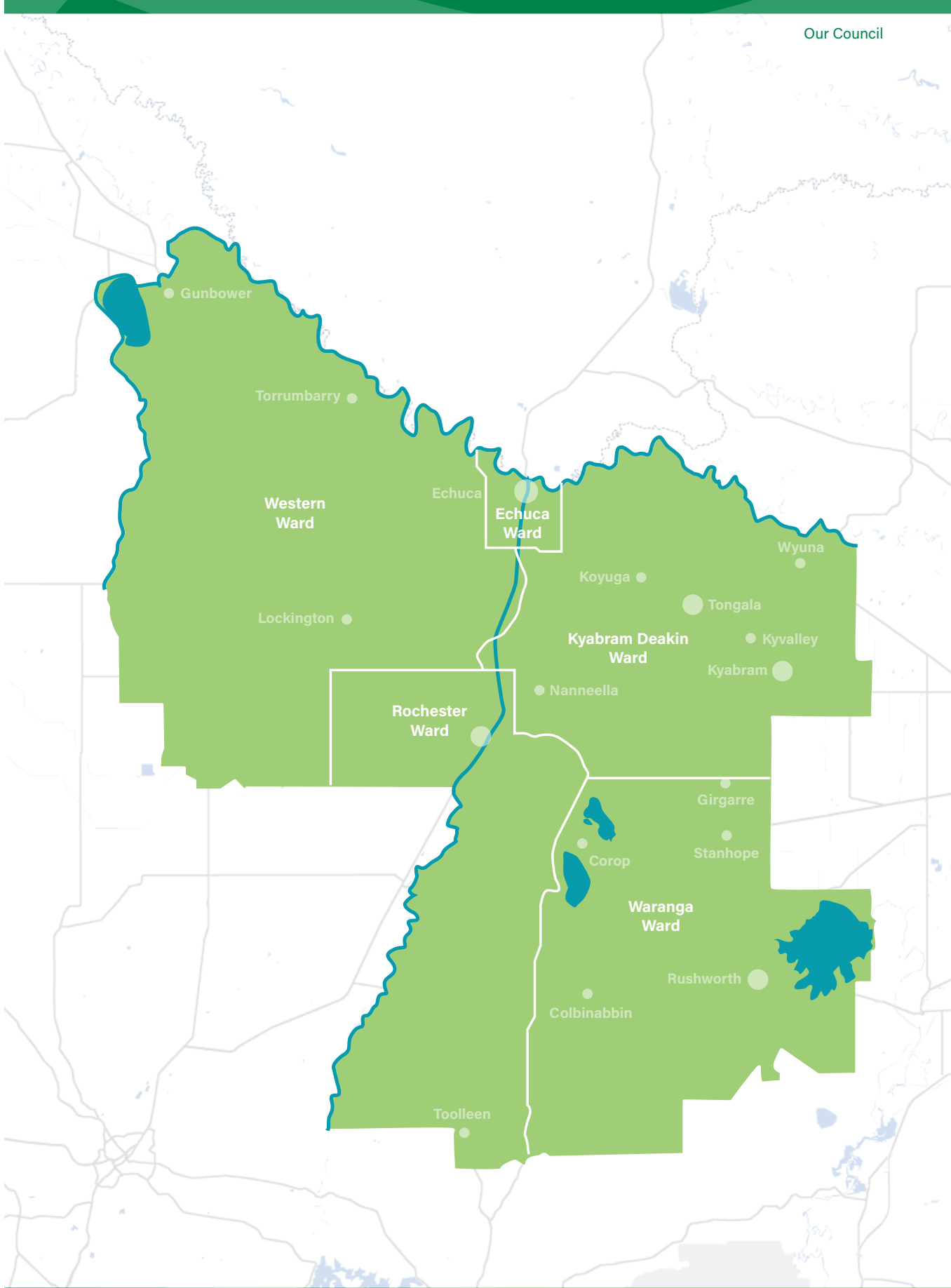
Date re-elected: 22 October 2016,
24 October 2020

Mobile: 0418 213 413

Email: j.zobec@campaspe.vic.gov.au



Our Council







Our People

Organisation Structure

Council Staff

Other Staff Matters

Organisation Structure

Council is the governing body that appoints the Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of Council operations in accordance with the strategic directions of the Council Plan.

Four General Managers and the CEO form the Executive Management Group (EMG). EMG leads the organisation and meets weekly to oversee and manage Council operations. EMG also provides Council with information and advice that supports strategic and effective decision making. EMG is supported by a team of departmental managers.

Details of the CEO and General Managers reporting directly to the CEO are set out below.

Tim Tamlin, Interim Chief Executive Officer

Commenced: 30 May 2022

Areas of responsibility: Governance & Strategy, Executive Support Services



Paul McKenzie, General Manager Development

Commenced: 1 July 2013

Areas of responsibility: Children & Family Services, Environmental Health, Library Services, Maternal & Child Health, Aquatic Services, Facilities & Open Space, Recreation Planning, Stadiums, Building Services, Planning Investigation, Statutory Planning, Strategic Planning



General Manager Infrastructure

Vacant

Areas of responsibility: Aerodrome, Construction, Parks & Gardens, Quarry Operations, Road Maintenance, Engineering Design, Plant & Fleet, Road Services, Strategic Asset Management, Building Maintenance, Capital Works, Project Management, Property & Leases

Fleur Cousins, General Manager Corporate

Commenced: 6 November 2017

Areas of responsibility: Financial Services, Information & Communications Technology, Procurement, Human Resources, Communications, Customer Service



Keith Oberin, General Manager Community

Commenced: 16 May 2016

Areas of responsibility: Community Engagement, Community Programs, Economic Development, Events, Tourism, Commercial Businesses, Local Laws, Waste & Environment, Civic Events, Community Grants



A chart setting out the organisation structure of the Council is shown below:



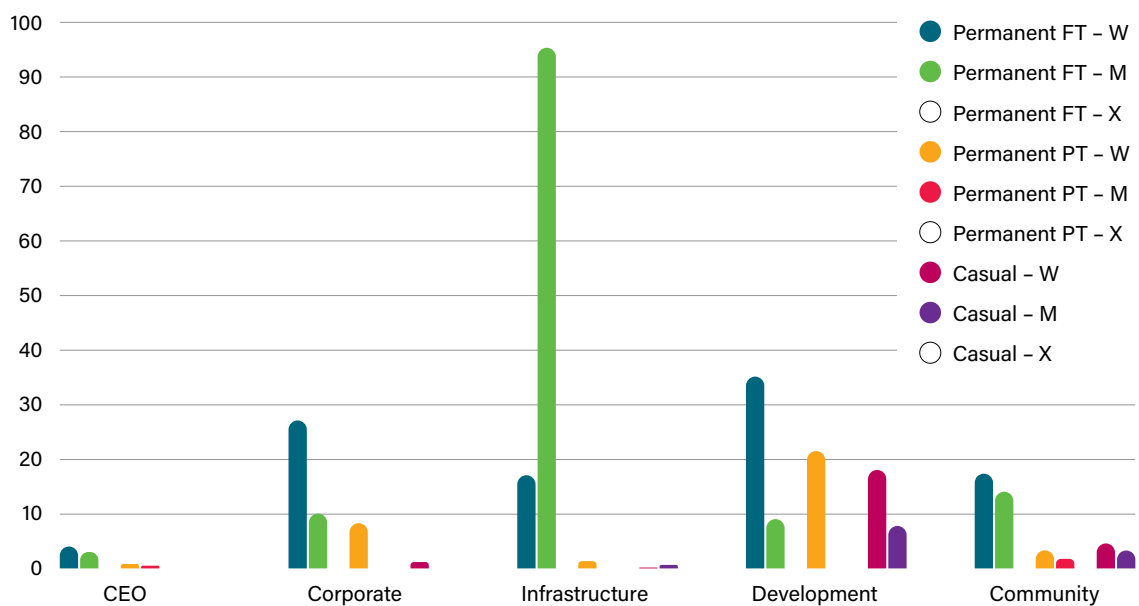
Council Staff

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

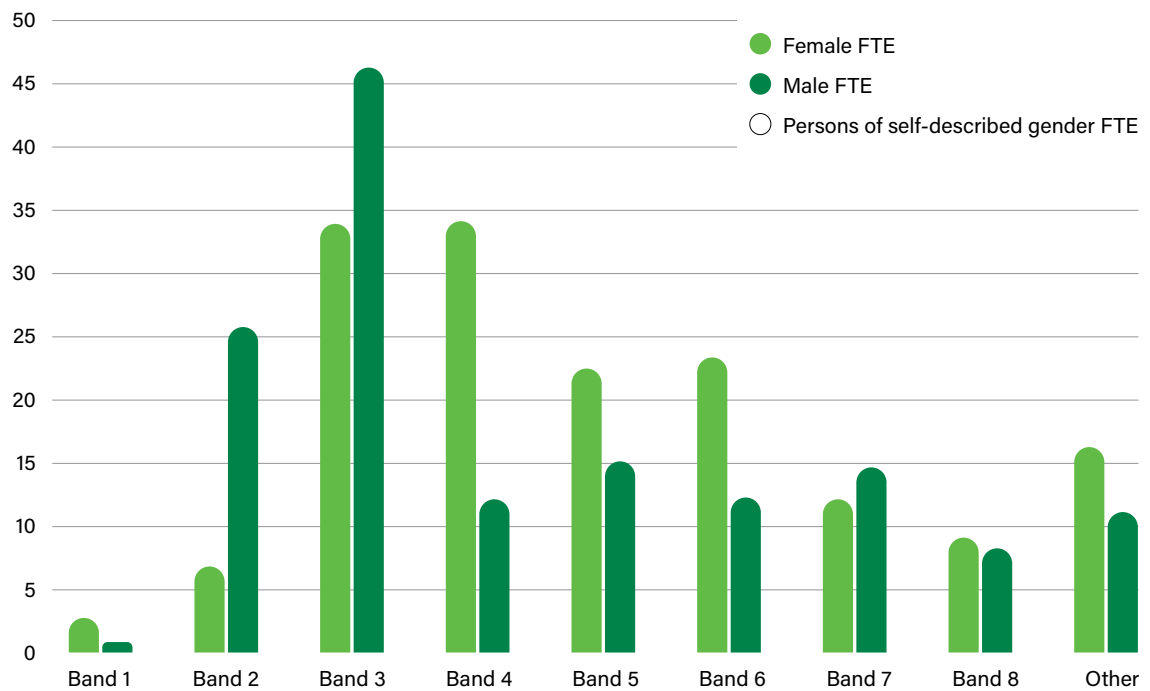
Employee type / gender	CEO	Corporate	Infrastructure	Development	Community	Total
Permanent FT - W	4	27	17	35	17.29	100.29
Permanent FT - M	3	10	95	9	14	131
Permanent FT - X	0	0	0	0	0	0
Permanent PT - W	0.80	8.26	1.33	21.41	3.30	35.10
Permanent PT - M	0.50	0	0	0	1.74	2.24
Permanent PT - X	0	0	0	0	0	0
Casual - W	0	1.16	0.16	17.97	4.56	23.85
Casual - M	0	0	0.64	7.75	3.26	11.65
Casual - X	0	0	0	0	0	0
Total	8.30	46.42	114.13	91.13	44.15	304.13

Legend: FT (full time), PT (part time), W (women), M (men, X (person of self-described gender)

As at 30 June 2022, 30.95 positions were vacant, bringing the substantive FTE to 335.08.



Employment Classification	Women FTE	Men FTE	Persons of self-described gender FTE	Total FTE
Band 1	2.71	0.82	0	3.53
Band 2	6.74	25.49	0	32.23
Band 3	33.57	45.81	0	79.38
Band 4	33.78	12.00	0	45.78
Band 5	22.24	14.97	0	37.21
Band 6	23.11	12.14	0	35.25
Band 7	12.00	14.50	0	26.50
Band 8	9.00	8.16	0	17.16
Band not applicable	16.09	11.00	0	27.09
Total	159.24	144.80	0	304.13



Other Staff Matters

Equal Employment Opportunity

Campaspe Shire Council is committed to the principles of equal opportunity and antidiscrimination.

Council staff, contractors and volunteers are entitled to a working environment that is free of all forms of discrimination and inappropriate workplace behaviours. Council's commitment to equal employment opportunity is demonstrated by:

- Our Health, Wellbeing and Safety Policy outlining Council's commitment to ensuring the health, wellbeing and safety of all employees, volunteers, contractors and councillors while at work.
- Our Code of Conduct which includes a focus on discrimination, harassment, workplace bullying, occupational violence, victimisation, reporting improper conduct and unacceptable behaviour.
- Our recruitment process which fosters a merit-based selection.
- Promotion of and access to Employee Contact Officers and an Employee Assistance Program.
- Our training and development programs that educate and inform the workforce.

Enterprise Agreement

The current Enterprise Agreement expired in February 2022.

Negotiations to develop a new Enterprise Agreement started in 2021, with the committee including management representatives, nominated workplace union delegates and union industrial officers.

Negotiations remain ongoing.

New Local Government Act requirements

The following were completed as requirements under the new Local Government Act 2020:

- A Workforce Plan.
- A fully compliant Gender Equality Action Plan.
- Both documents are available on Council's website.

Health & Safety

Council continued its strong commitment to Occupational Health and Safety during 2021/22. Our OHS Committee is represented by employees from across the organisation with attention given to both preventative and mitigation measures such as:

- Maintaining a Covid safe workplace through policy and compliance checks.
- Monitoring and mitigation of staff mental health as parts of our work force adapt to working from home.
- Providing OH&S education to all staff.

Employee Assistance Program

Council continued its partnership with an employee assistance provider, giving managers, employees and their immediate families access to an extensive range of support services. With ongoing pandemic impacts, this program has been even more important to support staff and their families.

Employees can discretely and confidentially access assistance in dealing with a range of issues that may impact on their work performance including stress, relationship issues, financial problems, drug and alcohol dependency, career and work issues, and more. The service offers face-to-face counselling as well as access to 24-hour phone counselling.

Staff Service Milestones

Skilled, motivated and dedicated staff are critical to Council's success. As part of Council's ongoing 'years of service' recognition program, in September 2021, the commitment and service to the Campaspe community of 43 staff were recognised. Due to Public Health Directions, a celebration with colleagues and families was unable to be held.

10 Years

Timothy Crosbie
Jo-Lee Jones
Renita Simons
Danae Ryan
Graham Garner
Donna Standfast
Jenny Hewitt
Cameron Stewart
Patricia Vickers
Melissa Mitchell
Andrew Buntine
Zane Goddard
Brian Holmes
Katie Pollock
Breanna Bookham
Margaret Thompson

15 Years

Jenny Newell
Brad Stone
Natalie Gould
Nicholas Curnow
Glen Bradley
Kaye Mason
Mark McGann
John Robinson
Rodney O'Neill
Astrid O'Farrell
Michael Boslem
Lynette Burrows

20 Years

Daniel Clarke
Gary Adams
Linda Nielson
Jenny Mustey
Janelle Wheatley
Paul Kuiper
John McKenzie

25 Years

Victoria Green
Sally Bruhn
Brian Watson

30 Years

Verna Bowes

40 Years

Stephen Waters







Our Performance

Integrated Strategic Planning and Reporting Framework

Council Plan

Performance

Well planned places

Growing quality of life

Resilient protected and healthy natural environment

Flourishing local economy

Organisational support

Integrated Strategic Planning and Reporting Framework

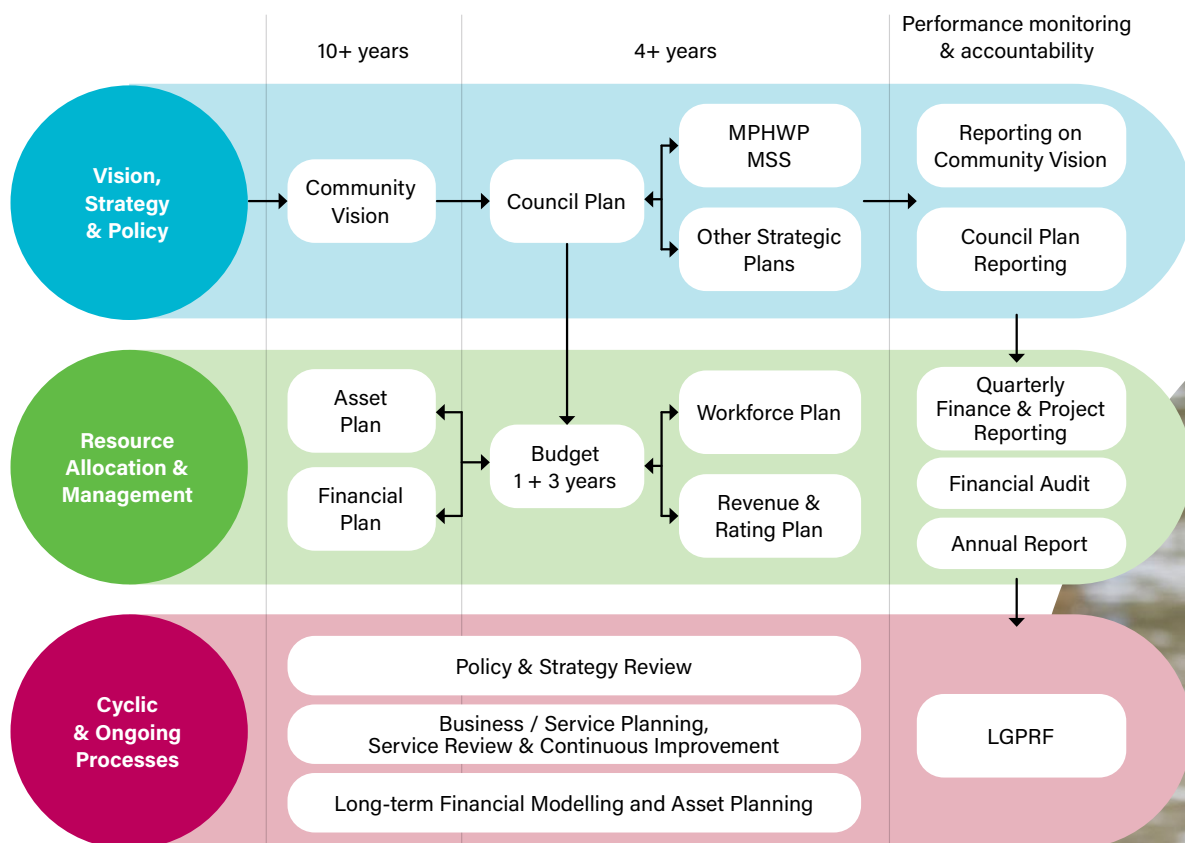
Part 4 of the Local Government Act 2020 requires councils to prepare the following:

- A Community Vision (for at least the next 10 financial years).
- A Council Plan (for at least the next 4 financial years).
- A Financial Plan (for at least the next 10 financial years).
- An Asset Plan (for at least the next 10 financial years).
- A Revenue and Rating Plan (for at least the next 4 financial years).
- An Annual Budget (for the next 4 financial years).
- A Quarterly Budget Report.
- An Annual Report (for each financial year) and Financial Policies.

