

Annual Report 2023/24

—
Towong Shire...
The ideal place to be



Front cover image: Bank of Lake Hume.

Lake Hume continues to be a vital asset for the region, offering year-round recreational activities. It is one of Australia's largest water storage facilities, supporting the region's agricultural needs and providing water security for surrounding communities, further enhancing its significance to the local economy and environment.

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Introduction

Welcome

Council is committed to transparent reporting and accountability to the community. This Annual Report provides a summary of Council's operations and performance for 2023/24, including a summary of financial performance as well as progress against the strategic objectives set out in the Council Plan 2021-2025:

1. Asset Management
2. Community Wellbeing
3. Economic and Tourism Development
4. Land Use
5. Environmental Sustainability
6. Organisational Improvement

This report also contains a snapshot of significant events, achievements and changes that occurred throughout the year together with audited financial statements, performance indicators and other information as prescribed by the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

Towong Shire Council acknowledges with appreciation the support of the Australian Government and the Victorian Government.



Australian Government



About Towong Shire



Towong Shire, in far North East Victoria, enjoys some of Australia’s most pristine environments. Our unique wilderness areas, lakes, rivers and streams create diverse landscapes that are enjoyed by around 6,223* residents and many more visitors across an area of 6,675 square kilometres.

Our municipality includes many diverse townships and localities including Bellbridge, Bullioh, Berringama, Bethanga, Biggara, Burrowye, Corryong, Cudgewa, Dartmouth, Eskdale, Granya, Guys Forest, Koetong, Lucyvale, Mitta Mitta, Mt Alfred, Nariel, Old Tallangatta, Shelley, Talgarno, Tallandoon, Tallangatta, Tallangatta Valley, Thologolong, Tintaldra, Towong and Walwa.

The economy of the region revolves around a strong agricultural sector, tourism, and timber production. Approximately two-thirds of businesses in the Shire are in the agricultural and forestry industries.

*2021 Census

Nb: Unless otherwise indicated, statistics are taken from the latest year available. The statistics on this page are presented for information purposes and may differ from the data sources used for performance reporting purposes.

Facts, statistics and characteristics

Population ¹	6,223
Area	6,675 sq km
Property assessments (rateable)	4,573
Roads and transport	
Council roads	1,183 km
Arterial roads	483 km
Number of registered vehicles ¹	7,342
Employed people who travel to work by car ¹	60.2%
Economy	
Businesses ²	925
Employment participation rate ¹	55.8%
Median weekly household income ¹	\$846
Individuals and households	
Median age ¹	52
Average household size ¹	2.2
Social and health	
Voluntary work through an organisation or group ¹	27.9%
Immunisation rates for children under 27 months ³	94%
Pre-school or kindergarten participation ⁴	100%
Proportion of adults who are sufficiently physically active ⁵	69%

Data sources:

¹ Census 2021, Australian Bureau of Statistics (<https://dbr.abs.gov.au>)

² Remplan; <https://www.remplan.com.au/economy/>

³ Murray Public Health Network, Australian Immunisation Register 2021

⁴ Australian Early Development Census (AEDC) 2021

⁵ Victorian Population Health Survey (VPHS) 2017

Nb: Unless otherwise indicated, statistics are taken from the latest year available. The statistics on this page are presented for information purposes and may differ from the data sources used for performance reporting purposes.

About our organisation

Towong Shire Council is led by the Community Vision, Council Mission and Council Values.

The Community Vision describes the community’s aspirations for the future of the municipality over the next ten years and was developed based on comprehensive community engagement undertaken in 2021 as part of the development of the *Council Plan 2021-2025*.

The Council Mission expresses the core purpose of the Council and guides our Councillors and staff in the pursuit of the Community Vision. It is underpinned by our Values which guide how we work with one another, our communities and stakeholders.

Community Vision	Towong Shire will be the ideal place to be: welcoming, vibrant and diverse communities with quality facilities and services.
Council Mission	To provide strong leadership and to work with our communities to enhance their social, economic and environmental wellbeing.

Council Values

Respect	We will listen and consider other perspectives and treat each other with courtesy.
Integrity	We will be honest with strong moral principles.
Pride	We will always take care in what we do.
Teamwork	We will help others to achieve by being positive, enthusiastic and confident.

A message from the Chief Executive Officer

It is with great pleasure that I present the 2023/24 Towong Shire Council Annual Report. This report provides an opportunity to reflect on our progress across a range of initiatives which are intended to enhance community services and infrastructure, and improve the overall wellbeing of our communities.

We continued to deliver on our significant capital works program which has been made possible by government funding we secured to support community recovery and infrastructure rebuild following the 2019/20 black summer fires and the COVID 19 pandemic. Notably, this year we completed Wises Creek Road Stage 3, the Corryong Heavy Vehicle Bypass, Corryong Circuit Trail Stage 2 and the Mitta Mitta streetscape Stage 1 project. Further improvements were also made to Smythe's Road and the Little Snowy Creek Bridge in Eskdale.

In response to the strong message from our communities, during the development of the Council Plan, to provide family and young people-friendly infrastructure, we commenced construction of the Dartmouth Splash Park and Pump Track, a new Corryong Skatepark and a revitalised playground in Walwa with the design for all three projects heavily influenced by some of our youngest community members. From an educational and wellbeing perspective we supported our families and young people with the three and four-year-old kindergarten program delivered across several communities and the Maternal Child Health team provided essential services, including weekly programs for first-time mothers and playgroups.

Ours efforts to support the diversification of the Shire's economy included the delivery othe Upper Murray Tourism and Business Expo which attracted regional entrepreneurs and enabled valuable networking opportunities. Tourism development initiatives included the installation of large-scale artwork and completion of the Pine Mountain Information Stop as part of the Great River Road project as well as infrastructure improvements to support cycle tourism including signage and bike repair stations.

As part of our commitment to providing a great place to work that supports a high performing organisation we adopted a draft Reconciliation Action Plan (RAP). Developed as a Reflect RAP this will help us prepare to engage in reconciliation meaningfully, commencing with engaging staff and leaders in understanding the importance of reconciliation. We commenced our IT and Records Management Project, with the aim to transform our information technology and information management systems and transition from several different file servers and cloud-based document storage systems to a single cloud-based location with an integrated record management solution.

Finally, the development of the Our Towns Towards 2030 project for Bethanga, Tallangatta, and Corryong together with township structure plans for Bellbridge, Corryong, and Tallangatta which focus on community needs and opportunities for sustainable growth, puts us in an excellent position as we move toward the development of a new Council Plan following the next local government election in October 2024.

I would like to take this opportunity to thank our Councillors for the significant effort they put in in pursuit of our Community Vision to be the ideal place to be, and for the support they provide to our organisation. I would also like to thank our small but dedicated team of staff that continue to deliver great outcomes for our communities despite the many challenges we face on a daily basis. I look

forward to continuing to deliver the services, projects and programs that our communities deserve over the year ahead.



Juliana Phelps
Chief Executive Officer

The year in review

A snapshot

July 2023

Bethanga Playground Completed

We collaborated with our youngest community members to create a playful haven for families and produce the Bethanga Playground. The new equipment and the layout of the playground reflects the feedback we received via our survey and at the picnic event held at the playground.

August 2023

Walwa Jingellic Walking Track Completed

All four of the new pedestrian bridges were installed and the ramps connecting the bridges and pathways were added.

September 2023

Eskdale Bridges Completed

We completed works on the Smythe's Road and Little Snowy Creek bridges in Eskdale to increase the load limit to allow for heavy vehicle access, particularly emergency vehicles. These two bridges will provide improved access during flooding events.

October 2023

Tallangatta Triangles Reopening

We completed the works to enhance the Tallangatta Triangles Toilet Block. The upgrade included adding extra cubicles for increased convenience, installed brand new fixtures and fittings, replaced the roof for better shelter, applied fresh paint and resurfaced the floors for a smoother, more comfortable experience.

November 2023

Our Towns Towards 2030

Draft plans were presented at the second round of co-design workshops for the Our Towns Towards 2030 project in Corryong, Mitta Mitta, Tallangatta, Bellbridge, and Bethanga. These plans evolved from the rich conversations held during the first community engagement phase, reflecting what made these towns unique and addressing the challenges and future opportunities that were discovered.

December 2023

Mitta Mitta Streetscape Stage 1 Completion

We completed the Mitta Mitta Streetscape Stage 1 project. The transformation included new kerbing, safe pedestrian crossings, additional carparks at the Omeo Highway and La Fontaine Street intersection, footpaths for pedestrians and cyclists through the town centre, links to nearby reserves, and new landscaping.

January 2024

Activating Lake Hume Masterplan

We completed the draft Activating Lake Hume Masterplan, developed in collaboration with the community. The masterplan guides the future development around Lake Hume with the goal of making it one of Towong Shire's top recreation destinations.

February 2024

Yabba Road Upgrade

Construction of Yabba Road commenced, upgrades included widening and resealing three corners to improve sight distance and enhance safety for all road users.

March 2024

Walwa Playground Design

Consultation for the new playground has been completed. We gathered ideas from the children at the Primary School and Early Years Learning Centre, their input helped shape the final design of the playground on Main Street.

April 2024

Community Risk + Asset Map Workshops

Council and the Australian Red Cross teamed up to create Community Risk and Asset Maps in Dartmouth, Eskdale, Mitta Mitta and Tallangatta Valley. In March, we held community meetings to identify local risks, hazards, and assets for emergency preparedness. Following these discussions, we drafted Community Risk and Asset Maps, which were reviewed with the community in April.

May 2024

Corryong Heavy Vehicle Bypass

Work on the Corryong Heavy Vehicle Bypass along the Stock Route wrapped up, with the project now completed. This upgrade to the Stock Route has brought significant improvements to accommodate Heavy Vehicles providing a safer alternative route for trucks and addressing safety concerns associated with using the main street. This project was generously funded by the Australian Government through the Heavy Vehicle Safety and Productivity Program.

June 2024

2024/25 Budget adopted

Council adopted the Towong Shire Council Budget 2024/25. The Budget provides for the ongoing delivery of quality facilities and services to residents, including a focus on upgrading, repairing, and maintaining our roads and bridges network with \$4.7 million allocated to this key infrastructure. It also includes a 2.75% rate increase in accordance with the rate cap set by the State Government under the Fair Go Rates system.

Major capital works

Great River Road Stage 2

Total Project Cost: \$3,079,495 (FY 23/24 \$1,840,930)

The Great River Road Stage 2 is nearing completion with final signage and artwork scheduled to be installed by end of 2024. Three pedestrian bridges and the construction of the Walwa-Jingellic walking track was completed this financial year. The Towong walking track was also completed connecting Brooke Street to the River Reserve. This project was funded by the State Government under the Local Economy Recovery program.

Corryong Heavy Vehicle Bypass Upgrade

Total Project Cost: \$3,717,023 (FY 23/24 \$1,788,109)

The Heavy Vehicle Bypass upgrade included pavement widening, realigning of three sharp corners and the installation of a guardrail to improve safety and the sealing of approximately 3 kms. The realignment and upgrade of the road to heavy vehicle standards had doubled the traffic volumes since completion of the project.

The Heavy Vehicle Bypass project was funded by the Federal Government's Heavy Vehicle Safety and Productivity Program – Round 7.

Talgarno - Wises Creek Road - Stage 3

Total Project Cost \$2,135,198

Upgrades to Wises Creek Road Stage 3 were completed with works including pavement widening, road realignment and drainage, and installation of approximately 2.3 km of road. Final sealing of the road will be completed by end of 2024.

The project was funded by the State Government through the Local Roads and Community Infrastructure Program.

Corryong Skate Park Upgrade

Total Project Cost: \$932,000

Council successfully secured funding from the National Recovery and Resilience Agency's Black Summer Bushfire Recovery Grants Program in 2022. The project includes a new skate park construction at the old Corryong Primary School site and will include two stages (Upper and Lower deck). The project is in its construction phase and is scheduled to be completed by end of 2024.

Corryong CBD Streetscape

Total Project Cost: \$

The Corryong CBD Streetscape upgrade project has been partially funded by Regional Jobs and Infrastructure Fund. It has been a challenging project with delivery complicated by the various unknown elements that are invariably encountered on a brownfield site, and where our construction

impacts on assets owned by third parties, such as Telstra and Department of Transport. Despite the challenges, Council is actively working to deliver a revitalised streetscape, creating a welcoming and vibrant town centre for both residents and visitors.

Mitta Streetscape Upgrade Stage 1

Total Project Cost: \$859,019 (FY23/24 \$840,225)

The project was funded with the support of the State Government through the Safer Pedestrian and the Federal Government's Roads to Recovery program. Stage 1 works have now been completed which included an intersection upgrade, drainage installation, kerb upgrades and footpath construction creating a safer environment for pedestrians and other vulnerable road users.

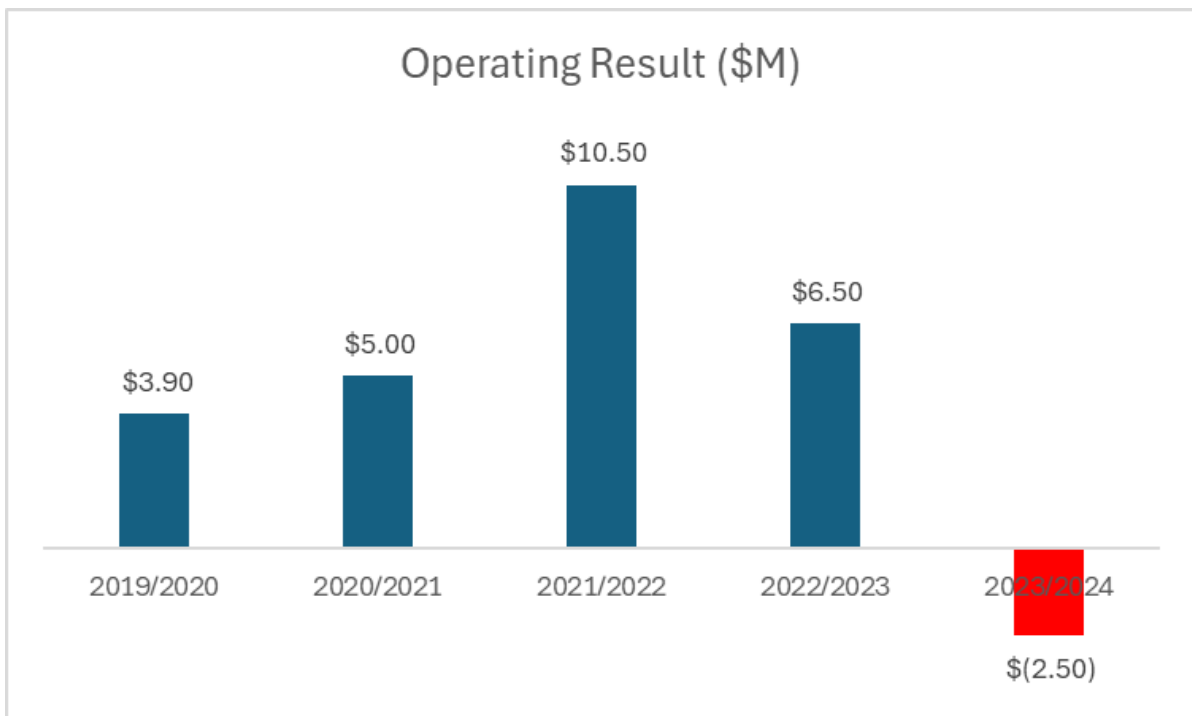
Financial summary

Operating result

Our Financial Statements for 2023/24 resulted in a deficit of \$2.5 million against a budget of \$7.3 million deficit. This was primarily due to:

- the receipt and recognition of capital grant income that were unanticipated at the time that the budget was prepared (\$5.2 million vs \$1.1 million)
- the receipt of \$4.9 million in other income against budget of \$1.4 million. Major contributors to these differences were
 - Receipt of \$1.5 million insurance claim
 - Receipt of approx. \$1 million in Disaster recovery funding
 - Interest income over budget by approx. \$1.1 million
- Depreciation expense exceeding budget, following the upward revaluation of infrastructure assets in 2022/23 and the corresponding increase in depreciation.

A comparison of **operating results** from 2019/20 to 2023/24 is provided in the graph below.



The rate capping environment

The Victorian Government introduced the Fair Go Rates System from 1 July 2016 to contain the cost of living for ratepayers, with annual rate increases limited by the 'rate cap' set by the Minister for Local Government. If a council has a strong requirement to raise rates in excess of the cap, an exemption request for a higher rate cap can be lodged to the Essential Services Commission for formal approval. The approval process is extremely rigorous and includes a consideration of community views and other funding options. There are no higher rate caps currently in place. During the 2023/24 financial year, the rate cap adopted by Towong Shire Council was 3.5%.

Financial sustainability challenges

Like other small councils across rural Victoria, Towong Shire's large geographic area and small population present significant challenges to adequately fund the maintenance and renewal of community assets and deliver responsive services that meet the needs of the community. Low population, vast distances between communities and an economy that largely revolves around climatic conditions (particularly agriculture, forestry and tourism) are further factors which impact our financial sustainability. In addition, we do not have the option to raise revenue through other avenues like larger councils do, such as parking fees, development contributions and levies.

Sustainability outlook

There are certainly challenges in maintaining our services and infrastructure at the levels that our communities should be able to expect, given that recent inflation levels have well exceeded the State Government's rate cap. We have worked very hard over a number of years to secure substantial grant funding to support a wide range of capital works for the benefit of our communities. Both Councillors and Council officers have advocated for the needs of our ratepayers and residents to be met, and many well-considered grant applications to both State and Federal Governments have been made. This work has paid off in the last couple of years, while we have substantial funds to support our communities, much of this funding is committed to specific, one-off projects. Reliance on one-off funding grants is not sustainable, and without the ongoing support of Federal and State governments, our ability to deliver on community needs into the future may be compromised. We also recognise the increased ongoing expenses associated with the construction of new infrastructure, and the impact that this has on our financial sustainability.

We continue to lobby the State and Federal Governments for more reliable funding sources to support long term infrastructure renewal needs. We continue to meet directly with representatives, make formal submissions and undertake collaborative campaigns with other small rural councils. In lieu of more reliable funding being available, a reduction in services or a reduction in maintenance and renewal of existing infrastructure may become required.

Long term response

Council's long term response to sustainability is to increase the number of people residing in communities throughout Towong Shire. This supports better utilisation of existing rural infrastructure and results in costs being spread over a larger ratepayer base. Council has demonstrated its commitment to this long term strategy with its continued delivery of a number of key strategic projects, including:

- Master planning exercises in key communities (Our Town Towards 2030 for Tallangatta, Mitta Mitta, Bellbridge, Corryong, Bethanga)
- Construction of new recreational facilities and multi-purpose centres throughout the Shire (Corryong, Cudgewa, Mitta Mitta, Tallangatta, Tallangatta Valley and Walwa)
- Assisting the applications for residential subdivisions in growth areas around Tallangatta and Bellbridge.

Other measures include a continued focus on opportunities to reduce the cost of service delivery, including the development of shared services with other councils.

If there is not adequate funding to provide basic services and infrastructure, people will relocate to larger shires and regional cities where they can access services and infrastructure that meet their needs. A reduction in the local population becomes a downward spiral for rural towns, as there are less residents to contribute to the community and to share the cost of local services and infrastructure. This in turn places greater financial pressure on rural councils.

Rates and charges

Rates and charges increased by \$563,000, aided by an 3.5% increase in general rates and the municipal charge in line with the State Government mandated rate-cap and an increase in kerbside collection charges to combat rising costs related to running the services.

A rate increase of 3.50% despite inflation greater than 6% and the annual rate cap was approved as part of the 2023/24 Budget process, and similarly a rate increase of 2.75% was approved as part of the 2024/25 Budget process in line with the current rate cap. Adhering to the State Government rate cap is placing significant strain on Council's financial sustainability. We note that the strain of higher inflation and lower wage growth is also being felt by our residents and have determined the rate cap is the appropriate rate in line with our residents capacity to pay.

