



ANNUAL REPORT

2017 - 2018



OUR VISION

We are strong, supportive, vibrant and sustainable.

OUR MISSION

Campaspe Shire Council will provide services, facilities, support and advocacy to enable our community to be healthy, connected, prosperous and resilient.

OUR VALUES

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

Respect

We treat others as we expect to be treated...

- 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 are here to help...

- 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 are a learning organisation...

- 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

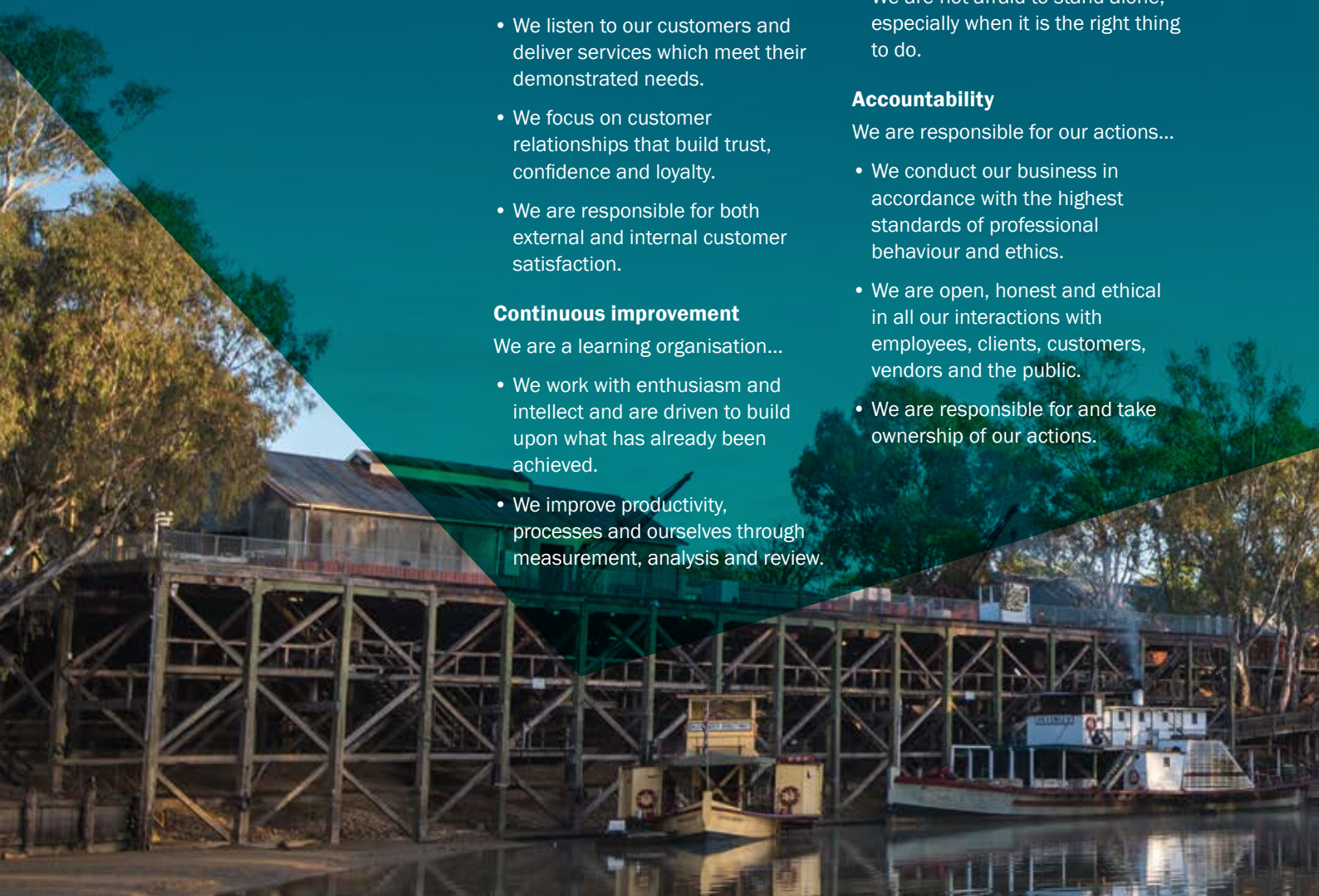
We support one another and work cooperatively...

- 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 are responsible for our actions...

- 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.



OUR STRATEGIC DIRECTION

The community outcomes set for our Council Plan inform our key strategic direction for 2017/21. The Council Plan and Strategic Resource Plan set the specific objectives and strategies for each of these goals.

GOAL 1 STRONG AND ENGAGED COMMUNITIES

Services, programs and advocacy enable improved health, wellbeing and safety of our community.

GOAL 2 RESILIENT ECONOMY

Diverse and growing economy with increased employment and investment opportunities, economic prosperity and community development.

GOAL 3 HEALTHY ENVIRONMENT

A healthier environment for current and future generations.

GOAL 4 BALANCED SERVICES AND INFRASTRUCTURE

Services and assets meet current and future community need.

GOAL 5 RESPONSIBLE MANAGEMENT

Strong leadership, advocacy and good governance.

An organisation that is responsive, flexible, honest, accountable and consistent.

CONTENTS

INTRODUCTION

Our strategic direction	1
About this annual report	3

THE YEAR IN REVIEW

Overview of 2017/18	4
Financial summary	5
Major projects	7
Mayor & CEO's message	10

OUR COUNCIL

Campaspe profile	14
Councillors	18

OUR PEOPLE

Our people	22
Council staff	24

OUR PERFORMANCE

Planning and accountability framework	32
Council plan	33
Strong and engaged communities	34
Resilient economy	44
Healthy environment	50
Balanced services and infrastructure	60
Responsible management	70

CORPORATE GOVERNANCE

Governance	78
Management	84
Governance and management checklist	86
Statutory information	90

OUR FINANCES

Financial statements	95
Notes to financial statements	105
Performance statement	144

ACRONYMS AND DEFINITIONS	158
---------------------------------	------------



ABOUT THIS ANNUAL REPORT

WELCOME

Welcome to the Campaspe Shire Council. Council honours the unique Aboriginal cultural heritage of this country and acknowledges the traditional owners of this land. Council also acknowledges the many other generations of people, past and present, who have lived, worked and contributed to the development and cultural heritage of Campaspe Shire.

PURPOSE

The Annual Report documents Campaspe Shire Council's performance during 2017/18 against the Council Plan, Strategic Resource Plan and 2017/18 Budget. This is the first year of reporting against the 2017/21 Council Plan.

The report is a legislative requirement and summarises council's achievements against the objectives set out in the Council Plan 2017/21 and provides a concise statement of who we are, what we represent and how we advance Campaspe Shire. The report contains audited financial statements, an audited performance statement, and all information required under the *Local Government Act 1989* and other relevant legislation.

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 Contact Centre using:

Web:
www.campaspe.vic.gov.au

Email:
shire@campaspe.vic.gov.au

Call:
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

OVERVIEW OF 2017/18

	HIGHLIGHTS	CHALLENGES	PROJECTS FOR THE YEAR AHEAD
STRONG AND ENGAGED COMMUNITIES more detail page 35	Two social story books launched, designed to assist people with disabilities in emergency situations A Memorandum of Understanding signed with Yorta Yorta Community Economic Development Plan completed for Rochester township	Preparing for the introduction of the new Commonwealth child care subsidy scheme Transitioning clients from Home and Community Care Program for Younger Persons to the NDIS	Complete review of council's policy for recreation reserves, funding and maintenance Develop Place Based Planning schedule Complete the Active Transport Strategy
RESILIENT ECONOMY more detail page 45	Port Precinct Plan, to drive future direction of port, adopted Campaspe Murray business awards held Delegation visited Shangri-La, China as part of Sister City friendship and trade expo	Silt build up at the Echuca Wharf restricting access Securing funds for museum exhibits Rising energy costs and the financial impacts for businesses	Complete a review of all council-owned properties in port precinct Complete master plan for Echuca Holiday Park Complete review of Campaspe Events Strategy
HEALTHY ENVIRONMENT more detail page 51	Echuca West Precinct Structure Plan progressed Waste Management Strategy adopted 590 urban fruit trees removed through fruit fly program	Changes to the markets and legislation of the recycling industry Shortage of flu vaccinations Finding homes for abandoned cats and kittens	Develop and implement education program to support the introduction of food organics Complete Urban Forest Strategy Complete the flood study for Echuca, Moama and Torrumbarry
BALANCED SERVICES AND INFRASTRUCTURE more detail page 61	Completed a desktop assessment of bridge and culvert limits in the region to identify transport restrictions A master plan for Victoria Park and Scenic Drive, Echuca completed New project management system installed ready for 2018/19 year	Ageing bridge network forcing load limits and closures Completing works to the failing river bank adjacent to the Murray River and Echuca Wharf Downturn in quarry sales	Develop Asset Management Plans for roads, bridges and footpaths Work with Court Services Victoria to complete security and safety improvements to Echuca office and Echuca Law Courts Complete the shire-wide Integrated Water Management project
RESPONSIBLE MANAGEMENT more detail page 71	A Community Engagement Framework and supporting toolkit adopted Submission made to the Local Government Bill – exposure draft Advocacy campaigns progressed	Delays in developing the capabilities and reporting needs of upgraded networked phone system Completing 10 year financial plan, including capital works forecasting	Finalise development of service planning approach and implement Review Advocacy Priorities Plan Complete Customer First Strategy

FINANCIAL SUMMARY

FAST FACTS

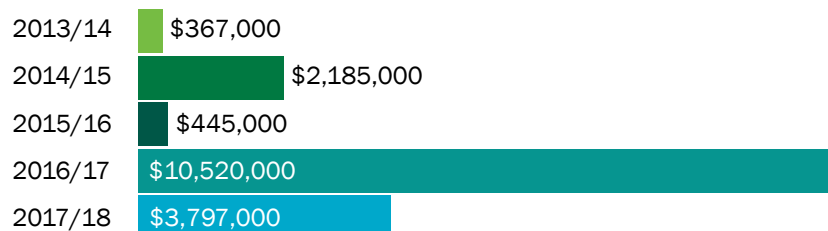
Total revenue	\$88,590m
Total expenditure	\$84,792m
Surplus	\$3,797m
Total assets	\$592,054m
Total liabilities	\$22,602m
Equity	\$646,869m
Net cash from operation activities	\$25,335m
Debt commitment ratio	13.22%

Council finished the year in a sound financial position 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 95 to 143.

A summary of our performance is outlined below.

OPERATING POSITION

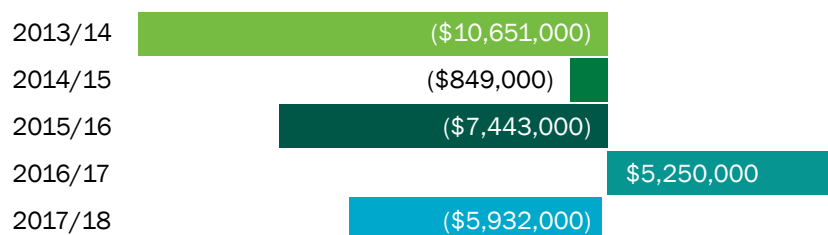
Council achieved an operating surplus of \$3.8 million.



UNDERLYING RESULT

A key measure of financial sustainability is the underlying result. This identifies whether council is generating sufficient revenue to cover operating expenses, including asset replacement.

The underlying operating result for 2017/18 was a deficit of \$5,932,000.



COUNCIL EXPENDITURE

Council provides more than 100 services and activities, alongside delivering capital works projects for the benefit of the community. In 2017/18, total expenditure was \$84.79 million, with 27.96 per cent being spent on building a strong and diverse economy through developing and maintaining our roads, bridges and public buildings.

ECONOMIC FACTORS

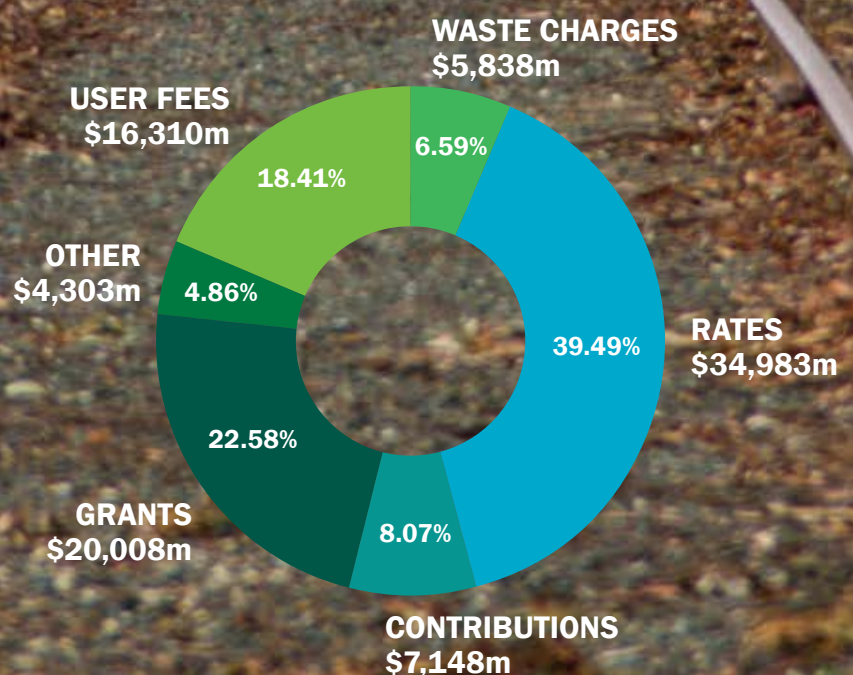
Council reviewed its Strategic Resource Plan and projected reduced grant funding from both the federal and state governments.

Other economic factors included:

- The continued high cost of utilities, particularly power and electricity
- Increased development in residential zones resulting in increased fees and rate income received.

STABILITY & EFFICIENCY

Council receives income from a number of sources including rates, grants, user fees and fines. Rates are council's main source of income representing 39.49 per cent of total income, followed by grants at 22.58 per cent.



MAJOR PROJECTS

Delivering capital projects is essential to achieve council's aim to provide safe, accessible and appropriate infrastructure that meets the needs of the community. Throughout the 2017/18 year 100 capital projects were completed, or 78 per cent of planned projects, to the value of \$15.2 million, including significant infrastructure works that directly improved facilities for our community and visitors.

Hopwood Gardens play space and relocation of Alison Barge, Echuca - \$520,000

Designed by children, for children, the new Hopwood Gardens play space in Echuca was officially opened in September and embraced by the community. The play space was designed sympathetic to the surrounding historical precinct, featuring natural elements, a paddlesteamer, animal features and traditional play equipment including a mini water feature. The project also incorporated table and park seating, a drinking fountain, recycled brick paving, stone wall edging, asphalt pathway and timber decking recycled from the Echuca wharf refurbishment project. The \$520,350 project was funded with \$340,000 from the Victorian Government and \$180,350 from council and includes the relocation of the Alison Barge to the southern end of the port precinct.

Kyabram Northern Oval redevelopment - \$2 million

The redevelopment of Kyabram's Northern Oval is the largest recreation project completed across the shire to date. The \$2 million project was supported by \$650,000 from the Victorian Government, \$115,000 local community and the balance by council. The project involved realignment and repositioning of the oval to accommodate football, soccer and cricket, upgrades to power and lighting for the oval and netball courts, new drainage systems, construction of new netball courts, construction of six multi-purpose tennis / netball courts, car parking and relocation and construction of three cricket practice nets. The project was officially opened with the community in December.

Roads - \$9.2 million

Road projects were completed by the Works Construction team as well as external contractors, including:

- 73 kilometres of gravel road resheeting
- 43 kilometres of road shoulder resheeting
- Three road rehabilitations (Trewin Road, Corop; Geodetic Road, Stanhope; Kotta Road, Kotta)
- Urban street rehabilitation (Bolton Street, Echuca; Annesley Street, Echuca)
- Kerb and channel projects (Haverfield Street, Echuca; McKinlay Street, Echuca; Esmond Street, Rushworth; McKenzie Street, Echuca, Ash Street, Echuca; Civic Avenue, Echuca; Rogers Street, Kyabram).

Solar panels at Echuca Library - \$120,000

A 100kW solar system was installed on the roof of the Campaspe Regional Library in Echuca, with the 368 solar panels able to generate enough electricity for the library and when not in use, to offset the power of council's main adjoining office. The project has resulted in a reduction of electricity costs as well as a reduction of council's overall carbon footprint by reducing greenhouse gas emissions. The system is expected to generate 182,500 kWh per year, with a three year pay-back period. The project was identified through council's Green Team, a small but dedicated group of staff from across the organisation who meet to consider environmental improvements and projects.

\$ VALUE OF CAPITAL WORKS COMPLETED

	2013/14	2014/15	2015/16	2016/17	2017/18
New	8,740,914	5,380,612	2,351,248	2,198,944	997,768
Renewal	21,695,232	13,929,726	14,175,911	13,970,220	13,220,861
Upgrade	3,412,763	1,555,328	2,987,555	4,913,402	983,143
Total	\$33,848,909	\$20,865,666	\$19,514,714	\$21,082,566	\$15,201,172

CHALLENGES

Echuca riverfront redevelopment - \$4.9 million

Federal and state government funding of \$3.9 million for the redevelopment of Echuca's riverfront was announced in September 2014. Since this time council has been actively working with key stakeholders including boat operators and Watson Street residents, as well as finalising the funding agreement, completing the detailed design, preparing the specifications. The project has been split into two stages, stage one, redevelopment of the kiosk, and stage two, redevelopment of the riverfront. Planning applications have been lodged and once approved, on-ground works will start. The project is anticipated to be completed mid-2019.

PROJECTS FOR THE YEAR AHEAD

Council's commitment to community asset improvement will continue in 2018/19, with \$28.6 million allocated towards capital works.

- \$10.9 million to roads
- \$3 million to bridges
- \$2.1 million to drainage
- \$1.4 million to footpaths and cycle paths
- \$539,377 to recreation and leisure including:
 - \$166,000 - Echuca East Community Precinct, detailed design
 - \$32,188 - Kyabram Stadium, scoreboards, backboard controllers & access control
 - \$24,688 - Echuca Stadium, scoreboards, storage & access control
 - \$31,000 - Lockington Recreation Reserve, oval fencing
 - \$109,000 - Rochester Swimming Pool, repainting
 - \$156,000 - Echuca South Recreation Reserve, cricket practice nets.



MAYOR & CEO'S MESSAGE

Welcome. It is our pleasure to present the Annual Report for the 2017/18, the first to report against the 2017/21 Council Plan.

Our vision, we are strong, supportive, vibrant and sustainable, remains at the forefront of what drives us at council. The organisation continues to focus on delivering vital services and infrastructure to support the community and positively influence lives of the 37,000 plus residents who all call Campaspe home.

The year has been an extremely busy one, with many achievements which support the development of our shire and wellbeing of our community. Council has also continued to lift its focus on community engagement, with a new framework in place to support staff and the community.

CELEBRATING SUCCESS AND THE COMMUNITY

Echuca was selected to host a stage of the Queen's Baton Relay as the Baton journeyed towards its final destination, the Gold Coast Commonwealth Games (GC2018) for the opening ceremony in April. 17 local batonbearers were selected to carry the Queen's Baton across Echuca, into the celebration site, the Aquatic Reserve. Family entertainment was the focus of the community celebration, with children encouraged to "come & try" Commonwealth Games themed sports. Hundreds of people lined the streets to celebrate the Baton Relay, cheering on the batonbearers and joining in the community celebration.

Council conducts a number of events to acknowledge, thank and celebrate the contributions of the shire's most outstanding people whose selfless work makes Campaspe the wonderful place that it is.

In January we celebrated our 2018 Australia Day Award winners; Citizen of the Year – Kenneth Walter; Young Citizen of the Year – Kaija Pedler; Sportsperson of the Year – Peter Raglus; Junior Sportsperson of the Year – Marley McConnell; Community Event of the Year – Rosie Batty Gala Dinner; and Arts Group of the Year – Fonterra Stanhope.

As part of National Volunteer Week in May, council celebrated its volunteers and presented awards in three categories. The Individual Award was presented to Val Gledhill of Rochester, Young Person Award

to Daniel Phyland and Organisation Award to Echuca Moama & District Agricultural & Pastoral Society Inc.

Council continued to support the community through a number of grant programs. The Community Grants program supports community groups to deliver a broad range of projects for the benefit of the wider community. In 2017/18, more than \$218,000 was provided through this program to support 104 community-led projects. Complementing this two round program, the Responsive Grants program continued to support requests for urgent funding from individuals and community groups requiring a quick turnaround, with more than \$25,000 allocated.

White Ribbon Day, a day to raise the focus of violence against women, was well supported by the community. Businesses and schools were also encouraged to participate in the awareness campaign with shop fronts and schools dressed in white.

For the second year, council teamed up with Njernda Aboriginal Corporation for a whole of community event to celebrate Australia's shared history, culture and achievements as part of National Reconciliation Week. The event started in Echuca's CBD, walking through the precinct to the Aquatic Reserve, a natural river red gum setting. The event provides an opportunity to celebrate and strengthen the reconciliation process and it is hoped to continue to join with Njernda for this annual event.

PLANS FOR THE FUTURE

With state and federal elections approaching, council developed a set of key priorities to lobby on. The six campaigns provide a quick overview of each project, the benefits to the community, clearly setting out what council is asking of the government.

Across the year, council staff continued to develop a broad range of strategies and plans, some of those finalised included:

Echuca War Memorial

redevelopment – A concept plan for the development of the memorial and surrounding public space was put out for community comment in partnership with the Echuca RSL. The plan focuses on improvements to the existing memorials as well as improving accessibility to the area.

Public Places Trading policy and guidelines – A new policy and guidelines covering trading activities on council's footpaths, parks and reserves, to ensure that public access remains safe and enjoyable and ensuring applications received are assessed using the same criteria.

Domestic Animal Management

Plan – A statutory plan supporting and encouraging responsible pet ownership and providing clear direction for animal shelter staff, community rangers and local law officers to assist them in their roles.

Rating Strategy – A strategy outlining the rationale for applying fair and equitable rates in the shire.

Victoria Park master plan – A plan to inform the future development of the sporting and open space precinct of Victoria Park and Scenic Drive, Echuca.

LOBBYING FOR THE COMMUNITY

Council also lodged a number of submissions to ensure the community's and council's views were captured, including a submission to the Local Government Bill Exposure Draft, Victoria's Freight Advantage Discussion Paper and Victorian Cross Border Commissioner Business Case.



FINANCIAL PERFORMANCE

In the context of increasing financial challenges and tighter legislative requirements, council delivered its annual budget adhering to the Victorian Government's 2017/18 rate capping constraint of 2 per cent. Existing services were maintained with a commitment to continue the ongoing service review program, a program of delivering the right services, at the right level, to meet the community's needs now and into the future.

The year-end resulted in a surplus of \$3.8 million. This was supported by to a savings in employee costs, including:

- Work cover insurance. Council achieved a savings of \$450,000 due to improved work safe processes.
- Staff vacancies and difficulty in finding suitably qualified staff to some positions. Some of the savings have been used to fund the cost of contractors, to ensure the service level is maintained whilst the recruitment process was undertaken.

The adjusted operating result is a deficit of \$5.9 million. This adjusted result is derived by subtracting all capital funding contributions, totalling \$9.76 million, outlined below:

- Contributed non-financial assets of \$7.0 million - new subdivision infrastructure, such as roads, footpaths and drainage.
- Contributed financial assets of \$179,000 - fees paid by developers for the provision of public open space and car parking for new developments.
- Capital grants of \$2.581 million - Roads to Recovery federal grant.

Council maintained a strong and positive cash flow with a working capital ratio of 239.1 per cent. This ratio measures council's ability to pay its bills as and when they fall due. It measures the amount of current assets as a percentage of current liabilities. A result greater than one means that council has sufficient cash to meet its obligations.

Our commitment to financial sustainability, service delivery and ongoing service improvements remain steadfast. In a constantly changing operating environment there are always new challenges to face, but I believe our council and staff are well positioned to continue to deliver for our community.



The focus for the year ahead will be to progress service planning, the analysis and planning of services. The objective of service planning is to develop a clear understanding of the purpose of the service, desired outcomes and develop future likely costs to support long term financial planning. This will also help inform the capital works program, future renewal costs, maintenance and operational costs. Service planning will be completed initially for five key services, to then be replicated across other service areas.

We thank councillors and staff for their hard work towards the achievement of commitments made.

We commend the Annual Report to you as an insightful overview of many of council's achievements for the year.



A. Weston
Cr Adrian Weston
Mayor



Roll
Jason Russell
Chief Executive Officer



CAMPASPE PROFILE

LOCATION

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 HAS AN ESTIMATED RESIDENTIAL POPULATION OF 37,463 PEOPLE.

