

Mansfield Shire Council

Performance Statement

For the year ended 30 June 2023

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Mansfield Shire

Mansfield Shire is situated 2.5 hours north east of Melbourne, with its landscape dominated by the Great Dividing Range. It's major urban centre is Mansfield and there are numerous outlying communities scattered across the municipality including; Ancona, Barjarg, Bonnie Doon, Goughs Bay, Howqua, Jamieson, Kevington, Macs Cove, Maindample, Merrijig, Merton, Sawmill Settlement, Tolmie and Woods Point. Each of these townships have a strong sense of community and not only celebrate the place in which they live, but they also have their own history, distinct character and sense of identity.

Natural environment features within Mansfield Shire are the Alpine National Park and Australia's second largest inland waterway – Lake Eildon. Mansfield Shire boasts major river systems, lakes, mountains, vast tracts of what is referred to as 'High Country', and broad, productive valleys where agriculture and rural living integrate.

Mansfield Shire has a strong economy, with agriculture being one of its key economic drivers. Cattle and sheep grazing, along with seed production, are major industries within the Shire. Grape and tomato production are also significant as are many agriculture related service industries. Tourism and hospitality are also strong economies within the Shire supporting employment for 11.2% of local workers.

The Shire has a population of 10,335 (ABS ERP 2022) and a land area of 3,842 square kilometres, giving a population density of 2.69 persons per square kilometre.

Performance Statement

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

Sustainable Capacity Indicators

For the year ended 30 June 2023

<i>Indicator / measure</i> [formula]	Results				Comment
	2020	2021	2022	2023	
Population					
<i>Expenses per head of municipal population</i>	\$2,330.86	\$2,567.76	\$2,600.31	\$2,584.90	
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$17,870.97	\$17,996.66	\$18,531.83	\$19,563.38	
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	10.96	11.32	11.67	12.27	
[Municipal population / Kilometres of local roads]					
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$1,759.02	\$1,752.48	\$1,773.72	\$1,877.40	
[Own-source revenue / Municipal population]					

Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$589.77	\$514.78	\$683.26	\$604.67	The fall in recurrent grants per head of municipal population (\$78.6 per head) is due to a decline in recurrent grant revenue and an increase in population with relative contributions to the variance of 47% and 53%.
[Recurrent grants / Municipal population]					
Disadvantage					
<i>Relative Socio-Economic Disadvantage</i>	7.00	7.00	7.00	8.00	The increase from the decile 7 in 2016 to decile 8 in 2021 follows an increase in the SEIFA of advantage and disadvantage score from 986 in 2016 to 989 in 2021.
[Index of Relative Socio-Economic Disadvantage by decile]					
Workforce turnover					
<i>Percentage of staff turnover</i>	10.7%	17.8%	27.9%	18.1%	In 2021-22 the staff turnover was unfavourably impacted by Council's cessation of Home and Community Care services on 30 June 2022. This variance is reversed in 2022-23. Also in 2022-23 the recording process has changed to exclude fixed term employee departures, resulting in a fall of 3.4% in the ratio. The remaining decrease can be attributed to a significant effort over the past 12 months to build a positive workplace culture.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2023

Service / <i>indicator</i> / <i>measure</i> [formula]	Results				Comment
	2020	2021	2022	2023	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.82	1.26	0.87	0.91	
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%	0%	

<p>Food Safety <i>Health and safety</i> <i>Critical and major non-compliance outcome notifications</i></p> <p>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</p>	31.25%	97.37%	94.29%	97.37%	
<p>Governance <i>Satisfaction</i> <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>	48	56	57	54	
<p>Libraries <i>Participation</i> <i>Active library borrowers in municipality</i></p> <p>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</p>	17.28%	15.10%	13.50%	12.45%	

<p>Maternal and Child Health (MCH) Participation <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> <p>Participation <i>Participation in the MCH service by Aboriginal children</i></p> <p>[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</p>	83.65%	87.23%	83.01%	85.85%	<p>Increase in participation has been noted</p> <p>Excellent participation consistent with previous year</p>
<p>Roads Satisfaction <i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	49	57	57	49	<p>The result appears to have been affected by condition issues on roads managed by DoT. Feedback from the community has highlighted this issue.</p>

<p>Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i></p> <p>[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</p>	0.00%	100.00%	100.00%	0.00%	No planning decisions were determined at VCAT
<p>Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	35.58%	35.02%	33.92%	32.45%	

Definitions

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

<i>Unrestricted cash compared to current liabilities</i>	18.95%	17.11%	42.23%	-54.92%	285.48%	284.48%	283.28%	276.99%	This indicator does not include other financial assets (including investments) of \$16.4 million. Including \$16 million of unrestricted investments in the unrestricted cash balance the result would be 83.37%.
[Unrestricted cash / Current liabilities] x100									
Obligations									The Council took out a new loan late in the 2021-22 financial year.
Loans and borrowings									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	14.81%	12.98%	28.87%	27.18%	22.77%	19.07%	15.53%	12.13%	
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2.25%	1.94%	0.66%	1.24%	3.79%	3.61%	3.47%	3.32%	
Indebtedness									Council continues to increase its investment in infrastructure asset renewal.
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	14.84%	13.98%	28.70%	31.19%	21.33%	18.96%	15.61%	12.23%	
Asset renewal and upgrade									
<i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	63.09%	116.42%	162.01%	183.07%	180.64%	145.12%	135.28%	138.53%	

Operating position										
Adjusted underlying result										
<i>Adjusted underlying surplus (or deficit)</i>	2.44%	-1.50%	1.16%	2.71%	5.74%	3.35%	3.90%	4.78%		Rates and charges revenue growth was greater than the increase in controllable costs.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100										
Stability										
Rates concentration										
<i>Rates compared to adjusted underlying revenue</i>	65.09%	62.03%	59.05%	61.08%	67.24%	70.38%	70.82%	71.27%		Increasing property values in a rate capped environment contribute to this outcome
[Rate revenue / Adjusted underlying revenue] x100										
Rates effort										
<i>Rates compared to property values</i>	0.38%	0.37%	0.34%	0.27%	0.24%	0.25%	0.25%	0.25%		
[Rate revenue / Capital improved value of rateable properties in the municipality] x100										

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

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

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

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

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

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

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

"population "means the resident population estimated by council

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

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

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

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

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

Basis of Preparation

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

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

The forecast figures included in the performance statement are those adopted by council in its 2022 Budget escalated where relevant. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the Annual Financial Statements. The financial plan can be obtained by contacting council.

Certification of the Performance Statement

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

Julie Williams, CPA

Principal Accounting Officer

Dated: 5 December 2023

In our opinion, the accompanying performance statement of the Mansfield Shire Council for the year ended 30 June 2023 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.

Steve Rabie

Mayor

Dated: 5 December 2023

James Tehan

Councillor

Dated: 5 December 2023

Kirsten Alexander

Chief Executive Officer

Dated: 5 December 2023