Fees and fines

Statutory fees increased from \$300,000 to \$310,000 however still short of the \$338,000 budget due to a lower than expected level of building permits, fees and charges.

Grant income

Net grant income was \$8.5 million, down on prior year of \$18.4 million. The key factors that contributed to this result included the timing related to the receipt of the Financial Assistance Grants and Local Roads Fundings, both of which a total of \$5.2 million (85% of allocation) were received in the first week of July 2024, compared to \$5.8 million (100% of allocation) received in June 2023. The timing of payments of this grant has meant a small amount of these grants were recorded within the 2024 financial year.

Other Income

Other income increased from \$2.7 million to \$4.9 million, well above budget largely contributed by \$2.5 million in receipts relating to insurance claims and disaster recovery funding and \$1.1 million of investment related income over budget.

Expenses

Expenditure increased by \$2.4 million over budget, contributed largely by 35% higher depreciation (\$1.7m) and material costs (\$1.2m). Material costs exceeding the budget were driven by the increase in capital-related works. Depreciation expenses were driven higher by increased valuations following the 2022/23 external revaluation. Cost savings were made in staffing costs (\$729,000) due to vacancies not being filled.

Capital expenditure

Capital works expenditure exceeded the prior year's spend at \$13.6 million, a very significant investment for our organisation. Despite the record capital spending, it was short of budget due to wet weather and the availability of contractors.

\$1.2 million was incurred on building improvements, \$6.5 million on local roads and \$3 million of capital works relating to footpaths, cycleways, parks, open space and streetscapes.

The carried forward amounts on capital projects now see this council budgeting for a capital spending program in the 2024/25 financial year of \$22.6 million which include works relating to:

- Corryong Carparking
- Various Bridge Renewals
- Springdale Road Bridge
- Hanson Street, Corryong
- Bellbridge Walking Track
- Tallangatta Rail Trail Bridge
- Transfer Station Retaining Walls
- Mitta Mitta Streetscape – Stage 2

Our Council

Councillors

The Councillors were elected for a four-year term at the elections held 24 October 2020. On 22 November 2023 Cr Whitehead was elected as Mayor for a one year term (his third as Mayor) and Cr Anderson as Deputy Mayor for a one-year term.

Cr Andrew Whitehead | Mayor

Cr Andrew Whitehead was first elected to Council in October 2016. He was re-elected to Council on 24 October 2020 to serve his second term. After two terms as Deputy Mayor he now serves as Mayor. A resident of Towong Shire all his life, he lives with his wife on the family beef and sheep farm in Towong Upper where they are raising their four children.

Cr Denise Anderson

Cr Denise Anderson was first elected to Council on 24 October 2020. On 22 November 2023 she was elected to serve her first term as Deputy Mayor. She has been a resident of Towong Shire for 22 years and has lived in the region all her life. Together with her husband Bill, she has three adult children. Cr Anderson has owned a small business, has experience in the banking and medical industries, and has been involved with a variety of school and community organisations.

Cr Peter Dikschei

Cr Peter Dikschei was first elected to Council on 24 October 2020 and was elected to the office of Deputy Mayor for a one year term. He retired to Towong after a respected career with the Victoria Police and lives there with his wife. He is a member of the Corryong Baptist Church and the SES and is also a keen cyclist.

Cr Aaron Scales

Cr Aaron Scales was first elected to Council in October 2012. He was re-elected to Council on 24 October 2020 to serve his third term. He has served one term as Mayor. Cr Scales studied Law, Accounting and Hospitality/Tourism and has completed a Master of Business Administration. He was raised on his family's farm at Dartmouth and now lives in town with his two children.

Cr David Wortmann | Deputy Mayor

Cr David Wortmann was first elected to Council in November 2008. He was re-elected to Council on 24 October 2020 to serve his fourth term. Cr Wortmann has served six terms as Mayor and one as Deputy Mayor. He has lived in Granya all his life and is married with two children. He runs a beef and sheep farm and also operates a school bus service.

Our people

Management team

The Chief Executive Officer is appointed by Council to oversee the operations of the organisation. The Chief Executive Officer, together with a team of Directors ensures that the priorities identified in the Council Plan are achieved and that day-to-day responsibilities are effectively undertaken.

Juliana Phelps | Chief Executive Officer

Ms Phelps was appointed Chief Executive Officer in May 2009, having served as Council's Director Community and Corporate Services for a period of ten years. Juliana is a Chartered Accountant and holds a Masters of Business Administration as well as a Bachelor of Business Degree in Accounting and Economics. Juliana is also a graduate of the Australian Institute of Company Directors and in 2020 was recognised as one of the top 50 Public Sector Women in Victoria.

Rachael Gadd | Director of Infrastructure and Environment

Ms Gadd was appointed to the role of Director Infrastructure and Environment in October 2019. As Director of Infrastructure and Environment, Rachael is responsible for managing Council's assets, including the maintenance and construction of roads, buildings and storm water management to ensure public safety and the delivery of appropriate levels of service for the community. Rachael previously worked for Council in the position of Civil Asset Engineer and has a diverse background having worked in education, as a Geological Field Assistant and a Small Business Manager in the United Kingdom.

Amanda Pagan | Director of Community and Planning (until 14 June 2024)

Ms Pagan was appointed to the role of Director of Community and Planning in December 2019. As Director of Community and Planning, Amanda is responsible for the management and leadership of a range of areas including Land Use Planning, Community Wellbeing, Economic Development, Recreation, Arts and Culture, and Emergency Management. Amanda has had a diverse career working for private, not-for-profit and Government organisations, including Deloitte Consulting, the Brotherhood of St Laurence, the Australian Red Cross Blood Service and St Vincent's Hospital.

Narelle Taylor | Director of Corporate and Organisational Development

Ms Taylor was appointed to the role of Director of Corporate and Organisational Development in June 2023. As Director for Corporate and Organisational Development Narelle is responsible for the management of Communications and Engagement, IT, Local Laws, Governance, OHS, Finance, Customer Service, Human Resources and Records Management. Narelle's qualifications in Accounting and experience in Audit and Compliance, Human Resources and Operations in a FMCG organisation provide a great base for her to step into this role.

Organisational structure

Chief Executive Officer
Juliana Phelps

Rachael Gadd
Director Infrastructure and Environment

Works

Infrastructure maintenance
Parks and open spaces

Projects

Construction and development

Assets

Asset management
Capital projects

Regulatory control

Building services
Environmental health

Environment

Waste management
Wastewater and water supply
Forest industry support

Amanda Pagan *(until 14 June 2024)*

Director Community and Planning

Mark Florence *(15 – 30 June 2024)*

A/g Director Community and Planning

Community

Kindergartens
Maternal and child health
Recreation
Youth, family and senior programs
Emergency management
Relief and Recovery

Land use Planning

Economic and Tourism Development

Business support
Agricultural diversity
Visitor information services
Event support

Recreation Arts and Culture

Swimming Pools

Narelle Taylor

Director Corporate and Organisational Development

Finance

Accounting
Rates and property
Payroll

Communications and Engagement

Communications
Community engagement
Media
Customer service

Corporate

Information technology
Risk management and insurance
Governance
Human resources
Records management

Ranger & Local Laws

Workforce statistics

A summary of the number of full time equivalent (FTE) council staff, as at 30 June 2024, by key result area, employment type and gender is set out below.

Key Result Area	Full time		Part time		Casual		Total
	Male	Female	Male	Female	Male	Female	
Asset management	37.4	4.2	-	0.8	0.6	-	43.1
Community wellbeing	1.0	6.2	3.2	24.3	-	0.7	35.4
Economic and tourism development	-	1.1	-	1.3	-	-	2.4
Land use	1.1	1.1	0.7	-	-	-	2.8
Environmental sustainability	3.1	-	0.5	-	0.2	-	3.8
Organisational improvement	4.2	6.2	1.8	6.8	-	-	19.0
Relief and recovery	-	1.9	-	0.8	-	0.3	3.0
Executive	-	2.1	-	0.5	-	0.4	3.0
TOTAL	46.8	22.6	6.2	34.7	0.8	1.4	112.5

A summary of the number of full time equivalent (FTE) council staff, as at 30 June 2024, by employment classification and gender is set out below.

Employment Classification	Male	Female	Total
Band 1	-	-	-
Band 2	0.2	-	0.2
Band 3	19.6	7.0	26.7
Band 4	9.8	9.8	19.6
Band 5	4.0	12.3	16.3
Band 6	5.1	6.7	11.8
Band 7	9.4	1.4	10.9
Band 8	2.1	1.9	4.0
Band not applicable	3.6	19.5	23.0
TOTAL	53.8	58.7	112.5

Equal employment opportunity

Council has a Discrimination, Harassment, Bullying, Equal Employment Opportunity and Diversity policy that is reviewed and adopted each year. The policy reflects our desire to enjoy a workplace free of discrimination where each person has the opportunity to progress to the extent of their abilities.

Discrimination relating to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation is not tolerated. Selection of individuals for employment is on the basis of merit and flexible arrangements are available to support employees to balance work and family responsibilities.

Our performance

Planning and accountability framework

The *Local Government Act 2020* requires councils to prepare the following planning and reporting documents:

- A ten-year Community Vision;
- A ten-year Financial Plan;
- A ten-year Asset Plan;
- A four-year Council Plan;
- A four-year Revenue and Rating Plan;
- A four-year Workforce Plan;
- A Budget for each financial year and the subsequent 3 financial years;
- An Annual Report in respect of the prior financial year;
- A quarterly budget report in respect of each quarter of the financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government, as well as other key strategic plans of Council. There are opportunities for community and stakeholder engagement at each stage of the planning and reporting cycle.

Planning			Reporting
Long term	Medium term	Short term	
Community Vision	Council Plan	Annual Budget	Annual Report
Asset Plan	Healthy Communities Plan		Council Plan Reporting
Financial Plan	Budget		Quarterly Budget Reporting
Place-Based Master Plans	Revenue and Rating Plan		LGV Performance Reporting Framework
<ul style="list-style-type: none"> • Tallangatta Tomorrow • UM2030 Vision Plan • Our Valley, Our Future • Our Bellbridge 	Workforce Plan		
	Planning Scheme		

Reporting on delivery of the Council Plan

The following pages detail Council's performance for the 2022/23 year against the six strategic objectives and the associated strategies and indicators detailed within the *Council Plan 2021-2025*.

1. Asset management

Strategic objective

Maintain and improve our Shire’s infrastructure to meet the levels of service established in consultation with our communities.

Strategies

Deliver key projects to support economic, tourism and social development in the Shire.

Continue to develop services and facilities to support long term population growth.

Implement safety improvements across our roads and footpath networks.

Highlights	<ul style="list-style-type: none"> • Completion of Wisers Creek Road Stage 3 upgrade • Completion of the Stock Route Upgrade • Completion of Mitta Mitta Stage 1 • Completion of Eskdale Bridges – Little Snowy Creek Road and Smythe’s Road • Completion of Corryong Circuit Trail Stage 2 • Completion of the Corryong Weighbridge and Truck wash
Challenges	<ul style="list-style-type: none"> • Significant increases in material and building costs. • Unavailability of civil contractors for capital projects due to commitments towards storm damage remedial works • Unavailability of design consultants to undertake project designs leading to delays.

This year, we made significant strides in advancing the capital works program outlined in the Council Plan 2021-2025. Highlights include the completion of Wisers Creek Road Stage 3 and the Corryong Heavy Vehicle Bypass along the Stock Route. These projects are set to enhance safety and provide a crucial alternative route for trucks.

Stage 1 of the Mitta Mitta streetscape project was completed, this project was funded by Regional Roads Victoria. This project upgraded streets, parking, and footpaths to better manage increasing traffic, leading to improved safety and functionality in the area.

Smythe’s Road and the Little Snowy Creek Bridge’s in Eskdale were also upgraded. These works will improve access during flooding events and support heavy vehicle loads, particularly during the fire season. Funding for these works were provided by the Department of Energy, Environment and Climate Action (DEECA) through the Phase Two Bushfire Recovery Grant.

The annual reseal and guardrail replacement program resulted in the installation of 324 meters of guardrails on various roads and bridges.

While substantial progress was made, a number of challenges were encountered such as rising building material costs and the limited availability of civil contractors, who were engaged in storm-related remedial works. These issues caused some delays and necessitated adjustments to our project scope. Nevertheless, we successfully advanced several key community infrastructure projects throughout our Shire.

Among these projects is the Corryong Circuit Trail Stage 2, which features the construction of a pedestrian boardwalk and bridge, providing valuable recreational opportunities for the community. We also completed the Walwa-Jingellic walking track, which includes a 5km sealed trail and four pedestrian bridges, encouraging locals and visitors to explore Towong Shire on foot.

Additionally, generous donation from the City of Kingston was received in response to the 2019/2020 Black Summer bushfires, which supported the upgrade of the Walwa Playground. Located on Main Street, this project features new equipment, landscaping, and planting. We engaged our youngest community members from the local primary school in the design of the new playground, ensuring it meets their needs and interests.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Sealed local road requests	Reduction in number of requests	22	68	160	No*
Unsealed local road requests	Reduction in number of requests	83	115	166	No*
Requests per 100km of sealed local roads	Reduction in number of requests	1.86	6	14.50	No*
Unsealed road condition	Improvement in condition	196	226	D/U	No*
Fatal and non-fatal crash statistics across the shire attributable to road safety	Improvement in crash statistics	0	1	D/U	No
Completion of annual capital works projects	100% complete	25%	32.2%	54%	No

*The impact of rain and storm events over the last two years has resulted in significant damage to Council's road infrastructure. This has driven an increase from 2021/22, and consequently we have not met these targets.

D/U = Data unavailable at the time

Service performance indicators

Indicator	Result 2020/21	Result 2021/22	Result 2022/23	Result 2023/24	Comments
ROADS Satisfaction of use <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	9.52	5.73	17.42	24.53	The number of road requests has increased again over the last year primarily as a result of damage caused by flooding and heavy rain over the past 12-36 months. This is also consistent with the decrease in community satisfaction of sealed local roads.
Condition <i>Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	100.00%	100.00%	97.00%	97.52%	Sealed roads with an observable SCI score of 3.3 and below; as measured by the Infrastructure Management Group; are assessed to be above the renewal intervention level.
Service cost <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$59.02	\$59.58	\$62.24	\$65.50	Increases in cost due to inflationary pressures.
Service Cost <i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$7.30	\$0.00	\$6.51	\$6.64	This cost has remained stable. This recognises the good value Council is able to obtain by partnering with quality local contractors.

Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	57.00	50.00	38.00	38.00	A significant drop in the community satisfaction level for local roads is reflective of a state-wide trend. Council's performance is slightly below the average for comparative small rural Councils.

Council Plan progress report

Initiatives and Priorities		Status	Comments
1.1	Deliver 100% of the annual capital works program and bushfire recovery projects	In Progress	In the 2023/24 year there were 64 projects, 30 are now complete, 20 under construction, 7 in tendering phase and 7 in the engage/design phase.
1.2	Deliver infrastructure projects that arise from place-based master planning	In Progress	Cudgewa avenue works are complete and Cudgewa town entry signage is under construction. Major projects from place plans for Tallangatta, Corryong, Bellbridge, Bethanga, Mitta, Towong, Tintaldra and Cudgewa to be considered in next Council Plan.
1.3	Complete Stage Two Great River Road	In Progress	Walwa to Jingellic walking track complete pending signage. Towong walking track complete, pending installation of sculpture and barrier separation between path and the road. Towong Lookout on hold due to change of scope and Towong walking path Stage 2 from the river reserve to the bridge in design phase.
1.4	Continue the upgrade of Georges Creek Road	Complete	Section 4 intersection upgrade with Georges Creek Road/ Murray River Road blackspot funding application unsuccessful. On hold pending funding opportunities. Design for tree removal and bank stabilisation works at intersection in progress. Georges Creek Road is now completely sealed.
1.5	Complete upgrades of Hanson Street from Sugarloaf Road to Kiel Street	In Progress	Design options under review for Hanson Street.
1.6	Complete the upgrade of the Stock Route in Corryong	Complete	Completed in the 2023/24 financial year.
1.7	Progressively deliver the upgrade of the unsealed sections of Lake Road	In Progress	Construction drawings are under development. Native vegetation and land acquisition surveys in progress.
1.8	Investigate upgrade options for Wisers Creek Road	In Progress	Construction will recommence after winter. Drainage works have been completed.

1.9	Advocate for the upgrade of the Benambra Corryong Road from Staceys Bridge 40km South	Ongoing	Ongoing
1.10	Seek funding to deliver upgrades of key transport routes and hazardous road alignments to improve efficiency and safety	Ongoing	Electrical design under review by VicRoads for the Old Tallangatta (Lake Rd/MV Hwy) intersection, quotes obtained. Funding approved for safety improvement investigations for George's Creek Rd/ Murray River Rd, Yabba Rd/MV Hwy and Brooke St/ Murray River Rd under the State Government's safe local roads and streets program. Yabba Road bend widening works completed.
1.11	Seek funding to deliver upgrades of load limited bridges on strategic transport routes	In Progress	Lake Road culvert extension tender awarded (NDRFA). Design and investigation for Springdale Road bridge is progressing (NDRFA). Rousseas Road floodway under contract. Yellow Boots undertaking bridge and major culvert inspections across the road network.
1.12	Continue to deliver the upgrade of unsealed streets in urban areas program.	Not Started	List of unsealed streets in towns under consideration for 2024/25 capital budget. Design scheduled to be undertaken prior to commencement of work for streets included in 24/25 budget Legge/Sparrow Street Granya, Evans Street, Harris Street Corryong.
1.13	Complete the upgrade of the Corryong CBD.	In Progress	Construction is continuing with civil works complete in Stages 1, 2 and 5.
1.14.1	Complete streetscape upgrades in Dartmouth.	In Progress	Contractor has been engaged for construction of Dartmouth Splash Park. Final design to be reviewed prior to construction with community input. Construction has commenced on the Dartmouth Pump Track.
1.14.2	Complete streetscape upgrades in Mitta Mitta.	In Progress	Stage 1 complete - contractor appointed to undertake footpath construction works as part of Stage 2.
1.15.1	Conduct planning for streetscape upgrades in Tintaldra.	Complete	Streetscape masterplan completed and adopted.
1.15.2	Conduct planning for streetscape upgrades in Cudgewa.	Complete	Streetscape masterplan completed and adopted. Towong walking path stage 2 under consideration.
1.15.3	Conduct planning for streetscape upgrades in Towong.	Complete	Streetscape masterplan completed and adopted. Town entry signage has commenced construction.
1.16	Continue to deliver the strategic footpath network improvement program in urban areas.	Complete	The footpath replacement program for the 23/24 has been completed. Circuit Trail Stage 2 has been completed.
1.17	Address long vehicle and overflow parking issues in CBD areas.	In Progress	A parking plan for Corryong CBD is under investigation with multiple options and designs being finalised for Donaldson Street.

1.18	Seek funding to deliver improved public toilets across the Shire.	In Progress	Playles Hill, Walwa, Cudgewa toilet block upgrades complete. Tender for Talgarno Toilet Block complete, consultation to follow. Construction of the Corryong CBD toilet block on hold pending approval from funding body to remove from project scope. Tallangatta toilet block construction complete with Visitor Information Centre under construction.
1.19	Seek funding to deliver upgrades to town entrances and wayfinding signage across the shire	Not started	Locality signage installed at Colac Colac. Tallangatta entry signs under review. Cudgewa town entrance signage under construction.
1.20	Seek funding to deliver an upgraded Corryong Integrated Community Centre	Not Started	Future start date scheduled.
1.21	Increase the recreation opportunities for young families in Dartmouth	In Progress	Dartmouth Splash Park tender awarded. Dartmouth Pump Truck under construction.
1.22	Review and deliver the strategic parks and playgrounds upgrade program to completion	In Progress	Walwa playground community consultation completed and contractor appointed. Works to commence late 2024. Inspection of all playgrounds under contract.
1.23	Undertake upgrades at the Colac Colac Caravan Park to ensure long term viability of the park	Complete	Complete
1.24	Investigate options for additional boat ramps	Not Started	Future start date scheduled.
1.25	Deliver the Corryong aerodrome 24 hour fuel project	Complete	Complete
1.26	Seek funding to deliver a rolling program for the maintenance of strategic limited access roads for improved emergency services access	Not Started	A list of roads for maintenance has been compiled, the work has not commenced due to budgetary constraints.
1.27	Deliver annual asset inspection and renewal programs per asset management and road management plan requirements	Ongoing	Bridge inspections - 90% complete. Playground inspections - Contract awarded for consultant to undertake inspections in September/October 2024. Building inspections - Programmed for late 2024. Road inspections occur throughout the year and continue to be delivered as per the requirements of the road management plan.
1.28	Implement the maintenance program for Council's buildings	Ongoing	External painting of the Corryong MCH complete. Signage for storage shed at Tallangatta Depot has been ordered. Demolition of Walwa Clubrooms and Tallangatta depot mechanics shed complete. Upgrade of toilet blocks in Tallangatta Triangles, Playles Hill, Walwa and Cudgewa complete.