The Act also requires councils to prepare:

- A Workforce Plan (including projected staffing requirements for at least 4 years).

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback.



Council Plan

The Council Plan 2021-25 includes strategic objectives, strategies for achieving these for the four year period, and strategic indicators for monitoring achievement of the strategic objectives. The following are the four strategic objectives in the Council Plan.

Well planned places

- Attractive and useable sites of importance
- Land and underlying infrastructure suitable for growing populations
- Quality, attractive recreational spaces
- Improved walkability and cyclability within townships
- Ability to travel safely and easily by road and rail
- Digital connectedness maximising mobility, economic productivity, health care access and education participation

Growing quality of life

- Communities have a say on local infrastructure and attractions that stimulate engagement and activity
- Effective and efficient services available locally
- Children, young people and families healthy and well
- Inclusive, connected, culturally diverse and safe

Resilient protected and healthy natural environment

- Well managed resources for a sustainable future
- Sustainable water and energy use
- Protected natural environment

Flourishing local economy

- A resilient long-term economy attractive to local and external investors
- Stimulated economic activity that provides local jobs



Performance

Council's performance for the 2021/22 year has been reported in a number of ways:

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



Well Planned Places

Strategic indicators

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

Indicator	Source	2020/21 results	2021/22 results
Greater value of building approvals	Internal	Total cost of works \$122,878,136	Total cost of works \$148,450,232
Average time taken to decide planning applications	Local Government Performance Reporting	35 days	55 days
More landholdings transferred to community management or ownership	Internal	1	4
Length of foot and cycle pathways constructed	Internal	4.1 kms	2.62 kms
Percentage of sealed roads maintained	Local Government Performance Reporting	98.96%	97.41%

Annual Plan Major Initiatives

The following statement reviews the year's progress on major and other initiatives identified in the 2021/22 budget.

Initiative	Result	Action
Major		
We will exhibit a Planning Scheme Amendment that implements the Echuca West Precinct Structure Plan.	Completed	Planning scheme exhibited.
We will deliver the footpath 'missing links' across the shire while ensuring the shire footpath renewal program is delivered.	Completed	Current program completed including construction of 1,328 metres of footpath.
Other		
We will exhibit a Planning Scheme Amendment that implements the recommendations of the Planning Scheme Review.	In progress	Planning Scheme Amendment exhibited.
We will inspect a minimum of 480 properties to ensure fire prevention works have been completed.	Completed	The fire inspection program was completed.
We will determine a level of service for aquatic services.	Completed	Report adopted by Council.
We will complete the redevelopment of Gunbower Lions Park.	Completed	Park completed and open to the community.
We will commence construction of the redevelopment of the Echuca East Community Precinct.	Completed	Redevelopment underway.
We will progress sales of surplus Council land and facilities in line with the adopted policy.	In progress	The sale of identified surplus Council land and facilities continues in line with the adopted policy.
We will develop an Asset Plan covering a period of at least 10 financial years in accordance with the requirements of the Local Government Act 2020.	Completed	Plan completed and adopted by Council.

Services

The following services contribute to achieving the strategies and goal for this environment:

Service area	Description of services provided		Budget \$'000	Actual \$'000
Active recreation	To provide spaces and facilities to support formalised active recreation and community events that support community, social and health benefits.	Rev	239	202
		Exp	2,843	2,841
		Net	(2,604)	(2,639)
Aquatics	To provide facilities that support swimming and aquatic water play.	Rev	1,206	965
		Exp	3,584	3,157
		Net	(2,378)	(2,192)
Building surveyor Services	To ensure that the built environment and places across the municipality are safe and in compliance with legislative responsibilities.	Rev	327	238
		Exp	378	29
		Net	(51)	209
Emergency management	To strengthen local capacity and capability and build community resilience in compliance with legislative responsibilities.	Rev	60	18
		Exp	201	270
		Net	(141)	(251)
Engineering	To ensure that Council's infrastructure is designed, constructed and maintained to provide a fit for purpose network for people across the shire.	Rev	122	53
		Exp	579	441
		Net	(458)	(388)
Parks and gardens maintenance	To provide safe and attractive public open spaces that support a range of recreation opportunities for community, social and environmental benefit.	Rev	0	8
		Exp	5,694	5,543
		Net	(5,694)	(5,536)
Project management	To ensure the efficient, timely and cost effective delivery of Council's Capital Works Program.	Rev	0	0
		Exp	663	809
		Net	(663)	(809)
Road services	To ensure the operational and statutory functions of road and drainage infrastructure are in compliance with legislative responsibilities.	Rev	58	199
		Exp	22,206	28,260
		Net	(22,148)	(28,060)
Statutory and strategic planning	To provide for the fair, orderly, economic and sustainable use and development of land across the Shire of Campaspe in compliance with legislative responsibilities.	Rev	543	528
		Exp	1,243	1,083
		Net	(700)	(555)
Strategic asset management	To provide strategic direction on the management of Council's assets to support the ongoing delivery of Council's services.	Rev	0	0
		Exp	988	746
		Net	(988)	(746)
Strategic recreation planning	To strategically plan for recreation, sporting, open space and community facilities.	Rev	30	74
		Exp	511	190
		Net	(481)	(116)

Service Performance Indicators

Results of the prescribed indicators and measures including explanation of material variations.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Aquatic facilities					
Service standard	5.00	2.00	2.88	1.00	The number of pool inspections decreased in recent years. This was primarily due to State Government COVID regulations impacting on staff availability.
Health inspections of aquatic facilities [Number of authorised officer inspections of council aquatic facilities / Number of council aquatic facilities]					
Utilisation	6.22	3.04	1.87	3.31	There was a significant increase in visitation across all aquatic facilities due to the easing of COVID restrictions. The Echuca indoor facility noted an almost 50% increase in visitation compared to the previous year. Due to COVID restrictions, school swimming programs were held at a number of outdoor pools to abide by capacity limitations. This resulted in an increase in visitation at each of these locations.
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]					
Service cost	New in 2020	\$8.72	\$27.85	\$14.01	Due to the easing of COVID restrictions, there was an increase in visitation which created an increase in income, which has reduced the average cost per visit. There was an error in the calculation in 2019/20, the result should have been \$13.72.
Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]					

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Statutory Planning					
Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	41.00	38.00	35.00	51.00	Council received an increase in complex applications, while also experiencing staff shortages and being unable to employ planners with experience. The indicator is still below the State requirement of 60 days and the department has implemented a change to manage applications based on their complexity.
Service standard Planning applications decided within required timeframes [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	92.28%	93.77%	97.23%	97.76%	Planning applications decided within required time frames remained over 90%. This is achieved by having appropriate delegations, monitoring individual targets, training staff, implementing process improvements and streamlining applications.
Service cost Cost of statutory planning service [Direct cost of statutory planning service / Number of planning applications received]	\$1,573.76	\$1,473.04	\$1,054.69	\$1,342.25	The cost of this service was consistent with previous years. 2020/21 being an anomaly due to issues with recruiting appropriate staff.
Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	90.91%	83.33%	80.00%	62.50%	Council had very few decisions appealed to VCAT (six). Staff seek to address concerns through the processing of applications, including consultation meetings so concerns are addressed. This eliminates the need for VCAT appeals. The service measure does not reflect that changes were made to applications prior to the appeal or what type of appeal was considered (conditions or decision). Staff note and review VCAT decisions to ensure consistency and to understand any changes to planning case law.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Roads					
Satisfaction of use Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x 100	29.77	42.23	15.69	28.65	During COVID (2020/21) the number of road requests was greatly reduced as there was a reduction in road usage. The 2021/22 result is similar to prior years
Condition Sealed local roads maintained to condition standard [Number of kilometres of sealed local roads below the renewal intervention level set by council / Kilometres of sealed local roads] x 100	96.38%	98.77%	98.96%	97.41%	Council performed well in maintaining the performance standard of sealed roads. The result was slightly above average when compared to like councils (96.69%).
Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$78.08	\$86.28	\$54.72	\$77.61	The unit rate increased due to higher market contract costs. This was experienced during two major projects completed in 2021/22.
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.28	\$5.30	\$6.20	\$6.03	The cost of this service was consistent with previous years.
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	47	49	47	41	Improved understanding of the sealed local road network (gained through customer service requests and the ongoing inspection program) indicate that the network is in good condition.

Growing Quality of Life

Strategic Indicators

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

Indicator	Source	2020/21 results	2021/22 results
Community satisfaction with customer service	Victorian Local Government Community Satisfaction Survey	67	61
Community satisfaction with consultation and engagement	Victorian Local Government Community Satisfaction Survey	51	42
Community satisfaction with overall direction of council	Victorian Local Government Community Satisfaction Survey	47	40
Community satisfaction with decisions made in the interest of the community	Victorian Local Government Community Satisfaction Survey	52	43
Percentage of children fully vaccinated at 12-15 months, 24-27 months and 60-63 months	Department Health and Human Services	12-15 months = 97.16% 24-27 months = 95.92% 60-63 months = 97.58%	12-15 months = 96.1% 24-27 months = 94.5% 60-63 months = 95.5%

Major Initiatives

The following statement reviews the year's progress on major and other initiatives identified in the 2021/22 budget.

Initiative	Result	Action
Major		
We will work with two local communities to support the development of community place based plans.	In progress	Place Based Plans underway with the Tongala and Colbinabbin communities.
We will adopt a community vision for Campaspe.	Completed	Vision incorporated into Council's long term strategic plan, Campaspe Tomorrow.
We will progress the requirements of the Gender Equality legislation.	Completed	Gender Equality Action Plan completed and submitted to the Commission for Gender Equality.
Other		
We will commence the implementation of the Echuca Arts Precinct Master Plan initiatives.	In progress	This project has been delayed due to securing a consultant to complete the design.
We will develop a Workforce Plan in line with the requirements of the Local Government Act 2020.	Completed	Workforce Plan completed.
We will monitor the Annual Compliance Training Plan to ensure Council's legislative accreditations are maintained.	Completed	Training Plan monitored and training coordinated to meet requirements.

Services

The following services contribute to achieving the strategies and goal for this environment:

Service area	Description of services provided		Budget \$'000	Actual \$'000
Children's services	To provide families with access to a range of services that support the foundations for optimal growth and development of children in partnership with families.	Rev	3,744	3,764
		Exp	4,765	4,205
		Net	(1,021)	(440)
Community development	To strengthen the understanding of community views and aspirations to inform decision making.	Rev	49	129
		Exp	1,955	2,529
		Net	(1,907)	(2,400)
Library	To provide space, activities and items that support access to information and knowledge.	Rev	1,039	523
		Exp	1,926	1,898
		Net	(887)	(1,375)
Regulatory compliance	To protect the safety and amenity of the built and natural environment and public infrastructure for the use and enjoyment of community members and visitors in compliance with legislative responsibilities.	Rev	2,492	2,241
		Exp	2,929	3,051
		Net	(437)	(801)



Service Performance Indicators

Results of the prescribed indicators and measures including explanation of material variations.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Animal management					
Timeliness Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.00	1.00	1.00	1.00	All animal management requests were responded to on the day of request.
Service standard Animals reclaimed [Number of animals reclaimed / Number of animals collected] x 100	21.97%	27.43%	32.48%	30.45%	58% of animals impounded were felines, with an average of 13% having identification and consequently reclaimed. This percentage for canines was generally higher, with 26.5% reclaimed.
Animals rehomed [Number of animals rehomed / Number of animals collected] x 100	New in 2020	57.12%	52.92%	46.53%	The percentage of animals rehomed is above the average when compared to like councils (33.76%) and also above average when compared to all councils (34.76%).
Service cost Cost of animal management service per population [Direct cost of the animal management service / Population]	New in 2020	\$32.53	\$29.19	\$30.40	The cost of this service was consistent with previous years.
Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	0.00%	0.00%	0.00%	No animal prosecutions were issued in 2021/22.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Libraries					
Utilisation Physical library collection usage [Number of physical library collection item loans / Number of library physical collection items]	2.10	1.54	1.35	1.47	While not yet returned to pre-pandemic physical collection usage, usage did increase slightly in 2021/22. Usage of e-resources remains strong. Re-engaging physically with library services is being encouraged state-wide, however ongoing COVID infection rates, as well as an early start to seasonal influenza, continues to impact library visitation.
Resource standard Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x 100	38.72%	34.92%	29.78%	30.10%	Spend on the physical collection was capped at the 2020/21 budget, which has impacted the ability to renew collection items. Resourcing continued to increase e-resources to ensure accessibility for customers.
Participation Active library borrowers in municipality [Number of active library borrowers in the last 3 years / The sum of the population for the last 3 years] x100	15.34%	15.31%	13.69%	12.33%	Due to COVID restrictions, library closures and capacity limitations impacted library members ability to access the collection and to keep their membership activated. A review of the library management system is underway to investigate membership auto-renewal.
Service cost Cost of library service per population [Direct cost of the library service / Population]	New in 2020	\$22.20	\$25.61	\$26.56	The cost of this service was consistent with previous years.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Maternal and Child Health (MCH)					
Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100	100.00%	100.25%	101.52%	102.27%	This service is valued and trusted by the community, as identified by the rate of enrolment from birth notices received.
Service cost Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$76.76	\$102.32	\$108.96	\$90.17	A significant staff vacancy and limited casual resources impacted much of the reporting period. This resulted in an overall reduction in the cost of the service.
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	73.17%	72.81%	72.20%	69.11%	Service delivery was impacted, with restricted service models in place during COVID restrictions and peak periods. 0-8 week old infants and vulnerable children were prioritised for service delivery during much of the reporting period, with physical and telephone assessments undertaken. Additionally, cancellations due to staff or client illness were greatly increased compared to previous years.
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	69.54%	73.91%	82.74%	78.23%	Service delivery was impacted during the reporting period, with restricted service models in place during COVID-19 lockdown and peak infection periods. 0-8 week infants and vulnerable children were prioritised for service delivery during much of the reporting period, with a blend of physical and telephone assessments undertaken. Additionally, cancellations due to staff or client illness were greatly increased compared to prior years.
Satisfaction Participation in 4 week key age and stage visit [Number of 4 week key age and stage visits / Number of birth notifications received] x 100	New in 2020	99.25%	96.97%	92.95%	Four week Key Age and Stage participation was acceptable given the interrupted service delivery and high rates of illness within the community. The value of this service to the community is identified by the participation rate.

Resilient Protected and Healthy Natural Environment

Strategic Indicators

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

Indicator	Source	2020/21 results	2021/22 results
More kerbside collection diverted from landfill	Internal	5.73% increase	2.44% decrease
Efficient water consumption	Internal	345 ML	314 ML
Efficient electricity consumption	Internal	3,011,079 kWh	2,997,206 kWh
Reduce CO2 emissions by Council	Internal	5,342 tCO2-e	3,180 tCO2-e

Major Initiatives

The following statement reviews the year's progress on major and other initiatives identified in the 2021/22 budget.

Initiative	Result	Action
Major		
None		
Other		
We will audit a minimum of 200 kerbside waste, recycling and organics bins to establish contamination.	Completed	Audit completed.
We will plant a minimum of 250 trees in streets and open spaces.	Completed	More than 200 street trees were planted. An additional 1,200 trees were planted in open spaces in partnership with schools and volunteer groups.
We will provide a minimum of 70 immunisation sessions across the municipality.	Completed	83 immunisation sessions were held.
We will undertake a minimum of 200 (high risk) food safety assessments.	Not completed	145 high risk food safety assessments were completed.

