

# Annual Report 2020-2021



Mansfield Shire



H I G H   C O U N T R Y ,   L A K E S   A N D   R I V E R S

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# Welcome

## Welcome to the Mansfield Shire Council Annual Report 2020-21.

Council is committed to transparent reporting and accountability to the community.

The Annual Report 2020-21 is the primary means of giving our community an overview of Council's operations and performance during the financial year.



## Acknowledgement of Traditional Owners

Mansfield Shire Council acknowledge the Taungurung people as the traditional owners of the land our Shire is located on. We pay respect to the Taungurung Elders, past, present and future and extend that respect to all Aboriginal and Torres Strait Islander peoples.

# Snapshot of Mansfield Shire

Mansfield Shire is home to the dramatic landscapes of Victoria's High Country. Visitors and locals agree you can really sense the personality of the place – it's about lifestyle, farming, all things outdoors and a "can do" attitude.

Less than two hours north-east of Melbourne, our municipality covers 3,843 square kilometres. Our Shire is the gateway to Mt Buller and Mt Stirling Alpine Resorts, the Alpine National Park, and Lake Eildon - Victoria's largest inland water storage.

Five major river systems, the Delatite, Howqua, Jamieson, Big and Goulburn, have their headwaters in the Shire and all flow into Lake Eildon.

Our Shire's strong economy is underpinned by agriculture, tourism, construction and property. It is supported by a diverse range of commercial and service sectors.

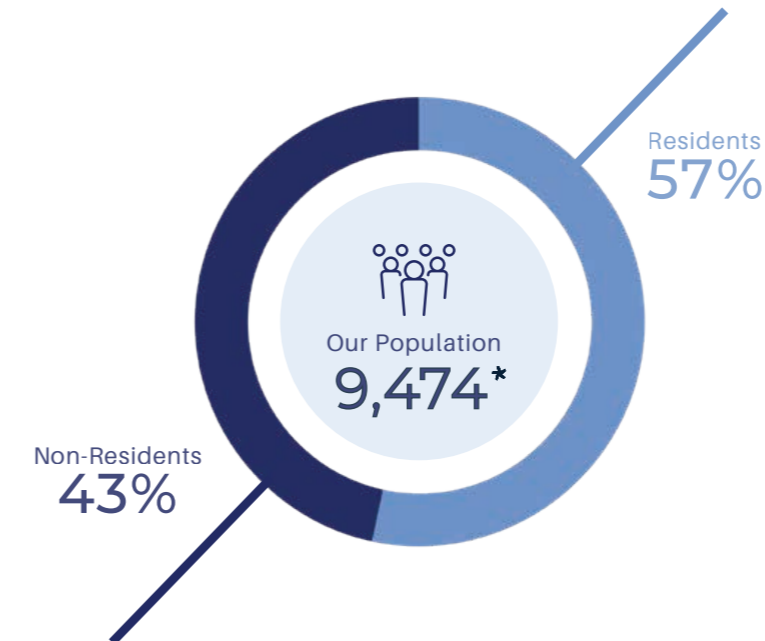


Views at Mountain Bay

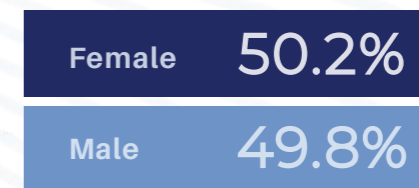
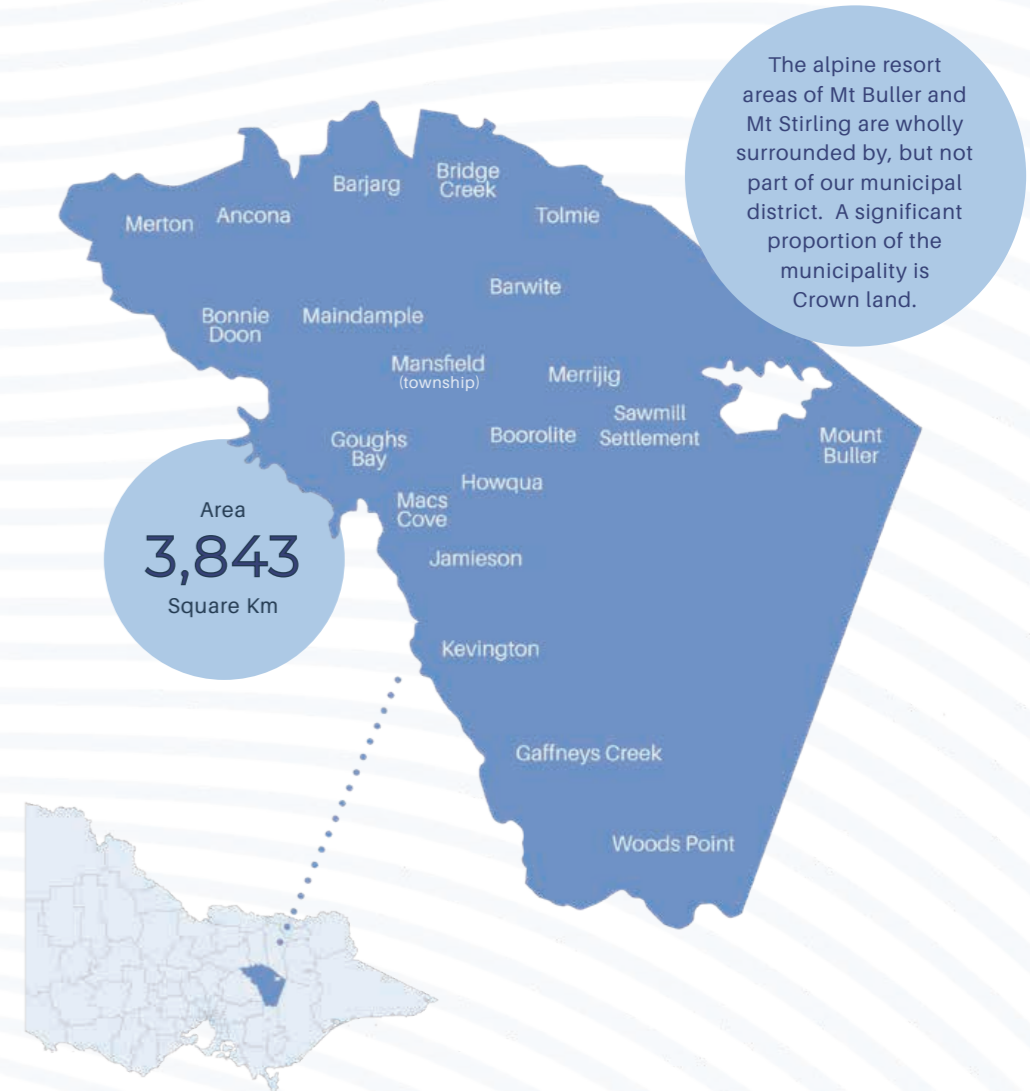
## Mansfield is central to many unique towns and locations including:

- |                  |                                   |
|------------------|-----------------------------------|
| + Ancona         | + Kevington                       |
| + Barjarg        | + Macs Cove                       |
| + Bonnie Doon    | + Maindample                      |
| + Boorolite      | + Merrijig                        |
| + Bridge Creek   | + Merton                          |
| + Gaffneys Creek | + Sawmill Settlement/Alpine Ridge |
| + Goughs Bay     | + Tolmie                          |
| + Howqua         | + Woods Point                     |

Estimated population change 2.1%



\* <https://profile.id.com.au/mansfield/>



# Our Aspiration and values



## OUR ASPIRATION FOR THE SHIRE

We live, work and play in an inclusive, dynamic and prosperous place where community spirit is strong, and people are empowered to engage in issues that affect their lives.

## OUR ROLE IN REALISING THIS ASPIRATION

We cannot achieve our aspiration for the Shire alone. Everyone who lives, works and has a role to play in the services and facilities available to us must work constructively together to achieve our common goals.

The values that drive our Council in its day to day functions are:

### Leadership

Addressing tough issues head on, being accountable for the decisions we make and planning for the long-term future and prosperity of this Shire. We take our role as advocates on behalf of the community very seriously and will work tirelessly to ensure our collective voice is heard.

### Collaboration

Working with our community and other key stakeholders to achieve the best possible outcome. Council cannot deliver our Council Plan without strong and productive partnerships with our community, local businesses, other levels of government and key service providers operating in our municipality.

### Integrity

Achieving the highest standards of good governance, transparency and accountability, driven by our Councillor Code of Conduct and Councillor Charter. We will keep an open mind on all issues until the time comes to decide. Conflicts of interest will be openly declared, and we will always follow the letter of the law in relation to this issue.

### Respect

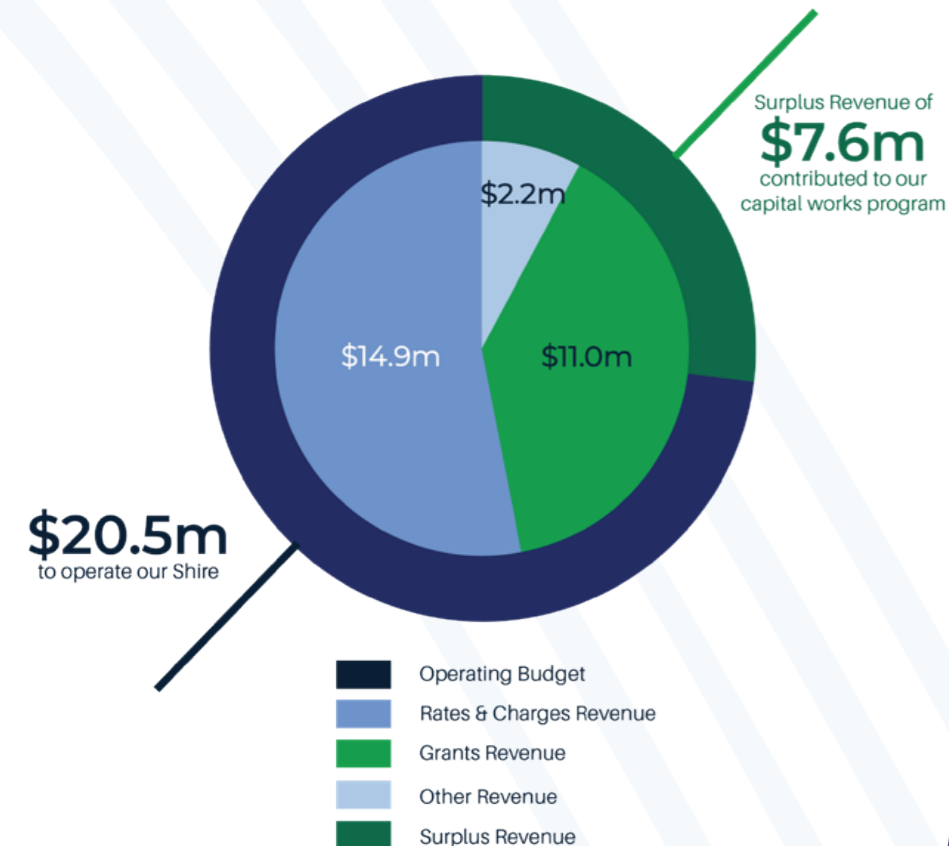
Recognising and valuing the diversity of views and needs within our community. We believe it is important to create a respectful, supportive and fair environment where differences are valued and encouraged to support good decision making. Increased understanding and trust between Council and the community is an important way we can foster an inclusive, respectful society.

### Innovation

Exploring and embracing smarter ways to deliver our services. This includes looking at all options for new ways of working, embracing new technology and exploring shared services with other councils and service providers.

# Fast Facts

**OPERATING BUDGET TOTAL \$20.5m**



## CAPITAL WORKS

**\$5.9m** of capital works projects completed.

## SWIMMING POOL

**11,883** visits to the Mansfield swimming pool.

## TAC L2P PROGRAM

Funding allocation for

**15** learner drivers

- + 11 active volunteering mentors.
- + 11 learners obtained their probationary licence.

## IMMUNISATIONS

**210** immunised secondary school children.

## LOCAL LAWS

**2,282** pets registered across the Shire.

**78** animals returned (registered domestic) to owners.

**38** feral cats removed from the municipality.

## WASTE MANAGEMENT

**2,476** tonnes waste AND **1,219** tonnes recycling collected from kerbside service.

## COMMUNITY CARE

**16,050** hours of services provided to the community.

- + Community members receiving delivered meals – 5,595 meals distributed to 65 recipients.
- + Clients receiving assistance with personal care – 79.
- + Carers receiving respite support – 21.
- + Clients receiving home support – 285.
- + Clients participating in Council run social support groups - 73.

## MATERNAL CHILD HEALTH

**74** infants enrolled in the MCH service (from birth notifications received).

**76** first home visits by MCH nurse.

**33** first time mums

## MANSFIELD LIBRARY

As a result of COVID, the Library had reduced open hours for the reporting period: 22 hours per week for 27 weeks; 16 hours per week for 7 weeks; 10 hours per week for 5 weeks; and closed for 13 weeks. During this time, staff offered a click & collect, printing and information service.

- + **17,957** people visited the Library - 1,496 per month.
- + **37,695** items loaned - 3,141 per month.
- + **1,769** new physical items added.
- + **184** digital items added.
- + **794** people attended in-library programs.
- + **49** in-library programs conducted.
- + **32** online storytimes conducted (24 online pre-recorded storytimes,

## COMMUNITY GRANTS

Council provided

**\$293,233**

in grant funding to the Community.

+ Through the Community Recovery and Resilience grant, so far \$151,597 was provided to over 40 community groups to hold events.

+ Local business Xventure Pty Ltd was given a \$100,000 grant for their start-up event Highline Mountain Bike Festival.

+ Tolmie, Merton and Bonnie Doon community groups were successful in obtaining grants from Council's outlying communities infrastructure fund to the total value of \$50,000 with 80% of downpayments provided this year.

## SERVICES & MATERIALS

In addition to grants, Council provided services and materials to the value of

**\$247,865**

to local businesses through the activating outdoor program. This was in the form of outdoor umbrellas, extended hire of marquees to allow for outdoor dining, overnight security, lighting and more.

## ROADS

**841.0 kms** total road network

**262.8 kms** sealed

**578.2 kms** unsealed

**65.2kms** of roads resheeted

**16.1kms** resealed

# Highlights of the Year



## New Mayor

Cr Mark Holcombe elected for a 12 month term.



## JULY 20

The **Buy from Mansfield** e-commerce platform was launched. This was a collaboration between local developers Issimo Markets, Mansfield Shire Council, Startup Shakeup North East Vic, and Ovens Murray Regional Partnership.

## AUGUST 20

Mansfield Shire Council’s **Waste Management Strategy 2020-2025** was adopted by Council.

Covid-19 restrictions again saw Council’s library close to the public, however we continued to offer services such as **“click and collect”** and online storytime.

Council adopted the **2020-21 Budget** at the 4 August Council Meeting.

## SEPTEMBER 20

In the lead up to the Council Elections, Council entered into **Caretaker period** on 22 September.

Council endorsed the **Digital Transformation Strategy 2020-2024**.

Council worked with hospitality businesses to expand dining areas along footpaths and to use other outdoor spaces, as part of the State Governments **Roadmap to Recovery**.

Council resolved to grant a planning permit for **Mansfield Autism Statewide Services (MASS)** subdivision and development on its Ogilvies Road site as an education, training, accommodation, camping and recreation facility.

## OCTOBER 20

Council’s **caretaker period continued** until 24 October, reducing Council business activities in the lead up to the election.

Mansfield Shire Council Election conducted on 24 October saw **five Councillors elected** from a field of 14 candidates.

## NOVEMBER 20

**Newly elected Councillors** were sworn in and commenced their Induction Program.

**Cr Mark Holcombe** is elected Mayor of Mansfield Shire Council for a 12 month term.

Mansfield Shire Youth celebrated Youth Month with the presentation of the **“Walking Art Trail”**.

**Swimming Pool opened** on 21 November for the 20-21 season.

Council celebrated **NAIDOC week** with a formal flag raising ceremony in the garden entrance to our Municipal Offices.

## DECEMBER 20

Following the success of the Tolmie Offers a Seat to Town (TOAST) program, Council implemented the program across the Shire, through **Mansfield Shire Offers a Seat to Town (MSOAST)**.

The **“Buy Local”** campaign continued for another year, supporting local businesses.





Australia Day in the Park Mansfield

# JANUARY 21

For the first time **“Australia Day in the Park”** was held in the Botanic Park, with food stalls, children's entertainment and live music contributing to the success of the day. Mayor Holcombe congratulated these winners of the Australia Day Citizen awards:

- Citizen of the Year;** Gillian Belle
- Community Event of the Year;** Jamieson Community Group for the Fanny Lumsden Country Halls Concert.
- New Community Group or Organisation;** Mansfield Autism Statewide Services (MASS).

Council received notice that the Department of Jobs, Precincts and Regions awarded **\$200K** to Council to undertake upgrades to Aldous Road and Long Lane.

# FEBRUARY 21

400 community members were interviewed as part of the annual **Community Satisfaction Survey**.  
Matthew Burns, CEO Taungurung Land and Waters Council, briefed Councillors on the **Taungurung reconciliation and settlement agreement**, as well as Council’s engagement and interaction with Taungurung.  
Victoria entered into a **snap lockdown** due to the Covid-19 Pandemic.

# MARCH 21

Works commenced on the **Gadhaba Edible Medicinal Garden** and the **New Playground** in Mansfield Botanic Park.  
To complete their induction, **Councillors toured outlying communities** by bus. The Councillors met with community groups in Merton, Bonnie Doon, Goughs Bay, Jamieson, Merrijig and Tolmie.

# APRIL 21

Mansfield welcomed Minister Shaun Leane MP who announced funding of **\$543,511 from the Victorian Government's Living Libraries program** to expand and modernise the Mansfield Library.  
Council’s **Outlying Community Infrastructure Fund** awarded funding to Tolmie Mechanics Institute, Bonnie Doon Football and Netball Club and the Merton Recreation and Memorial Reserves Inc.  
Council released the **2021-22 proposed Budget** for community consultation.  
Council presented a cheque for **\$100,000 to kick start the Highline Mountain Bike Festival**, the first of its kind for Australia to be held in Mansfield in March 2022.

# MAY 21

Council ran a number of Budget Information Sessions across the Shire, including a non-resident ratepayer session held in Box Hill.  
A Special Committee of Council heard submissions from the public regarding the proposed 2021-22 Budget.  
Victoria entered into a snap lockdown due to the Covid-19 Pandemic.  
Council endorsed a Memorandum of Understanding between Mansfield Shire Council and Friends of Venilale for a four year term and an annual donation of \$3000.

# JUNE 21

The new Council adopted their first Budget 2021-22.  
Council adopted the Mansfield Commercial and Industrial Land Use Strategy.  
The Mansfield Botanic Park Playground was officially opened by Danielle Green MP.





Mansfield High Street Roundabout

# The Year in Review



# Joint Message from the Mayor and CEO

This Annual Report is the first report of this Council. It brings us great pleasure to present this account of the work achieved in 2020-2021 despite the ongoing challenges presented by COVID-19 restrictions. The scale of projects undertaken speaks volumes about how we have worked together to achieve our objectives despite ongoing challenges.

The Annual Report details how we have achieved our strategic objectives of the Council Plan 2017-2021: participation and partnerships, financial sustainability, community resilience and connectivity, enhanced liveability and responsible leadership

## PARTICIPATION AND PARTNERSHIPS

We reached out to the community in new ways, considering how our engagement strategy would look as we moved into a period of new legislative requirements for community engagement. We began the process of leading the community to develop a Community Vision. Our partnerships with key community organisations continued to develop for the benefit of the community. We thank the many government agencies, the Mansfield and District Hospital, police and medical practices for their combined efforts to maintain our health and wellbeing as a community.

## FINANCIAL SUSTAINABILITY

Council achieved a surplus of \$6.6 million in 2020-2021. The operating budget for the year of \$20.5 million saw \$7.6 million spent on capital works. These projects include the road resealing program, the View Street upgrade and roundabout, the Botanic Park Playground and toilet block refurbishment program and the Dual Court Indoor Sporting Stadium car park. A master plan for the Station Precinct was developed in partnership with key stakeholders, designed to complement core retail and enhance our community facilities. We developed a coordinated review of Council assets with the community, finding opportunities for disposal of key assets that would realise greater net community benefit. Our sound financial position allowed us to waive interest charges on overdue rates between 1 July 2020 and 31 January 2021 and to waive fees for charges that would alleviate community hardship.

## COMMUNITY RESILIENCE AND CONNECTIVITY

We redeveloped our website to improve how digital interactions between the community and Council. We had to be creative in how we supported our community remotely while continuing to provide important community services, such as aged and disability, financial counselling, maternal and child health and library services. We adapted and brought the community together through these challenges. We awarded almost \$300,000 in grants to the community and provided almost \$240,000 in services and materials to local businesses through the activating outdoor program. We needed to be agile and to adjust to changing restrictions. We took full advantage of periods of COVID normal to celebrate our community in COVID-safe events, such as Australia Day in the Park, the Mansfield Lantern Festival and the Targa High Country events.

# Community Spirit and Planning for the Future

## ENHANCED LIVEABILITY

We are proud of how our efforts were reflected in a great leap in our community satisfaction results. Major initiatives for liveability included the construction of the dual court stadium and the completion of planning and design works for the Lords Oval pavilion. We also planned a rolling program of long-term streetscape renewal.

## RESPONSIBLE LEADERSHIP

Three independent internal audits were completed to ensure the highest standards of accountability. We began an organisational culture program, identifying how we can support staff to continue their service to the community through ongoing restrictions and modified work arrangements.

## THANK YOU

Development of the Council Plan 2021-2025 has provided an important opportunity for our newly elected council and management to assess our future challenges and commit to a series of shared priorities.

This year's achievement of our Council Plan commitments has been a result of strong partnerships and a commitment from our Councillors and Council officers to serve our community. We would also like to thank the businesses and community organisations that have adapted their efforts to continue to enhance the liveability and resilience of our Shire.

Council would like to acknowledge outgoing Councillors, Marg Attley OAM, Harry Westerndorp, Paul Volkerling and Peter Olver and thank them for their contribution over their term.



**KAYLENE CONRICK**  
CHIEF EXECUTIVE OFFICER



**CR MARK HOLCOMBE**  
MAYOR

# Our Council



CR MARK HOLCOMBE  
MAYOR



CR JAMES TEHAN  
DEPUTY MAYOR



CR ROHAN WEBB



CR STEVE RABIE



CR PAUL SLADDIN

## Councillors until 12 November 2020



CR MARG ATTLEY  
OUTGOING MAYOR



CR PETER OLVER



CR PAUL VOLKERING



CR HARRY WESTENDORP



CR PAUL SLADDIN



# Financial Summary

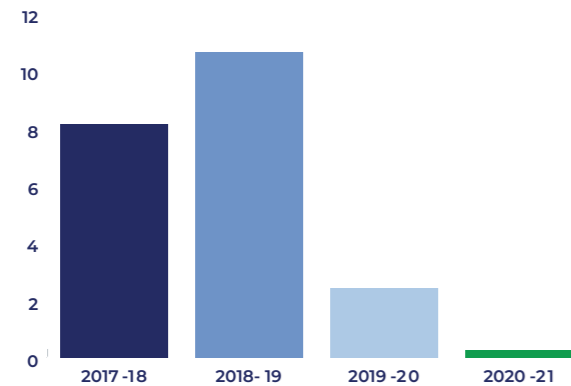
Council’s financial position remains sound. A summary of our performance is outlined below. Detailed information relating to Council’s financial performance is included within the financial statements and performance statement sections of this report.