2. Community wellbeing

Strategic objective

Encourage and support all people in our Shire to be healthy, happy, connected and resilient.

Strategies

Encourage active lifestyles and facilitate access to activities that have meaning to our community members in order to improve wellbeing.

Support our communities to be inclusive, warm and welcoming.

Advocate for every person to have access to adequate housing, transport, education and care.

Support our communities to be more resilient and safer against future adverse events.

Support our communities in understanding and mitigating climate change risk.

Highlights	<ul style="list-style-type: none"> • Development and delivery of Placemaking projects in Bethanga, Corryong, Mitta, and Tallangatta. • The draft RAP was endorsed by Council and submitted to Reconciliation Australia for endorsement. • Increased program delivery across libraries including linking libraries with other service unit programs and projects including ANZAC Day, and IDAHOIT Day. • Continued delivery of flood and bushfire recovery activities culminating in a celebration of recovery event to mark the closure of the Upper Murray Recovery Hub.
Challenges	<ul style="list-style-type: none"> • Recruitment of early years educators and teachers to support growth and demand in Early Years Learning Services, across all service locations.

In 2023/2024, the Council supported a wide range of community wellbeing initiatives, securing funding for several projects initiated for the benefit of younger residents. Key projects include the upgrade of the Walwa Playground, the development of the Dartmouth Splash Park and Pump Track, and the development of the Corryong Skatepark.

Despite ongoing challenges in staff recruitment within the early years sector, exacerbated by Towong's remote location, we continue to deliver valuable early years services across the Shire. The three-year-old kindergarten program has been successfully integrated with the four-year-old program and is now operational in Corryong, Tallangatta, Bellbridge, and Walwa. This integration has provided a consistent and enriching early education experience for children in these communities.

The Maternal Child Health team continues to offer essential services across five locations in the Shire. They provide weekly programs for first-time mothers, run playgroups, and conduct home visits to support and assess families within the community.

The Tallangatta Neighbourhood House delivered programs focused on mental health support, building resilience, and fostering community connectedness. During this period, 89 activities were held, engaging

approximately 1,480 participants. Additionally, our libraries offered weekly Storytime and playgroup sessions, further contributing to community engagement.

In May 2024 Council adopted a draft Reconciliation Action Plan (RAP) for Towong Shire Council. Developed as a Reflect RAP the intent of the Plan is to help us prepare to engage in reconciliation meaningfully. Committing to a Reflect RAP starts with engaging staff and leaders in understanding the importance of reconciliation. It includes developing relationships with Aboriginal and Torres Strait Islander stakeholders, and scoping where our organisation can best have an impact in our sphere of influence. The intent is to implement the RAP over the next 12 – 18 months.

The finalisation of the Our Towns Towards 2030 project has resulted in placemaking plans for Bethanga, Tallangatta, and Corryong. The plans aimed to strengthen the resilience and sustainability of these towns by prioritising community needs and opportunities. The project involved creating town-specific Place Plans through a placemaking and co-design process, setting a vision and identifying priorities for the future. The first engagement, 'Let's Chat,' gathered community views on each town's unique qualities and challenges. Feedback from this engagement helped shape the Draft Place Plans, which were the focus of the second engagement, 'Planning Ahead,' seeking further community input. The Final Place Plans have been prepared following these engagements, detailing initiatives for the future in each of the five towns. The plans serve as a roadmap for collaborative efforts between the community and government over the next decade.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Wellbeing	Improved wellbeing	↓14.3%	14.3%*	14.3%*	N/A
Community Resilience Plans	Plans developed	9	10	14	Yes
Sedentary behaviour	Reduction in sedentary behaviour	↑11.4%*	11.4%*	11.4%*	N/A
Family violence and suicide occurrences	Decrease in occurrences*	FV ↑ 50% Suicide ↑ 6%	FV ↑ 38.1% 0%	D/U	N/A
Participation in MCH, early education and early childcare services	Increased participation	91.1%	91.1%	84.8%	No
Participation in Council run social inclusion activities	Increased number of participants	2,928	1,628	1480	No

* Data source issued every 3 years.

D/U = Data unavailable at the time

Service performance indicators

Indicator	Result 2020/21	Result 2021/22	Result 2022/23	Result 2023/24	Comments
AQUATIC FACILITIES					
Service standard					
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	0.00	1.00	1.00	Both the Tallangatta and Corryong pool were inspected in prior two years. There were no inspections in the 2021/22 year as the inspectors from Melbourne were unable to travel due to COVID restrictions.
Utilisation					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.78	0.89	1.12	1.37	Council operates two outdoor seasonal swimming pools. There were 10,804 visits recorded in 2023/24 compared to 8,480 in the prior year. Taking into account 6,783 visits in 2021/22; and 5,455 in 2020/21 this highlights an increasing trend of usage.

Indicator	Result 2020/21	Result 2021/22	Result 2022/23	Result 2023/24	Comments
<p>Service cost</p> <p><i>Cost of aquatic facilities</i></p> <p>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</p>	\$22.99	\$22.64	\$16.22	\$26.10	Council trialed with an external contractor to manage the aquatic services and coupled with inflationary pressures, has seen an increase to the per unit costs.
<p>LIBRARIES</p> <p>Utilisation</p> <p><i>Loans per head of population</i></p> <p>[Number of physical library collection item loans / Population]</p>	New	New	New	2.12	This indicator has not previously been measure, so there is little commentary to this result over a period of time.
<p>LIBRARIES</p> <p>Resource standard</p> <p><i>Recently purchased library collection</i></p> <p>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100.</p>	37.70%	36.43%	33.47%	33.15%	The number of items purchased for the collection was slightly lower compared to previous years.
<p>Participation</p> <p><i>Library membership</i></p> <p>[Number of registered library members / Population] x100</p>	New	New	New	17.99%	Council operates two static libraries in its main centres of Corryong and Tallangatta. These libraries service our small dispersed population which is spread over 6,635 square kilometres. Many residents reside outside the two main centres where the static libraries are located and may access other library services in neighbouring municipalities. Library participation has been steadily declining.

<p>Service cost</p> <p><i>Cost of library service per population</i></p> <p>[Direct cost of the library service / Population]</p>	\$25.70	\$24.52	\$22.57	\$28.45	<p>Additional resources were required to cover additional leave incurred over the period.</p>
<p>MATERNAL AND CHILD HEALTH (MCH)</p>					
<p>Service standard</p> <p><i>Infant enrolments in the MCH service</i></p> <p>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100</p>	102.08%	107.69%	100.00%	100.00%	<p>Every child born in the LGA during 2023/24 was enrolled in the MCH service.</p>
<p>Service cost</p> <p><i>Cost of the MCH service</i></p> <p>[Cost of the MCH service / Hours worked by MCH nurses]</p>	\$70.07	\$69.78	\$64.90	\$80.00	<p>Family Support resources were committed into the MCH service compared to prior year which contributed to a greater per unit cost. The resources committed and activities conducted were not completed by nurse staff, therefore as a measure of cost / hours worked by MCH nurses, this has driven an increase in the service rate cost.</p>
<p>Participation</p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	85.50%	75.83%	89.13%	84.89%	<p>268 children attended the service at least once during 2023/24. The participation rate has dropped back to levels more consistently seen across our municipality.</p>

Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	100.00%	84.62%	91.67%	100.00%	There were 7 children who identify as having an Aboriginal or Torres Strait Islander background who participated in MCH services out of a total of 7 children who registered with the service.
Satisfaction <i>Participation in 4-week Key Age and Stage visit</i> [Number of 4-week key age and stage visits / Number of birth notifications received] x100	93.75%	100.00%	111.11%	105.00%	More infants received a 4-week key age and stage visit than the number of birth notifications received by the service.

Council Plan progress report

Initiatives and Priorities	Status	Comment
2.1 Undertake place-based master planning for the Peninsula including the investigation of options for early years and community facilities	In Progress	Placemaking Plans endorsed at the June Council meeting.
2.2 Undertake place-based master planning for the Mitta Valley, Corryong and Tallangatta	In Progress	Placemaking Plans endorsed at the June Council meeting.
2.3 Maintain a contemporary Municipal Health and Wellbeing Plan (MHWP) which reflects our community priorities	In Progress	A final report on the progress of the MHWP will be developed and presented to Council in q2 of the 2024/25 year.
2.4 Support the development of recreational activities and infrastructure to encourage active lifestyles for all ages and stages	Ongoing	Cudgewa and Tallangatta Rowen Park Lighting Projects are being prepared for tender process. Tallandoon Tennis Court upgrade project has received significant funding from state government. Fair Access Policy adopted by Council at the June Council meeting.
2.5 Review opportunities for communities to access library resources and connect through libraries	Ongoing	Program initiatives continue to be implemented. Recruitment of new casual staff is a priority to ensure adequate coverage across the libraries. Greater focus on linking

Initiatives and Priorities		Status	Comment
			libraries with other service unit programs and projects eg ANZAC Day, IDAHOIT Day, Early Years.
2.6	Develop a strategy for arts and cultural offerings across the Shire	Not Started	No further progress due to staffing constraints.
2.7	Expand and improve early years services across the Shire to support young families	Ongoing	Kindergarten Infrastructure Services Plan (KISP) project is being finalised and outcomes will be presented to the new Council. An Early Years Workforce Plan is being developed with the support of state government funding. A new Early Years Management structure was implemented to improve Quality and Governance outcomes.
2.8	Renew the Youth Plan to embed the 'youth voice' in all aspects of service delivery	Ongoing	New Youth Strategy is in draft format and will be finalised and brought to Council for consideration in November 2024.
2.9	Advocate for the development of a variety of housing options to match community needs, particularly for older people	Ongoing	Support for revised applications to the Regional Workers Accommodation Fund continues where appropriate.
2.10	Encourage the establishment of innovative, sustainable transport solutions for remote communities	Ongoing	Staffing constraints have made it challenging to advance this issue to any further level.
2.11	Support our communities to ensure that Shire places are welcoming to culturally and linguistically diverse (CALD) and LGBTIQ+ communities and are inclusive and connected	Ongoing	IDAHOBIT Day events were successfully staged in Tallangatta and Corryong which raised the profile of inclusion and the presence of various community members and organisations demonstrated excellent support.
2.12	Build relationships and develop understanding of aboriginal people and consider the commitment to an ongoing reconciliation action plan process	Ongoing	The draft RAP was endorsed by Council and submitted to Reconciliation Australia for its endorsement which is a significant outcome for Council. Council officers continue to explore ways to implement RAP actions sensitively, inclusively, and effectively.
2.13	Participate in key networks to support communities and key stakeholders on solutions to address family violence, suicide and mental health	Ongoing	Officers participate in the Upper Murray Family Violence Network. The Family Support Officer works with Council's Maternal Child Health team to identify and support families and children at risk. The introduction of the Family Support Officer role has been

Initiatives and Priorities	Status	Comment
		beneficial in terms of earlier intervention, and engagement with service support systems.
2.14 Support our communities to drive their recovery from bushfires and the COVID-19 pandemic and improve their mitigation of and resilience to future adverse events	Ongoing	The Upper Murray Recovery Hub closed at the end of June, with a range of funding programs concluded. A "Celebration of Recovery" event was staged in Corryong on July 28 which will highlight the work and efforts of the community and stakeholders since the fire event.

3. Economic and tourism development

Strategic objective

Expand economic and employment opportunities across our Shire in a sustainable way.

Strategies

Strengthen the capacity of existing and new businesses to thrive.

Expand tourism offerings, promotion and experiences across the Shire.

Support the agriculture sector to increase resilience and grow to meet the future challenges of the sector.

Support the diversification of the Shire's economy.

Advocate for improvements to critical infrastructure: mobile connectivity, internet and power.

Highlights	<ul style="list-style-type: none"> Progressing the <i>Bellbridge Boathouse</i> project to an investment ready stage. Installation of four large-scale artwork pieces along the Great River Road. Successful delivery of the inaugural Pub to Pelican marathon.
Challenges	<ul style="list-style-type: none"> High demand on contractors creating delays on work.

During the 2023/24 year, significant progress was made on Economic Development planning projects. Council secured \$324,495 in State Government funding to advance the Bellbridge Boathouse project to an investment-ready stage. This included the development of a comprehensive business case, governance framework, financial model, and architectural plans. In November 2023, an application for Federal funding through the Growing Regions program was submitted to support the construction of the boathouse.

The Mount Elliot Adventure Masterplan was completed and released for community feedback. We also conducted further investigations into the costs associated with delivering the High Country Rail Trail, submitting an application to construct the Corryong to Cudgewa segment through the State Government's Regional Tourism Investment Fund.

Throughout the year, Stage Two of the Great River Road Project continued to progress. Four large-scale artwork pieces were fabricated and installed at various locations, and the Pine Mountain Information Stop was completed. A marketing program was also contracted for implementation.

Support was provided to Mitta Valley Inc. to advance the proposed Mitta Valley Mountain Bike Park, with all planning aspects now complete. To boost cycle tourism, infrastructure improvements—including signage, bike repair stations, water fountains, and bike racks—were installed in various locations across Tallangatta and the Mitta Valley.

Several community-led events were supported, including the second EvolveFest Battle of the Bands in Tallangatta. The inaugural and highly successful Pub to Pelican marathon took place along the High Country Rail Trail, and planning began for a trail run event in the Upper Murray.

The Upper Murray Tourism and Business Expo was successfully delivered for the fourth consecutive year, attracting entrepreneurs and business people from the region and beyond. Supported by The Man from Snowy River Tourist Association and Upper Murray Inc., the 2024 guest speakers received positive feedback from attendees, who took the opportunity to network with like-minded business operators.

The development of a shire-wide destination website continued, with a launch date set for October 2024. The Corryong Visitor Information Centre handled 9,955 walk-in and 822 phone inquiries, marking increases of 2.4% and 8%, respectively, compared to the previous financial year.

Work has also begun on revitalising the Tallangatta Static Visitor Information Centre. Infrastructure improvements have been completed in preparation for the installation of interpretive materials.

In addition to tourism, the Council partnered with Riverine Plains to support the agricultural community through various skill-building workshops, access to research and development findings, and networking opportunities.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Number of businesses	Increased number of businesses	925 baseline	↑11	979	Yes
Shire GRP and per industry	Increased GRP	\$311 mil	\$349.1m	\$433.5m	Yes
Number of visitors	Increased number of visitors	3,527,000	5,490,000	5,051,877	No
Spend per visitor	Increased spend per visitor	\$327.00	\$432.78	\$416.47	No
Diversification of agriculture sector	Increased diversification	5.37%	8.8%	9%	Yes

Council Plan progress report

Initiatives and Priorities	Status	Comment
3.1 Connect businesses to learning, development and networking opportunities to increase capacity	Ongoing	Officers have engaged with numerous existing and or new businesses to provide support and give direction on opportunities – including funding opportunities, business planning and professional advancement workshops. Tourism North East has delivered a number of workshops that have been

		promoted to and attended by residents.
3.2	Run a series of business expos to support local businesses	Ongoing
		The 2024 Upper Murray Business and Tourism Expo was successfully delivered in May 2024. The evening featured five guest speakers, networking and local catering. Feedback was exceptionally positive - 100% of businesses who responded to the post event survey felt it was beneficial to their business.
3.3	Develop a business assistance service for new businesses including accommodation providers in the shared economy	Ongoing
		Business engagement with TNE has increased this last quarter; referred businesses has attended workshops and/or sought start-up support. The VIC continue to support businesses promote through the ATDW, and provision has been made in the new website to ensure all businesses (regardless of ATDW status), have a presence. The Planning and Eco Dev staff continue to collaborate in supporting new business.
3.4	Support businesses to adapt to and recover from the impact of bushfires and the COVID-19 pandemic	Ongoing
		The May 2024 Upper Murray Business and Tourism Expo was inspiring. It provided strong, practical advice from experienced business owners. Officers have engaged with numerous businesses and referred support as required. In addition to TNE, this last quarter, several businesses were referred to Workforce Australia. Officers continue to deliver projects, and seek funding for new projects, that will drive visitation to the Shire.
3.5	Support businesses to expand adventure tourism offerings across the shire	Ongoing
		In addition to the Lake Hume Masterplan, Mount Elliot Masterplan, the Bellbridge Boathouse planning works were completed and funding sought. Planning aspects of the Mitta Mountain Bike Park were completed and the contract for construction awarded. Further studies were conducted on the HCRT and work commenced on a funding application. The inaugural Pub to Pelican marathon was held and works commenced on a trail running event for the Upper Murray.

3.6	Advocate for the development and broadening of the Pine Mountain experience	Ongoing	Artwork for signage and other interpretive elements at the Pine Mountain Wayside Stop has been completed. A contract has been awarded for the fabrication and installation. Unfortunately, there have been delays in this space due to contractor delays and variations to scope. Currently the interpretive materials are expected to commence being installed at the end of August.
3.7	Advocate for the development of adventure tourism opportunities at Mount Elliot	Complete	Complete. In addition to the Masterplan, the Cultural Heritage Management Plan and Native Vegetation Assessment are complete, positioning the Mount Elliot Adventure Park as investment ready.
3.8	Develop and implement a masterplan for cycling across the Shire	Ongoing	Whilst the Masterplan was completed early in the Council Term, work has continued in the cycling space. Most recently, pads of tear-off maps, featuring gravel and road rides were designed and printed. Three different maps have been produced - one for each of the destination regions - Upper Murray, Lake Hume and Mitta Valley.
3.9	Support Mitta Valley Inc (MVI) to develop the Mitta Valley mountain bike park	Ongoing	Supported MVI to produce the tender documentation for the procurement of a construction contractor. The contract has been awarded. Additionally, support has been provided in stakeholder engagement, particularly with DEECA. Extensive support has been provided to Mitta Valley Inc to deliver the Mountain Bike Park consistently through the Council Term.
3.10	Seek funding to complete the High Country Rail Trail	Ongoing	The State Government's Regional Tourism Investment Fund opened in June 2024. An application to seek funding for the Corryong to Back Cudgewa Road section is being prepared.
3.11.1	Establish new annual cycling events in the Mitta Valley and Upper Murray	In Progress	A review of the 2023 Mitta Valley Gravel Unravel is currently being undertaken with Event Director.
3.11.2	Establish new annual cycling events in the Mitta Valley and Upper Murray	In Progress	The quarter, preparations have been underway for Westside Cycling Club to host an event in the Upper Murray during Spring 2024. For capacity

			building purposes, Lifecycle Upper Murray were engaged to work alongside Westside Cycles to deliver the event. Unfortunately, whilst visiting the area to scout a route, the Race Director had a minor accident. This has caused further delays to delivering the event.
3.12.1	Seek funding to develop key touring routes as premier touring destinations, including the Great River Road.	Ongoing	A high-level plan for the Great River Marketing Plan is complete and planning commenced.
3.12.2	Seek funding to develop key touring routes as premier touring destinations, including the Omeo Highway.	Not Started	Future start date scheduled.
3.12.3	Seek funding to develop key touring routes as premier touring destinations, including the Benambra Corryong Road.	Not Started	Future start date scheduled.
3.13	Seek funding to develop a master plan for Lake Hume as a tourism destination including houseboats and the Narrows project	Complete	Funding successfully secured and draft plan developed for Lake Hume.
3.14	Seek funding to develop and expand the tourism opportunities at Dartmouth Dam	Ongoing	Council has participated in a GMW led project identifying recreation opportunities across all GMW managed water storages including Dartmouth.
3.15	Capitalise on Tallangatta's status as a Notable Town	Ongoing	Work on developing the Tallangatta Static Visitor Information Centre continues. The Centre will feature facts and stories associated with Tallangatta unique heritage and encouraging tourists to visit the Old Town. In addition, the VIC will feature information on the new town (and Lake Hume region), HCRT, First Nations, and Sandy the Warhorse. The Centre will feature the new destination branding.
3.16	Secure control of the Tallangatta Caravan Park and seek funding to implement the adopted recommendations from Tallangatta Holiday Park Planning Study	Ongoing	Ongoing discussions with Goulburn Murray Water.
3.17	Deliver improved visitor information and experience across the Shire	Ongoing	The Tallangatta Visitor Information Centre works continue and will be a significant asset to visitor services upon completion. Development of collateral with the new destination brand at the Corryong Visitor Information Centre continues.

