



WELLINGTON
SHIRE COUNCIL

The Heart of Gippsland

ANNUAL **report** 2020/21

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1.0 Introduction

1.1 About this Annual Report

Wellington Shire Council is proud to present the 2020/21 Annual Report which focuses on informing our community about how we've performed over the fourth year of reporting against the *Council Plan 2017-21* and the *2020/21 Budget*.

It also aims to fulfill the Council's statutory reporting obligations under the *Local Government Act 1989*, *Local Government Act 2020* and other relevant legislation.

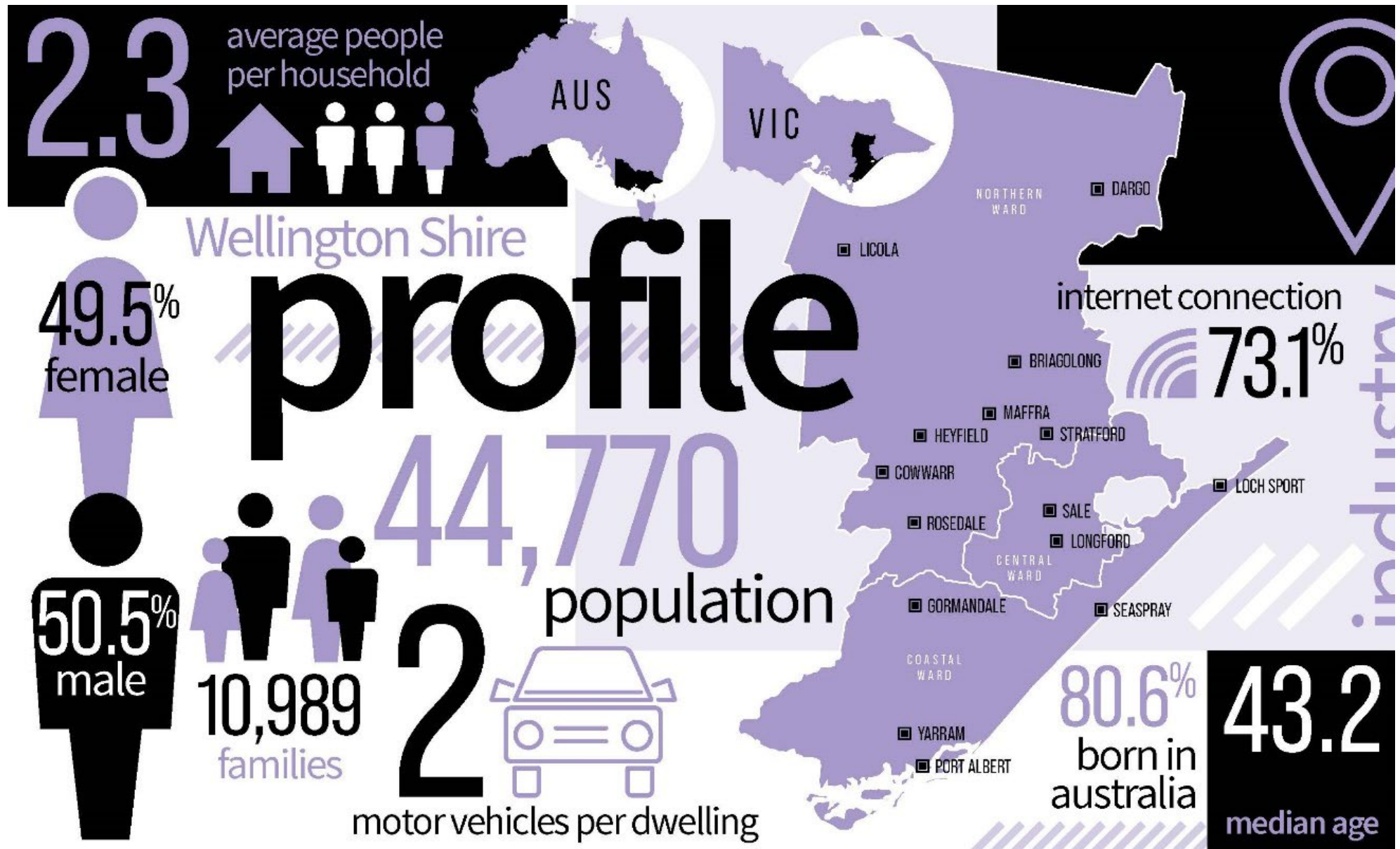
The report provides an overview of 2020/21 operations, and the various accomplishments and challenges throughout the year, particularly due to the COVID-19 pandemic. It also describes the breadth of our services and operations, comprehensive corporate governance information as well as detailed audited financial statements.