## OPERATING BUDGET

**Council achieved a surplus of \$6.6 million in 2020-21.** The surplus is \$3.0 million (83%) higher than the prior year surplus of \$3.6 million. As per the Comprehensive Income Statement in the Financial Report, the variance is due mainly to an increase in capital grant income of \$2.8 million (191%), and operational grant income of \$1.6 million (32%). The increase in grants is a result of a number of non-recurrent programs including Working For Victoria, Community and Economic Recovery, Local Roads and Community Infrastructure and the Dual Court Stadium.

The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$0.1 million or 0.25% when compared to adjusted underlying revenue. Sustaining an adjusted underlying surplus is a critical financial strategy to provide capacity to renew the \$210 million of community assets under Council’s control.

ADJUSTED UNDERLYING RESULT RATIO %

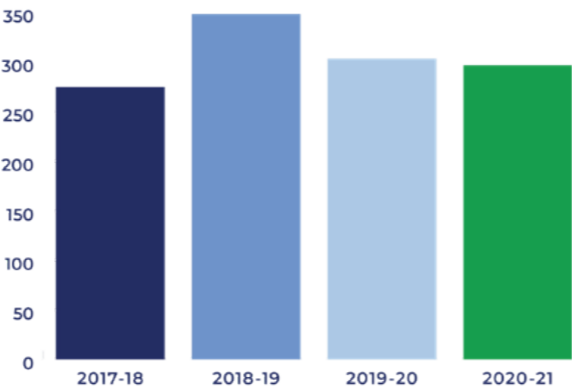


0.25% Adjusted underlying surplus

Increase in Cash & Financial Assets

\$1.9m

WORKING CAPITAL RATIO %



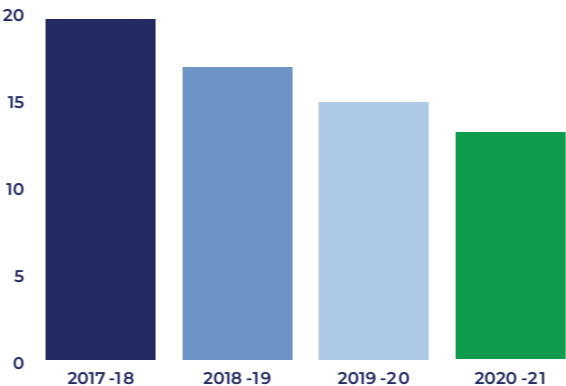
## LIQUIDITY

Cash and Financial Assets (term deposits with a maturity date beyond 3 months) have **increased by \$1.9 million** from the prior year mainly due to approximately \$1.8 million grant funding amounts received in advance for COVID support programs, the construction of the dual court stadium and the library upgrade. The working capital ratio which assesses Council’s ability to meet current commitments is calculated by measuring Council’s current assets as a percentage of current liabilities. Council’s result of 297% is an indicator of satisfactory financial position and beyond the expected target of 243%.

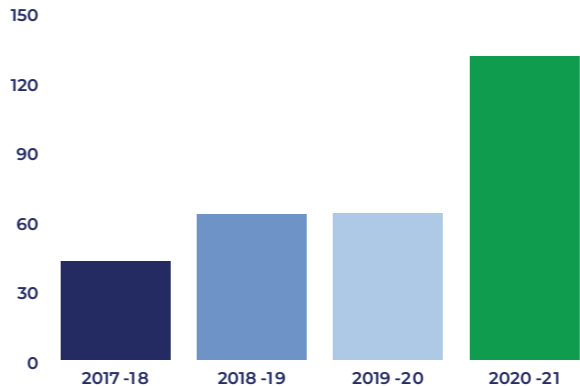
## OBLIGATIONS

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. **Council invested \$4.5million** in renewal and upgrade works during the 2020-21 year. This was funded from operations and grants. At the end of the 2020-21 year Council’s debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 13% and equivalent to the expected target. Council’s asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 131%. While below the expected target of 183%, the ratio is a significant increase on the prior year, primarily due to the recommencement of the road resealing program in 2020-21, which had not been completed in 2019-20, and works performed to upgrade View Street as part of the new Dual Court Stadium project.

LOANS & BORROWING RATIO

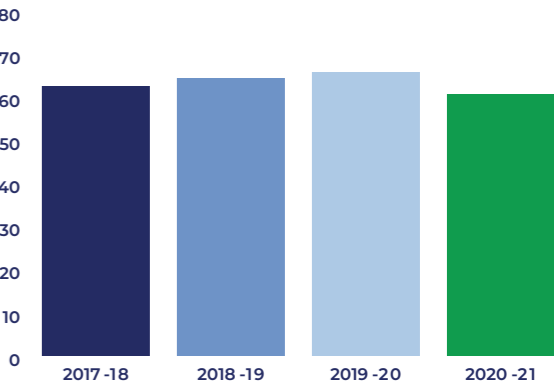


ASSET RENEWAL RATIO %



131% 2020-21 Asset Renewal Ratio is a significant increase on the prior year.

RATES CONCENTRATION RATIO %



61% Council Rate Concentration

## STABILITY & EFFICIENCY

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, Council’s rates concentration, which compares rate revenue to adjusted underlying revenue, was **61%** for the 2020-21 year. This is only slightly higher than the expected target of 60%.

# Major Capital Works

## COMPLETED PROJECTS

\$5.9m

worth of capital projects were undertaken during 2020-21.

Our Capital Works Program assists in improving the amenity and quality of community assets in our municipality. Below is a summary of some of the key projects delivered.



## WORKS STILL IN PROGRESS

More information on Council's Capital Works and Expenditure can be found in the Financial Statements within this report.

\$957k

Road Reseal Program

\$396k

Road Reseal Preparation Program

\$328k

View Street Roundabout

\$595k

View Street Upgrade

\$516k

Botanic Park Playground

\$568k

Dual Court Indoor Sporting Stadium Carpark

\$137k

Botanic Garden Toilet Block Refurbishment Program

New Botanic Park Playground Mansfield

\$960k

Road Resheet Program

# Major Capital Works

## DESCRIPTION OF OPERATIONS

- + **VIEW STREET UPGRADE**
- + **VIEW STREET ROUNDABOUT**
- + **DUAL COURT SPORTING STADIUM CAR PARK**


Council is redeveloping View Street, Mansfield and developing a dual court basketball stadium at Mansfield Secondary College. The upgrade of View Street has been identified by Council as a priority project. It provides an opportunity for improved connections, additional required car parking and bus access into the stadium development.

The project works included the construction of approximately 7,908 square metres of new sealed pavement for road and carpark construction, road reconstruction and construction of a roundabout. Works will include formation widening, associated earthworks, reforming of roadside drains, kerb and channel, footpath provision of underground drainage and culverts, end-walls, drainage extensions, lighting, and ancillaries to provide safer, more modern and updated residential infrastructure.

The existing intersection between Highett Street and View Street has been upgraded to a roundabout as a safer alternative for higher traffic around the schools in this area and the new Dual Court Indoor Sporting Stadium. The View Street roundabout upgrade is jointly funded by Regional Roads Victoria and Council.



### RESHEET PROGRAM


**\$1.85m** project 

Gravel resheeting is a road repair process where a layer of gravel (typically 100mm deep) is placed on a section of unsealed road and then compacted and shaped. In 2020-2021, approximately 40km of road was resheeted on:

- + Long Lane (central), Barwite
- + Growlers Gully Road, Merton
- + Scully Road, Mansfield
- + Kubeils Road, Merton
- + Dry Creek Road, Bonnie Doon
- + Eighty Acre Road, Maindample (Fire Access)
- + Mt Battery Road, Mansfield
- + Reynolds Road, Barwite
- + Byrne Lane, Barwite
- + McMaster Road, Barwite (Fire Access)
- + Little Scullys Lane, Mansfield
- + Little Scullys Lane, Mansfield (Fire Access)
- + Stoneys Road, Mansfield
- + Glenroy Road, Merrijig
- + Buttercup Road, Merrijig
- + McCormacks Road, Merrijig
- + Davies Road, Merrijig


The Council resheet program is jointly funded by a number of Commonwealth Government programs and the Mansfield Shire Council.

### BOTANIC PARK PLAYGROUND

**\$516k** project 


The original playground was upgraded to include a variety of play equipment. It features a 27m long flying fox, custom rope climb, splash table, trampolines and basket swings. \$250k from the Victorian State Government's Local Sport Infrastructure 2020-2021 Community Facilities Program contributed to the project, which had a total cost of \$563k.

### HEAVY VEHICLE ALTERNATIVE ROUTE

**2021-22** completion 


In conjunction with the Department of Transport, Council implemented an alternative route for heavy vehicle traffic. The alternative route avoids Mansfield Shire's residential and commercial areas. These works are part of Council's long term traffic and transport strategies. This project is jointly funded by the Australian Government's Department of Infrastructure and Council. It will be completed in 2021-22.

### BOTANIC PARK TOILET BLOCK REFURBISHMENT

**\$137k** project 

The facility received a comprehensive re-fit. Works included epoxy floor coating, new roofing, new toilets, basins, auto sensor tapware and additional natural lighting. Additional cubicles were added to complement the playground upgrade. The total project cost was \$137k .

### DUAL COURT STADIUM

**\$8.3m** project 

The Dual Court Stadium is a multi-user indoor stadium jointly funded by the Australian and Victorian Governments with a Federal contribution of \$3.4m, and Council that contributed \$734k. This state of the art facility is managed under a Joint Use Agreement with the Mansfield Secondary College and has a replacement value of \$8.3 million. The facility has:

- + dual court multisport indoor stadium with inbuilt spectator seating,
- + dual multisport outdoor courts,
- + a community kitchen, meeting space and shared office space,
- + two full change rooms that are accessible internally and externally, and
- + a 107 open carpark that comprises sealed pavement, kerb and channel, stormwater drainage along with lighting and landscaping

# Community Festivals & Events

We support our community to get together and celebrate what is special about Mansfield Shire through a range of community festivals and events. Unfortunately COVID-19 caused the cancellation of the majority of our events and festivals during 2020/2021. Those that did occur are noted below.

## AUSTRALIA DAY IN THE PARK



**Australia Day in the Park**, was a free community celebration held 26 January in the beautiful Botanic Park. Commencing with an official Australia day ceremony followed by a variety of entertainment, music, food and beverage.

## MANSFIELD CLASSIC HOLDEN NATIONALS



**Mansfield Classic Holden Nationals** started their event 12 February but devastatingly it had to be shut down due to a snap COVID lockdown issued to commence the following day. Over 400 classic Holdens from intra and interstate had come to be part of this National 4 day event. This event has now been rescheduled to February 2022.

## MANSFIELD LANTERN FESTIVAL

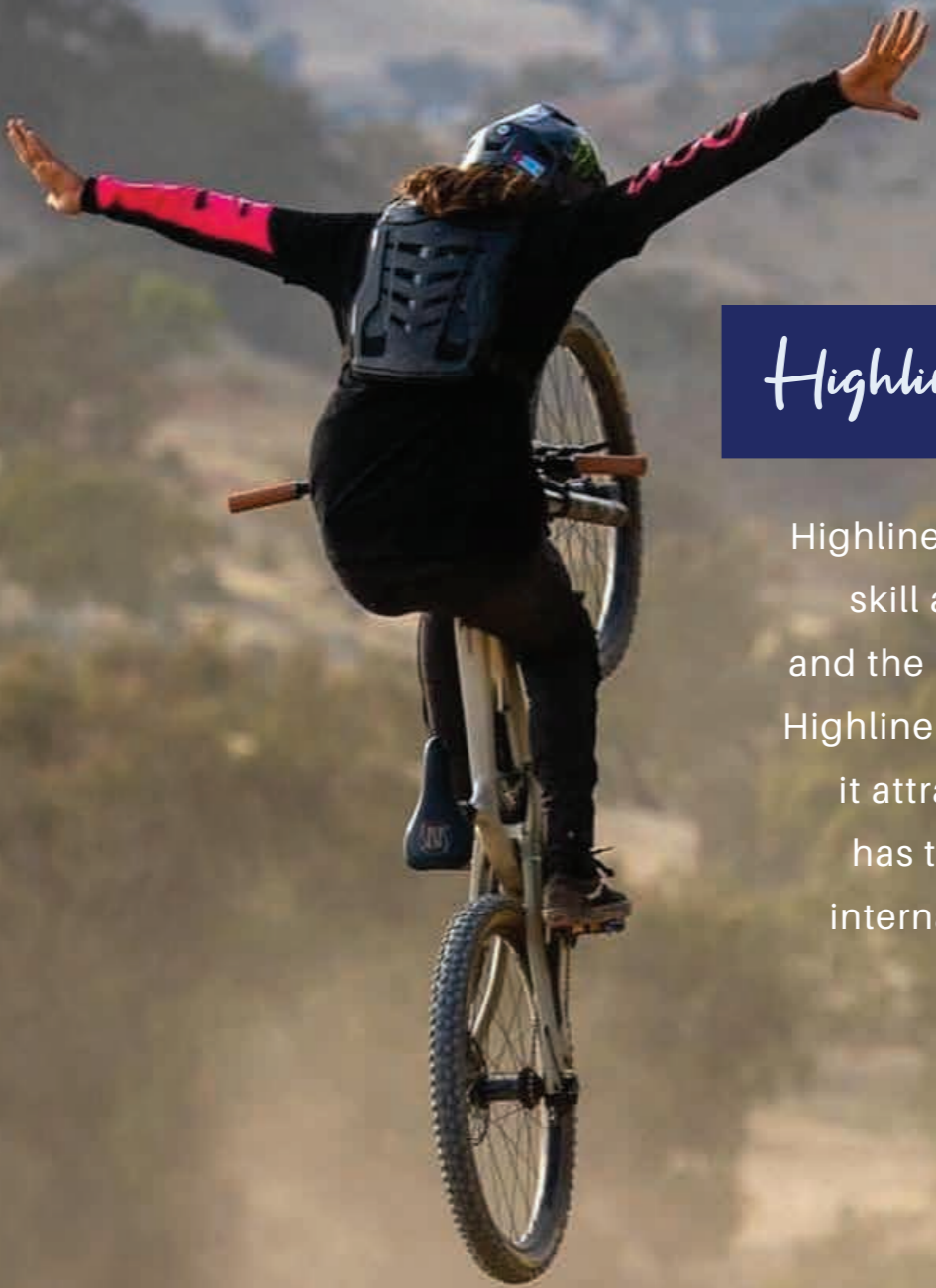


**Mansfield Lantern Festival** which is a celebration of the winter solstice managed to go ahead in a very modified form, again due to COVID compliance. Instead of the traditional lanterns, parade, roving entertainment, food and beverage stalls a neon light display was installed along the High St median strip on the 19 June. This allowed our community to enjoy the wonders of lit installations in a COVID Safe environment.

## Highline Mountain Bike Festival

Highline Mountain Bike Festival showcases the skill and culture of freeride mountain biking and the inaugural event occurred March 19-20. Highline was the first of its kind in Australia and it attracted huge media attention. This event has the potential to be a major drawcard for international and national participants and is hugely popular as a spectator sport.

Highline Mountain Bike Festival 2020



# 11 YEARS OF TARGA HIGH COUNTRY

Targa High Country was postponed from November to February and had to be delivered in a modified format due to COVID compliance. The event was televised to a national and international television audience. Council has secured this event until at least 2022, confirming that our region is a drawcard for many national events.



## Citizenship Ceremonies 2021

Each year, Council is required to facilitate the final step in conferring our newest Australian Citizens through the hosting of a Citizenship Ceremony at which the Mayor welcomes our newest Australians.

There were a number of ceremonies conducted throughout the year as follows:

### 26 January - Australia Day - 2021

Mansfield: Elke and Gunter Jarzombkowski originating from Germany  
Jamieson: Judith Margetts and Paul White, United Kingdom

### 30 March 2021

Held at the Municipal Office Council Chamber to confer Mr. Hassan Haneez Didi and his children, Aishath and Mohamed Hassan Haneez, from the Maldives and Karen Pirie from New Zealand.



Winners Podium High St Mansfield, Targa 2021

# Mansfield Community Citizen Awards 2021

Each year Council presents the Mansfield Shire Australia Day Awards as part of Mansfield's Australia Day celebrations. These awards reward community service at a local level, and are administered through a nomination and assessment program.

In 2020-21 the awards were presented in three categories:

- + **Citizen of the Year**
- + **Community Event of the Year**
- + **Community Group or Organisation**



## *Gill Belle* CITIZEN OF THE YEAR

Citizen of the Year was awarded to **Gill Belle** for her support of and dedication to the Mansfield community.

Gill is the President of Arts Mansfield and her support of our local artists, artisans and food producers through her business is well widely recognised and highly valued.

Gill is also a board member of the Mansfield District Hospital, and has been so for the past 8 years. As a board member, she is actively involved in fundraising efforts and chairs the Governance, Nominations and Executive Performance Committee.



## JAMIESON COMMUNITY GROUP COMMUNITY EVENT OF THE YEAR



L-R: Janene Ridley, Janet Druce and Donna Ridley accept the Award for Community Event of the Year on behalf of the Jamieson Community Group.

Community Event of the Year was awarded to the **Jamieson Community Group** for the very successful **Fanny Lumsden Country Halls Concert** which, through a highly successful advertising and fundraising campaign, generated a **profit of over \$15k**. These funds were used to undertake significant upgrades to the Jamieson Memorial Hall.

## MANSFIELD AUTISM STATEWIDE SERVICES COMMUNITY GROUP OR ORGANISATION

The newly introduced category, **Community Group or Organisation** was awarded to **Mansfield Autism Statewide Services (MASS)**. MASS offers a broad range of services, and has seen enormous growth in both capacity and demand. Their expansion project, Operation Gamechanger, will generate 130 local jobs and double the organisations capacity to deliver these much sought after services that are provided to support families.

Other worthy nominees in this category are the **CWA Mansfield Branch** and **Mansfield Community Radio**.

L-R: Simone Reeves and Judy Dixon accept the Award for Community Group or Organisation of the Year on behalf of Mansfield Autism Statewide Services.



# Our People

A photograph of a field with white flowers in the foreground and a sunset in the background. The sun is low on the horizon, casting a warm orange glow over the scene. The flowers are in sharp focus, while the background is slightly blurred.

## STRATEGIC DIRECTION

Council sets the overall direction for our municipality through long-term planning and has responsibility for setting the strategic direction for the municipality, identifying service standards and monitoring performance across the organisation. Setting the vision, and then ensuring that it is achieved, is one of Council's most important roles.

## CHIEF EXECUTIVE OFFICER

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

## EXECUTIVE MANAGEMENT TEAM

Our CEO and two general managers form the Executive Management Team (EMT) that lead the organisation.

EMT's role is to provide advice to Council to assist decision-making, implement Council decisions and oversee the delivery of services. EMT is supported by officers and has responsibility for ensuring policies and directions set by Council are adhered to.



**KAYLENE CONRICK**  
CHIEF EXECUTIVE OFFICER

Masters Business Administration  
(Public Administration)

Kaylene was appointed CEO of Mansfield Shire Council at the beginning of 2020 following a distinguished and extensive career in local government spanning almost 30 years. Kaylene holds a Masters in Business Administration (Public Administration) with career highlights including CEO roles at Queenscliff, Hepburn and at Litchfield in the Northern Territory.

**Areas of Responsibility**

- + Advocacy
- + Business improvement
- + Council support and governance
- + Resource management
- + Communications
- + Relationships and public relations
- + Performance reporting



**MANDY KYNNERSLEY**  
INTERIM GENERAL MANAGER  
COMMUNITY AND CORPORATE SERVICES

Chartered Accountant,  
Bachelor of Business (Accounting)

Mandy commenced with Council in January 2017. She has held previous management roles at the Mt Buller and Mt Stirling Alpine Resort Management Board and PricewaterhouseCoopers (PwC).

**Areas of Responsibility**

- + Business and Performance
- + Community and Economic Development
- + Community Health and Wellbeing
- + Governance and Risk



**KIRSTEN ALEXANDER**  
GENERAL MANAGER  
INFRASTRUCTURE AND PLANNING

Bachelor of Engineering (Civil Engineering)  
Graduate Australian Institute of Company Directors

Kirsten commenced with Council in August 2020. Her executive management experience includes roles with Mt Buller Mt Stirling Alpine Resort Management as Project Director and Projects & Infrastructure Manager, and the Australian Rail Track Corporation as General Manager, Services & Contracts. Kirsten’s local government experience includes senior management roles in NSW and Victoria, and as an Elected Member in SA, where she served for four years as the Mayor of Charles Sturt.

**Areas of Responsibility**

- + Operations and Capital Works
- + Field Services
- + Community Safety
- + Planning and Environment

Council has two General Managers reporting to the Chief Executive Officer. The directorates are Community and Corporate Services and Infrastructure and Planning. Each of these directorates is made up of individual departments, led by a Manager or Senior Coordinator. The Chief Executive Officer is directly accountable to Council, which is elected by Mansfield Shire ratepayers.

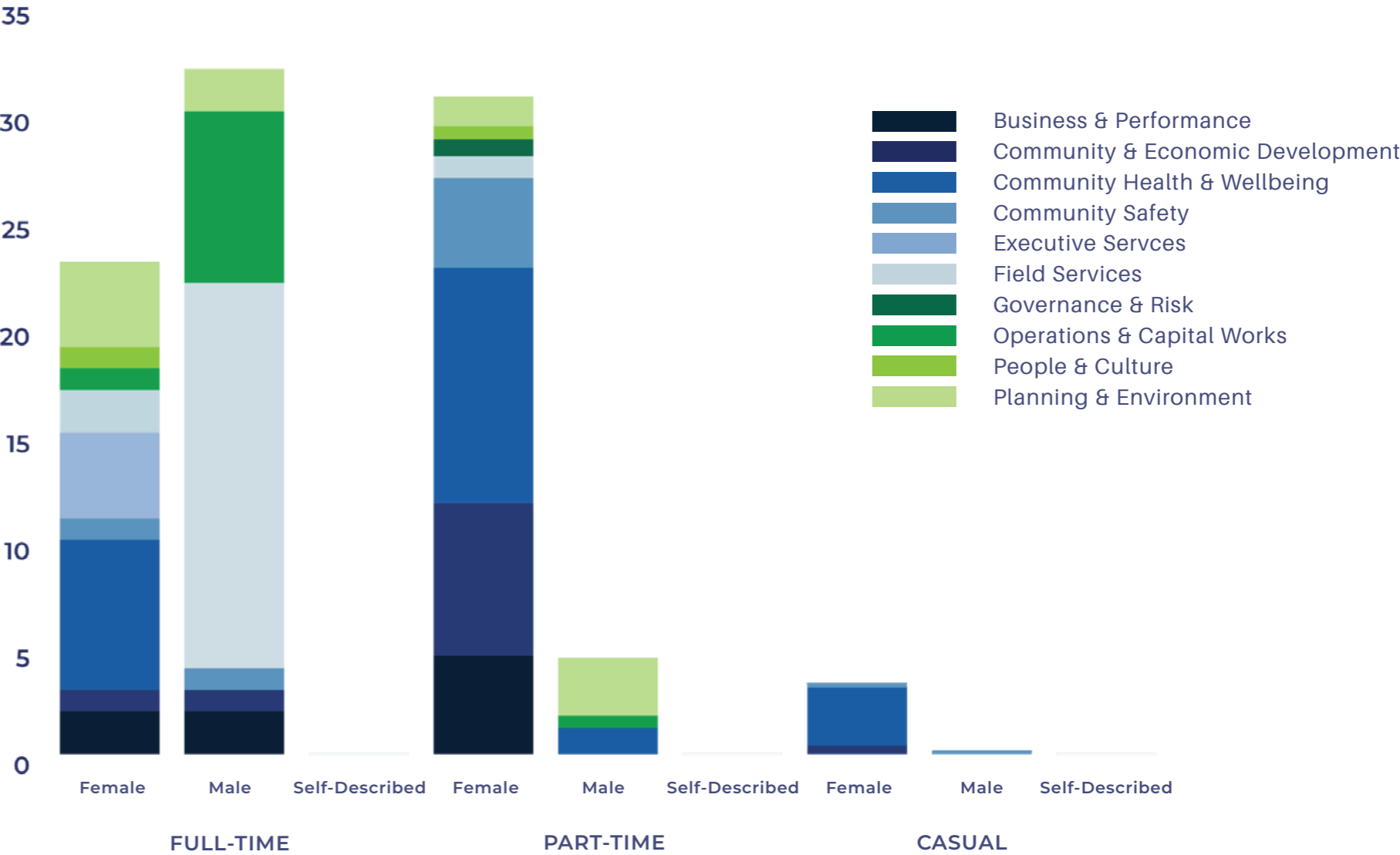


# Our Workplace

Summary of full-time equivalent Council staff by employment classification, employment type and gender.