			<p>Work has been undertaken completing the research, copywriting and design of the signage destined for Pine Mountain.</p> <p>Water stations, cycling specific signage, bike repair stations and e-bike chargers have been installed at various locations across the Shire to encourage cycle tourism.</p>
3.18	Expand the reach of tourism marketing and promotional materials	Ongoing	<p>The destination brand is being applied to all new signage at various localities across the Shire. Additional gateway signage has been designed for five localities along the MVH. Fabrication and installation is expected in August. The amount and reach of tourism marketing and promotional material has grown throughout the Council Term. New cycling maps that promote popular cycling routes across the Shire are now available in print, or downloadable off the Destination website.</p>
3.19	Seek to support the growth of value-add product and/or diversification opportunities for the agriculture industry	Ongoing	<p>A series of workshops have been planned in early 2024 to support sustainable agricultural approaches. The workshops include cool soils; sacrifice paddocks; climate adaptation and feed testing.</p>
3.20	Facilitate the creation of a centre of excellence for innovation in agriculture	Not Started	Future start date scheduled.
3.21	Seek funding to support efforts to attract and sustain new industries	In progress	<p>Officers supported numerous start-up businesses. Officers have been supporting the Local Development Strategy program to identify prospective new industries in partnership with government and UMI.</p>
3.22	Explore opportunities to activate the Corryong Aerodrome	Not Started	Future start date scheduled
3.23	Work with Upper Murray Inc to deliver outcomes from the UM2030 Plan	Ongoing	<p>Officers have continued to work with UMI to deliver the Local Development Strategy, and GRR artwork, signage and marketing. Officers have, and will continue to support UMI at their 'Connected Upper Murray tourism ecosystem' workshops. Support to achieve UM2030 outcomes has been ongoing through the Council Term.</p>

3.24	Attract investment to address key weaknesses (connectivity and reliability) in critical infrastructure (mobile telecommunications, internet and power)	Ongoing	Opportunities regularly assessed with stakeholders and projects identified where possible.
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4. Land use

Strategic objective

Ensure that Council's planning, building and environmental health services support all aspects of liveability and sustainable population growth.

Strategies

Deliver integrated statutory services to support community wellbeing, population growth, economic development, and the protection of the environment.

Maintain a contemporary Planning Scheme.

Support all users of Council's statutory services to have an excellent customer service experience.

Highlights	<ul style="list-style-type: none"> • Developed and delivered placemaking projects to support the 10-year vision of how towns should look and feel. • Developed and delivered township structure plans for Corryong, Tallangatta and Bellbridge. • Progress Greenlight Project to support and improve customer experience.
Challenges	<ul style="list-style-type: none"> • Limited opportunity to progress advocacy activities to support increased land supply and expansion of the rural living zone. • The small number of properties engaged with rebuild services have faced some challenges in obtaining permits - these continue to be assessed and actioned in accordance with regulatory requirements.

The development of township structure plans for Bellbridge, Corryong, and Tallangatta represents a significant strategic achievement for the Council Plan 2021–2025. The next goal is to incorporate these structure plans into the Towong Planning Scheme, which will guide land use and development through 2044.

These structure plans were created with extensive community and stakeholder engagement, supported by thorough background research. This included reviewing past strategic planning policies, examining demographic shifts and trends, and considering infrastructure needs and the broader economic landscape. The plans outline a shared vision for the townships, identifying the types and scope of changes projected over time to facilitate sustainable and orderly growth that responds to local and regional changes. Final adoption by the Council will occur only after receiving approval to amend the

Council has also focused on enhancing customer experience across statutory planning processes, resulting in significantly reduced processing times, decreased frustration for applicants, and greater efficiency for the Council. The development of the Greenlight Project—an online platform for managing building and planning permit approvals—aims to further improve customer experience. This platform will provide users with online access to all planning information while their permits are being processed. The system has been implemented for internal use and access to the portal will be made available in the coming months.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Customer satisfaction (post interaction)	Increased level of satisfaction*	N/A	60%	52%	No
Time taken to decide planning applications	Within Statutory Time Limits	74 Days	47 Days	26 Days	Yes
Residential building activity	Increased number of certificates of occupancy issued	41	89	16	Yes

*2022/23 first year of data collection

Service performance indicators

Indicator	Result 2020/21	Result 2021/22	Result 2022/23	Result 2023/24	Comments
STATUTORY PLANNING					The time taken to decide planning applications is significantly less than the previous year. A total of 69 Planning applications were decided in 2023/24 compared to 104 in 2022/23, and 91 in 2020/21.
Timeliness					
<i>Time taken to decide planning applications</i>	45.00	74.50	47.00	26.00	
[The median number of days between receipt of a planning application and a decision on the application]					

Service standard					The percentage of applications decided within the required time frame has significantly improved compared to the previous year. This is a reflection of the hard work put into this result over the past two years.
<i>Planning applications decided within required time frames</i>	75.82%	53.54%	58.65%	89.23%	
[(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					
Service cost					The cost of planning services increased to be in line with 2021/22 due to the availability of a full time resource on site.
<i>Cost of statutory planning service</i>	\$2,601.04	\$4,970.66	\$1,986.07	\$5,142.10	
[Direct cost of the statutory planning service / Number of planning applications received]					
Decision making					There were no VCAT planning decisions for 2023/24.
<i>Council planning decisions upheld at VCAT</i>	100.00%	0.00%	0.00%	0.00%	
[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					
FOOD SAFETY					There were 3 food complaints received in 2023/24. All were responded to within 1 day.
Timeliness					
<i>Time taken to action food complaints</i>	1.00	1.00	1.00	1.00	
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
Service standard					Food safety assessments have been undertaken for all registered premises across the reporting periods.
<i>Food safety assessments</i>	100.00%	100.00%	100.00%	100.00%	
[Number of registered class 1 food premises and class 2 food premises that receive an annual					

food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100					
Service cost					
<i>Cost of food safety service</i>	\$1,035.44	\$1,058.17	\$2,290.53	\$2,688.75	Towong Shire had 73 registered premises in 2023/24. These premises are widely dispersed throughout the Shire (over 6,635 square kilometres).
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]					
Health and safety					There were four critical or major non-compliance outcome notifications issued in 2023/24. This compares to four in prior year, eleven in 2021/22; one in 2020/21; and three in 2019/20. All notifications were followed up.
<i>Critical and major non-compliance outcome notifications</i>	100.00%	100.00%	100.00%	100.00%	

Council Plan progress report

Initiatives and Priorities		Status	Comment
4.1	Support the rebuild process for fire impacted properties	Ongoing	The rebuild services continue to be provided with progress being made with many properties. Challenges with some properties relating to various permits continue to be assessed and actioned in accordance with regulatory requirements.
4.2	Establish a Developer Contributions Policy and a Minimum Social Infrastructure Requirements Policy	Not Started	This action requires more consideration and assessment as to the cost benefit of such policies and how effective they can be. All mechanisms need to be considered which a commensurate with Towong's size, development pipeline, and capacity to manage.

4.3	Develop structure plans for Corryong, Tallangatta and Bellbridge and incorporate into the planning scheme	In Progress	Structure Plans endorsed by Council at the June meeting and will now be the subject of a Planning Scheme Amendment process.
4.4	Review the Residential Settlement Strategy	In Progress	Presentations and consultations were completed. Work continues on this project with outcomes to be considered in the second half of 2024 as part of a suite of strategic planning actions.
4.5	Support population growth outside of key townships through appropriate amendments to the planning scheme	Ongoing	Advocacy has continued to support growth outside of key townships. We are currently investigating the options of reducing the minimum lot size for subdivisions in the Rural Activity Zone.
4.6	Review the Rural Land Use Study	In Progress	Rural Land zoning work has been prepared and presented at a Council workshop, and will be part of Planning Scheme Amendment processes that will continue across the new financial year. Structure Plans endorsed by Council at the June meeting and will now be the subject of a Planning Scheme Amendment process that will continue across the new financial year.
4.7	Review the Schedule to the Rural Activity Zone	In Progress	
4.8	Advocate for changes to the farming zone to allow for a second residence to enable succession planning	Ongoing	Part of Planning Scheme Amendment processes.
4.9	Seek funding to extend the Heritage Study	Not Started	Future start date scheduled.
4.10.1	Update planning scheme overlays including: Bushfire Management	Complete	
4.10.2	Update planning scheme overlays including: Heritage	In Progress	Discussions being held with the Department Transport and Planning on Landslide and Erosion Overlay project.
4.11	Review statutory service processes to ensure an excellent customer experience	Complete	The report to Council at the June meeting demonstrated excellent progress in statutory planning processes with significant reductions in processing time, reduced angst for applicants and greater efficiency for Council.

5. Environmental sustainability

Strategic objective

Integrate sustainable environmental management practices into all of our activities.

Strategies

Embed improvements to support environmental sustainability and climate change mitigation across Council's operations.

Support the community to improve environmental sustainability and encourage actions that mitigate the effects of climate change across the Shire.

Facilitate improved waste management and recycling practices.

Highlights	<ul style="list-style-type: none"> • Commitment to move to a four stream waste model including a food and garden organics kerbside collection service. • Upgrades to retaining walls at Corryong and Tallangatta Resource Recovery Centre's. • Secured \$20,000 in funding to review Council's Domestic Wastewater Management Plan and create a map of the Shire's existing septic tanks
Challenges	<ul style="list-style-type: none"> • Increased cost of landfill operational compliance • Offsite disposal of leachate required due to heavy rainfall

In 2023/24, a four-stream waste service was introduced to align with the State Government's Recycling Victoria 2020 policy, which mandates that all Victorians have access to four waste and recycling streams by 2030. To implement this service a third party provider, Cleanaway Pty Ltd was appointed to manage the kerbside collection.

To ensure a smooth transition for residents, extensive education and information programs were conducted. These initiatives include clear guidance on which waste belongs in each bin, shared through social media and print materials. A magnetic collection calendar and stickers to be applied on bins were also supplied to residents. Additionally, Halve Waste were engaged to conduct face-to-face information sessions, aimed at enhancing understanding of the new system and helping residents use it effectively.

In November 2023, the State Government's Container Deposit Scheme (CDS) was promoted to residents, which offers a 10-cent refund for every eligible can, carton, and bottle returned to designated collection points. This scheme aims to reduce litter in Victoria by up to 50% by providing a financial incentive for recycling drink containers.

With funding from Round Two of the Department of Environment, Energy and Climate Action's Transfer Station Upgrade Fund, retaining wall upgrades were completed at both Recovery Resource Centres.

Council has a responsibility to ensure environmental compliance for forestry operations on private land across the Shire. This involves inspecting and auditing forestry practices and liaising with landowners. As part of this effort, the Towong Shire Plantations Committee meets twice a year to discuss community issues related to forestry with plantation owners and representatives.

In 2023/24, there was an increase in harvesting activity, with forestry operators making significant progress on their harvest plans. Favourable weather conditions allowed them to accelerate planned works with minimal disruption.

Additionally, State Government funding was secured for a roadside weed and pest management program, resulting in the inspection and management of 1,500 km of roadsides. Work continued on implementation of our Tree Management Strategy, successfully planting 137 trees with the goal of achieving a 40% canopy cover by 2025.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Kerbside bin collection requests per 1,000 households	Reduced number of requests*	54 [^]	114	165	No
Kerbside collection bins missed per 10,000 households	Reduced number of bins missed**	1.52	6.32	9.57	No
Organisational carbon emission	Reduced carbon emission	3,842 tCO ₂	2,121 tCO ₂	2,568 tCO ₂	No
Kerbside recycling separation quality (contamination)	Improved separation quality (reduced levels of contamination)	7.8%	7.8%	7.8%	No
Kerbside recycling separation participation rates (amount of recycling)	Increased participation rates (amount of waste recycled)	26.4%*	24.9%**	30.8%**	Yes
Increased use of recycled materials in infrastructure projects	Increased use of recycled materials	780.4kg ***	119.7kg	D/U	N/A

* Internal data collection - Kerbside audit report 2021

** Internal data collection - Average bin weights 22_23 Bin Count spreadsheet

*** Reclaimed material (pine dust and plastic bottles.)

Service performance indicators

Indicator	Result 2020/21	Result 2021/22	Result 2022/23	Result 2023/24	Comments
WASTE COLLECTION Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	133.13	117.47	170.06	165.79	Bin collection requests for per household for 2022/23 (504) for garbage and recycling collection were slightly less than 2021/22 (518).
Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	2.53	1.52	6.32	9.57	There were 230 bins missed in 2023/24 compared to 150 bins missed in 2022/23; and 31 bins missed in 2021/22. Council's kerbside collection service lifts approximately 240,000 individual bins each year.
Service cost <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$222.77	\$246.84	\$170.24	\$209.36	The cost of collecting garbage from kerbside bins has escalated due to the cost to transport to a third-party disposal location, following the closure of the Corryong landfill. This was an interim measure until the contract with Cleanaway commenced.
Service cost <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$98.33	\$123.42	\$107.85	\$120.57	The cost of collecting recyclables from kerbside bins has escalated due to the cost to transport to a third party processing facility on an interim basis until the contract with Cleanaway commenced.

<p>Waste diversion</p> <p><i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	20.82%	48.62%	30.81%	40.45%	The increase in kerbside collection waste being diverted to landfill has increased, however still below the high achieved in 2021/22
<p>ANIMAL MANAGEMENT</p> <p>Timeliness</p> <p><i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</p>	1.95	2.54	2.60	1.14	Council implemented a new Customer Request Management (CRM) system in the prior year which has altered the approach to reporting customer enquiries. The establishment of a full-time ranger coupled with the CRM, improvement in timeliness has been achieved.
<p>Service standard</p> <p><i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100</p>	37.50%	54.55%	6.67%	10.00%	In 2023/24, 21 dogs and 9 cats were collected. 3 dogs were reclaimed.
<p><i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x100</p>	37.50%	36.36%	20.00%	22.22%	A new permanent owner was found for 4 cats and 2 dogs. A further 13 dogs were sent to organisations which specialise in rehoming.
<p>Service cost</p> <p><i>Cost of animal management service per population</i> [Direct cost of the animal management service / Population]</p>	\$17.39	\$17.20	\$19.49	\$20.98	The cost of managing the animal management service is marginally higher (on a per capita basis) than the previous year.

Health and safety					There have been no animal management prosecutions in 2023/24.
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0.00%	0.00%	0.00%	0.00%	

Council Plan progress report

Initiatives and Priorities	Status	Comment
5.1 Continue to investigate options for domestic waste water management in high risk towns including Eskdale, Mitta Mitta and Bethanga	Complete	Mapping of septic tanks across the Shire with high risks identified.
5.2 Advocate for reticulated potable water in Bethanga and Mitta Mitta	Complete	This has been completed progressively over the course of the Council plan period.
5.3 Continue to seek funding for integrated water management projects to maximise the use of recycled and raw water sources for public amenity and climate change mitigation	In Progress	The scope variation for Corryong Reclaimed Water project was denied. Funding is to be returned to DEECA.
5.4 Seek funding to explore options for the establishment of a recycling industry	Ongoing	The introduction of new kerbside collection services has aided in closing the loop. Forums and workshops by state government body advocates continue to be rolled out for council consideration. Two community run collection points for 10c refund program are in operation.
5.5 Improve the use of recycled materials in infrastructure projects e.g., crushed concrete, glass and rubber	Ongoing	Reseal program using crumb rubber (recycled tires), Ecodeck timbers and recycled bollards used in street furniture. Crushed concrete used in multiple projects. Concrete removed from Corryong CBD to be crushed for use in future projects.
5.6 Investigate and implement options for the management of roadside vegetation for fire mitigation	In Progress	All spatial data and information requests provided to consultant and report now under review.
5.7 Advocate for the establishment of roadside clearances on arterial roads for emergencies	In Progress	Assessment of roadside pull off areas was undertaken by

			Council officer with photos and GPS locations submitted to Department of Transport and Planning for consideration.
5.8	Continue to implement noxious weed control and monitoring along roadsides within available funding	Complete	Roadside weed spraying completed.
5.9	Continue to implement the tree planting strategy to achieve 40% canopy coverage in urban streets by 2025	In Progress	Planting plan for Corryong CBD complete and tree planting for Stage 1 complete.
5.10	Explore the diversification of options for the establishment of native vegetation offset sites	In Progress	Budget proposal submitted for 24/25 budget.
5.11	Seek funding to establish a network of electric car charging stations	Complete	Electric vehicle charging stations installed in Corryong and Walwa (150km from Wodonga).
5.12	Develop a climate change action plan (including actions to reduce carbon emissions, electric vehicle charging, etc)	Complete	Climate Adaptation Action Plan adopted in May 2022.
5.13	Transition waste and recycling services operations as per Victorian Government Circular Economy Strategy to deliver a four stream system for waste and recycling collection including separation of glass, green waste and organics	Complete	Four stream waste model adopted and commenced in June 2024 with a communication and education campaign to support this.
5.14	Invest in community education programs and a waste services survey to improve waste and recycling separation	Ongoing	Ongoing communications and education campaign activities scheduled to be delivered to support the four stream waste service.
5.15	Investigate options for hard waste, greenwaste and agricultural waste management e.g silage wrap	Complete	Four stream waste model will include kerbside collection of food and organics as well as green waste. Annual collection of hard waste via bulk skip drop off to designated areas throughout the Shire to continue.
5.16	Replace the retaining wall at the Tallangatta Transfer Station	Complete	Completed with funding from Round Two of the Department of Environment, Energy and Climate Action's - Transfer Station Upgrade Fund.
5.17	Investigate options for the future of the Corryong Landfill	In Progress	Landfill closed with capping to be undertaken late 2024. Awaiting EPA approval of Landfill cap design prior to progressing to tender.
5.18	Implement required measures to ensure management of closed landfills is compliant with EPA requirements	Complete	Closed landfill inspections are complete.

6. Organisational improvement

Strategic objective

Maintain a high performing customer-centred organisation that works with the community to develop and deliver priorities.

Strategies

Engage with our communities to ensure that decision making is informed by community needs.

Promote Council activities that affect the community.

Advocate and collaborate with other agencies and stakeholders to progress priorities and activities.

Consistently deliver an excellent customer experience.

Provide a great place to work that supports a high performing organisation.

Provide good governance and actively manage evolving risks.

Continually review revenue sources and cost saving opportunities to improve our financial position.

Continually review expenditure to provide best value.

<p>Highlights</p>	<ul style="list-style-type: none"> • Commenced our IT and Records Management Project, with the aim to transform our information technology and information management systems • Continued to improve systems and process across a range of business functions including customer service, communications and finance. • Monthly budget vs actual reports at the cost centre level have been developed and distributed to assist in the ongoing efforts to manage and contain costs. • Developed a draft People Plan to support the ongoing development of a high performing, adaptable, resilient, engaged and cohesive organisation
<p>Challenges</p>	<ul style="list-style-type: none"> • A safety audit was completed, highlighting challenges we face in reaching compliance with modern safety standards. An action plan has been developed to address the non-compliances and opportunities for improvement.