Services

The following services contribute to achieving the strategies and goal for this environment:

Service area	Description of services provided		Budget \$'000	Actual \$'000
Environment and conservation	To protect, enhance and conserve native flora and fauna through community education and programs.	Rev	45	89
		Exp	415	395
		Net	(370)	(306)
Environmental health	To protect and enhance the health and wellbeing of residents and visitors through the delivery of public health programs and services in compliance with legislative responsibilities.	Rev	362	390
		Exp	967	933
		Net	(606)	(543)
Waste collection and management	To provide services for the removal of waste and the collection of recycling.	Rev	6,644	6,761
		Exp	6,343	6,582
		Net	301	179

Service Performance Indicators

Results of the prescribed indicators and measures including explanation of material variations.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Food safety					
Timeliness Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	2.19	1.22	1.64	2.36	In 2021, there was an increase in the number of days taken to respond to food complaints received by Council. This was due to COVID restrictions impacting staff availability. Council prioritises complaints based on their level of public health risk and is focused on a timely response to complaints categorised as high public health risks.
Service standard Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x 100	97.49%	83.75%	72.38%	64.95%	2021/22 was a challenging year for both staff and businesses when carrying out assessments. COVID restrictions impacted on the number of assessments staff could complete due to premise closures and operating restrictions. This was predominantly noted in temporary and mobile premise assessments. Staff availability was also an issue, with the loss of an Environmental Health Officer for a four month period. Staff continue to use Council's Food Safety Risk Assessment process to ensure businesses that are carrying out high risk activities are prioritised.
Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$434.27	\$366.00	\$393.33	\$449.44	The cost of this service was consistent with previous years.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
<p>Health and safety</p> <p>Critical and major non-compliance outcome notifications</p> <p>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance] x 100</p>	100.00%	100.00%	100.00%	85.00%	19 major or critical non-compliances were identified in the year. There were no major or critical non-compliances identified by external auditors. Of the 19 non-compliances, two premises did not receive a follow up assessment. This was primarily due to COVID restriction impacts. These premises have been prioritised for assessment in the following year.
Waste collection					
<p>Satisfaction</p> <p>Kerbside bin collection requests</p> <p>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000</p>	132.50	147.61	145.23	171.47	The number of requests increased due to the online request portal making it easier for residents to lodge requests. 47% of all requests were related to bin repairs, which is a significant number. This also includes requests for missed bins which again is high due to the transition period to the new contractor (17% of all requests). The contractor was more diligent with ensuring residents are presenting the bins that they are paying for, resulting in many swapped bins (21% of all requests). Additionally, with the technology employed by the contractor in the trucks and the office, all requests are being recorded. It is hard to quantify what impact this had on the number of reported requests.
<p>Service standard</p> <p>Kerbside collection bins missed</p> <p>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000</p>	1.91	2.39	2.10	4.40	The number of missed bins increased significantly due to the change in contractor. 76% of all missed bins were in the first quarter, when the contractor was resolving various route issues. This should be significantly less next year.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Service cost Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$94.87	\$108.09	\$102.25	\$118.63	Kerbside waste costs increased significantly due to the increase in landfill disposal costs (15% increase from the previous year), along with the increase in flip rates. Adjusted quarterly, they were significantly impacted by the increase in fuel costs (15% increase from the first quarters flip rate to the last quarters).
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$32.63	\$63.01	\$48.00	\$64.88	Kerbside recycling costs increased significantly due to the increase in the Materials Recovery Facility gate rate (133% increase from the previous year) and the increase in flip rates that are adjusted quarterly and significantly impacted by the increase in fuel costs (15% increase from the first quarters flip rate to the last quarters).
Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	39.03%	48.02%	48.46%	48.76%	The diversion rate increased slightly which can be attributed to additional Food and Garden Organic services adopted by residents.

Flourishing Local Economy

Strategic Indicators

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

Indicator	Source	2020/21 results	2021/22 results
Growing Gross Shire Product (GSP)	Remplan	Not available	\$5.7 billion
More local jobs	Campaspe id. Economic profile indicators	2020 = 18,559	2021 = 16,731

Major Initiatives

The following statement reviews the year's progress on major and other initiatives identified in the 2021/22 budget.

Initiative	Result	Action
Major		
We will commence replacement and upgrading to the electrical services at the Echuca Holiday Park.	Completed	A power capacity upgrade was completed.
Other		
We will seek funding to support the implementation of the wharf and aquatic reserve project.	In progress	Council received \$322,500 to support redevelopment of storm water treatment within Echuca's Aquatic Reserve.
We will partner with industry and government in the development of a Workforce Development Strategy.	In progress	Workforce issues will be captured in the Economic Development Strategy.

Services

The following services contribute to achieving the strategies and goal for this environment:

Service area	Description of services provided		Budget \$'000	Actual \$'000
Economic development	To contribute to a strong, diverse and innovative local economy.	Rev	7,140	9,896
		Exp	8,685	11,099
		Net	(1,546)	(1,203)

Service Performance Indicators

There are no prescribed service performance indicators for this strategic objective.

Organisational Support

Council has several enabling services which provide responsible management to the broader organisation and the community. These services ensure that the organisation has the necessary tools to perform and enhance effectiveness and efficiency.

Services

The following services contribute to achieving the strategies and goal for this environment:

Service area	Description of services provided		Budget \$'000	Actual \$'000
Customer communications	To connect the community with Council.	Rev	13	16
		Exp	1,492	1,351
		Net	(1,492)	(1,335)
Financial services	To ensure Council's revenue and expenditure is managed and controlled in a responsible manner to support the delivery of Council services and enable Council to plan for its long term financial sustainability.	Rev	110	787
		Exp	1,557	2,054
		Net	(1,447)	(1,267)
Governance	To provide support and advice to councillors and the organisation to ensure compliance with legislative responsibilities.	Rev	21	29
		Exp	1,303	1,169
		Net	(1,282)	(1,141)
Human resources	To partner with all parts of the organisation to provide support, tools and advice to create and facilitate a healthy and sustainable workforce.	Rev	0	0
		Exp	706	674
		Net	(706)	(674)
Information management (records)	To ensure creation, capture and maintenance, retrieval and protection of records and information in compliance with legislative responsibilities.	Rev	0	0
		Exp	162	136
		Net	(162)	(136)
Information communication technology	To facilitate the effective delivery of Council services and enhance community interaction with Council.	Rev	0	2
		Exp	1,492	1,071
		Net	(1,492)	(1,069)
Organisational strategy and performance	To ensure Council's energy is focused and that Council and staff are working towards the same goals through overseeing development of key organisation-wide strategic directions, plans and monitoring performance.	Rev	0	377
		Exp	2,510	3747
		Net	(2,510)	(3,370)
Plant and fleet management	To plan for and effectively manage Council's plant and fleet to support the ongoing delivery of Council's services.	Rev	0	277
		Exp	770	233
		Net	(770)	44
Property management	To plan for and effectively manage and maximise the use of land managed by Council to support the ongoing delivery of council's services.	Rev	545	446
		Exp	2,719	2,508
		Net	(2,174)	(2,062)

Service Performance Indicators

Results of the prescribed indicators and measures including explanation of material variations.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Governance					
Transparency Council decisions made at meetings closed to the public [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x 100	18.18%	24.58%	22.12%	27.42%	There was an increase in confidential decisions due to additional land sales, leasing and tender contracts.
Consultation and engagement Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	51	52	51	42	Council has committed to listening and engaging with the community to improve satisfaction and consequently, this indicator result.
Attendance Councillor attendance at council meetings [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x 100	96.30%	94.44%	94.87%	93.46%	Councillor attendance remained high. This has been aided by the introduction of virtual Council meetings.
Service cost Cost of elected representation [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$51,514.78	\$50,635.44	\$47,294.33	\$56,006.22	Changes to the Local Government Act (the Act) altered Councillor allowances. An allowance for the Deputy Mayor was introduced at half the rate of the Mayoral allowance. The Mayoral allowance and all Councillor allowances increased inline with Victorian Independent Remuneration Tribunal.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
<p>Satisfaction</p> <p>Satisfaction with council decisions</p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	47	48	52	43	Throughout 2021/22, Council made a number of significant decisions. Council recognises that there are diverse views across the community in relation to many of these decisions. Understanding the drivers behind community satisfaction remains a focus for Council decisions.



Retired Service Performance Indicators

Results of the prescribed indicators and measures including explanation of material variations.

Service / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022	Material variations and comments
Aquatic facilities					
Service cost	\$4.10	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Cost of aquatic facilities for 2020.
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facility]					
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facility]	\$12.71	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Cost of aquatic facilities for 2020.
Animal management					
Service cost	\$120.62	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Cost of animal management service per population for 2020.
Cost of animal management service [Direct cost of the animal management service / Number of registered animals]					
Health and safety	0	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Animal management prosecutions (%) for 2020.
Animal management prosecutions [Number of successful animal management prosecutions]					
Libraries					
Service cost	\$5.90	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Cost of library service per population for 2020.
Cost of library service [Direct cost of the library service / Number of visits]					
Maternal and Child Health (MCH)					
Satisfaction	101.4%	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by Participation in 4-week Key Age and Stage visit for 2020.
Participation in first MCH home visit [Number of first MCH visits / Number of birth notifications received] x 100					





Governance, Management And Other Information

Governance
Management
Governance and Management Checklist
Statutory Information

Governance

Campaspe Shire Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

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

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

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

Meetings of council

Council conducts open public meetings monthly on the third Wednesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the Council or speak to an item on the agenda. In addition, meetings are streamed live via Council's website and a recording of each meeting is available to view via the website 48 hours after each meeting.

At times, meetings were closed to the public, or attendance limited, due to restrictions associated with the coronavirus pandemic. The meetings remained available to the community through livestreaming.

For the 2021/22 year, Council held 17 Council meetings, of which five meetings were unscheduled Council meetings. The following table provides a summary of councillor attendance for the 2021/22 year.

	Total	Scheduled	Unscheduled
Cr Rob Amos	16	11	5
Cr Colleen Gates	17	12	5
Cr Paul Jarman	16	12	4
Cr Daniel Mackrell	15	11	4
Cr Tony Marwood	15	11	4
Cr Leanne Pentreath	17	12	5
Cr Chrissy Weller	17	12	5
Cr Adrian Weston	16	11	5
Cr John Zobec	14	10	4

The statutory meeting, including election of the Mayor was held on 17 November 2020.

Delegated Committees

The Local Government Act 2020 allows councils to establish one or more delegated committees consisting of:

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

No delegated committees were established in 2021/22.

Code of Conduct

The Act requires councils to develop and approve a councillor Code of Conduct within 12 months after each general election. On 17 February 2021, Council adopted a revised Code of Conduct which is designed to:

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

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

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

Conflict of interest

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

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

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

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 2021/22, 22 conflicts of interest were declared at Council meetings.

Councillor allowances

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

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

The following table contains details of current allowances fixed for the Mayor and Councillors during the year:

	Allowance
Cr Rob Amos	\$29,487.85
Cr Colleen Gates**	\$39,241.96
Cr Paul Jarman	\$29,487.85
Cr Daniel Mackrell	\$29,487.85
Cr Tony Marwood	\$29,487.85
Cr Leanne Pentreath	\$29,487.85
Cr Chrissy Weller *	\$93,151.71
Cr Adrian Weston	\$29,487.85
Cr John Zobec	\$29,487.85
Total	\$338,808.62

* Includes Mayor allowance

** Includes Deputy Mayor allowance

Councillor expenses

In accordance with Section 40 of the Act, Council is required to reimburse a councillor for expenses incurred whilst performing their duties as a councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the detail of the expenses, including reimbursement of expenses for each councillor and member of Council Committee paid by Council.

The details of the expenses including reimbursement of expenses for each councillor and member of a Council Committee paid by Council for the 2021/22 year are set out in the following table.

Councillor	Travel	Car Mileage	Child Care	Information & Communication	Conferences & Training	Total
Cr Rob Amos				\$534.48	\$112.85	\$647.33
Cr Colleen Gates				\$534.48	\$2,264.43	\$2,798.91
Cr Paul Jarman				\$379.04		\$379.04
Cr Daniel Mackrell	\$74.88	104 km		\$465.27		\$540.15
Cr Tony Marwood				\$534.48	\$137.00	\$671.48
Cr Leanne Pentreath				\$534.48		\$534.48
Cr Chrissy Weller				\$814.48	\$3,403.20	\$4,217.68
Cr Adrian Weston	\$2,122.00	2,225 km		\$534.48		\$2,665.34
Cr John Zobec	\$933.52	1,241 km		\$389.87		\$1,323.39
Total	\$3,130.40			\$4,729.92	\$5,917.48	\$13,777.80

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



Management

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



Audit and Risk Committee

The Audit and Risk Committee's objectives include:

- monitoring and reviewing Council's financial reporting and performance, and making recommendations for improvements
- helping Council make informed decisions about accounting policies, practices and disclosures
- considering the effectiveness of Council's internal control systems and making recommendations regarding identified deficiencies
- reviewing Council's risk management framework effectiveness, risk profile and treatment plans are in place to manage significant risks
- reviewing the scope, performance and reports of the internal and external auditors
- reviewing systems and processes in place to monitor compliance with legislation.

The Audit and Risk Committee's responsibilities are fully detailed in the Audit and Risk Committee Charter adopted by Council on 21 July 2020 and available on Council's website.

The Audit and Risk Committee consists of three independent members, one independent affiliate member and two councillors. Independent members are appointed for a four-year term, with a maximum of two terms and the independent affiliate member is appointed for a maximum of a two-year term. The chair is elected from amongst the independent members. The three independent members are paid for attendance, totalling \$3,539.44 per person.

The Audit Committee meets five times a year. The Chief Executive Officer, General Manager Corporate, Manager Finance, Executive Assistant Corporate and Internal Auditor attend all Audit Committee meetings. Other management representatives attend as required to present reports. The external auditors attend in May and September each year to present the audit plan and independent audit report.

A report on the activities undertaken by the Audit and Risk Committee is presented to Council in September and February each year.

Internal audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. A risk based three-year Internal Audit Plan (IAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The IAP is reviewed and approved by the Audit and Risk Committee annually.

The Internal Auditor attends each Audit and Risk Committee meeting to report on the status of the IAP to present findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible Manager and tracked. Management provides an update on the implementation of all internal audit recommendations at each meeting and completed actions are reviewed by the Internal Auditor and reported to the Audit and Risk Committee.

The IAP for 2021/2 was completed with the following reviews conducted:

- Risk Management (Application and Culture)

The following audits were started in 2021/22 and are awaiting finalisation and reporting to the Audit and Risk Committee:

- Building Maintenance (including Essential Safety Measures)
- Purchasing Card Use and Management
- Fleet Management

External audit

Council is externally audited by the Victorian Auditor General's Office. For 2021/22, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor General's Office representative.

The external auditors attended the 6 September 2021 and 13 May 2022 Audit and Risk Committee meetings to present the audit reviewed financial and performance statements and audit strategy. The external audit management letter and management responses were also provided to the Audit and Risk Committee.

Risk management

In February 2021, Council updated its Risk Management Policy, Framework and Strategy in line with current best practice in the management of business enterprise risks and current AS ISO 31000 standard and guidelines.

The Risk Management Policy, Framework and Strategy address items such as:

- Risk appetite
- Best practice
- Responsibilities of and to internal and external stakeholders
- Risk management knowledge and training, and
- Business continuity.

Governance & Management Checklist

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

Governance and Management Items	Assessment
1 Community Engagement Policy (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act ✓ Date of adoption: 17 February 2021
2 Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines in place ✓ Date of operation: 15 May 2018
3 Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act ✓ Date of adoption: 20 October 2021
4 Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act ✓ Date of adoption: 15 June 2022
5 Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act ✓ Date of adoption: 16 June 2021
6 Annual Budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act ✓ Date of adoption: 22 June 2022
7 Risk Policy (policy outlining Council's commitment and approach to minimising risks to Council's operations)	Policy ✓ Date of operation of current policy: 18 February 2020
8 Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy ✓ Date of operation of current policy: 15 September 2021
9 Municipal Emergency Management Plan (plan under section 60ADB of the Emergency Management Act 2013 for emergency mitigation, response and recovery)	Prepared and maintained in accordance with section 60ADB of the Emergency Management Act 2013 ✓ Date of adoption: 20 November 2018
10 Procurement Policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to all purchases of goods, services and works by the Council)	Adopted in accordance with section 108 of the Act ✓ Date of adoption: 17 November 2021
11 Business Continuity Plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan ✓ Date of operation of current plan: 5 July 2022
12 Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan ✓ Date of operation of current plan: 18 January 2021
13 Risk Management Framework (framework outlining Council's approach to managing risks to Council's operations)	Framework ✓ Date of operation of current framework: 2 February 2021

14	Audit and Risk Committee (see sections 53 and 54 of the Act)	Committee established in accordance with section 53 of the Act Date of establishment: 21 July 2020 Committee Charter adopted in accordance with section 54 of the Act Date of adoption: 21 July 2020	✓
15	Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement of current provider: 1 September 2018	✓
16	Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)	Framework Date of operation of current framework: 1 July 2014	✓
17	Council Plan Report (report reviewing the performance of Council against the Council plan, including results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of reporting: 18 February 2022	✓
18	Financial Reporting (quarterly statements to Council under section 138(1) of the Local Government Act 1989 comparing actual and budgeted results and an explanation of any material variations)	Reports presented to Council in accordance with section 138(1) of the Local Government Act 1989 Dates statements presented: 17 November 2021, 16 February 2022, 18 May 2022	✓
19	Risk Reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 10 February 2022, 12 May 2022	✓
20	Performance Reporting (6-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)	Reports Decision made not to do six monthly reporting due to the onerous nature of gathering data and some data only available annually.	X
21	Annual Report (annual report under sections 98,99 and 100 of the Local Government Act 2020 containing a report of operations and audited financial and performance statements)	Presented at a meeting of Council in accordance with section 100 of the Act Date of consideration: 20 October 2021	✓
22	Councillor Code of Conduct (code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act Date reviewed: 17 February 2021	✓
23	Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with section 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Date of review: 20 October 2021	✓
24	Meeting Procedures (Governance Rules under section 60 of the Act governing the conduct of meetings or Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date Governance Rules adopted: 18 August 2020	✓

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



Tim Tamlin Interim Chief Executive Officer
Date: 22 September 2022



Cr Chrissy Weller Mayor
Date: 22 September 2022

Statutory Information

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

Documents available for public inspection

In accordance with section 12 of the Local Government (General) Regulations 2015, the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 2 Heygarth Street, Echuca.

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

Contracts

Council adopted a new Procurement Policy in line with Section 108 of the Local Government Act 2020 on 17 November 2021. The policy is available on Council's website.

Prior to November 2021, the public tender threshold was \$150,000 for goods and services and \$200,000 for works, and the following is reported.