93.7  
Total full-time equivalent  
Council staff

	BUSINESS & PERFORMANCE	COMMUNITY & ECONOMIC DEVELOPMENT	COMMUNITY HEALTH & WELLBEING	COMMUNITY SAFETY	EXECUTIVE SERVICES	FIELD SERVICES	GOVERNANCE & RISK	OPERATIONS & CAPITAL WORKS	PEOPLE & CULTURE	PLANNING & ENVIRONMENT	TOTAL FTE
Permanent Full-time - Female	2.0	1.0	7.0	1.0	4.0	2.0	0.0	1.0	1.0	4.0	23.0
Permanent Full-time - Male	2.0	1.0	0.0	1.0	0.0	18.0	0.0	8.0	0.0	2.0	32.0
Permanent Self-Described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent Part-time - Female	4.6	7.1	11.0	4.2	0.0	1.0	0.8	0.0	0.6	1.4	30.8
Permanent Part-time - Male	0.0	0.0	1.2	0.0	0.0	0.0	0.0	0.6	0.0	2.7	4.6
Permanent Part-time - Self-Described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casual - Female	0.0	0.4	2.7	0.2	0.0	0.0	0.0	0.0	0.0	0.0	03.3
Casual - Male	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Casual - Self-Described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	8.6	9.5	21.9	6.5	4.0	21.0	0.8	9.6	1.6	10.2	93.7

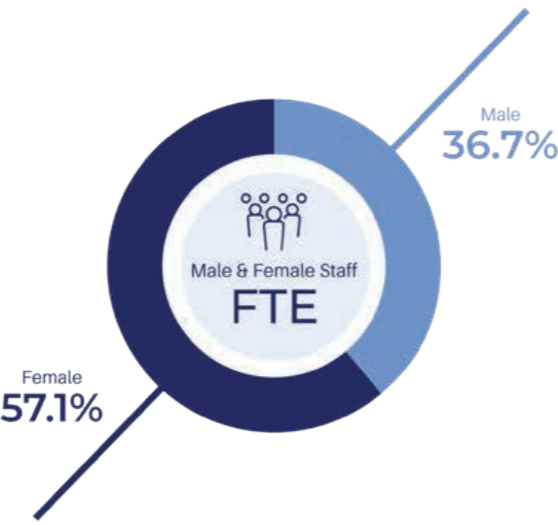
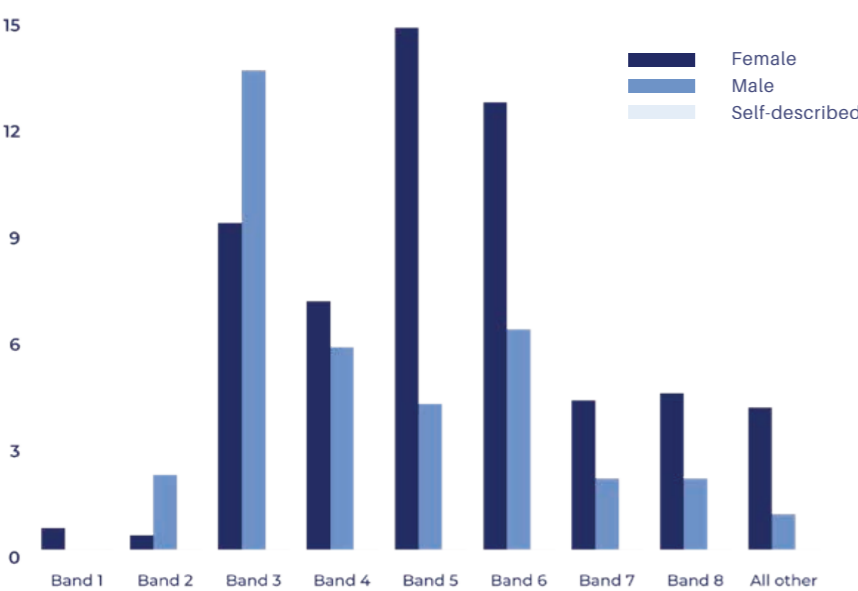


Summary full-time equivalent Council staff by employment classification and gender.

- BANDS 1,2 AND 3 - predominantly outdoor & community care workers
- BANDS 4 AND 5 - administrative staff
- BANDS 6 AND 7 - predominantly technical specialists, team leaders and coordinators
- BAND 8 - highly specialised, technical experts who also have a supervisory role

Our banding profile is consistent with comparable rural councils.

	BAND 1	BAND 2	BAND 3	BAND 4	BAND 5	BAND 6	BAND 7	BAND 8	ALL OTHER	TOTAL FTE
Female	0.6	0.4	9.2	7.0	14.7	12.6	4.2	4.4	4.0	57.1
Male	0.0	2.1	13.5	5.7	4.1	6.2	2.0	2.0	1.0	36.7
Self-described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.6	2.5	22.7	12.7	18.8	18.8	6.2	6.4	5.0	93.8



## EMPLOYMENT CONDITIONS

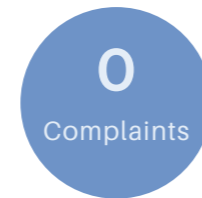
Our employees are covered by the **Mansfield Shire Enterprise Agreement (EA)** which came into effect on 10 May 2019. The EA covers the terms and conditions of employment and expired on 7 November 2020, however remains in force until a new EA is approved. Negotiations are currently underway for a new EA.

Council offers a range of benefits to its employees, including:

- + Employee Assistance Program (for employees experiencing personal or work-related difficulties)
- + Flu Vaccinations
- + Flexible working arrangements that support work/life balance
- + Family friendly environment
- + Facility to 'purchase' additional leave
- + Salary packaging

Internal communications, performance reviews, staff training and development programs, together with an emphasis on work/life balance helps us address internal resource and skill requirements and meet individual employee needs.

## EQUAL OPPORTUNITY EMPLOYMENT



We are fully committed to the principles of equal employment opportunity and the establishment and maintenance of a non-discriminatory work environment. We treat all individuals employed, or those considered for employment, on a merit basis according to their skills, aptitude, qualifications and experience, relevant to the work to be performed.

Our commitment to EEO is covered in Council's Enterprise Agreement 2019, and through Council's Staff Code of Conduct, Equal Opportunity and Human Rights Policy and Bullying and Harassment Policy.

We commit to compliance with EEO and anti-discrimination legislation by promoting equality of opportunity and the elimination of discrimination in employment policies and practices in accordance with the Equal Opportunity Act 2010.

There were no EEO/discrimination related complaints raised during 2020-21.

Compliance with EEO requirements is monitored by the People and Culture Department.

## EMPLOYEE TRAINING AND DEVELOPMENT

Council recognises the importance of learning and development opportunities for employees to allow the organisation to progress and meet the changing needs of the community.

Opportunities range from training for essential skills through to professional development for career progression and leadership programs. Learning and development opportunities are identified through Council's Performance Management process and can include on and off the job training, workshops, conferences and formal study options.

Learning and development programs offered take into consideration departmental, interpersonal and organisational needs to help employees meet Council's objectives.

During the past 12 months training and general education programs have been conducted across Council in the following areas

- + Leadership
- + Report Writing
- + Time Management
- + Performance Management
- + Mental Health First Aid
- + Resilience Program
- + Introduction to Local Government
- + LG Pro Ignite Program

As part of the annual staff appraisal process, training and development requirements are identified and recorded. This allows a structured approach for training and development programs which in turn provides a fair and equitable approach to meeting the training needs of all staff. Council's training and development plan is revised and updated on an annual basis.

## WORKING FOR VICTORIA

As part of the Victorian Government's response to the COVID-19 pandemic and to support critical community services and the Victorian economy, Council has been the recipient of grant funding up to \$1.6m.

Over the period June 2020 – July 2021, Council has employed a total 42 people in full and part-time capacities (equivalent of 33.6 FTE) in a range of occupations including administration, cleaning, environment, field services, grants, community development, community engagement, community recovery, community services, family services, library support, planning, engineering, digital content, graphic design and information technology.

Working for Victoria grant funding has enabled Council to match workers whose employment was impacted by COVID-19 with employment that has supported its operations and services to our community.

Those employed under this program have learnt new transferable skills and had training and development opportunities that will support their future employment opportunities.



# Occupational Health & Safety



In 2020-21 Mansfield Shire Council (Council) actively engaged in the implementation of a range of health and safety activities and initiatives to ensure the organisation remained safe for all employees, volunteers, contractors and visitors, including members of the public.

Our occupational health and safety (OHS) activities and initiatives were based on:

- + **establishing a systematic approach to OHS**
- + **building a strong OHS culture**
- + **providing a healthy and safe workplace**

We continued the adaption of AS/NZS 4804-2001 Occupational health and safety management systems - General guidelines on principles, systems and supporting techniques to our own occupational health and safety management system (OHSMS).

Council's occupational health and safety committee remained active with all meetings held virtually. During these meetings Council continued to establish, implement, maintain and improve Council's occupational health and safety management system. These meetings were attended by the Chief Executive Officer and members of the senior leadership group.

Twenty six Council employees nominated to fill internal occupational health and safety positions. These positions included first aid officers, wardens, health and safety representatives and mental health first aid officers.

We provided monthly occupational health and safety performance reports to Council's executive management team and health and safety representatives, and quarterly occupational health and safety performance reports to Council's Audit and Risk Advisory Committee.

## 100%

New employees, volunteers and contractors completed Council's occupational health and safety induction and COVID-19 training with 100% compliance.

## WORKPLACE INSPECTIONS

All workplace inspections included an assessment of COVID-19 controls. Hazards actioned included 39 outstanding from 2019-2020. No outstanding hazards have a risk rating greater than medium.



## INTERNAL AUDITS

We conducted an internal audit of hazardous substances and dangerous goods, inspected equipment (firefighting, lifting, electrical) and reviewed and updated our safe work method statements and CovidSafe plans. No major risk exposures were identified. Of the five moderate risk exposures and seven minor risk exposures identified, eight were closed.

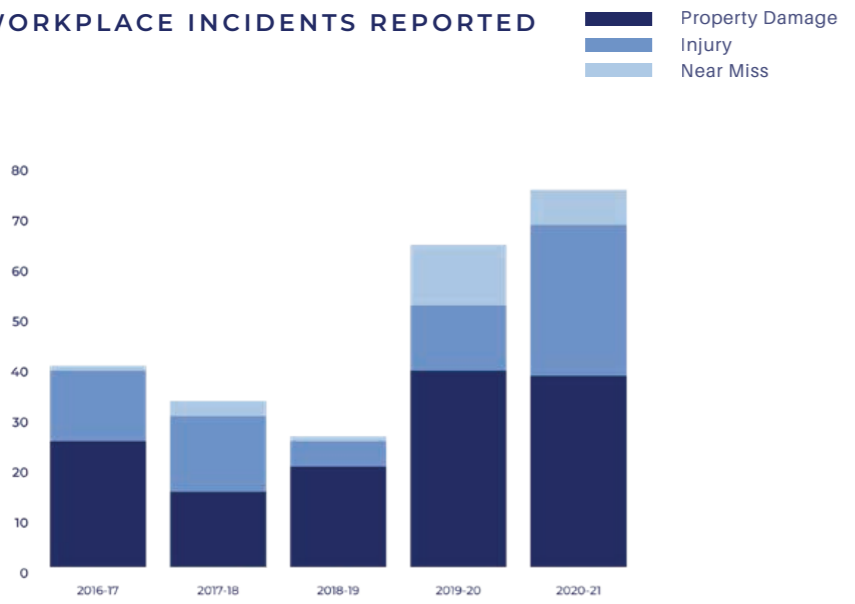


# INCIDENT SUMMARY



38 reported incidents were property damage, 30 were injuries and 7 were near-miss reports. The increase in first aid reports with an actual and potential risk rating of low suggests a positive cultural shift towards occupational health and safety and incident reporting.

WORKPLACE INCIDENTS REPORTED



# WORKSAFE REPORTS

- + Council had one notifiable incident that was required to be reported to WorkSafe Victoria.
- + Council received two entry reports from WorkSafe Victoria.
- + Council received no improvement notices and no prohibition notices from WorkSafe Victoria.

# Check in to help track COVID-19



To support COVID-19 contact tracing efforts, please check in using the QR Code.

CHECK-IN NOW

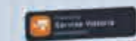


Mansfield Shire Council  
High St and Mansfield Whitfield Rd Mansfield  
Mansfield Botanic Park, Toilets



Location code SX4 SX2

- 1 Use your phone to scan the code
- 2 Enter your first name and phone number
- 3 Look for the tick: You're now checked-in



Can't scan?

Download the Service Victoria app or visit: [go.vic.gov.au/check-in](https://go.vic.gov.au/check-in).  
Open the app and enter: SX4 SX2

[mansfield.vic.gov.au](https://mansfield.vic.gov.au)  
[coronavirus.vic.gov.au](https://coronavirus.vic.gov.au)

Council Ph 03 5775 8555  
TTY 133 677

# COVID-19 Pandemic

Although office doors were closed to the general public for face-to-face business in late March 2020, Council continued to provide essential services to the community.

For our outdoor team, however, it was business as usual with appropriate measures for social distancing implemented. Council established the one-person, one-vehicle rule, and put in place the requirement that all vehicles were wiped down first thing each morning and at the end of the day.

Council reopened its doors for limited face-to-face service on 1 June 2020.

As at 30 June 2020, 51 employees were working remotely, and a small team of 14 continued to work from Council offices.

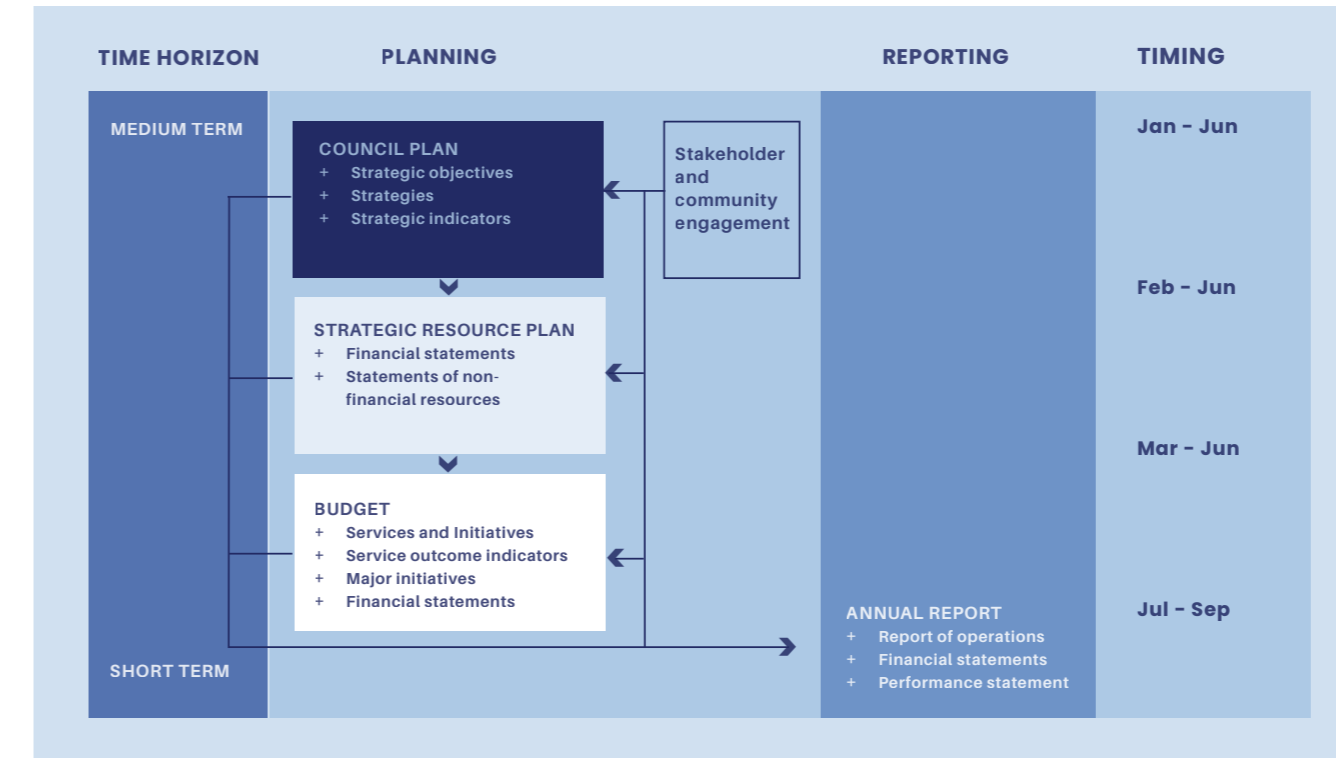


# Our Performance

## PLANNING & ACCOUNTABILITY FRAMEWORK

The Planning and Accountability Framework is found in part 6 of the **Local Government Act 1989**. The Act requires councils to prepare the following planning and reporting documents:

- + A **COUNCIL PLAN** within the six months after each general election or by 30 June, whichever is later.
- + A **STRATEGIC RESOURCE PLAN** for a period of at least four years and include this in the Council Plan.
- + A **BUDGET** for each financial year.
- + An **ANNUAL REPORT** in respect of each financial year.



The diagram above shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for **community and stakeholder input and feedback** at each stage of the planning and reporting cycle.

### The Local Government Act 1989 and 2020

The Local Government Act 1989 was repealed on 24 March 2020. The new Local Government Act 2020 will improve local government democracy, accountability and service delivery for all Victorians. The Local Government Act 2020 was proclaimed in 4 stages:

Stage 1 - 6 April 2020  
Stage 2 - 1 May 2020  
Stage 3 - 24 October 2020  
Stage 4 - 1 July 2021

During this transition period, sections of the 1989 Act may still have been relevant.

### Know Your Council

'Know your Council' - based on the Local Government Performance Reporting Framework - is a mandatory system of performance reporting introduced by the Victorian Government to ensure that all councils are consistently measuring and reporting on their performance. It comprises a set of performance measures and a governance and management checklist, which are included in this report. For more information, and to compare Mansfield to other Victorian councils, visit [www.knowyourcouncil.vic.gov.au](http://www.knowyourcouncil.vic.gov.au)

# Council Plan

The Mansfield Shire Council Plan 2017-21 includes five priorities, which comprise the main focus areas for Council. Each priority has a commitment, a series of strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the **five priorities** as detailed in the Council Plan:



How is our performance measured?

Council’s performance for the 2020-21 year has been reported against each key strategic area. Performance has been measured as follows:

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


Results of prescribed service performance indicators and measures, in accordance with the Local Government Reporting Framework, can be found in the **Performance Statements** to follow within this report.


## STRATEGIC DIRECTION 1


# Participation & Partnerships



MEASURE		COMMENTS
Council Control		
Number of Council meetings held in outlying townships.	0	Due to ongoing COVID-19 restrictions in place since March 2020, we have not been able to hold our 4 scheduled council meetings in outlying communities. All meetings have been held online via Zoom. Despite not meeting this target, we have been livestreaming our Council meetings since April 2020 which is proving to be more accessible and therefore reaching a wider audience. Local government guidelines for online council meetings is in place until April 2022.
Community satisfaction rating for Council decisions made in the interest of the community.	56	The 2021 survey has seen a big improvement in this score, from 48 to 56.
Community satisfaction rating for community consultation and engagement.	56	Council has increased its community communications which has resulted in a two point improvement on the prior year result of 54.
Community satisfaction rating for Council's advocacy efforts.	58	Previous years has seen this score declining, however the 2021 survey has seen a increase, from 49 to 58.
Council Influence		
Percentage of event applications that receive approval via the Event Management Plan process.	100%	
Council Interest		
Percentage of persons who help out as a volunteer.	30.0%	

 **COUNCIL CONTROL** - The things we have direct responsibility and accountability for.

 **COUNCIL INFLUENCE** - The things we can influence through advocacy and partnerships with others.

 **COUNCIL INTEREST** - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

MAJOR INITIATIVES	PROGRESS
Develop and implement a Community Engagement Strategy.	Council Community Engagement Policy was endorsed in February 2021. The guidelines to support this policy are being developed as part of the community vision process.
Develop a Community Vision in partnership with the community.	Council's Community Vision is currently being developed through community consultation and deliberative engagement. The Community Vison will be completed by October 2021.
Develop and implement an Active Aging Strategy.	An Aged Care Service Review will guide Council on the role it plays in helping older people in Mansfield Shire to live well and age actively in the community.

The following statement provides information in relation to the services funded in the 2020-21 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Local Government partnerships.	Advocacy services on behalf of the community.	Actual	-
		Budget	-
		Variance	-
Community projects.	Council contribution toward the installation of additional telecommunication towers	Actual	-
		Budget	-
		Variance	-

# Financial Sustainability

**COUNCIL CONTROL** - The things we have direct responsibility and accountability for.  
**COUNCIL INFLUENCE** - The things we can influence through advocacy and partnerships with others.  
**COUNCIL INTEREST** - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

Rail Trail & Bonnie Doon Bridge

The following statement reviews the performance of Council during 2020-21 against the 2017-21 Council Plan including results achieved in relation to the Plan’s strategic indicators.