A Manager Safety and Risk commenced in May to drive the development of a comprehensive risk management framework and OHS management system. In addition, the hazards identified during the completion of a Safety Audit in accordance with an international safety standard (ISO 450001) are being addressed and progressed according to risk factors. In addition a revised charter for the Audit and Risk Committee was adopted with a renewed focus on simplicity and efficiency in addressing matters for consideration by the Committee.

As part of our commitment to continually improve customer service experience across the organisation we commenced monthly monitoring and reporting of performance indicators including repeat callers; response rates, and days to resolve service requests. This has allowed for targeted remedial action and resulted in a reduction in the average days taken to resolve enquiries.

We commenced our IT and Records Management Project, with the aim to transform our information technology and information management systems and transition from several different file servers and cloud-based document storage systems to a single cloud-based location with an integrated record management solution.

We commenced testing electronic purchase orders in ApprovalMax to improve compliance to the procurement process and provide oversight in regards to committed and upcoming cashflows.

As a means of continuing to improve awareness, engagement and involvement of the community in relation to matters that affect them we undertook substantial community engagement across a range of projects and initiatives. In addition, we launched a 'Month in Review' and distributed this through digital and traditional media to improve ways of communicating Council news and events.

We developed and delivered a draft People Plan that outlines explicit goals and actions to ensure that as an organisation we are well placed to assess, review and optimise our existing and future workforce. As part of this commitment to building a strong workforce, we delivered two All Staff development days.

Strategic indicators

Indicator	Target	Result 21/22	Result 22/23	Result 23/24	Target Reached
Community satisfaction with community consultation and engagement	Increased level of satisfaction	54	53	45	No
Community satisfaction with Council decisions	Increased level of satisfaction	54	52	44	No
Community satisfaction with customer service	Increased level of satisfaction	58	56	59	No
Percentage of customer requests resolved within target service levels	Increased percentage	55.58%	53.77%	35.55%	No
Number of business improvements	Five (5) improvements per annum	11	8	12	Yes
Percentage of staff who agree that Council is a great place to work	Increased percentage	45%	N/A*	N/A*	N/A

* Sample size not statistically significant for result to be recorded.

Service performance indicators

Indicator	Result 2019/20	Result 2020/21	Result 2021/22	Result 2022/23	Comments
<p>Governance</p> <p>Transparency</p> <p><i>Council decisions made at meetings closed to the public</i> [Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x100</p>	0.48%	2.37%	1.46%	2.65%	<p>Council is committed to public decision-making at open Council meetings in the interest of open and transparent governance. Meetings are only closed to the public in accordance with s66 of the Local Government Act 2020. There were three resolutions made at meetings closed to the public in 2023/24 the same number as in 2022/23.</p>
<p>Consultation and engagement</p> <p><i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p>	60.00	54.00	53.00	46.00	<p>Council's performance is in line with the average for Small Rural Councils as well as the overall Statewide Council average for Victoria.</p>

<p>Attendance</p> <p><i>Councillor attendance at council meetings</i></p> <p>[The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) × (Number of Councillors elected at the last Council general election)] x100</p>	92.86%	97.65%	95.56%	95.00%	<p>The result recognises Councillor attendance at Council meetings. Formal granting of leave of absence is obtained when a Councillor is unable to attend.</p>
<p>Service cost</p> <p><i>Cost of elected representation</i></p>	\$35,454.78	\$39,043.23	\$43,267.68	\$45,779.40	<p>Local Government elected officials received an allowance increase effective 18 December 2023 as per the Victorian Tribunal Determination 01/2022. The Determination provides for further scheduled annual increases to allowance values until 18 December 2025. The next increase will take effect on 18 December 2024.</p>
<p>Satisfaction</p> <p><i>Satisfaction with council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	60.00	54.00	52.00	44.00	<p>Council's performance has deteriorated. This similar in the results for Small Rural Councils as well as the overall Statewide Council average for Victoria.</p> <p>It also appears representative of community dissatisfaction with consultation and delivery of the Corryong CBD project.</p>

Council Plan progress report

Initiatives and Priorities	Status	Comment
6.1 Continue to improve awareness, engagement and involvement of the community in relation to matters that affect them	Ongoing	Substantial community engagement was undertaken in relation to the major plans and projects affecting the community. A 'Month in Review' was launched and distributed through digital and traditional media to improve ways of communicating Council news and events.
6.2 Continually improve customer service experience across the organisation	Ongoing	Performance indicators including repeat callers; response rates, days to resolve service requests etc. are monitored and reported allowing for targeted remedial action.
6.3 Continually improve processes to support improved service delivery	In Progress	The IT & Records management project commenced to improve compliance with record keeping, privacy and security requirements.
6.4 Deliver improved business technology - finance, rates, human resources	In Progress	The identification a suitable software package for LTFP has commenced with demonstrations held with two more software providers.
6.5 Update the technology strategy to support the ongoing delivery excellent customer service	In Progress	The IT & Records management project commenced to improve compliance with record keeping, privacy and security requirements.
6.6 Develop and implement a People Plan to support the ongoing development of a high performing, adaptable, resilient, engaged and cohesive organisation	Complete	The draft People Plan has been completed for review. An all staff day was held on 6 June 2024; and a staff survey is being developed with roll-out expected in late 2024.
6.7 Provide a safe and healthy workplace for all Councillors and staff in a continually evolving environment	Ongoing	Manager Safety and Risk commenced in May, and the development of a comprehensive risk management framework and OHS management system has commenced. In addition, hazards identified during the audit are being progressed according to risk factor.
6.8 Continue to seek opportunities to improve service delivery and achieve best value including further investigation of shared services	Ongoing	Council hosted Alpine and Indigo Councillors and CEOs in Tallangatta on 19 June 2024 to share information regarding the shared service activities and other opportunities for the three councils to work together.
6.9 Continue to advocate for increased government funding support to ensure long term sustainability	Ongoing	Council met with Minister Catherine King (Minister for Local Government, Transport and Regional Development)

			in July as part of the National General Assembly.
6.10	Investigate alternative revenue streams	Ongoing	Engaged Costello rural to actively pursue tenant opportunities for the sheds in the Corryong Innovation space with an application received.
6.11	Review the Revenue and Rating strategy	Not Started	Revenue streams were reviewed during the budget process.
6.12	Consider options for the realisation of surplus Council assets	Not Started	At the June Council meeting, a resolution was passed to progress the sale of 8 Boundary St, Corryong.
6.13	Continually improve the risk management and governance frameworks and practices	Ongoing	We presented the updated Audit and Risk Committee Charter to Council for adoption at the June Council meeting. An action plan for the development of an OHS Framework, review of the risk appetite, and management of ongoing hazards and injuries has been prepared.
6.14	Provide ongoing support and development of Councillors in fulfilling their roles	Ongoing	Meeting procedure training for Councillors and senior staff was conducted by Maddocks in May 2024

Governance

Towong Shire Council was established by an Order of the Governor in Council on 24 October 1996 and is a Body Corporate. Council's main office is located at 32 Towong Street, Tallangatta.

In accordance with Section 8 (1) of *Local Government Act 2020*, the role of Council:

is to provide good governance in the municipal district for the benefit and wellbeing of the municipal community.

In accordance with Section 9 of the *Local Government Act 2020*:

- (1) *A Council must in performance of its role give effect to the overarching governance principles.*
- (2) *The following are the overarching governance principles:*
 - (a) *Council decisions are to be made and actions taken in accordance with the relevant law;*
 - (b) *Priority is to be given to achieving the best outcomes for the municipal community, including future generations;*
 - (c) *the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;*
 - (d) *the municipal community is to be engaged in strategic planning and strategic decision making;* (e) *innovation and continuous improvement is to be pursued;*
 - (e) *collaboration with other Councils and Governments and statutory bodies is to be sought;*
 - (f) *the ongoing financial viability of the Council is to be ensured;*
 - (g) *regional, state and national plans and policies are to be taken into account in strategic planning and decision making;*
 - (h) *the transparency of Council decisions, actions and information is to be ensured.*

Council recognises that effective governance is the key to ensuring that Council meets the community's priorities. Many formal decisions are made at Council Meetings, and some of Council's powers have been delegated to Council staff and are exercised in accordance with Council policies. The community has the opportunity to be involved in Council's decision-making processes through specific community engagement processes in line with our *Community Engagement Policy*, and 'Public Question Time' held in conjunction with Council's monthly meeting.

Council meetings

Council's ordinary meetings are held monthly, except for January when there may be no meeting if there is no business that needs to be addressed. These meetings are conducted in accordance with Council's *Governance Rules*.

For the 2023/24 year Council held the following meetings:

- Twelve (12) ordinary council meetings
- Eight (8) special council meetings.

Committees

In 2023/24 Council had one Community Asset Committee, the Riverview Walwa Community Asset Committee, to provide and manage self-contained accommodation at Riverview Units, Walwa.

Councillor Code of Conduct

The Councillor Code of Conduct outlines the standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as Councillors. The Council last adopted its Code of Conduct on 24 February 2021.

In accordance with the requirements of the *Local Government Act 2020*, the Councillor Code of Conduct is designed to:

- Provide for good governance and decision making across the municipality;
- Establish agreed high standards of behaviour and conduct;
- Create a common understanding of the different roles of Councillors and the administration;
- Clarify dispute resolution procedures; and
- Outline the treatment of breaches.

It provides a framework for robust debate in which legitimate differences in opinions, beliefs and values can be discussed constructively.

Councillor allowances

At 1 July 2021, Mayor and Councillor allowances were set in accordance with the relevant provisions of the *Local Government Act 1989*. Councils were able to set their allowances within the ranges determined by the Minister for Local Government.

Since the introduction of the *Local Government Act 2020*, the responsibility for determining allowances transitioned to the Victorian Independent Remuneration Tribunal during the course of 2021/22. The Tribunal made their first Determination on 7 March 2022 with the new allowance levels effective 18 December 2021. The Determination sets a single allowance for each role and council category inclusive of a superannuation guarantee payment. Councils are required to pay the set allowance amounts with no ability to vary this at a council level. However individual Councillors may elect to receive the entire allowance, a specified part, or none of the allowance. The Tribunal also introduced a new allowance level for Deputy Mayors so that there are now separate allowance levels for Mayors, Deputy Mayors and Councillors.

Allowances applicable to Towong Shire Council as a 'Category 1' Council were as follows:

Role	1 July 2023 – 17 December 2023	18 December 2023 – 30 June 2024
Mayor	\$79,492	\$81,641
Deputy Mayor	\$39,746	\$40,819
Councillor	\$25,650	\$26,368

As at 1 July 2023, Councillors could also claim a remote travel allowance of \$45.90 per day to attend meetings held more than 50km from their place of residence. All allowances were paid pro-rata for the part of the year where the allowance applied.

Councillor expenses

The Councillor Support and Expenses Policy establishes the resources, facilities and administrative support provided to Councillors. It provides for Councillors to have out-of-pocket expenses, incurred while performing their official duties as a Councillor or member of a delegated committee, either reimbursed or paid directly by the Council. The table below presents the expenses incurred by Council in 2023/24 on behalf of each Councillor.

Councillor	Conferences and Training	ICT*	Travel [^]	Childcare	Functions and Events	Other	TOTAL
Cr Aaron Scales	\$0	\$253	\$0	\$0	\$0	\$65	\$318
Cr Andrew Whitehead	\$1,378	\$163	\$0	\$0	\$0	\$0	\$1,541
Cr David Wortmann	\$812	\$748	\$4,432	\$0	\$0	\$199	\$6,191
Cr Denise Anderson	\$759	\$353	\$728	\$0	\$0	\$0	\$1,840
Cr Pete Dikschei	\$0	\$321	\$1,593	\$0	\$0	\$0	\$1,914
TOTAL	\$2,949	\$1,838	\$6,753	\$0	\$0	\$264	\$11,804

*Information and Communication Technology.

[^]Inclusive of mileage and accommodation. It is noted that Cr Wortmann doesn't utilise a Council vehicle.

Audit and Risk Committee

The Audit Committee was established by resolution of Council on 19 January 1998 as an independent advisory committee to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.

It was re-established as the Audit and Risk Committee in accordance with the requirements of the *Local Government Act 2020* at the Council Meeting on 1 September 2020.

During 2023/24 the Audit and Risk Committee met on four (4) occasions to discuss Council's Budget, finance reports, Council priorities, external and internal audits, OHS, performance reporting, finance systems, legal and compliance actions, risk management and policy development.

During 2023/24, the Audit and Risk Committee considered:

Committee Governance

- Audit and Risk Committee Work Plan
- Audit and Risk Committee Chair and Membership
- Audit and Risk Committee Self-Assessment
- Audit and Risk Committee Charter

Financial management and performance reporting

- Annual financial and performance statements
- Interim and annual external audits
- Budget development
- Quarterly financial reporting
- Long term financial plan

Risk management

- Strategic Risk Register
- Significant operational changes

- Risk management framework and appetite
- Risk Management Action Plan
- Business Continuity Plan
- Emergency management planning and response
- Fraud controls
- Occupational health and safety
- Insurances
- Human resources

Internal Audit

- Internal audit plan
- Records management audit
- Safety audit
- IT Security audit
- IT/Records Management Strategy
- Local government investigations

Compliance

- Legislative and regulatory reforms
- Councillor expense reimbursements
- CEO credit card expenditure
- Gifts register
- Procurement exemptions
- Policy reviews.

Audit and Risk Committee Members

In 2023/24 the Audit Committee comprised the Mayor and four independent external members. The external members were as follows:

Mr Spencer Rich (Chair from 27 October 2021 to 15 September 2024)

Mr Rich was appointed to the Audit and Risk Committee in July 2019. He has over 20 years of experience in occupational health and safety management, risk management and corporate governance, including nearly 10 years with Wodonga Council in roles spanning these fields. Mr Rich holds a Diploma of Occupational Health and Safety and an Advanced Diploma of Governance, Risk and Compliance. Spencer is currently an Inspector with SafeWork NSW.

Ms Lisa Forsyth (Chair from 15 September 2023 to current)

Ms Forsyth was appointed to the Audit and Risk Committee in July 2022. She brings invaluable experience accumulated throughout various senior corporate and non-for-profit roles. The focus across these roles have included risk and compliance management, audit and assurance, quality management functions and best practice innovation. She is currently the Quality and Risk Manager at Mercy Connected Limited.

Mr Parag Shah

Mr Shah was appointed to the Audit and Risk Committee in July 2023. With over 19 years of experience in cyber security and information technology, Mr Shah brings a unique skillset to the Committee in identifying cyber and information risks and subsequent opportunities for mitigation. Mr Shah currently works as an executive-level officer for the National Bank of Australia.

Ms Loren Murray (31 July 2023 to 22 May 2024)

Ms Murray was appointed to the Audit and Risk Committee in July 2023. She has been involved with a range of senior safety roles accumulated over the last decade, including various Board positions. Given the diverse nature of local government operations, Ms Murray’s risk and safety experience is invaluable to identify areas of high-risk and opportunities for improvements in controls and processes. Ms Murray holds various professional qualifications, including Diploma’s in Occupational Health and Safety, Human Resource Management and Business Management.

External audit

Council is externally audited by the Victorian Auditor-General’s Office (VAGO). For the 2023/24 financial year the annual external audit of Council’s financial statements and performance statement was conducted by VAGO’s representative, Johnsons MME. The external auditors engage with Council’s Audit and Risk Committee to present their independent audit report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk management

Council is committed to taking a best practice approach to managing risk. We recognise that risks are inherent in all our functions and understand that all systems and processes exhibit variability, impacting on predictability and performance.

Managing risk is not about finger pointing when things go wrong, rather it is a conscious decision to improve Council’s systems and processes. The objectives of our risk management policy are to:

- Ensure we appropriately deal with risk;
- Safeguard our assets: people, financial, information and property;
- Create an environment where all our employees will assume responsibility for managing risk;
- Preserve our ability to deliver policy and performance objectives in a timely, efficient and effective manner; and
- Implement transparent and responsible risk management processes, which align with accepted best practice.

Governance and management checklist

Governance and management items	Assessment	Result
1 Community engagement policy Policy required by section 55 of the Act outlining Council’s commitment to engaging with the community on matters of public interest	Adopted 24 February 2021	Yes

2 Community engagement guidelines Guidelines to assist staff to determine when and how to engage with the community	Adopted 24 February 2021	Yes
3 Financial Plan Plan required by section 91 of the Act describing the resources required to give effect to the Council Plan	Adopted 27 October 2021	Yes
4 Asset Plan Plan required by section 92 of the Act describing information about each class of infrastructure under the control of Council	Adopted 25 January 2023	Yes
5 Revenue and Rating Plan Plan required by section 93 of the Act describing Council's funding sources	Adopted 23 June 2021	Yes
6 Annual Budget Required by section 94 of the Act including the financial statements, services and initiatives to be funded, and how much is to be raised by rates and charges	Adopted 26 June 2024	Yes
7 Risk policy Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Current policy in operation 27 April 2022	Yes
8 Fraud policy Policy outlining Council's commitment and approach to minimising the risk of fraud	Current policy in operation 9 December 2020	Yes
9 Municipal emergency management plan Plan under section 60ADB of the <i>Emergency Management Act 2013</i> for emergency mitigation, response and recovery	Prepared and maintained in accordance with section 60ADB of the <i>Emergency Management Act 2013</i> 3 December 2019	Yes
10 Procurement policy Policy under section 108A of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services	Current policy in operation 28 June 2023	Yes
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	Current plan in operation 30 July 2018	Yes

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	Current plan in operation 30 July 2018	Yes
13 Risk management framework Framework outlining Council's approach to managing risks to the Council's operations	Current framework in operation 23 February 2022	Yes
14 Audit and Risk Committee Advisory committee required by section 53 of the Act to monitor compliance with the Act, to monitor financial and performance reporting, to advise on risk management and fraud controls, and to oversee audit functions	Established 1 September 2020	Yes
15 Internal audit Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Internal auditors engaged to perform Safety Audit against ISO45001:2018. Note that Council does not have a single internal auditor, rather relevant technical experts are conducted to conduct audits of high-risk exposures on a case by case basis, to ensure that Council utilises the best expertise relevant to the audit in question.	Yes
16 Performance reporting framework A set of prescribed indicators required by section 98 of the Act measuring financial and non-financial performance	Current framework in operation 1 July 2020	Yes
17 Council Plan reporting Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators	Conducted quarterly	Yes
18 Financial reporting Quarterly report required by section 97 of the Act comparing actual and budgeted results to date with an explanation of variances	Conducted quarterly	Yes
19 Risk reporting Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Reported bi-monthly	Yes

<p>20 Performance reporting Six-monthly reports of indicators measuring the results against financial and non-financial performance</p>	<p>Reported six monthly</p>	<p>Yes</p>
<p>21 Annual report Annual report required by section 98 of the Act containing a report of operations of the Council, and audited performance and financial statements</p>	<p>Presented at a meeting of Council 22 November 2023</p>	<p>Yes</p>
<p>22 Councillor Code of Conduct Code required by section 139 of the Act including the standards of conduct expected to be observed by Councillors</p>	<p>Reviewed and adopted in accordance with the requirements of the <i>Local Government Act 2020</i> 24 February 2021</p>	<p>Yes</p>
<p>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</p>	<p>Reviewed 24 January 2024</p>	<p>Yes</p>
<p>24 Meeting procedures Governance Rules required by section 60 of the Act outlining the conduct of Council meetings</p>	<p>Current rules in operation 28 September 2022</p>	<p>Yes</p>

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



Juliana Phelps
Chief Executive Officer
Date: 11 October 2024



Cr Andrew Whitehead
Mayor
Date: 11 October 2024

Statutory information

Documents available for public inspection

The opportunity to access information about Council operations is a vital part of open and accountable government. Council's Public Transparency Policy outlines the documents that are available for public inspection in accordance with section 57 of the *Local Government Act 2020*.