OUR STRENGTHS AND COMPETITIVE ADVANTAGES

The Shire of Campaspe benefits from its location at the heart of northern Victoria, with strong connections to Bendigo and Melbourne to the south, Shepparton and the Goulburn Valley to the east, and the expansive Riverina and Mallee agricultural regions to the north and west.

Alongside agriculture and manufacturing, the tourism and service sectors help drive a strong and diverse economy. High employment levels in the health and aged care sectors along with high rates of volunteering and community participation reflect the many opportunities of our ageing population.

The warm climate and healthy natural environment foster a friendly, supportive community spirit.

OUR CHALLENGES

While the population is growing overall, population decline in smaller communities will continue to pose a challenge to the effective delivery of services and equitable distribution of infrastructure.

Water security for the agricultural sector remains a key area of uncertainty, in particular future access to water in a changing climate and potentially higher water prices impacting on competitiveness.

As business and services continue to expand and adopt online options, poor bandwidths pose a particular challenge to local businesses and residents alike. The region experiences some of the slowest internet speeds in the state. The current NBN roll-out and mobile access is uneven across the shire. Some other key areas of challenge include:

- High costs of inputs for industry (energy and water)
- Renewal of community facilities
- An ageing population
- Family violence
- Availability of tertiary education and training opportunities
- Cross-border impacts on the community and business

These challenges are not unique to Campaspe and are faced by many other rural communities. Council is also very mindful of financial constraints – including reduced funding from other levels of government and capped rates. This will require council to maintain its focus on identifying operational efficiencies. Responsible decision making will be critical and a set of financial principles has been developed to guide council's decision making.



SOME FACTS ABOUT US...

We are growing

In 2017, the estimated residential population was 37,463 (ABS, ERP 2017) and is expected to grow to almost 43,000 by 2036.

We work in a variety of industries

Approximately 40% of Campaspe's employed residents work in manufacturing, agriculture or health care. Many others work in tourism related industries, such as food services, accommodation and retail trade.

We are becoming older and younger

Compared to regional Victoria we have a higher population of both older people and younger people. This trend is expected to grow, with progressively less working age residents in the municipality.

We are relatively homogenous

Almost 90% of residents have Australian, English, Irish or Scottish heritage and 93.3% only speak English. However, non-European migration to the area is an emerging trend.

We have a large Aboriginal population

2.3% of our residents are Aboriginal, compared to only 0.7% in Victoria and 1.5% in regional Victoria. In some towns we have an even higher percentage of Aboriginal residents.

We have lower education levels

As a population we have lower levels of education than the rest of regional Victoria and only 47.2% of residents hold a qualification of some sort (compared to 51.6% for regional Victoria).

We have lower income levels

In 2011 our median weekly income was only \$886, compared to \$945 for regional Victoria (and \$1,242 for Australia). However, median income levels vary significantly across the municipality.

HISTORY

Campaspe Shire Council was established in 1994 through an amalgamation of the City of Echuca, Town of Kyabram, Shire of Rochester, Shire of Waranga and Shire of Deakin.

The shire is named after the Campaspe River, which was named by Major Mitchell in 1836. Legend claims that Campaspe was Alexander the Great's concubine.



OUR COUNCILLORS

Council sets the strategic directions of the organisation and oversees its performance. The last local government election was held on 22 October 2016 with nine councillors elected representing five wards.

CR DANIEL MACKRELL Echuca Ward



First elected in 2016

Mobile

0429 517 535

Email

d.mackrell@campaspe.vic.gov.au

Council appointments

CEO Remuneration Advisory Committee, MAV Transport & Infrastructure Committee

Cr Daniel Mackrell spent his early years on a dairy farm in Wyuna, then moved to Tongala where he attended local schools.

Cr Mackrell has developed a broad knowledge and skill base honed from a diverse career, including various stints in hospitality. Combining his passion for hospitality with qualifications in Human Resource Management and Training, led to the establishment of a national training and employment organisation which traversed the east coast of Australia, of which he was CEO for 12 years. His latest venture in hospitality involves three different businesses - a café, a catering venue and coffee-roasting business, all located in Echuca.

Daniel's community involvement spans over 20 plus years from tourism boards, local learning networks and community not for profits, such as Echuca Moama Tourism, the Campaspe Cohuna Local Learning Network, Echuca Lawn Tennis Club and the Echuca Moama Business and Trades Association.

CR KRISTEN MUNRO Echuca Ward



First elected in 2016

Mobile

0429 473 056

Email

k.munro@campaspe.vic.gov.au

Council appointments

Campaspe Cohuna Local Learning & Employment Network

Born in Melbourne, Cr Kristen Munro moved to Tasmania with her family in 1979. She completed up to Year 7 in Hobart, before moving back to Melbourne in 1988 and finishing the remainder of her schooling. She settled in Lockington in 2002 with her young family.

With a passion for animals, Cr Munro completed an Associate Diploma of Applied Science (Animal Technology), and has since carved a successful career in the animal industry. She has worked in a variety of roles including at veterinary clinics, La Trobe University, Healesville Sanctuary and Melbourne Zoo.

In recent years, Cr Munro has worked on her small scale farm, in the neighbourhood house sector and on dairy farms. She continues to be actively involved in many community groups, and still milks cows in her spare time.

CR VICKI NEELE Kyabram Deakin Ward



First elected in 2016

Deputy Mayor in 2017

Mobile

0429 535 016

Email

v.neele@campaspe.vic.gov.au

Council appointments

Echuca Moama & District Tourism Development Association, MAV Arts & Culture Committee, as Deputy Mayor is council's deputy representative for appointments of the Mayor.

Cr Vicki Neele was born in Kyabram and attended local schools. Cr Neele has travelled extensively, living overseas and in Melbourne, however settled back in Kyabram where she married and raised her family.

She is a passionate community minded person, has been a councillor (prior to amalgamation in 1994), and involved in a number of community projects. She won a Churchill Memorial Trust award in 1996 which saw her travel to the UK, Belgium and France to investigate models of arts tourism particularly how they relate to rural areas.

**CR NEIL
PANKHURST**
Kyabram Deakin
Ward



First elected in 2008
Re-elected in 2012, 2016
Mayor in 2010
Deputy Mayor in 2009

Mobile
0429 858 992

Email
n.pankhurst@campaspe.vic.gov.au

Council appointments
Audit & Risk Committee

Cr Neil Pankhurst has been a local of Campaspe all his life. Raised on a 130ha beef cattle farm in Tongala, Cr Pankhurst went to local primary and secondary schools, before completing his senior years at The Scots School in Albury.

Having completed a Diploma in Farm Management at Glenormiston Agricultural College at Noorat in south western Victoria, Cr Pankhurst purchased the family dairy farm in Tongala.

Recently retired from farming, Cr Pankhurst keeps busy with his community involvement in a number of organisations.

**CR LEANNE
PENTREATH**
Western
Ward



First elected in February 2016
(by-election)
Re-elected in 2016
Deputy Mayor in 2016

Mobile
0428 862 201

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

Council appointments
Audit & Risk Committee, CEO
Remuneration Advisory Committee

One of seven children raised on a dairy farm at Tennyson, Cr Leanne Pentreath grew up enjoying sports, motorbike riding and reading. She attended local primary and secondary schools.

After working as a qualified nurse at Echuca District Hospital for 12 years, Cr Pentreath went on to manage the family's supermarket / hardware business for over 20 years. This led to her involvement on committees and grocery boards.

Committed to her own professional development, Cr Pentreath has completed a number of courses including a Certificate IV in Training, Certificate IV in Accounting and a Diploma in Business Governance.

Cr Pentreath has been active on many local community groups including the Lockington & District Development Committee, Lockington & District Planning Group and the Campaspe Shire Drought Recovery Committee.

**CR ANNIE
VICKERS**
Echuca
Ward



First elected in 2016

Mobile
0429 539 658

Email
a.vickers@campaspe.vic.gov.au

Council appointments
Municipal Emergency Management
Planning Committee, MAV
Environment Committee

Born in Deniliquin, Cr Annie Vickers spent the first 10 years of her life on the family property which grew wheat and sheep, and later, added dairy.

After attending primary and secondary schools in the region. Cr Vickers nursed in an aged care facility that specialised in dementia until 2002, when she and her partner purchased the Wistaria Café business.

With a keen interest in the region's hospitality and tourism sectors, Cr Vickers has been active in a number of local organisations.

**CR ADRIAN
WESTON**
Waranga
Ward



First elected in 2012

Re-elected in 2016

Mayor in 2016, 2017

Mobile

0428 320 464

Email

a.weston@campaspe.vic.gov.au

Council appointments

Municipal Association of Victoria, Victorian Local Governance Association, Murray River Group of Councils, Loddon Campaspe Councils, Rural Councils Victoria, GV Neighbouring Councils, GV Shepparton Bypass Group, CEO Remuneration Advisory Committee

Cr Adrian Weston grew up and was educated in both Rushworth and Melbourne. He moved back to Rushworth in 1988 with his family and, since then, has been operating his own 230ha mixed use-farm, dryland and irrigation.

Cr Weston's interests include the natural environment, especially ornithology (a branch of zoology that deals with birds), politics, fishing, hunting, motorcycle riding, vegetable gardening, reading and family.

**CR LEIGH
WILSON**
Rochester
Ward



First elected in 2012

Re-elected in 2016

Mayor in 2014, 2015

Mobile

0429 842 111

Email

l.wilson@campaspe.vic.gov.au

Council appointments

Goulburn Valley Waste & Resource Recovery Group, CEO Remuneration Advisory Committee, Goulburn Broken Greenhouse Alliance

Born and raised in Rochester, Cr Leigh Wilson has strong family ties in the area with three generations living in the Rochester township and surrounding region.

After completing his education in Rochester and Echuca, Cr Wilson moved to Melbourne for two years working as a draftsman in engineering and manufacturing. He then returned to Echuca and continued his drafting career for 10 years with local firms.

While managing a licensed cafe in Rochester for seven years, he completed a Diploma of Building Design and Technology at Bendigo TAFE and, for the past several years, has been running his own drafting business - Wilplan - in Rochester.

A long-time community volunteer, Cr Wilson has been on many community committees, currently volunteers once a month at the Rochester Town Market and is the chairperson of the Rochester Community House.

**CR JOHN
ZOBEC**
Kyabram Deakin
Ward



First elected in January 2015 (2012 election count-back)

Re-elected in 2016

Mobile

0418 213 413

Email

j.zobec@campaspe.vic.gov.au

Council appointments

MAV Transport & Infrastructure Committee

Cr John Zobec was born in Kyabram, attended local schools and grew up on a dairy farm just south of the town. On finishing his education, he went to work on the family farm which he later bought in partnership with his brother.

While he no longer operates the dairy farm, Cr Zobec now runs an earthmoving business with his brother, providing laser grading works to farms in the region.

With a passion for old cars and tractors, including five tractors currently under restoration, Cr Zobec keeps busy "under the hood" outside of his councillor responsibilities. He has been a member and past president of the Kyabram Vintage and Machinery Group.



#RochesterVic



www.rochester.org.au

OUR PEOPLE

EXECUTIVE MANAGEMENT TEAM

Council is the governing body that appoints the Chief Executive Officer (CEO). The CEO is responsible 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). The EMG leads the organisation and meets weekly to oversee and manage council operations. The EMG also provides council with information and advice that supports strategic and effective decision making. The EMG is supported by a team of departmental managers.



KEITH OBERIN

Economic & Community Development General Manager

Diploma of Education

Commenced 16 May 2016

Functions

Corporate Planning, Strategic Planning, Community Planning, Economic Development, Tourism & Events Development, Business Attraction & Support, Emergency Management, River Services, Civic Events, Grants Management

FLEUR COUSINS

General Manager Corporate Services

Bachelor of Applied Science (Environmental Health)

Diploma of Management

Commenced: 6 November 2017

Functions

Property Management, Financial Services, Information & Communications Technology, Governance & Compliance, Commercial Operations, Procurement, Human Resources

JASON RUSSELL

Chief Executive Officer

Bachelor of Economics

Commenced: 12 May 2015

Functions

Executive Support Services, Communications, Customer Service

EMMA DALTON

Infrastructure Services General Manager

Bachelor of Civil Engineering (Hons)

Graduate Fairley Leadership Program

Member Australian Institute of Company Directors (MAICD)

Commenced: 1 June 2016

Functions

Strategic Asset Management, Program Management Office, Project Management, Road Works, Quarry Operation, Trades, Design, Development Engineering, Road Maintenance, Technical Services, Asset Management

PAUL MCKENZIE

Regulatory & Community Services General Manager

Graduate Diploma of Management

Certificate of Management

Graduate Diploma of Education - Special Needs

Diploma of Teaching

Commenced: 17 April 2000

Functions

Environmental Health, Public Health, Local Laws, Waste & Environment Services, Statutory Land Use Planning, Building Control, Aged & Disability Services, Family Services, Library Services, Recreation, Arts & Culture, Port of Echuca Discovery Centre, Strategic Land Use Planning

ORGANISATION STRUCTURE

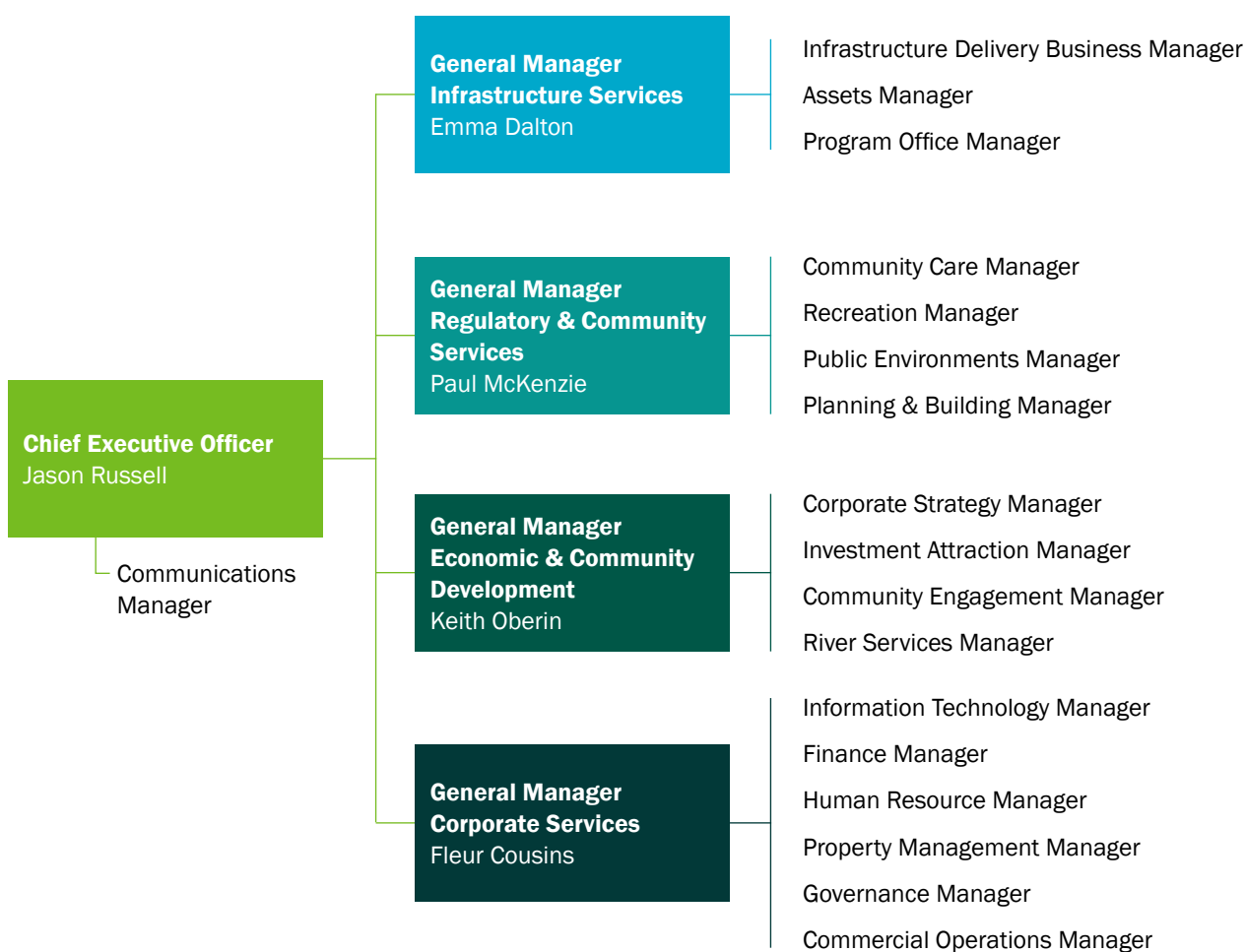
The Leadership Group includes the Executive Management Group and all department managers. Members of the Leadership Group bring together an extensive knowledge base, specialised expertise and professional skills to deliver council services, programs and activities that support the strategic directions set by the council.

Organisational changes

No major organisational changes were made during the year.

Reporting to the Chief Executive

The four general managers report directly to the Chief Executive Officer.



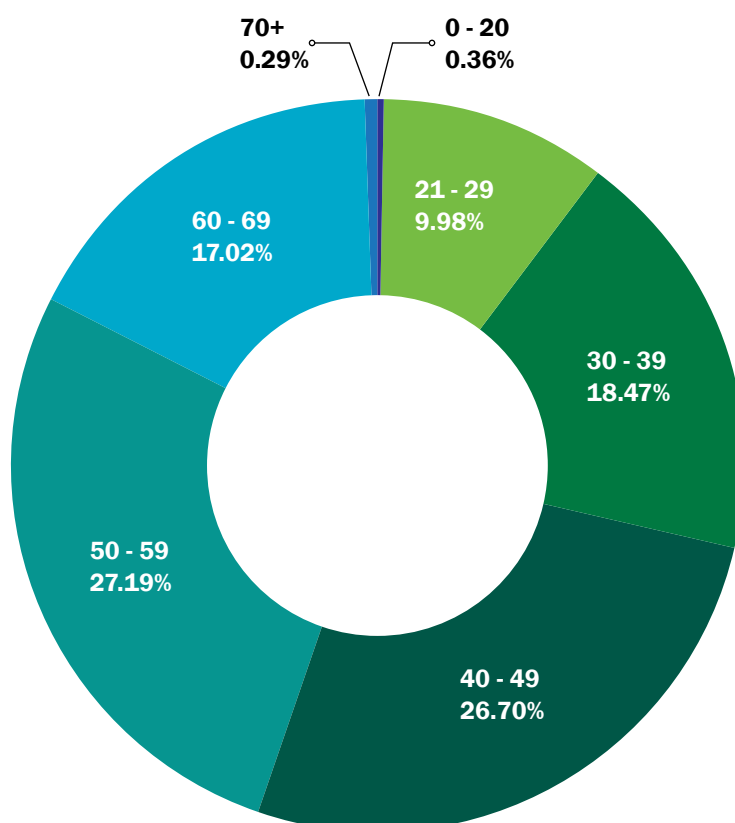
COUNCIL STAFF

EMPLOYEE PROFILE

As at 30 June 2018, a total of 617 staff were employed, or 360 full-time equivalent (FTE), of which 90 per cent live in Campaspe communities. Staff numbers increase during summer due to the engagement of casual employees to assist with seasonal pool openings, however permanent employees complete most of the work.

Division	FULL-TIME		PART-TIME		CASUAL		TOTAL
	Male	Female	Male	Female	Male	Female	
Office of CEO (FTE)	1.0	10.0	0	3.8	0	0.8	15.6
Regulatory & Community Services (FTE)	45.0	54.0	2.8	50.0	7.4	31.2	190.4
Infrastructure Services (FTE)	71.0	9.0	0	3.4	2.9	0.2	86.5
Corporate Services (FTE)	12.0	26.0	0	4.3	3.8	1.3	47.4
Economic & Community Development (FTE)	8.0	7.0	1.6	3.1	0	0.6	20.3
Total (FTE)	137.0	106.0	4.4	64.6	14.1	34.1	360.2

AGE OF THE WORKFORCE (FTE)



EMPLOYMENT CLASSIFICATION

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

EMPLOYMENT CLASSIFICATION	FEMALE FTE	MALE FTE	TOTAL FTE
Band 1	27.7	1.1	28.8
Band 2	7.0	30.3	37.3
Band 3	34.9	44.7	79.5
Band 4	39.3	14.7	54.0
Band 5	22.4	12.2	34.7
Band 6	23.1	15.3	38.4
Band 7	14.0	15.0	29.0
Band 8	10.0	9.9	19.9
Other	23.7	14.9	38.6
Total	202.1	158.1	360.2

STAFF TURNOVER

2016/17	2018/19
10.25%	10.69%

Total number of voluntary resignations divided by total number of permanent staff x 100 (excludes casuals/ temporary, dismissal/ retrenchments).

EQUITY AND DIVERSITY

Campaspe Shire Council recognises the value of a diverse and skilled workforce. Council recognises and values diversity by respecting individual's unique attributes and creating an environment where everyone is able to achieve their potential. Council's core values support this commitment.

Equal opportunity is about the fair and equal treatment of those who either are, or who are seeking employment with council, regardless of differences. As an equal opportunity employer, council is committed to the principles of equal opportunity and anti-discrimination. The equal opportunity policy and practices provide a framework to ensure staff are not disadvantaged but receive fair and equitable treatment.

EMPLOYEE HEALTH AND SAFETY

Council continued its strong commitment to Occupational Health & Safety (OHS) with a focus on reviewing all current risk assessments at an operational level to ensure all risks and potential hazards are identified and being addressed. Council encouraged Health and Safety Representatives to be far more engaged and proactive in this process. The OHS Committee continued to operate strongly with a constant high attendance by management and the Health and Safety Representatives, always achieving a quorum.

Council had four notifiable events, one employee was injured with a minor injury.

Council had no Provisional Improvement Notices this financial year. Worksafe attended council sites multiple times to review road services, road construction and child care services and reported no issues.

WORKERS' COMPENSATION CLAIMS

	2013/14	2014/15	2015/16	2016/17	2017/18
Standard	8	7	4	6	9
Minor	6	5	9	12	9

LEARNING AND DEVELOPMENT

Council facilitated training events in line with its legislative responsibilities and the Attract, Develop, Retain (ADR) initiatives. Council provides and supports a range of opportunities to ensure the organisation is:

- up-to-date with current legislative requirements
- developing and expanding the professional knowledge and skills of its staff; and
- exploring modern standards of best practice delivery.

Council uses a risk assessment approach, to determine the most effective delivery of its compliance and development training utilising in-house expertise that is compliant with legislative requirements. The outcome is more flexibility with the program and more people being trained.

REGULATORY & ORGANISATIONAL COMPLIANCE PROGRAM	NUMBER ATTENDED	REGULATORY & ORGANISATIONAL COMPLIANCE PROGRAM	NUMBER ATTENDED
Asbestos awareness	22	Immunisation anaphylaxis & CPR	10
AUSTSWIM teacher	3	Inducting and managing contractors	13
Budget entry & finance enquiry	44	Leadership training – 4th line leaders	69
Business continuity program	22	Manual handling for high risk work	118
CFA maintain safety at a fire Incident	11	Mental health first aid	9
Chemical handling & spill control	54	Native vegetation	37
Conducting site inspections	7	Needlestick / sharps / body fluids	31
Confined space awareness	12	OHS at Campaspe Shire (phased out)	94
Confined space entry	4	Playground auditor	4
Construction induction	8	Pool lifeguard – annual	38
Corporate induction	127	Procurement guidelines - purchasing	56
CPR annual – HLTAID001	188	Provide first aid – HLTAID003	69
Dealing with difficult customers	105	Provide emergency first aid in a child care setting – HLTAID004	30
Domestic violence response (contact officer)	6	Return to work for supervisors	22
Driver awareness theory	13	Risk management	49
ESI powerline vegetation control	6	Safe use of chainsaw	8
ESV workplace spotting for service assets	6	Supervisors OHS responsibilities	50
Emergency warden	50	Traffic management & traffic control	37
Farm chemical user	2	Weed management	32
Fraud awareness F2F – Campaspe specific	73	Working at heights above 2m	8
HSR representative	2	Working at heights awareness	18
HSR refresher	15	Workplace investigation officer	27
IAP2 engagement essentials	26	Professional development HACC & PAG	47
IAP2 community engagement principles	39	Other	40
Total training completed			1,761

This year, as part of the Corporate Induction program, employees were invited to join the Municipality Bus Trip, a trip which highlights many of council's service and works centres, services provided and areas of interest. Approximately 25 employees attended the two bus trips held during the year.

With the aid of the Learning Management System (LMS) council can identify employees' compliance training needs, accurately record all training completed as well as launch several online learning programs. Online learning (eLearning) provides staff with access to training at a time that suits them and allows supervisors flexibility to schedule their teams so that normal work activities are less impacted. To ensure that the needs of the organisation are met, regular reviews are completed to ensure eLearning is up-to-date and that council has access to the most current information and development opportunities.