## Strategic Indicators

MEASURE		COMMENTS
Council Control		
Expenses per property assessment (i.e. the number of rateable properties).	\$3,028	This target has been achieved
Time taken to decide planning applications.	57 days	Down from 63 in the previous year.
Community satisfaction rating for business and community development performance.	61	This score is is a two point improvement from last year and higher than both the statewide average (60) and the average for small rural councils (58).
Community satisfaction for tourism development performance.	67	This score has increased two points from the prior year. It is also 4 points higher than the average for small rural councils and 5 points higher, and 5 points higher than the state average.
Council Influence		
Adjusted underlying surplus (or deficit) as a % of underlying revenue.	-1%	
Renewal/replacement of assets as a % of depreciation.	116%	
Loans and borrowing as a % of rate revenue.	13%	
Rates as a % of adjusted underlying revenue.	62%	
Own source revenue per head of population.	\$1,752	
Recurrent grants per head of population.	\$515	
Council Interest		
Resident Population.	9,474	This is not a measure that Council can control directly. Statistic is taken from the ABS Population estimate provided through the LGPRF.
Percentage of people aged > 15 in part or full time employment.	90%	This is not a measure that Council can control directly.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

MAJOR INITIATIVES	PROGRESS
Develop a long term financial plan	The Plan is currently being developed and will be subject to deliberative engagement alongside the Community Vision and new Council Plan during July and August, and adopted by 31 October 2021.
Complete Service reviews across all departments	Service Reviews undertaken include: Statutory Planning - completed. Aged Care Service Review - in progress. Visitor Services - in progress. Early Years - in progress. Revenue & Rating - to be commenced. Youth Services - to be commenced.
	

Station Precinct Mansfield

# Services

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Economic Development	Economic development programs and projects such as contributions to various shows and expos, Tourism North East (TNE), cooperative marketing, outlying community development, business sector support initiatives and product development.	Actual	(462)
		Budget	200
		Variance	(662)
Events	A range of community events including TARGA High Country, the High Country Festival, and the Lake Eildon Festival	Actual	262
		Budget	325
		Variance	(63)
Community Assets and Land Management	Property management of Council owned facilities (leasing, licensing, maintenance, sale and acquisition of property).	Actual	469
		Budget	409
		Variance	60
Financial Services	Management of Council's investments and finances, payment of salaries and wages to Council employees, payment of creditor invoices, budget preparation, quarterly finance reporting to Council, and annual statutory reporting to governing bodies. The Victorian Grants Commission distributes funding support from the Commonwealth government for the administration of Council across all services, and this income is also reported as part of the Finance service.	Actual	(518)
		Budget	(1,750)
		Variance	1,232
Revenue Services	This service raises and collects property rates and charges and other sundry debtor invoices, and co-ordinates the valuation or properties throughout the municipality.	Actual	168
		Budget	173
		Variance	(5)
Strategic Planning	This service prepares, implements and undertakes reviews of the Mansfield Planning Scheme (as required by legislation) by developing reports, strategic studies and other matters for presentation to Council, planning panels and other stakeholders. Review of the Planning Scheme will result in the preparation and processing of planning scheme amendments to implement the Mansfield Planning Scheme's policy framework.	Actual	194
		Budget	22
		Variance	172

# Community Resilience & Connectivity



The following statement reviews the performance of Council during 2020-21 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

## Strategic Indicators

MEASURE		COMMENTS
Council Control		
Community satisfaction rating for informing the community.	58	This years score is a three point increase from the prior year.
Community satisfaction rating for emergency and disaster management performance.	74	This score has increased by six points and now sits above both small rural council and statewide council average.
Community satisfaction rating for elderly support services.	72	The score has increased two points from the prior year, and sits three points above the state average.
Council Influence		
Percentage of the population who are members of the Mansfield Library and who have borrowed in the past 12 month period.	17.28%	
Percentage of infants enrolled in the Maternal and Child Health service who receive the first Maternal and Child Health Home Visit.	100%	
Percentage of children enrolled who use the Maternal and Child Health service.	83.65%	
Council Interest		
Rating for feeling part of the community.	N/A	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2020-21.
Rating for perception of connectedness – percentage of those who agree others are willing to help each other.	N/A	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2020-21.

- COUNCIL CONTROL - The things we have direct responsibility and accountability for.
- COUNCIL INFLUENCE - The things we can influence through advocacy and partnerships with others.
- COUNCIL INTEREST - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

MAJOR INITIATIVES	PROGRESS
Support local businesses through the provision of training and information, including the Business 2 Business workshops.	Initiatives to date include StartUp ShakeUp, and participation in the Victorian Small Business festival. This is a continuing piece of work.

Assist communities to implement and review the priorities listed in their Community Plans.
--



# Services

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Aged and Disability Services	Home and community care assessment and programs, the community bus, meals on wheels, planned activity groups, senior citizens and volunteers.	Actual	158
		Budget	62
		Variance	97
Community Development	Community matching fund contributions, and community projects including community planning, development and resilience. Youth services including the Mansfield Youth Centre, Freeza, youth engagement program and youth development.	Actual	429
		Budget	455
		Variance	(26)
Emergency Management	Fire prevention and emergency management. Relief and recovery operations with a focus on the Municipal Emergency Resource Programme in the context of community capacity building.	Actual	47
		Budget	107
		Variance	(60)
Family Services & Partnerships	Integrated family services, the Family, Youth and Childrens Centre, financial counselling, maternal & child health services.	Actual	(183)
		Budget	(27)
		Variance	(156)
Customer Service and Records	This service acts as the main customer interface with the community at the Municipal Office and also the Visitor Information Centre. Services include receipting of rates and other payments, VicRoads agency services, proof of age identification cards, records and information management and providing general information and directing enquiries from the community.	Actual	500
		Budget	580
		Variance	(80)
Information Technology	Communications and computer systems, facilities and infrastructure to enable Council staff to deliver services efficiently.	Actual	317
		Budget	362
		Variance	(45)
Arts, Culture and Library	Mansfield Library services and the Mansfield Performing Arts Centre.	Actual	178
		Budget	240
		Variance	(62)
Other Community Services	Administration and support for the Community Services department.	Actual	371
		Budget	322
		Variance	49



STRATEGIC DIRECTION 4

Enhanced Livability

The following statement reviews the performance of Council during 2020-21 against the 2017-21 Council Plan including results achieved in relation to the Plan’s strategic indicators.

Strategic Indicators

MEASURE		
Council Control		
Community satisfaction rating for customer service.	70	This score has improved three points from the previous year, and now sits above small rural and equal to statewide averages.
Community satisfaction rating for family support services performance.	67	This score has remained the same as the previous year, but remains one point ahead of the small rural council and statewide averages.
Community satisfaction rating for recreational facilities performance.	72	This score has increased five points from the previous year and now sits three points above the small rural average, and one point above the state.
Community satisfaction rating for planning permit performance.	45	Target achieved.
Community satisfaction rating for waste management performance.	64	This score has increase seven points from the previous year.
Council Influence		
Number of visits to aquatic facilities per head of population.	2	
Kerbside collection waste diverted from landfill.	36%	
Council Interest		
Shire rating – SEIFA (Socio Economic Indexes for Areas) index of relative socio economic disadvantage index by percentile.	7	This indicator cannot be controlled by Council directly. A low score indicates relatively greater disadvantage in general. For example, an area could have a low score if there are many households with low income, many people with no qualifications, or many people in low skill occupations. A high score indicates a relative lack of disadvantage in general. For example, an area may have a high score if there are few households with low in-comes, few people with no qualifications, or few people in low skilled occupations.
Rating for perceptions of safety – when walking alone during the day or night.	0	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2020-21.
Percentage of people self-rating their health as excellent or good.	0	This Council Plan performance indicator was designed based on an external Community Indicators Victoria dataset that is no longer being published, therefore a result cannot be reported for 2020-21.

- COUNCIL CONTROL - The things we have direct responsibility and accountability for.
- COUNCIL INFLUENCE - The things we can influence through advocacy and partnerships with others.
- COUNCIL INTEREST - The things that affect how we operate and that impact on our community but over which we have little or no influence or control.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

MAJOR INITIATIVES	PROGRESS
Implement the recommendations from the Sports Facility Strategy in consultation with sporting groups and funding bodies, including a new pavilion at the Lords Oval and a dual court indoor multi-use sports stadium.	Construction commenced in February 2020 on the dual court stadium. Construction was completed in September 2021.  Planning and design works for the Lords Oval pavilion has been completed and funding opportunities continue to be sought for the entire project.
Plan a rolling program of street-scape improvements for the Mansfield township and smaller settlements.	A program for streetscape improvements is highlighted in the open space strategy. This was incorporated into the future capital works program.
Undertake the strategic work outlined in the Local Planning Policy framework of the Mansfield Planning Scheme.	The Mansfield Commercial and Industrial Land Use Strategy has been completed, and was adopted by Council on 22 June 2021. Work has commenced on the Mansfield Planning Strategy, with exhibition of the draft document to be undertaken in the first half of 2021-22.



Lords Oval Mansfield

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.





Dual court indoor  
multi-use stadium

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Construction 2020-21

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Sport and Recreation	Sports facilities including the Mansfield Pool and Mansfield Sporting Complex, school transport, the Sport and Recreation Strategic Plan and related actions including Active Mansfield and the Sport and Recreation Advisory Committee.	Actual	163
		Budget	140
		Variance	23
Building Services	Provision of information on building regulations, fencing, termites, relocation of dwellings, swimming pools and spas, requirements in bushfire prone areas, and general property issues. This service also assesses applications to vary the standard provisions of the Building Regulations, undertakes inspections to finalise permits issued by Council and receives and records all building permits issued within the Shire amendments to implement the Mansfield Planning Scheme’s policy framework.	Actual	(81)
		Budget	39
		Variance	(119)
Environment	Development of environmental policy and monitoring of compliance with environmental regulations (e.g. EPA). This service also coordinates and implements environmental projects and works with other services to improve Council’s environmental performance.	Actual	81
		Budget	93
		Variance	(12)
Health	Coordination of food safety support programs, Tobacco Act activities and smoke free dining and gaming venue issues. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	Actual	247
		Budget	189
		Variance	58
Local Laws	Animal management services including a cat trapping program, dog and cat collection, lost and found notification, Council pound, registration and administration, after hours and emergency services. Local Laws also oversee parking infringements.	Actual	161
		Budget	134
		Variance	27
Statutory Planning	The statutory planning service applies and enforces the provisions of the Mansfield Planning Scheme through expert advice to Council, applicants and the community. The service also assesses and determines planning and subdivision applications, and defends Council decisions at VCAT.	Actual	492
		Budget	237
		Variance	255

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Waste Management	Kerbside collections of waste and recycling from households and commercial properties. Management of the Resource Recovery Centre, running community education programs to minimise waste. Other waste management services include the Resource Recovery Centre and a community education program.	Actual	2,576
		Budget	2,211
		Variance	365
Development Services Management	Administration support for the development services department.	Actual	210
		Budget	519
		Variance	(309)
School Crossing Supervision	Supervisors at school crossings assist in ensuring school aged children are able to cross the road safely en route to and from school.	Actual	40
		Budget	37
		Variance	2
Roads	Ongoing maintenance of the Council’s road, footpath and drain network.	Actual	825
		Budget	708
		Variance	116
Field Services	Infrastructure maintenance, renewal and upgrades.	Actual	(53)
		Budget	367
		Variance	(420)
Parks & Gardens	Tree pruning, planting and removal, street tree planning and strategies, management of parks and gardens.	Actual	746
		Budget	759
		Variance	(14)
Infrastructure Management	Capital works planning for civil infrastructure assets facilities maintenance works, supervision and approval of private development activities, design, tendering and contract management, and supervision of Council’s capital works program including asset management and renewal programs.	Actual	(2,019)
		Budget	1,221
		Variance	(3,239)

## STRATEGIC DIRECTION 5

# Responsible Leadership

The following statement reviews the performance of Council during 2020-21 against the 2017-21 Council Plan including results achieved in relation to the Plan's strategic indicators.

## Strategic Indicators

### MEASURE

#### Council Control

Percentage of Council decisions made in meetings closed to the public.	<b>9%</b>	19 confidential out of 203 resolutions in total, across 16 meetings during 2020-21 Results for 2020-21 across 16 Council meetings.
Percentage of Councillor attendance at Council meetings.	<b>96%</b>	This score has improved by 3 points from the prior year, and now sits above the average for small rural councils and equal to the statewide average.
Community satisfaction rating for Council's customer service.	<b>70</b>	An increase of 7 points from prior year for our overall performance. This score puts us almost equal with both statewide average of 61 and small rurals (60).
Community satisfaction rating for Council's overall performance.	<b>59</b>	This score has improved 9 points from last year which is a large increase. The rating is now 3 points ahead of both the average for small rural councils and the statewide average (both at 53), which is a good result after being 3 points behind at this time last year.
Community satisfaction rating for Council's direction.	<b>56</b>	This will be ongoing, over the next 12 months we will be looking at a culture program.
Percentage of Council employees who feel valued at their work.	<b>80%</b>	In December 2020 we conducted a Well-being and Future of Work Survey, the results of which were shared with Senior Leadership Team and across the organisation in early February 2021. Action Planning Workshops to focus on improvement drivers are also planned.

**COUNCIL CONTROL** - The things we have direct responsibility and accountability for.

# Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2020-21 budget for the year.

MAJOR INITIATIVES	PROGRESS
Complete three independent internal audits per annum, with the findings and management responses being presented to both Council and the Audit and Risk Advisory Committee.	Three internal audits have been undertaken in 2020-21 including Fraud and Corruption Risk Management, OHS and Strategic and Service Level Planning.
Develop and implement a Human Resource Strategy	This project will come under the changes to the Local Government Act, a project plan is being developed which will ensure a full Strategy will be available by December 2021. The project plan will include milestones for development in the areas of Succession Planning, Transition to Retirement, Skills Analysis etc.
Develop an annual corporate training program.	The development of a corporate training program is complete. The delivery of the program is impacted by COVID-19 restrictions.

# Services

The following statement provides information in relation to the services funded in the 2020-21 budget and the persons or sections of the community who provided the service.

SERVICE AREA	DESCRIPTION OF SERVICES PROVIDED	NET COST \$/000	
Governance	Statutory and corporate support for executive management and Councillors, and Freedom of Information.	Actual	1,255
		Budget	989
		Variance	267
Councillors	Councillor remuneration, election procedures and Council induction and training programs.	Actual	329
		Budget	388
		Variance	(59)
Human Resources	Staff recruitment, resourcing, training and development, and Workcover.	Actual	802
		Budget	697
		Variance	105
Risk Management		Actual	354
		Budget	445
		Variance	(91)

# Local Government Performance Reporting Framework

The Victorian Government introduced the Local Government Performance Reporting Framework in 2014.

The Framework is a mandatory system of performance reporting for all Victorian councils. It ensures that councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

Broadly, the Framework is made up of a range of measures, including roads, planning, animal management and waste.

It is complemented by a Governance and Management checklist of 24 items, which show the policies, plans and procedures in place at each council. Together, they build a comprehensive picture of council performance which can be viewed at [www.knowyourcouncil.vic.gov.au](http://www.knowyourcouncil.vic.gov.au).

# Service Performance Indicators

Aquatic Facilities		RESULTS			
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>SERVICE STANDARD</b> - Health inspections of aquatic facilities <i>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</i>	1.00	1.00	1.00	<b>1.00</b>	Slightly cooler weather, together with a total of 7 days of closures due to a variety of reasons (lightning, poor water quality, staffing) and COVID-19 restrictions on the number of schools allowed at the pool resulted in a decline of utilisation numbers.
<b>UTILISATION</b> - Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.09	1.91	1.82	<b>1.26</b>	Due to the utilisation numbers being down, and a small increase in maintenance cost, the overall cost of the pool is higher than last year.
<b>SERVICE COST</b> - Cost of indoor aquatic facilities <i>[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]</i>	New in 2020	New in 2020	\$9.12	<b>\$13.42</b>	Note : From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities', see retired measures.
					

Animal Management		RESULTS			
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - 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]</i>	1.17	1.00	1.14	<b>1.03</b>	
<b>SERVICE STANDARD 1</b> - Animals reclaimed <i>[Number of animals reclaimed / Number of animals collected] x100</i>	68.9%	76.38%	80.00%	<b>84.78%</b>	
<b>SERVICE STANDARD 2</b> - Animals rehomed <i>[Number of animals rehomed / Number of animals collected] x100</i>	New in 2020	New in 2020	16.36%	<b>14.13%</b>	Of the 92 registrable animals collected, 78 were returned to their owners and 13 rehomed. Note : New measure for 2019-20 financial year.
<b>SERVICE COST</b> - Cost of animal management service <i>[Direct cost of the animal management service / Population]</i>	New in 2020	New in 2020	\$18.97	<b>\$17.90</b>	Note : This measure is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals, see retired measures.
<b>HEALTH &amp; SAFETY</b> - Animal management prosecutions <i>[Number of successful animal management prosecutions / number of animal management prosecutions] X 100</i>	New in 2020	New in 2020	0.00%	<b>0.00%</b>	No animal prosecutions were recorded during this period. Note : This measure is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion, see retired measures.

# Service Performance Indicators

Food Safety					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - Time taken to action food complaints <i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>	1.46	2.90	1.80	<b>2.00</b>	The time taken to action complaints is consistent with past years.
<b>SERVICE STANDARD</b> - Food safety assessments <i>[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</i>	99.29%	99.29%	93.53%	<b>72.93%</b>	COVID-19 restrictions and limited operations of food premises have impacted Council's ability to complete Food Safety Assessments
<b>SERVICE COST</b> - Cost of food safety service <i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>	\$330.07	\$335.82	\$399.63	<b>\$329.15</b>	Contracted Environmental Health Services used during a period of maternity leave are no longer required.
<b>HEALTH &amp; SAFETY</b> - Critical and major non-compliance outcome notifications <i>[Number of critical non compliance outcome notifications and major non compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] X 100</i>	97.50%	100.00%	31.25%	<b>97.37%</b>	Improved processes and procedures implemented to address the previous drop in performance in this area.



Governance					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>TRANSPARENCY</b> - Council decisions made at meetings closed to the public <i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100</i>	10.05%	6.75%	8.14%	<b>9.36%</b>	Meetings are only closed to the public in accordance with legislation. The number of confidential decisions has increased in line with the increase in procurement for the capital works program, however it is noted that many of the resolutions arising from these confidential decisions were made public in the Council minutes.
<b>CONSULTATION &amp; ENGAGEMENT</b> - Satisfaction with community consultation and engagement <i>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</i>	58.00	52.00	54.00	<b>56.00</b>	
<b>ATTENDANCE</b> - Councillor attendance at Council meetings <i>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100</i>	88.89%	92.22%	88.42%	<b>96.25%</b>	With the introduction of virtual Council meetings in 2020, Councillors have been able to attend Council meetings regardless of their location.
<b>SERVICE COST</b> - Cost of elected representation <i>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</i>	\$42,199.80	\$42,169.14	\$41,459.60	<b>\$42,073.34</b>	
<b>SATISFACTION</b> - Satisfaction with Council decisions <i>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</i>	54.00	47.00	48.00	<b>56.00</b>	This positive result reflects Council's focus on taking a “no surprises” approach to decisions, and ensuring that the community is kept informed and has the opportunity to input into decisions over key issues and projects through thorough community engagement.

Libraries					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
UTILISATION - Physical Library collection usage <i>[Number of library collection item loans / Number of library collection items]</i>	3.14	3.15	2.68	2.27	COVID-19 lockdowns impacted on the number of active borrowers and the quantity borrowed. However service changes, such as click and collect, helped to mitigate this impact. Note : From 2019-20, this indicator measures the performance of physical library items as a subset of the wider library collection.
RESOURCE STANDARD - Recently purchased library collection <i>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100</i>	64.75%	64.38%	0.13%	71.69%	
PARTICIPATION - Active library borrowers <i>[Number of active library borrowers in the past 3 years / Sum of the population for the last 3 years ] X 100</i>	18.80%		17.28%	15.10%	COVID-19 lockdowns impacted on the number of active borrowers and the quantity borrowed. However service changes, such as click and collect, helped to mitigate this impact.
SERVICE COST- Cost of library service per population <i>[Direct cost of the library service / Population]</i>	NEW in 2020	NEW in 2020	\$30.93	\$32.29	Note : This measure is replacing the previous 'Cost of library service' indicator which measured based on number of visits, see retired measures.



Maternal & Child Health (MCH)					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
SERVICE STANDARD - Infant enrolments in the MCH service <i>[Number of first MCH home visits / Number of birth notifications received] x100</i>	100.00%	101.41%	101.67%	101.67%	
SERVICE COST - Cost of the MCH service <i>[Cost of the MCH service / Hours worked by MCH nurses]</i>	\$58.31	\$58.31	\$76.72	\$71.81	
PARTICIPATION 1 - Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	77.04%%	76.54%	83.65%	87.23%	
PARTICIPATION 2 - Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	100.00%	100.00%	71.43%	90.91%	One child had their 2yr visit in June 2020 and is not due for their 3.5yr visit until Dec 2021 so has appropriately not had a visit in this financial year.
SATISFACTION - Participation in 4-week key age and stage visit. <i>[Number of 4-week key age and stage visits / Number of birth notifications received] X 100</i>	NEW in 2020	NEW in 2020	108.33%	97.30%	One newborn was in Neonatal Intensive Care Unit (NICU) in a tertiary Melbourne hospital.



# Service Performance Indicators

Roads					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>SATISFACTION OF USE</b> - Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads ] x100</i>	9.81	18.94	14.82	<b>14.56</b>	
<b>CONDITION</b> - 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</i>	89.61%	93.70%	94.25%	<b>89.27%</b>	
<b>SERVICE COST 1</b> - Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$97.51	\$13.32	\$0.00	<b>\$0.00</b>	
<b>SERVICE COST 2</b> - Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$4.29	\$4.46	\$0.00	<b>\$8.27</b>	No resealing was completed in 2019-20. Increased costs compared to 2018-19 reflects the availability of contractors.
<b>SATISFACTION</b> - Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</i>	59.00	45.00	50.00	<b>49.00</b>	Grant funding and increased personnel have allowed a broader and more targeted road sealing program to be developed and executed.

Statutory Planning					
RESULTS					
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>TIMELINESS</b> - Time taken to decide planning applications <i>[The median number of days between receipt of a planning application and a decision on the application]</i>	83.00	63.00	70.00	<b>59.00</b>	Council conducted a Statutory Planning Services Review. Implementation of actions from the review resulted in improved timeframes.
<b>SERVICE STANDARD</b> - Planning applications decided within required time frames <i>[(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</i>	46.97%	66.84%	48.26%	<b>67.30%</b>	Council conducted a Statutory Planning Services Review. Implementation of actions from the review resulted in improved timeframes.
<b>SERVICE COST</b> - Cost of statutory planning service <i>[Direct cost of the statutory planning service / Number of planning applications received]</i>	\$2,142.01	\$2,192.49	\$2,410.37	<b>\$2,970.04</b>	Legal costs at the Victorian Civil and Administrative Tribunal had a big impact on the cost of the service in the last financial year. In addition, staffing shortages required backfill with contract planning staff at a higher price, also impacting on the cost of the service.
<b>DECISION MAKING</b> - Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	100.00%	50.00%	0.00%	<b>100.00%</b>	The one VCAT decision in the financial year had the decision of council affirmed by the Tribunal.