1. A list of contracts entered into by Council at \$100,000 or more, as outlined in Section 186 (5) of the Local Government Act 1989:

Contract number and name	Amount
21026 Supply and Delivery of Five Utilities with Trade	\$198,634.00
21028 Echuca Holiday Park Electrical Upgrade	\$277,530.00
21029 Rochester Community Play Space Redevelopment	\$348,798.00
21030 Gunbower Lions Park Redevelopment	\$908,625.00
21031 PS Pevensy Slipway Works	Schedule of Rates
21033 Provision of Wet and Dry Hire of Plant and Equipment (Panel of Suppliers)	Schedule of Rates
21040 Echuca Holiday Park Landscaping - Stage 2	\$563,096.50
21043 Torrumbarry, Roslynmead Road Rehabilitation	\$1,456,397.00
21047 Kyabram and Rochester Storm Water Pipe Renewal	\$263,704.55

2. A list of contracts entered into by Council at \$100,000 or more, as outlined in Section 186 (5) or 5(A) of the Local Government Act 1989, in which Council did not engage in a competitive process before entering the contract:

Nil

After November 2021, with the adoption of a new policy, the public tender threshold was changed to \$200,000 for goods, services and works, and the following is reported.

1. A list of contracts entered into by Council valued at above the contract value, which Council invited a tender or an expression of interest in line with the Procurement Policy

Contract number and name	Amount
21050 Provision of Cleaning Services A	Schedule of Rates
21051 Provision of Cleaning Services B	Schedule of Rates
21052 Provision of Cleaning Services B	Schedule of Rates
21053 Multi Function Printer Fleet Renewal	Schedule of Rates
21055 Echuca, Ash Street Detention Basin	\$1,189,438.00
21056 Kyabram, Graham Road Rehabilitation	\$204,225.00
21063 Gunbower, Watsons Bridge Renewal Works	\$500,441.00
21067 DDA Compliance Works - Footpaths	\$241,440.00
21070 Echuca, Anstruther Street Footbridge Renewal	\$318,558.00
21075 Tree Maintenance - Panel of Suppliers	Schedule of Rates
21076 Kyabram, Fenaughty Street Road Rehabilitation	\$604,954.00
21077 Project Management Services - Panel of Suppliers	Schedule of Rates
21080 Traffic Management Services - Panel of Suppliers	Schedule of Rates
21081 Asphalt Supply - Panel of Suppliers	Schedule of Rates
21082 ICT Umbrella Leasing Facility	Schedule of Rates
22005 Kyabram Fauna Park Reptile House Internal Fit Out	\$286,638.00
22006 Street Sweeping Waste Facilities	\$259,497.00
22007 Kyabram Recreation Reserve, Netball Court Construction	\$672,426.70
22008 Gross Pollutant Traps and Storm Water Drainage Cleaning	Schedule of Rates
22011 Rochester, Cohen Street Drainage and Road Improvements	\$170,361.29
22013 Echuca East Community Precinct Stage 2	\$3,118,196.40
22014 Colbinabbin, Groves Weir Bridge Concrete Deck Overlay and Road Approaches	\$ 353,013.65
22015 Cemetery Road, Colbinabbin - Open Drain Renewal Works	\$308,310.61
22016 Rushworth Senior Citizens and Kindergarten Carpark Works	\$317,602.90
22020 Echuca, Bowen Street Footpath Construction	\$384,450.00
22021 LRCI New and Upgraded Footpath Program	\$629,292.00
22022 Security Software and Management System Implementation	\$394,027.62
22025 Supply and Deliver 3 4WD Tractors with Trade In	\$279,620.00

2. A list of contracts entered into by Council valued at above the contract value, which Council did not invite a tender or an expression of interest in line with the Procurement Policy.

Nil

Disability Action Plan

In accordance with section 38 of the Disability Act 2006, Council has prepared a Disability Action Plan it must report on the implementation of the Disability Action Plan in its annual report.

Through Council's plan, entitled Access and Inclusion Strategy, the following actions were implemented:

- State Government funding was secured through the Engage! Program to address the development of youth leadership skills.
- Council partnered with the Campaspe Murray Mental Health Network to celebrate IDAHOBIT Day (International Day Against Homophobia, Biphobia, Intersexism and Transphobia).
- Through the Access at a Glance Project, Council worked with Echuca Twin Rivers Specialist School and Intereach to improve business accessibility.

Domestic Animal Management Plan

In accordance with the Domestic Animals Act 1994 Section 68a, Council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the annual report.

Council adopted the 2021/25 Domestic Animal Management Plan on 16 February 2022. The primary objective of the plan is to guide Council and the community towards the goal of responsible animal ownership and management. Actions completed during the year included:

- Community Rangers contacted animal owners with outstanding animal registration fees to follow up the current status of their pet.
- Regular random patrols of townships were conducted to check on animals at large, particularly in areas where complaints were received.
- Ongoing training of Community Rangers and Animal Shelter staff was held, including the annual Safe Animal Handling Training. Three staff completed their Certificate 4 Statutory Compliance (Government) and Certificate 4 Animal Control and Regulation.
- Ongoing social media posts focused on responsible pet ownership through the Campaspe Shire and Campaspe Animal Shelter Facebook pages.
- The Barking Dogs booklet continued to be actively used for managing barking dog complaints. Once information received from complainant, data was used to investigate and resolve complaints.

Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No Ministerial Directions were received by Council during the financial year.

Freedom of Information

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

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

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

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

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

2017/18	2018/19	2019/20	2020/21	2021/22
10	11	24	19	25

Further information regarding FOI can be found at www.foi.vic.gov.au and on Council's website.

Protected Disclosure Procedures

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

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

During 2021/22 one disclosure was notified to Council officers appointed to receive disclosures, or to IBAC.

Infrastructure and Development Contributions

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

In 2021/22 Council had no infrastructure and development contributions.

Road Management Act Ministerial Directions

In accordance with section 22 of the Road Management Act 2004, a council must publish a copy or summary of any Ministerial direction in its annual report.

No such Ministerial Directions were received by Council during the financial year.





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Campaspe Shire Council 2021/2022 Financial Report

Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Ailsa Box CPA

Principal Accounting Officer

Date : 21 September 2022
Echuca

In our opinion the accompanying financial statements present fairly the financial transactions of Campaspe Shire Council for the year ended 30 June 2022 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 2020* to certify the financial statements in their final form.

Cr Christine Weller
Councillor



Date : 21 September 2022
Echuca

Cr Robert Amos
Councillor



Date : 21 September 2022
Echuca

Tim Tamlin
Interim Chief Executive Officer



Date : 21 September 2022
Echuca



Independent Auditor's Report

To the Councillors of Campaspe Shire Council

Opinion	<p>I have audited the financial report of Campaspe Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</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>

Campaspe Shire Council 2021/2022 Financial Report

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
28 September 2022

Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Rates and charges	3.1	45,779	44,696
Statutory fees and fines	3.2	1,861	1,941
User fees	3.3	14,610	12,772
Grants - operating	3.4 (a)	19,096	16,201
Grants - capital	3.4 (b)	8,206	4,372
Contributions - monetary	3.5	511	244
Contributions - non monetary	3.5	961	2,774
Other income	3.7	1,102	1,315
Total income		92,126	84,315
Expenses			
Employee costs	4.1	(29,361)	(27,817)
Materials and services	4.2	(26,095)	(21,651)
Depreciation	4.3	(20,626)	(20,650)
Depreciation - right of use assets	4.4	(471)	(633)
Bad and doubtful debts	4.5	(188)	(168)
Borrowing costs	4.6	(88)	(113)
Finance costs - leases	4.7	(18)	(34)
Other expenses	4.8	(4,176)	(4,506)
Impairment loss	6.2	-	(7,316)
Net loss on disposal of property, infrastructure, plant and equipment	3.6	(5,104)	(6,100)
Total expenses		(86,127)	(88,988)
Surplus for the year		5,999	(4,673)
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	5.2 (b), 6.2	57,747	19,628
Total comprehensive result		63,746	14,955

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

**Campaspe Shire Council
2021/2022 Financial Report**

**Balance Sheet
As at 30 June 2022**

	Note	2022 \$'000	2021 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	10,289	14,539
Other financial assets	5.1 (b)	59,020	48,030
Trade and other receivables	5.1 (c)	4,068	4,921
Inventories		728	676
Other assets	5.2 (a)	2,416	561
Non-current assets classified as held for sale	6.1	-	850
Total current assets		76,521	69,577
Non-current assets			
Trade and other receivables	5.1 (c)	16	17
Other financial assets	5.1 (b)	28,000	18,500
Property, infrastructure, plant and equipment	6.2	773,637	717,696
Right of use asset - lease assets	5.8	309	571
Intangible assets - water rights	5.2 (b)	3,919	3,721
Total non-current assets		805,881	740,505
Total assets		882,402	810,082
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	8,036	3,716
Trust funds and deposits	5.3 (b)	2,227	2,716
Unearned Income/revenue	5.3 (c)	6,135	3,883
Provisions	5.5	5,923	6,447
Interest-bearing liabilities	5.4	1,430	1,009
Lease liabilities	5.8	205	384
Total current liabilities		23,956	18,155
Non-current liabilities			
Trust funds and deposits	5.3 (b)	18	18
Provisions	5.5	1,818	1,724
Interest-bearing liabilities	5.4	5,090	2,322
Lease liabilities	5.8	116	205
Total non-current liabilities		7,042	4,269
Total liabilities		30,998	22,424
Net assets		851,404	787,658
Equity			
Accumulated surplus		324,051	322,217
Reserves	9.1	527,353	465,441
Total Equity		851,404	787,658

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

Statement of Cash Flows For the Year Ended 30 June 2022

	Note	2022 Inflows/ (Outflows) \$'000	2021 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		46,199	44,135
Statutory fees and fines		1,934	2,072
User fees		15,385	13,938
Grants - operating		19,096	16,201
Grants - capital		9,686	7,985
Contributions - monetary		511	244
Interest received		548	1,163
Trust funds and deposits taken		10,606	4,194
Other receipts		438	376
Net GST refund/(payment)		1,589	1,036
Employee costs		(29,113)	(25,729)
Materials and services		(25,087)	(30,305)
Other payments		(4,594)	(4,956)
Short-term, low value and variable lease payments		(145)	(228)
Trust funds and deposits repaid		(11,094)	(3,652)
Payments for landfill rehabilitation		(19)	(58)
Net cash provided by/(used in) operating activities	9.2	35,940	26,416
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(25,529)	(20,507)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	3,221	1,881
Payments for investments		(48,530)	(37,030)
Proceeds from sale of investments		28,041	29,500
Net cash provided by/(used in) investing activities		(42,797)	(26,156)
Cash flows from financing activities			
Finance costs		(88)	(113)
Proceeds from borrowings		4,262	-
Repayment of borrowings		(1,073)	(1,064)
Interest paid - lease liability		(18)	(34)
Repayment of lease liabilities		(477)	(729)
Net cash provided by/(used in) financing activities		2,606	(1,940)
Net increase (decrease) in cash and cash equivalents		(4,250)	(1,680)
Cash and cash equivalents at the beginning of the financial year		14,539	16,219
Cash and cash equivalents at the end of the financial year		10,289	14,539
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

**Campaspe Shire Council
2021/2022 Financial Report**

**Statement of Changes in Equity
For the Year Ended 30 June 2022**

		Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2022		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		787,658	322,217	440,200	25,241
Surplus for the year		5,999	5,999	-	-
Net asset revaluation increment	5.2 (b), 6.2, 9.1 (a)	57,747	-	57,747	-
Transfers to other reserves	9.1 (b)	-	(9,821)	-	9,821
Transfers from other reserves	9.1 (b)	-	5,656	-	(5,656)
Balance at end of the financial year		851,404	324,051	497,947	29,406

		Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2021		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		772,410	328,334	420,572	23,503
Recognition of found assets	8.6	294	294	-	-
Deficit for the year		(4,673)	(4,673)	-	-
Net asset revaluation increment	9.1 (a)	19,628	-	19,628	-
Transfers to other reserves	9.1 (b)	-	(6,852)	-	6,852
Transfers from other reserves	9.1 (b)	-	5,114	-	(5,114)
Balance at end of the financial year		787,658	322,217	440,200	25,241

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

Statement of Capital Works For the Year Ended 30 June 2022

	2022 \$'000	2021 \$'000
Property		
Buildings	1,329	88
Heritage buildings	238	-
Total buildings	1,567	88
Total property	1,567	88
Plant and equipment		
Heritage plant and equipment	690	254
Plant, machinery and equipment	2,353	3,266
Computers and telecommunications	54	13
Total plant and equipment	3,097	3,533
Infrastructure		
Roads	9,861	10,088
Bridges	627	484
Footpaths and cycleways	1,269	1,892
Drainage	2,415	2,846
Recreational, leisure and community facilities	6,151	300
Waste management	55	407
Parks, open space and streetscapes	-	74
Aerodromes	-	129
Other infrastructure	455	666
Total infrastructure	20,833	16,886
Total capital works expenditure	25,497	20,507
Represented by:		
New asset expenditure	1,602	814
Asset renewal expenditure	17,382	16,808
Asset upgrade expenditure	6,513	2,885
Total capital works expenditure	25,497	20,507

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

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

Note 1 OVERVIEW

Introduction

Campaspe Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate.

The Council's main office is located at Heygarth Street, Echuca.

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 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

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.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable

Note 1 OVERVIEW

- other areas requiring judgments

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

(b) Impact of Covid-19

During 2021-22 the COVID-19 pandemic continued to impact on Council's operations. Council has noted the following significant impacts on its financial operations:

- Revenue reductions – several services were closed due to government directives, these services were recreation facilities including aquatic facilities, libraries, caravan parks and tourism related services. The closure of these services has reduced the revenue generated by the service.
- Cost reductions – there have been savings made due to the closure of services, both in materials and labour costs.
- Additional costs – Additional cleaning has been required to comply with the required covid plans, but there have been no other additional costs.
- Asset valuations – Land assets have increased across the municipality between 15% – 25 %. The current market environment, impacted by the pandemic, creates significant valuation uncertainty. This has given rise to performing an index-based revaluation of Council land resulting in a \$21.35 million valuation increment.
- Infrastructure valuations – The values of several classes of assets have increased resulting in a \$36.19 million valuation increment. The current environment has created significant valuation uncertainty, this is being driven by supply chain issues and workforce shortage which are impacting construction costs.
- Rates and debt collection – Council waived interest on unpaid rates until 30 June 2022. Debt collection of unpaid rates resumed in 2022. There has not been an increase in the level of unpaid rates or debtors.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

Note 2.1 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 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 per cent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income and expenditure

	Budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000	Variance %	Ref
Income					
Rates and charges	39,754	39,825	71	0.2%	1
Garbage charges	6,018	5,954	(64)	(1.1%)	
Statutory fees and fines	1,553	1,861	308	19.8%	2
User fees	14,441	14,610	169	1.2%	3
Grants - operating	14,471	19,096	4,625	32.0%	4
Grants - capital	5,965	8,206	2,241	37.6%	5
Contributions - monetary	-	511	511	100.0%	6
Contributions - non monetary	-	961	961	100.0%	7
Gain on disposal of property, infrastructure, plant and equipment	290	-	(290)	100.0%	8
Other income	1,024	1,102	78	7.7%	9
Total income	83,516	92,126	8,610	10.3%	
Expenses					
Employee costs	30,896	29,361	1,535	5.0%	10
Materials and services	22,889	26,095	(3,206)	(14.0%)	11
Depreciation	21,010	20,626	384	1.8%	12
Amortisation - Right of use assets	558	471	87	15.6%	13
Bad and doubtful debts	-	188	(188)	100.0%	14
Borrowing costs	130	88	42	32.6%	15
Finance costs - Leases	-	18	(18)	100.0%	16
Other expenses	4,568	4,176	392	8.6%	17
Loss on disposal of property, infrastructure, plant and equipment	-	5,104	(5,104)	100.0%	18
Total expenses	80,051	86,127	(6,075)	(7.6%)	
Surplus for the year	3,465	5,999	2,534	73.1%	

2.1.1 Income and expenditure (cont.)

(i) Explanation of material variations

Ref	Explanation
1	Rates and Charges - The variance between the budget and the actual result is due to the supplementary rates raised being greater than expected when setting the budget. A conservative approach is taken when budgeting for supplementary rates.
2	Statutory fees and fines - The variance between the budget and the actual result is due to animal registrations being budgeted incorrectly under user fees, this is responsible for the variance.
3	User fees - The variance between the budget and the actual result is due to taking a very conservative approach when setting the budget due to the uncertainty of the Covid 19 pandemic. Tourism related services have performed above budget expectations which has resulted in the positive variance, which is being partially offset by animal registrations being classified under user fees in the budget. These should have been budgeted under statutory fees and fines.
4	Grants - operating - Pre payment of three quarters of the 2022/23 Financial Assistance Grants is greater than budgeted by \$3.915 million. Additional grants related to assist business as the result of the pandemic have been received.
5	Grants - capital - Grants received in 2020/21 have been recognised as revenue in the 2021/22 year as projects related to the Local Roads and Community Infrastructure Grant scheme have been completed.
6	Contributions - monetary - Monetary contributions from developers for public open space and carparking, as per planning conditions, are unbudgeted.
7	Contributions - non monetary - On completion of the subdivisions by developers, the infrastructures assets are transferred to Council's control. These assets comprise roads, footpaths, kerbs and channel, drainage and parks & reserves. It is unpredictable and unbudgeted during the budget time.
8	Gain on disposal of property, infrastructure, plant and equipment - The budget only considers sale of industrial land, these are all combined with the disposals and the net effect sits in expense.
9	Other income - Interest rates and the amount of funds available for investments is budgeted conservatively. The actual rates achieved and the amount of funds available to invest have been greater than budgeted, resulting in greater than budgeted interest income.
10	Employee costs - Recruiting qualified staff to fill vacancies is an issue across the local government sector. The variance is related savings of salaries while recruiting to various positions. These roles have been filled by consultant contractors which has contributed to the unfavourable variance in materials and services.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

2.1.1 Income and expenditure (cont.)

(i) Explanation of material variations

Ref	Explanation
11	Materials and services - The variance between budget and the actuals results is due to an increase in the use of consultants of \$582k, some of which is covered by savings in employee costs, see Note 9. An increase in contractor costs due to increased costs of construction impacting all types of construction of \$2.345m. A portion of the variance is due to spending on programs provided as a result of receiving unbudgeted grants for business activation of \$360k.
12	Depreciation - The variance between the budget and the actual results is due to Council selling building assets. These were not included in the budget as the sales were not certain when the budget was set.
13	Amortisation right of use assets - The variance between the budget and the actual result is due to budget estimate being based on the prior year result. There has been no new vehicles leased which has reduced the actual result.
14	Bad and doubtful debts - The expense related to the allowance made for bad and doubtful debts is not budgeted.
15	Borrowing costs - The variance between the budget and the actual result is due to the drawdown of a new loan not occurring until June. It was budgeted to occur in December.
16	Finance costs - Leases - The interest component of the cost of leasing assets was not considered when the budget was set.
17	Other expenses - The main variances between the budget and the actual result is due to an decrease in equipment hire \$69k, office supplies and postage \$82k, quarry royalties \$62k and training \$31k . There are other minor savings across other services that contribute to the final result.
18	Loss on disposal of property, infrastructure, plant and equipment - The result is due to the written down value of renewed assets being 'written off' and then written back on at their new value. \$2.99m relates to infrastructure assets such as roads, footpaths and drainage. \$1.1m relates to the write off of assets sold, \$866K relates to the repairs carried out on the three paddlesteamers.