Information Privacy

Council values the treatment of personal and health information and acknowledges its obligations primarily under the *Privacy and Data Act 2014* and *Health Records Act 2001*. The legislation prescribes numerous information privacy and data protection principles that Council is required to comply with to ensure information is safely collected, stored and disclosed through Council's administrative and operational processes. Council's Privacy Policy was revised and adopted in August 2023, which includes further detail of Council's privacy commitments and procedures.

Best value

Council seeks to achieve best value for its communities across all of its activities, by taking a proactive and systematic approach to keeping costs as low as possible while striving to deliver services to the standard expected by the community.

Council has been recognised as a leader in procurement and process efficiency in the local government sector. Council is also recognised for its innovative shared services arrangements which have resulted in improved service delivery and reduced costs through collaboration with neighbouring councils. Shared services have been established for the following services:

- Planning services
- Building control
- Environmental health
- Rates and property
- Immunisations

Other best value initiatives include the implementation of a shared digital platform with Alpine Shire Council and Indigo Shire Council. The program aims to provide a frictionless customer experience and drive internal efficiencies across all three Councils. The collaborative approach has aided in driving best value in procurement and implementation of the program and continues to provide a strong foundation for further collaborative initiatives between the Councils. Additional best value initiatives include the Greenlight Project, which intends to improve the customer service experience for planning permit applications through better access to planning information whilst a permit is still being processed.

Contracts

A list of Contracts awarded at Council Meetings valued at \$150,000 or over are supplied below for the 2023/24 financial year:

Project	Contract	Supplier	Value (\$)
Walwa Recreation Reserve – New Amenities Block	2022/23-036	Barton St Development	\$446,896
Spray Sealing	2023/24-017	Boral Resources (VIC) Pty Ltd	\$645,440
Towong Walking Track	2023/24-013	Jackson’s Earthmoving Pty Ltd	\$635,060
Wises Creek Road Upgrade Stage 3	2023/24-006	Tallangatta Construction and Maintenance Pty Ltd	\$1,169,858
Yabba Road Corner Widening	2023/24-005	Tallangatta Construction and Maintenance Pty Ltd	\$529,277
High Country Rail Trail Pedestrian Bridge over Tallangatta Creek	2023/24-035	Ezibuild Pty Ltd	\$567,100
Corryong Skate Park Construction	2023/24-034	Haley Constructions	\$793,780
Cleaning of Municipal Buildings	2023/24-056	Waynes Cleaning Services	\$176,789
Dartmouth Splash Pad Construction	2023/24-051	Farley Pools Australian Pty Ltd	\$240,829
Bellbridge Walking Track Upgrade Stages 2 and 3	2023/24-045	ATD Civil	\$490,939
Stabilization of Major Patches	2024/25-001	Szabolics Construction Pty Ltd	\$868,000
Lake Road Bridge Remediation	2023/24-048	Excell Gray Bruni Pty Ltd	\$403,085

Domestic Animal Management Plan

Council adopted its *Domestic Animal Management Plan 2021-2025* in November 2021. Its development was guided by the following principles:

- The belief that pets contribute to quality of life
- A requirement to balance the needs of those who own pets and those who do not
- Valuing responsible pet ownership
- Proactive animal management and education within the community
- Protection of the environment from any negative impacts of dogs and cats
- Working in partnership with others to achieve positive outcomes for the community
- Local Government plays a leadership role in animal management.

Council’s *Domestic Animal Management Plan 2021-2025* includes an Action Plan to assist Council to achieve the Plan’s objectives over a four-year period. During the year many of the ongoing actions in the Plan were completed including:

- Officer training in relation to relevant topics
- Animal registration reminders and follow-ups
- Issuance of barking dog information packs to assist in resolution of complaints
- Investigation of and response to dog attacks

- Declaration of menacing and dangerous dogs as appropriate.

Equality Action Plan

Council adopted its *Gender Equality Action Plan* in March 2022 in line with the gender equality principles outlined in the *Gender Equality Act 2020*. Since its adoption, In the spirit of the principles defined in section 6 of the Act, Council have to consider and promote gender equality and to take necessary and proportionate action towards achieving gender equality. This includes celebrating IDAHOBIT day on 17 May 2024, commence establishing the framework of an LGBTIQ+ Community Advisory Group, as well as meet with state advocacy groups to discuss further actions Council can consider for future initiatives.

Food Act Ministerial Directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any ministerial directions received during the financial year in its Annual Report. No such ministerial directions were received by Council during the financial year.

Freedom of Information (FoI)

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, Council is required to publish certain statements in their Annual Report or separately (such as on its website) concerning its functions and information available.

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

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

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying, search and retrieval charges). Further information regarding FOI can be found at ovic.vic.gov.au or on Council's website.

Public Interest Disclosures Procedures

In accordance with Section 69 of the *Public Interest Disclosures Act 2012*, Council must include in their Annual Report information about how to access the procedures established by the Council. It is also required to provide certain information about the number and types of public interest disclosures complaints investigated during the financial year.

The purpose of the *Public Interest Disclosures Act 2012* is to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action. Procedures on how to make a disclosure are publicly available on Council's website.

During the 2023/24 year no disclosures were notified to Council officers appointed to receive disclosures or to the Independent Broad-based Anti-corruption Commission (IBAC).

Road Management Act Ministerial Direction

In accordance with Section 22 of the *Road Management Act 2004* Council must publish a copy or summary of any ministerial direction in its Annual Report. No such ministerial directions were received by Council during the financial year.

Performance Statement

Description of municipality

Towong Shire is located in far north-eastern Victoria and possesses some of Australia's most pristine environment. Wilderness areas, lakes, rivers and streams create diverse landscapes that are enjoyed by around 6,000 residents and many more visitors across an area of 6,600 square kilometres.

The economy of the region revolves around a rich agricultural sector, tourism and timber production and processing. Approximately two-thirds of businesses located in the Shire are in the agriculture and forestry industries.

Like many rural areas, Towong Shire's small population and vast geographic area presents Council with a significant challenge to adequately fund the maintenance and renewal of community assets. Council is taking actions to address this situation through strategies that promote economic and population growth as well as by implementing innovative methods to reduce costs wherever it can. Council is confident that this approach delivers best value to the community and will secure a long-term future for the organisation.

PERFORMANCE STATEMENT

Sustainable capacity indicators

For the year ended 30 June 2024

Results

Indicator / measure [formula]	2021	2022	2023	2024	Comments
	Actual	Actual	Actual	Actual	
Population <i>Expenses per head of municipal population</i>	\$4,046.71	\$3,543.06	\$4,168.07	\$4,519.94	Higher materials & service costs due to spending of unbudgeted grants during the year. Capital expenditure is also significantly higher than the previous year which has led to increased depreciation costs. The average number of employees increased from 133 to 142 resulting in higher employee costs. The municipal population has remained relatively stable.
<i>Infrastructure per head of municipal population</i> <i>[Value of infrastructure / Municipal population]</i>	\$30,924.94	\$36,556.23	\$39,997.41	\$40,862.31	Slightly higher capital expenditure for the year has increased the value of infrastructure. The Municipal population has remained relatively stable.

<p><i>Population density per length of road</i></p> <p><i>[Municipal population / Kilometres of local roads]</i></p>	5.16	5.13	5.23	6.59	Km of sealed and unsealed local roads recalculated to be 948km. It was reported as 1,183km in previous year.
<p>Own-source revenue</p> <p><i>Own-source revenue per head of municipal population</i></p> <p><i>[Own-source revenue / Municipal population]</i></p>	\$2,458.70	\$2,071.96	\$2,238.74	\$2,748.68	Own source revenue is higher than previous years due to insurance reimbursements, disaster recovery funding arrangements and interest income.
<p>Recurrent grants</p> <p><i>Recurrent grants per head of municipal population</i></p> <p><i>[Recurrent grants / Municipal population]</i></p>	\$1,211.90	\$1,375.10	\$1,411.99	\$644.56	Grant income is only 46% of the amount received in the previous year.

<p>Disadvantage</p> <p><i>Relative Socio-Economic Disadvantage</i></p> <p><i>[Index of Relative Socio-Economic Disadvantage by decile]</i></p>	5	5	5	5	
<p>Workforce turnover</p> <p><i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</p>	24.4%	25.9%	30.0%	21.1%	<p>Staff turnover has improved due to efforts to increase staff retentions as well as a reduction in staff contracts terminating that had been created out of prior year bushfire and recovery relief.</p>

PERFORMANCE STATEMENT

Service performance indicators

For the year ended 30 June 2024

Results

	2021	2021	2023	2024		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	0.89	1.12	1.37	N/A	1.73	Council operates two outdoor seasonal swimming pools. There were 10,804 visits recorded in 2023/24; compared to 8,480 in 2022/23, 6,783 in 2021/22 and 5,455 in 2020/21.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0%	0%	0%	N/A	0%	There have been no animal prosecutions in 2023/24.

<p>Food Safety Health and safety Critical and major non-compliance outcome notifications</p> <p><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></p>	100.00%	100.00%	100.00%	N/A	100.00%	<p>There were four critical or major non-compliance outcome notifications issued in 2023/24. This compares two in 2022/23; eleven in 2021/22 and one in 2020/21. All notifications were followed up.</p>
<p>Governance Satisfaction Satisfaction with community consultation and engagement (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)</p>	60	54	53	57	46	<p>Satisfaction with Council's decisions fell seven points in comparison to 2022/23. Council's performance is in line with the average for Small Rural Councils as well as the overall Statewide Council average for Victoria. The Statewide survey was conducted between January and March 2024. At this time Council was addressing the concerns of a complex capital project which received a lot of community attention. It is likely that this matter, alongside the timing of the survey, has impacted the result for this indicator.</p>
<p>Libraries Participation Library membership</p> <p><i>[percentage of the population that are registered library members] x100</i></p>	New for 2023/24	New for 2023/24	New for 2023/24	N/A	17.99%	<p>Council operates two static libraries in its main centres of Corryong and Tallangatta. These libraries service our small, dispersed population which is spread over 6,635 square kilometres. Many residents reside outside the two main centres where the static libraries are located and may access other library services in neighbouring municipalities.</p>

<p>Maternal and Child Health (MCH) Participation Participation in the MCH service</p> <p><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></p>	85.50%	75.83%	89.13%	N/A	84.89%	268 children attended the service at least once during 2023/24. The participation rate is on par with previous years.
<p>Participation Participation in the MCH service by Aboriginal children</p> <p><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></p>	100.00%	84.62%	91.67%	N/A	100.00%	There were 7 children who identify as having an Aboriginal or Torres Strait Islander background who are registered with the MCH service. All 7 children attended the service at least once in 2023/24.
<p>Roads Condition Sealed local roads below the intervention level</p> <p><i>(percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)</i></p>	100%	100%	97.00%	100%	97.52%	Sealed roads with an observable SCI score of 3.3 and below; as measured by the Infrastructure Management Group; are assessed to be above the renewal intervention level.
<p>Statutory Planning Service standard Planning applications decided within the relevant required time</p> <p><i>(percentage of planning application decisions made within the relevant required time)</i></p>	75.82%	53.54%	58.65%	70.00%	89.23%	A significant improvement on previous year/s processing times.

<p>Waste Management</p> <p>Waste diversion</p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p><i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i></p>	20.82%	48.62%	30.81%	52.00%	40.45%	<p>The total amount of garbage and recyclables collected by Council in 2023/24 was 1,101.07 tonne. 445.39 tonne of this waste was made up of recyclable and green organics waste.</p> <p>TSC has engaged Cleanaway to provide the Kerbside Waste collection service. A steady transition has occurred throughout the 2023/24 year. Cleanaway is now responsible for the complete Kerbside Waste collection service. The reason that the target was not achieved was due to the delays in the transition to Cleanaway managing Council's kerbside waste collection, having started four months later than planned. This delay in the Cleanaway and introduction of the FOGO bin services contributed to the lower weight of green organics collected compared to targets which were significant factors in not achieving the target.</p>
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Service Performance Indicator definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
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
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
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
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service

	charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, 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
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

Other Matters

Overview of 2024

During the financial year council experienced growth in residents and demand for services. Extensive capital works were undertaken to improve infrastructure.

PERFORMANCE STATEMENT

Financial performance indicators

For the year ended 30 June 2024

Dimension/indicator/ measure	2021	2022	2023	2024		2025	2026	2027	2028	Material Variations and Comments
	Actual	Actual	Actual	Target As per budget	Actual	Forecast	Forecast	Forecast	Forecast	
Efficiency Expenditure level <i>Expenses per property assessment</i> <i>[Total expenses / Number of property assessments]</i>	\$5,467.89	\$4,754.09	\$5,685.15	\$5,126.00	\$6,207.22	\$6,246.00	\$6,550.00	\$5,530.00	\$5,468.00	Higher materials & service costs due to spending of unbudgeted grants during the year. The 2023 revaluations have resulted in current year depreciation costs being significantly higher than the previous year. The average number of employees increased from 123 to 133 resulting in higher employee costs. The number of property assessments has remained relatively stable.
Revenue level <i>Average rate per property assessment</i> <i>[Sum of all general rates and municipal charges / Number of property assessments]</i>	\$1,713.24	\$1,745.91	\$1,780.92	\$1,836.00	\$1,830.84	\$1,837.00	\$1,891.00	\$1,942.00	\$1,998.00	No material changes on four-year averages.

Liquidity Working capital <i>Current assets compared to current liabilities</i> <i>[Current assets / Current liabilities] x100</i>	388.23%	488.06%	364.20%	218.00%	360.63%	179.00%	171.00%	156.00%	145.00%	On par with previous years. Slower than budgeted capital works expenditure meant that cash in bank was not utilised as much as intended, resulting in a higher than target working capital ratio.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> <i>[Unrestricted cash / Current liabilities] x100</i>	207.10%	178.75%	183.02%	201.00%	112.19%	134.00%	86.00%	34.00%	30.00%	Higher amounts of cash on hand required to fund carried forward capital works which has decreased the unrestricted cash amounts.
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council had no borrowings owing at year end.

<p><i>Loans and borrowings repayments compared to rates</i></p> <p><i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i></p>	0.18%	0.18%	0.17%	0.00%	0.22%	0.00%	0.00%	0.00%	0.00%	<p>Council had no borrowings owing at year end. Loans were paid out during the year.</p>
<p>Indebtedness</p> <p><i>Non-current liabilities compared to own source revenue</i></p> <p><i>[Non-current liabilities / Own source revenue] x100</i></p>	7.13%	7.79%	6.52%	9.26%	4.80%	9.00%	9.00%	10.00%	10.00%	<p>Own source revenue is more than previous year due to increased income from General Rates & Municipal charges as well as interest and insurance reimbursements & disaster recovery arrangements.</p>
<p>Asset renewal and upgrade</p> <p><i>Asset renewal and upgrade compared to depreciation</i></p> <p><i>[Asset renewal and asset upgrade expense / Asset depreciation] x100</i></p>	129.41%	120.04%	158.79%	100.00%	162.16%	100.00%	88.00%	80.00%	80.00%	<p>Spike in asset renewals because of highest capital spendings in recent years, especially expenditure on asset renewals due to bushfire and flooding events.</p>

<p>Operating position</p> <p>Adjusted underlying result</p> <p>Adjusted underlying surplus (or deficit)</p> <p>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</p>	7.82%	15.08%	2.68%	(42.00%)	(24.16%)	(18.00%)	(11.00%)	(11.00%)	(11.00%)	<p>Compared to prior year, Underlying revenue has decreased significantly due to much lower grant income. This has resulted in a \$2,472k deficit for the year compared to a \$6,495k surplus in the previous year.</p> <p>Council has achieved at an accumulated surplus of \$21 million over the previous 3 financial years. This surplus has been utilised in the 2023/24 year and the forecast period.</p>
<p>Stability</p> <p>Rates concentration</p> <p>Rates compared to adjusted underlying revenue</p> <p>[Rate revenue / Adjusted underlying revenue] x100</p>	34.44%	37.56%	37.76%	57.00%	46.50%	38.00%	47.00%	48.00%	48.00%	<p>Rates revenue was \$562k higher than previous year. Adjusted underlying revenue is significantly less than prior year due to a 56% decrease in the value of operating and recurrent capital grants received.</p>

<p>Rates effort</p> <p><i>Rates compared to property values</i></p> <p><i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i></p>	0.52%	0.56%	0.38%	20%	0.30%	0.24%	0.24%	0.25%	0.25%	<p>The capital improved value of rateable properties is 33% higher than the previous year.</p>
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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, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the council's financial plan.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

Certification of the Performance Statement

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



Narelle Taylor CA
Principal Accounting Officer
Dated: 11/10/2024

In our opinion, the accompanying performance statement of Towong Shire Council for the year ended 30 June 2024 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

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

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

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



Andrew Whitehead
Mayor
Dated: 11/10/2024



Denise Anderson
Deputy Mayor
Dated: 11/10/2024



Ms Juliana Phelps
Chief Executive Officer
Dated: 11/10/2024

Independent Auditor's Report

To the Councillors of Towong Shire Council

Opinion I have audited the accompanying performance statement of Towong Shire Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2024
- service performance indicators for the year ended 30 June 2024
- financial performance indicators for the year ended 30 June 2024
- sustainable capacity indicators for the year ended 30 June 2024
- notes to the accounts
- certification of the performance statement.

In my opinion, the performance statement of Towong Shire Council in respect of the year ended 30 June 2024 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Councillors' responsibilities for the performance statement The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, 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. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

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

MELBOURNE
15 October 2024



Travis Derricott
as delegate for the Auditor-General of Victoria

Financial Statements

Certification of the Financial Statements

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



Narelle Taylor CA
Principal Accounting Officer

Dated : 11/10/2024
Tallangatta

In our opinion, the accompanying financial statements present fairly the financial transactions of the Towong Shire Council for the year ended 30 June 2024 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



Andrew Whitehead
Councillor

Dated : 11/10/2024
Tallangatta



Denise Anderson
Councillor

Dated : 11/10/2024
Tallangatta



Juliana Phelps
Chief Executive Officer

Dated : 11/10/2024
Tallangatta

Independent Auditor's Report

To the Councillors of Towong Shire Council

Opinion I have audited the financial report of Towong Shire Council (the council) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive income statement for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- statement of capital works for the year then ended
- notes to the financial statements, including material accounting policy information
- certification of the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Councillors' responsibilities for the financial report The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020, 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.