Waste Collection		RESULTS			
INDICATOR Measure	2018	2019	2020	2021	MATERIAL VARIATIONS & COMMENTS
<b>SATISFACTION</b> - Kerbside bin collection requests <i>[Number of kerbside waste and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>	41.81	45.65	47.24	<b>44.35</b>	
<b>SERVICE STANDARD</b> - Kerbside collection bins missed <i>[Number of kerbside waste and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>	1.28	2.13	2.88	<b>2.41</b>	During the COVID lockdown periods, more bins have been reported missed by residents.
<b>SERVICE COST 1</b> - Cost of kerbside bin collection service <i>[Direct cost of the kerbside waste bin collection service / Number of kerbside garbage collection bins]</i>	\$167.11	\$171.28	\$168.58	<b>\$166.03</b>	Cost consistent with previous years, however above the expected range due to the rural nature of the shire.
<b>SERVICE COST 2</b> - Cost of kerbside recyclables collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$83.43	\$91.73	\$106.67	<b>\$110.65</b>	Costs have increased from previous years due to increase volume of recyclables collected during COVID-19 restrictions.
<b>WASTE DIVERSION</b> - Kerbside waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	35.13%	35.77%	35.58%	<b>35.02%</b>	

# Governance, Management & Other Information



The Mansfield Shire Council is constituted under legislation to provide leadership for the good governance in its district for the benefit and wellbeing of the community. Council must perform its role having regard to the overarching governance principles as set out in the Local Government Act 2020 as follows:

- + Council decisions are to be made and actions taken in accordance with relevant law;
- + Priority is to be given to achieving the best outcomes for the community including future generations;
- + The economic, social and environmental sustainability of the district, including mitigation and planning for climate change risks, is to be promoted;
- + The community is to be engaged in the strategic planning and strategic decision making;
- + Innovation and continuous improvement is to be pursued;
- + Collaboration with other Councils and Governments and statutory bodies is to be sought;
- + The ongoing financial viability of the Council is to be ensured;
- + Regional, state and national plans and policies are to be taken into account in strategic planning and decision making;
- + The transparency of Council decisions, actions and information is to be ensured.

The Mansfield Shire Council Community Engagement Policy (the Policy) affirms Council’s commitment to engaging its community, and relevant stakeholders, about matters that affect them. The Policy expands on the requirements defined in the Local Government Act 2020, in particular how Council will enact the community engagement principles. The intent of the Policy is to improve the quality and effectiveness of Council’s decision making and to strengthen trust and confidence in Council by undertaking the following:

- + Ensuring transparency and accountability in Council decision making;
- + Creating genuine opportunities for members of the Mansfield Shire community to participate in matters that interest and affect it;
- + Ensuring the diverse needs of the local community are taken into account in decision making; and
- + Encouraging and supporting the community to participate in civic life.

<div>16 Council Meetings</div> <div>held for the year 2020-21</div> <div>Council conducts open public meetings monthly. Members of the community are welcome to attend these meetings and observe via Council's YouTube channel. Council meetings also provide the opportunity for community members to submit a question to Council, make a submission or speak to an item.</div> <div>The following tables provide a summary of Councillors attendance at meetings for the 2020-21 financial year. The 2020 Council Election was held on 24 October 2020, and the newly elected members attended their first meeting on 24 November 2020.</div>	MEETING DATE	Cr Harry Westendorp	Cr Paul Volkering	Cr Marg Attley	Cr Peter Olver	Cr Paul Sladdin	Cr James Tehan	Cr Mark Holcombe (Mayor)	Cr Rohan Webb	Cr Steve Rabie
	21/07/2020	●	●	●	●	●				
	04/08/2020	●	●	●	●	●				
	18/08/2020	●	●	●	●	●				
	01/09/2020	●	●	●	●	●				
	15/09/2020	●	●	●	●	●				
	22/09/2020	●	●	●	●	●				
	20/10/2020	●	●	●	●	●				
	24/11/2020					●	●	●	●	●
	15/12/2020					●	●	●	●	●
	19/01/2021					●	●	●	●	●
	16/02/2021					●	●	●	●	●
	16/03/2021					●	●	●	●	●
	20/04/2021					●	●	●	●	●
	18/05/2021					●	●	●	●	●
	25/05/2021					●	●	●	●	●
	22/06/2021					●	●	●	●	●
		16	15	19	18	16	18	16	18	16

# Code of Conduct

The Local Government Act 2020 requires a council to review and adopt its Councillor Code of Conduct within the period of four months after a general election. On 16 February 2021 Council adopted its Councillor Code of Conduct which is designed to ensure Councillors comply with the Standards of Conduct. Failure to comply with the Standards of Conduct constitutes Misconduct for the purposes of the Act. The Standards of Conduct are:

- + **Treatment of others.**
- + **Performing the role of Councillor.**
- + **Compliance with good governance measures.**
- + **Councillor must not discredit or mislead Council or public.**
- + **Standards do not limit robust political debate.**

# Conflict of Interest

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

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

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

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

During 2020-21, **three conflicts of interest** were declared at Council meetings.



# Councillor Allowances

In accordance with Section 39 of the Local Government Act 2020, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is entitled to a higher allowance. An important reform of the Local Government Act 2020 is the transfer of responsibilities in determining Mayoral and Councillor allowances to the Victorian Independent Remuneration Tribunal (the Remuneration Tribunal).

The Minister for Local Government will request the Remuneration Tribunal to make a determination, however the determination is not expected until late 2021. Until that occurs, the allowances are determined under the Local Government Act 1989. Section 74(1) of the 1989 Act states that Council is required to review its Councillor and Mayoral allowances within 6 months of a general election, or by 30 June, whichever is later. At its June 2021 Council meeting, Council resolved to **fix the councillor allowance at \$21,049 per annum and the mayoral allowance at \$62,884 per annum**. Mayoral and councillor allowances are also subject to the addition of the equivalent of the superannuation guarantee (9.5%). It should be noted that this percentage is scheduled to increase to 10.0% from 1 July 2021.

COUNCILLOR	PART A: Annual Allowance (\$)	PART B: Superannuation Guarantee Equivalent (\$)
Cr Mark Holcombe (Mayor)	\$62,884	\$5,974
Cr James Tehan	\$21,049	\$1,999
Cr Paul Sladden	\$21,049	\$1,999
Cr Rohan Webb	\$21,049	\$1,999
Cr Steve Rabie	\$21,049	\$1,999

# Councillor Expenses

In accordance with Section 40 of the Local Government Act 2020, Council is required to reimburse a Councillor for expenses incurred whilst performing duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor.

COUNCILLOR	Conferences & Training	Travel	Mileage	Information & Communication Technology	Childcare	TOTAL \$
Cr Harry Westendorp (Cr until 24 Oct 2020)	-	-	-	60	-	60
Cr Marg Attley (Mayor until 24 Oct 2020)				301	-	301
Cr Peter Olver (Cr until 24 Oct 2020)	-	-		367	-	367
Cr Paul Sladdin	2,913	-	-	403	-	3,316
Cr Pal Volkering (Cr until 24 Oct 2020)	-	-		238	-	238
Cr Mark Holcombe (Mayor from 24 Nov 2020)	2,855	425	-	302	-	3,582
Cr Steve Rabie (Cr from 24 Nov 2020)	2,855	-		256	-	3,110
Cr James Tehan (Cr from 24 Nov 2020)	3,638	-	-	610	-	4,248
Cr Rohan Webb (Cr from 24 Nov 2020)	3,088	-	-	156	-	3,244

# Management

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

## AUDIT AND RISK ADVISORY COMMITTEE

In accordance with Section 53 of the Local Government Act 2020, a Council must establish an audit and risk committee.

The Audit and Risk Committee’s role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control, risk management and fostering an ethical environment.

The Audit and Risk Committee operates on a staggered rotation to ensure continuity of membership.

Council’s Audit and Risk Advisory Committee in 2020-21 comprised of:

**THREE INDEPENDENT MEMBERS:** Bruce Potgieter (Chair) Peter Johnston and Moh-Lee Ng AND

**TWO COUNCILLOR REPRESENTATIVES:** Mayor Cr Mark Holcombe and Cr Rohan Webb.

The Committee meets **four times per year**. The Internal Auditor, Chief Executive Officer, General Manager Corporate & Community Services, Manager Infrastructure & Planning, Manager Business & Performance and Coordinator Governance & Risk attend all meetings. Other management representatives attend as required to present reports. An open invitation is provided to all Councillors to attend all meetings.

The External Auditor attends in May and August each year to present the audit plan and independent audit report.

Any recommendations and the minutes from each Audit and Risk Committee meeting are subsequently reported to and considered by Council.

## RISK MANAGEMENT

In June 2019, Council adopted a revised Risk Management Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZ 31000 guidelines.

During 2020-21 Council’s Audit and Risk Committee received **four Risk Management Reports**, in accordance with Council’s Risk Management framework.

## INTERNAL AUDIT

Council’s internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council.

Council contracts internal audit services under a three year tender arrangement. The current service provider is AFS & Associates. A risk based **three year Internal Audit Plan** is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council’s risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The Internal Audit Plan is reviewed and approved by the Audit and Risk Committee annually.

The internal auditor attends each Audit and Risk Committee meeting to report on the status of the Internal Audit Plan, provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated.

During 2020-21, the following internal audits were undertaken by AFS & Associates:








- + **IT Controls and Governance**
- + **Governance**
- + **Long Term Financial Plan**









## EXTERNAL AUDIT

Council is externally audited by the **Victorian Auditor-General**. For the 2020-21 financial year the annual external audit of Council’s Financial Statements and Performance Statement was conducted by the Victorian Auditor-General’s representative, Johnsons MME of Albury. The external auditors attended the May and August Audit and Risk Committee meetings during 2020-21 to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Committee.






# Governance & Management Checklist

The following are the results in the prescribed form of Council’s assessment against the prescribed Governance and Management Checklist.

GOVERNMENT & MANAGEMENT ITEM		ASSESSMENT	YES  / NO 
1	<b>Community Engagement Policy</b> (policy under Section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with Section 55 of the Act Date of adoption: 16 February 2021	
2	<b>Community Engagement Guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	The guidelines are still in draft form and will be completed by 31 October 2021. They are being developed as part of our Community Vision engagement process.	
3	<b>Financial Plan</b> (plan under Section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Will be adopted by 31 October 2021, in line with the Local Government Act timeline.	
4	<b>Asset Plan</b> (plan under Section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Will be implemented in line with the Local Government Act 2020 timeline, by June 2022	
5	<b>Revenue &amp; Rating Plan</b> (plan under Section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with Section 93 of the Act Date of adoption: 22 June 2021	
6	<b>Annual Budget</b> (plan under Section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with Section 94 of the Act Date of adoption: 22 June 2021	

GOVERNMENT & MANAGEMENT ITEM		ASSESSMENT	YES  / NO 
7	<b>Risk Policy</b> (policy outlining Council’s commitment and approach to minimising the risks to council’s operations)	Policy Date of commencement of current policy: 25 June 2019	
8	<b>Fraud Policy</b> (policy outlining Council’s commitment and approach to minimising the risk of fraud)	Policy Date of commencement of current policy: 17 December 2019	
9	<b>Municipal Emergency Management Plan</b> (plan under Section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986. Plan formally endorsed by Council in May 2015. Latest update undertaken on 26 June 2018. The 2021-2024 MEMP is currently in draft form.	
10	<b>Procurement Policy</b> (policy under Section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by Council)	Adopted in accordance with section 108 of the Act Date of adoption: 22 June 2021	
11	<b>Business Continuity Plan</b> (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	We are in the process of reviewing our BCP to ensure it reflects our service obligations. It is currently being tested during COVID-19 pandemic	
12	<b>Disaster Recovery Plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Disaster recovery Plan - 26 July 2018	

CONTINUED OVER

GOVERNMENT & MANAGEMENT ITEM		ASSESSMENT	YES  / NO 
13	<b>Risk Management Framework</b> (framework outlining council's approach to managing risks to council's operations)	Framework Date of commencement of current framework: 25 June 2019	
14	<b>Audit &amp; Risk Committee</b> see Sections 53 and 54 of the Act)	Committee Established in accordance with Section 139 of the Act. Date of establishment: 15 April 2003 2020-21 Meetings: + 31 August 2020 + 7 December 2020 + 15 February 2021 + 17 May 2021	
15	<b>Internal Audit</b> (independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Three internal audits: + IT controls and Governance in November 2020 + Governance in February 2021 + Long Term financial Plan in June 2021	
16	<b>Performance Reporting Framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i> )	Performance Reporting Policy adopted by Council on 20 May 2020	
17	<b>Council Plan Report</b> (report reviewing the performance of Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Council Plan reporting to Council across four meetings: + 21 July 2020 + 15 September 2020 + 16 February 2021 + 20 April 2021	
18	<b>Financial Reporting</b> (quarterly statements to Council under Section 138(1) of the <i>Local Government Act 1989</i> , comparing actual and budgeted results and an explanation of any material variations)	Reports presented to Council in accordance with section 138(1) of the <i>Local Government Act 1989</i> Date reports presented: + 21 July 2020 + 15 September 2020 + 16 February 2021 + 20 April 2021	

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

GOVERNMENT & MANAGEMENT ITEM		ASSESSMENT	YES  / NO 
19	<b>Risk Reporting</b> (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Presented to Audit and Risk Committee at four meetings: + 31 August 2020 + 7 December 2020 + 15 February 2021 + 17 May 2021	
20	<b>Performance Reporting</b> (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in Section 131 of the <i>Local Government Act 1989</i> )	Reported to Council across four meetings: + 15 September 2020 + 15 December 2020 + 16 February 2021 + 20 April 2021	
21	<b>Annual Report</b> (annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> containing a report of operations and audited financial and performance statements)	Presented at a meeting of Council in accordance with Section 134 of the Act Date statements presented: 20 October 2020	
22	<b>Councillor Code of Conduct</b> (Code under Section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with Section 139 of the Act Date reviewed: 16 February 2021	
23	<b>Delegations</b> (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with Section 11(7) of the Act and a register kept in accordance with Sections 11(8) and 47(7) of the Act; S5 22/06/2021; S6 16/03/2021; S7 11/02/2021; S11 29/01/2021; S11A 16/03/2021; S13 11/02/2021; S14 11/02/2021; S15 11/02/2021; S16 11/02/2021	
24	<b>Meeting Procedures</b> (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date Governance Rules adopted: 01 September 2020	



KAYLENE CONRICK  
CHIEF EXECUTIVE OFFICER  
DATE: 21/09/2021



CR MARK HOLCOMBE  
MAYOR  
DATE: 21/09/2021

# Statutory Information

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

## DOCUMENTS AVAILABLE FOR INSPECTION

In accordance with Regulation 12 of the *Local Government (General) Regulations 2015* the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 33 Highett Street, Mansfield:

- + A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by a Councillor or any member of Council staff in the previous 12 months.
- + Minutes of council meetings held in the previous 12 months which are available for public inspection, other than those agendas and minutes relating to part of a meeting which was closed to members of the public under section 66 of the *Local Government Act 2020* and are confidential information within the meaning of section 3 of the *Local Government Act 2020*.
- + A register of delegations kept under section 11(8) of the *Local Government Act 2020*.
- + A document containing details of all leases involving land which were entered into by Council as lessor, including the lessee and the terms of and the value of the lease.
- + A register maintained under Section 224(1A) of the Act of authorised officers appointed under that section.
- + A list of donations and grants made by Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

## CONTRACTS

During the year Council entered into **one new contract valued at \$150,000 or more** for goods or services (nil for \$200,000 or more for works) without engaging in a competitive process.

A Ministerial Exemption was provided on 24 June 2019 to allow Council to renegotiate its kerbside recycling acceptance and processing contract up to 30 June 2021. The Minister for Local Government granted exemptions for Councils in Victoria to extend or negotiate with existing suppliers for services provided between 1 July 2019 and 30 June 2021. A subsequent exemption was granted on 19 May 2021 for contracts until 30 June 2022.

Under the exemption, Council entered into a contract with Cleanway for the acceptance and processing of domestic recycling materials. The contract is arranged on a \$ per tonne rate, and the value is estimated at \$175,000 per annum.

## 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.

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

## DOMESTIC ANIMAL MANAGEMENT PLAN

Council’s **Domestic Animal Management Plan 2017-21** was endorsed by Council on 17 April 2018. This Plan, operating in conjunction with the *Amenity, Environment and Community Protection Local Law 2017*, provides a clear framework for the keeping of animals within the Shire.

Council’s Local Laws Officers are required to undergo training in the following:

- + **Certificate IV Animal Control and Regulation**
- + **Dog Behaviour Assessment Workshop**
- + **DELWP training for auditing domestic animal businesses**
- + **Firearms safety**
- + **Offences and Enforcement on Roads**
- + **Canine Anatomy and Identification**

Council uses a range of resources to reunite lost animals with their owners and has seen high success rates in this area by introducing the use of social media. The introduction of the use of social media has also been effective when encouraging pet owners to microchip and register animals.

The feral cat population continues to be a problem in rural areas, however Council’s ongoing provision of cat traps to residents has seen a reduction in the number of feral cats in some high risk areas.

## DISABILITY ACTION PLAN

The Disability Act Victoria 2006 outlines general provisions, including planning for individual access to services, and provides the framework for a ‘Whole of Government and Whole of Community’ approach to building community inclusion for people with disabilities.

Council’s **Access and Inclusion Plan 2020** (currently in draft form) provides a set of principles, goals and responsibilities that outline the way in which Council commits to work in order to remove barriers for those with a disability.

Similarly, Council’s Access and Inclusion Charter acknowledges Council’s commitment to valuing every community member and considering any barriers that may exist to their participation.

# Statutory Information

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

## FREEDOM OF INFORMATION

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

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

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

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

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

Further information regarding FOI can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) and on the Mansfield Shire Council’s website.

In 2020-21 **three Freedom of Information requests** were received by Council.

No appeals were received against the Freedom of Information Officer’s decisions.

## PUBLIC INTEREST DISCLOSURE POLICY

Members of the community must be able to rely on those in public office to conduct themselves properly and to use any powers they have in the service of the public.

The Protected Disclosure Act 2012 aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures.

Council’s Public Interest Disclosures Policy was endorsed in April 2020 and ensures Council’s compliance against the PID Act, including its associated regulations, and provides a framework for reporting public interest disclosures of corrupt or improper conduct as defined in the Act.

There were no disclosures notified to Council officers during the 2020-21 year.

## ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with section 22 of the Road Management Act 2004, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the 2020-21 financial year.

# Financial Report

We are committed to providing accurate, understandable and fair reporting on our financial performance for 2020-21 and our financial position at the end of the period. It enables an assessment of our ability to deliver current services and maintain existing facilities in the longer-term.



Protea Farm Jamieson

# Understanding the Financial Report

Council’s Financial Report shows how we performed financially during 2020-21 and the overall position at the end of the financial year (30 June 2021). We present our financial report in accordance with the Australian Accounting Standards. Mansfield Shire Council is a ‘not for profit’ organisation and as such some of the generally recognised terms used in private sector company reports may not be appropriate to Council’s reports.

## WHAT IS CONTAINED IN THE ANNUAL FINANCIAL REPORT

The Financial Report is made up of two main sections, namely the statements and the notes. There are five statements and ten notes. These statements and notes are prepared by Council staff, examined by Council’s Audit and Risk Committee and by Council. They are then audited by the Victorian Auditor-General.

- The five Statements are:
- 1. **Comprehensive Income Statement**
  - 2. **Balance Sheet**
  - 3. **Statement of Changes in Equity**
  - 4. **Statement of Cash Flows**
  - 5. **Statement of Capital Works**

The notes detail Council’s accounting policies and the make up of values contained in the statements.

## COMPREHENSIVE INCOME STATEMENT

The Comprehensive Income Statement shows:

- + The sources of Council’s revenue under various income headings.
- + The expenditure incurred in running Council during the year. These expenses relate only to the ‘operations’ and do not include the cost associated with the purchase or the building of assets. While asset purchase costs are not included in the expenses there is an item for ‘Depreciation’. This represents the value of the assets used up during the year.

A surplus means that the revenue was greater than the expense.

## BALANCE SHEET

The Balance Sheet is a one page summary of the financial situation as at 30 June 2020 (balance date). It shows what the Council owns (assets) and what it owes (liabilities). The bottom line of this Statement is net assets. This is the net worth of Council which has been accumulated since its deamalgamation from the former Delatite Shire in 2002.

The assets and liabilities are separated into current and non-current. Current means those as-sets or liabilities which will fall due in the next 12 months.

The components of the Balance Sheet are described as follows:

### 1. Current and non-current assets

- + Cash and cash equivalents includes cash held in the bank and in petty cash.
- + Trade and other receivables are monies owed to Council by ratepayers and others.
- + Financial assets are term deposits invested for a period beyond three months.
- + Prepayments are expenses that Council has paid in advance of the service.
- + Inventories are stock held for sale or consumption in Council's services.
- + Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc., which Council owns or controls at balance date.

### 2. Current and non-current liabilities

- + Trade and other payables are amounts owed by Council to others as at 30 June 2020.
- + Trust funds and deposits represent monies held in trust or deposits received and held by Council.
- + Provisions include accrued long-service leave and annual leave owing to employees.
- + Interest-bearing loans and borrowings are borrowings of Council.

### 3. Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June 2020.

### 4. Equity

Total equity always equals net assets. It is made up of the following components:

- + Accumulated surplus, which is the value of all surplus/(deficit) accumulated over time.
- + The use of monies from Council’s reserves and transfers to Council’s reserves.

## STATEMENT OF CHANGES IN EQUITY

During the course of the year the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the values of such changes and how these changes arose.

The main reasons for a change in equity arise from:

- + the ‘profit or loss’ from operations, described in the Statement as ‘surplus/ (deficit) for the year’
- + the use of monies from Council’s reserves and transfers to Council’s reserves
- + the revaluation of fixed assets which takes place on a regular basis

## STATEMENT OF CAPITAL WORKS

The Statement of Capital Works summarises the total amount Council invested in its Property, Infrastructure, Plant and Equipment during the financial year.

It provides a breakdown of the different types of assets to show where the money was invested. It also shows a split of how much was spent on new assets, renewing assets, and upgrading existing assets.

## STATEMENT OF CASH FLOWS

The Statement of Cash Flows summarises Council’s cash payments and cash receipts for the year. The values may differ from those shown in the Income Statement because the Income Statement is prepared on an accrual accounting basis. Cash Flows amounts include GST.

Cash in this Statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash, except for cash invested in managed funds.

Council’s cash arises from, and is used in, three main areas:

### 1. Cash Flows from Operating Activities

#### Receipts

All cash received into Council’s bank account from ratepayers and others who owed money to Council. Receipts also include the interest earnings from Council’s cash investments. It does not include the costs associated with the sale of assets.

#### Payments

All cash paid by Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation or acquisition of assets.

### 2. Cash Flows from Investing Activities

This section shows the cash invested in the creation or purchase of property, plant and equipment, infrastructure, investment property and intangible assets, and the cash received from the sale of these assets.

### 3. Cash Flows from Financial Activities

This is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the Statement of Cash Flows is the cash at end of financial year. This shows the capacity of Council to meet its cash debts and other liabilities.

# Understanding the Financial Report

## NOTES TO THE FINANCIAL STATEMENTS

To enable the reader to understand the basis on which the values shown in the main statements are established, it is necessary to provide details of Council’s accounting policies. These are described throughout the notes.

The notes also give details behind many of the summary figures contained in the main Statements. The note numbers are shown beside the relevant items in the Statements.