2.1.2 Capital works

	Budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000	Variance 2022 %	Ref
Property					
Land improvements	2,250	-	2,250	100.0%	1
Total Land	2,250	-	2,250	100.0%	
Buildings	2,761	1,329	1,432	51.9%	2
Heritage buildings	-	238	(238)	100.0%	3
Total Buildings	2,761	1,567	1,194	43.3%	
Total Property	5,011	1,567	3,444	68.7%	
Plant and Equipment					
Heritage plant and equipment	25	690	(665)	(2661.7%)	4
Plant, machinery and equipment	2,855	2,353	502	17.6%	5
Computers and telecommunications	-	54	(54)	100.0%	6
Total Plant and Equipment	2,880	3,097	(217)	(7.5%)	
Infrastructure					
Roads	9,591	9,861	(270)	(2.8%)	
Bridges	56	627	(571)	(1020.5%)	7
Footpaths and cycleways	4,406	1,269	3,137	71.2%	8
Drainage	2,900	2,415	485	16.7%	9
Recreational, leisure and community facilities	1,180	6,151	(4,971)	(421.3%)	10
Waste management	240	55	185	77.1%	11
Parks, open space and streetscapes	170	-	170	100.0%	12
Aerodromes	1,824	-	1,824	100.0%	13
Other infrastructure	100	455	(355)	(354.7%)	14
Total Infrastructure	20,467	20,833	(366)	(1.8%)	
Total Capital Works Expenditure	28,358	25,497	2,860	10.1%	
Represented by:					
New asset expenditure	2,608	1,602	1,006	38.6%	
Asset renewal expenditure	18,859	17,382	1,477	7.8%	
Asset upgrade expenditure	6,891	6,513	378	5.5%	
Total Capital Works Expenditure	28,358	25,497	2,860	10.1%	

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

2.1.2 Capital works (cont.)

(i) Explanation of material variations

Ref	Explanation
1	Land Improvements - The variance between budget and actual result is due to the project to develop the Aquatic Reserve being dependent of receiving grant funding. Unfortunately no funding has been received, therefore the project has not proceeded.
2	Buildings - The variance between budget and actual result is due to a number of projects still to be completed. The projects were budgeted to be fully completed in the 2021/22 year but due to the availability of materials and contractors these will be completed in the 2022/23 year. There are a few projects that have been put on hold pending further investigations of the works.
3	Heritage Buildings - The variance between budget and actual result is due works being completed on buildings with in the Port of Echuca were unbudgeted but possible due to receiving grant funding.
4	Heritage plant and equipment - The variance between budget and actual result is due to the projects to repair and have the paddlesteamer to resume service was budgeted in prior years but completed in the 2021/22 year.
5	Plant, machinery and equipment - The variance between budget and actual result is due to supply chain issues. Delivery of ordered items has been delayed.
6	Computers and telecommunications - The variance is related to a carryover project from the 2020/21 year being completed in 2021/22.
7	Bridges - The variance between budget and actual result is due to works carried over from prior years being completed in the current year.
8	Footpaths and cycleways - The variance between budget and actual result is due to the Waranga Trail still in progress and the additional footpaths funded under grant programs still to be completed.
9	Drainage - The variance between budget and actual result is due to savings having been made on a number of projects. The savings have been returned to reserves to be used on future capital works.
10	Recreational, leisure and community facilities - The variance between budget and actual result is due to the completion of the Echuca East Community Precinct stage 1 and the completion of the redevelopment of Gunbower Lions Park. These were both budgeted in prior years.
11	Waste management - The variance between budget and actual result is due to a number of projects yet to be completed. These will be carried over to the 2022/23 year.

2.1.2 Capital works (cont.)

(i) Explanation of material variations

Ref	Explanation
12	Parks, open space and streetscapes - A number of projects were not completed due to the availability of contractors and materials. These projects have been carried over to the 2022/23 year.
13	Aerodromes - The variance between budget and actual result is due to the project to upgrade the aerodrome being dependent of receiving a grant to do the works. Thus far no grant applications have been successful.
14	Other infrastructure - The variance between budget and actual result is due to projects carried over from prior years being completed in the current year.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

Analysis of Council results by program

Council delivers its functions and activities through the following pillars as defined in the Council Plan 2021-2025. These pillars guide the delivery of services.

Flourishing local economy

Campaspe's economic drivers are numerous: agriculture, food production, manufacturing, health care and tourism. Many factors within Council's control contribute directly to these and others, such as roads and land allocation, and many areas we indirectly support are also important, such as freight links and education. Our aim over this term is to re-establish a sound basis for investment in Campaspe and, to do this, we will build a program of advocacy that helps attract funding for local infrastructure, boosts vocational education, employs our people, especially younger people, and supports all major sectors of our economy.

Well planned places

Council has significant responsibilities to make Campaspe a great place, and these are focused on ensuring we have the land we need for the future, and that we're well connected, within and outside the Shire. This means that Council, over this term, will invigorate and progress development of significant sites, such as the Bridge to Bridge locality, and identify future such sites. In addition, we will pay attention to ensuring we've got enough land available for living, working and industry. And, we'll focus on the underlying infrastructure like drains and stormwater, and the aboveground open spaces that our communities rely upon. All whilst protecting our natural environment for future generations and planning with the changing climate in mind. Roads are a vital part of our Shire, and 50% of our budget will continue to be spent on them. But, increasingly, we rely on digital communications also, so our advocacy efforts will be redoubled here.

Resilient protected and healthy natural environment

Council has several responsibilities to ensure a resilient natural environment now, and for future generations especially in light of changing climate. Chief amongst these is to lead — and deliver — an environmentally and economically sustainable waste service. Our aim is to ultimately become a circular economy, so it's important that we work with our communities to use less that ultimately becomes landfill. In addition, we will look carefully at our own practices, especially in water and energy use, and find ways to create less negative impact. We will continue to play an integral role in managing native vegetation and pest plants on roadsides and supporting the goal of 'no net loss to biodiversity as a result of the removal, destruction or lopping of native vegetation'. We will support farmers and landowners care for their land, to enable agricultural productivity into the future. Finally, we will act as steward for the land we manage, and as partners and advocates with other land managers so that we and future generations can have the best use and enjoyment of our Campaspe environment.

Growing quality of life

Strong economies, resilient natural environments, and great places don't automatically lead to a higher quality of life. But we will ensure that communities have a voice in how Council spends its limited budgets in each community's interests, in a fair way. We will review services and make prudent decisions about improving those the community wants the most and divest ourselves of some that others can perform just as well or better than we can. Finally, we will work with our numerous Communities of Priority to ensure that Campaspe is a place that welcomes, and provides opportunities, for all.

Organisational support

Council has several internal, enabling services which provide responsible management to the broader organisation and the community. These services ensure that the organisation has the necessary tools to perform and enhance effectiveness and efficiency.

Note 2 Analysis of Council results by program (cont.)**2.2.1 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
2022					
Flourishing local economy	14,240	9,335	4,905	-	57,963
Well planned places	40,594	44,378	(3,784)	8,279	680,762
Resilient protected and healthy natural environment	12,415	7,910	4,505	257	15,535
Growing quality of life	14,803	12,193	2,610	1,637	63,097
Organisational support	10,074	12,311	(2,237)	17,130	65,044
	92,126	86,127	5,999	27,302	882,401

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2021					
Balanced Services and infrastructure	24,430	35,961	(11,531)	4,633	542,721
Healthy environment	15,797	10,620	5,176	245	16,480
Resilient economy	11,336	7,828	3,508	-	60,347
Responsible management	10,729	8,404	2,325	12,774	48,340
Strong and engaged communities	22,023	26,174	(4,151)	2,920	141,902
	84,315	88,987	(4,673)	20,572	809,790

2020/21 comparatives were categorised based on the 2017-20 Council Plan.

Strong and engaged communities

Strong and engaged communities will be fostered by the delivery of services, programs and advocacy that enable improved health, wellbeing and safety of our community.

Resilient economy

A resilient economy is a diverse and growing economy with increased employment and investment opportunities, economic prosperity and community development.

Healthy environment

A healthy environment for current and future generations.

Balanced Services and infrastructure

Providing balanced services and infrastructure will ensure services and assets meet current and future community needs.

Responsible management

Responsible management is strong leadership, advocacy and good governance and an organisation that is responsive, flexible, honest, accountable and consistent.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

Note 3 Funding for the delivery of our services	2022	2021
3.1 Rates and charges	\$'000	\$'000

Council uses capital improved values as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its equivalent to market price at the prescribed date of valuation.

The valuation base used to calculate general rates for 2021/22 was \$8,979,379 million (2020/21 was \$8,181,739 million).

Residential	20,855	20,525
Commercial	3,642	3,712
Industrial	1,892	1,881
Farm	8,982	8,244
Municipal charge	4,108	4,070
Waste management charge	4,313	4,362
Recycling and garden organics charges	1,641	1,566
Supplementary rates and rate adjustments	346	336
Total rates and charges	45,779	44,696

The date of the general revaluation of land for rating purposes, relevant to the reporting period, within the municipal district was 1 January 2021 by the Victorian Valuer General, and the valuation was first applied in the rating year commencing 1 July 2021.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

Infringements and costs	443	474
Town planning fees	759	807
Land information certificates	116	126
Animal registrations	543	534
Total statutory fees and fines	1,861	1,941

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	2022	2021
	\$'000	\$'000
Community Health	71	341
Caravan park fees	3,000	2,435
Child care/children's programs	3,764	3,717
Leisure centre and recreation	877	564
Livestock selling centre	559	563
Tourism	824	657
Other fees and charges	782	711
Parking	871	515
Quarry sales	3,154	2,718
Sale of materials	708	551
Total user fees	14,610	12,772
User fees by timing of revenue recognition		
User fees recognised at a point in time	14,610	12,772
Total user fees	14,610	12,772

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	24,445	16,596
State funded grants	2,857	3,977
Total grants received	27,302	20,573

(a) Operating Grants

Recurrent - Commonwealth Government

Community Care	95	365
Environmental Health	2	3
Financial Assistance Grants - General purpose	10,812	7,942
Financial Assistance Grants - Local roads	5,704	4,212

Recurrent - State Government

School Crossing Supervisors	99	91
Family and Children	895	1,020
Community Programs	224	-
Environmental Health	85	76
Libraries	308	298
Total recurrent operating grants	18,224	14,007

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

3.4 Funding from other levels of government (cont.)	2022	2021
Non-recurrent - Commonwealth Government	\$'000	\$'000
Family and Children	84	144
Community Programs	50	348
Economic Development	-	262
Non-recurrent - State Government		
Community Care	3	-
Family and Children	-	2
Emergency services	73	-
Environmental Health	25	252
Libraries	42	9
Community Programs	525	1,077
Waste Management	70	-
ICT Technology	-	100
Total non-recurrent operating grants	872	2,194
Total operating grants	19,096	16,201
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	2,637	2,648
Total recurrent capital grants	2,637	2,648
Non-recurrent - Commonwealth Government		
Economic Development	185	-
Roads	65	116
Recreation	6	-
Local Road and Community Infrastructure	4,805	556
Non-recurrent - State Government		
Roads	(66)	-
Recreation	256	-
Economic Development	306	-
Waste Management	12	1,052
Total non-recurrent capital grants	5,569	1,724
Total capital grants	8,206	4,372

3.4 Funding from other levels of government (cont.)**(c) Unspent grants received on conditions that they be spent in a specific manner**

	2022	2021
	\$'000	\$'000
Operating		
Balance at start of year	1,582	1,712
Received during the financial year and remained unspent at balance date	-	595
Received in prior years and spent during the financial year	(1,539)	(725)
Balance at year end	43	1,582
Capital		
Balance at start of year	3,896	637
Received during the financial year and remained unspent at balance date	4,533	3,444
Received in prior years and spent during the financial year	(2,881)	(185)
Balance at year end	5,548	3,896

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

Income recognised under AASB 1058 Income of Not-for-Profit Entities

General purpose	19,095	16,201
Specific purpose grants to acquire non-financial assets	8,206	4,372
	27,302	20,573

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

3.5 Contributions

Monetary	511	244
Non-monetary	961	2,774
Total contributions	1,472	3,018

Contributions of non monetary assets were received in relation to the following asset classes.

Land	194	189
Buildings	62	-
Infrastructure	705	2,585
Total non-monetary contributions	961	2,774

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

	2022	2021
	\$'000	\$'000
3.6 Net (loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	3,221	1,881
Write down value of assets disposed	(7,471)	(7,980)
Written down value of assets held for sale	(854)	-
Total net loss on disposal of property, infrastructure, plant and equipment	(5,104)	(6,100)

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

3.7 Other income

Interest	668	938
Investment property rental	419	374
Reimbursements	15	3
Total other income	1,102	1,315

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	19,765	18,729
Annual leave and long service leave	2,584	2,144
Casual staff	2,481	2,649
Superannuation	2,634	2,635
Work cover	225	390
Fringe benefits tax	137	119
Sick leave	1,122	1,118
Redundancy	413	33
Total employee costs	29,361	27,817

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super).	131	135
	<u>131</u>	<u>135</u>
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,670	1,864
Employer contributions - other funds	833	636
	<u>2,503</u>	<u>2,501</u>
Employer contributions payable at reporting date.	97	351

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

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

	2022	2021
	\$'000	\$'000
4.2 Materials and services		
Consultants	1,498	1,075
Contract payments	9,363	7,721
Contract payments - waste management	2,414	1,916
Information technology	1,529	1,539
Insurance	926	865
Legal services	214	183
Materials	3,793	2,575
Repair and maintenance	2,576	2,432
Service level contributions	875	720
Utility costs	1,860	1,980
Vehicle costs - other	185	73
Vehicle fuel costs	862	572
Total materials and services	26,095	21,651

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

	\$'000	\$'000
4.3 Depreciation		
Property	2,696	2,792
Plant and equipment	2,578	2,428
Infrastructure	15,351	15,430
Total depreciation	20,625	20,650

Refer to note 6.2 for a more detailed breakdown of depreciation charges and accounting policy.

	2022	2021
4.4 Depreciation - Right of use assets		
Fleet and plant & equipment	350	463
Office equipment	78	91
Other assets	43	79
Total depreciation - right of use assets	471	633

Refer to note 5.8 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

	2022	2021
	\$'000	\$'000
4.5 Bad and doubtful debts		
Parking fine debtors	103	85
Animal debtors	78	55
Other debtors	7	28
Total bad and doubtful debts	<u>188</u>	<u>168</u>
Movement in provisions for doubtful debts		
Balance at the beginning of the year	(727)	(558)
New Provisions recognised during the year	(188)	(168)
Amounts already provided for and written off as uncollectible	16	9
Amounts provided for but recovered during the year	1	(10)
Balance at end of year	<u>(898)</u>	<u>(727)</u>

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 Borrowing costs

Interest - borrowings	88	113
Total borrowing costs	<u>88</u>	<u>113</u>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.7 Finance Costs - Leases

Interest - lease liabilities	18	34
Total finance costs	<u>18</u>	<u>34</u>

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Notes to the Financial Report
For the Year Ended 30 June 2022

	2022	2021
	\$'000	\$'000
4.8 Other expenses		
Advertising	225	158
Audit expenses - VAGO - audit of the financial statements, performance statement and grant acquittals	56	83
Audit expenses - internal	52	46
Bank fees	181	162
Commission	1,135	993
Contributions and Community Grants	450	299
Councillor - other expenses	3	6
Councillor allowances	339	298
Councillor election costs	6	222
Equipment hire	247	737
Fire service levy	95	97
Food purchases	103	115
Licence fees	16	20
Marketing	208	56
Membership to associations	226	285
Operating lease rentals	219	203
Postage and stationery	275	315
Property rent	86	169
Protective clothing	88	84
Quarry Royalties	14	20
Veterinary costs	152	138
Total other expenses	4,176	4,506

Note 5 Our financial position**5.1 Financial assets**

	2022	2021
	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	9	9
Cash at bank	10,280	14,530
Total cash and cash equivalents	<u>10,289</u>	<u>14,539</u>

(b) Other financial assets		
Term deposits - current	59,020	48,030
Term deposits - non-current	28,000	18,500
Total Other financial assets	<u>87,020</u>	<u>66,530</u>

Council's 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)	2,245	2,734
- Grants received but not acquitted (Note 3.4(c))	5,591	5,478
Total restricted funds	<u>7,836</u>	<u>8,212</u>
Total unrestricted cash and cash equivalents	<u>2,453</u>	<u>6,327</u>

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- Reserve funds allocated for specific future purposes	29,406	25,241
- Cash held to fund carried forward capital works	8,319	10,565
- Cash held to fund carried forward operational works	43	1,582
Total funds subject to intended allocations	<u>37,768</u>	<u>37,388</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.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

5.1 Financial assets (cont.)	2022	2021
(c) Trade and other receivables	\$'000	\$'000
Current		
<i>Statutory receivables</i>		
Rates debtors	2,165	2,578
Parking infringement debtors	1,335	1,191
Provision for doubtful debts - parking infringements	(898)	(727)
Special rate scheme	-	6
Net GST receivable	-	610
<i>Non statutory receivables</i>		
<i>Other debtors</i>		
Other debtors	1,466	1,263
Total current trade and other receivables	4,068	4,921
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	16	17
Total non-current trade and other receivables	16	17
Total trade and other receivables	4,084	4,938

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)	680	975
Past due by up to 30 days	22	53
Past due between 31 and 180 days	738	162
Past due between 181 and 365 days	15	43
Past due by more than 1 year	11	30
Total trade and other receivables	1,466	1,263

(e) Ageing of individually impaired Receivables

At balance date, debtors representing financial assets with a nominal value of \$1,263,900 (2021: \$1,095,578) were impaired. The amount of the provision raised against these debtors was \$897,528 (2021: \$726,684). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged for debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	50	52
Past due by up to 30 days	71	16
Past due between 31 and 180 days	60	54
Past due between 181 and 365 days	108	69
Past due by more than 1 year	975	904
Total trade and other receivables	1,264	1,095

5.2 Non-financial assets	2022	2021
(a) Other assets	\$'000	\$'000
Prepayments	380	250
Accrued Income	2,036	311
Total other assets	2,416	561
(b) Intangible assets		
Water Rights	3,919	3,721
Total intangible assets	3,919	3,721
Gross carrying amount		
Water Rights		
Balance at 1 July 2021	3,721	3,811
Revaluation	198	(74)
Write off water right transferred to community group	-	(16)
Balance at 1 July 2022	3,919	3,721

Valuation of water rights is based upon market value by reference to the water rate charged by the relevant authority and trading prices as at 30 June 2022.