REGULATORY ELEARNING PROGRAM	NUMBER ATTENDED
Charter of human rights and responsibilities	205
ChemAlert quick search (New)	322
Cybersecurity Incidents – general awareness	215
Compliance essentials Australia– consumer law	12
Employee mental health conversations	63
Fraud awareness	280
Food safety awareness	23
Managing mental health risks at work	63
Manual handling	184
Occupational health and safety induction	101
Privacy - the Victorian privacy and data protection	290
Protected disclosure	249
Respect in workplace - employees	143
Respect in workplace – manager / supervisor	31
Victorian child safe standards	101
TOTAL	2,282

A number of staff were supported in gaining a formal qualification such as: Certificate III Horticulture (10 staff), Certificate IV Training & Assessment, Certificate IV Horticulture (2 staff), Certificate IV Community Services (16 staff), Diploma Human Resources, Diploma Museum Studies, Bachelor of Teaching (Early Years), and Professional Certificate Asset Management (2 staff).

In consultation with the Executive Management Group, 10 emerging leaders have been enrolled in a 12 month Leadership Development program.

As part of council's commitment to staff's personal and professional development, staff are able to request skills development training, workshops and conference attendance that supports the maintenance of their knowledge, current with industry standards and industry practices. 186 staff accessed these development opportunities, which are not delivered as part of the regulatory and organisational compliance program.

WORKPLACE LEARNING OPPORTUNITIES

The workplace learning program provides students with the opportunity to gain valuable experience, skills and knowledge by working in a variety of council settings. The program promotes stronger connections between young people and council, with council able to promote itself as a future employer, while also giving students an insight into the services it provides to the community.

A total of 49 workplace learning opportunities were provided as follows:

WORKPLACE LEARNING	WORK EXPERIENCE YEAR 9-10	STRUCTURED WORKPLACE LEARNING YEAR 11-12	PRACTICAL PLACEMENT TERTIARY-ADULT EDUCATION	TOTAL
Children's services	4	2	11	17
Library services	1	1	1	3
Sport & recreation	3	-	3	6
Parks maintenance	-	-	-	-
Town planning / Building surveyor	-	-	2	2
Civil engineering	2	-	-	2
Business administration	-	-	-	-
Animal shelter	-	-	-	-
Aged & disability/PAG	-	-	4	4
ICT	2	-	-	2
Maternal & child health	3	-	-	3
Echuca Paddlesteamers	2	-	-	2
Immunisation	-	-	3	3
Community programs	2	1	2	5
Total	19	4	26	49

While every endeavour is made to place workplace learning applicants, 19 applications were unable to be accommodated due to current workloads, staffing levels and lack of meaningful opportunity.

Eight staff participated in the "mock interview program" for Year 9 and 10 students at secondary colleges in Kyabram, Rochester, Echuca and Moama. The aim is for students to experience the job application and interview process and gain helpful feedback to better prepare them for real world employment.

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 October 2017, the commitment and service to the Campaspe community of 45 staff was recognised at a presentation attended by staff and their families.

10 years

Brian Hubbard, Danny Moloney, Elizabeth Hand, Glenn Hancock, Kim Bennett, Phillip Golden, Leanne Baldwin, Desley Kotsanis, Jacqui Bruns, Sheila Harrap, Russell Baldwin, Peter Dent, Anna Bonomini, Sandra Smith, Brett Flavell, Katrina Watson, Natalie Gould, Astrid O'Farrell, David Fitton, Jacqueline Bell, Maxine Parker, Tim Goulding

15 years

Darren Valentine, Louise Heward, Mesh Thomson, Frances O'Nial, Amanda Bunn, Carol Bronsgeest, Andrew Thomson

20 years

Judy Reither, Graeme Foster, Neville Green, Bernadette Paterson, June Clifford, John Wallis, Nyree Harrison

25 years

Paul Pappin, Georgina Riddington, Diane Arendshorst, Heather Thompson, Kaylene Kiely

30 years

Bill Treacy

35 years

Robert Andrews

40 years

Meryl Brown, Heather Bradley

HEALTH AND WELLBEING PROGRAM

Council's Health and Wellbeing Program actively contributes to a healthy, positive workplace culture, while supporting staff engagement and retention. Programs conducted throughout the year included:

- flu vaccinations
- skin checks
- hearing assessments

Staff were able to access facilities and classes at the Echuca War Memorial Aquatic Centre as part of council's corporate membership program.

COMMUNITY ORGANISATION FUNDRAISING

Staff participated in a number of health awareness fundraisers including Red Nose Day, Jeans for Genes Day and Australia's Biggest Morning Tea.

Staff raised more than \$1,300 for these worthy causes.

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. 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.



ONE AND ALL PROGRAM

As part of council's commitment to developing an inclusive community, council staff actively participated in the Wear Orange Day. As a member of the One and All Program Steering Committee, significant change has occurred to promote inclusion in the community and break down the social barriers for people with disability.

This year's event saw a breakfast session, delivered at council's works depot, where speakers presented about the importance of inclusion. Andrew Walker, current Echuca Football Club coach and former AFL footballer, spoke with council staff about his experiences and his ongoing involvement in supporting more inclusion across our communities.

FAMILY VIOLENCE PROGRAM

Campaspe continues to promote a White Ribbon Workplace and was accredited on 11 November 2015.

Council marked White Ribbon Day, 25 November, with a whole of community event, where the community was invited to form a "human ribbon". The event was well supported by the local aboriginal network, Njernda, and wider community and continues to raise awareness of violence against women. In the lead up to the day, businesses and schools came on board and participated by dressing their shop fronts or schools in white.

VOLUNTEERS

Council continues to provide valuable and worthwhile volunteer opportunities across a variety of service areas. Council is committed to an active engaging partnership with its valued volunteers, who enable council to provide a range of services to the community that would not be possible otherwise. There are 495 volunteers working in service areas that contribute to the health, wellbeing and lifestyle of our community and its residents.

Volunteers are also the mainstay in the running of council owned and/or managed facilities and recreation reserves, operating under Section 86 agreements. There are 156 volunteers managing 17 of council's facilities and recreation reserves.

New volunteers are required to undertake the Occupational Health and Safety Online induction prior to commencing their volunteer engagement. There is a requirement for existing volunteers to undertake the safety induction course within two months, once notified by council.

In partnership with Campaspe Primary Care Partnership's Vibrant Volunteer Coordinator network, council assisted in the organisation and promotion of the inaugural Volunteer Wellbeing Day to give back to volunteers and recognise their contribution to the community.



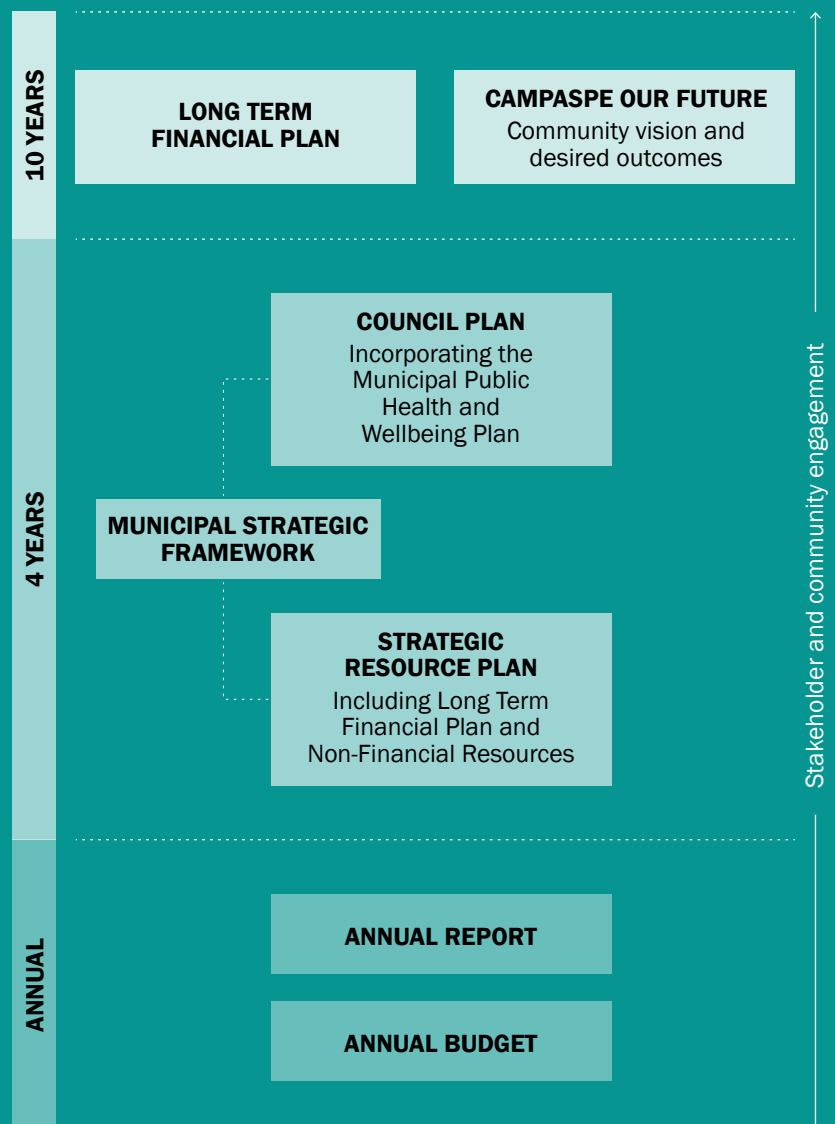
OUR PERFORMANCE

PLANNING AND ACCOUNTABILITY FRAMEWORK

The *Local Government Act 1989* requires councils to prepare the following planning and reporting documents:

- a council plan within the six months after each general election or by 30 June, whichever is later
- a strategic resource plan for a period of at least four years and include this in the council plan
- a budget for each financial year
- an annual report in respect to each financial year.

The diagram shows the relationship between the key planning and reporting documents that make up the planning and accountability framework for local government. Central to the framework is the opportunity for community and stakeholder input and feedback at each stage of the planning and reporting cycle.



COUNCIL PLAN

The Council Plan outlines council's vision for the future and strategic objectives to be achieved during the four-year period. The plan identifies five themes to guide service delivery throughout the plan's four years:

- Strong and engaged communities
- Resilient economy
- Healthy environment
- Balanced services and infrastructure
- Responsible management

The Council Plan is reviewed annually and made available to the community on the council website www.campaspe.gov.au.

The Strategic Resource Plan outlines the resources, financial and non-financial, to achieve the strategies outlined in the Council Plan. The Strategic Resource Plan is a four-year plan, reviewed annually to ensure it aligns with the annual budget.

Council's performance against the Council Plan and Strategic Resource Plan are reported through this Annual Report.



STRATEGIC OBJECTIVE 1



STRONG AND ENGAGED COMMUNITIES

OUR GOAL

Services, programs and advocacy enable improved health, wellbeing and safety of our community.

STRATEGIES

Three strategies contribute to achieving this goal:

- Foster community partnerships and support other agencies in the delivery of services
- Build strong, healthy and vibrant communities through innovation and implementing best practice in service delivery for our diverse community
- Enable residents to be active and engaged in their community and support participation in artistic, cultural, sporting, and leisure opportunities

SERVICES

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

Service	Description	Actual (\$'000)
Community development	Includes community programs such as arts and culture, youth leadership, universal access and community safety, as well as community development, project scoping and initiation across places of community pride and halls.	2,407
Community care	Council provides several social services which include volunteer services, Home and Community Care (HACC), Commonwealth Home Support Program (CHSP), brokerage (aged care, meals and veterans affairs), senior citizens support, child services management and library services.	4,213
Recreation	Management and use of aquatic facilities, sporting grounds, pavilions, playgrounds or spaces utilised for recreational pursuits.	7,541

FAST FACTS

INCREASE - compared with 2016/17

- ▲ Average utilisation of Campaspe Community Children's Centre 90.65%
- ▲ Average utilisation of Rochester District Child Care Centre 87%
- ▲ 261,660 library items borrowed
- ▲ 233,190 attendances at swimming pools
- ▲ 29,819 attendances at council stadiums
- ▲ 409 new maternal and child birth notifications

DECREASE - compared with 2016/17

- ▼ 20,360 Meals on Wheels delivered
- ▼ 592 clients travelled 3,650 volunteer contact hours through council's community transport program
- ▼ 414 central kindergarten enrolments received

STRONG AND ENGAGED COMMUNITIES

HIGHLIGHTS

Emergency social stories

Council launched two social story books, *Being prepared for bushfire* and *Being prepared for grassfire*, designed to assist people with disabilities in planning for emergency situations. The initiative was driven by staff in the rural access and emergency management teams, with assistance from the Echuca Specialist School, Country Fire Authority and the Victorian Department of Education and Training. The social story books assist people with disabilities (specifically autism) to understand what to do in an emergency.

The books were distributed to all schools across the shire, VIVID and Community Living and Respite Services to increase discussion about emergencies.

The social stories were well received by the disability sector and further expanded to include councils working together on emergency management as part of the Northern Victorian Cluster Councils (Campaspe, City of Greater Bendigo, Mount Alexander, Loddon and Central Goldfields Shires). More books are planned for the year ahead including flood, storm and heatwave. Interest was also received from across Australia, including interstate fire services, to support education programs.

Aboriginal relationships

Council signed a Memorandum of Understanding with the Yorta Yorta Nation Aboriginal Corporation (YYNAC). The focus is to build a closer working relationship to improve the presence and understanding of Aboriginal issues in the planning and services provided by council with a view to improved Aboriginal participation, employment, health and wellbeing outcomes. Respect for Aboriginal cultural heritage and the development of improved outcomes for Aboriginal people has remained a strategic priority across successive council terms.

The MoU establishes some vital foundation principles and the ongoing relationship between the parties. The principles are:

- Aboriginal people are acknowledged as the first people of this land
- The arrival of non-aboriginal people brought massive change to the landscape and way of life of Aboriginal people, and a strong desire exists in Campaspe to address the past and embrace the process of reconciliation
- A commitment to working with one another to support Aboriginal people's self-determination
- There is respect, understanding and strong regard held for Aboriginal Cultural Heritage, traditions, customs and beliefs
- Improvements in Aboriginal participation, health and wellbeing outcomes will realise long term benefits for the Campaspe community as a whole.

Rochester Community Economic Development Plan

With the closure of the Murray Goulburn milk processing plant in Rochester, council, in partnership with Regional Development Victoria (RDV) and the community, developed a tangible response to this significant economic change. Over a four month period a new set of economic and social objectives were established through a community plan, complemented by a raft of initiatives to support the town achieve its vision. The community embraced the process and a number of projects are up and running including "tiger bikes" and the painting of the silos located in the centre of Rochester.

Innovation award for library

The Campaspe Regional Library Service was named joint winner in the Library Services category for the Rural Councils Victoria Innovation Competition. The nomination highlighted the service's innovative and inclusive approach to outreach services including Books on Wheels, Words on Wheels, assistive resources, talking newspapers, wellbeing sessions, the Next Chapter Book Club, sensitive Santa and the Minecraft Club.

Service milestones celebrated

- The Campaspe Community Children's Centre celebrated its 20th birthday. The service has increased since opening, from a 50 place centre to a 76 licensed place centre.
- The Kyabram Library celebrated its 50th birthday with an excellent display coordinated by the Kyabram Historical Society showcasing its history, with many community members and former staff attending.

Echuca Moama Early Years Directory

An early years directory, detailing what services are available within the local community for families and children was launched as part of National Aboriginal and Torres Strait Islander Children's Day. The project was completed as a partnership between council, Campaspe Primary Care Partnership, Njernda Aboriginal Corporation and Echuca Regional Health. The group continues with a new project currently being explored around the development of a cultural language resource.

Aquatic & leisure participation growth

Membership at the Echuca War Memorial Aquatic Centre grew by 15 per cent largely due to the growth in membership of the 55 plus age group. Providing a new Senior Membership program and recognising the gap in the industry resulted in positive growth in an industry with increased competition created from new franchises and boutique fitness studios opening.

National Quality Standards achieved

The Campaspe Community Children's Centre completed its assessment and rating review, meeting all seven quality areas of the National Quality Standards. The review aims to raise quality of service and drive continuous improvement and consistency in children's education and care services.

Outdoor pools

Community representatives from all outdoor pools were encouraged to meet with Aquatic and Leisure Services staff prior to the summer swim season to discuss pool operations and program opportunities. Representatives from Colbinabbin, Lockington, Stanhope and Kyabram actively engaged to plan local community participation opportunities. As a result, the Stanhope outdoor pool hours were changed to align with community input, with positive results achieved - salary savings and increased patronage. Community members from Colbinabbin and Stanhope again operated their pool kiosks, after successfully doing so the previous summer.

STRONG AND ENGAGED COMMUNITIES

Civic events

Echuca was selected to host a stage of the Queen's Baton Relay as the Baton journeyed towards its final destination, the Gold Coast Commonwealth Games (GC2018) for the opening ceremony in April. 17 local batonbearers were selected to carry the Queen's Baton across Echuca, into the celebration site, the Aquatic Reserve. Family entertainment was the focus of the community celebration, with children encouraged to "come & try" Commonwealth Games themed sports. Hundreds of people lined the streets to celebrate the Baton Relay, cheering on the batonbearers and joining in the community celebration.

For the second year, council teamed up with Njernda Aboriginal Corporation to celebrate Australia's shared history, culture and achievement with a community National Reconciliation Week event. The event started with a community walk through the main street of Echuca, followed by formalities under the river red gums at the Aquatic Reserve. The event attracted hundreds of people, with local primary and secondary schools also participating. The event helps to raise awareness of the reconciliation journey.

Other civic events held across the year included:

- Presenting volunteer awards as part of National Volunteer Week
- Hosting the Richmond Football Club for a community camp in Rochester and Echuca
- Opening of the Echuca Hopwood Gardens play space
- Opening of Kyabram Northern Oval redevelopment
- Hosting a community delegation of eight people from Shiroi Chi as part of an ongoing International Friendship program
- Supporting community groups in the hosting of 17 Australia Day events across the shire
- Hosting a whole of community event to raise awareness of violence against women, as part of the White Ribbon campaign.

CHALLENGES

Child care

Preparing for the introduction of the new Commonwealth child care subsidy scheme to replace the existing child care benefit and rebate program, starting from 1 July 2018. In the lead up, a key challenge for children's services was to migrate to a new enrolment software provider that met the government's reporting requirements, as well as encouraging families to register to ensure their child care funding assistance continued.



Aged and disability service changes

Until the National Disability Insurance Scheme (NDIS) is fully implemented, the eligibility criteria for the Home and Community Care Program for Younger Persons remains unclear.

Despite this uncertainty, 71 clients successfully transitioned from the Home and Community Care Program for Younger Persons to the National Disability Insurance Scheme. Additional hours were released from the Commonwealth Home Support Program Domestic Assistance enabling the waiting list to be reduced from 3.5 years, to 1.5 years, with all high priority clients offered a service.

PROJECTS FOR THE YEAR AHEAD

- Complete the review of council's policy which guides the maintenance contribution level of recreation reserves and their classifications across the shire, to align with federal, state and council priorities.
- Develop a schedule for Place Based Planning across the shire.
- Complete the Active Transport Strategy by undertaking consultation across the shire to identify barriers and opportunities for walking and cycling.
- Lobbying to the federal government for permanent funding beyond 2019 to support 15 hours of kindergarten per week.
- Replace the vinyl floor in the children's area and meeting room of the Echuca Library to address issues from a sensory audit undertaken in 2014.
- Continue to expand the kindergarten central enrolment scheme across the shire.
- Participation in the Healthy Heart of Victoria Program.

Aged care service hours delivered

	2013/14	2014/15	2015/16	2016/17	2017/18
Home Care	25,403	24,218	19,500	31,851	30,437
Personal Care	7,495	6,946	7,134	9,856	9,025
Respite Care	2,590	2,896	2,492	4,388	3,737

Community immunisation rates 2017/18

Age group	Victoria	Loddon Mallee	Campaspe
12-15 months	94.18%	93.76%	94%
24-27 months	90.99%	91.53%	92.57%
60-63 months	95.26%	96.56%	96.19%

SERVICE PERFORMANCE INDICATORS

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

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Aquatic facilities					
SERVICE STANDARD Health inspections of aquatic facilities [Number of authorised officer inspections of council aquatic facilities / Number of council aquatic facilities]	0.38	1.75	2.13	2.63	Council's seven outdoor swimming pools are assessed by Environmental Health Officers during their four month operating period. Each pool is assessed bi-monthly during this time with further inspections undertaken as necessary based on results. The Echuca War Memorial Aquatic Centre operates year-round and is assessed throughout the year.
HEALTH AND SAFETY Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	0.00	2.00	2.00	0.00	No major incidents or injuries occurred. Council has maintained a strong safety performance operating one indoor Aquatic and Leisure Centre in Echuca and seven outdoor seasonal pools.
SERVICE COST Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$8.38	\$4.52	\$5.02	\$5.13	Significant increases in utility costs is the primary driver for the increase in cost per visit compared to the 2016/17 reported results.
COST OF OUTDOOR AQUATIC FACILITIES [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$12.06	\$10.32	\$12.51	\$11.75	A warmer start to the summer season, increased community engagement activities and school usage supported increased membership and attendance for outdoor pools. Further improvement to this year's result was achieved through staffing efficiencies resulting in reduced labour costs. Total visits increased by 1,533.
UTILISATION Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.08	5.70	5.95	6.22	The trend in the utilisation of aquatic facilities has increased over the four years of reporting. A warmer start to the summer season, increased community engagement activities and school usage supported increased utilisation. Council's focus on delivering quality facilities and programs such as accredited Learn to Swim and targeted classes for older adults, has driven this increase. Across all eight aquatic facilities a total of 233,190 visits were recorded (one year round Aquatic and Leisure Centre and seven seasonal outdoor pools). Pool attendance is 10,489 higher than last year.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Home and Community Care (HACC)					
TIMELINESS	na	36.50	na	na	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's National Disability Insurance Scheme (NDIS) and Commonwealth Home Support Program (CHSP).
Time taken to commence the HACC service					
[Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]					
SERVICE STANDARD	61.00%	61.11%	na	na	
Compliance with Community Care Common Standards					
[Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x 100					
SERVICE COST	na	\$27.52	na	na	
Cost of domestic care service					
[Cost of the domestic care service / Hours of domestic care service provided]					
Cost of personal care service	na	\$30.92	na	na	
[Cost of the personal care service / Hours of personal care service provided]					
Cost of respite care service	na	\$31.67	na	na	
[Cost of the respite care service / Hours of respite care service provided]					
Participation in HACC service	24.42%	13.04%	na	na	
[Number of people that received a HACC service / Municipal target population for HACC services] x100					
Participation in HACC service by CALD people	5.45%	5.69%	na	na	
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100					

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Libraries					
UTILISATION	2.17	2.04	2.12	2.22	The trend in library collection usage has generally remained steady across the four years of reporting. A small increase in the 2017/18 period is attributed to the inclusion of eBooks within this year's result.
Library collection usage [Number of library collection item loans / Number of library collection items]					
RESOURCE STANDARD	30.00%	27.99%	39.67%	40.07%	The trend in the standard of the library collection has increased over the four years of reporting, due to the deselection of older material at a higher rate and the inclusion of eBooks within this year's result.
Standard of library collection [Number of library collection items purchased in the last five years / Number of library collection items] x 100					
SERVICE COST	\$4.88	\$4.68	\$6.26	\$6.36	The cost of library services per visitation has increased slightly (\$0.10) on the 2016/17 year result. The slight increase reflects a reduction in the direct cost of the service as well as a reduction in the number of overall visitors to the library.
Cost of library service [Direct cost of the library service / Number of visits]					
PARTICIPATION	23.00%	17.46%	16.81%	16.32%	The trend in the number of active library members has generally remained steady across the last three years of reporting. It should be noted that this result includes physical and eResource activity.
Active library members [Number of active library members / Municipal population] x100					

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Maternal and Child Health (MCH)					
SATISFACTION Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x 100	99.00%	96.63%	94.55%	101.29%	The trend in participation in first MCH home visit has generally remain steady over the past two years of reporting, when considering the 2016/17 result was incorrectly calculated. The correct result for 2016/17 was 101.76%.
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	96.00%	95.73%	92.92%	100.00%	The trend in infant enrolments in the MCH service has generally remained steady over the past two years of reporting, when considering the 2016/17 result was incorrectly calculated. The correct result for 2016/17 was 100.00%.
SERVICE COST Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	na	\$69.35	\$76.68	\$80.62	The cost of the MCH service has increased slightly this year following the inclusion of Council's MCH coordinators direct service costs, in line with the best practice guide.
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	74.00%	73.03%	72.96%	75.47%	Overall participation rates in the MCH service has increased 2.51% in the 2017/18 year following the preceding three years declining trend. This result was favourably influenced by the introduction of an SMS reminder system to parents and carers of their upcoming appointment.
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	68.00%	62.85%	58.93%	70.49%	The trend in the participation in the MCH service by Aboriginal children increased 11.56% in the 2017/18 year, due to the implementation of improved data collection and information sharing measures.