Where Council wishes to disclose other information which cannot be incorporated into the statements, this is also shown in the notes.

Other notes include:

- + The cost of the various functions of Council
- + The breakdown of expenses, revenues, reserves and other assets
- + Contingent liabilities
- + Transactions with persons related to Council

The notes should be read at the same time as, and together with, the other parts of the Financial Statements to get a clear picture of the accounts.

## STATEMENTS BY PRINCIPAL ACCOUNTING OFFICER AND COUNCILLORS

The Certification of the Financial Report is made by the person responsible for the financial management of Council that, in her/ his opinion, the financial statements have met all the statutory and professional reporting requirements.

The Certification of the Financial Report is also made by two Councillors on behalf of Council confirming that, in their opinion, the financial statements are fair and not misleading. The Chief Executive Officer also endorses and signs the certification.

## AUDITOR GENERAL'S REPORT

The Independent Audit Report provides the reader with an external and independent opinion on the Financial Report and Performance Statement. The opinion covers statutory and professional requirements as well as addressing the fairness aspects of the financial statements.

### AUDITOR

Victorian Auditor-General Office  
Level 31  
35 Collins Street  
Melbourne Vic 3000

### SOLICITORS

Mal Ryan and Glen  
9 High Street  
Mansfield Vic 3724

Maddocks  
Level 25  
727 Collins Street Melbourne Vic 3008

### BANK

National Australia Bank  
76 High Street Mansfield Vic 3677



View of 'The Paps' from Maindample

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**CONTENT OVERVIEW**  
These financial statements are General Purpose Financial Statements and cover the consolidated operations for Mansfield Shire Council.  
All figures presented in these financial statements are presented in Australian Currency.  
These financial statements were authorised for issue by Council on 21 September 2021. Council has the power to amend and reissue these financial statements.

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

Mandy Kynnersley CA BBus(Acc)  
**Principal Accounting Officer**  
Date : 21/09/2021  
33 Highett Street, Mansfield Vic 3722

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

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

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

Mark Holcombe  
**Mayor**  
Date : 21/09/2021  
33 Highett Street, Mansfield Vic 3722

Cr James Tehan  
**Councillor**  
Date: 21/09/2021  
33 Highett Street, Mansfield Vic 3722

Kaylene Conrick  
**Chief Executive Officer**  
Date : 21/09/2021  
33 Highett Street, Mansfield Vic 3722



Independent Auditor’s Report

To the Councillors of Mansfield Shire Council

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

Auditor’s responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none"><li>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.</li><li>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</li><li>evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li><li>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.</li><li>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.</li></ul> <p>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.</p>
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MELBOURNE  
23 September 2021

Sanchu Chummar  
as delegate for the Auditor-General of Victoria

# Comprehensive Income Statement

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates and charges	3.1	14,869	14,269
Statutory fees and fines	3.2	411	349
User fees	3.3	944	1,108
Grants - operating	3.4	6,772	5,127
Grants - capital	3.4	4,273	1,470
Contributions - monetary	3.5	424	195
Contributions - non-monetary	3.5	2,878	2,144
Other income	3.7	380	344
Total Income		30,951	25,006
Expenses			
Employee costs	4.1	10,979	9,205
Materials and services	4.2	8,738	7,832
Depreciation	4.3	3,844	3,812
Borrowing costs	4.4	106	122
Net loss on disposal of property, infrastructure, plant and equipment	3.6	380	121
Other expenses	4.5	280	296
Total expenses		24,327	21,388
Surplus / (deficit) for the year		6,624	3,618
Other comprehensive income - Items that will not be reclassified to surplus or deficit in future periods.			
Net asset revaluation increment/(decrement)	6.1	12,082	8,151
Total other comprehensive income for the year		12,082	8,151
TOTAL COMPREHENSIVE RESULT		18,706	11,769

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

# Balance Sheet

as at 30 June 2021

\$ '000	Notes	2021	2020
Assets			
Current Assets			
Cash and cash equivalents	5.1	6,032	5,099
Trade and other receivables	5.1	2,226	1,585
Other financial assets	5.1	10,308	9,299
Inventories	5.2	18	9
Other assets	5.2	2,566	1,870
Total current assets		21,150	17,862
Non-current Assets			
Trade and other receivables	5.1	25	51
Property, infrastructure, plant and equipment	6.1	209,508	192,893
Total non-current assets		209,533	192,944
Total Assets		230,683	210,806
Liabilities			
Current Liabilities			
Trade and other payables	5.3	1,987	1,233
Trust funds and deposits	5.3	1,361	1,084
Unearned Income	5.3	1,588	1,503
Provisions	5.5	2,002	1,881
Interest-bearing liabilities	5.4	193	183
Total current liabilities		7,131	5,884
Non-current liabilities			
Provisions	5.5	584	466
Interest-bearing liabilities	5.4	1,737	1,930
Total non-current liabilities		2,321	2,396
Total Liabilities		9,452	8,280
NET ASSETS		221,231	202,526
Equity			
Accumulated surplus	9.1	76,634	70,322
Reserves		144,597	132,203
TOTAL EQUITY		221,231	202,525

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

# Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	TOTAL	Accumulated Surplus	Revaluation Reserve	Other Reserves
<b>2021</b>					
Balance at beginning of the financial year		202,525	70,322	132,247	(44)
Surplus (Deficit) for the year		6,624	6,624	-	-
Other comprehensive income					
Net asset revaluation increment / (decrement)	6.1	12,082	-	12,082	
Other comprehensive income		12,082	-	12,082	-
Total comprehensive income		18,706	6,624	12,082	-
Transfers to other reserves	9.1 (b)	-	(408)	-	408
Transfers from other reserves	9.1 (b)	-	96	-	(96)
BALANCE AT END OF THE FINANCIAL YEAR		221,231	76,634	144,329	268

<b>2020</b>					
Balance at beginning of the financial year		190,996	66,495	124,096	405
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities		(240)	(240)	-	-
Surplus (Deficit) for the year		3,618	3,618	-	-
Other comprehensive income					
Net asset revaluation increment / (decrement)		8,151	-	8,151	
Other comprehensive income		8,151	-	8,151	-
Total comprehensive income		11,769	3,618	8,151	-
Transfers to other reserves	9.1 (b)	-	142	-	(142)
Transfers from other reserves	9.1 (b)	-	307	-	(307)
BALANCE AT END OF THE FINANCIAL YEAR		202,525	70,322	132,247	(44)

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

# Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Cash flows from operating activities		Inflows/(Outflows)	Inflows/(Outflows)
Statutory fees and fines		411	349
Other receipts		499	294
Rates and charges		14,806	13,912
User fees		284	1,240
Grants - operating		7,092	5,157
Grants - capital		3,477	1,470
Contributions - monetary		426	201
Interest received		92	198
Trust funds and deposits taken		277	134
Net GST refund / payment		1,105	1,053
Employee costs		(11,004)	(9,016)
Materials and services		(9,324)	(8,818)
Short-term, low value and variable lease payments		(7)	(8)
Other payments		(24)	(771)
Net cash provided by / (used in) operating activities	9.2	8,110	5,395
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(5,963)	(3,235)
Proceeds from sale of property, infrastructure, plant and equipment		84	77
Payments for investments		(1,009)	(15)
Net cash provided by / (used in) investing activities		(6,888)	(3,173)
Cash flows from financing activities			
Finance Costs		(106)	(122)
Repayment of borrowings		(183)	(199)
Net cash flow provided by / (used in) financing activities		(289)	(321)
Net increase (decrease) in cash and cash equivalents		933	901
Cash and cash equivalents at the beginning of the financial year		5,099	3,198
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		6,032	5,099

Financing arrangements	5.6	2,330	2,513
Restrictions on cash assets	5.1	1,361	1,084

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

\$ '000	Notes	2021	2020
Property			
Land		-	3
Land improvements		-	-
Total Land		-	3
Buildings		426	494
Total Buildings		426	494
Total property		426	497
Plant & Equipment			
Plant, machinery and equipment		704	445
Fixtures, fittings and furniture		11	24
Computers and telecommunications		-	57
Library books		45	47
Total plant and equipment		760	573
Infrastructure			
Roads		3,310	1,830
Footpaths and cycleways		161	161
Drainage		71	-
Recreational, leisure and community facilities		666	187
Off street car parks		569	-
Total Infrastructure		4,777	2,178
TOTAL CAPITAL WORKS EXPENDITURE		5,963	3,248

Represented by			
New asset expenditure		1,488	843
Asset renewal expenditure		3,499	933
Asset upgrade expenditure		976	1,472
TOTAL CAPITAL WORKS EXPENDITURE		5,963	3,248

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

INTRODUCTION

The Mansfield Shire Council was established by an Order of the Governor in Council on 28 October 2002 and is a body corporate.

The Council's main office is located at 33 Highett Street, Mansfield 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 *Australian Accounting Standards (AAS)*, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

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

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

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

- (i) the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- (ii) the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- (iii) the determination of employee provisions (refer to Note 5.5.).
- (iv) the determination of landfill provisions (refer to Note 5.5.)
- (v) 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)
- (vi) the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- (vii) other areas requiring judgments.

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

**(a) Impact of COVID-19**

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus. A state of disaster was subsequently declared on 2 August 2020.

While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

- + Additional revenue – \$1.9m from the State Government for programs including Working For Victoria (employment of staff displaced due to COVID-19), community connectivity and support, activation of outdoor dining spaces and information technology support for transition to online services.
- + Revenue reductions – No material reductions in income resulted from service closures due to COVID-19.
- + Revenue foregone – Council waived interest charges on overdue rates between 1 July 2020 and 31 January 2021. Council determined to waive fees in the 2020-21 budget for room hire, environmental health registrations, local law and work within road reserve permits and the community shopping bus. The estimated value of revenue forgone is \$0.2m.
- + Additional costs – Council expended the \$1.9m of grant funding received from the State on items including wages (\$1.4m), equipment hire for outdoor dining and community grants for events and programs to drive economic recovery.
- + Asset valuations – land values in the Mansfield Shire have increased remarkably as an indirect result of COVID-19. Population growth, partly driven by the ability to work remotely and the desire to relocate from metropolitan areas to regional Victoria have driven a 20% increase in land values, which has been reflected in the financial statements.

The performance against budget notes compare Council’s financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10% percent and \$200,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

1.1 INCOME AND EXPENDITURE					
\$ '000	Budget 2021	Actual 2021	Variance 2021	Variance 2021 %	Ref
Income and expenditure					
Rates and charges	14,719	14,869	150	1.0%	
Statutory fees and fines	324	411	87	27%	
User fees	953	944	(9)	(1)%	
Grants - operating	7,604	6,772	(832)	(11)%	1
Grants - capital	5,950	4,273	(1,677)	(28)%	2
Contributions - monetary	100	424	324	324%	3
Contributions - non-monetary	-	2,878	2,878	-	4
Other income	276	380	104	38%	
Total Income	29,926	30,951	1,025	3%	
Expenses					
Employee costs	11,309	10,979	330	3%	
Materials and services	8,094	8,738	(644)	(8)%	
Depreciation	3,686	3,844	(158)	(4)%	
Borrowing costs	110	106	4	4%	
Net loss on disposal of property, infrastructure, plant and equipment	-	380	(380)	-	5
Other expenses	298	280	18	6%	
Total expenses	23,497	24,327	(830)	(4)%	
SURPLUS / (DEFICIT) FOR THE YEAR	6,429	6,624	195	3%	

(i) Explanation of material variations

- 1
- GRANTS - OPERATING - The impact of AASB1058 has resulted in a decrease to operating grant income of \$999k. This is income that has been received as cash, but not yet recognised as income due to grant performance obligations having not yet been met. These impacts were not budgeted.
- 2
- GRANTS - CAPITAL - Grant income was budgeted for the Lords oval upgrade (\$3.2m), however Council were unable to secure grant funding for this. This is partly being offset by additional Resheeting grant income received of \$402k and Dual court stadium income received earlier than budgeted of \$702k.
- 3
- CONTRIBUTIONS - MONETARY - Developer contribution of \$332k received for road safety improvements which was not budgeted.
- 4
- CONTRIBUTIONS - NON-MONETARY - Non-monetary gifted assets are not budgeted. Council took on assets as a result of four new subdivisions.
- 5
- NET LOSS ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT - No net loss on disposal of property, plant and equipment is budgeted. Due to improved data capture including componetisation, capital works projects (renewal and upgrade) now result in a portion of the original asset being disposed.

1.2 CAPITAL WORKS					
\$ '000	Budget 2021	Actual 2021	Variance 2021	Variance 2021 %	Ref
Property					
Land	75	-	(75)	100%	
Total Land	75	-	(75)	100%	
Buildings	603	426	(177)	(29)%	
Total Buildings	603	426	(177)	(29)%	
Total property	678	426	(252)	(37)%	
Plant and equipment					
Plant, machinery and equipment	469	704	235	50%	1
Fixtures, fittings and furniture	23	11	(12)	(52)%	
Computers and telecommunications	81	-	(81)	100%	
Library books	-	45	45	0.00%	
Total plant and equipment	573	760	187	33%	
Infrastructure					
Roads	5,237	3,310	(1,927)	(37)%	2
Bridges	286	-	(286)	100%	3
Footpaths and cycleways	87	161	74	85%	
Drainage	200	71	(129)	(65)%	
Recreational, leisure and community facilities	5,608	666	(4,942)	(88)%	4
Waste management	90	-	(90)	100%	
Parks, open space and streetscapes	779	-	(779)	100%	5
Off street car parks	1,400	569	(831)	(59)%	6
Other infrastructure	100	-	(100)	100%	
Total infrastructure	13,787	4,777	(9,010)	(65)%	
TOTAL CAPITAL WORKS EXPENDITURE	15,038	5,963	(9,075)	(60)%	

\$ '000	Budget 2021	Actual 2021	Variance 2021	Variance 2021 %	Ref
Represented by					
New asset expenditure	7,146	1,488	(5,658)	(79)%	
Asset renewal expenditure	6,750	3,499	(3,251)	(48)%	
Asset upgrade expenditure	1,142	976	(166)	(15)%	

(i) Explanation of material variations

1	\$278k budget was carried forward from the 2019/20 year for a water truck which was received in July 2020.
2	Works not yet fully completed, and will be carried forward to the 2021/22 year including \$488k resheets, \$187k kerb & channel & \$670k View Street. View Street road works project is ongoing, however expected to be under budget by approximately \$700k.
3	Bridge renewal works of \$185k have not yet been undertaken. Scope has been reduced and \$69k is likely to carry forward to 2021/22. Bridge structural assessment of \$100k was budgeted in capital, however was an operating expense (actual \$30k).
4	\$3.7m was budgeted for works on the Lords oval however no grant funding has been secured, therefore the project has been put on hold. \$1.7m was budgeted to be paid for the Dual Court Stadium, however work not yet completed. Offset by costs included here which were budgeted in Parks, open space and streetscapes (Botanic park \$517k, Streetscapes \$43k & \$48k Football nets).
5	Botanic Park, Streetscape & Football nets budgeted here, allocated to Recreation, leisure & community (total actual cost \$608k).
6	Dual court stadium carpark completed under budget.

2.1 ANALYSIS OF COUNCIL RESULTS BY PROGRAM

Council delivers its functions and activities through the following programs.

**BUSINESS & PERFORMANCE** - Information technology, and finance functions include accounting and reporting, payroll, accounts payable and receivable, property rating, procurement and depreciation costs.

**COMMUNITY & ECONOMIC DEVELOPMENT** - Economic development, tourism and events, library, arts and culture, community development, sport and recreation, customer service and records management.

**COMMUNITY HEALTH & WELLBEING** - Community and home care services, maternal and child health, integrated family services, financial counselling and youth services.

**COMMUNITY SAFETY**- Local laws, animal management, environmental health, domestic wastewater, municipal emergency management.

**EXECUTIVE SERVICES** - Executive Services includes the Chief Executive Officer and executive management.

**FIELD SERVICES** - Maintenance and upkeep of Councils parks and open spaces, roads, pathways and fleet.

**GOVERNANCE & RISK** - Corporate governance and risk activities including regulatory compliance, insurance, strategic risk management, Councillors and elections, and corporate reporting.

**OPERATIONS & CAPITAL WORKS** - Engineering services, infrastructure planning and delivery, building maintenance and asset management.

**PEOPLE & CULTURE**- Human resource management and occupational health and safety.

**PLANNING & ENVIRONMENT** - Statutory planning, strategic planning, environment and waste management.

2.2 SUMMARY OF REVENUES, EXPENSES, ASSETS AND CAPITAL EXPENSES BY PROGRAM

2021

Functions Activities	Income	Expenses	Surplus / (Deficit)	Grants included in Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Business & Performance	14,912	5,313	9,599	2,138	21,215
Community & Economic Development	1,523	2,696	(1,173)	1,387	193
Community Health & Wellbeing	1,662	2,219	(557)	1,335	-
Community Safety	370	925	(555)	121	-
Executive Services	2	989	(987)	-	-
Field Services	1,176	2,849	(1,673)	1,165	104,142
Governance & Risk	26	991	(965)	21	-
Operations & Capital Works	6,978	1,923	5,055	3,505	105,133
People & Culture	1,336	2,139	(803)	1,318	-
Planning & Environment	2,966	4,283	(1,317)	55	-
TOTAL FUNCTIONS AND ACTIVITIES	30,951	24,327	6,624	11,045	230,683

2020

Functions Activities	Income	Expenses	Surplus / (Deficit)	Grants included in Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Business & Performance	14,946	6,248	8,698	2,572	18,021
Community & Economic Development	187	2,115	(1,928)	42	166
Community Health & Wellbeing	1,512	1,871	(359)	1,198	-
Community Safety	640	922	(282)	306	-
Executive Services	-	675	(675)	-	-
Field Services	954	2,732	(1,778)	948	102,303
Governance & Risk	-	837	(837)	-	-
Operations & Capital Works	4,008	1,491	2,517	1,470	90,316
People & Culture	10	655	(645)	-	-
Planning & Environment	2,749	3,842	(1,093)	61	-
Unattributed	-	-	-	-	(1)
TOTAL FUNCTIONS AND ACTIVITIES	25,006	21,388	3,618	6,597	210,805

3.1 RATES AND CHARGES

Council uses capital improved value as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its land plus all improvements on that land.

The valuation base used to calculate general rates for 2020/21 was \$4,011 million (2019/20: \$3,738 million).

\$ '000	2021	2020
General Rates	9,878	9,578
Municipal charge	2,506	2,407
Waste management charge	258	306
Service rates and charges	1,978	1,821
Supplementary rates and rate adjustments	187	107
Interest on rates and charges	62	50
TOTAL RATES AND CHARGES	14,869	14,269

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2021, and the valuation will be first applied in the rating year commencing 1 July 2021.

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

3.2 STATUTORY FEES AND FINES

\$ '000	2021	2020
Infringements and costs	37	29
Land information certificates	30	22
Permits	344	298
TOTAL STATUTORY FEES AND FINES	411	349

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

3.3 USER FEES

\$ '000	2021	2020
Aged and health services	327	315
Leisure centre and recreation	64	93
Registration and other permits	84	190
Building services	15	13
Waste management services	338	319
Local laws	91	95
Other fees and charges	25	83
Total user fees	944	1,108
User fees by timing of revenue recognition		
User fees recognised at a point in time	944	1,108
TOTAL USER FEES	944	1,108

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

**3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT**

\$ '000	2021	2020
Summary of grants - Grants were received in respect of the following:		
Commonwealth funded grants	6,682	5,242
State funded grants	4,363	1,355
<b>TOTAL GRANTS RECEIVED</b>	<b>11,045</b>	<b>6,597</b>

Grants received are categorised as follows:

(a) Operating Grants

(b) Capital Grants

(c) Unspent Grants received on condition that they be spent in a specific manner

Operating grant income with sufficiently specific performance obligations is recognised over time, in accordance with AASB 15, as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific operating grant revenue is recognised, in accordance with AASB 1058, on the earlier of receipt or when an unconditional right to receipt has been established.

Capital grants are recognised over time, in accordance with AASB 1058, when the obligations of the underlying agreement are met. This is normally in line with the stage of completion of the underlying non-financial assets being constructed.

\$ '000

2021

2020

**(a) Operating grants****Recurrent - Commonwealth Government**

Financial assistance grants	2,926	3,512
General home care	344	332
Adult day care	52	124

**Recurrent - State Government**

School crossing supervisors	30	31
Library	131	128
Maternal and child health	257	229
Adult day care	-	7
General home care	111	108
Family and children	318	286
Community support	10	15
Environmental health	11	14
Property and valuations	1	1
Youth services	25	25
Emergency management	68	-
Other	-	8

**Total recurrent operating grants**

	<b>4,284</b>	<b>4,820</b>
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**Non-recurrent - Commonwealth Government**

General home care	9	9
Other	21	-

**Non-recurrent - State Government**

Family and children	93	84
Maternal & child health	3	-
Community support	255	-
Waste	10	-
Emergency management	-	95
Environment	34	24
Property and valuations	51	-
Tourism	-	2
Strategic planning	11	37
Economic development	248	-
Working for Victoria	1,318	-
Information technology	100	-
Youth services	70	54
Bushfire recovery	280	-
Other	15	2

**Total non-recurrent operating grants**

	<b>2,488</b>	<b>307</b>
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**TOTAL OPERATING GRANTS**

	<b>6,772</b>	<b>5,127</b>
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3.4 FUNDING FROM OTHER LEVELS OF GOVERNMENT CONTINUED		
\$ '000	2021	2020
(b) Capital grants		
Recurrent - Commonwealth Government		
Roads to recovery	593	592
Total recurrent capital grants	593	592
Non-recurrent - Commonwealth Government		
Recreation	1,887	673
Roads, footpaths and bridges	850	-
Non-recurrent - State Government		
Roads, footpaths and bridges	702	137
Waste	-	68
Recreation	241	-
Total non-recurrent capital grants	3,680	878
TOTAL CAPITAL GRANTS	4,273	1,470
(c) Unspent grants received on condition that they be spent in a specific manner		
Operating		
Balance at start of year	1,242	350
Received during the financial year and remained unspent at balance date	553	1,130
Received in prior years and spent during the financial year	(360)	(238)
Balance at year end	1,435	1,242
Capital		
Balance at start of year	661	712
Received during the financial year and remained unspent at balance date	1,279	422
Received in prior years and spent during the financial year	(616)	(473)
Balance at year end	1,324	661

Operating grant income with sufficiently specific performance obligations is recognised over time, in accordance with AASB 15, as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific operating grant revenue is recognised, in accordance with AASB 1058, on the earlier of receipt or when an unconditional right to receipt has been established.

Capital grants are recognised over time, in accordance with AASB 1058, when the obligations of the underlying agreement are met. This is normally in line with the stage of completion of the underlying non-financial assets being constructed.

3.5 CONTRIBUTIONS		
\$ '000	2021	2020
Monetary	424	195
Total monetary contributions	424	195
Non-monetary	2,878	2,144
Total non-monetary contributions	2,878	2,144
TOTAL CONTRIBUTIONS	3,302	2,339
Contributions of non monetary assets were received in relation to the following asset classes:		
Land under roads	120	7
Roads	1,324	922
Footpaths and cycleways	261	330
Drainage	1,173	885
Total non-monetary contributions	2,878	2,144

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

3.6 NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
\$ '000	2021	2020
Property, infrastructure, plant and equipment		
Proceeds of sale	84	77
Written down value of assets disposed	(464)	(198)
TOTAL NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	(380)	(121)

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		
\$ '000	2021	2019
Interest	92	198
Other Rent	102	51
Other	186	95
TOTAL OTHER INCOME	380	344

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.