5.3 Payables, trust funds and deposits and unearned income/revenue

(a) Trade and other payables		
Trade payables	6,816	2,994
Accrued expenses	1,220	722
Total trade and other payables	8,036	3,716
(b) Trust funds and deposits		
Current		
Refundable deposits	525	1,143
Refundable contract retention deposits	274	246
Fire services levy	1,085	1,009
Caravan Park deposits	343	318
Total current trust funds and deposits	2,227	2,716
Non-current		
Other refundable deposits	18	18
Total non-current trust funds and deposits	18	18
Total trust funds and deposits	2,245	2,734

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.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

5.3 Payables (cont.)

Purpose and nature of items

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

Fire Services 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.

Caravan park deposits - deposits are taken for forward accommodation bookings at the caravan park. These deposits are refundable if the accommodation booking is cancelled or converted to income when accommodation is used.

	2022	2021
	\$'000	\$'000
(c) Unearned income/revenue		
Grants received in advance - capital	5,548	3,444
Prepaid Rates	587	439
Total unearned income/revenue	6,135	3,883

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of prepaid rates. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

5.4 Interest-bearing liabilities

Current

Treasury Corporation of Victoria borrowings - secured	788	-
Borrowings - secured	642	1,009
	1,430	1,009

Non-current

Treasury Corporation of Victoria borrowings - secured	3,410	-
Borrowings - secured	1,680	2,322
	5,090	2,322
Total	6,520	3,331

Borrowings are secured by rates

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

Not later than one year	1,430	1,009
Later than one year and not later than five years	5,003	2,235
Later than five years	87	87
	6,520	3,331

5.4 Interest-bearing liabilities (cont.)

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5 Provisions	Employee provision \$ '000	Landfill restoration \$ '000	Total \$ '000
2022			
Balance at beginning of the financial year	6,837	1,335	8,172
Additional provisions	1,475	417	1,892
Amounts used	(1,597)	(111)	(1,708)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(291)	(324)	(615)
Balance at the end of the financial year	6,424	1,317	7,741
2021			
Balance at beginning of the financial year	7,171	1,724	8,895
Additional provisions	1,580	(348)	1,232
Amounts used	(2,211)	58	(2,153)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	297	(99)	198
Balance at the end of the financial year	6,837	1,335	8,172
(a) Employee provisions	2022	2021	
Current provisions expected to be wholly settled within 12 months	\$'000	\$'000	
Annual leave	1,388	1,483	
Long service leave	414	480	
	1,802	1,963	
Current provisions expected to be wholly settled after 12 months			
Annual leave	291	297	
Long service leave	3,726	4,092	
	4,017	4,389	
Total current employee provisions	5,819	6,352	
Non-current			
Long service leave	605	485	
Total non-current employee provisions	605	485	

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

5.5 Provisions (cont.)	2022	2021
Aggregate carrying amount of employee provisions:	\$'000	\$'000
Current	5,819	6,352
Non-current	605	485
Total aggregate carrying amount of employee provisions	6,424	6,837

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. 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 and measured at present value.

Key assumptions:	2022	2021
- discount rate	3.38%	1.66%
- inflation rate	3.85%	2.95%
(b) Landfill restoration	\$'000	\$'000
Current	104	96
Non-current	1,213	1,240
	1,317	1,336

The provision for landfill restoration maintenance has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to maintain and monitor the site to comply with EPA requirements. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council has no operating landfills, the landfill restoration provision relates to capped landfills previously operated by Council.

Key assumptions:	2022	2021
- discount rate	3.09%	0.70%
- inflation rate	5.10%	1.10%

5.5 Provisions (cont.)	2022	2021
Provisions	\$'000	\$'000
Current - Employee provisions	5,819	6,352
Current - Landfill provisions	104	96
Total current provisions	5,923	6,447
Non-current - Employee provisions	605	485
Non-current - Landfill provisions	1,213	1,240
Total non-current provisions	1,818	1,724

5.6 Financing arrangements

Council has the following funding arrangements in place as at 30 June 2022.

Bank overdraft	1,200	1,200
Credit card facilities	200	200
Asset finance leasing	36	59
Loans	6,520	3,392
Total facilities	7,956	4,851
Used facilities	6,612	3,467
Unused facilities	1,344	1,384

5.7 Commitments

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.

(a) Commitments for expenditure

2022	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection	2,529	2,605	8,293	12,265	25,693
Landfill	1,402	1,444	4,598	3,299	10,743
Recycling and transfer stations	2,436	2,510	6,831	14,985	26,762
Consultancies	320	-	-	-	320
Cleaning/maintenance contracts	249	220	227	-	696
Corporate software	880	112	-	-	991
Caravan parks	315	-	-	-	315
Total	8,130	6,891	19,949	30,550	65,520
Capital					
Tourism	329	-	-	-	329
Road	1,656	-	-	-	1,656
Plant and Fleet	280	-	-	-	280
Infrastructure	2,104	-	-	-	2,104
Recreation	4,132	-	-	-	4,132
Total	8,501	-	-	-	8,501

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Notes to the Financial Report
For the Year Ended 30 June 2022

5.7 Commitments (cont.)

(a) Commitments for expenditure (cont.)

2021	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection	2,108	2,171	6,911	12,972	24,162
Landfill	1,242	1,228	3,910	4,273	10,653
Recycling and transfer stations	1,771	1,710	4,599	3,011	11,091
Consultancies	5	-	-	-	5
Corporate software	544	760	57	-	1,361
Caravan parks	1,185	331	-	-	1,516
Total	6,856	6,200	15,477	20,256	48,788
Capital					
Tourism	89	-	-	-	89
Roads	162	-	-	-	162
Drainage	600	-	-	-	600
Plant and Equipment	948	-	-	-	948
Infrastructures	580	-	-	-	580
Recreation	137	-	-	-	137
Total	2,516	-	-	-	2,516

(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its properties located at the Port of Echuca and surplus commercial properties in Kyabram. These properties held under operating leases have remaining non-cancellable lease revision of the rental charge annually.

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

	2022	2021
	\$'000	\$'000
Not later than one year	388	380
Later than one year and not later than five years	510	305
Later than five years	-	27
	898	712

5.8 Leases

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

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

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

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

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

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

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

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

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

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

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

Council does not have any leases, as a lessee, that are significantly below-market terms.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

5.8 Leases (cont.)

<i>Right-of-Use Assets</i>	Office Equipment	Fleet, Plant & Equipment	Other	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2021	108	392	71	571
Additions	-	202	7	209
Depreciation charge	(78)	(350)	(43)	(471)
Balance at 30 June 2022	<u>30</u>	<u>244</u>	<u>35</u>	<u>309</u>
Lease Liabilities	2022	2021		
Maturity analysis - contractual undiscounted cash flows	\$'000	\$'000		
Less than one year	213	400		
One to five years	97	190		
More than five years	33	33		
Total undiscounted lease liabilities as at 30 June:	<u>343</u>	<u>623</u>		
Lease liabilities included in the Balance Sheet at 30 June:				
Current	205	384		
Non-current	116	205		
Total lease liabilities	<u>321</u>	<u>589</u>		

Short-term and low value leases

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

	2022	2021
	\$'000	\$'000
Expenses relating to:		
Short-term leases	-	3
Leases of low value assets	132	204
Total	<u>132</u>	<u>207</u>

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

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

Payable:		
Within one year	100	119
Later than one year but not later than five years	53	96
Total lease commitments	<u>153</u>	<u>215</u>

Note 6 Assets we manage

6.1 Non current assets classified as held for sale

Buildings held for resale	-	850
Total non current assets classified as held for sale	<u>-</u>	<u>850</u>

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

6.2 Property, infrastructure, plant and equipment Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2021*	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Impairment of Assets	Adjustments & Transfers	Carrying amount 30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	121,894	29	194	21,354	(14)	(2,514)	-	88	141,031
Buildings	103,287	-	-	-	(2,682)	(926)	-	3,535	103,214
Plant and Equipment	13,168	-	-	-	(2,578)	(894)	-	3,507	13,202
Infrastructure	462,308	-	705	36,194	(15,351)	(3,137)	-	18,497	499,216
Artworks	1,138	-	-	-	-	-	-	-	1,138
Work in progress	15,904	25,497	62	-	-	-	-	(25,628)	15,835
	717,698	25,526	961	57,548	(20,625)	(7,471)	-	-	773,637

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Contributions	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land and Buildings	1,013	4,496	(4,034)	-	62	1,537
Plant and Equipment	305	3,209	(3,507)	-	-	7
Infrastructure	14,584	17,793	(18,086)	-	-	14,291
Total	15,904	25,497	(25,628)	-	62	15,835

*Restatement of opening balances, refer to note 8.6.

Campaspe Shire Council 2021/2022 Financial Report

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6.2 Property, infrastructure, plant and equipment (cont.)

(a) Property

	Land - Un Specialised \$'000	Land under roads \$'000	Land - specialised \$'000	Land improvements \$'000	Total Land \$'000	Buildings Specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2021	29,303	4,395	87,718	525	121,941	185,889	185,889	1,013	308,844
Accumulated depreciation at 1 July 2021	-	-	-	(47)	(47)	(82,603)	(82,603)	-	(82,650)
	29,303	4,395	87,718	478	121,894	103,287	103,287	1,013	226,194
Movements in fair value									
Acquisition of assets at fair value	29	-	-	-	29	-	-	4,496	4,525
Contributed assets	-	12	182	-	194	-	-	62	256
Revaluation increments/decrements	4,822	793	15,739	-	21,354	-	-	-	21,354
Fair value of assets disposed	(2,309)	-	(206)	-	(2,514)	(2,252)	(2,252)	-	(4,766)
Transfers	-	-	-	88	88	(5,842)	(5,842)	(4,034)	(9,788)
	2,542	805	15,715	88	19,151	(8,094)	(8,094)	523	11,581
Movements in accumulated depreciation									
Depreciation	-	-	-	(14)	(14)	(2,682)	(2,682)	-	(2,696)
Accumulated depreciation of disposals	-	-	-	-	-	1,326	1,326	-	1,326
Transfers	-	-	-	-	-	9,377	9,377	-	9,377
	-	-	-	(14)	(15)	8,021	8,021	-	8,006
At fair value 30 June 2022	31,845	5,200	103,433	614	141,093	177,796	177,796	1,536	320,425
Accumulated depreciation at 30 June 2022	-	-	-	(61)	(61)	(74,582)	(74,582)	-	(74,643)
	31,845	5,200	103,433	552	141,031	103,214	103,214	1,536	245,781

6.2 Property, infrastructure, plant and equipment (cont.)

(b) Plant and Equipment

	Plant machinery and equipment	Fittings, furniture and equipment	Heritage plant and equipment	Computers and telecomms	Total plant and equipment before WIP	Artworks	Total artworks	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2021	14,531	349	3,029	9,686	27,595	1,138	1,138	305	29,039
Accumulated depreciation at 1 July 2021	(7,880)	(229)	(456)	(5,861)	(14,428)	-	-	-	(14,428)
Movements in fair value	6,651	121	2,571	3,825	13,168	1,138	1,138	305	14,612
Acquisition of assets at fair value	-	-	-	-	-	-	-	3,209	3,209
Fair value of assets disposed	(891)	(23)	(1,040)	(504)	(2,458)	-	-	-	(2,458)
Transfers	2,361	-	1,040	107	3,507	-	-	(3,507)	-
	1,470	(23)	-	(398)	1,049	-	-	(298)	751
Movements in accumulated depreciation	(1,628)	(8)	(37)	(905)	(2,578)	-	-	-	(2,578)
Accumulated depreciation of disposals	891	23	173	477	1,564	-	-	-	1,564
Transfers	-	-	-	-	-	-	-	-	-
	(737)	15	136	(428)	(1,014)	-	-	-	(1,014)
At fair value 30 June 2022	16,001	326	3,029	9,288	28,644	1,138	1,138	7	29,790
Accumulated depreciation at 30 June 2022	(8,617)	(214)	(322)	(6,289)	(15,442)	-	-	-	(15,442)
	7,383	113	2,707	2,999	13,202	1,138	1,138	7	14,348

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For the Year Ended 30 June 2022

6.2 Property, infrastructure, plant and equipment (cont.)

(c) Infrastructure

	Roads	Bridges	Footpaths and Cycleways	Drainage	Recreational Leisure and Community*	Parks, Open Spaces and Streetscapes	Other infrastructure	Total infrastructure before WIP	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2021	481,401	33,802	30,087	82,013	19,747	6,151	18,801	672,001	14,584	686,585
Accumulated depreciation at 1 July 2021	(133,322)	(16,808)	(13,217)	(29,760)	(7,800)	(3,045)	(5,742)	(209,693)	-	(209,693)
	348,079	16,994	16,870	52,252	11,947	3,106	13,059	462,308	14,584	476,892
Movements in fair value										
Acquisition of assets at fair value	-	-	-	-	-	-	-	-	17,793	17,793
Contributed Assets	291	-	66	348	-	-	-	705	-	705
Revaluation increments/decrements	44,716	-	-	7,191	-	-	-	51,907	-	51,907
Fair value of assets disposed	(5,863)	(316)	(318)	(456)	(370)	(43)	(97)	(7,463)	-	(7,463)
Transfers	9,535	316	1,452	5,566	916	814	159	18,757	(18,086)	671
	48,679	-	1,200	12,650	545	771	61	63,906	(294)	63,613
Movements in accumulated depreciation										
Depreciation	(11,686)	(337)	(625)	(1,165)	(765)	(294)	(479)	(15,351)	-	(15,351)
Revaluation increments/decrements	(12,742)	-	-	(2,971)	-	-	-	(15,713)	-	(15,713)
Accumulated depreciation of disposals	3,497	161	194	242	165	32	35	4,326	-	4,326
Transfers	-	-	-	-	(260)	-	-	(260)	-	(260)
	(20,930)	(176)	(431)	(3,894)	(600)	(262)	(443)	(26,998)	-	(26,998)
At fair value 30 June 2022	530,080	33,802	31,287	94,662	20,292	6,922	18,862	735,907	14,290	750,198
Accumulated depreciation at 30 June 2022	(154,252)	(16,984)	(13,648)	(33,655)	(8,659)	(3,307)	(6,185)	(236,690)	-	(236,690)
	375,827	16,818	17,639	61,008	11,633	3,615	12,677	499,216	14,290	513,507

* Restatement of opening balances, refer to note 8.6

6.2 Property, infrastructure, plant and equipment (cont.)

Acquisition

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

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

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

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period 2021/22	Threshold Limit \$'000
Land and land improvements		
land	Not applicable	At cost
land improvements	Not applicable	0
water rights	Not applicable	At cost
Buildings		
heritage buildings	75 years	10
buildings	75 years	10
building improvements	20 - 50 years	10
Plant and Equipment		
heritage plant and equipment (paddlesteamers)	100 years	5
plant, machinery and equipment	3 - 20 years	10
fixtures, fittings and furniture	3 - 15 years	5
computers and telecommunications	4 years	5
Infrastructure		
road seals	15 - 20 years	10
road pavement	80 years	10
road formation and earthworks	999 years	10
road kerb, channel and minor culverts	50 - 80 years	10
gravel roads and gravel shoulders	15 years	10
bridges deck	100 years	10
bridges substructure	100 years	10
footpaths and cycleways	40 - 50 years	10
drainage	20 - 80 years	10

Land under roads

Council recognises land under roads it controls at fair value.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

6.2 Property, infrastructure, plant and equipment (cont.)

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer, Simon Eishold, a qualified independent valuer from Eishold Property in April 2021. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

The current market environment, impacted by the pandemic (Covid 19), creates significant valuation uncertainty. The value assessed at the valuation date may therefore change over a relatively short time period.

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.