Council is committed to transparent reporting and accountability and we aim to provide our residents, ratepayers, state and federal governments, and other key stakeholders with an open, accurate account of our performance during 2020/21. The report also provides Council staff with an overall picture of the way we have performed and how they have contributed to the community during the year.

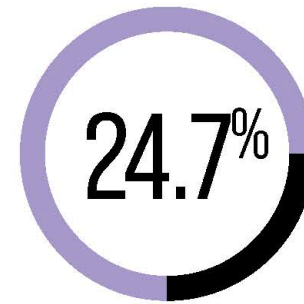
For further information and to provide feedback, please contact our Customer Service department on 1300 366 244.

This report is available at www.wellington.vic.gov.au.

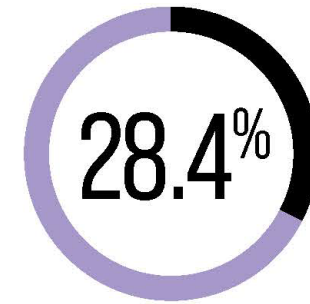
1.2 Demographic Profile of Council



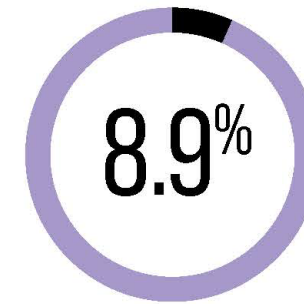
10,924
square kilometres



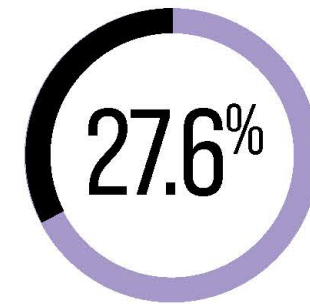
Couples with children



Couples without children



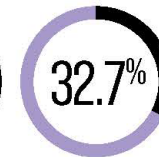
One parent households



People living alone



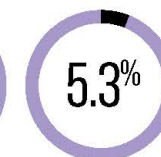
worked
full-time



worked
part-time

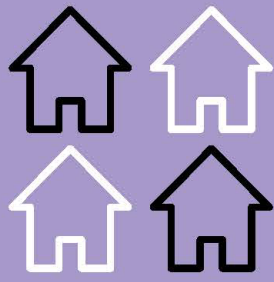


away
from work



unemployed

2
ge



22,187
private dwellings

Total number of
businesses

4,040

Total number
of jobs

18,111

1.3 Purpose

Vision

“Happy people, healthy environment and thriving communities in the heart of Gippsland.”

Values

The organisation’s values guide our behaviour and underpin everything we do. Our values help us achieve the organisation’s vision and improve the quality of the services we offer to our community.

- **Cooperation:** Working together, teamwork, collaboration and being solution oriented.
- **Integrity:** Acting with respect, honesty, reliability, trust, tolerance and understanding.
- **Balance:** Demonstrating fairness, equity and flexibility. Considering work-life balance, and balancing community needs against resources.
- **Professionalism:** Personal development and meaningful work, being competent, innovative and courageous, focusing on excellence and continuous improvement.

1.4 Fast Facts during the reporting period

- 93,676 square metres of sealed local roads reconstructed
- 729,402 square metres of local roads resealed
- 2,434km of gravel roads graded
- 8,300km of roadsides slashed
- 1.57 million scheduled kerbside garbage and recycling collection bin lifts
- 4,773 culverts cleared
- 6,283 urban drainage pits cleaned
- 3,500 tonnes of recyclables sent for re-processing
- 5 full closures and re-openings of public facilities due to COVID restrictions, many more partial closures and re-openings
- 81 applicants successful in receiving Quick Response Grants
- 29 applicants successful in receiving Community Assistance Grants
- \$254,836 Community Assistance Grants provided to support 110 community facilities projects, programs and events
- \$919,649 operating subsidies provided across 104 community committees of management
- 18,723 people attended the Gippsland Art Gallery
- 32 exhibitions at Gippsland Art Gallery
- 74 public programs, workshops and artist talks at Gippsland Art Gallery
- 3,431 students and teachers engaged with the Gippsland Art Gallery Education Program
- 187 donated artworks valued at \$1,567,990 and 28 cash donations totalling \$267,260 received by the Gippsland Art Gallery
- 125,082 library visits
- 220,232 loans, including eResources