STRATEGIC OBJECTIVE 2

RESILIENT ECONOMY

OUR GOAL

Diverse and growing economy with increased employment and investment opportunities, economic prosperity and community development.

STRATEGIES

Four strategies contribute to achieving this goal:

- Facilitate and enable local enterprise, support existing businesses and develop stronger business networks
- Promote Campaspe's competitive advantages to attract new investment and maximise economic growth
- Support and develop Campaspe's tourism opportunities
- Work in partnership with industry, education providers and community to address skills for the future, lifelong learning opportunities and skills shortage gaps

SERVICES

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

Service	Description	Actual (\$'000)
Economic development	Assists in providing an environment that supports existing businesses through the provision of information, assistance, referral and support. Council also aids improved communication links, knowledge sharing and partnerships by facilitating forums, business networks and discussion.	199
Tourism	Assists in facilitating and supporting the growth of a sustainable tourism and events sector, through advocacy, strategic partnerships and strategic planning for tourism growth.	1,673
Investment attraction	Provides advocacy and information to encourage new enterprises to the region, including industrial development projects.	378
Port of Echuca and Port of Echuca Discovery Centre	As the premier tourist attraction for the shire, council provides both services and infrastructure at the port. This includes the Discovery Centre.	1,605
Commercial businesses	Council owns and delivers commercial services including caravan parks, the Echuca Livestock Exchange and Echuca Paddlesteamers.	(799)

FAST FACTS

INCREASE - compared with 2016/17

- ▲ 29,042 cattle sold through the Echuca and District Livestock Exchange
- ▲ 6 residential lots sold
- ▲ 25,283 visitors to Echuca Holiday Park
- ▲ 44,815 paddlesteamer passengers

SAME - compared with 2016/17

- 6 business workshops hosted
- 2 industrial lots sold

DECREASE - compared with 2016/17

- ▼ 2,996 horses sold through the Echuca and District Livestock Exchange

RESILIENT ECONOMY

HIGHLIGHTS

Port Precinct Plan

Extensive consultation took place to gain community and business input into the Port Precinct Plan, a plan to drive the future direction of the port precinct. Council endorsed a vision for the Port Precinct - A place to take your time, relax and enjoy yourself, and adopted the four strategic objectives:

- A place to linger, interact and connect
- A destination celebrating living with nature and history
- An arts and culture, events and entertainment hub
- A place where collaboration makes it happen

Council has asked for the implementation plan to come back to a future meeting for consideration, highlighting any further community engagement that may be required.

Campaspe Murray business awards

Held biennially, the Campaspe Murray business awards acknowledge and celebrate local businesses which are the best in their field. The awards attracted more than 120 applications across 12 categories. Kyvalley Dairy Group, one of Australia's largest family owned dairy businesses supplying fresh milk products to the domestic and international markets, claimed the Business of the Year award. The fifth generation family have been developing their dairy business into a world class, family corporate dairy enterprise through a sustainable and innovative group of businesses supporting the Australian dairy industry.

China Trade Show visit

As part of a Sister City friendship with Shangri-La in China's far west, a delegation from Campaspe Shire attended 60th anniversary celebrations for Shangri-La City and the 10 year anniversary of the Sister City friendship. The visit provided a great opportunity for the group to gain first-hand understanding of the local Chinese market and how council could capitalise on the connection. The agreement focuses on education exchange programs, trade and tourism. The visit also coincided with Shangri-La's Special Products Trade Fair with Campaspe Shire's display including a range of local wines, local produce including cheese and tomato products as well as beauty products. Interest at the trade fair demonstrated a clear want for the products in the Chinese market.

Port of Echuca ambassador pass

The Port of Echuca Discovery Centre revamped the Local Ambassadors Pass, providing Campaspe Shire residents the opportunity to enjoy free unlimited access to the centre museum and wharf. The pass was well received with around 600 cards issued to locals, enabling them to access the National Heritage Listed Wharf and historic museum at no charge, with family and friends.

River services

The D26 Barge was slipped at the Moama Slipway, restored to its former glory and returned to the Port of Echuca with approximately 40 tonnes of outriggers and logs fitted. The barge now sits on the river, below the Discovery Centre steam display, as a static display and can be towed for display at paddlesteamer sail pasts.

Business attraction and development

A number of business opportunities were developed or progressed across the year, including:

- Developed the business incubator trial at BRIT Echuca in partnership with C4EM and Murray River Council. The trial ran for three months and attracted a number of home based businesses. Local business, Infinesse has now created a smart space to cater for the same market;
- Delivered a variety of business workshops across the shire including topics such as creating effective digital content, Facebook for business and marketing;
- Coordinated Event Information Sessions focusing on Food Safety and the New Tobacco Laws which were introduced on 1 August 2017;
- Began conversations with the wineries within the Mount Camel Ranges, investigating opportunities with signage and marketing;
- Held an Energy Forum in partnership with Sustainable Victoria, Agriculture Victoria and Sustainable Melbourne Fund to promote energy saving tips and funding opportunities to combat rising energy costs;
- Participated in the development of the funding guidelines for Goulburn Valley Regional Jobs and Investment Package (GVRJIP). Council hosted

information sessions and promoted the funding opportunity which resulted in \$5 million, of the total \$20 million funding, being allocated to businesses in Campaspe Shire. Local recipients included Australian Consolidated Milk (ACM), Rochester and Elmore District Health Service and Murray River Paddlesteamers.

Echuca and District Livestock Exchange

Cattle throughput at the livestock exchange increased marginally in 2017/18, with 29,042 sold. Horse numbers declined with a total of 2,996 horses sold, a decrease of 9.4 per cent. Contributing to the decline in horse numbers was the cessation of one horse agent operating at the facility, reducing sale days from weekly to fortnightly.

The annual audit for the National Saleyards Quality Assurance program was completed with the exchange meeting compliance requirements and receiving accreditation.

The Livestock Exchange User Agreements for cattle and horse agents for the 2018 calendar year were revised and signed by all operating agents. This included minor variations to trading of products, selling times and animal welfare.

Key stakeholder partnerships were strengthened within the industry, including a renewed presence at the exchange from the RSPCA.

Echuca Holiday Park

The Echuca Holiday Park accommodated 25,283 visitors across the year, an increase of 1.7 per cent.

Management of the park was tendered, with the new contract awarded to Australian Tourist Park Management. The five year contract provides an option of additional years. New park managers were appointed with the starting of the contract.

Echuca Holiday Park reviewed and analysed park membership opportunities and signed a new licence agreement for brand, membership and marketing with NRMA Parks and Resorts. New park signage and updated website now reflects the link with NRMA.

Council continued to invest in capital and operational improvements in the park with the completion of 30 new site mats and the installation, site rehabilitation, exterior painting of cabins and renewal of a sub electrical switchboard.

Positive feedback was received on multiple industry sites, including:

- TripAdvisor; Certificate of Excellence 2017
- TripAdvisor; 4 star rating
- Wotif; 4.6 out of 5 guest rating
- Accredited through the Australian Tourism Accreditation Program and Caravan Industry of Australia.

RESILIENT ECONOMY

HIGHLIGHTS

Echuca Paddlesteamers

Annual passenger numbers on daily paddlesteamer cruises remained steady with 44,815 people cruising the Murray River, an increase of 6 per cent. Echuca Paddlesteamers welcomed multiple charters including:

- YMCA Sweat v Steam, an annual community fun run
- Richmond Football Club premiership trophy as part of the club's community camp
- Perricoota Station full day cruise celebrating PS Pevensy as Philadelphia from television series, All the Rivers Run, including full costume and signage
- Channel 9, Today Show, featuring PS Pevensy
- All Inclusion Day, a day focusing on inclusion of all abilities
- PS Alexander Arbuthnot 95th birthday celebrations.

The business developed a marketing campaign and in conjunction with other port precinct traders was able to develop and market two new packages. A Port, Pub and Paddlesteamer package, combining a cruise, entry into the Discovery Centre and lunch at a local hotel, and a PORT53 & PS Pevensy package, including a lunch or dinner option with a one hour cruise.

Other campaigns included the launch of a Customer Rewards card and tourism attraction familiarisation card.

CHALLENGES

Silt build up at Echuca Wharf

The ongoing build-up of silt at the southern end of the Echuca Wharf has restricted access to the wharf to one paddlesteamer at a time. The silting is a natural occurrence, deposited on the bend near the wharf through natural river flow and little water movement in the area. Council is investigating a long-term option to desilt the area, removing the need to desilt every 4-5 years at great cost. Options involve ongoing water movement in the area to ensure the silt is not deposited. Discussion around suitable options are also underway with the Environment Protection Authority (EPA) and Maritime and Roads Services Authority who have authority in this area. With low levels in the Murray River, the issue is even more evident.

Museum exhibits

Securing funds to maintain and review the museum exhibits and displays at the Port of Echuca Discovery Centre has been difficult. Council has applied to several grant programs, and if successful, will greatly assist improvement of the exhibits.

Rising energy costs

Campaspe Shire hosted an Energy Forum in partnership with the state government to promote energy saving initiatives and funding opportunities for businesses. Representatives from Sustainability Victoria, Agriculture Victoria and the Melbourne Sustainable Fund presented to the group.

Attraction of tenants

Attracting and retaining tenants to two bespoke trades within Echuca's port precinct, a wood turner and a blacksmith, has been difficult. The trades not only provide a business retail outlet for products, but add to the experience of visiting the area, complementing the paddlesteamer and river experience.

PROJECTS FOR THE YEAR AHEAD

- Complete a review of council owned properties and land in Echuca's port precinct, including a review of the framework for property management.
- Complete a master plan for the Echuca Holiday Park.
- Complete a review of the Campaspe Events Strategy.
- Complete the annual marine vessels project with the PS Pevensey slipped for major maintenance.
- Investigate options and complete river desilting project adjacent to the Echuca Wharf.
- Host the National Maritime Museum annual conference.
- Complete an expression of interest process to lease the Customs House, an historic building in Echuca's port precinct.
- Review council owned land surplus to needs and options for disposal.
- Analyse and implement a future business model for the Rochester Caravan Park.
- Assess future utilisation options for the woodturner and blacksmith attractions in the port precinct.
- Complete the design for stage 3 of the Echuca Industrial Estate.
- Investigate opportunities at the Echuca Aerodrome for commercial investment.

STRATEGIC OBJECTIVE 3



HEALTHY ENVIRONMENT

OUR GOAL

A healthier environment for current and future generations.

STRATEGIES

Five strategies contribute to achieving this goal:

- Strategically plan for future growth areas and existing communities while respecting our natural, built, social and economic environments
- Promote resource minimisation and recovery through innovative environmental practices
- Adopt, support and promote sustainable and affordable energy options
- Support the community, business and industry to respond to the impacts of a changing climate
- Develop partnerships to ensure a healthy natural environment

SERVICES

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

Service	Description	Actual (\$'000)
Building control	Provides statutory building services to the community including processing building permits, essential services inspections, audits of building works and investigations of complaints and illegal works.	47
Strategic planning	Responsible for council's corporate planning activities as required by legislation, and developing council's planning activities to ensure they are consistent and integrated, as well as considerate of community planning activities.	208
Statutory land use planning	Processes all planning applications, provides advice and makes decisions about development proposals that require a planning permit, as well as representing council at the Victorian Civil and Administrative Tribunal where necessary.	459
Public environments	Covers a range of services including local laws (animal control, ranger services, pound management), parking, school crossing supervisors, litter, waste services (landfill site management, transfer station and resource recovery, waste and recycling collections, waste education) and parks and gardens.	6,487

FAST FACTS

INCREASE - compared with 2016/17

- ▲ 5,702 immunisations given
- ▲ 648 food safety inspections completed
- ▲ 2,233 cats registered
- ▲ 4,646 parking infringements issued
- ▲ 851 parking appeals received
- ▲ 17,558 weekly waste collection services
- ▲ 17,726 fortnightly recycling collection services
- ▲ 6,140 fortnightly garden organics collection services

DECREASE - compared with 2016/17

- ▼ 80 food samples taken
- ▼ 7,230 dogs registered
- ▼ 481 planning permits issued
- ▼ Average weekly household waste generation 8.7 kg
- ▼ 3,942 tonnes of recycling material collected kerbside

HEALTHY ENVIRONMENT

HIGHLIGHTS

Waste and recycling

A review of the Waste Management Strategy 2012-17 was completed during the year. Of the 50 actions identified in the strategy, only four had not been started. A number of achievements were demonstrated, particularly a reduction in waste to landfill over the life of the strategy at 10.6 per cent, or 1,348 tonnes. A new Resource Recovery and Waste Management Strategy 2018-23, titled "Building the Case for Waste" was adopted by council with five themes.

Council reviewed the waste, recycling and garden organic services guidelines, a document which sets out the principles and rules for administration of the services. The document also captures, where possible, the general reasoning as to why a particular principle or rule has been developed to address an issue and guide implementation of council's overarching strategy. A number of changes and additions were made.

Echuca West Precinct Structure Plan

Echuca West has been identified for residential growth since the early 1990s. The Echuca Housing Strategy 2011 identifies Echuca West as the major residential growth area for Echuca. Since the adoption of the strategy, none of the land identified for residential growth has been strategically planned or rezoned.

Continued strong development and increasing take-up rates have created a residential land supply shortage of residential land (< 3 years) and further rezoning is required to continue to meet this growing demand.

Council and the Victorian Planning Authority are preparing a precinct structure plan for Echuca West to direct its future growth as a regional centre and ensure excellent urban design outcomes for the precinct.

The project objectives are:

- To ensure that planning occurs so that the future community within Echuca West Structure Plan Precinct can be provided with easy access to infrastructure and services.
- To provide the framework, conditions and requirements for the consideration of planning permits (once rezoned) that provide for urban development under the provisions of the Campaspe Planning Scheme.
- To provide developers, investors and local communities with certainty regarding the nature of future development within the precinct.

Fruit fly program

Campaspe Shire, as one of five regional councils, joined forces to combat fruit fly with the establishment of the Goulburn Murray Valley Region Fruit Fly Action Group. The group was successful in gaining funding to support the appointment of a regional coordinator, develop a monitoring program through a regional trapping grid as well as education program and on-ground works. The group aims to achieve an area of low pest prevalence which is required by the region to maintain access to international markets and access to domestic markets in South Australia and Western Australia. Campaspe Shire is leading the way in the region with the highest removal of urban fruit trees at 590. The tree removal project and community education program will continue in the year ahead.

Arbovirus program

Staff participated in mosquito management training hosted by the Department of Health. The training included practical components to assist in the management of council's program as well as theoretical aspects to support the program. Council adopted its first Arbovirus and Mosquito Management Plan following the training and as part of the funding agreement for participation in the Victorian Arbovirus Disease Control Program.

Campaspe Animal Shelter

The shelter has established strong partnerships with organisations and the community, resulting in animal food donations and the establishment of successful volunteer and foster care programs. Across the year, the shelter has:

- Received two large dog and cat food donations through connections with Pet Rescue, Mars Pet Care and Pet Stock.
- Received a large dog treat donation from Aussie Pet Health Treats
- Developed a Community Foster Care Network (CFCN), with 11 rescue groups registered. The group receives weekly cat and dog lists via email. The email contains a list of animals available for adoption that have been with the shelter for a while that would benefit from getting out into new environments and increase their chances of being rehoused. The email includes a link to the shelter website and photographs of the animals on the list, as well as, the current cost to CFCNs.
- Implemented a Volunteers and Foster Carer program. The shelter has a full program of volunteers who provide enrichment to animals awaiting adoption on weekdays and Saturday mornings. In addition the shelter has two in-home foster carers who provide care and enrichment for long term residents and juveniles.

Reducing waste at community events

A Waste Wise Events Guide was adopted. The guide assists event organisers to promote and implement effective recycling and waste reduction systems in order to minimise the amount of waste sent to landfill at events.

Immunisation schedule changes

Changes to council's immunisation schedule and locations across the shire proved to be very successful, particularly the change of venues in Kyabram and Gunbower and the introduction of an evening session in Rochester.

Key roundabouts landscaped

Two key roundabouts in Echuca were given a revamp, addressing ongoing damage from long vehicles to the garden beds and irrigation systems. The modern design introduced metal rings and plants at various heights minimising and centralising the garden size. By reducing the garden footprint, maintenance costs were also reduced. Now proven successful, the design can be replicated at other roundabouts across the shire to address similar issues.

HEALTHY ENVIRONMENT

CHALLENGES

Recycling industry

A number of changes to the recycling industry occurred which created a number of challenges as well as some opportunities:

- The Chinese Government introduced a National Sword Policy impacting the Australian recyclables industry resulting in many of the commodities previously recovered not able to enter the Chinese market. This created challenges across the industry, however a number of opportunities presented themselves with local industries now receiving or value adding to the materials.
- The introduction of new guidelines by the EPA, Management and Storage of Combustible Recyclable and Waste Materials Guideline, in November 2017 impacted local government operations. Council is working with the EPA on solutions to ensure compliance.

Flu vaccine shortages

A shortage of the flu vaccine was experienced following an increased promotion of the benefits of the vaccination prior to the 2018 season and an extremely high take up rate. All providers across the state were required to restrict the vaccine to those considered at risk with only a limited supply available.

Rehoming cats and kittens

Finding homes to rehome the large number of abandoned cats and kittens taken in at the Campaspe Animal Shelter continues to be difficult. Staff have used creative ways to rehome felines across the year with a number of successful promotions held. Whilst this addresses numbers in the short term, the cat's active breeding cycle continues to increase numbers. Ongoing education programs focusing on responsible pet ownership and the importance of desexing remains a priority.



PROJECTS FOR THE YEAR AHEAD

- Develop and implement a community education program to support the introduction of food organics into the existing garden organics service.
- Complete the Urban Forest Strategy.
- Complete the flood study for Echuca, Moama and Torrumbarry.
- Develop and implement a process to handle the disposal and handling of electronic waste, aligning with the new Australian Standards effective from 1 July 2019.
- Develop hardstand areas for the safe storage of garden organics, steel, concrete, bricks and tiles at the Echuca and Mt Scobie waste transfer stations.
- Work with the State Emergency Service to develop an evacuation plan for Rochester which identifies access routes for flood free havens and locations for supplies of sandbags.
- Complete the detailed design of the Kyabram Fauna Park drainage wetlands.

Waste & recycling services

	2014/15	2015/16	2016/17	2017/18
Number of weekly waste collection services	17,129	17,314	17,446	17,558
Average weekly household waste generation (kg)	9.5	8.9	9.17	8.7
Annual garbage collected kerbside (tonnes)	8,471	7,929	8,286	7,893
Number of kerbside recycling services	17,217	17,392	17,557	17,726
Annual recyclables collected kerbside (tonnes, excluding contamination)	4,210	4,109	4,073	3,942
Number of fortnightly green waste collection services	5,235	5,501	5,797	6,140

Planning applications

	2014/15	2015/16	2016/17	2017/18
Applications received	506	581	505	533
Applications completed	506	621	496	481
Completed within 60 days	89%	86%	91%	94%
Rural councils average - completed within 60 days	75%	75%	77%	na

Building applications

	2014/15	2015/16	2016/17	2017/18
Municipal building surveyor	288	391	474	542
Private building surveyor	416	617	213	294
Total	704	1,008	687	836

SERVICE PERFORMANCE INDICATORS

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

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	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]	0.00	1.00	1.00	1.00	Council offers an on-call ranger service. The service allows council to attend all domestic animal requests within 24 hours of receipt.
SERVICE STANDARD Animals reclaimed [Number of animals reclaimed / Number of animals collected] x 100	41.00%	37.66%	32.68%	28.71%	The declining trend in this indicator has been driven by council's Home Safe program. This free service returns wandering animals to their owners, rather than being taken directly to the shelter for impoundment therefore reducing the number of animals available to be reclaimed. The total number of dogs returned to their owners avoiding impoundment was 124. If these returned animals were impounded and then reclaimed this would have seen a result of 39.4%.
SERVICE COST Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$101.80	\$111.83	\$106.48	\$108.26	The cost of animal management service has generally remained steady across the last three years of reporting with only a slight increase (\$1.78) in the 2017/18 period. The costs include the operation of the community ranger and out of hours on call ranger services, the provision of animal management service including management costs of animal registrations, community education and enforcement, door knocking, cold calling and the full operational costs of the Campaspe Animal Shelter. The Campaspe Animal Shelter costs incorporate the full cost of service including the legislated eight days impoundment for all animals impounded and the shelter services. The cost of animal management continues to be higher than the state average.
HEALTH AND SAFETY Animal management prosecutions [Number of successful animal management prosecutions]	0.00	1.00	0.00	3.00	Campaspe experiences a low rate of dog attacks and council implements a range of alternative enforcement methods to prosecution which translates to a low rate of animal management prosecutions. This year's result was higher than previous years. Council continues to implement animal management programs which seek to educate the community about responsible pet ownership.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	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]	42.00	42.00	33.00	30.00	The trend in the time taken to decide planning applications has decreased over the four years of reporting. The declining trend reflects process improvements and enhanced service delivery.
SERVICE STANDARD Planning applications decided within 60 days [(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	89.00%	85.81%	91.06%	94.42%	The trend in planning applications decided within the required timeframes has increased over the four years of reporting. The Planning Unit has been actively working on reducing processing times of all applications and is reflected in the increasing trend. Applications are rated for complexity and split into three different categories, including VicSmart. The unit received a greater number of applications (including VicSmart), but the trend illustrates an improvement in decision times. The emphasis on having appropriate delegation, monitoring our service, training of staff, and categorising applications all ensures that applications are processed in a timely manner.
SERVICE COST Cost of statutory planning service [Direct cost of statutory planning service / Number of planning applications received]	\$1,303.33	\$1,321.20	\$1,275.08	\$919.33	The trend in the cost of statutory planning service has declined over the four years of reporting. The categorising of applications has also assisted in reducing the overall cost per application.
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	83.00%	100.00%	100.00%	80.00%	The trend in council planning decisions upheld at VCAT remains steady. The Planning Unit consistently arrange 'consultation meetings' during the application process in order to improve outcomes.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Waste collection					
SATISFACTION Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000	8.70	15.19	93.75	114.22	Council has introduced new data recording systems for the collection and reporting of information relating to this indicator. This indicator represents the number of requests from the community to replace stolen bins, terminate services, change services or have bins repaired. Council has a range of bin sizes and types allowing residents to "pick and mix" their service. This means council has a large number of changes compared to other like sized councils. Council believes that this level of choice provides an enhanced service to residents allowing them to match their waste and recycling services to their individual household needs.
SERVICE STANDARD Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	0.00	0.67	0.82	1.20	Council has introduced new data recording systems for the collection and reporting of information relating to this indicator. Council now has the ability to track missed bins electronically. This ability provides enhanced reporting data.
SERVICE COST Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$96.46	\$89.02	\$94.26	\$94.79	<p>The cost of the kerbside garbage bin collection service has generally remained steady across the four years of reporting with a slight increase (\$0.53) in the 2017/18 period.</p> <p>Council collects 17,498 garbage bins per week. Council provides three bin sizes to residents allowing them to match the service to their individual household needs. Choosing the smallest bin (80 litre) provides residents the cheapest option and encourages residents to reduce waste to landfill. Additional services available to residents include recycling and garden organics.</p>

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$42.58	\$39.84	\$42.17	\$37.25	Council collects 17,644 recycling bins per fortnight. Council provides three bin sizes allowing residents to match the service to their individual household needs. There is no cost differential between sizes encouraging residents to adopt the largest size recycle bin. This encourages residents to recycle as much material as possible. Council has become aware that the reported costs for the three years prior have included garden organics as well as kerbside recyclables. This year's result corrects this error meaning this year's result should not be compared with previous years.
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	33.00%	40.57%	41.12%	40.35%	Waste diverted from landfill has generally remained steady across the last three years of reporting. Variations in diversion rates can be attributable to weather conditions eg. decreases in green organics waste during dry weather conditions.



STRATEGIC OBJECTIVE 4

BALANCED SERVICES AND INFRASTRUCTURE

OUR GOAL

Services and assets meet current and future community need.