An indexation valuation was conducted in the current year on land assets based on the Valuer Generals Englobo land indexation factors. The increase used was an average across the shire of 18%. A full valuation of these assets will be conducted in 2023/24.

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

Details of council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

6.2 Property, infrastructure, plant and equipment (cont.)

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	DoV
Specialised land	-	-	103,433	Jun-21
Non specialised land	-	31,845	-	Jun-21
Non specialised buildings	-	-	103,214	Jun-21
Land under roads	-	-	5,200	Jun-21
Land improvements	-	-	552	Jun-20
Total	-	31,845	212,399	

Valuation of infrastructure

Valuation of infrastructure assets has been determined by Council staff using unit rates derived from the construction cost of contributed assets and Rawlinson's indexes. The current environment has created significant valuation uncertainty. The pandemic, supply chain issues and workforce shortages have impacted construction costs.

A revaluation was conducted on the asset class of basins, retaining walls, wetlands and levee banks, these asset classes sit within the asset group 'Drainage'. These assets were revalued by applying a unit rates.

A revaluation was conducted on sealed roads, this asset class sits within the asset group 'Roads'. A unit rate was applied to the seal component and an index was applied to the formation. The index used for the revaluation was the ABS construction index.

The total revaluation movement for infrastructure assets is \$36.19 million.

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

The valuation is at fair value based on replacement cost or indexes 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 2022 are as follows:

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	DoV
Roads	-	-	375,827	Jun-20
Bridges	-	-	16,818	Jun-20
Footpaths and cycleways	-	-	17,639	Jun-20
Drainage	-	-	61,008	Jun-20
Recreational, leisure and community facilities	-	-	11,633	Jun-20
Parks, open space and streetscapes	-	-	3,615	Jun-20
Other infrastructure	-	-	12,677	Jun-20
Total	-	-	499,217	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads are 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 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.17 and \$5,900 per square metre.

Campaspe Shire Council 2021/2022 Financial Report

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6.2 Property, infrastructure, plant and equipment (cont.)

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 \$50 to \$5,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 25 years to 75 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2022	2021
	\$'000	\$'000
Reconciliation of specialised land		
Specialised land	103,433	87,718
Land under roads	5,200	4,396
Land improvements	552	478
Total specialised land	109,186	92,592

Valuation of Artworks

Artworks are not revalued in line with councils asset revaluation policy but are carried at their nominal value.

Details of council's artworks and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1	Level 2	Level 3
	\$ '000	\$ '000	\$ '000
Artworks	-	-	1,138

6.3 Investments in associates, joint arrangements and subsidiaries

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

Community Asset Committees

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as community asset committees, 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***Parent entity*

Shire of Campaspe is not the parent entity of any other entities.

Subsidiaries and Associates

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

(b) Key Management Personnel

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

Councillors	Councillor Christine Weller (Mayor, 17 November 2020 - current)			
	Councillor Adrian Weston			
	Councillor Leanne Pentreath			
	Councillor John Zobec			
	Councillor Daniel Mackrell			
	Councillor Robert Amos			
	Councillor Colleen Gates			
	Councillor Paul Jarman			
	Councillor Tony Marwood			
	KMP	Chief Executive Officer x 2		
		General Manager - Corporate		
		General Manager - Development		
		General Manager - Community		
		General Manager - Infrastructure x 2		
Manager Planning and Building				
Manager Finance				
Manager Community Business				
Manager Governance & Strategy				
		2022	2021	
		No.	No.	
Total Number of Councillors		9	14	
Total of Chief Executive Officer and other Key Management Personnel		11	9	
Total Number of Key Management Personnel		20	23	

The variance in the number of Councillors relates to the election being held in 2020 and the change of Councillors. There were five Councillors that finished their term as councillors in October 2020.

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7.1 Council and key management remuneration (cont.)

(c) Remuneration of Key Management Personnel

	2022	2021
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	2,232	2,172
Long-term benefits	40	41
Post-employment benefits	166	152
Termination benefits	323	-
Total	2,761	2,365

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

	2022	2021
	No.	No.
\$1 - \$9,999	-	5
\$10,000 - \$19,999	-	4
\$20,000 - \$29,999	8	3
\$30,000 - \$39,999	1	-
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	-	1
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	1	-
\$160,000 - \$169,999	1	-
\$170,000 - \$179,999	1	-
\$180,000 - \$189,999	-	2
\$190,000 - \$199,999	2	2
\$200,000 - \$209,999	1	-
\$220,000 - \$229,999	-	2
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	1	2
\$250,000 - \$259,999	1	-
\$350,000 - \$359,999	-	1
\$630,000-\$639,999	1	-
	20	23

7.1 Council and key management remuneration (cont.)**(d) Senior Officer Remuneration**

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

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

The number of Senior Officers are shown below in their relevant income bands:

	2022	2021
	No.	No.
Income Range:		
<\$151,000	1	-
\$151,000 - \$159,999	5	5
\$160,000 - \$169,999	1	-
\$170,000 - \$179,999	1	1
	8	6
	2022	2021
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	1,229	939

7.2 Related party disclosure**(a) Transactions with related parties**

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

Council has six employees who are close family members of key management personnel, the total remuneration paid to these employees is.	548	506
Total rental income received from related parties	87	51
Total transactions paid to related parties	-	3

All contracts and transactions were at arms length and under normal business terms and conditions.

(b) Outstanding balances with related parties

There are no balances outstanding at the end of the reporting period in relation to transactions with related parties 2021/2022 Nil (2020/2021 Nil).

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by council to a responsible person 2021/2022 Nil (2020/2021 Nil).

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by council to a related party are as follows:

Council has long term commercial rental agreements with related parties for properties owned by council.	638	384
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Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council. At balance date the Council are not aware of any contingent assets.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

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.

Insurance claims

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

Legal matters

Council has no major legal matters that could have a material impact on future operations.

Building cladding

Council has no potential contingents existing in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

Liability Mutual Insurance

Council is 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.

Contingent assets and liabilities (cont.)**(c) Guarantees for loans to other entities**

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

	2022	2021
	\$'000	\$'000
<i>Bank Guarantees held in favour of other Entities</i>		
Council currently has three Bank Guarantees in favour of the Department or Environment, Land, Water and Planning for the rehabilitation bond at the Nanneella Quarry.	365	365
Council currently has three Bank Guarantees in favour of the Department or Environment, Land, Water and Planning for the rehabilitation bond at the Mt Scobie Quarry.	151	151
Council currently has two Bank Guarantees in favour of the Department or Environment, Land, Water and Planning for the rehabilitation bond at Weeks and Browns Pits.	14	14
Council currently has one Bank Guarantees in favour of the Environmental Protection Agency for the rehabilitation bond for Council landfills.	800	800
Total	<u>1,330</u>	<u>1,330</u>

Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. Council assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

Financial instruments**(a) Objectives and policies**

Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank and Treasury Victoria Corporation borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in notes of the financial statements. Risk management is carried out by senior management under policies approved by 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 exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

Financial instruments (cont.)

(b) Market risk (cont.)

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. We manage 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 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. To help manage this risk:

- Council has a policy for establishing credit limits for the entities we deal with;
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating as specified in Council's Investment Policy.

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

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

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

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

8.3 Financial instruments (cont.)

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements Council 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:

- has 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.

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1.5% and -1.5% in market interest rates (AUD) from year-end rates of 1.93%.

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.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

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, 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.

8.4 Fair value measurement (cont.)*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 other matters have occurred after balance date that require disclosure in the financial report.

8.6 Adjustment directly to equity

Following a review of infrastructure assets registers Council found that assets to the value of \$294 thousand were not reflected in the register. The asset category effected is recreation leisure and community. In 2022 the asset adjustments have been brought to account as an adjustment to the Councils accumulated surplus in the 2020/21 year.

	2022
	\$'000
(a) Found assets	
Sports lighting	294
Total assets found	<u>294</u>

The effect of Council recognising found assets in the 2021/22 year is an increase to the years opening balance of accumulated surplus of \$294 thousand and an increase to property, infrastructure, plant and equipment of \$294 thousand.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

Note 9 Other matters

9.1 Reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves			
2022			
Property			
Land and land improvements	50,586	21,354	71,940
Water rights	3,450	198	3,648
Artworks	124	-	124
Plant and Equipment	1,659	-	1,659
Buildings	83,523	-	83,523
	<u>139,342</u>	<u>21,552</u>	<u>160,894</u>
Infrastructure			
Roads	254,966	31,974	286,940
Bridges	11,305	-	11,305
Footpaths and cycleways	4,623	-	4,623
Drainage	22,233	4,220	26,453
Other infrastructure	7,731	-	7,731
	<u>300,858</u>	<u>36,194</u>	<u>337,052</u>
Total asset revaluation reserves	440,200	57,747	497,947
2021			
	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land and land improvements	27,457	23,129	50,586
Water rights	3,524	(74)	3,450
Artworks	124	-	124
Plant and equipment	1,659	-	1,659
Buildings	83,401	122	83,523
	<u>116,165</u>	<u>23,176</u>	<u>139,342</u>
Infrastructure			
Roads	258,750	(3,784)	254,966
Bridges	11,305	-	11,305
Footpaths and cycleways	4,623	-	4,623
Drainage	22,233	-	22,233
Other infrastructure	7,496	235	7,731
	<u>304,407</u>	<u>(3,549)</u>	<u>300,858</u>
Total asset revaluation reserves	420,572	19,628	440,200

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

9.1 (b) Other reserves

	Balance at beginning of reporting period	Transfer to accumulated surplus	Transfer from accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
2022				
Restricted reserves				
Recreational land	1,397	-	74	1,471
Car parking	188	-	10	198
	1,585	-	84	1,669
Unrestricted reserves				
Accumulated unallocated cash	2,517	-	-	2,517
Asset renewal	10,436	(813)	5,847	15,470
Asset renewal - plant replacement	1,970	(2,586)	1,614	998
Commercial investment - Holiday Park	954	(1,150)	250	54
Community plan implementation	79	-	-	79
Capital Works Contingency	1,000	(977)	977	1,000
Disability Discrimination Act reserve	561	(130)	100	531
Industrial land	2,001	-	949	2,950
Rochester water rights reserve	173	-	-	173
Waste reserve	3,965	-	-	3,965
	23,656	(5,656)	9,737	27,737
Total Other reserves	25,241	(5,656)	9,821	29,406
	Balance at beginning of reporting period	Transfer to accumulated surplus	Transfer from accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
2021				
Restricted reserves				
Recreational land	1,326	-	71	1,397
Car parking	184	-	4	188
	1,510	-	75	1,585
Unrestricted reserves				
Accumulated unallocated cash	2,517	-	-	2,517
Asset renewal	8,474	(2,000)	3,962	10,436
Asset renewal - plant replacement	3,027	(2,403)	1,346	1,970
Commercial investment - Holiday Park	1,162	(458)	250	954
Community plan implementation	82	(3)	-	79
Capital Works Contingency	1,000	-	-	1,000
Disability Discrimination Act reserve	674	(250)	137	561
Industrial land	1,806	-	195	2,001
Rochester water rights reserve	173	-	-	173
Waste reserve	3,078	-	887	3,965
	21,993	(5,114)	6,777	23,656
Total Other reserves	23,503	(5,114)	6,852	25,241

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

9.1 (b) Other reserves (cont.)

Restricted Reserves - Must be cash backed at all times and relate to funds received that must be used by Council for a specific purpose.

Recreational Land - The purpose of this reserve is to provide improved recreational facilities for the Campaspe Shire Council, both of an active and passive nature. This reserve is funded solely from subdivision developer contributions in lieu of the 5% public open space requirement. Outflows are limited to capital works on parks and playgrounds, recreation reserves and other outdoor sporting activities including swimming pool development. The call on the reserve has to be directly connected to the residential catchments for which the contribution has been made.

Car parking - The purpose of this reserve is to capture funds that are received by Council either from developer contributions for lieu of parking or from the sale of car parking land, and also to establish funding for future development of car parking spaces in accordance with the Echuca CBD and Heritage Parking Strategies. This reserve is funded principally from developer contributions and used to provide parking development.

Unrestricted Reserves - Must be cashed back at year end but can be used throughout the year to fund Council's working capital requirements.

Accumulated Unallocated Cash

The purpose of this reserve is to separately identify Council's unallocated cash and is funded from the year end unallocated cash result.

Asset Renewal

The purpose of this reserve is to isolate funds identified for asset renewal that have not been expended in the budget year and any savings from completed capital projects. These funds are to be used to support the delivery of the adopted 10 year capital works program.

Asset Renewal - plant replacement

The purpose of this reserve is to provide for the replacement of fleet, major and minor plant and is funded by a 100% budgeted depreciation allocation of these assets.

Capital Works Contingency

The purpose of this reserve is to hold funds to cover unforeseeable additional costs associated with capital works projects.

Commercial Investment - Echuca Holiday Park

The purpose of this reserve is to allocate funds for investment in the Echuca Holiday Park to maintain and grow revenue and is funded from operations or the resale of assets on the site.

Community Plan Implementation

The purpose of this reserve is to allocate funds for implementation of community plans in line with Council strategy and is funded from operations.

Disability Discrimination Act reserve

The purpose of this reserve is to allocate funds to upgrade community facilities in line with the Disability Discrimination Act when it is deemed necessary and is funded from operations.

Industrial land

The purpose of this reserve is to develop industrial land that can facilitate the growth, expansion and attraction of business across the Shire. This reserve is funded solely from sales of industrial land and must be used for the establishment of industrial estates.

Rochester water rights reserve

The purpose of this reserve is to manage the funds from the sale of water rights in Rochester to ensure these funds are spent back in the community.

Waste reserve

The purpose of this reserve is to provide funding in line with the approved waste strategy as adopted by Council. It is funded from the surplus or deficit of the waste service.

	2022	2021
	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus/deficit		
Surplus/(deficit) for the year	5,999	(4,673)
Depreciation	20,626	20,650
Depreciation - right of use assets	471	633
(Profit)/loss on disposal of property, infrastructure, plant and equipment	5,104	6,100
Impairment losses	-	7,316
Contributions - Non-monetary assets	(961)	(2,774)
Borrowing costs	88	113
Finance costs - leases	18	34
Bad debts	188	168
Other	(193)	(151)
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	854	(62)
(Increase)/decrease in prepayments	(130)	(25)
Increase/(decrease) in trust funds and deposits	(489)	543
Increase/(decrease) in accrued income	(1,725)	225
Increase/(decrease) in unearned income	2,252	3,314
Increase/(decrease) in trade and other payables	4,320	(4,316)
(Increase)/decrease in inventories	(52)	44
Increase/(decrease) in provisions	(430)	(723)
Net cash provided by/(used in) operating activities	<u>35,940</u>	<u>26,416</u>

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 Saving, 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 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%)).

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 Campaspe 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 Employee Benefits.

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2022

9.3 Superannuation (cont.)

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.

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

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.8%.

The financial assumptions used to calculate the VBI were:

Net investment returns 4.75% pa

Salary information 2.75% pa

Price inflation (CPI) 2.25% pa.

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

The financial assumptions used to calculate this VBI were:

Net investment returns 5.5% pa

Salary information 2.5% pa to 30 June 2023 and 3.5% pa thereafter

Price inflation (CPI) 3.0% pa.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 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 2021 interim 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 2022, this rate was 10.0% of members' salaries (9.5% in 2020/21). 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.

9.3 Superannuation (cont.)

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 2021 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

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

	2021 (Interim)	2020 (Triennial)
	\$m	\$m
A VBI surplus	214.7	100.0
A total service liability surplus	270.3	200.0
A discounted accrued benefits surplus	285.2	217.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2021.

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 2021.

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 2021.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Campaspe Shire Council 2021/2022 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2022

9.3 Superannuation (cont.)

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

Scheme	Type of Scheme	Rate	2022 \$'000	2021 \$'000
Vision super	Defined benefits	10% (2021:9.5%)	131	135
Vision super	Accumulation	10% (2021:9.5%)	1,670	1,864
Other funds	Accumulation	10% (2021:9.5%)	833	636

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$NIL for 2021/22 year (2020/21 \$NIL).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2022.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$135,000.

Note 10 Change in accounting policy

There have been no changes to accounting policies in the 2021-22 year.