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.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
15 October 2024



Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income / Revenue			
Rates and charges	3.1	10,568	10,005
Statutory fees and fines	3.2	310	300
User fees	3.3	1,250	1,180
Grants - operating	3.4	3,245	12,648
Grants - capital	3.4	5,269	5,762
Contributions - monetary	3.5	72	22
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	16	(430)
Fair value adjustments for investment property	6.3	25	75
Other income	3.7	4,991	2,721
Total income / revenue		25,746	32,283
Expenses			
Employee costs	4.1	10,485	9,916
Materials and services	4.2	10,615	9,606
Depreciation	4.3	6,832	5,959
Depreciation - right of use assets	4.4	-	52
Borrowing costs	4.5	23	17
Other expenses	4.6	263	238
Total expenses		28,218	25,788
Surplus/(deficit) for the year		(2,472)	6,495
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.2	913	24,713
Items that may be reclassified to surplus or deficit in future periods			
Total other comprehensive income		913	24,713
Total comprehensive result		(1,559)	31,208

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

Balance Sheet As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	5,052	13,510
Trade and other receivables	5.1 (c)	3,327	2,949
Other financial assets	5.1 (b)	26,536	31,500
Inventories	5.2 (a)	464	576
Prepayments	5.2 (b)	66	52
Non-current assets classified as held for sale	6.1	62	-
Other assets	5.2 (b)	1,223	839
Total current assets		36,730	49,426
Non-current assets			
Investments in associates, joint arrangements and subsidiaries	6.3	43	43
Property, infrastructure, plant and equipment	6.2	274,135	266,487
Investment property	6.4	1,275	1,250
Total non-current assets		275,453	267,780
Total assets		312,183	317,206
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	2,092	1,796
Trust funds and deposits	5.3 (b)	886	1,623
Contract and other liabilities	5.3 (c)	5,426	8,479
Provisions	5.4	1,781	1,788
Total current liabilities		10,185	13,686
Non-current liabilities			
Provisions	5.4	824	788
Total non-current liabilities		824	788
Total liabilities		11,009	14,474
Net assets		301,174	302,732
Equity			
Accumulated surplus		129,403	131,875
Reserves	9.1	171,771	170,857
Total Equity		301,174	302,732

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

Statement of Changes in Equity For the Year Ended 30 June 2024

2024	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
Balance at beginning of the financial year		302,732	131,875	170,857
Surplus/(deficit) for the year		(2,472)	(2,472)	-
Net asset revaluation gain/(loss)	6.2	913	-	913
Balance at end of the financial year		301,174	129,403	171,771

2023		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
Balance at beginning of the financial year		271,524	125,380	146,144
Surplus/(deficit) for the year		6,495	6,495	-
Net asset revaluation gain/(loss)	6.2	24,713	-	24,713
Balance at end of the financial year		302,732	131,875	170,857

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 2024

	2024	2023
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Rates and charges	10,373	9,112
Statutory fees and fines	310	301
User fees	1,782	1,179
Grants - operating	2,239	16,234
Grants - capital	3,223	3,022
Contributions - monetary	51	22
Interest received	1,968	620
Other receipts	2,584	1,289
Net GST refund/payment	22	583
Employee costs	(10,469)	(9,906)
Materials and services	(10,326)	(8,411)
Trust funds and deposits repaid	(737)	1,180
Other payments	(263)	-
Net cash provided by/(used in) operating activities	757	15,225
	9.2	
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	(13,649)	(12,171)
Proceeds from sale of property, infrastructure, plant and equipment	35	294
Proceeds from sale of investments	4,422	4,032
Net cash provided by/(used in) investing activities	(9,192)	(7,845)
	6.2	
Cash flows from financing activities		
Finance costs	(23)	(17)
Repayment of lease liabilities	-	(127)
Net cash provided by/(used in) financing activities	(23)	(144)
Net increase (decrease) in cash and cash equivalents	(8,458)	7,236
Cash and cash equivalents at the beginning of the financial year	13,510	6,274
Cash and cash equivalents at the end of the financial year	5,052	13,510
	5.5	
Financing arrangements		

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

Statement of Capital Works For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Property			
Land		71	-
Land improvements		912	-
Total land		<u>983</u>	<u>-</u>
Buildings			
Building improvements		1,178	663
Site Improvements		-	3,019
Total buildings		<u>1,178</u>	<u>3,682</u>
Total property		<u>2,161</u>	<u>3,682</u>
Plant and equipment			
Plant, machinery and equipment		457	942
Computers and telecommunications		24	101
Library books		11	18
Total plant and equipment		<u>492</u>	<u>1,061</u>
Infrastructure			
Roads		6,568	4,515
Bridges		569	1,123
Footpaths and cycleways		1,082	194
Drainage		72	-
Recreational, leisure and community facilities		176	-
Waste management		258	11
Parks, open space and streetscapes		2,031	1,585
Other infrastructure		241	-
Total infrastructure		<u>10,996</u>	<u>7,428</u>
Total capital works expenditure		<u>13,649</u>	<u>12,171</u>
Represented by:			
New asset expenditure		2,570	2,545
Asset renewal expenditure		4,035	2,695
Asset upgrade expenditure		7,044	6,931
Total capital works expenditure		<u>13,649</u>	<u>12,171</u>

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

Notes to the Financial Report For the Year Ended 30 June 2024

Note 1 OVERVIEW

Introduction

Towong Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at 32 Towong Street, Tallangatta, Victoria.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

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

Accounting policy information

1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.4)
- the determination of landfill provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- other areas requiring judgements

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

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of Covid-19

Council has determined that the initial Covid-19 outbreak in the 2020/21 and 2021/22 financial years is no longer impacting Council's operations. There are no observable financial impacts on Council's operations.

Note 2 ANALYSIS OF OUR RESULTS

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$100,000, where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income / Revenue and expenditure

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	10,575	10,568	(7)	0%	
Statutory fees and fines	338	310	(28)	-8%	1
User fees	1,252	1,250	(2)	0%	
Grants - operating	3,770	3,245	(525)	-14%	2
Grants - capital	1,166	5,269	4,103	352%	3
Contributions - monetary	-	72	72	0%	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	16	16	0%	5
Fair value adjustments for investment property	-	25	25	0%	6
Share of net profits/(losses) of associates and joint ventures	-	-	-	0%	
Other income	1,438	4,991	3,553	247%	7
Total income / revenue	18,539	25,746	7,207	39%	
Expenses					
Employee costs	11,214	10,485	(729)	-7%	8
Materials and services	9,322	10,615	1,293	14%	9
Depreciation	5,075	6,832	1,757	35%	10
Borrowing costs	14	23	9	0%	
Other expenses	236	263	27	11%	11
Total expenses	25,861	28,218	2,357	9%	
Surplus/(deficit) for the year	(7,322)	(2,472)	4,850	-66%	

(i) Explanation of material variations

1	Statutory fees and fines	Town planning fees down \$30K on budget of \$122K.
2	Grants - operating	The timing of payment of the Financial Assistance Grant contributed to the shortfall against budget. The majority of the grant amount was received by Council in the last week of the 2022/23 financial year and therefore recognised as income in the prior year.
3	Grants - capital	Higher than budget due to awarding of capital grants during year not previously anticipated.
4	Contributions - monetary	\$50K donation received for playground works and \$22K of further contributions that were not budgeted for.
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Overall profit made on trade in of fleet vehicles. Small loss on demolition of council building, neither were budgeted for.
6	Fair value adjustments for investment property	Increase in valuation of Council investment properties, not budgeted for.
7	Other income	Insurance reimbursements and disaster funding were \$2.9M both of which were unbudgeted for. Interest income was \$1.9M.
8	Employee costs	Employee costs were well under budget by \$728K due to inability to fill vacant positions.
9	Materials and services	Overall expenses in this category was naturally higher than budget due to expenditure that was incurred in relation to funding grants not previously budgeted or anticipated for. High contributors to this item were road maintenance (\$753,000) garbage and waste collection, contractors and events (\$352,664). One reason for higher contractor costs is due to unfulfilled employment positions.
10	Depreciation	Capital costs were less than forecasted at time of budget preparation, which contributed to an onflow of higher depreciation costs being shifted into the next year.
11	Other expenses	Audit fees in relation to 2022/23 received during the year accounted for small variance over budget.

2.1.2 Capital works

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	71	71	0%	1
Land improvements	-	912	912	0%	2
Total land	-	982	983	0%	
Buildings					
Building improvements	2,022	1,178	(844)	-42%	3
Total buildings	2,022	1,178	(844)	-42%	
Total property	2,022	2,160	139	7%	
Plant and equipment					
Plant, machinery and equipment	2,605	457	(2,148)	-82%	4
Computers and telecommunications	-	24	24	0%	
Library books	-	11	11	0%	
Total plant and equipment	2,605	491	(2,113)	-81%	
Infrastructure					
Roads	11,939	6,568	(5,371)	-45%	5
Bridges	1,169	569	(600)	-51%	6
Footpaths and cycleways	3,093	1,082	(2,011)	-65%	7
Drainage	-	72	72	0%	
Recreational, leisure and community facilities	-	176	176	0%	8
Waste management	-	258	258	0%	9
Parks, open space and streetscapes	5,023	2,031	(2,992)	-60%	10
Other infrastructure	1,754	241	(1,513)	-86%	11
Total infrastructure	22,978	10,998	(11,981)	-52%	
Total capital works expenditure	27,605	13,649	(13,955)	-51%	
Represented by:					
New asset expenditure	27,605	2,570	(25,035)	-91%	
Asset renewal expenditure	-	4,035	4,035	0%	
Asset upgrade expenditure	-	7,044	7,044	0%	
Total capital works expenditure	27,605	13,649	(13,956)	-51%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Unbudgeted additional costs incurred towards land component of the Corryong Stock Route (\$71,000).
2	Land Improvements	Corryong Circuit Trail (\$437,000) was incurred as a result of allocation of the Local Roads Community Infrastructure Program funding as well as Weighbridge Corryong (\$475,000)
3	Building improvements	Additional fundings allowed us to expend on works towards public toilet blocks (\$277,000), Cemetery Works (\$19,000), Walwa Recreation Reserve (\$587,000) and various Building Renewals \$234,000). Due to resource constraints, overall expenditure was down on budget and has been carried forward.
4	Plant, machinery and equipment	Expenditure on upgrading aging Council fleet (\$108,000) and Plant replacements (\$345,000). Remaining budget carried forward into next financial year due to resource constraints.
5	Roads	Resourcing constraints hampered the achievement of the budgets with the deficit carried forward however works were achieved towards Corryong Stock Route, various reseal, digouts and major patching programs.
6	Bridges	Half of the budget achieved with remaining carried forward. Major works incurred on Bridge Replacement works at Smythes Road, Little Snowy Creek and McHargs Bridge.
7	Footpaths and cycleways	Funding towards Great River Road Stage 2 allowed for works to progress as well as Bellbridge Walking Path, Tallangatta Creek Crossings. Delays on projects shifted the costs forward into the new year as carried forward works due to actual expenditure being down on budget.
8	Recreational, leisure and community facilities	Grant funds were received for the works on Playles Hill allowing for works to commence. There weren't previously budget for due to the successful grant application not having been announced at time of budget.
9	Waste management	Retaining Wall at both Corryong and Tallangatta Transfer Stations commenced during year in response to unbudgetted grant funding received.
10	Parks, open space and streetscapes	Continuing resourcing constraints delayed important project works, however major expenditure included Cudgewa Avenue of Honour, Corryong CBD Revitalisation, Roy Williams Park, Corryong Skate Park, Mitta Streetscaes and Dartmouth Splash Park.
11	Other infrastructure	Unfinished works carried forward, however completed works included Bellbrige Early Years Building Blocks and minor projects on playground works.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Asset Management

Maintain and improve our Shire's infrastructure to meet the levels of service established in consultation with our communities.

Community Wellbeing

Encourage and support all people in our Shire to be healthy, happy, connected and resilient.

Economic and Tourism Development

Expand economic and employment opportunities across our Shire in a sustainable way.

Land-use Planning

Ensure that Council's planning, building and environmental health services support all aspects of liveability and sustainable population growth.

Environmental Sustainability

Integrate sustainable environmental management practices into all of our activities.

Organisational Improvement

Maintain a high performing customer-centred organisation that works with the community to develop and deliver priorities.

Relief and Recovery

Coordinate services to meet the relief and recovery needs of our communities following the 2019/20 bushfires.

2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Asset Management	5,558	14,226	(8,668)	5,353	238,298
Community Wellbeing	3,075	3,933	(858)	2,093	13,399
Economic & Tourism Development	152	1,019	(867)	130	8,648
Land-use Planning	258	1,025	(767)	6	-
Environmental Sustainability	3,041	2,504	537	38	1,831
Organisational Improvement	12,989	4,154	8,835	228	49,940
Relief & Recovery	673	1,357	(684)	666	67
	25,746	28,218	(2,472)	8,514	312,183

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
Asset Management	8,562	13,065	(4,503)	8,561	238,820
Community Wellbeing	3,900	3,234	667	2,995	14,215
Economic & Tourism Development	453	588	(135)	423	9,175
Land-use Planning	302	881	(579)	44	-
Environmental Sustainability	790	2,085	(1,296)	537	1,943
Organisational Improvement	16,422	4,612	11,811	4,875	52,982
Relief & Recovery	1,853	1,322	531	974	71
	32,282	25,787	6,496	18,409	317,206

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 Rates and charges

2024
\$'000

2023
\$'000

Council uses capital improved values (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and capital improvements on the land.

The valuation base used to calculate general rates for 2023/24 was \$3,545 (2022/23 \$2,663 million). The 2023/24 rate in the CIV dollar was .1811 cents to .7243 (2022/23 .2426 cents to .9702 cents).

General rates	7,008	6,804
Municipal charge	1,315	1,274
Kerbside collection charge	1,506	1,200
Waste Facilities management charge	404	403
Revenue in lieu of rates	334	324
Total rates and charges	10,568	10,005

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2023 and the valuation was first applied in the rating year commencing 1 July 2023.

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

3.2 Statutory fees and fines

Infringements and costs	20	18
Health Registration Fees	27	25
Town planning fees	94	105
Land information certificates	10	10
Permits	158	142
Total statutory fees and fines	310	300

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

3.3 User fees

Children's program fees	908	841
External private works	-	1
Refuse disposal fees	111	165
Saleyard dues	16	18
Septic tank fees	24	22
Swimming pool fees	39	45
Other fees and charges	152	88
Total user fees	1,250	1,180

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	1,250	1,180
Total user fees	1,250	1,180

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

	2024 \$'000	2023 \$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	3,002	8,877
State funded grants	5,512	9,533
Total grants received	<u>8,514</u>	<u>18,410</u>
(a) Operating Grants		
Recurrent - Commonwealth Government		
<i>Financial Assistance Grants - General Purpose</i>	163	4,756
<i>Financial Assistance Grants - Local Roads</i>	100	2,786
Recurrent - State Government		
<i>Family & Children</i>	1,304	1,001
<i>Community</i>	120	119
<i>Emergency Services</i>	-	60
<i>School Crossing Supervisors</i>	15	14
Total recurrent operating grants	<u>1,702</u>	<u>8,736</u>
Non-recurrent - Commonwealth Government		
<i>Economic development</i>	81	44
Non-recurrent - State Government		
<i>Community</i>	273	572
<i>Family and children</i>	363	524
<i>Infrastructure</i>	-	215
<i>Environment</i>	38	-
<i>Recreation</i>	-	22
<i>Waste</i>	20	20
<i>Bushfire relief & recovery</i>	524	1,711
<i>Economic development</i>	54	280
<i>Information Technology</i>	-	23
<i>Emergency Support</i>	190	500
Total non-recurrent operating grants	<u>1,543</u>	<u>3,912</u>
Total operating grants	<u>3,245</u>	<u>12,648</u>
(b) Capital Grants		
Recurrent - Commonwealth Government		
<i>Roads to recovery</i>	2,322	1,232
Total recurrent capital grants	2,322	1,232
Non-recurrent - Commonwealth Government		
<i>Infrastructure</i>	336	-
Non-recurrent - State Government		
<i>Other Infrastructure</i>	2,611	4,530
Total non-recurrent capital grants	<u>2,947</u>	<u>4,530</u>
Total capital grants	<u>5,269</u>	<u>5,762</u>

(c) Recognition of grant income

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

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

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

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

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

General purpose	4,827	7,601
Specific purpose grants to acquire non-financial assets	-	-
Other specific purpose grants	402	8,249
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	3,286	2,559
	<u>8,514</u>	<u>18,410</u>
	2024	2023
	\$'000	\$'000

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

Operating

Balance at start of year	4,395	6,177
Received during the financial year and remained unspent at balance date	23	225
Received in prior years and spent during the financial year	(1,182)	2,007
Balance at year end	<u>3,236</u>	<u>4,395</u>

Capital

Balance at start of year	5,939	2,618
Received during the financial year and remained unspent at balance date	463	3,537
Received in prior years and spent during the financial year	(4,196)	216
Balance at year end	<u>2,206</u>	<u>5,939</u>

Unspent grants are determined and disclosed on a cash basis.

	2024	2023
3.5 Contributions	\$'000	\$'000
Monetary	72	22
Non-monetary	-	-
Total contributions	<u>72</u>	<u>22</u>

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

Proceeds of sale	35	132
Written down value of assets disposed	(19)	(562)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>16</u>	<u>(430)</u>

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

3.7 Other income

Interest	1,875	1,301
Interest on rates	153	131
Shared services	114	89
Other rent	157	142
Insurance reimbursement	1,589	875
Disaster recovery funding arrangements	996	68
Other	107	115
Total other income	<u>4,991</u>	<u>2,721</u>

Interest is recognised as it is earned.

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

	2024	2023
	\$'000	\$'000
Note 4 THE COST OF DELIVERING SERVICES		
4.1 (a) Employee costs		
Wages and salaries	8,221	7,898
WorkCover	219	182
Annual leave and long service leave	1,076	930
Superannuation	956	888
Fringe benefits tax	14	18
Total employee costs	10,485	9,916

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	27	32
Employer contributions - other funds	-	-
	<u>27</u>	<u>32</u>
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	312	306
Employer contributions - other funds	722	499
	<u>1,034</u>	<u>805</u>
Employer contributions payable at reporting date.	117	129

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Materials and services	4,016	4,146
Contract payments	3,541	2,479
Maintenance-buildings, towns, parks and gardens	2,016	2,028
Plant and equipment maintenance	826	780
Utilities	216	173
Total materials and services	10,615	9,606

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

4.3 Depreciation

Property	1,249	1,069
Plant and equipment	827	761
Infrastructure	4,756	4,129
Total depreciation	6,832	5,959

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

	2024 \$'000	2023 \$'000
4.4 Depreciation - Right of use assets		
Vehicles	-	52
Total Depreciation - Right of use assets	<u>-</u>	<u>52</u>

4.5 Borrowing costs

Bank Fees	23	17
Less capitalised borrowing costs on qualifying assets	-	-
Total borrowing costs	<u>23</u>	<u>17</u>

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

4.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	72	44
Councillors' allowances	191	194
Total other expenses	<u>263</u>	<u>238</u>

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS**5.1 Financial assets****(a) Cash and cash equivalents**

	2024	2023
	\$'000	\$'000
Cash on hand	1	1
Cash at bank	499	5,079
Money market call accounts	4,553	8,430
Total cash and cash equivalents	<u>5,052</u>	<u>13,510</u>

(b) Other financial assets**Current**

Term deposits - current	26,536	31,500
Total current other financial assets	<u>26,536</u>	<u>31,500</u>
Total other financial assets	<u>26,536</u>	<u>31,500</u>
Total cash and cash equivalents and other financial assets	<u>31,588</u>	<u>45,010</u>

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

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

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

	2024	2023
	\$'000	\$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,599	1,375
Walwa Waste Water Supply debtors scheme	69	69
Fire Service Property Levy debtors	189	158
Net GST receivable	766	695
<i>Other debtors</i>		
Sundry Debtors	704	652
Total current trade and other receivables	<u>3,327</u>	<u>2,949</u>
Non-current		
<i>Statutory receivables</i>		
Total non-current trade and other receivables	<u>-</u>	<u>-</u>
Total trade and other receivables	<u>3,327</u>	<u>2,949</u>

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

(d) Ageing of Receivables

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

Current (not yet due)	679	629
Past due by up to 30 days	2	1
Past due between 31 and 180 days	23	1
Past due between 181 and 365 days	-	21
Past due by more than 1 year	-	-
Total trade and other receivables	<u>704</u>	<u>652</u>

5.2 Non-financial assets**(a) Inventories**

	2024	2023
	\$'000	\$'000
Inventories held for distribution	464	576
Total inventories	464	576

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	66	52
Accrued Income	1,223	839
Total other assets	1,289	891

	2024	2023
5.3 Payables, trust funds and deposits and contract and other liabilities	\$'000	\$'000
(a) Trade and other payables		
Current		
<i>Non-statutory payables</i>		
Trade payables	1,409	1,120
Accrued wages	147	142
Accrued expenses	276	192
Other payable	218	230
PAYG payables	42	112
Total current trade and other payables	2,092	1,796
(b) Trust funds and deposits		
Current		
Refundable deposits	38	40
Fire services levy	310	1,126
Retention amounts	538	457
Total current trust funds and deposits	886	1,623
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	3,237	5,869
Grants received in advance - capital	2,189	2,610
Total contract liabilities	5,426	8,479

Trust funds and deposits

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.

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of grant funding to deliver specified works on behalf of the funding body. Grants received in advance for capital and operating projects are to be recognised when the specific obligations for the grant agreement have been fulfilled. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Purpose and nature of items

Refundable Deposits - Council holds deposits on behalf of customers for use of Council assets and refunds once obligations are fulfilled.