STRATEGIES

Four strategies contribute to achieving this goal:

- Manage and maintain assets to optimise their lifecycle considering social, economic and environmental sustainability
- Plan and advocate for services and infrastructure to meet community need
- Maximise access and usage of assets through innovative design and partnership initiatives
- Relinquish services and assets that no longer meet community need

SERVICES

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

Service	Description	Actual (\$'000)
Building maintenance	This service prepares long term maintenance management programs for council's property assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These include municipal buildings, pavilions and other community buildings.	1,236
Mooring infrastructure	Mooring infrastructure is an important asset to council which supports the economic resilience objective and tourism activities at the Port of Echuca.	7
Strategic asset management	This service conducts capital works planning for council's main civil infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These include roads, laneways, car parks, foot / bike paths, drains and bridges.	632
Assets	This service includes engineering design and investigation, development engineering, aerodrome, plant, technical and road services.	10,686
Works	This includes road maintenance as well as path and lighting, bridges, street furniture, urban and rural drainage maintenance, and asset maintenance inspections. It also includes road construction, quarry operations and plant maintenance.	7,187
Project management office	This team provides project management services for council's major capital projects, including budget management and reporting to council on project status.	476

FAST FACTS

INCREASE - compared with 2016/17

- ▲ 73 km of gravel roads resheeted
- ▲ 236 km of earth roads graded
- ▲ 1,429 linear metres of kerb and channel replaced

DECREASE - compared with 2016/17

- ▼ 1,214 km of gravel roads graded
- ▼ 151 tonnes of rock produced through the quarry

BALANCED SERVICES AND INFRASTRUCTURE

HIGHLIGHTS

Goulburn Murray Irrigation District Study

Council partnered with four neighbouring councils (Loddon, Gannawarra, Moira and Swan Hill) and regional authorities to complete a desktop assessment of bridge and culvert load limits in the Goulburn Murray irrigation district. The project focused on reviewing key transport links and identifying load restrictions impacting the transport of produce across the region.

Information collated has been prioritised and will be used to support future funding applications for road upgrades to support B-Double and Higher Mass Limit (HML) vehicle routes between primary producers and the processing facilities.

Master plan for Victoria Park

A master plan to inform the future service and infrastructure needs for Victoria Park and the Scenic Drive in Echuca, a premier sporting reserve and open space, was endorsed by council. Victoria Park and the immediate surrounding area play host to a range of activities including tennis, Australian football, cricket, netball, fire brigade training and events, and water skiing. Scenic Drive, adjacent to the park, is an expansive natural bushland area with significant cultural heritage that extends to the Murray and Campaspe rivers, and is primarily used for nature-based activities, picnicking and recreational walking and cycling. The master plan provides a long-term vision for the whole precinct and captures opportunities associated with the new Echuca Moama bridge. Large elements of the master plan include the development of a multi-purpose sporting pavilion at Victoria Park, the renewal of the boat ramp area to accommodate the new bridge and the change of vehicular access to Scenic Drive.

Project management system installed

The installation of a new project management system, CAMMS, was completed ready for the 2018/19 year. The system is fully integrated linking the project lifecycle, including budget, risk and other elements, accessible to all project stakeholders. The system will improve council's capability to deliver projects and develop a capital works program 2-3 years in advance. The system moves the project through the six steps of the project lifecycle, from initiation through to closure.

Capital works planning

The amount of carry over projects from one financial year to the next has reduced, from \$10.5 million to \$7.5 million for the coming 2018/19 year, increasing the program delivery from 67 per cent to 78 per cent.

A 10-year capital works program was developed for the first time to support the 2018/19 budget and Long Term Financial Plan.

National Asset Management Assessment Framework (NAMAF)

Following full compliance achievement, council continued to improve its rating within this framework, moving up from 21 across the state, to 54, out of a total of 79 councils. The NAMAF requires councils to achieve a standard for policies and procedures that support strategic asset management planning in a consistent approach across local government. The benefit of implementing this framework is that it offers assurance to councillors, ratepayers, partners and funders that council's asset management decisions, including capital works planning, is done within a reliable and robust framework.

Compliance with Road Management Act

The Works Road Maintenance team achieved 100 per cent compliance with the *Road Management Act* by completing 1,344 defects within the required time outlined in Council's Road Management Plan.

Building maintenance

The Building Maintenance team completed in excess of 1,200 customer maintenance requests on council owned buildings as well as the ongoing scheduling and supervision of required Essential Safety Measure inspections. The team also supported the refurbishment works at the Rushworth Customer Service Centre enabling Parks and Gardens as well as Maternal Child Health staff to work from the centre.



BALANCED SERVICES AND INFRASTRUCTURE

CHALLENGES

Bridge network inspections

Council engaged a specialist structural engineer to assess the structure and integrity of all council-owned bridges. Campaspe is in an unusual position of owning 64 bridges, with 52 per cent constructed prior to 1976. With modern trucks and commercial vehicles increasing in size and weight over the years, older bridges have been stressed beyond their capacity. This has resulted in load limits being placed on a number of bridges and some closed. Council undertook a community awareness campaign to ensure the community understood the need to abide by weight restrictions, where in place, to ensure bridges remained opened.

On a positive note, council received funding of \$904,200 to support the replacement of Fox Island Bridge, Gunbower at a total cost of \$1.6 million. Works will be completed in the 2018/19 year.

Murray River retaining wall

Council agreed to fund the construction of a 65 metre retaining wall, adjacent to the Murray River and historic Echuca Wharf, to ensure the protection of the failing river bank and surrounding historic assets. To reduce the cost of the works, council agreed to complete the works from the land side, requiring the adjacent building to be demolished. Whilst council's original preference was to construct the retaining wall from the river, an unsuccessful funding application meant all issues and options had to be revisited to ensure the best economic, social and environmental outcomes for the community for now and into the future. The river bank was destabilised after floods and storms of mid-2016. Permit applications for the works were lodged with Heritage Victoria and once permits are received, works will start.

Quarry operations

The Quarry team, which crushes material for use on council roads and for sale to the public, produced 151,000 tonnes of product and sold 130,000 tonnes. A new automated point of sale program and facilities has been introduced at the quarry sites to improve transactional efficiency and system connectivity.

A downturn in quarry sales has been experienced due to a reduced gravel road resheeting program which has required less gravel than previous years. This is planned to continue for a further three years.

PROJECTS FOR THE YEAR AHEAD

- Develop Asset Management Plans for the three largest asset classes, roads, bridges and footpaths.
- Work with Court Services Victoria to complete security and safety improvements in the Echuca office and Echuca Law Courts.
- Complete the shire wide Integrated Water Management project.
- Identify priority works to provide universal access to council buildings.
- Advocate for the implementation of stage 1 of the Echuca Station Precinct Master Plan.
- Complete the detailed design of the Echuca East Recreation Reserve multi use facility.
- Complete stage 2 of the Rural Road Review program, reclassifying identified gravel roads to earth roads.



SERVICE PERFORMANCE INDICATORS

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

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	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]	0.00	2.30	2.09	2.92	The time taken to respond to food complaints increased slightly on last year's result (noting that last year was the first year the time taken to assess food complaints was reported by calendar year). In 2017 over 90% of food premises underwent a food safety assessment which has directly translated to council receiving 43% less complaints in 2017 in comparison to 2016. Council's EHOs continue to prioritise complaints based on the public health risk to determine the urgency and level of response. The number of days between receipt and first response action for all food complaints decreased 21% in 2017 in comparison to 2016. Council's ability to manage and investigate complaints is impacted by a number of factors including the higher number of registered food businesses compared to like sized councils, difficulties recruiting suitably qualified staff and adequate information about the complaint at the time of reporting.
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 <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x 100	93.00%	85.50%	59.94%	90.31%	A full staffing complement in the Environmental Health team has resulted in a significant increase in this year's result. Over 90% of food premises received a food safety assessment within the 2017 reporting period.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
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]	\$438.13	\$531.85	\$491.46	\$453.93	The cost of the Food Safety service has declined slightly on the previous year. An increase in the number of premises registered or notified with Campaspe Shire for the 2017 calendar year has driven this downward trend.
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] x 100	100%	85.42%	77.14%	95.00%	Council received 40 critical and major non-compliance notifications about food premises within the 2017 calendar year. 38 non-compliance notifications were followed up, resulting in two critical and major non-compliance notifications remaining outstanding at the end of year. Of the two premises where the non-compliances were not followed up, one premise closed and the other was a sporting club that was inspected in September and the due date for follow up was after the premises had finished operating for the season. This premise has since been inspected this season. A full staffing complement has contributed to the 17.86% increase in the 2017 year's result bringing it back in line with earlier year's results.



SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	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	10.07	17.18	19.76	26.77	The public's growing adoption of the SnapSendSolve mobile app has seen an increasing trend over the past four years in the number of requests regarding sealed local roads. It is important to note that request numbers don't differentiate between local roads and arterial roads, so results contain requests for arterial roads managed by VicRoads. In 2017/18 council received 306 customer requests for sealed roads, an increase of 77 requests on the previous year. This increasing trend is supported by council's continued promotion of the SnapSendSolve app which is assisting us to address defects and to respond.
CONDITION Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by council / Kilometres of sealed local roads] x 100	99%	99.48%	96.12%	96.33%	The long trend in council's performance in maintaining the condition standard of sealed local roads has remained steady. In 2017/18 the length of sealed roads below council's intervention level of eight dropped by 13km compared to its high in 2016/17 being a less than 0.5% variation on the 2016/17 result.
SERVICE COST Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$29.03	\$32.03	\$55.32	\$52.26	The 2017/18 result reflects three large scale projects and is generally on trend with the previous year's result.
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.84	\$5.82	\$4.37	\$3.54	Council has received competitive responses to tenders as a result of offering multiyear contracts and incorporating greater use of spray sealing which is a lower cost method. This has resulted in a decreased unit rate for this service.
SATISFACTION Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	50	53	40	45	A five point increase in this indicator is an improvement on the previous year's result. However as with last year's result council's understanding of the sealed local road network, gained through customer service requests and the ongoing inspection program, both indicate the network is in generally good condition. Council continues to suspect the deterioration of the VicRoads sealed road network has impacted the overall trend.



STRATEGIC OBJECTIVE 5



RESPONSIBLE MANAGEMENT

OUR GOAL

Strong leadership, advocacy and good governance.

An organisation that is responsive, flexible, honest, accountable and consistent.

STRATEGIES

Six strategies contribute to achieving this goal:

- Consult and engage with all sectors of the community to determine their priorities and support council decision making
- Advocate for infrastructure and services where another level of government has responsibility, such as road and transport issues
- Strengthen relationships and partnerships to maximise service and infrastructure opportunities, deliver joint initiatives, and leverage external funding
- Enable the delivery of services, facilities and programs to the community through sound corporate governance and fiscal responsibility
- Foster an organisational culture that promotes staff development, recognises achievements and celebrates success
- Foster a customer centred approach

RESPONSIBLE MANAGEMENT

SERVICES

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

Service	Description	Actual (\$'000)
Communications and customer service	This service provides communication management for the shire, as well as providing the main customer interface with the community through the internet, social media and customer service centres.	1,581
Finance	This service predominantly provides financial based services to both internal and external customers including the management of council's finances, procurement and contracting of services, raising and collection of rates and charges.	(408)
Information management	This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to council staff enabling them to deliver services in a smart, productive and efficient way. Records management is also part of this service area.	4,518
Human resources	This service provides council with strategic and operational organisation development, payroll and occupational health and safety support. The service develops and implements strategies, policies and procedures through the provision of human resources and industrial relations services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units.	1,131
Governance	The Governance team manages councillor support, compliance to our governing acts, legal and risk management.	1,365
Property management	Council's property assets are managed in an integrated and prioritised manner in order to optimise their strategic value and service potential. This service includes development of broader policies and procedures, advising service managers and direct management of council's leased properties.	(865)
The Office of the CEO	The CEO is the sole employee of council and is responsible for overseeing operations, timely implementation of council resolutions, major problem resolution, organisational structure and staff morale.	450

FAST FACTS

INCREASE - compared with 2016/17

- ▲ 91.55% responsiveness to phone calls
- ▲ 5,446 likers on Facebook
- ▲ 271 followers on Twitter
- ▲ 2,727 ICT help desk requests lodged

SAME - compared with 2016/17

- 8 community newsletters issued
- 50 weekly half page advertisements

DECREASE - compared with 2016/17

- ▼ 96.6% of rates collected
- ▼ 30,794 walk-in contacts at service centres
- ▼ 160 media releases issued
- ▼ 658 articles in local papers
- ▼ 24 Australian citizenships conferred
- ▼ 72,864 calls through networked call centre

HIGHLIGHTS

Community engagement

Following community consultation, a Community Engagement Framework and supporting toolkit was adopted. The framework sets out council's revised approach to engaging with the community, based on an internationally recognised model, the International Association for Public Participation (IAP2), with five guiding levels of engagement to inform, consult, involve, collaborate and empower. A number of engagement projects were supported across the year, including the Rochester flood mitigation strategy, the roads to renewal project and development of an arts precinct in Echuca.

Local Government Bill – exposure draft

Council made a submission to the Local Government Bill – exposure draft, a bill which seeks to introduce changes to the Local Government Act. Council's submission put forward various points for consideration covering the electoral structure, appointment of Acting CEO, community engagement policy, public transparency policy and the role of authorised officers.

Council's submission also strongly supported the development of Good Practice Guidelines to assist councils in meeting their obligations and recommended they be released well in advance to allow councils to plan and meet any revised provisions.

Advocacy program

Council identified five advocacy themes and six key advocacy campaigns, documented through the Campaspe Advocacy Priorities Plan. Supporting the achievement of the desired outcomes, 86 actions were developed.

Some of the advocacy actions completed include:

- Securing full state and federal government funding for the second bridge crossing for Echuca Moama
- Putting forward a submission to the Federal Government inquiry into backpacker taxation
- Completing a master plan for the Echuca Railway Precinct
- Installing a flood gauge in Rochester for the Campaspe River.

Government grants

Council actively pursued government grants across the year, with the following applications successful:

- \$959,250 federal government funding for two bridge projects, Fox Island Bridge, Gunbower and Mt Terrick Road Bridge, Roslynmead
- \$50,000 state government funding to undertake community economic development planning for Rochester
- \$151,000 state government funding to improve two key public open spaces in Rochester, Moore Street and the Rochester Skate Park reserve
- \$220,000 state government funding to support the introduction of a kerbside food organics and garden organics service
- \$82,658 state government funding to purchase balers and compactors at the Echuca Environment Centre and Mt Scobie Environment Centre for soft plastics and polystyrene.

RESPONSIBLE MANAGEMENT

Information management

A number of improvements to ICT systems were completed across the year, including:

- Next generation endpoint security system to help protect corporate and community information from data breaches
- Entered into a new agreement with Telstra for mobiles, data and voice services under the Victorian Government negotiated contract which will reduce ongoing service costs
- Entered into a record storage contract with a new provider which achieves significant savings
- Introduced eService payments through council's website
- Completed the renewal of aerial photography for council's GIS system.

Money to the community

Council's grant programs continued to support a vast array of community projects and activities.

- Responsive Grants – More than \$25,800 was approved to support 35 projects through Responsive Grants, a program which offers quick response grants to assist community groups.
- Community Grants – A total of 104 projects were supported through two rounds of community grants, totalling \$218,800. The program has now provided more than \$1.9 million to 954 projects since its inception in 2008.
- Seniors Grants – A total of \$12,630 was distributed to 16 organisations to support senior residents, particularly projects programmed during October's Seniors Festival.

Workplace development

As part of council's commitment to staff's personal and professional development, council continued to support a number of staff in gaining formal qualifications, in addition to attendance at workshops and conferences. In consultation with the Executive Management Group, 10 emerging leaders have been enrolled in a 12 month Leadership Development program.

The workplace learning program supported 49 opportunities across the organisation. The program promotes stronger connections between young people and council, with council able to promote itself as a future employer. The program offered opportunities to secondary students in years 9 through to 12 and as well as practical placement for tertiary students.

Strengthening partnerships

Council staff continued participation in many regional and state groups to advocate on behalf of the community and raise awareness of regional and rural issues, including Rural Councils Victoria, Murray River Group of Councils, Loddon Campaspe Regional Partnership, Loddon Campaspe Councils, Echuca Moama Bridge Project key stakeholder liaison group, Campaspe Family Violence Action Group, Emergency Management Cluster, GMW Connections Project, Healthier Campaspe, Goulburn Valley Waste and Resource Recovery Group, Loddon Campaspe Transport Committee, Integrated Water Management Forums and Regional Floodplain Management Steering Committee.

CHALLENGES

Phone system

Following installation of an upgraded networked phone system, delays in completing installation resulting in outages that negatively impacted on call centre performance and staff. The issues were resolved, with a system upgrade completed providing additional functionality and reporting.

Long term financial planning

Plans are underway to develop a 10 year financial plan, including capital works forecasting. At this stage a one year plan and three year projected outlook is in place however it is well recognised a 10 year plan is required to ensure long term financial sustainability. Over the year ahead, a long term plan will be completed using the most up to date information for projected cost increases and take into account council's asset renewal funding requirement over the 10 year period.

PROJECTS FOR THE YEAR AHEAD

- Finalise the development of the service planning approach and implement focusing on five key services.
- Review and update the Advocacy Priorities Plan to advance the current needs and priorities.
- Complete the Customer First Strategy.
- Progress eServices to enable online lodgement of service requests and applications.
- Consider ongoing suitability of current ICT Citrix platform for remote access and investigate alternatives or improvements, if retained.
- Undertake an audit of all utilities (gas, power and water) of council-owned buildings to identify opportunities for energy efficiencies and savings.
- Complete a Social Media Plan, in line with the Communications Strategy.
- Develop and review business case for move to TechOne Cloud and cloud infrastructure as a number of ICT infrastructure hardware leases will expire in the current year.

SERVICE PERFORMANCE INDICATORS

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

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	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	29.00%	12.44%	6.37%	8.93%	The increase in council decisions made at meetings closed to the public in 2017/18 is a result of a larger number of confidential tenders and land sales being presented to council for resolution. Special attention continues to be given to confidential reports. Only those reports that contain commercial-in-confidence information or private personal information are included in the confidential section of the meeting.
CONSULTATION AND ENGAGEMENT Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 about how council has performed on community consultation and engagement]	56	50	52	50	Council has recently adopted a new community engagement policy and framework, aligned to the internationally recognised IAP2 model. With a coordinated approach across the organisation in place to community engagement, it is hoped to see an improvement in this indicator in next year's survey results.
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	93.00%	90.74%	96.08%	97.92%	The trend of councillor attendance at council meetings across the four years of reporting has seen an increase. The 2017/18 period recorded the highest attendance record across the four years of reporting.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
SERVICE COST	\$46,515.33	\$47,567.11	\$46,859.22	\$47,541.67	The cost of the governance service increased slightly (\$682.45) in 2017/18 on the previous year. This variation reflects increases in councillor allowances and training and development. Across the four years of reporting the cost of the governance service has generally remained stable.
Cost of governance [Direct cost of the governance service / Number of councillors elected at the last council general election]					
SATISFACTION	49	48	48	46	Throughout the 2017/18 year council made a number of significant decisions. Council recognises that there are diverse views across the community in relation to many of these decisions. Improving satisfaction with decisions of council remains a focus.
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

GOVERNANCE

GOOD GOVERNANCE

Good governance means accountability, fairness and transparency in all council operations and decisions. It involves:

- making clear the legislation and regulations under which we operate
- local laws we are authorised to make
- our decision-making processes
- delegations of authority
- effective risk management systems and processes
- establishing frameworks for planning and monitoring operational effectiveness
- performance management.

COUNCIL'S ROLE

Campaspe Shire Council is one of 79 Victorian councils that derives its role, powers and functions primarily from the *Local Government Act 1989*, which states:

1. A council is elected to provide leadership for the good governance of the municipal district and the local community.
2. The role of a council includes:
 - a. Acting as a representative government by taking into account the diverse needs of the local community in decision-making.
 - b. Providing leadership by establishing strategic objectives and monitoring their achievement.
 - c. Maintaining the viability of the council by ensuring that resources are managed in a responsible and accountable manner.
 - d. Advocating the interests of the local community to other communities and governments.
 - e. Acting as a responsible partner in government by taking into account the needs of other communities.
 - f. Fostering community cohesion and encouraging active participation in civic life.

Campaspe Council performs this role by setting the strategic direction of the municipality, establishing and guiding policies, setting service delivery standards and monitoring the organisation's performance.

Council decisions are made in one of two ways:

1. by resolution at a council meeting, or
2. by council officers under delegated authority.

Most decisions of an operational nature have been delegated to officers through the Chief Executive Officer. This system recognises the CEOs responsibility under the *Local Government Act 1989* in managing the day-to-day operations of the organisation.

COUNCIL MEETINGS

Council conducts open public meetings on the third Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. 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 the meeting. Council meetings also provide the opportunity for community members to submit a question to the council or speak to an item on the agenda.

The following table provides a summary of councillor attendance at council meetings and special council meetings for the 2017/18 year.

	Council meetings		Special meetings	
	Eligible	Attended	Eligible	Attended
Cr Daniel Mackrell	12	12	4	4
Cr Kristen Munro	12	10	4	4
Cr Vicki Neele	12	12	4	4
Cr Neil Pankhurst	12	12	4	4
Cr Leanne Pentreath	12	12	4	4
Cr Annie Vickers	12	12	4	3
Cr Adrian Weston	12	12*	4	4
Cr Leigh Wilson	12	12	4	4
Cr John Zobec	12	12	4	4
* open section only				

The statutory meeting, including election of the Mayor, was held on 14 November 2017.

SPECIAL COMMITTEES

The *Local Government Act 1989* allows councils to establish one or more special committees consisting of any combination of councillors, council staff and other persons. The following table lists all special committees established by council in operation and the purpose for which each committee was established.

Special Committee	Purpose
Campaspe River Reserve Special Committee	Management of a reserve
Colbinabbin Memorial Centre Special Committee	Management of Colbinabbin Memorial Hall
Colbinabbin Town Recreation Reserve Special Committee	Management of Colbinabbin Town Recreation Reserve
Corop Tennis Club Special Committee (ceased in November 2017)	Management of Corop Tennis Club Special Committee
Echuca East Recreation Reserve Special Committee	Management of Echuca East Recreation Reserve
Girgarre Memorial Hall Special Committee	Management of Girgarre Memorial Hall
Girgarre Recreation Reserve Special Committee	Management of Girgarre Recreation Reserve
Koyuga Hall & Recreation Reserve Special Committee	Management of Koyuga Hall & Recreation Reserve
Kyabram Fauna Park Special Committee	Care, manage and maintain part of the land at the Kyabram Fauna Park
Kyabram Plaza Theatre Special Committee	Management of Kyabram Plaza Theatre
Kyvalley Community Recreation Reserve Special Committee	Management of Kyvalley Hall, tennis courts and recreation reserve
Lockington District Community Centre Special Committee	Management of Lockington District Community Centre
Lockington Recreation Reserve Special Committee	Management of Lockington Recreation Reserve
Nanneella Hall & Recreation Reserve Special Committee	Management of Nanneella Hall and Recreation Reserve
Northern Oval Recreation Reserve Special Committee	Management of Northern Oval Recreation
Rochester Racecourse Recreation Reserve Special Committee	Management of Rochester Racecourse Recreation Reserve
Rushworth Shire Hall Special Committee	Management of Rushworth Hall
Strathallan Hall Special Committee	Management of Strathallan Hall
Tongala Recreation Reserve Special Committee	Management of Tongala Recreation Reserve
Wyuna Memorial Hall Special Committee	Management of Wyuna Memorial Hall

CODE OF CONDUCT

Council's Code of Conduct was reviewed and adopted on 7 February 2017. The code outlines the principles of good governance, and guides councillors' behaviour and accountability as well as the dispute resolution process between councillors. The code is available on council's website www.campaspe.vic.gov.au.

Council is not aware of any complaints made under this code to the Local Government and Investigations and Compliance Inspectorate in 2017/18.

CONFLICT OF INTEREST

In dealing with matters that come before council for decision, individual councillors and members of staff may find that they, or their immediate family, have either a financial or some other interest that could be interpreted as having an advantage or undue influence on the outcome.

To ensure transparency in council's decision-making processes, councillors and staff are required to declare and document their interest in all matters. Where councillors have declared an interest, they do not participate in the decision-making process.

Copies of the document *Conflict of Interest: A guide for councillors*, June 2011 published by the Department of Planning and Community Development, has been provided to councillors for their reference.

COUNCILLOR SUPPORT AND REMUNERATION

Campaspe Shire Council has nine councillors representing five wards. The current councillors were elected on 22 October 2016 by postal voting for a four-year term.

For the purpose of setting mayoral and councillor allowances, the Victorian Government categorises each council according to its size and revenue. Campaspe is within category 2. In 2017/18, the annual allowance for the Mayor was set at \$76,521 and for all other councillors, \$24,730.

The reimbursement of councillor expenses is outlined in the Councillor Support Policy. Councillors are provided with a mobile phone and iPad with access to email and a printer. Administrative support is provided through the Governance Department and the Mayor is provided with a vehicle for council and private use for the duration of the mayoral term.