GET ACTIVE ROCHESTER

- (A) Netball Courts**
Rochester Recreation Reserve
Free public use anytime
- (B) Public Pool**
Open November - March
Fees apply

GET ACTIVE KYABRAM

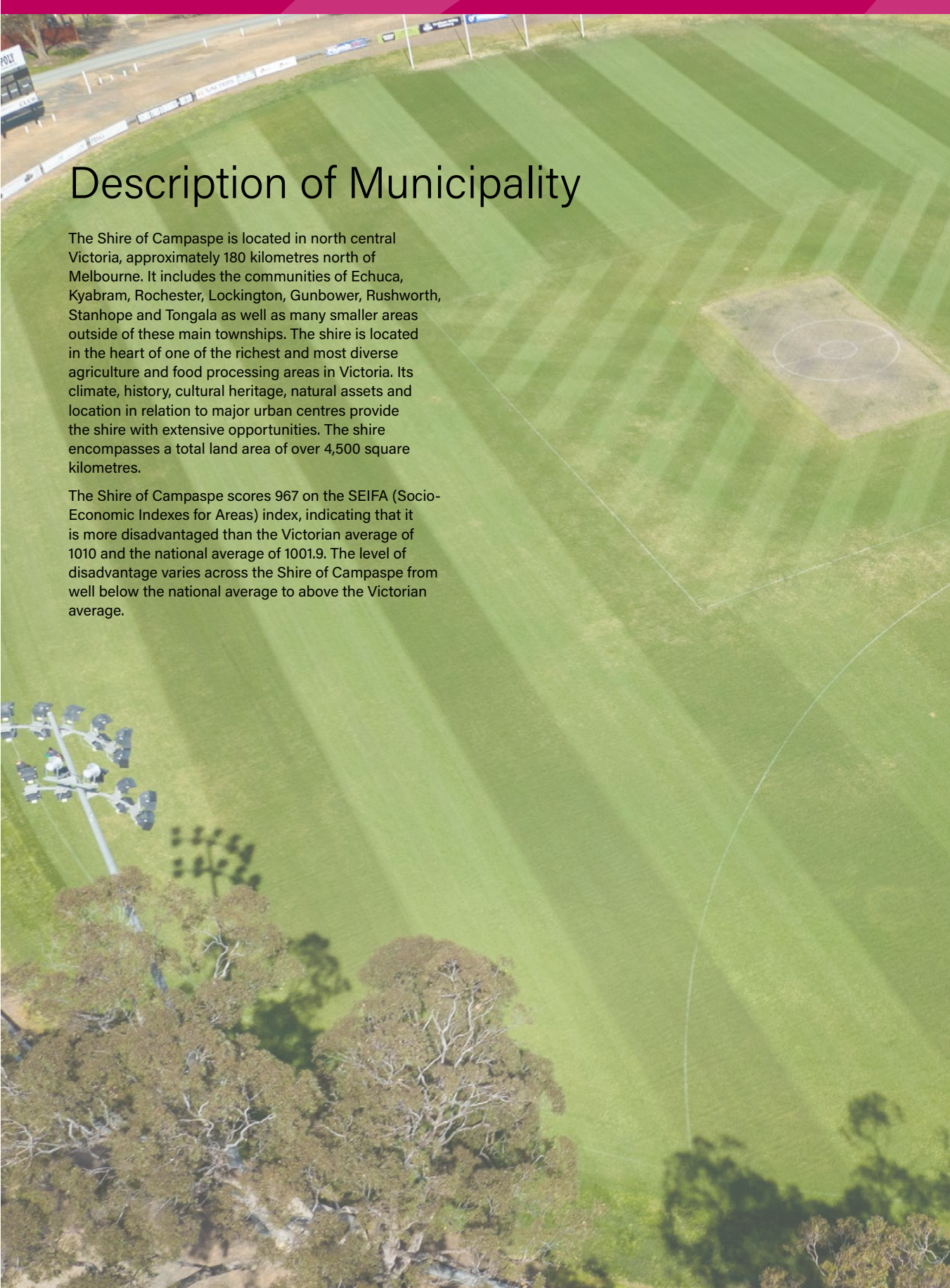
- (A) Kyabram Racecourse & Recreation Reserve (KR&RR)**
BMX Track
Free public use
- (B) Northern Oval**
Cricket Nets
Netball Courts
Sports Oval
Free public use
- (C) Kyabram Recreation Reserve (KRR)**
Cricket Nets
Netball Courts
Sports Oval
Free public use

www.campaspe.vic.gov.au/
www.campaspe.vic.gov.au/recreation-events/parks-sports-facilities/
 Public Pool Open Nov - March - Fees apply
 Tennis Courts
 Kyabram Lawn Tennis Club
www.kyabramtennis.com.au





Performance Statement

An aerial photograph of a large, well-maintained green sports field, likely a baseball or softball field. The field is marked with white lines, including a prominent diamond in the upper right quadrant. In the lower left corner, there is a tall, multi-lamp light tower. The field is surrounded by a dirt track and some trees in the foreground. The background shows a parking lot and some buildings.

Description of Municipality

The Shire of Campaspe is located in north central Victoria, approximately 180 kilometres north of Melbourne. It includes the communities of Echuca, Kyabram, Rochester, Lockington, Gunbower, Rushworth, Stanhope and Tongala as well as many smaller areas outside of these main townships. The shire is located in the heart of one of the richest and most diverse agriculture and food processing areas in Victoria. Its climate, history, cultural heritage, natural assets and location in relation to major urban centres provide the shire with extensive opportunities. The shire encompasses a total land area of over 4,500 square kilometres.

The Shire of Campaspe scores 967 on the SEIFA (Socio-Economic Indexes for Areas) index, indicating that it is more disadvantaged than the Victorian average of 1010 and the national average of 1001.9. The level of disadvantage varies across the Shire of Campaspe from well below the national average to above the Victorian average.

Overview of 2021/2022

On 30 January 2020, COVID 19 was declared as a global pandemic by world health organisation. Since then, various measures were taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted Council's operations in the following areas for the financial year ended 30 June 2022.

- Additional revenue – several grant programs have been rolled out by both the Federal and State governments. These grants have been for both capital and operational projects.
- Revenue reductions – several services were closed due to government directives, these services were recreation facilities including aquatic facilities, libraries, caravan parks and tourism related services. Initially the revenue from these services was reduced. Since lockdowns were lifted and restrictions reduced there has been greater activity in tourism related services which has seen revenue exceed initial budget expectations. Revenue from recreation services has remained less than budgeted.
- Additional costs – Additional cleaning has been required to comply with the required covid plans, but there have been no other additional costs.
- Cost reductions – there have been savings made due to the closure of services, both in materials and labour costs.
- Asset valuations – Land assets have increased across the municipality between 12% – 26%. The current market environment, impacted by the pandemic, creates significant valuation uncertainty. This has given rise to performing an index-based revaluation of Council land resulting in a \$21.35 million valuation increment.
- Infrastructure assets valuations – The values of several classes of assets have increased, resulting in a \$36.19 million valuation increment. The current environment has created significant valuation uncertainty, this is being driven by supply chain issues and workforce shortage which are impacting construction costs.
- Rates and debt collection – Council waived interest on unpaid rates up to 30 June 2022 in response to the pandemic. This measure has not impacted the collection of rate revenue with collection with the percentage of rates collected above prior years by 1.33 percent.

The comments against individual indicators will explain the impact of these closures on the indicators results.

Sustainable Capacity Indicators

For the year ended 30 June 2022.

Indicator / Measure	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Population Expenses per head of municipal population * [Total expenses / Municipal population]	\$2,117.87	\$2,434.72	\$2,361.99	\$2,280.81	The result in 2021-22 is in line with prior years. A one off net loss of \$13.3 million on the disposal of property plant and equipment impacting in the 2019-20 result.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$13,362.55	\$16,123.72	\$15,806.42	\$16,752.45	The increase in the indicator is due to a valuation adjustment made to a number of asset classes.
Population density per length of road [Municipal population / Kilometres of local roads]	9.26	9.39	9.40	9.42	The long-term trend of the population density per length of road remains generally steady.
Own-source revenue Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,625.64	\$1,677.88	\$1,611.76	\$1,677.69	The overall trend in own-source revenue per head of municipal population has been an increase over the preceding four years in line with Council's financial principles of cost recovery for services where possible. The reduction in 2020-21 is the result of service closures due to the pandemic and therefore a reduction in the associated revenue.
Recurrent grants Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$469.59	\$485.50	\$442.07	\$552.43	The increase in this indicator for this year is due to the pre-payment of three quarters of the 2022-23 Financial Assistance Grants being paid in the 2021-22 year.
Disadvantage Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	3.00	3.00	3.00	3.00	
Workforce turnover Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.9%	19.01%	15.2%	17.3%	Staff turnover is trending similar to prior years. Attracting and retaining staff is a sector wide issue. There have been 6 staff resigned due to noncompliance with vaccine mandates in 21/22. The result in 19/20 is due to exiting aged care services and the subsequent a number of staff being made redundant.

* Population data used in the indicators is ABS March 2022 estimates.

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Statement

For the year ended 30 June 2022.

Service / indicator / measure	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Aquatic Facilities					
Utilisation * Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	6.22	3.04	1.87	3.31	There was a significant increase in visitation across all aquatic facilities due to the easing of COVID restrictions. The Echuca Indoor Facility noted an almost 50% increase in visitation compared to the previous year. Due to COVID restrictions, school swimming programs were held at a number of outdoor pools to abide by capacity limitations. This resulted in an increase in visitation at each of these locations.
Animal Management					
Health and safety Animal management prosecutions [Number of successful animal management prosecutions/Total number of animal management prosecutions] x100	New in 2020	0.00	0.00	0.00	No animal prosecutions were issued in 2021/22.
Food Safety					
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	85.00%	Officers identified 20 major or critical non-compliances in 2021. There were no major or critical non-compliances identified by external auditors. Of the 20 non-compliances, three premises did not receive a follow up assessment in 2021. This was primarily due to State Government COVID regulations impacting officer practices. These premises have been prioritised in 2022 for assessment.
Governance					
Satisfaction Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	47	48	52	43	Throughout 2021/22, Council made several significant decisions. Council recognises that there are diverse views across the community in relation to many of these decisions. Understanding the drivers behind community satisfaction remains a focus for Council decisions.

* Population data used in the indicators is ABS March 2022 estimates.

Service / indicator / measure	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Libraries					
Participation * Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	15.34%	15.31%	13.69%	12.33%	Due to State Government COVID regulations, library closures and capacity limitations impacted library members ability to access the collection and to keep their membership activated. A review of the library management system is underway to investigate membership auto-renewal.
Maternal and Child Health (MCH)					
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	73.71%	72.81%	72.20%	69.11%	Service delivery was impacted, with restricted service models in place during COVID restrictions and peak periods. 0-8 week old infants and vulnerable children were prioritised for service delivery during much of the reporting period, with physical and telephone assessments undertaken. Additionally, cancellations due to staff or client illness were greatly increased compared to previous years.
Participation Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	69.54%	73.91%	82.74%	78.23%	Service delivery was impacted during the reporting period, with restricted service models in place during COVID lockdown and peak infection periods. 0-8 week infants and vulnerable children were prioritised for service delivery during much of the reporting period, with a blend of physical and telephone assessments undertaken. Additionally, cancellations due to staff or client illness were greatly increased compared to prior years. Improved reporting from 2020 has given more accurate data in the following years.
Roads					
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	47	49	47	41	Improved understanding of the sealed local road network (gained through customer service requests and the ongoing inspection program) indicate that the network is in good condition. All results from the community satisfaction survey have been impacted by some council decisions.

* Population data used in the indicators is ABS March 2022 estimates.

Service / indicator / measure	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Statutory Planning					
Decision making	90.91%	83.33%	80.00%	62.50%	Council had very few decisions appealed to VCAT (eight). Staff seek to address concerns through the processing of applications, including consultation meetings so concerns are addressed. This prevents VCAT appeals. The service measure does not reflect that changes were made to applications prior to the appeal or what type of appeal was considered (conditions or decision). Staff note and review VCAT decisions to ensure consistency and to understand any changes to planning case law.
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					
Waste Collection					
Waste diversion	39.03%	48.02%	48.46%	48.76%	The diversion rate increased slightly which can be attributed to additional Food and Garden Organic services adopted by residents.
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

Definitions

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2022.

Dimension / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022
Efficiency				
Expenditure level	\$3,860.50	\$4,408.60	\$4,202.70	\$4,034.29
Expenses per property assessment [Total expenses / Number of property assessments]				
Revenue level	New in 2020	1,784.07	\$1,830.88	\$1,865.47
Average rate per property assessment [General rates and municipal charges / Number of property assessments]				
Liquidity				
Working capital	370.05%	376.00%	383.24%	319.42%
Current assets compared to current liabilities [Current assets / Current liabilities] x100				
Unrestricted cash	190.66%	270.55%	232.48%	213.31%
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100				
Obligations				
Loans and borrowings	12.83%	10.01%	7.45%	14.24%
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100				
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.22%	2.69%	2.63%	2.54%
Indebtedness	11.39%	9.98%	7.03%	11.12%
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100				
Asset Renewal and Upgrade				
Asset renewal and upgrade compared to depreciation	New in 2020	108.59%	95.37%	116.15%
[Asset renewal and asset upgrade expense / Asset depreciation] x 100				

Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Material variations and comments
\$3,896.13	\$3,894.90	\$3,960.54	\$4,027.38	There has been a trend of decrease in expenses per property assessment due to expenses remaining relatively steady and an increase in the number of assessments due additional subdivisions coming on line. The trend in the forecast years is expected to remain steady.
\$1,921.61	\$1,949.87	\$1,979.12	\$2,008.83	The overall trend for the average rate per property assessment is consistent with the increase in property values.
311.76%	253.53%	222.41%	229.81%	The trend in working capital will remain strong but has decrease in the current year, this will continue in the forecast period. This is due to an increase in borrowings and a decrease in cash held as reserves are used to fund capital works.
233.24%	164.38%	132.04%	142.43%	The trend in percentage of unrestricted cash has seen an decrease in 2021-22 from the previous year due to more cash being required for carried forward capital works from the prior year. The cash reserves are anticipated to decrease as the spend on maintenance and renewal of assets increases to improve the condition of Council's assets.
18.42%	15.19%	11.98%	9.79%	Loans have increased in 2021-22 as Council has draw down borrowings to complete two significant pieces of community infrastructure, these are Echuca East Community Centre and redevelopment of the Gunbower Lions Park. There are no further borrowings planned and the forward trend is a decrease in this indicator as loans are repaid.
3.24%	3.21%	3.17%	2.14%	The trend across the preceding four years has been a steady decline as current borrowings are paid down. The trend is forecast to increase next year due to the effect of new borrowings, it will then decline as these are paid down.
15.87%	13.11%	11.02%	9.41%	The trend across the preceding four years has been a steady decline as current borrowings are paid down. The trend is forecast to increase next years as the effect of new borrowings impact the result. It will then decline as loans are paid down.
148.36%	141.06%	107.07%	84.20%	The trend in the forecast shows that Council is meeting its asset renewal obligations. Councils ten year capital works plan has planned to do additional works in the 2023 and 2024 years, reducing in the following two years.

Dimension / Indicator / Measure	Result 2019	Result 2020	Result 2021	Result 2022
Operating Position				
Adjusted underlying result	0.22%	(10.49%)	(11.38%)	(0.75) %
Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100				
Stability				
Rates concentration	52.82%	53.02%	56.17%	53.54%
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100				
Rates effort	0.57%	0.57%	0.54%	0.50%
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100				

Retired Measures

The following indicators were retired in the year ended 30 June 2020.

Service / Indicator / Measure	Result 2018	Result 2019	Result 2020	Material variations and comments
Animal Management				
Health and safety Animal management prosecutions [Number of successful animal management prosecutions]	3.00	0.00	Retired in 2020	Retired in 2020 and replaced by a similar indicator which is a measure of proportion (percentage) rather than a number.
Efficiency				
Revenue level Expenses per property assessment [Total expenses / Number of property assessments]	\$1,721.59	\$1,866.47	Retired in 2020	Retired in 2020 and replaced by a similar indicator that includes all assessment types across all differential categories, instead of just residential.
Obligations				
Asset renewal Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100	71.07%	69.50%	Retired in 2020	Retired in 2020 and replaced by a similar indicator that includes asset renewal and upgrade, instead of just renewal.

Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Material variations and comments
(4.34%)	(3.00%)	(3.41%)	(3.81%)	This result is an improvement on prior years as the loss on the disposal of property, plant and equipment is less than prior years. Council has planned to run deficit operational budgets over the forecast years.
59.30%	59.43%	59.55%	59.67%	The trend in the percentage of rates concentration has generally remained steady over the four years of reporting and is forecast to continue to remain steady through to 2025-26.
0.43%	0.42%	0.41%	0.40%	The trend in this indicator is reduction over the forecast years. This is due the rate cap environment that restrains rate income as property values rise.

Definitions

"adjusted underlying revenue" means total income other than-

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2022

Basis of preparation

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

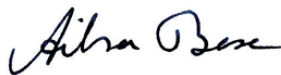
Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's budget. The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its budget on 15 June 2022, which forms part of the council plan. The 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 from Council's website.

Certification of the performance statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



Ailsa Box, CPA

Principal Accounting Officer

Dated: 21 September 2022

In our opinion, the accompanying performance statement of the *Campaspe Shire Council* for the year ended 30 June 2022 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

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

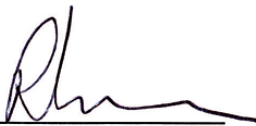
We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



Cr Christine Weller

Councillor

Dated: 21 September 2022



Cr Robert Amos

Councillor

Dated: 21 September 2022



Tim Tamlin

Interim Chief Executive Officer

Dated: 21 September 2022

Independent Auditor's Report

To the Councillors of Campaspe Shire Council

Opinion	<p>I have audited the financial report of Campaspe Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
28 September 2022

Travis Derricott
as delegate for the Auditor-General of Victoria

Glossary

Act	means the Local Government Act 2020
Annual report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Appropriateness	means indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal or outcome
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	means the period of 12 months ending on 30 June each year
Governance and management checklist	means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making
Indicator	means what will be measured to assess performance
Initiatives	means actions that are one-off in nature and/or lead to improvements in service
Major initiative	means significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget
Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator

Minister	means the Minister for Local Government
Performance statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Integrated strategic planning and reporting framework	means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	means the Local Government (Planning and Reporting) Regulations 2020
Relevance	means indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved
Report of operations	means a report containing a description of the operations of the council during the financial year and included in the annual report
Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategic objectives	means the outcomes a council is seeking to achieve over the next four years and included in the council plan
Financial plan	means a plan of the financial and non-financial resources for at least the next ten years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan
Strategies	means high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management



Where to get a copy

Hard copies of this report are available from our Echuca office, contact details are displayed on the back inside cover of this report. Electronic copies of this report are also available from our website. To request a copy, email or call our Customer Service Centre using:

Email: shire@campaspe.vic.gov.au

Website: www.campaspe.vic.gov.au

Telephone: 03 5481 2200

Feedback

The content of this Annual Report is reviewed each year and is guided by best practice in reporting and local government requirements.

Your feedback is invited via email:

shire@campaspe.vic.gov.au



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Social:  @CampaspeShireCouncil

 #campaspehire

 campaspe-shire-council

Customer Service Centres

Kyabram, 19 Lake Road

Rochester, 43-45 Mackay Street

Rushworth, 33 High Street

Tongala, 37 Mangan Street