4.1(a). EMPLOYEE COSTS		
\$ '000	2021	2020
Wages and salaries	8,915	7,463
WorkCover	111	106
Annual leave and long service leave	897	860
Superannuation	859	741
Fringe benefits tax	19	24
Other	178	11
TOTAL EMPLOYEE COSTS	10,979	9,205

4.1(b). SUPERANNUATION - Council made contributions to the following funds:		
\$ '000	2021	2020
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	17	17
	17	17
Employer contributions payable at reporting date	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	276	274
Employer contributions - other funds	566	450
	842	724
TOTAL SUPERANNUATION COSTS	859	741

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

4.2 MATERIALS AND SERVICES		
\$ '000	2021	2020
Utilities	377	413
Information technology software and hardware costs	446	307
Insurance	298	276
Consultants	1,002	738
Expenses from leases of low value assets	7	8
Store issues	92	96
Repairs, maintenance and security	192	141
Advertising and promotion	75	59
Legal expenses	256	140
Memberships and subscriptions	71	61
Printing, copying, stationery and postage	127	88
Staff training and professional development	194	191
Waste disposal and contract costs	2,467	2,468
Community contributions	532	143
Fuel	86	101
Cleaning expenses	151	176
Levies	32	33
Contract payments		
Asset management	138	177
Building services	84	90
Aged services	116	92
Pool operations	127	121
Other materials and services		
Community services	272	292
Development services	275	307
Tourism and events	266	178
Engineering and works	618	856
Administration and governance	361	194
Other	76	86
TOTAL MATERIALS AND SERVICES	8,738	7,832

4.3 DEPRECIATION		
\$ '000	2021	2020
Buildings - specialised	534	357
Total depreciation - property	534	357
Plant and equipment		
Plant and equipment	427	420
Fixtures, fittings and furniture	27	27
Computers and telecomms	59	100
Library books	38	42
Total depreciation - plant and equipment	551	589
Infrastructure		
Roads	2,017	1,982
Bridges	215	216
Footpaths and cycleways	181	175
Drainage	209	196
Recreational, leisure and community	114	240
Off street car parks	23	57
Total depreciation - infrastructure	2,759	2,866
TOTAL DEPRECIATION	3,844	3,812

Refer to note 6.1 for a more detailed breakdown of depreciation charges.

4.4 BORROWING COSTS		
\$ '000	2021	2020
Interest - Borrowings	106	122
TOTAL BORROWING COSTS	106	122

4.5 OTHER EXPENSES		
\$ '000	2021	2020
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	45	44
Auditor's remuneration - Internal	33	37
Councillor's allowances	148	160
Revaluation expense	-	6
Other	54	49
TOTAL OTHER EXPENSES	280	296

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.

5.1 FINANCIAL ASSETS		
\$ '000	2021	2020
(a) Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	6,031	5,098
Total current cash and cash equivalents	6,032	5,099
(b) Other financial assets		
Term deposits	10,308	9,299
Total current other financial assets	10,308	9,299
TOTAL FINANCIAL ASSETS	16,340	14,398

**External restrictions**  
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits	1,361	1,084
Total restricted funds	1,361	1,084
Total unrestricted cash and cash equivalents	4,671	4,015

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

Cash held to fund carried forward capital works	-	712
Unexpended grants	2,759	1,903
Reserve funds	693	285
Total funds subject to intended allocations	3,452	2,900

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

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

\$ '000	2021	2020
(c) Trade and other receivables		
CURRENT		
Statutory receivables		
Rates debtors	1,128	1,065
Net GST receivables	315	327
Non-statutory receivables		
Other debtors	783	193
Total current trade and other receivables	2,226	1,585
NON-CURRENT		
Statutory receivables		
Special rate scheme	25	51
Total current other financial assets	25	51
TOTAL TRADE AND OTHER RECEIVABLES	2,251	1,636

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:	2021	2020
Current (not yet due)	699	142
Past due by up to 30 days	36	21
Past due between 31 and 180 days	39	24
Past due between 181 and 365 days	5	2
Past due by more than 1 year	4	4
TOTAL TRADE AND OTHER RECEIVABLES	783	193

5.2 NON-FINANCIAL ASSETS		
\$ '000	2021	2020
(a) Inventories		
Current		
Inventories held for distribution	18	9
<b>TOTAL CURRENT INVENTORIES</b>	<b>18</b>	<b>9</b>

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

(b) Other assets		
Current		
Prepayments	1,795	1,834
Accrued income - interest	16	36
Accrued income - other	755	-
<b>TOTAL CURRENT OTHER ASSETS</b>	<b>2,566</b>	<b>1,870</b>

5.3 PAYABLES		
\$ '000	2021	2020
(a) Trade and other payables		
Current		
Trade payables	1,623	953
Accrued expenses	357	265
Employee costs	-	4
Accrued loan interest	7	11
<b>TOTAL CURRENT TRADE AND OTHER PAYABLES</b>	<b>1,987</b>	<b>1,233</b>

5.3 PAYABLES CONTINUED		
\$ '000	2021	2020
(b) Trust funds and deposits		
Refundable deposits	216	201
Fire services levy	350	332
Retention amounts	466	233
Other refundable deposits	14	10
Cemetery trusts	315	308
<b>TOTAL CURRENT TRUST FUNDS AND DEPOSITS</b>	<b>1,361</b>	<b>1,084</b>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

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

**FIRE SERVICE LEVY** - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

**CEMETERY TRUSTS** - Council is the trustee for the Mansfield, Bonnie Doon, Jamieson and Merton cemeteries.

**RETENTION AMOUNTS** - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warranty 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.

(c) Unearned income	2021	2020
Grants received in advance - operating	999	873
Grants received in advance - capital	589	630
<b>TOTAL GRANTS RECEIVED</b>	<b>1,588</b>	<b>1,503</b>

5.4 INTEREST-BEARING LIABILITIES		
\$ '000	2021	2020
Current		
Borrowings secured	193	183
	193	183
Non-current		
Borrowings secured	1,737	1,930
	1,737	1,930
TOTAL INTEREST BEARING LIABILITIES	1,930	2,113

Borrowings are secured by rate income.

(a) The maturity profile for Council's borrowings is:	2021	2020
Not later than one year	193	183
Later than one year and not later than five years	884	838
Later than five years	853	1,092
	1,930	2,113

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

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

5.5 PROVISIONS

2021			
\$ '000	Employee Provisions	Landfill restoration	Total
Balance at beginning of the financial year	1,972	375	2,347
Additional provisions	927	344	1,271
Amounts used	(940)	(54)	(994)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(10)	(28)	(38)
BALANCE AT END OF THE FINANCIAL YEAR	1,949	637	2,586

2020			
\$ '000	Employee Provisions	Landfill restoration	Total
Balance at beginning of the financial year	1,898	357	2,255
Additional provisions	823	91	914
Amounts used	(781)	(78)	(859)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	32	5	37
BALANCE AT END OF THE FINANCIAL YEAR	1,972	375	2,347

5.5 PROVISIONS CONTINUED		
\$ '000	2021	2020
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	706	667
Long service leave	127	172
	833	839
Current provisions expected to be wholly settled after 12 months		
Annual leave	54	37
Long service leave	907	922
	961	959
Total current employee provisions	1,794	1,798
Non-current		
Long service leave	155	174
Total non-current employee provisions	155	174
Aggregate carrying amount of employee provisions:		
Current	1,794	1,798
Non-current	155	174
Total aggregate carrying amount of employee provisions	1,949	1,972

Key assumptions	2021	2020
Discount rate	1.13%	0.66%
Inflation rate	2.95%	2.00%

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

WAGES AND SALARIES AND ANNUAL LEAVE

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

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

LONG SERVICE LEAVE

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

5.5 PROVISIONS CONTINUED		
\$ '000	2021	2020
(b) Landfill restoration		
Current	208	83
Total Current	208	83
Non-current	429	292
Total Non-current	429	292

Council is obligated to restore the Monkey Gully Road Landfill site (which is now closed) to a particular standard. Council are also obliged to make some initial assessments on four other closed landfills across the municipality.

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 currently has no operating landfills.

Key assumptions	2021	2020
Discount rate	0.78%	0.77%
Inflation rate	1.10%	2.00%

5.6 FINANCING ARRANGEMENTS		
\$ '000	2021	2020
Council has the following funding arrangements in place as at 30 June 2021		
Bank overdraft	300	300
Credit card facilities	100	100
Loan facilities	1,930	2,113
Total facilities	2,330	2,513
Used facilities	1,930	2,151
Unused facilities	400	362

5.7 COMMITMENTS

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

	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
2021					
Operating					
Recycling	776	611	624	-	2,011
Waste collection	868	885	903	-	2,656
Cleaning contracts for council buildings	64	30	61	-	155
Waste disposal	549	560	571	-	1,680
Building regulation services	100	-	-	-	100
Asset management bureau service	231	165	-	-	396
Strategies & reviews	173	-	-	-	173
Infrastructure & maintenance	67	-	-	-	67
Office furniture	44	-	-	-	44
Total	2,872	2,251	2,159	-	7,282
Capital					
Dual court stadium	1,679	-	-	-	1,697
Roads & footpaths	1,789	-	-	-	1,789
Recreational facilities	288	-	-	-	288
Bridges	69	-	-	-	69
Total	3,825	-	-	-	3,825

5.7 COMMITMENTS CONTINUED

	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
2020					
Operating					
Recycling	552	563	1,161	-	2,276
Waste collection	900	918	1,892	-	3,710
Cleaning contracts for council buildings	56	8	8	-	72
Waste disposal	438	447	920	-	1,805
Building regulation services	60	-	-	-	60
Asset management bureau service	152	231	166	-	549
Strategies & reviews	329	-	-	-	329
Total	2,487	2,167	4,147	-	8,801
Capital					
Buildings	35	-	-	-	35
Dual Court Stadium	1,679	-	-	-	1,679
Roads and footpaths	364	-	-	-	364
Plant	306	-	-	-	306
Total	2,384	-	-	-	2,384

5.8 LEASES

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

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

**This policy is applied to contracts entered into, or changed, on or after 1 July 2020.**

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

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

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

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

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

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

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

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

LEASE LIABILITIES

Short-term and low value leases

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

\$'000	2021	2020
Expenses related to:		
Leases of low value assets	7	8
Total	7	8
Non-cancellable lease commitments - Short-term and low-value leases - Commitments for minimum lease payments for short-term and low-value leases are payable as follows:		
Within one year	8	8
Later than one year but not later than five years	18	23
TOTAL LEASE COMMITMENTS	26	31

## 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment								
\$ '000	At Fair Value 30 June 2020	Additions	Contributions	Revaluation	Depreciation	Disposal	Transfers	At Fair Value 30 June 2021
Property	49,710	202	120	9,977	(534)	(22)	-	59,453
Plant and equipment	2,274	760	-	20	(551)	(47)	-	2,456
Infrastructure	140,547	4,117	2,757	2,085	(2,759)	(394)	229	146,582
Work in progress	362	884	-	-	-	-	(229)	1,017
<b>TOTAL</b>	<b>192,893</b>	<b>5,963</b>	<b>2,877</b>	<b>12,082</b>	<b>(3,844)</b>	<b>(463)</b>	<b>-</b>	<b>209,508</b>

Summary of work in progress				
\$ '000	Opening WIP	Additions	Transfers	Closing WIP
Infrastructure	362	884	(229)	1,017
<b>TOTAL</b>	<b>362</b>	<b>884</b>	<b>(229)</b>	<b>1,017</b>

Property						
\$ '000	Land specialised	Land non-specialised	Land under roads	Total land and land improvements	Buildings specialised	Total property
At fair value 1 July 2020	13,861	3,741	11,309	<b>28,911</b>	30,119	<b>59,030</b>
Accumulated depreciation at 1 July 2020	-	-	-	-	(9,320)	<b>(9,320)</b>
<b>Carrying value - 1 July 2020</b>	<b>13,861</b>	<b>3,741</b>	<b>11,309</b>	<b>28,911</b>	<b>20,799</b>	<b>49,710</b>
<b>Movements in fair value</b>						
Additions	-	-	-	-	202	<b>202</b>
Contributions	-	-	120	<b>120</b>	-	<b>120</b>
Revaluation	2,772	748	6,457	<b>9,977</b>	-	<b>9,977</b>
Disposal	-	-	-	-	(34)	<b>(34)</b>
<b>Total movements in fair value</b>	<b>2,772</b>	<b>748</b>	<b>6,577</b>	<b>10,097</b>	<b>168</b>	<b>10,265</b>
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	-	-	-	-	(534)	<b>(534)</b>
Accumulated depreciation of disposals	-	-	-	-	12	<b>12</b>
<b>Total movements in accumulated depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(522)</b>	<b>(522)</b>
At fair value 30 June 2021	16,633	4,489	17,886	<b>39,008</b>	30,287	<b>69,295</b>
Accumulated depreciation at 30 June 2021	-	-	-	-	(9,842)	<b>(9,842)</b>
<b>Carrying value - 30 June 2021</b>	<b>16,633</b>	<b>4,489</b>	<b>17,886</b>	<b>39,008</b>	<b>20,445</b>	<b>59,453</b>

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED					
Plant and equipment					
\$ '000	Plant machinery and equipment	Fixtures, fittings and furniture	Computers and telecomms	Library books	Total plant and equipment
At fair value 1 July 2020	4,531	298	593	415	5,837
Accumulated depreciation at 1 July 2020	(2,613)	(225)	(476)	(249)	(3,563)
<b>Carrying value - 1 July 2020</b>	<b>1,918</b>	<b>73</b>	<b>117</b>	<b>166</b>	<b>2,274</b>
<b>Movements in fair value</b>					
Additions	704	11	-	45	760
Revaluation	-	-	-	111	111
Disposal	(230)	(63)	(118)	(62)	(473)
<b>Total movements in fair value</b>	<b>474</b>	<b>(52)</b>	<b>(118)</b>	<b>94</b>	<b>398</b>
<b>Movements in accumulated depreciation</b>					
Depreciation	(427)	(27)	(59)	(38)	(551)
Accumulated depreciation of revaluations	182	64	118	62	426
Accumulated depreciation of disposals	-	-	-	(91)	(91)
<b>Total movements in accumulated depreciation</b>	<b>(245)</b>	<b>37</b>	<b>59</b>	<b>(67)</b>	<b>(216)</b>
At fair value 30 June 2021	5,005	246	475	509	6,235
Accumulated depreciation at 30 June 2021	(2,858)	(188)	(417)	(316)	(3,779)
<b>Carrying value - 30 June 2021</b>	<b>2,147</b>	<b>58</b>	<b>58</b>	<b>193</b>	<b>2,456</b>

Infrastructure									
\$ '000	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Off street car parks	Total infrastructure (exc. work in progress)	Work in progress	Total infrastructure
At fair value 1 July 2020	124,937	26,198	7,862	20,199	4,516	1,140	184,852	362	185,214
Accumulated depreciation at 1 July 2020	(24,561)	(10,897)	(1,379)	(6,116)	(1,200)	(152)	(44,305)	-	(44,305)
<b>Carrying value - 1 July 2020</b>	<b>100,376</b>	<b>15,301</b>	<b>6,483</b>	<b>14,083</b>	<b>3,316</b>	<b>988</b>	<b>140,547</b>	<b>362</b>	<b>140,909</b>
<b>Movements in fair value</b>									
Additions	2,714	-	161	59	614	569	4,117	884	5,001
Contributions	1,324	-	261	1,172	-	-	2,757	-	2,757
Revaluation	-	2,226	-	991	-	-	3,217	-	3,217
Disposal	(1,289)	-	-	-	(5)	-	(1,294)	-	(1,294)
Transfers	11	-	146	-	53	19	229	(229)	-
<b>Total movements in fair value</b>	<b>2,760</b>	<b>2,226</b>	<b>568</b>	<b>2,222</b>	<b>662</b>	<b>588</b>	<b>9,026</b>	<b>655</b>	<b>9,681</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	(2,017)	(215)	(181)	(209)	(113)	(24)	(2,759)	-	(2,991)
Accumulated depreciation of disposals	900	-	-	-	-	-	900	-	900
Accumulated depreciation of revaluations	-	(1,149)	-	17	-	-	(1,132)	-	(1,132)
<b>Total movements in accumulated depreciation</b>	<b>(1,117)</b>	<b>(1,364)</b>	<b>(181)</b>	<b>(192)</b>	<b>(113)</b>	<b>(24)</b>	<b>(2,991)</b>	<b>-</b>	<b>(2,759)</b>
At fair value 30 June 2021	127,697	28,424	8,430	22,421	5,178	1,728	193,878	1,017	194,895
Accumulated depreciation at 30 June 2021	(25,678)	(12,261)	(1,560)	(6,308)	(1,314)	(175)	(47,296)	-	(47,296)
<b>Carrying value - 30 June 2021</b>	<b>102,019</b>	<b>16,163</b>	<b>6,870</b>	<b>16,113</b>	<b>3,864</b>	<b>1,553</b>	<b>146,582</b>	<b>1,017</b>	<b>147,599</b>

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED		
Asset recognition thresholds and depreciation periods	Depreciation Period years	Threshold Limit \$ '000
Land		
Land	Not applicable	-
Land under roads	Not applicable	-
Buildings		
Buildings	15-100	5
Plant and Equipment		
Plant, machinery and equipment	5-10	2
Fixtures, fittings and furniture	2-10	2
Computers and telecommunications	2-10	2
Library books	2-12	2
Infrastructure		
Roads & Off Street Car Parks		
Road pavements	30-160	5
Seals and asphalt	20-30	5
Road formation (95% residual) and earthworks	2,000	5
Road kerb, channel and minor culverts	75	5
Bridges		
Bridges deck	130	5
Bridges substructure	130	5
Bridges other	130	5
Footpaths and cycleways	15-80	5
Drainage	100	5
Recreation, Leisure & Community	10-2,000	5

ACQUISITION

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

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

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

LAND UNDER ROADS

Council recognises land under roads it controls at fair value.

DEPRECIATION

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to 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.

Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed below 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.

FAIR VALUE

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.

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

VALUATION OF LAND AND BUILDINGS

Valuation of land was undertaken by a qualified independent valuer, LG Valuation Services registration no 2013.

Valuation of buildings was undertaken by Assetic Pty Ltd, by Ashay Prabhu MIE(Aust) CPEng, NPER: Membership 1102199.

The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

As an indirect result of COVID-19, land values have increased dramatically over the past year. Therefore an index based valuation was conducted in the current year, resulting in an increase of 20%. As a result of this unusual movement, Council will conduct a full valuation of land in the 2021/22 year.

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

\$ '000	Level 1	Level 2	Level 3	Date of Valuation
Non-specialised land	-	4,489	-	01/01/20
Specialised land	-	-	16,633	01/01/20
Land under roads	-	-	17,886	30/06/21
Specialised buildings	-	-	20,445	30/06/20
TOTAL	-	4,489	54,964	

VALUATION OF INFRASTRUCTURE

Valuations of infrastructure assets have been determined in accordance with a valuation undertaken by Assetic Pty Ltd by Ashay Prabhu MIE(Aust) CPEng, NPER: Membership 1102199.

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

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Details of the Council’s infrastructure and information about the fair value hierarchy as at 30 June 2021 are as follows:

\$ '000	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	102,019	30/06/19
Bridges	-	-	16,163	30/06/21
Footpaths and cycleways	-	-	6,870	30/06/19
Drainage	-	-	16,113	30/06/21
Recreational, leisure and community facilities	-	-	3,864	30/06/20
Off street car parks	-	-	1,553	30/06/20
TOTAL	-		146,582	

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

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 25% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$750 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$250 to \$4,184 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure asses are determined on the basis of the current condition of the asset and vary from 15 years to 2000 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.

\$'000	2021	2020
Reconciliation of specialised land		
Land under roads	17,886	13,861
Land	16,633	11,309
TOTAL SPECIALISED LAND	34,519	25,170

6.2 INVESTMENTS IN JOINT ARRANGEMENTS

High Country Library Network shared services agreement

Mansfield Shire Council entered into a three year joint arrangement for library services with Alpine Shire Council, Wangaratta Rural City Council and Benalla Rural City Council. Mansfield Shire Council's contribution is 14% of the total cost of the service.

The amounts recognised in the financial statements relating to the joint arrangement are shown as follows:

\$'000	2021	2020
Expenses (materials and services)	52	47
Property, plant and equipment at fair value (library books)	45	47
TOTAL CONTRIBUTION TO JOINT ARRANGEMENTS	97	94

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.

The High Country Library Network shared services agreement is a joint operation. Council recognises contributions to the High Country Library Network as operating expenses where related to the management and operation of the library network, and capital expenditure where related to the purchase of library books on Council's behalf (refer note 6.1).

There are no contingent assets or contingent liabilities in relation to joint arrangements.

7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION

(a) RELATED PARTIES

PARENT ENTITY

Mansfield Shire Council is the parent entity

SUBSIDIARIES

Mansfield Public Cemetery Trust

By virtue of the fact that the councillors of Mansfield Shire Council form the whole of the Board of Trustees of the Mansfield Public Cemetery Trust, this entity is considered to be a controlled entity under AASB 10: Consolidated Financial Statements. It's operating results, assets and liabilities have not been included in the accounts on the basis that they are not material individually or in aggregate.

JOINT ARRANGEMENTS

Interests in joint arrangements are detailed in Note 6.2.

(b) KEY MANAGEMENT PERSONNEL

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

COUNCILLORS

- + Cr Harry Westendorp (Mayor until 12/11/19, Councillor until 24/10/20)
- + Cr Peter Olver (until 24/10/20)
- + Cr Marg Attley (Mayor from 12/11/19, until 24/10/20)
- + Cr Paul Volkering (until 24/10/20)
- + Cr Paul Sladdin
- + Mayor Holcombe (from 24/11/20)
- + Cr James Tehan (from 24/11/20)
- + Cr Steve Rabie (from 24/11/20)
- + Cr Rohan Webb (from 24/11/20)

	No. 2021	No. 2020
Total Number of Councillors	9	5
Chief Executive Officer	1	1
General Manager Infrastructure and Planning	1	-
General Manager Corporate and Community Services (to 13/5/21)	1	-
Interim General Manager Corporate and Community Services (from 13/5/21)	1	-
Chief Executive Officer	-	1
Interim Chief Executive Officer	-	1
Finance Manager	-	1
Infrastructure Manager	-	1
Infrastructure Manager	-	1
Community Services Manager	-	1
Development Services Manager	-	1
Corporate and Organisational Development Manager	-	1
TOTAL NUMBER OF KEY MANAGEMENT PERSONNEL	13	14

(c) REMUNERATION OF KEY MANAGEMENT PERSONNEL

Total remuneration of key management personnel was as follows:

\$'000	2021	2020
Short term benefits	657	1,054
Long-term benefits	6	14
Post employment benefits	46	95
Termination benefits	-	204
TOTAL	709	1,367

7.1 COUNCIL AND KEY MANAGEMENT REMUNERATION CONTINUED

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

Remuneration Band	No. 2021	No. 2020
\$1 - \$9,999	3	-
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	3	3
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	-	1
\$80,000 - \$89,999	-	2
\$100,000 - \$109,999	1	-
\$120,000 - \$129,999	-	1
\$140,000 - \$149,999	-	3
\$150,000 - \$159,999	-	1
\$170,000 - \$179,999	1	-
\$250,000 - \$259,999	1	1
TOTAL NUMBER OF KEY MANAGEMENT PERSONNEL	13	14

(d) SENIOR OFFICER REMUNERATION

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

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

There have been **no Senior Officers** during the reporting period.