Fire Services Property Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

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

5.4 Provisions

	Employee	Landfill restoration	Total
	\$ '000	\$ '000	\$ '000
2024			
Balance at beginning of the financial year	1,835	741	2,576
Additional provisions	979	-	979
Amounts used	(919)	(31)	(950)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	1,895	710	2,605
<i>Provisions - current</i>	1,668	113	1,781
<i>Provisions - non-current</i>	227	597	824
2023			
Balance at beginning of the financial year	1,835	859	2,694
Additional provisions	888	-	888
Amounts used	(888)	(118)	(1,006)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	1,835	741	2,576
<i>Provisions - current</i>	1,673	115	1,788
<i>Provisions - non-current</i>	162	626	788

	2024	2023
(a) Employee provisions	\$'000	\$'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	548	668
Long service leave	181	92
Flexi time	77	86
	<u>806</u>	<u>846</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	137	-
Long service leave	725	827
	<u>862</u>	<u>827</u>
Total current employee provisions	<u>1,668</u>	<u>1,673</u>
Non-current		
Long service leave	227	162
Annual leave	-	-
Total non-current employee provisions	<u>227</u>	<u>162</u>
Aggregate carrying amount of employee provisions:		
Current	1,668	1,673
Non-current	227	162
Total aggregate carrying amount of employee provisions	<u>1,895</u>	<u>1,835</u>

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

Annual leave

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

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

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:

- discount rate	4.35%	4.06%
- index rate	4.45%	4.35%

	2024	2023
(b) Landfill restoration	\$'000	\$'000
Current	113	115
Non-current	597	626
	710	741

Council is obligated to restore Corryong landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.35%	4.06%
- index rate	4.45%	4.35%

5.5 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2024

Bank guarantees (Westpac Banking Corporation)	146	193
Credit card facilities (Westpac Banking Corporation)	25	25
Total facilities	171	218
Used facilities	152	202
Unused facilities	19	16

5.6 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Operating					
Landfill site lease	44	-	-	-	44
Garbage Management	913	940	2,993	1,966	6,812
Total	957	940	2,993	1,966	6,856
Capital					
Bridges	547	-	-	-	547
Roads	196	-	-	-	196
Parks and Open Space	267	-	-	-	267
Total	1,010	-	-	-	1,010
2023					
Operating					
Landfill site lease	41	44	-	-	85
Recycling management	40	-	-	-	40
Corryong CBD plant works	101	-	-	-	101
Total	182	44	-	-	226
Capital					
Storm damage rehabilitation works	464	-	-	-	464
Flood damage repairs	138	-	-	-	138
Roads (Line marking)	35	-	-	-	35
Total	637	-	-	-	637

(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

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

	2024	2023
	\$'000	\$'000
Not later than one year	20	20
Later than one year and not later than five years	-	-
Later than five years	-	-
	<hr/>	<hr/>
	20	20

Notes to the Financial Report For the Year Ended 30 June 2024

Note 6 ASSETS WE MANAGE

6.1 Non current assets classified as held for sale

	2024	2023
	\$'000	\$'000
Cost of acquisition	62	-
Total non current assets classified as held for sale	62	-

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

6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2023 \$'000	Additions \$'000	Reclassifications \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Carrying amount 30 June 2024 \$'000
Property	43,926	-	(62)	913	(1,249)	(17)	-	3,296	46,806
Plant and equipment	4,330	-	-	-	(826)	(2)	-	492	3,992
Infrastructure	209,393	-	-	-	(4,755)	-	-	12,189	216,827
Work in progress	8,838	13,649	-	-	-	-	-	(15,977)	6,510
	266,487	13,649	(62)	913	(6,830)	(19)	-	-	274,135

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Reclassifications \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	3,152	2,160	(1,585)	-	(3,296)	432
Plant and equipment	2	492	-	-	(492)	2
Infrastructure	5,683	10,997	1,585	-	(12,189)	6,076
Total	8,838	13,649	0	-	(15,977)	6,510

(a) Property

	Land - specialised	Land - non specialised	Total Land & Land Improvements	Buildings - specialised	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	10,833	8,190	19,023	39,155	39,155	3,152	61,330
Accumulated depreciation at 1 July 2023	-	-	-	(14,252)	(14,252)	-	(14,252)
	10,833	8,190	19,023	24,903	24,903	3,152	47,078
Movements in fair value							
Additions	-	-	-	-	-	2,160	2,160
Reclassifications	-	(62)	(62)	-	-	(1,585)	(1,647)
Revaluation	-	-	-	1,066	1,066	-	1,066
Disposal	-	-	-	(124)	(124)	-	(124)
Write-off	-	-	-	-	-	-	-
Transfers	71	-	71	3,225	3,225	(3,296)	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-
	71	(62)	9	4,167	4,167	(2,720)	1,455
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(1,249)	(1,249)	-	(1,249)
Reclassifications	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	107	107	-	107
Revaluation	-	-	-	(153)	(153)	-	(153)
Transfers	-	-	-	-	-	-	-
	-	-	-	(1,295)	(1,295)	-	(1,295)
At fair value 30 June 2024	10,904	8,128	19,032	43,322	43,322	432	62,785
Accumulated depreciation at 30 June 2024	-	-	-	(15,547)	(15,547)	-	(15,547)
Carrying amount	10,904	8,128	19,032	27,775	27,775	432	47,238

(b) Plant and Equipment

	Heritage plant and equipment	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	-	9,148	30	777	218	2	10,175
Accumulated depreciation at 1 July 2023	-	(5,136)	(24)	(569)	(114)	-	(5,843)
	-	4,012	6	208	104	2	4,332
Movements in fair value							
Additions	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Disposal	-	(101)	-	-	-	-	(101)
Write-off	-	-	-	-	-	-	-
Transfers	-	457	-	24	11	-	492
Impairment losses recognised in operating result	-	-	-	-	-	-	-
	-	356	-	24	11	-	391
Movements in accumulated depreciation							
Depreciation and amortisation	-	(687)	-	(110)	(29)	-	(826)
Accumulated depreciation of disposals	-	99	-	-	-	-	99
Impairment losses recognised in operating result	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
	-	(588)	-	(110)	(29)	-	(727)
At fair value 30 June 2024	-	9,504	30	801	229	2	10,566
Accumulated depreciation at 30 June 2024	-	(5,724)	(24)	(679)	(143)	-	(6,570)
Carrying amount	-	3,780	6	122	86	2	3,994

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb & Channel	Waste Management	Parks open space and streetscapes	Guardrail	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	232,067	62,710	4,560	9,378	9,858	605	3,780	596	309	5,683	329,546
Accumulated depreciation at 1 July 2023	(75,243)	(25,331)	(2,246)	(4,996)	(4,901)	(411)	(880)	(292)	(170)	-	(114,470)
	156,824	37,379	2,314	4,382	4,957	194	2,900	304	139	5,683	215,076
Movements in fair value											
Additions	-	-	-	-	-	-	-	-	-	10,997	10,997
Reclassifications	-	-	-	-	-	-	193	116	(309)	1,585	1,585
Revaluation	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	(17)	-	-	(17)
Write-off	-	-	-	-	-	-	-	-	-	-	-
Transfers	5,858	1,358	4,574	72	-	-	81	246	-	(12,189)	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-
	5,858	1,358	4,574	72	-	-	274	345	(309)	393	12,565
Movements in accumulated depreciation											
Depreciation and amortisation	(3,305)	(517)	(168)	(94)	(108)	(148)	(397)	(18)	-	-	(4,755)
Reclassifications	-	-	-	-	-	-	(154)	(16)	170	-	(0)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	17	-	-	17
Revaluations	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
	(3,305)	(517)	(168)	(94)	(108)	(148)	(551)	(17)	170	-	(4,738)
At fair value 30 June 2024	237,925	64,068	9,134	9,450	9,858	605	4,054	941	0	6,076	342,111
Accumulated depreciation at 30 June 2024	(78,548)	(25,848)	(2,414)	(5,090)	(5,009)	(559)	(1,431)	(309)	-	-	(119,208)
Carrying amount	159,377	38,220	6,720	4,360	4,849	46	2,623	632	0	6,076	222,903

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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

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

	Depreciation Period	Threshold Limit
		\$'000
<i>Asset recognition thresholds and depreciation periods</i>		
Buildings		
Buildings	50 years	5,000
Plant and Equipment		
Vehicles & Mowers	5 years	1,000
Utilities	8 years	1,000
Trucks - less than 3.5t	12 years	1,000
Trucks - greater than 3.5t	15 years	1,000
Other Plant and equipment	9 - 15 years	1,000
Minor tools	3 years	1,000
Office furniture and telecommunications	3 years	1,000
Library	8 years	1,000
Infrastructure		
Bridges - deck and substructure	119 years	10,000
Bridges - added features	80 years	10,000
Bridges - major culverts	100 years	10,000
Drainage underground	100 years	10,000
Footpaths	70 years	10,000
Guardrails	40 years	10,000
Roads - kerb, channel and minor culverts and other	90 years	10,000
Roads - sealed pavements	70 years	10,000
Roads - unsealed pavements	30 years	10,000
Roads - sealed formations	200 years	10,000
Roads - unsealed formations	200 years	10,000
Sealed Surfaces (seal only)	15 years	10,000
Street lighting and streetscapes	10 years	10,000

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Notes to the Financial Report For the Year Ended 30 June 2024

Valuation of land and buildings

Valuation of land and buildings were undertaken in the 2023 financial year by Marcus Hann of LG Valuations, a qualified independent valuer. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	5,227	2,901	Jun-23	Full revaluation
Specialised land	-	-	10,904	Jun-23	Full revaluation
Land Improvements	-	-	-	Jun-23	Full revaluation
Heritage Buildings	-	-	-	Jun-23	Full revaluation
Buildings - Specialised	-	-	24,903	Jun-23	Full revaluation
Total	-	5,227	38,708		

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Peter Moloney of Moloney Asset Management.

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

The valuation is at fair value based on current 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 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	159,377	Jun-23	Full revaluation
Bridges	-	-	38,220	Jun-23	Full revaluation
Footpaths and cycleways	-	-	6,720	Jun-23	Full revaluation
Drainage	-	-	4,360	Jun-22	Full revaluation
Kerb & Channel	-	-	4,849	Jun-23	Full revaluation
Parks, open space and streetscapes	-	-	2,623	Jun-23	Full revaluation
Guardrail	-	-	632	Jun-23	Full revaluation
Total	-	-	216,781		

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 70% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$3,500 per square metre.

Specialised buildings are valued using a current 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 \$125 to \$6,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 years to 95 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 current 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 4 years to 74 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.

	2024	2023
	\$'000	\$'000
Land under roads	10,904	10,833
Total specialised land	10,904	10,833

	2024	2023
	\$'000	\$'000
6.3 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
MomentumOne Shared Services Pty Ltd	43	43
MomentumOne Shared Services Pty Ltd		
<i>Background</i>		
Council has a 50% interest is held in MomentumOne Shared Services Pty Ltd		
Fair value of Council's investment in MomentumOne Shared Services P/L	43	43
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	43	43
Council's share of accumulated surplus(deficit) at end of year	43	43
Movement in carrying value of specific investment		
Carrying value of investment at start of year	43	43
Share of surplus(deficit) for year	-	-
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	43	43

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

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

MomentumOne Shared Services Pty Ltd was established on 29 October 2015 as a joint venture between Alpine Shire Council and Towong Shire Council with each Council holding a 50% share in the company and will share 50% of the post-acquisition gains or losses.

6.4 Investment property	2024	2023
	\$'000	\$'000
Balance at beginning of financial year	1,250	1,175
Fair value adjustments	25	75
Balance at end of financial year	<u>1,275</u>	<u>1,250</u>

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, LG Valuation Services Pty Ltd, ABN 77 095 763 623 who has recent experience in the location and category of the properties being valued. The valuation is at fair value, based on the current market value for the properties as at 30 June 2023 and 30 June 2024.

Note 7 PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Towong Shire Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Towong Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.

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

Councillors	
	Cr Andrew Whitehead - Mayor
	Cr David Wortmann - Deputy Mayor
	Cr Denise Anderson
	Cr Peter Dikschei
	Cr Aaron Scales
	Juliana Phelps - Chief Executive Officer
	Rachael Gadd - Director Infrastructure and Environment
	Amanda Pagan - Director Community and Planning (1 July 2023 - 26 June 2024)
	Mark Florence - Interim Director Community and Planning (26 June 2024 - 30 June 2024)
	Narelle Taylor - Director Corporate and Organisational Development

	2024 No.	2023 No.
Total Number of Councillors	5	5
Total of Chief Executive Officer and other Key Management Personnel	5	6
Total Number of Key Management Personnel	10	11

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

	2024 \$	2023 \$
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,124	1,016
Other long-term employee benefits	6	9
Post-employment benefits	98	73
Total	1,228	1,098

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

	2024 No.	2023 No.
\$0 - \$9,999		
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	2	3
\$30,000 - \$39,999	2	-
\$40,000 - \$49,999	-	1
\$70,000 - \$79,999	-	1
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	1
\$120,000 - \$129,999	-	-
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	1	-
\$190,000 - \$199,999	1	2
\$210,000 - \$219,999	2	-
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	-	-
	10	11

7.2 Related party disclosure	2024	2023
(a) Transactions with related parties	\$'000	\$'000
During the period Council entered into the following transactions with related parties.		
Income		
Fees and charges to entities controlled by KMP (1)	13	-
Grants received from entity controlled by KMP (2)	24	-
Total Income	<u>37</u>	<u>-</u>
Expenses		
Grants paid to entities controlled by KMP	-	5
Purchases of materials or services from entities controlled by KMP (3)	171	172
Total Expenses	<u>171</u>	<u>177</u>
Total Transactions	<u>208</u>	<u>177</u>

(1) Councils pays insurance premiums on behalf of assets controlled by community groups and invoices for reimbursement. In this case, insurance reimbursements were charged to Corryong Recreation Reserve and Towong Soldiers Memorial Hall, in which Cr Whitehead and Cr Dikshei are on the board of. MomentumOne Shared Services Pty Ltd is a joint venture, 50% owned by Towong Shire Council and 50% by Alpine Shire Council, Ms Phelps sits on the board as a director. Income received from MomentumOne is for reimbursement of Council employee time spent on works for said entity.

(2) The CEO is a member of the Tourism North East board of directors. Income was received in the form of a grant to cover costs that Council had conducted on behalf of Tourism North East.

(3) Membership Fees were paid to Rural Councils Victoria & Tourism North East, Ms Phelps is a board member of both. Membership fees were also paid to Municipal Association of Victoria in which Cr Scales is a director of. Small costs for catering/hall hire were incurred towards Corryong Recreation Reserve and Towong Soldiers Memorial Hall.

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

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

(a) Contingent assets

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

The following is a potential contingent asset to be considered by council.

- Indirect costs claimed under Disaster Relief Funding Arrangement as at 30th June 2024: \$212,940

Insurance Claim Receivable

In the 2023 financial year, Council had an ongoing insurance claim for recovery of secondary costs relating to expenses incurred in the operations of the waste disposal due to bushfire damage at the Corryong Landfill. The probable insurance claim was declared at to \$1.551 million and this was received in full, hence \$0 in current year.

	2024	2023
Not later than one year	0	1,151
	0	1,151

(b) Contingent liabilities

Contingent liabilities are:

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

Superannuation

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

Landfill

Council has historically operated a landfill, however this ceased operating in 2023/4 FY. At balance date Council has estimated the cost of the works required to cap the open landfill (no longer operational) as well as the 30 year after-care costs. These items are included in the Landfill provision balance at Note 5.4. Any other potential future costs are not able to be estimated at balance date.

Insurance claims

There are currently no outstanding insurance claims that could have a material impact on Council's future operations.

Legal matters

There are currently no major legal matters that could have a material impact on Council's future operations.

Liability Mutual Insurance

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

(c) Guarantees for loans to other entities

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

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

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13. Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period. >>

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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

(c) Credit risk

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

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1% -1% in market interest rates (AUD) from year-end rates of 4.35%.

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.

Notes to the Financial Report For the Year Ended 30 June 2024

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). 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 1 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	5 Years
Buildings	5 Years
Roads	5 Years
Bridges	5 Years
Footpaths and cycleways	5 Years
Drainage	5 Years
Recreational, leisure and community facilities	5 Years
Waste management	5 Years
Parks, open space and streetscapes	5 Years
Aerodromes	5 Years
Other infrastructure	5 Years

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

Impairment of assets

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

8.5 Events occurring after balance date

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

Note 9 OTHER MATTERS

	Balance at beginning of reporting period \$'000	Increase (decrease) \$'000	Share of increment (decrement) on revaluations by an associate \$'000	Balance at end of reporting period \$'000
9.1 Reserves				
(a) Asset revaluation reserves				
2024				
Property				
Land and land improvements	16,994	913	-	17,907
Buildings	7,685	-	-	7,685
	<u>24,679</u>	<u>913</u>	<u>-</u>	<u>25,592</u>
Infrastructure				
Roads	101,908	-	-	101,908
Bridges	33,981	-	-	33,981
Footpaths and cycleways	1,450	-	-	1,450
Drainage	4,068	-	-	4,068
Kerb and channel	4,681	-	-	4,681
Guardrail	91	-	-	91
	<u>146,179</u>	<u>-</u>	<u>-</u>	<u>146,179</u>
Total asset revaluation reserves	<u>170,858</u>	<u>913</u>	<u>-</u>	<u>171,771</u>
2023				
Property				
Land and land improvements	12,017	4,977	-	16,994
Buildings	8,964	(1,279)	-	7,685
	<u>20,981</u>	<u>3,698</u>	<u>-</u>	<u>24,679</u>
Infrastructure				
Roads	103,868	(1,960)	-	101,908
Bridges	12,433	21,548	-	33,981
Footpaths and cycleways	944	506	-	1,450
Drainage	4,068	-	-	4,068
Kerb and channel	3,850	831	-	4,681
Guardrail	-	91	-	91
	<u>125,163</u>	<u>21,016</u>	<u>-</u>	<u>146,179</u>
Total asset revaluation reserves	<u>146,144</u>	<u>24,714</u>	<u>-</u>	<u>170,858</u>

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

	2024	2023
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	\$'000	\$'000
Surplus/(deficit) for the year	(2,472)	6,495
<i>Non-cash adjustments:</i>		
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(16)	430
Depreciation	6,832	5,959
Amortisation	-	52
Financing activities included in operating result	23	17
Fair value adjustments for investment property	(25)	(75)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(378)	(1,160)
(Increase)/decrease in other assets	384	(812)
(Increase)/decrease in prepayments	(14)	(43)
Increase/(decrease) in inventories	(112)	(268)
Increase/(decrease) in trade and other payables	296	627
(Decrease)/increase in unearned income /revenue	(3,053)	2,941
(Decrease)/increase in trust funds & deposits	(737)	1,180
(Decrease)/increase in provisions	29	(118)
Net cash provided by/(used in) operating activities	757	15,225

9.3 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

Defined Benefit

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

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

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa
Salary information 3.5% pa
Price inflation (CPI) 2.8% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 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

(a) Regular contributions

On the basis of the results of the 2023 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 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

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

(b) Funding calls

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

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

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

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

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

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

The 2023 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

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

	2023 (Triennial) \$m	2022 (Interim) \$m
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9

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 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa

Salary information 3.5% pa

Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2020 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation	2023 Triennial investigation
Net investment return	5.6% pa	5.7% pa
Salary inflation	2.5% pa for two years and 2.75% pa thereafter	3.50% pa
Price inflation	2.0% pa	2.8% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$'000	2023 \$'000
Vision super	Defined benefits	11.0% (2023:10.5%)	27	32
Vision super	Accumulation	11.0% (2023:10.5%)	312	306
Other Funds	Accumulation	11.0% (2023:10.5%)	722	499

Council NIL unfunded liability payments to Vision Super in 2023/24 (2022/23: NIL)

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2025 is \$27,000.

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2023-24 year.