The following table sets out the allowances paid to councillors for the reporting period:

Councillor	Allowance	Travel & accom	Telephone	Training & conferences	Recompense of expenses	Total
Cr Daniel Mackrell	\$27,395	\$1,019	\$1,149	\$1,063	\$268	\$30,894
Cr Kristen Munro	\$27,395	\$8,439	\$1,861	\$1,041	\$74	\$38,810
Cr Vicki Neele	\$27,395	\$8,266	\$1,212	\$971	\$102	\$37,496
Cr Neil Pankhurst	\$27,395	\$3,223	\$883	\$123	\$0	\$31,623
Cr Leanne Pentreath	\$27,395	\$0	\$951	\$0	\$0	\$28,347
Cr Annie Vickers	\$27,395	\$7,683	\$2,420	\$1,465	\$44	\$39,008
Cr Adrian Weston	\$84,769	\$23,856	\$2,137	\$1,691	\$37	\$112,490
Cr Leigh Wilson	\$27,395	\$5,141	\$316	\$0	\$329	\$33,182
Cr John Zobec	\$27,395	\$5,947	\$1,103	\$1,278	\$74	\$35,798
Total	\$303,932	\$63,574	\$12,034	\$7,630	\$927	\$388,098



MANAGEMENT

Council has implemented a number of statutory and best practice models to strengthen its governance and management framework in recognition that this leads to better decision-making. The *Local Government Act 1989* requires council to undertake an assessment against the prescribed governance and management checklist and include the results in its report of operations. Council's Governance and Management Checklist results are set out later in this section.

The following items have been highlighted as important components of the management framework.

AUDIT & RISK COMMITTEE

The Audit & 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 profile to ensure that material operational risks are being dealt with appropriately
- reviewing the scope, performance and reports of the internal and external auditors
- ensuring compliance with legislation.

In undertaking its role to independently monitor, review and advise council on matters of accountability and internal control affecting council's operations, the Audit & Risk Committee met four times in 2017/18. In line with its annual internal audit program, major reviews considered by the committee during the year included:

- Metricstream post implementation review
- Payroll
- Asset management strategic planning
- Data management
- Section 86 committees
- Volunteer management
- Key financial controls post TechOne implementation
- Council budgeting
- Procurement
- Property management
- Fleet management
- Testing invoice processing from new finance system
- Occupational health & safety
- Asset management strategic planning
- Local laws
- Capital projects risk management.

The committee consists of three community representatives and two councillors, with support provided by the Chief Executive Officer and Corporate Services Division staff.

Committee member	Eligible to attend	Attended
Wayne Jenkin (community)	4	3
Mike Bennett (community)	4	4
Suzanna Barry (community)	4	3
Cr Neil Pankhurst	4	3
Cr Leanne Pentreath	3	3
AFS Chartered Accountants (internal auditor)	4	4
Crowe Horwath Accountants (external auditor to finalise 2016/2017 year)	1	1
Johnsons MME (external auditor)	2	1
Cr Adrian Weston (ex-officio)	-	1
Cr Daniel Mackrell	1	1

Recommendations from each Audit and Risk Committee meeting are reported to, and considered by council.



GOVERNANCE AND MANAGEMENT CHECKLIST

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

Governance and management items		Assessment	
1	Community Engagement Policy (policy outlining council's commitment to engaging with the community on matters of public interest)	Policy in place Date of operation of current policy: 15 May 2018	✓
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	Strategic resource plan (plan under section 126 of the <i>Local Government Act 1989</i> outlining the financial and non-financial resources required for at least the next four financial years)	Plan adopted in accordance with section 126 of the <i>Local Government Act 1989</i> Date of adoption: 15 May 2018	✓
4	Annual budget (plan under section 130 of the <i>Local Government Act 1989</i> setting out the services to be provided and initiatives to be undertaken over the next 12 months, and the funding and other resources required)	Budget adopted in accordance with section 130 of the <i>Local Government Act 1989</i> Date of adoption: 26 June 2018	✓
5	Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	No plans in place Reason for no plans: An Asset Strategy was adopted by council in June 2017. Plans will be completed for three asset classes in 2018/19	✗
6	Rating Strategy (strategy setting out the rating structure of council to levy rates and charges)	Strategy in place Date of operation of current strategy: 26 June 2018	✓
7	Risk Policy (policy outlining council's commitment and approach to minimising risks to council's operations)	Policy in place Date of operation of current policy: 30 January 2018	✓
8	Fraud Policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy in place Date of operation of current policy: 9 September 2015	✓
9	Municipal Emergency Management Plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Plan prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of adoption: 19 September 2017	✓
10	Procurement Policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Policy prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> Date of approval: 20 March 2018	✓
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 in place Date of operation of current plan: 5 May 2017	✓

Governance and management items		Assessment	
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 in place Date of operation of current plan: 6 December 2016	✓
13	Risk Management Framework (framework outlining council's approach to managing risks to its operations)	Framework in place Date of operation of current framework: 5 February 2014	✓
14	Audit Committee (advisory committee of council under section 139 of the <i>Local Government Act 1989</i> to oversee the integrity of council's financial reporting, processes to manage risks to council operations and compliance with applicable legal, ethical, and regulatory requirements)	Committee established in accordance with section 139 of the <i>Local Government Act 1989</i> Date of establishment: 24 February 1997	✓
15	Internal Audit function (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Internal auditor engaged Date of engagement of current provider: 24 February 2015	✓
16	Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>)	Framework in place Date of operation of current framework: 1 July 2014	✓
17	Council plan reporting (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 in place Date of reporting: 19 September 2017, 5 December 2017, 3 March 2018, 15 May 2018	✓
18	Financial reporting (quarterly statements to council under section 138 of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to council in accordance with section 138(1) of the <i>Local Government Act 1989</i> Dates statements presented: 17 October 2017, 21 September 2017, 20 February 2018, 15 May 2018	✓
19	Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented Date of reports: 18 October 2017, 24 January 2017, 2 May 2018	✓
20	Performance reporting (six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>)	No reports prepared and presented Decision made not to do six monthly reporting due to the onerous nature of gathering data and some data only available annually.	✗

Governance and management items	Assessment
21 Annual report (annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> to the community containing a report of operations and audited financial and performance statements)	Report considered at a meeting of the council in accordance with section 134 of the <i>Local Government Act 1989</i> Date of consideration: 17 October 2017 ✓
22 Councillor Code of Conduct (Code under section 76C of the <i>Local Government Act 1989</i> setting out the conduct principles and the dispute resolution processes to be followed by councillors)	Code reviewed in accordance with section 76C of the <i>Local Government Act 1989</i> Date reviewed: 17 February 2017 ✓
23 Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the <i>Local Government Act 1989</i> Date of review: 27 June 2017 ✓
24 Meeting procedures (a local law governing the conduct of meetings of council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the <i>Local Government Act 1989</i> Date local law made: 30 January 2018 ✓

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



CR ADRIAN WESTON

Mayor
Date: 18 September 2018



JASON RUSSELL

Chief Executive Officer
Date: 18 September 2018



STATUTORY INFORMATION

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

INFORMATION AVAILABLE FOR PUBLIC INSPECTION

Council is required by the *Local Government Act 1989*, section 222, to make various documents and policies available for public inspection. In accordance with section 12 of the Local Government (General) Regulations 2015, the following documents are available for inspection:

- Details of overseas or interstate travel undertaken in an official capacity by councillors or any member of council staff in the previous 12 months.
- Agendas and minutes of ordinary and special council meetings held in the previous 12 months.
- Minutes of meetings of special committees established under section 86 of the *Local Government Act 1989* and held in the previous 12 months.
- Register of delegations.
- Details of all property, finance and operating leases entered into by council as lessor or lessee.
- Register of authorised officers appointed under section 224 of the *Local Government Act 1989*.
- List of donations and grants made by the council during the financial year.

The public may view or copy any of the prescribed information at the Echuca Service Centre, located at the corner of Hare and Heygarth Streets, Echuca. Council's website, www.campaspe.vic.gov.au, also provides extensive information, ranging from council meeting agendas and minutes to media releases and job vacancies.

CONTINUOUS SERVICE IMPROVEMENT

The Best Value provisions outlined in section 208 of the *Local Government Act 1989* require council to review its services against the following principles:

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

The following reviews were started or progressed during 2017/18.

Bridge review – As part of an ongoing review of council's bridge network, a specialist structural engineer was engaged to gain further information on the network. The ongoing review has resulted in load limits being placed on a number of bridges and some closed.

Rural Road review – Following completion of stage one, stage two progressed focusing on reclassifying some gravel roads to earth roads.

Recreation funding review – Work has started to review Policy 93, a policy which guides the funding maintenance levels and hierarchy of recreation reserves across the shire. This will be progressed in the year ahead.

CONTRACTS

During the year council entered into one contract valued in excess of \$150,000 for goods and services without inviting public tenders. The contract with Learning Seat Pty Ltd, extended the term of an existing contract to continue providing an eLearning management system to support staff training. This contract met the requirements for an exemption from the public tender requirements under S186(5A)(b) of the *Local Government Act* because the original contract was entered into in accordance with the section.

During the year council did not enter into any contracts valued at \$200,000 or more for works without engaging in a competitive process.

DISABILITY ACT 2006

Under the *Disability Act 2006*, councils must report on the implementation of actions in their Disability Action Plan. Council's plan, entitled Access and Inclusion Plan, was adopted in November 2015, following development with stakeholders as well as the wider community. The plan outlines five priorities:

- Accessible and inclusive communities
- Economic and employment development
- Physical and natural environments
- Service delivery
- Communication and information.

A focus for the year has been completing two social story books for people with a disability, particularly those on the autism spectrum, on what to do in an emergency, for grassfire and bush fire. Two further books are planned, to address what to do in a flood and storm. All books have been developed in partnership with the Country Fire Authority, Department of Education and Training, Northern Victoria Emergency Management Cluster, and council staff from emergency management and rural access.

DOMESTIC ANIMALS ACT 1994

Under the *Domestic Animals Act 1994*, councils must prepare domestic animal plans and report on their implementation in the annual report. Council adopted the 2017-21 Domestic Animal Management Plan in November 2017. 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:

- Four pet adoption and microchipping days held at local pet stores. This partnership approach was a first and also resulted in the adoption of nine felines at offsite events.
- Three free community presentations coordinated with a focus on animal behaviour and training in conjunction with an external provider. Attendance varied from 20 – 60 community members at each.

- A number of educational talks and tours of the animal shelter were held covering responsible pet ownership, what the animal shelter does and how the community can help.
- Six discounted adoption events were held at the shelter which assisted in increasing feline rehousing numbers.

Other areas of priority included involving the training of staff, increasing dog and cat registrations, reducing nuisance complaints, reducing dog attacks, ensuring dangerous and restricted breed dogs are kept in accordance with legislation, increasing rehoming and reducing euthanasia, and working in partnership with domestic animal businesses.

As at 30 June 2017, there were 9,463 domestic animals registered, 7,230 dogs and 2,233 cats.

The Campaspe Animal Shelter received a total of 487 dogs and puppies across the year, with 358 impounded by Community Rangers, 283 were reclaimed, 126 adopted and 89 euthanised. A total of 671 cats and kittens were received, with 381 impounded by Community Rangers, 49 were reclaimed, 381 adopted and 246 euthanised.

FOOD ACT 1984

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 2017/18.

FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act 1982* grants the general public the right to request access to documents. Individuals have a right of access under the Act to a document held by government unless:

- the document is held by or originated with an agency that is exempt
- the document is exempt or is conditionally exempt and it would be contrary to the public interest to release it
- another legislative scheme gives a right of access to the document, subject to a fee or charge (such as a land title register), or an agency arrangement allows the public to purchase the document.

Written requests for documents must be addressed to the Freedom of Information Officer via council's application form and accompanied by the prescribed fee.



Freedom of information (FOI) applications received:

2013/14	2014/15	2015/16	2016/17	2017/18
7	15	16	7	10

Further information regarding FOI and how to make a request is available on council's website.

LOCAL LAWS

Council has the following local laws in place:

Meeting Procedures Local Law 1

Date adopted: 30 January 2018

Expiry date: 29 January 2028

Purpose: Regulate proceedings and provide for orderly and fair conduct at all council meetings, special committee meetings, advisory committee meetings, and other meetings conducted by or on behalf of council where council has resolved that provisions of this Local Law are to apply.

Maintain open, efficient and effective processes of the government of the council and assist with keeping the preparation of the agenda consistent from meeting to meeting.

Regulate proceedings for the election of the mayor and chairperson of various committees.

Regulate the use and prohibit unauthorised use of the common seal.

Revoke Council's Meeting Procedure Local Law No 1 adopted and dated 18 June 2015.

Library Services Local Law 6

Date adopted: 21 June 2011

Expiry date: 21 June 2021

Purpose: Provide for the administration of council's powers and functions.

Ensure the delivery of high quality library services to the community.

Assist in the management of library services to the community.

General Local Law 8

Date adopted: 29 October 2015

Expiry date: 29 October 2025

Purpose: The peace, order and good governance of the municipality.

A safe and healthy environment so that the community can enjoy a quality of life that meets its expectations.

The safe and equitable use and enjoyment of public and municipal places.

The protection and enhancement of the amenity and environment of the municipality.

The fair and reasonable use and enjoyment of private land.

The uniform and fair administration of the local law.

All local laws are available for inspection at each customer service centre and on the council website www.campaspe.vic.gov.au.

PRIVACY & DATA PROTECTION ACT 2014

Council has adopted a policy relating to information privacy and health records that meet the requirements of the *Privacy & Data Protection Act 2014* and *Health Records Act 2001*. Both acts include privacy principles that relate to the collection, use and disclosure of information. The policy is available on council's website.

Council is committed to protecting the personal privacy of residents and ratepayers. Council will only collect, use or disclose personal information where it is necessary to perform council functions or where disclosure is required by law. Council's Privacy & Data Protection Policy, adopted in October 2017, is available on the council website www.campaspe.vic.gov.au. The policy is reviewed annually.

PROTECTED DISCLOSURE ACT 2012

This Act aims to encourage and facilitate disclosures of improper conduct within the Victorian public sector and provide a framework to protect persons who make those disclosures.

Council has appointed the Governance Manager as the Protected Disclosure Coordinator. In the absence of the Protected Disclosure Coordinator, the Chief Executive Officer is the relief coordinator. Eight protected disclosure officers have been appointed and a Welfare Manager.

There were no disclosures made under this Act in 2017/18.

Procedures on how to make a disclosure are available on council's website.

ROAD MANAGEMENT ACT 2004

Council, as a road authority, is required under Section 22 of the *Road Management Act 2004* to publish a copy or summary of any direction received from the minister in its annual report.

No directions were received from the minister in 2017/18.



OUR FINANCES



CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

FINANCIAL REPORT

Certification of the Financial Statements	97
Victorian Auditor-General's Office Report	98

FINANCIAL STATEMENTS

Comprehensive Income Statement	100
Balance Sheet	101
Statement of Changes in Equity	102
Statement of Cash Flows	103
Statement of Capital Works	104

OVERVIEW 105

NOTES TO FINANCIAL STATEMENTS

Note 1 - Performance against budget	106
1.1. Income and expenditure	106
1.2. Capital works	108
Note 2 - Funding for the delivery of our services	110
2.1. Rates and charges	110
2.2. Statutory fees and fines	110
2.3. User fees	110
2.4. Funding from other levels of government	111
2.5. Contributions	112
2.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	112
2.7. Other income	113
Note 3 - The cost of delivering services	113
3.1. Employee costs	113
3.2. Materials and services	113
3.3. Depreciation and amortisation	114
3.4. Borrowing costs	114
3.5. Other expenses	114
Note 4 - Our financial position	115
4.1. Financial assets	115
4.2. Non-financial assets	117
4.3. Payables	117
4.4. Interest bearing liabilities	118
4.5. Provisions	119
4.6. Financing arrangements	120
4.7. Commitments	121
Note 5 - Assets we manage	122
5.1. Non current assets classified as held for sale	122
5.2. Property infrastructure plant and equipment	123
5.3. Investments in associates, joint arrangements and subsidiaries	131
5.4. Investment property	131
Note 6 - People and relationships	132
6.1. Council and key management remuneration	132
6.2. Related party disclosure	133
Note 7 - Managing uncertainties	134
7.1. Contingent assets and liabilities	134
7.2. Change in accounting standards	135
7.3. Financial instruments	136
7.4. Fair value measurement	137
7.5. Events occurring after balance date	138
Note 8 - Other matters	139
8.1. Reserves	139
8.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	141
8.3. Superannuation	141

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

CERTIFICATION OF THE FINANCIAL STATEMENTS

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



Ailsa Box, CPA

Principal Accounting Officer

Dated: 18 September 2018

Echuca

In our opinion the accompanying financial statements present fairly the financial transactions of Shire of Campaspe for the year ended 30 June 2018 and the financial position of the Council as at that date.

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

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



Cr Adrian Weston

Councillor

Dated: 18 September 2018



Cr Neil Pankhurst

Councillor

Dated: 18 September 2018



Jason Russell

Chief Executive Officer

Dated: 18 September 2018

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 2018 • 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 • notes to the financial statements, including significant accounting policies • certification of the financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



Tim Loughnan

as delegate for the Auditor-General of Victoria

MELBOURNE
19 September 2018

Comprehensive Income Statement For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	40,821	39,466
Statutory fees and fines	2.2	1,649	1,146
User fees	2.3	16,310	15,662
Grants - operating	2.4	15,380	21,618
Grants - capital	2.4	4,628	5,271
Contributions - monetary	2.5	179	-
Contributions - non monetary	2.5	6,969	-
Fair value adjustments for investment property	5.4	695	-
Other income	2.7	1,959	1,868
Total income		88,590	85,031
Expenses			
Employee costs	3.1	(29,956)	(31,938)
Materials and services	3.2	(21,302)	(21,372)
Depreciation and amortisation	3.3	(18,111)	(18,270)
Bad and doubtful debts		(25)	67
Borrowing costs	3.4	(287)	(326)
Other expenses	3.5	(1,784)	(1,896)
Impairment loss	5.2	(865)	-
Net loss on disposal of property, infrastructure, plant and equipment	2.6	(12,462)	(776)
Total expenses		(84,792)	(74,511)
Surplus for the year		3,798	10,520
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	8.1	41,043	159
Total comprehensive result		44,841	10,679

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

Balance Sheet
As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	11,941	11,627
Other financial assets	4.1	36,092	24,613
Trade and other receivables	4.1	3,843	3,516
Inventories		723	630
Non-current assets classified as held for sale	5.1	1,022	-
Other assets	4.2	1,136	1,972
Total current assets		54,757	42,358
Non-current assets			
Other financial assets	4.1	8,500	11,000
Property, infrastructure, plant and equipment	5.2	592,054	561,964
Investment property	5.4	11,798	11,103
Intangible assets - water rights	4.2	2,362	2,200
Total non-current assets		614,714	586,267
Total assets		669,471	628,625
Liabilities			
Current liabilities			
Trade and other payables	4.3	4,036	7,203
Trust funds and deposits	4.3	2,103	1,977
Provisions	4.5	7,234	7,088
Interest-bearing liabilities	4.4	1,108	1,055
Total current liabilities		14,481	17,323
Non-current liabilities			
Provisions	4.5	2,691	2,738
Interest-bearing liabilities	4.4	5,409	6,517
Trust funds and deposits	4.3	21	20
Total non-current liabilities		8,121	9,275
Total liabilities		22,602	26,598
Net assets		646,869	602,027
Equity			
Accumulated surplus		336,805	333,188
Reserves	8.1	310,064	268,839
Total Equity		646,869	602,027

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

Statement of Changes in Equity
For the Year Ended 30 June 2018

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018					
Balance at beginning of the financial year		602,028	333,188	267,721	1,119
Surplus for the year		3,798	3,798	-	-
Net asset revaluation increment		41,043	-	41,043	-
Net asset impairment decrement		-	-	-	-
Transfers to other reserves		-	(181)	-	181
Balance at end of the financial year		646,869	336,805	308,764	1,300

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2017					
Balance at beginning of the financial year		591,348	322,774	267,562	1,013
Surplus for the year		10,520	10,520	-	-
Net asset revaluation increment		159	-	159	-
Transfers to other reserves		-	(106)	-	106
Balance at end of the financial year		602,027	333,188	267,721	1,119

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

Statement of Cash Flows
For the Year Ended 30 June 2018

		2018	2017
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		40,203	39,357
Statutory fees and fines		1,649	1,146
User fees		18,279	17,650
Grants - operating		15,380	21,618
Grants - capital		4,628	5,271
Contributions - monetary		179	-
Interest received		1,629	1,105
Trust funds and deposits taken		195	3,890
Other receipts		330	466
Net GST refund		875	361
Employee costs		(29,730)	(29,460)
Materials and services		(26,127)	(19,488)
Other expenses		(1,963)	(2,086)
Trust funds and deposits repaid		(66)	(3,716)
Payments for landfill rehabilitation		(127)	(53)
Net cash provided by/(used in) operating activities	8.2	25,335	36,061
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	5.2	(14,916)	(20,748)
Proceeds from sale of property, infrastructure, plant and equipment	2.6	217	1,197
Payments for landfill rehabilitation			
Payments for investments		(20,592)	(23,113)
Proceeds from sale of investments		11,613	16,500
Net cash provided by/(used in) investing activities		(23,678)	(26,165)
Cash flows from financing activities			
Finance costs		(287)	(326)
Repayment of borrowings		(1,055)	(1,005)
Net cash provided by/(used in) financing activities		(1,342)	(1,331)
Net (decrease)/increase in cash and cash equivalents		314	8,566
Cash and cash equivalents at the beginning of the financial year		11,627	3,061
Cash and cash equivalents at the end of the financial year		11,941	11,627
Financing arrangements	4.6		
Restrictions on cash assets	4.1		

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

Statement of Capital Works For the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Property		
Land improvements	117	327
Total land	117	327
Buildings	849	2,209
Heritage Buildings	691	44
Total buildings	1,540	2,254
Total property	1,657	2,581
 Plant and equipment		
Heritage plant and equipment	2	249
Plant, machinery and equipment	802	461
Computers and telecommunications	161	372
Library books	148	160
Total plant and equipment	1,113	1,242
 Infrastructure		
Roads	8,913	11,530
Bridges	483	272
Footpaths and cycleways	313	443
Drainage	1,457	651
Recreational, leisure and community facilities	666	3,372
Parks, open space and streetscapes	300	377
Off street car parks	15	116
Other infrastructure	125	164
Total infrastructure	12,272	16,925
 Total capital works expenditure	15,042	20,748
 Represented by:		
New asset expenditure	1,055	3,279
Asset renewal expenditure	12,871	14,187
Asset expansion expenditure	4	33
Asset upgrade expenditure	1,112	3,249
Total capital works expenditure	15,042	20,748

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

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

OVERVIEW

Introduction

The Shire of Campaspe 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 St, 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 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of employee provisions (refer to Note 4.5)
- the determination of landfill provisions (refer to Note 4.5)

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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$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.

The budget figures detailed below are those adopted by Council on 6 June 2017. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and expenditure

	Budget 2018 \$'000	* Actual 2018 \$'000	Variance 2018 \$'000	Ref
Income				
Rates and charges	40,346	40,821	475	
Statutory fees and fines	1,200	1,649	449	1
User fees	16,372	17,076	704	2
Grants - operating	14,611	15,380	769	3
Grants - capital	7,593	4,628	(2,965)	4
Contributions - monetary	-	179	179	5
Contributions - non monetary	-	6,969	6,969	6
Fair value adjustments for investment property	-	695	695	7
Other income - interest	882	1,193	311	8
Total income	81,004	88,590	7,586	
Expenses				
Employee costs	33,357	29,956	3,401	9
Materials and services	22,746	23,111	(365)	10
Depreciation and amortisation	17,400	18,111	(711)	11
Borrowing costs	321	287	34	12
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(650)	12,462	(13,112)	13
Impairment loss	-	865	(865)	14
Total expenses	73,175	84,792	(11,617)	
Surplus for the year	7,829	3,798	4,031	

* Some classifications differ to the Income Statement to allow alignment to budget classification.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1.1 Income and expenditure (cont)

(i) Explanation of material variations

Variance	Explanation
Ref	
1	An increase in development across the Shire resulted in greater than budget Planning and Building fee income of \$382k.
2	Introduction of a private funding agreement to upgrade a road was unbudgeted, \$638k.
3	Grants commission funding adjustment \$233k, pre-school grant of \$78k, School crossing supervisor \$27k and grants for Aged care services \$220k were received in addition to those budgeted.
4	A capital project, Riverfront development, has not reached the required milestones as yet to trigger the payment of the grant funds that were budgeted.
5	Monetary contributions from developers for public open space and car parking, as per planning conditions, are unbudgeted.
6	On completion of a sub-division by developers, the infrastructure assets are transferred to Council's control, these assets comprise roads, footpaths, kerb and channel, parks and reserves and drainage.
7	Investment properties were revalued for the 2017/18 year, this result is the adjustment for the increase in value of this class of assets.
8	Interest is budgeted conservatively, better results were achieved than budgeted due to a prudent investing strategy.
9	\$450k savings in work cover premiums have been realised due to increased awareness of safety practices. Savings have been made due to difficulty recruiting to a number of staff vacancies, this has been offset by an overspend in materials and services for consultants and contractors to fill the skills shortage.
10	Contractors and consultants have been used to fill the skills shortage experienced due to difficulty recruiting to positions. The overspend in materials and services has been offset by the savings in employee costs.
11	Variance is due to assets that were depreciated in prior years being renewed and depreciation recommencing, this impact is not known when the budget is set.
12	Variable loan interest rates have not increased as was expected when the budget was set.
13	The result is influenced by the 'writing off' of the written down value of assets sold and assets handed back to the community as well as writing off of assets incorrectly recognised. The main assets effecting the result are Landfill asset \$4.9 mill, duplicated assets \$1.3 mill, assets previously recognised by Council that have been found to not belong to Council \$0.6 mill and assets handed back to the community \$0.5 mill. There is also a component of the result that relates to writing off of the remaining value of renewed assets that are then written back on at their new value.
14	Land purchased for a road reserve has been impaired and reclassified as land under roads.