7.2 RELATED PARTY DISCLOSURE

(a) TRANSACTIONS WITH RELATED PARTIES

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

\$ '000		Notes	2021	2020
Expenses	Expense reimbursements	a	1	5
Expenses	Printing and stationery	b	-	12
Expenses	Materials and services	c	4	-
Expenses	Salaries and wages	d	55	-
Income	Home care services	e	-	(2)
TOTAL			60	15

Notes.

- a. Expense reimbursements are made to staff and councillors for expenditure incurred in direct connection with their role with Council.
- b. In prior year, printing and embroidery services were procured from Mansfield Printing & Embroidery which was a related party of a key management personnel at the time.
- c. Materials and Services relates to staff counselling services provided by a spouse of a Key Management Personnel.
- d. Salaries and Wages - a related party of a councillor was employed by Council. The salary is paid at commercial and market rates, and the related party was employed on the same terms, including performance requirements, as any other staff member within Council.
- e. In prior year, home care services were provided to a parent of a key management personnel.

All other expense and income transactions are incurred on normal business terms and conditions.

(b) OUTSTANDING BALANCES WITH RELATED PARTIES

There are no outstanding balances or commitments with any related party.

8.1 CONTINGENT ASSETS AND LIABILITIES

(a) CONTINGENT ASSETS

There are no contingent assets of which Council is aware at balance date.

(b) CONTINGENT 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.

SUPERANNUATION

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

Future superannuation contributions

In addition to the disclosed contributions, Mansfield Shire has paid unfunded liability payments to Vision Super totalling \$NIL during the 2020-21 year (2019-20 \$NIL). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$NIL.

LANDFILL

Until 30 June 2007 Council operated a landfill at Monkey Gully Road, Mansfield which did not accept putrescible waste. Council are obligated to restore the landfill site to EPA requirements which includes regular environmental audits. Council have received a draft financial assurance calculation report from Meinhart Australia Pty Ltd. which has been used to calculate the provision, however during the project contingencies may arise. The amount of this potential contingency cannot be determined.

As of 1 July 2021, Council are required to report to the EPA on any closed landfills that were not operated under an EPA license in past years. In preparation for the change in legislation, and assessment was undertaken and identified four potential sites upon which remediation works may need to be performed.

A provision has been made as at 30 June 2021 for the cost of the initial assessment of the four identified closed landfills. This amount has been included as a current liability, assuming the assessment work will be carried out in the next 12 months. The cost of any subsequent remediation works are as yet unknown and unable to be quantified.

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.

8.2 CHANGE IN ACCOUNTING STANDARDS

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



8.3 FINANCIAL INSTRUMENTS

(a) OBJECTIVES AND POLICIES

Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in notes of the financial statements. Risk management is carried out by senior management under policies approved by 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. 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. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

There has been no significant change in 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 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 has 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 has a policy for establishing credit limits for the entities Council deals with;**
- + **Council may require collateral where appropriate; and**
- + **Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.**

(c) CREDIT RISK CONTINUED

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

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

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

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

(d) LIQUIDITY RISK

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

To help reduce these risks Council:

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

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

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

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 % and - 1 % in market interest rates (AUD) from year-end rates of 0.43%.**

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

8.4 FAIR VALUE MEASUREMENT

FAIR VALUE HIERARCHY

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

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

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

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

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

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

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

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

REVALUATION

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, 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 two to three years. The valuation is performed either by experienced Council officers or independent experts.

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

IMPAIRMENT OF ASSETS

At each reporting date, 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

As a result of COVID-19, regional Victoria has experienced intermittent lockdowns since balance date.

These lockdowns have had no material impact on the operations of Council.



9.1 RESERVES

(a) ASSET REVALUATION RESERVES

\$ '000	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
2021			
Property			
Land	12,523	2,772	15,295
Land - non specialised	348	748	1,096
Land - under roads	-	6,457	6,457
Buildings	12,216	-	12,216
	25,087	9,977	35,064
Plant and equipment			
Library books	-	20	20
	-	20	20
Infrastructure			
Roads	94,827	-	94,827
Bridges	5,122	1,077	6,199
Footpaths and cycleways	1,361	-	1,361
Drainage	5,167	1,008	6,175
Recreational, leisure and community facilities	135	-	135
Off-street car parks	549	-	549
	107,161	2,085	109,246
TOTAL ASSET REVALUATION RESERVES	132,248	12,082	144,330

(a) ASSET REVALUATION RESERVES CONTINUED

\$ '000	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
2020			
Property			
Land - specialised	11,325	1,198	11,325
Land - non specialised	-	348	348
Buildings	5,617	6,599	12,216
	16,942	8,145	25,087
Plant and equipment			
Library books	42	(42)	-
	42	(42)	-
Infrastructure			
Roads	94,827	-	94,827
Bridges	5,122	-	5,122
Footpaths and cycleways	1,361		1,361
Drainage	5,167	-	5,167
Recreational, leisure and community facilities	350	(215)	135
Off-street car parks	285	264	549
	107,112	49	107,161
TOTAL ASSET REVALUATION RESERVES	124,096	8,152	132,248

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

9.1 RESERVES CONTINUED

(a) OTHER RESERVES

\$ '000	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
2021				
Restricted reserves				
Road construction reserve	4	332	-	336
Footpath construction reserve	5	-	-	5
Open space reserve	276	76	-	352
Total restricted reserves	285	408	-	693
Discretionary reserves				
Waste Management	(329)	-	(96)	(425)
Total discretionary reserves	(329)	-	(96)	(425)
TOTAL OTHER RESERVES	(44)	408	(96)	268
2020				
Restricted reserves				
Road construction reserve	126	-	(122)	4
Footpath construction reserve	25	-	(20)	5
Open space reserve	254	22	-	276
Total restricted reserves	405	22	(142)	285
Discretionary reserves				
Waste Management	-	(329)	-	(329)
Total discretionary re serves	-	(329)	-	(329)
TOTAL OTHER RESERVES	405	(307)	(142)	(44)

Restricted reserves are used to record developer contributions received for a specific purpose which Council has not yet fulfilled.

The discretionary waste management reserve denotes the cumulative surplus/(deficit) from waste service charges collected from ratepayers and actual waste costs incurred by Council over time.

9.2 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)

\$ '000	2021	2020
Surplus/(deficit) for the year	6,624	3,618
Depreciation/amortisation	3,844	3,812
Impairment losses	-	6
Profit/(loss) on disposal of property, infrastructure, plant and equipment	380	121
Contributions - Non-monetary assets	(2,878)	(2,144)
Amounts disclosed in financing activities	106	122
Opening equity adjustment on implementation of AASB1058	-	(240)
Change in assets and liabilities		
(Increase)/decrease in trade and other receivables	(615)	(209)
(Increase)/decrease in inventories	(9)	5
(Increase)/decrease in prepayments	39	(1,760)
Increase/(decrease) in accrued income	(736)	117
Increase/(decrease) in trade and other payables	754	230
Increase/(decrease) in provisions	239	92
(Decrease)/increase in other liabilities	277	123
Increase/(decrease) in unearned income	85	1,502
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	8,110	5,395

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 Comprehensive Operating Statement when they are made or due.

ACCUMULATION

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

DEFINED BENEFIT

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

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

FUNDING ARRANGEMENTS

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

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

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

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

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

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

EMPLOYER CONTRIBUTIONS

REGULAR CONTRIBUTIONS

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

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

FUNDING CALLS

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

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

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

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

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

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

9.3 SUPERANNUATION CONTINUED

THE 2020 TRIENNIAL ACTUARIAL INVESTIGATION SURPLUS AMOUNTS

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

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

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

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

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

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

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

THE 2021 INTERIM ACTUARIAL INVESTIGATION

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

(i) IMPACT OF ADOPTION OF NEW ACCOUNTING STANDARDS

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

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

This has resulted in no material changes in accounting policies or adjustments to the amounts recognised in the financial statements.

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

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

This has resulted in no material change to the financial statements.

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

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework from 1 July 2020.

This has resulted in no material change to the financial statements.

# Performance Statement

# Description of Municipality

Mansfield Shire is home to the dramatic landscapes of Victoria’s High Country. Visitors and locals agree you can really sense the personality of the place – it’s about lifestyle, farming, all things outdoors and a “can do” attitude.

Less than two hours north east of Melbourne, our municipality covers 3,843 square kilometres. Our Shire is home to Mt Buller and Mt Stirling Alpine Resorts (managed by the Mt Buller and Mt Stirling Resort Management Board), the Alpine National Park, and the second largest in-land waterway in Australia - Lake Eildon.

Tourism, agriculture and lifestyle underpin the Shire’s strong economy, supported by a diverse range of commercial and service sectors.

The alpine resort areas of Mt Buller and Mt Stirling are wholly surrounded but excluded from our municipal district. A significant proportion of the municipality is Crown land.

Five major river systems, the Delatite, Howqua, Jamieson, Big and Goulburn, have their headwaters in the Shire and all flow into Lake Eildon.

Agriculture is one of the Shire’s key economic drivers, contributing \$49.2m to the Shire’s economy and providing 16% of the local employment, closely followed by the construction industry with \$48.7m and 12%. 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.

It is estimated that Mansfield Shire has an employment base of 3,829 and an industry output of \$822m. The impact of tourism as an economic driver is estimated as 20% of total industry output and 25% of total employment (RDA Australia - Hume Economic Profile report).

The Australian Bureau of Statistics (ABS) estimates Mansfield Shire’s resident population at 9,474 for 2020. This is a growth rate of 3.26% compared with the previous year, which is significantly higher than the regional Victorian growth rate of 1.3% and reflects the attractiveness of the Shire to many choosing to relocate from metropolitan areas.

Mansfield, as the major service centre for the Shire, is central to many unique towns and locations. The development of our Shire owes much to our small towns such as:

- |                  |                                   |
|------------------|-----------------------------------|
| + Ancona         | + Kevington                       |
| + Barjarg        | + Macs Cove                       |
| + Bonnie Doon    | + Maindample                      |
| + Boorolite      | + Merrijig                        |
| + Bridge Creek   | + Merton                          |
| + Gaffneys Creek | + Sawmill Settlement/Alpine Ridge |
| + Goughs Bay     | + Tolmie                          |
| + Howqua         | + Woods Point                     |

The COVID-19 pandemic continues to negatively impacted the tourism and hospitality industries within the Shire during which State restrictions have limited visitation to the region.

Mansfield Shire Council will continue to be challenged in providing an appropriate level of infrastructure and services to a growing population in the context of a small rural shire. Roads, bridges and drainage networks are extensive and ageing and will also challenge the capacity of the municipality into the future.

# Sustainability Capacity Indicators

For the year ended 30 June 2021

Indicator / measure	2018	2019	2020	2021	Material Variations
Population					
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,210	\$2,119	\$2,331	\$2,568	Population has increased 3.2% from the prior year compared to expenses increasing 13.7% or \$2.9m. There was a significant amount of funded projects delivered in 2020-21, particularly in response to the bushfires of Jan 2020 and the COVID-19 pandemic. \$1.4m relates to the hire of additional staff under the Victorian government's Working For Victoria program. This expenditure was fully funded through grants from the State. \$0.5m relates to Community Recovery and Resilience programs fully funded through Bushfire Recovery Victoria and Regional Development Victoria. \$0.2m is expenditure under the Activating Outdoor Dining program, which again was fully funded by the State.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$12,503	\$17,374	\$17,871	\$17,997	No material variation
Population density per length of road [Municipal population / Kilometres of local roads]	11	11	11	11	No material variation
Own source revenue					
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,777	\$1,770	\$1,759	\$1,752	No material variation
Recurrent grants					
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$570	\$531	\$590	\$515	Population has increased 3.2% from the prior year while recurrent grants decreased 9.9% or \$0.5m, which relates to timing of payments received. Council is allocated Financial Assistance Grants from the Victorian Local Government Grants Commission each year totally approx \$3.2m per annum. The Commission pays a portion of each year’s allocation early each financial year in June. These grants are recognised as income when received and therefore the amount recognised each year is not the same as the allocation from the Commission for each year. In 2019-20 the Commission brought forward 50% of the 2020-21 payment and paid it early in June 2020.
Disadvantage					
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	7	7	7	7	No material variation
Workforce turnover					
Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	16%	16%	11%	18%	Organisational restructure in July 2020 resulted in two redundancies and six staff retired during the reporting period. Staff turnover excluding these would be 11.1%.

## 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 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 2021

Indicator / measure	2018	2019	2020	2021	Material Variations
Aquatic facilities - Utilisation					
Utilisation of aquatic facilities. <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.1	1.9	1.8	1.3	Slightly cooler weather, together with a total of seven days of closures due to a variety of reasons (lightning, poor water quality, staffing) and restrictions due to COVID-19 on the number of schools allowed at the pool, resulted in a decline of utilisation numbers in 2021.
Animal management - Health and safety					
Animal management prosecutions. <i>[Number of successful animal management prosecutions] X 100</i>	New in 2020	New in 2020	0%	0%	No material variation
Food safety - Health and safety					
Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100</i>	97%	100%	31%	97%	The 2021 indicator is a result of improved processes and procedures for staff during hand over of roles, and no reliance on external service providers. In the previous reporting period a maternity leave position was filled with a number of external staff, which led to only 16 notifications being issued and 5 followed up, compared with 38 notifications being issued in 2020-21 and 37 followed up.
Governance - Satisfaction					
Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	54	47	48	56	This positive result reflects Council's focus on taking a “no surprises” approach to decisions, and ensuring that the community is kept informed and has the opportunity to input into decisions over key issues and projects through thorough community engagement.
Libraries - Participation					
Active library borrowers in municipality <i>[Number of active library borrowers in the last three years / the sum of the population for the last three years] x100</i>	18.8%	17.65%	17.28%	15.1%	COVID-19 lockdowns and change in services such as click and collect has impacted on the number of active borrowers.
Maternal and child health - Participation					
Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	77%	77%	84%	87%	No material variation
Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	100%	71%	91%	83%	One child had their two year visit in June 2020 and is not due for their three and a half year visit until Dec 2021 so has appropriately not had a visit in this financial year.
Roads - Satisfaction					
Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	45	50	49	57	Grant funding and increased personnel have allowed a broader and more targeted road sealing program to be developed and executed.

Indicator / measure	2018	2019	2020	2021	Material Variations
Statutory planning - Decision making					
Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	100%	50%	0%	100%	There were 213 permit applications determined during the financial year, of which four (1.9%) were appealed. Of the four appeals, only one has had a decision handed down, and the other three were handed down post financial year end or remain pending. All VCAT cases heard in the financial year had the decision of Council affirmed by the Tribunal.
Waste collection - Waste diversion					
Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	35%	36%	36%	35%	No material variation.

## DEFINITIONS

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

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

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

"annual report" means an annual report prepared by Council under sections 131, 132 and 133 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 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 Council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

# Financial Performance Indicators

For the year ended 30 June 2021

RESULTS					FORECASTS				
Indicator / measure	2018	2019	2020	2021	2022	2023	2024	2025	Material Variations
Efficiency									
Expenditure level									
Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>	\$2,513	\$2,480	\$2,720	\$3,028	\$2,776	\$2,780	\$2,808	\$2,847	The number of property assessments has increased 2.2% from the prior year compared to expenses increasing 13.7% or \$2.9m. There was a significant amount of once-off funded projects delivered in 2020-21, particularly in response to the bushfires of Jan 2020 and the COVID-19 pandemic. \$1.4m relates to the hire of additional staff under the Victorian government's Working For Victoria program. This expenditure was fully funded through grants from the State. \$0.5m relates to Community Recovery and Resilience programs fully funded through Bushfire Recovery Victoria and Regional Development Victoria. \$0.2m is expenditure under the Activating Outdoor Dining program, which again was fully funded by the State. Expenditure levels will decline again in 2021-22 as the organisation settles back to ordinary service delivery without these funded programs.
Revenue level									
Average rate per property assessment <i>[General rates and Municipal charges / Number of property assessments]</i>	New in 2020	New in 2020	\$1,537	\$1,563	\$1,601	\$1,643	\$1,690	\$1,754	No material variation
Liquidity									
Working capital									
Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>	275%	348%	304%	297%	187%	141%	118%	95%	There is no material variation from the prior year to 2021. Liquidity levels in the four year forecast are anticipated to reduce due to the unwinding of the prepayments and unearned income during 2021-22, and remain within the expected range.
Liquidity continued									
Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>	20%	11%	19%	17%	49%	48%	47%	47%	This ratio is expected to increase in the forecast years and current liabilities will decrease as the prepaid income is earned during 2021-22 and therefore comes off the balance sheet.

RESULTS					FORECASTS				
Indicator / measure	2018	2019	2020	2021	2022	2023	2024	2025	Material Variations
Obligations									
Asset renewal and upgrade									
Asset renewal and upgrade compared to depreciation <i>[Asset renewal and asset upgrade expense / Asset depreciation] x100</i>	New in 2020	New in 2020	63%	116%	249%	166%	143%	135%	Asset renewal and upgrade expenditure has increased 86% or \$2.1m from the prior year. 2019-20 delivered a very low volume of capital projects, and no road resealing was performed. 2020-21 has delivered a catch up program of road renewal including \$1.3m on reseals. In addition Council have upgraded the playground at the Botanic Park in Mansfield (\$0.5m) supported by funding from the State Government, and invested in the renewal of three large plant items (backhoe, roller and twinsteer water truck - \$0.6m) The expected range for this indicator is between 40% and 130%. The 2021-22 budget includes \$10.6m in asset renewal & upgrades, compared to \$6-7m per annum from 2022 to 2025. The 2021-22 program includes some significant key projects including the Heavy Vehicle Alternate Route (\$4.1m).
Loans and borrowings									
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	20%	17%	15%	13%	29%	25%	21%	18%	Council has budgeted to borrow \$2.6m toward the end of 2021-22, to complete the Heavy Vehicle Alternate Route.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4%	3%	2%	2%	2%	4%	4%	3%	Council has budgeted to borrow \$2.6m toward the end of 2021-22, to complete the Heavy Vehicle Alternate Route.
Indebtedness									
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	17%	16%	15%	14%	25%	22%	18%	15%	Council has budgeted to borrow \$2.6m toward the end of 2021-22, to complete the Heavy Vehicle Alternate Route, which will increase the level of non-current liabilities, driving this indicator up.

# Financial Performance Indicators

For the year ended 30 June 2021

Retired Measures

	RESULTS				FORECASTS				
Indicator / measure	2018	2019	2020	2021	2022	2023	2024	2025	Material Variations
Operating position									
Adjusted underlying result									
Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	8%	11%	2%	-1%	0%	1%	2%	2%	2020-21 adjusted underlying surplus is \$0.8m lower than the prior year. Adjusted underlying revenue is \$2.2m (10%) higher than prior year, and operating expenditure is \$2.9m (13.7%) higher than the prior year. Both these increases relate predominantly to a significant amount of grant funding made available to Council in 2020-21 to deliver a range of Community Recovery and Resilience programs in relation to the bushfires from Summer 2019-20, and the COVID-19 pandemic. Forecast underlying surpluses are consistent with Council's Financial Strategy to maintain a small operating surplus over a four year period.
Stability									
Rates concentration									
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted	63%	65%	65%	62%	68%	69%	69%	70%	No material variation.
Rates effort									
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.38%	0.39%	0.38%	0.37%	0.34%	0.32%	0.32%	0.32%	No material variation

**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.

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

RESULTS				
Indicator / measure	2018	2019	2020	Material Variations
Animal Management				
Health and safety				
Animal management prosecutions [Number of successful animal management prosecutions]	0	0	Retired	Retired in 2020 and replaced by a similar indicator which is a measure of proportion (percentage) rather than a number.
Efficiency				
Revenue level				
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,530	\$1,366	Retired	Retired in 2020 and replaced by a similar indicator that includes all assessment types across all differential categories, instead of just residential.
Obligations				
Asset renewal				
Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x 100	43%	63%	Retired	Retired in 2020 and replaced by a similar indicator that includes asset renewal and upgrade, instead of just renewal.

## BASIS OF PREPARATION

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).

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


The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the Council’s strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* 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.

Except where specified, the forecast figures included in the performance statement are those adopted by Council in its budget on 22 June 2021. The budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The budget can be obtained from Council’s website or by contacting Council.



View of Mount Buller & Lake Eildon from Ford Drive Mansfield

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).

  
Mandy Kynnersley CA BBus(Acc)  
**Principal Accounting Officer**  
Date : 21/09/2021

In our opinion, the accompanying performance statement of the Mansfield Shire Council for the year ended 30 June 2021 presents fairly the results of Council’s performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 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 2014* to certify this performance statement in its final form.

  
Cr Mark Holcombe  
**Mayor**  
Date : 21/09/2021

  
Cr James Tehan  
**Councillor**  
Date : 21/09/2021

  
Kaylene Conrick  
**Chief Executive Officer**  
Date : 21/09/2021

Independent Auditor’s Report

To the Councillors of Mansfield Shire Council

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

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T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au



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

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

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

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

MELBOURNE  
23 September 2021

  
Sarfchu Chummar  
as delegate for the Auditor-General of Victoria

Thank you  
and feedback invited

Thank you for reading the Mansfield Shire Council 2020-21 Annual Report. You can share your feedback by post, phone or email using the details below:



**Post to:**  
**Mansfield Shire Council**  
**Private Bag 1000**  
**Mansfield Vic 3724**



**Call Customer Service**  
**(03) 5775 8555**



**Email to:**  
**council@mansfield.vic.gov.au**

FURTHER READING



We encourage you to visit Council’s website which contains information about our services, programs, events, major initiatives, major publications and more.  
Council’s website address is [mansfield.vic.gov.au](https://mansfield.vic.gov.au)

We invite you to subscribe to our Facebook page where you will find the latest information on what is happening in our Shire.



Follow us at [facebook.com/mansfieldshirecouncil](https://facebook.com/mansfieldshirecouncil)

We also welcome your thoughts and perspectives, so register to have your say.



Register at [engage.mansfield.vic.gov.au](https://engage.mansfield.vic.gov.au)

MUNICIPAL OFFICE LOCATION

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33 Highett Street Mansfield Vic 3722

Postal address

Mansfield Shire Council  
Private Bag 1000  
Mansfield Vic 3724

WHERE TO OBTAIN A COPY OF THE ANNUAL REPORT

Display copies of the 2020-21 Annual Report are available from the Mansfield municipal office.

In an effort to reduce the impact on the environment, limited copies of this document have been printed.

This Annual Report may be viewed and/or downloaded from our website or requested by telephoning (03) 5775 8555.

This Annual Report was compiled by Mansfield Shire Council. The report design was conducted by Youlissys Creative Mansfield. Printing was outsourced.

For a large print version of this Annual Report or any other Council publication, please telephone Council on (03) 5775 8555.

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