CAMPASPE SHIRE COUNCIL
2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
Property				
Land improvements	702	117	585	1
Total Land	702	117	585	
Buildings	769	849	(80)	
Heritage buildings	663	691	(28)	
Total Buildings	1,432	1,540	(108)	
Total Property	2,134	1,657	477	
Plant and Equipment				
Heritage plant and equipment	304	2	302	2
Plant, machinery and equipment	3,091	802	2,289	3
Computers and telecommunications	291	161	130	4
Library books	139	148	(9)	
Total Plant and Equipment	3,825	1,113	2,712	
Infrastructure				
Roads	9,921	8,913	1,008	5
Bridges	739	483	256	6
Footpaths and cycleways	300	313	(13)	
Drainage	1,523	1,457	66	
Recreational, leisure and community facilities	1,805	666	1,139	7
Waste management	636	-	636	8
Parks, open space and streetscapes	4,904	300	4,604	9
Off street car parks	179	15	164	10
Other infrastructure	2,143	125	2,018	11
Total Infrastructure	22,150	12,272	9,878	
Total Capital Works Expenditure	28,108	15,042	13,066	
Represented by:				
New asset expenditure	5,286	1,055	4,231	
Asset renewal expenditure	19,458	12,871	6,587	
Asset expansion expenditure	17	4	13	
Asset upgrade expenditure	3,347	1,112	2,235	
Total Capital Works Expenditure	28,108	15,042	13,066	

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1.2 Capital works (cont.)

(i) Explanation of material variations

Variance Explanation

Ref	
1	Budget for industrial land development not spent in 2017/18, to be returned to reserve funds. These funds will be available for future industrial land development.
2	Work scheduled for the heritage paddle steamers Alexander Arbuthnot and Adelaide was not required once the vessels were inspected. These works will most likely be required in the 2018-19 year along with similar works for D26 Barge, these works are required to maintain the operating licence of the vessels.
3	A number of plant items listed for replacement were deemed to have longer life than originally planned, the savings have been allocated to the plant replacement reserve for future large plant item replacement.
4	Savings of \$130k made on Aerial photography project due to changes to the scope and collaborative regional procurement.
5	Two road projects are being carried over to 2018/19. The projects are Kyabram Roger Street kerb and channel renewal and Kotta Road renewal, \$800k. The balance is made up of a number of smaller projects that have had a portion of the works carried over to the 2018/19 year.
6	The Fox Island bridge renewal project was on hold until grant funding was confirmed, the project funds will be carried over to 2018/19 to allow completion of the project.
7	EWMAC air circulation system (\$435k) and Rochester Tennis club courts and lights (\$388k) have been carried over to 2018/19.
8	Funds budgeted for waste management strategies were not required in 2017/18, these funds will be re allocated to the waste management reserve for future projects.
9	River Front development project funds (\$4.0 mill) and Echuca West Open Space development (\$330k) have been carried forward to 2018/19.
10	Kyabram Transit Centre Car Park Renewal (\$160k) funds have been carried over to 2018/19.
11	Retaining wall works at the Port of Echuca have been delayed due to demolition works taking longer than anticipated, \$1.1 mill. Funds allocated for Disability Access toilets and other works have been carried over to 2018/19, \$360k.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 2 Funding for the delivery of our services	2018	2017
2.1 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 2017/18 was \$6,728 million (2016/17 \$6,651 million).

Residential	18,510	17,760
Commercial	3,324	3,249
Industrial	1,554	1,497
Farm	7,228	7,035
Municipal charge	3,978	3,952
Waste management charge	4,493	4,335
Recycling and garden organics charges	1,345	1,280
Supplementary rates and rate adjustments	286	246
Interest on rates and charges	103	112
Total rates and charges	40,821	39,466

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018 by LG Valuation Services Pty Ltd, API Registration N 73629, and the valuation will be first applied in the rating year commencing 1 July 2018.

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.

2.2 Statutory fees and fines

Infringements and costs	509	272
Town planning fees	1,059	811
Land information certificates	81	63
Total statutory fees and fines	1,649	1,146

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.

2.3 User fees

Aged and disability	1,728	1,463
Animal registrations	413	464
Caravan park fees	2,516	3,232
Child care/children's programs	2,231	2,138
Leisure centre and recreation	1,300	1,232
Livestock selling centre	511	504
Other fees and charges	4,208	2,959
Parking	771	715
Quarry sales	1,991	2,445
Sale of materials	641	510
Total user fees	16,310	15,662

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

2.4 Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

	2018 \$'000	2017 \$'000
Commonwealth funded grants	15,528	21,658
State funded grants	4,480	5,230
Total grants received	20,008	26,888

(a) Operating Grants

Recurrent - Commonwealth Government

Family and Children	38	37
Aged & Disability Services	25	-
Financial Assistance Grants - General purpose	7,465	10,799
Financial Assistance Grants - Local roads	3,846	6,013

Recurrent - State Government

School Crossing Supervisors	85	58
Family and Children	612	1,160
Community Programs	94	94
Aged & Disability Services	2,470	2,528
Environmental Health	77	146
Libraries	268	265

Total recurrent operating grants

14,980	21,099
---------------	---------------

Non-recurrent - Commonwealth Government

Aged & Disability Services	-	25
Family and Children	60	60

Non-recurrent - State Government

Family and Children	10	39
Aged & Disability Services	2	3
Emergency services	60	60
Libraries	14	18
Natural Resources	-	82
Recreation	124	-
Community Programs	45	2
Infrastructure Services	85	230

Total non-recurrent operating grants

400	519
------------	------------

Total operating grants

15,380	21,618
---------------	---------------

CAMPASPE SHIRE COUNCIL
2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

2.4 Funding from other levels of government (cont.)	2018 \$'000	2017 \$'000
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	2,047	2,047
Total recurrent capital grants	2,047	2,047
<i>Non-recurrent - Commonwealth Government</i>		
Roads to recovery	2,047	2,679
<i>Non-recurrent - State Government</i>		
Libraries	9	9
Natural Resources	-	(35)
Roads	125	221
Recreation	320	350
Emergency services	80	-
Total non-recurrent capital grants	2,581	3,224
Total capital grants	4,628	5,271
(c) Unspent grants received on conditions that they be spent in a		
Balance at start of year	1,170	1,259
received during the financial year and remained unspent at balance date	449	712
received in prior years and spent during the financial year	(345)	(801)
Balance at year end	1,274	1,170

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

2.5 Contributions	2018 \$'000	2017 \$'000
Monetary	179	-
Non-monetary	6,969	-
Total contributions	7,148	-

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

Land	-	-
Buildings	-	-
Infrastructure	6,969	-
Other	-	-
Total non-monetary contributions	6,969	-

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

2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	217	1,197
Write down value of assets disposed	(12,679)	(1,973)
Total net loss on disposal of property, infrastructure, plant and equipment	(12,462)	(776)

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

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
2.7 Other income		
Interest	1,193	993
Lease / rentals	435	409
Reimbursements	330	466
Total other income	1,959	1,868

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 3 The cost of delivering services

3.1 Employee costs

Wages and salaries	19,767	18,342
Annual leave and long service leave	2,920	3,741
Casual staff	2,926	3,537
Superannuation	2,622	2,601
Work Cover	327	797
Fringe benefits tax	184	153
Sick leave	1,055	964
Redundancy	156	171
Total employee costs	29,956	30,306

(a) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	234	201
	234	201

Employer contributions payable at reporting date.

-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,102	2,217
Employer contributions - other funds	286	183
	2,388	2,400

Employer contributions payable at reporting date.

-

Refer to note 8.3 for further information relating to Council's superannuation obligations.

3.2 Materials and services

Administration expenses	3,539	3,659
Consultants	1,109	1,035
Contract payments	7,499	7,749
Information technology	1,413	948
Insurance	550	451
Legal costs	228	265
Materials	1,668	3,112
Repair and maintenance	1,749	2,179
Sponsorship and donation to community	1,237	1,259
Utility costs	2,311	2,347
Total materials and services	21,302	23,004

CAMPASPE SHIRE COUNCIL
2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
3.3 Depreciation and amortisation		
Property	2,624	2,682
Plant and equipment	2,238	2,230
Infrastructure	13,249	13,358
Total depreciation and amortisation	18,111	18,270

Refer to note 5.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

3.4 Borrowing costs		
Interest - borrowings	287	326
Total borrowing costs	287	326

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.

3.5 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	51	55
Auditors' remuneration - internal	101	77
Councillors' allowances	304	297
Other Councillor expenses	126	249
Operating lease rentals	1,202	1,218
Total other expenses	1,784	1,896

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 4 Our financial position

4.1 Financial assets

	2018 \$'000	2017 \$'000
(a) Cash and cash equivalents		
Cash on hand	11	11
Cash at bank	11,930	11,616
Total cash and cash equivalents	11,941	11,627
(b) Other financial assets		
Term deposits - current	36,092	24,613
Term deposits - non-current	8,500	11,000
Total Other financial assets	44,592	35,613

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 4.3)	2,123	1,996
- Grants received but not acquitted (Note 2.4(c))	1,274	1,170
Total restricted funds	3,397	3,166
Total unrestricted cash and cash equivalents	8,544	8,461

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	1,300	1,119
- Cash held to fund carried forward capital works	5,692	11,764
- Cash held to fund carried forward operational works	815	871
Total funds subject to intended allocations	7,807	13,754

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

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

CAMPASPE SHIRE COUNCIL
2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

4.1 Financial assets (cont.)	2018	2017
(c) Trade and other receivables	\$'000	\$'000
Current		
<i>Statutory receivables</i>		
Rates debtors	2,002	1,384
Parking infringement debtors	606	465
Provision for doubtful debts - parking infringements	(246)	(220)
<i>Non statutory receivables</i>		
Other debtors	1,481	1,887
Total current trade and other receivables	3,843	3,516
Total trade and other receivables	3,843	3,516

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

(d) Ageing of Receivables

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

Current (not yet due)	1,187	1,094
Past due by up to 30 days	164	219
Past due between 31 and 60 days	41	341
Over 60 days	89	233
Total trade & other receivables	1,481	1,887

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$245,857 (2017: \$220,076) were impaired. The amount of the provision raised against these debtors was \$245,857 (2017: \$220,076). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Over 60 days	246	220
Total trade & other receivables	246	220

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.2 Non-financial assets	2018	2017
	\$'000	\$'000
(a) Other assets		
Prepayments	280	971
Accrued Income	857	1,001
Total other assets	1,136	1,972
(b) Intangible assets		
Water Rights	2,362	2,200
Total intangible assets	2,362	2,200
Fair Value at beginning of the financial year	2,200	2,041
Revaluation	162	159
Fair Value at end of the financial year	2,362	2,200

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 2018.

4.3 Payables

(a) Trade and other payables		
Trade payables	1,466	5,653
Accrued expenses	2,570	1,550
Total trade and other payables	4,036	7,203
(b) Trust funds and deposits		
Current		
Refundable deposits	635	444
Refundable contract retention deposits	252	265
Fire services levy	1,038	1,060
Caravan Park deposits	178	208
Total trust funds and deposits	2,103	1,977
Non-current		
Other refundable deposits	21	20
Total trust funds and deposits	21	20

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 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.3 Payables (cont.)

(b) Trust funds and deposits (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.

	2018	2017
	\$'000	\$'000
4.4 Interest-bearing liabilities		
Current		
Borrowings - secured	1,108	1,055
	1,108	1,055
Non-current		
Borrowings - secured	5,409	6,517
	5,409	6,517
Total	6,517	7,572

Borrowings are secured by rates

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

Not later than one year	1,108	1,055
Later than one year and not later than five years	4,398	4,837
Later than five years	1,011	1,680
	6,517	7,572

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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.5 Provisions

	Employee provision \$ '000	Landfill restoration \$ '000	Total \$ '000
2018			
Balance at beginning of the financial year	7,663	2,164	9,827
Additional provisions	2,641	(636)	2,006
Amounts used	(2,416)	-	(2,416)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	508	508
Balance at the end of the financial year	7,888	2,037	9,925
2017			
Balance at beginning of the financial year	6,817	2,381	9,198
Additional provisions	3,495	11	3,506
Amounts used	(2,649)	(53)	(2,702)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(175)	(175)
Balance at the end of the financial year	7,663	2,164	9,827
	2018	2017	
	\$'000	\$'000	
(a) Employee provisions			
Current provisions expected to be wholly settled within 12 months			
Annual leave	1,905	1,857	
Long service leave	472	450	
	2,377	2,307	
Current provisions expected to be wholly settled after 12 months			
Annual leave	504	617	
Long service leave	4,249	4,053	
	4,753	4,670	
Total current employee provisions	7,130	6,977	
Non-current			
Long service leave	758	686	
Total non-current employee provisions	758	686	
Aggregate carrying amount of employee provisions:			
Current	7,130	6,977	
Non-current	758	686	
Total aggregate carrying amount of employee provisions	7,888	7,663	

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

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

CAMPASPE SHIRE COUNCIL

2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.5 Provisions (cont.)

(a) Employee provisions (cont)

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

Key assumptions:

- discount rate	2.69%	2.61%
- inflation rate	3.88%	3.81%

	2018 \$'000	2017 \$'000
(b) Landfill restoration		
Current	104	111
Non-current	1,933	2,053
	2,037	2,164

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:

- discount rate	2.42%	1.99%
- inflation rate	1.90%	1.30%

4.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2018

	2018 \$'000	2017 \$'000
Bank overdraft	1,250	1,250
Credit card facilities	250	250
Asset finance leasing	600	-
Total facilities	2,100	1,500
Used facilities	560	-
Unused facilities	1,540	1,500

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2018	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection	1,822	-	-	-	1,822
Landfill	967	1,022	3,253	7,439	12,681
Recycling and transfer stations	1,051	-	-	-	1,051
Environment centre management	169	-	-	-	169
Quarry equipment	188	150	80	-	418
Meals on wheels	275	247	-	-	522
Cleaning/maintenance contracts	92	16	-	-	108
Corporate software	279	204	63	-	546
Caravan parks	1,114	1,136	2,642	-	4,892
Total	5,957	2,775	6,038	7,439	22,209
Capital					
Buildings	2	-	-	-	2
Roads	70	-	-	-	70
Drainage	1	-	-	-	1
Footpaths, Kerb and Channel	50	-	-	-	50
Plant and Equipment	180	-	-	-	180
Infrastructures	627	-	-	-	627
Total	930	-	-	-	930

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

4.7 Commitments (cont.)

2017

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection and landfill	2,680	2,760	-	-	5,440
Recycling and transfer stations	698	718	-	-	1,416
Environment centre management	163	168	-	-	330
Consultancies	28	-	-	-	28
Quarry equipment	188	188	229	-	605
Valuation services	231	-	346	-	577
Council election	270	275	-	-	545
Meals on wheels	1,875	92	49	-	2,016
Ground maintenance (EWMAC)	289	246	167	-	702
Change management consultancy	150	-	-	-	150
Total	6,572	4,447	791	-	11,810

	2018	2017
	\$'000	\$'000
Operating lease commitments		

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment for use within Council's activities (these obligations are not recognised as liabilities):

Not later than one year	414	434
Later than one year and not later than five years	833	1,268
	1,247	1,702

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Note 5 Assets we manage

5.1 Non current assets classified as held for sale

Land held for resale	308	-
Buildings held for resale	714	-
Total non current assets classified as held for sale	1,022	-

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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 5 Assets we manage

5.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Adjustments & Transfers	At Fair Value 30 June 2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	94,215	22	-	5,764	(258)	(10,317)	(620)	88,804
Buildings	92,139	-	-	6,194	(2,366)	(1,812)	(1,252)	92,902
Plant and Equipment	14,238	1,122	-	-	(2,238)	(85)	143	13,181
Infrastructure	327,097	2,604	6,969	28,923	(13,249)	(465)	1,238	353,117
Artworks	1,138	-	-	-	-	-	-	1,138
Work in progress	33,138	11,294	-	-	-	-	(1,521)	42,911
	561,965	15,042	6,969	40,880	(18,111)	(12,679)	(2,013)	592,054

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Land & Buildings	5,614	1,639	(140)	-	7,114
Plant and Equipment	605	-	(139)	(4)	462
Infrastructure	26,919	9,655	(1,238)	-	35,336
Total	33,138	11,294	(1,517)	(4)	42,911

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit \$'000
Property		
land improvements	30 years	10
Buildings		
heritage buildings	100-150 years	10
buildings	75-100 years	10
building improvements	20 years	10
leasehold improvements	10 years	10
Plant and Equipment		
heritage plant and equipment (paddle steamers)	100 years	5
plant, machinery and equipment	3-20 years	0.5
fixtures, fittings and furniture	3-15 years	0.5
computers and telecommunications	4 years	0.5
library books	5-10 years	1
Infrastructure		
road pavements and seals	7-15 years	10
road substructure	74-112 years	10
road formation and earthworks	50 years	10
road kerb, channel and minor culverts	15 years	10
bridges deck	80 years	10
bridges substructure	80 years	10
footpaths and cycleways	50 years	10
drainage	80 years	10
other infrastructure	7-80 years	10

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

5.2 Property, infrastructure, plant and equipment (cont.) (a) Property

	Land - Crown Land \$'000	Land under roads \$'000	Land - Council Owned \$'000	Land improvements \$'000	Total Land \$'000	Buildings Specialised \$'000	Buildings - Non Specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2017	21,495	7,600	59,867	7,173	96,135	57,963	121,036	178,998	5,614	280,748
Accumulated depreciation at 1 July 2017	-	-	-	(1,921)	(1,921)	(27,525)	(59,335)	(86,860)	-	(88,780)
Movements in fair value										
Acquisition of assets at fair value	-	-	22	-	22	-	-	-	1,639	1,661
Revaluation increments/decrements	1,645	-	4,119	-	5,764	1,647	9,991	11,638	-	17,402
Fair value of assets disposed	(2,901)	-	(2,538)	(7,047)	(12,486)	(966)	(3,770)	(4,735)	-	(17,221)
Impairment losses recognised in operating result	-	(865)	-	-	(865)	-	-	-	-	(865)
Transfers	-	910	(1,209)	570	271	(626)	(1,704)	(2,330)	(140)	(2,199)
	(1,256)	46	393	(6,477)	(7,294)	55	4,517	4,573	1,500	(1,222)
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	(258)	(258)	(730)	(1,636)	(2,366)	-	(2,624)
Revaluation increments/decrements	-	-	-	-	-	-	(5,444)	(5,444)	-	(5,444)
Accumulated depreciation of disposals	-	-	-	2,169	2,169	466	2,457	2,923	-	5,092
Transfers	-	-	-	(27)	(27)	31	1,047	1,078	-	1,051
	-	-	-	1,884	1,884	(234)	(3,576)	(3,809)	-	(1,925)
At fair value 30 June 2018	20,238	7,646	60,261	696	88,841	58,018	125,553	183,571	7,114	279,525
Accumulated depreciation at 30 June 2018	-	-	-	(37)	(37)	(27,759)	(62,910)	(90,669)	-	(90,706)
	20,238	7,646	60,261	659	88,804	30,259	62,643	92,902	7,114	188,820

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

5.2 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	Library books	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	\$'000
At fair value 1 July 2017	12,754	304	2,481	9,434	2,667	27,641	1,138	1,138	605	29,384
Accumulated depreciation at 1 July 2017	(8,523)	(181)	(348)	(1,953)	(2,397)	(13,403)	-	-	-	(13,403)
	4,231	123	2,133	7,481	271	14,238	1,138	1,138	605	15,982
Movements in fair value										
Acquisition of assets at fair value	975	-	-	-	148	1,122	-	-	-	1,122
Fair value of assets disposed	(832)	-	-	-	-	(832)	-	-	-	(832)
Transfers	-	-	-	-	143	143	-	-	(143)	-
	142	-	-	-	291	433	-	-	(143)	290

Movements in accumulated depreciation

Depreciation and amortisation	(1,102)	(12)	(31)	(984)	(109)	(2,238)	-	-	-	(2,238)
Accumulated depreciation of disposals	748	-	-	-	-	748	-	-	-	748
	(354)	(12)	(31)	(984)	(109)	(1,490)	-	-	-	(1,490)
At fair value 30 June 2018	12,896	304	2,481	9,434	2,958	28,074	1,138	1,138	462	29,674
Accumulated depreciation at 30 June 2018	(8,877)	(193)	(379)	(2,937)	(2,506)	(14,893)	-	-	-	(14,893)
	4,019	111	2,102	6,498	452	13,181	1,138	1,138	462	14,781

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

5.2 Property, infrastructure, plant and equipment (cont.) (c) Infrastructure

	Roads	Bridges	Footpaths and Cycleways	Drainage	Recreational, Leisure and Community	Parks, Open Spaces and Streetscapes	Off Street Car Parks	Other infrastructure	Total infrastructure before WIP	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	412,705	22,416	22,388	62,431	5,163	4,206	2,945	6,503	538,757	26,919	565,676
Accumulated depreciation at 1 July 2017	(170,235)	(7,806)	(5,030)	(23,245)	(1,093)	(2,322)	(836)	(1,093)	(211,661)	-	(211,661)
	242,470	14,611	17,359	39,186	4,069	1,884	2,108	5,410	327,097	26,919	354,016
Movements in fair value											
Acquisition of assets at fair value	2,598	-	-	6	-	-	-	-	2,604	9,655	12,259
Contributed Assets	3,205	-	1,082	2,682	-	-	-	-	6,969	-	6,969
Revaluation increments/decrements	39,391	1,412	2,765	7,699	-	-	-	-	51,268	-	51,268
Fair value of assets disposed	(2,408)	-	(34)	(31)	-	-	-	(138)	(2,611)	-	(2,611)
Transfers	1,077	-	-	161	-	-	-	-	1,238	(1,238)	-
	43,863	1,412	3,813	10,517	-	-	-	(138)	59,467	8,417	67,884
Movements in accumulated depreciation											
Depreciation and amortisation	(10,773)	(277)	(492)	(886)	(323)	(178)	(29)	(291)	(13,249)	-	(13,249)
Revaluation increments/decrements	(18,338)	(509)	(651)	(2,847)	-	-	-	-	(22,345)	-	(22,345)
Accumulated depreciation of disposals	2,115	-	7	4	-	-	-	20	2,147	-	2,147
	(26,994)	(786)	(1,136)	(3,729)	(323)	(178)	(29)	(270)	(33,447)	-	(33,447)
At fair value 30 June 2018	456,569	23,829	26,202	72,947	5,163	4,206	2,945	6,365	598,224	35,336	633,560
Accumulated depreciation at 30 June 2018	(197,230)	(8,591)	(6,165)	(26,974)	(1,416)	(2,501)	(866)	(1,363)	(245,107)	-	(245,107)
	259,339	15,237	20,036	45,974	3,746	1,706	2,079	5,002	353,117	35,336	388,453

CAMPASPE SHIRE COUNCIL

2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

5.2 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.

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

Depreciation periods used are listed above (on Page 25) 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.

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 10 year period.

Valuation of land and buildings

Valuation of land and buildings were undertaken by Marcus Hann, a qualified independent valuer from LG Valuation Services Pty Ltd. The date of the valuation was 30 June 2017. The revaluation was not booked until 2018 due to timing of receipt of the data. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	DoV
Specialised land	-	-	20,238	Jun-17
Non specialised land	-	60,261	-	Jun-17
Specialised Buildings	-	-	30,259	Jun-17
Non specialised buildings	-	62,643	-	Jun-17
Land under roads	-	-	7,646	Jan-15
Land improvements	-	-	659	Jun-14
Total	-	122,903	58,804	

Valuation of infrastructure

An index based revaluation was conducted in the current year, this valuation was based on, Australian Bureau of Statistics, Producer Price Indexes - Road and Bridge construction for Victoria, a full revaluation of these assets will be conducted in 2018/19. The date of the valuation was the 30 June 2017.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	DoV
Roads	-	-	259,339	Jun-18
Bridges	-	-	15,237	Jun-18
Footpaths and cycleways	-	-	20,036	Jun-18
Drainage	-	-	45,974	Jun-18
Recreational, leisure and community facilities	-	-	3,746	Jun-15
Parks, open space and streetscapes	-	-	1,706	Dec-14
Off street car parks	-	-	2,079	Jun-15
Other infrastructure	-	-	5,002	Jun-15
Total	-	-	353,118	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique.

Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.03 and \$1,650 per square metre.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

5.2 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 \$75 to \$9,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 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 111 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.

	2018	2017
	\$'000	\$'000
Reconciliation of specialised land		
Specialised land	20,238	21,495
Land under roads	7,646	7,600
Land improvements	659	5,253
Total specialised land	28,543	34,348

Valuation of Artworks

Valuations of artwork assets has been determined in accordance with an independent valuation undertaken by Warren Joel Auction & Valuation Services. The date of the valuation was 10 October 2012.

Non-specialised artworks are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

Details of Council's artworks and information about the fair value hierarchy as at 30 June 2017 are as follows:

	Level 1	Level 2	Level 3	DoV
	\$ '000	\$ '000	\$ '000	
Artworks	-	-	1,138	Oct-12

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$'000	\$'000
5.3 Investments in associates, joint arrangements and subsidiaries		
Council does not have any investments in associates, joint arrangements or subsidiaries.		

Committees of management

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report.

Any transactions between these entities and Council have been eliminated in full.

5.4 Investment property

Balance at beginning of financial year	11,103	11,103
Additions	-	-
Disposals	-	-
Fair value adjustments	695	-
Balance at end of financial year	11,798	11,103

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by Marcus Hann, a qualified independent valuer from LG Valuation Services Pty Ltd. The date of this valuation was 1 June 2017, the valuation was not booked in 2017 due to timing of receipt of data.

CAMPASPE SHIRE COUNCIL

2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 6 People and relationships	2018 No.	2017 No.
6.1 Council and key management remuneration		
(a) Related Parties		
<i>Parent entity</i>		
Shire of Campaspe is not the parent entity of any other entities.		
<i>Subsidiaries and Associates</i>		
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 Adrian Weston (Mayor)		
Councillor Leigh Wilson		
Councillor Leanne Pentreath		
Councillor Neil Pankhurst		
Councillor John Zobec		
Councillor Daniel Mackrell		
Councillor Kristen Munro		
Councillor Vicki Neele		
Councillor Annie Vickers		
Total Number of Councillors	9	13
Chief Executive Officer and other Key Management Personnel	8	5
Total Key Management Personnel	17	18
(c) Remuneration of Key Management Personnel		
	2018 No.	2017 No.
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,295	1,281
Post-employment benefits	88	87
Long-term benefits	24	23
Total	1,407	1,391
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
	2018 No.	2017 No.
\$1 - \$9,999	-	1
\$10,000 - \$19,999	1	3
\$20,000 - \$29,999	9	5
\$30,000 - \$39,999	1	2
\$50,000 - \$59,999	-	1
\$80,000 - \$89,999	-	1
\$100,000 - \$109,999	1	-
\$120,000 - \$129,999	1	-
\$150,000 - \$159,999	-	1
\$170,000 - \$179,999	-	1
\$180,000 - \$189,999	2	1
\$190,000 - \$199,999	-	1
\$200,000 - \$209,999	1	-
\$290,000 - \$299,999	-	1
\$300,000 - \$309,999	1	-
	17	18

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

6.1 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 \$145,000.

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

	2018	2017
Income Range:	No.	No.
<\$145,000	1	2
\$145,000 - \$149,999	3	-
\$150,000 - \$159,999	3	4
\$160,000 - \$169,999	1	-
	8	6

Total Remuneration for the reporting year for Senior Officers included above, amounted to: \$1208 K \$906 K

6.2 Related party disclosure

(a) Transactions with related parties

No individual related party transactions under \$110,000 have been disclosed as these are considered immaterial. All transactions were at arms length, 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.

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to a responsible person. (2016/17 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 the council to a related party are as follows:

Council has long term commercial rental agreements with related parties for properties owned by Council. The value of the rental income is \$28,507 (2017: \$55,516).

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 7 Managing uncertainties

7.1 Contingent assets and liabilities

(a) Contingent assets

Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of properties located at the Port of Echuca and surplus commercial premises in Kyabram. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 5 years. All leases include a CPI based revision of the rental charge annually.

	2018 \$'000	2017 \$'000
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	200	273
Later than one year and not later than five years	370	450
	<u>570</u>	<u>723</u>

(b) Contingent liabilities

Bank Guarantees held in favour of other Entities

(a) 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
(b) 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
(c) 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
(d) Council currently has one Bank Guarantee in favour of Coliban Water for industrial land expansion.	100	100
(e) Council currently has one Bank Guarantees in favour of the Environmental Protection Agency for the rehabilitation bond for Council landfills.	800	800
(f) Council currently has one Bank Guarantee in favour of Vic Roads for Industrial estates.	10	10
Total	<u>1,440</u>	<u>1,440</u>

Superannuation

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

Future superannuation contributions

In addition to the disclosed contributions, the expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2019 are \$297,842

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

7.1 Contingent assets and liabilities (cont.)

(b) Contingent liabilities (cont.)

Compulsory acquisition of land compensation

Council has an ongoing compensation claim that relates to the compulsory acquisition of land. At balance date it was not possible to estimate the financial implications of this claim.

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

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 15)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has a significant number of operating leases that will be impacted as a result of this change. This will see assets and liabilities of approximately \$1.25 million recognised.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

CAMPASPE SHIRE COUNCIL

2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

7.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. The Council's 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.

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 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 1989*. 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 the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 7.1(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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

7.3 Financial instruments (cont.)

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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 4.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 2.86%.

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.

7.4 Fair value measurement

Fair value hierarchy

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

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

CAMPASPE SHIRE COUNCIL

2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

7.4 Fair value measurement (cont.)

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

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

Revaluation

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

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

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

Impairment of assets

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

7.5 Events occurring after balance date

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

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 8 Other matters

8.1 Reserves

(a) Asset revaluation reserves

2018

Property

Land & land improvements	19,584	5,764	25,348
Water rights	1,913	162	2,075
Artworks	124	-	124
Plant and Equipment	1,659	-	1,659
Buildings	44,316	6,194	50,510
	67,596	12,120	79,716

Infrastructure

Roads	153,496	21,053	174,549
Bridges	9,100	903	10,003
Footpaths and cycleways	10,692	2,115	12,807
Drainage	21,534	4,852	26,386
Other infrastructure	5,303	-	5,303
	200,125	28,923	229,048

Total asset revaluation reserves

	267,721	41,043	308,764
--	---------	--------	---------

2017

Property

Land	19,584	-	19,584
Artworks	124	-	124
Water rights	1,754	159	1,913
Plant and Equipment	1,659	-	1,659
Buildings	44,316	-	44,316
	67,437	159	67,596

Infrastructure

Roads	153,496	-	153,496
Bridges	9,100	-	9,100
Footpaths and cycleways	10,692	-	10,692
Drainage	21,534	-	21,534
Other infrastructure	5,303	-	5,303
	200,125	-	200,125

Total asset revaluation reserves

	267,562	159	267,721
--	---------	-----	---------

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

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

8.1 Reserves (cont.)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2018				
Restricted reserves				
Recreational land	1,087	-	57	1,144
Car parking	32	-	124	156
Total Other reserves	1,119	-	181	1,300
2017				
Restricted reserves				
Recreational land	981	-	106	1,087
Car parking	32	-	-	32
Total Other reserves	1,013	-	106	1,119

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 Shire of Campaspe, 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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus for the year	3,798	10,520
Depreciation/amortisation	18,111	18,270
(Profit)/loss on disposal of property, infrastructure, plant and equipment	12,462	776
Impairment losses	865	-
Fair value adjustments for investment property	(695)	-
Contributions - Non-monetary assets	(6,969)	-
Borrowing costs	287	488
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(327)	(22)
(Increase)/decrease in prepayments	692	(612)
Increase/(decrease) in trust funds and deposits	126	180
(Increase)/decrease in accrued income	145	117
Increase/(decrease) in trade and other payables	(3,166)	5,579
Increase/(decrease) in other liabilities	-	-
(Increase)/decrease in inventories	(93)	137
Increase/(decrease) in provisions	99	628
Net cash provided by/(used in) operating activities	25,335	36,060

8.3 Superannuation

Campaspe Shire 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 Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive 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 2018, this was 9.5% required under Superannuation Guarantee legislation).

Defined Benefit

Campaspe Shire 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.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

8.3 Superannuation (cont.)

Funding arrangements

Campaspe Shire 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 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa

Salary information 3.5% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the VBI at the quarter ending 30 June 2018 was 106.0%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

CAMPASPE SHIRE COUNCIL 2017/2018 FINANCIAL REPORT

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

8.3 Superannuation (cont.)

2017 triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$69.8 million

A total service liability surplus of \$193.5 million.

A discounted accrued benefits surplus of \$228.8 million.

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 2017. Council was notified of the 30 June 2017 VBI during August 2017.

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.

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 the investigation date.

2018 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed in October 2018.

PERFORMANCE STATEMENT

**FOR THE YEAR ENDED
30 JUNE 2018**

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.

SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2018

Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
Population Expenses per head of municipal population <i>Total expenses / Municipal population]</i>	\$1,954.53	\$2,001.31	\$1,970.00*	\$2,263.38	The trend in expenses per head of municipal population has generally remained steady across the four years of reporting. The increase in the 2017/18 period reflects an increase in the loss on the disposal of assets of \$13.3 million. This has been partially off-set by savings in other areas and recognition of contributed assets of \$6.9 million.
Infrastructure per head of municipal population <i>Value of infrastructure / Municipal population]</i>	\$12,597.60	\$12,693.23	\$12,496.99*	\$13,433.23	The trend in the value of infrastructure per head of municipal population has increased this year. The increase can be attributed to the revaluation of a number of asset classes, the revaluation increased the value of council's assets by \$40 million.
Population density per length of road <i>[Municipal population / Kilometres of local roads]</i>	9.00	8.90	9.00*	9.28	The long term trend of the population density per length of road remains generally steady. The road length has decreased as a result of refinement of council's asset register.
Own-source revenue Own-source revenue per head of municipal population <i>[Own-source revenue / Municipal population]</i>	\$1,291.69	\$1,523.12	\$1,532.66*	\$1,639.86	The trend in own-source revenue per head of municipal population has increased over the four years of reporting. The 2017/18 year result has been driven by an increase of \$3.2 million in own source revenue while the population has remain relatively steady.
Recurrent grants Recurrent grants per head of municipal population <i>[Recurrent grants / Municipal population]</i>	\$681.27	\$328.43	\$626.12*	\$454.50	The change in this indicator is due the prepayment of Financial Assistance Grants not being consistent in prior years.
Disadvantage Relative Socio-Economic Disadvantage <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	3.00	3.00	3.00	3.00	

Definitions

“adjusted underlying revenue” means total income other than:

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

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

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

* population is based on the 2016 Census figures

“population” means the resident population estimated by council

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

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

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

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



SERVICE PERFORMANCE INDICATORS

For the year ended 30 June 2018

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
AQUATIC FACILITIES Utilisation Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	3.08	5.70	5.95*	6.22	<p>The trend in the utilisation of aquatic facilities has increased over the four years of reporting. A warmer start to the summer season, increased community engagement activities and school usage supported increased utilisation. Council's focus on delivering quality facilities and programs such as accredited Learn to Swim and targeted classes for older adults, has driven this increase. Across all eight aquatic facilities a total of 233,190 visits were recorded (one year round Aquatic and Leisure Centre and seven seasonal outdoor pools). Pool attendance is 10,489 higher than last year.</p>
ANIMAL MANAGEMENT Health and safety Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>	0.00	1.00	0.00	3.00	<p>Campaspe experiences a low rate of dog attacks and council implements a range of alternative enforcement methods to prosecution which translates to a low rate of animal management prosecutions. This year's result was higher than previous years. Council continues to implement animal management programs which seek to educate the community about responsible pet ownership.</p>
FOOD SAFETY Health and safety Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	100.00%	85.42%	77.14%	95.00%	<p>Council received 40 critical and major non-compliance notifications about food premises within the 2017 calendar year. 38 non-compliance notifications were followed up, resulting in two critical and major non-compliance notifications remaining outstanding at the end of year. Of the two premises where the non-compliances were not followed up, one premise closed and the other was a sporting club that was inspected in September and the due date for follow up was after the premises had finished operating for the season. This premise has since been inspected this season.</p> <p>A full staffing complement has contributed to the 17.86% increase in the 2017 year's result bringing it back in line with earlier year's results.</p>
GOVERNANCE Satisfaction Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	49.00	48.00	48.00	46.00	<p>Throughout the 2017/18 year council made a number of significant decisions. Council recognises that there are diverse views across the community in relation to many of these decisions. Improving satisfaction with decisions of council remains a focus.</p>

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
HOME AND COMMUNITY CARE (HACC) Participation Participation in HACC service <i>[Number of people that received a HACC service / Municipal target population for HACC services] x100</i>	44.03%	13.04%	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	
Participation Participation in HACC service by CALD people <i>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</i>	14.93%	5.69%	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	
LIBRARIES Participation Active library members <i>[Number of active library members / Municipal population] x100</i>	22.95%	17.46%	16.81% *	16.32%	The trend in the number of active library members has generally remained steady across the last three years of reporting. It should be noted that this result includes physical and eResource activity.
MATERNAL AND CHILD HEALTH (MCH) Participation Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	74.10%	73.03%	72.96%	75.47%	Overall participation rates in the MCH service has increased 2.51% in the 2017/18 year following the preceding three years declining trend. This result was favourably influenced by the introduction of an SMS reminder system to parents and carers of their upcoming appointment.
Participation Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	67.69%	62.85%	58.93%	70.49%	The trend in the participation in the MCH service by Aboriginal children increased 11.56% in the 2017/18 year, due to the implementation of improved data collection and information sharing measures.
ROADS Satisfaction Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	50.00	53.00	40.00	45.00	A five point increase in this indicator is an improvement on the previous year's result. However as with last year's result council's understanding of the sealed local road network, gained through customer service requests and the ongoing inspection program, both indicate the network is in generally good condition. Council continues to suspect the deterioration of the VicRoads sealed road network has impacted the overall trend.

SERVICE Indicator measure	Result 2015	Result 2016	Result 2017	Result 2018	Material variations and comments
STATUTORY PLANNING Decision making Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	83.33%	100.00%	100.00%	80.00%	The trend in council planning decisions upheld at VCAT remains steady. The Planning Unit consistently arrange 'consultation meetings' during the application process in order to improve outcomes. One decision was overturned at VCAT in 2017/18.
WASTE COLLECTION Waste diversion Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	32.54%	40.57%	41.12%	40.35%	Waste diverted from landfill has generally remained steady across the last three years of reporting. Variations in diversion rates can be attributable to weather conditions e.g. decreases in green organics waste during dry weather conditions.

Definitions

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

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

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

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

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

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

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

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

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

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

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

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

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

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

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

*population is based on the 2016 Census figures

"population" means the resident population estimated by council

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

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

FINANCIAL PERFORMANCE INDICATORS

For the year ended 30 June 2018

SERVICE / Indicator / measure	Results			
	2015	2016	2017	2018
EFFICIENCY	\$1,131.60	\$1,618.27	\$1,703.37	\$1721.59
Revenue level				
Average residential rate per residential property assessment <i>[Residential rate revenue / Number of residential property assessments]</i>				
Expenditure level	\$3,604.25	\$3,673.05	\$3,643.21	\$4,107.99
Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>				
Workforce turnover	5.25%	12.63%	15.59%	11.36%
Resignations and terminations compared to average staff <i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</i>				
LIQUIDITY	319.67%	348.60%	244.53%	378.13%
Working capital				
Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>				
Unrestricted cash	145.67%	266.97%	184.45%	259.95%
Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>				
OBLIGATIONS	95.31%	71.11%	77.64%	71.07%
Asset renewal				
Asset renewal compared to depreciation <i>[Asset renewal expense / Asset depreciation] x100</i>				
Loans and borrowings	24.99%	22.64%	19.24%	15.96%
Loans and borrowings compared to rates <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>				
Loans and borrowings repayments compared to rates <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	2.24%	3.38%	3.38%	3.29%
Indebtedness	20.92%	18.57%	16.17%	13.22%
Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>				

	Forecast				
	2018	2019	2020	2021	Material variations and comments
	\$1,705.86	\$1,742.35	\$1,779.75	\$1,817.94	The trend in revenue level has increased slightly across the last three years of reporting and has been forecast to continue to increase at the same rate to 2022. The small increase in the 2017/18 year result on previous year reflects an increase in high value development which in turn increases the value of rates raised. Overall the number of residential property assessments has remained steady.
	\$3,643.67	\$3,729.91	\$3,805.73	\$3,882.66	The expenditure level increased significantly in 2017/18 on previous years. This variation reflects an increase in the loss on the disposal of assets. This has been driven by a number of assets being handed back to community management, de-recognition of assets found not to be councils and duplicated assets, as a result the value of these assets were written off.
	11.08%	10.53%	9.97%	9.42%	The trend in resignation and terminations compared to average staff has generally remained steady across the last three years of reporting. It is noted that the number of staff at end of financial year 2016/17 was incorrect by four people in the 2016/17 results. This error has been corrected in the reporting of the 2017/18 beginning of year results.
	239.10%	241.40%	241.69%	250.32%	The trend in percentage of working capital has remained strong across the four years of reporting and is forecast to increase slightly to 2022. The current year result reflects council holding cash to fund carried over capital works and to fund the 2018/19 capital works program. Council also has sufficient cash to pay liabilities on time.
	190.18%	194.94%	193.14%	200.65%	The trend in percentage of unrestricted cash has increased slightly across the four years of reporting and is forecast to continue to increase to 2022. The 2017/18 increase has been driven by funds not being expended on capital works, these projects will be carry forward to the 2018/19 year. Cash reserves are anticipated to decrease as these carried forward capital works are completed.
	93.65%	101.69%	102.04%	98.49%	The trend in percentage of asset renewal has decreased across the 4 years of reporting. The 2017/18 year result of 71.07% indicates that council is not meeting all asset renewal requirements. Council is working to address this issue with improved systems and data management. As a consequence have forecast an increasing trend in future years to 2022.
	17.27%	14.21%	11.12%	8.26%	The trend in percentage of loan and borrowings compared to rates has decreased across the four years of reporting and is forecast a continued decline to 2022, with the exception of a small increase in 2018/19 where council has budgeted to borrow within that year.
	3.32%	3.44%	3.41%	3.15%	The trend in the percentage of loans and borrowing repayments compared to rates has remained steady across the four years of reporting. This trend has been driven by no new borrowings being undertaken in the last two years. The trend is forecast to remain steady to 2022.
	14.32%	12.07%	10.01%	8.85%	The trend in indebtedness has declined significantly over the four years of reporting and is forecast to continue to decline to 2022. The decline has been driven by council's capacity to generate own source revenue to cover non-current liabilities. Council has reduced non-current liabilities by \$1.1 million and increased own source revenue by \$3.2 million.

SERVICE / Indicator / measure	Results			
	2015	2016	2017	2018
OPERATING POSITION	0.93%	(7.93%)	9.00%	(7.52%)
Adjusted underlying result Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>				
STABILITY	49.35%	55.67%	48.57%	51.76%
Rates concentration Rates compared to adjusted underlying revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>				
Rates effort Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.58%	0.61%	0.59%	0.61%



	Forecast				Material variations and comments
	2018	2019	2020	2021	
	1.42%	1.27%	1.32%	1.35%	The fluctuation in the adjusted underlying result across the prior three years of reporting has been driven by inconsistent pre-payment of the Financial Assistance Grants. The variance in 2017/18 is the result of \$13.0 million of assets being written off. A portion of this is assets having been incorrectly recognised in the past, a number of assets being handed back to the community and the balance is due to writing off the remaining value of renewed assets prior to being written back at their new value. The forecast years are expected to remain steady.
	54.71%	54.55%	54.50%	54.48%	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 to 2022.
	0.57%	0.57%	0.58%	0.58%	The trend in the percentage of rates effort has remained steady across the four years of reporting and is forecast to continue to remain steady to 2022.

The performance indicators for the forecast years does not reconcile to the 2017/18 budget due to different calculation methodology being used to derive the indicators.

Definitions

“adjusted underlying revenue” means total income other than-

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

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

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

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

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

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

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

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

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

*population is based on the 2016 Census figures

“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 2018

Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 6 June 2017 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained 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 1989 and the Local Government (Planning and Reporting) Regulations 2014.



Ailsa Box, CPA

Principal Accounting Officer

Dated: 18 September 2018

In our opinion, the accompanying performance statement of the *Campaspe Shire Council* for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

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

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

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



Cr Adrian Weston

Councillor

Dated: 18 September 2018



Cr Neil Pankhurst

Councillor

Dated: 18 September 2018



Jason Russell

Chief Executive Officer

Dated: 18 September 2018

Independent Auditor's Report

To the Councillors of Campaspe Shire Council

Opinion	<p>I have audited the accompanying performance statement of Campaspe Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2018 • sustainable capacity indicators for the year ended 30 June 2018 • service performance indicators for the year ended 30 June 2018 • financial performance indicators for the year ended 30 June 2018 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement of Campaspe Shire Council in respect of the year ended 30 June 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

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

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

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

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



MELBOURNE
19 September 2018

Tim Loughnan
as delegate for the Auditor-General of Victoria

ACRONYMS & DEFINITIONS

ABS - Australian Bureau of Statistics

Auditor General - Independent parliamentary officer appointed by legislation to examine and report to the Victorian Parliament and the community on the management of public sector resources and provide assurance of the financial integrity of Victoria's system of government.

Best Value - Victorian Government legislation that requires councils to review their services and adopt a model that is best for the community.

Capital works - Any work undertaken to establish, renew, expand, upgrade and dispose of council's assets.

CEO - Chief Executive Officer.

CFA - Country Fire Authority

CFCN - Community Foster Care Network

Community Grants program - Council funding made available to not-for-profit community groups to assist in the provision of activities and programs.

Community Satisfaction Survey - A Victorian Government auspiced annual survey conducted by an independent research company to obtain community feedback on satisfaction levels with the performance of local councils. The survey is optional not mandatory.

Council Plan - Four-year plan outlining council's strategic direction.

Councillors - The elected representatives of council.

Council asset - An asset is a facility or part of a facility that has a value and enables a service to be provided.

CPR - Cardiopulmonary resuscitation

Cr - Councillor

FTE - Full-time effective

GC2018 - Commonwealth Games 2018

EMG - Executive Management Group

EPA - Environment Protection Authority

ESI - Electricity supply industry

EWMAC - Echuca War Memorial Aquatic Centre

FOI - Freedom of Information

HACC - Home and Community Care

HSR - Health and safety representative

IAP2 - International Association for Public Participation

ICT - Information and Communications Technology

kW - Kilowatt

kWh - Kilowatt per hour

Local Laws - The laws adopted by council that prohibit, regulate and control activities, events, practices and behaviours within Campaspe.

LGPRF - Local Government Performance Reporting Framework

LMS - Learning management system

MAV - Municipal Association of Victoria

NBN - National Broadband Network

NDIS - National Disability Insurance Scheme

OHS - Occupational health and safety

OneCouncil - TechnologyOne software product

PAG - Planned activity group

Planning Scheme - A legal instrument that sets out the provisions for land use, development and protection.

PS - Paddlesteamer

R2R - Roads to Recovery, Federal Government funding program

RSL - Returned and Services League

Strategic Resource Plan - Outlines the resources required, financial and non-financial, to achieve the strategic objectives outlined in the council plan.

TechOne - TechnologyOne, software company

VCAT - Victorian Civil Administrative Tribunal

Campaspe Shire Council

Corner Hare and Heygarth Streets, Echuca


Hours: 8.30am to 5.00pm
Monday to Friday


Postal address: PO Box 35 Echuca VIC 3564

Phone: 03 5481 2200 | 1300 666 535

Fax: 03 5481 2290

Web: campaspe.vic.gov.au

 @CampaspeShireCouncil

 @campaspeshire


 #campaspeshire

Customer Service Centres:

Kyabram, 19 Lake Road
Rochester, 43-45 Mackay Street
Rushworth, 33 High Street
Tongala, 37 Mangan Street





 #RochesterVic