- 9,057 attendees at 644 library programs and events
- 58,000 WiFi & public computer users, 39,000 hours of use
- 8,677 library loans to 3,483 patrons via 'Click and Collect' and 'Click and Deliver' services during COVID closures
- 7,881 tickets sold at The Wedge
- 67 performances of 56 shows presented at The Wedge
- 14 interactive workshops, tours and competitions hosted by The Wedge
- 159,789 visits to Wellington Shire pools (137,680 at Aqua Energy and 22,109 at combined outdoor pools)
- 18,098 swim school attendances
- 82,967 attendances at the Gippsland Regional Sports Complex
- 704 permits issued for metropolitan residents to attend Wellington properties for bushfire season preparation during 2020 COVID restrictions
- 61 properties failed to comply out of 715 fire prevention notices issued and received infringement notices with only one repeat offender
- 8,738 aircraft movements at West Sale Airport (increase of 45% on previous year) and 3,062 aircraft movements at Yarram Aerodrome (increase of 34% on previous year)
- \$1M+ in surplus Council property sold, under contract or progressing toward sale
- \$2.1M in forward revenue where draft leases issued or heads of agreements were entered into
- The Middle of Everywhere campaign:
 - 50,000 visitors to the website
 - Almost 3,000 Facebook & Instagram followers
 - Approx. 20% of website visitors from social media
 - Half a million organic social media engagements
 - 1000 app downloads since launch on 6 May 2021
 - 72,000 ad listens on Spotify
 - 30,000 views of advocate videos
- 9,690 walk-ins to the Sale Visitor Information Centre (VIC)
- 145 events attracted to Wellington
- 47,056 customer service telephone calls received (higher than last year due to Customer Service closure due to COVID-19)
- 15,653 face-to-face customer enquiries received (substantially lower than last year due to Customer Service closure due to COVID-19)
- 215 Building Regulation Complaints
- 278 report & Consent applications (dispensations)
- 152 Building Applications received
- 1,269 domestic animal requests, with an average initial response time of 1.17 days
- 449 lost pets reunited with their owners
- 175 unwanted cats and dogs rehomed
- 369 emergency after-hours incidents responded to
- 9,783 cats and dogs registered
- 208 applications for onsite wastewater management systems have been assessed
- 3000 immunisations administered
- 100 food samples analysed

- 355 food premises inspected
- Approximately 78 hectares of breeding sites treated for mosquito larvae

1.5 Highlights of the Year

July 2020

- Council staff successfully implemented the Working for Victoria initiative which created 31 jobs providing much-needed employment opportunities for our local economy and community, by focusing on providing important services across the municipality in response to the COVID-19 crisis. Council received \$1.8 million in funding to go towards gaining and retaining employment opportunities within our municipality as part of the Victorian Government \$500 million Working for Victoria program.
- Winner of the John Leslie Art Prize was announced by Mayor, Cr Alan Hall on 17 July 2020. Sarah Tomasetti received the \$20,000 first prize while Linda Gibbs received \$1,000 for Best Gippsland Work.
- Major artworks donations by Fred Williams and Annemieke Mein OAM were received by the Gippsland Art Gallery.
- In a state-wide first, live music was re-introduced at The Wedge after initial easing of COVID-19 restrictions with a foyer series featuring local artists to the maximum in-person audience of twenty patrons and live streamed to online audiences.
- Council formally adopted the Community Managed Facilities Strategy at its meeting on 7 July 2020. The strategy provides for a fairer way of supporting volunteer community committees of management to maintain, operate and activate Council and Crown community facilities and guidance for capital improvement and maintenance investment decision-making into the future.
- \$250,000 was successfully secured and announced in July towards the \$700,000 'A Warmer Pool for Yarram' project through the Victorian Government's Local Sport Infrastructure Program.
- Wellington established its Community Activation and Social Isolation initiative, supported by the Victorian Government which will allocate funding to community connection projects to combat isolation arising from pandemic restrictions.
- Council's Communications and Media team filmed, produced and aired on social media a series of children's Story Time sessions for those missing the live sessions due to Covid-19 lockdowns. The stories were read by local librarians and received very good engagement by the local community.
- The new Wellington Youth Council was inducted in July with eleven new members and seven returning members.
- Council began work on a new campaign to attract more visitors and shoppers to Wellington to stimulate growth and recovery in response to the devastating economic impacts experienced throughout our region as a result of the Black Summer bushfires.
- A new funding application to complete the missing link of the Great Southern Rail Trail was submitted to Sports and Recreation Victoria's Community Sports Infrastructure Stimulus Program.
- Council officer and referral agency feedback for the Maffra Structure Plan project was obtained via a series of online workshops facilitated by Mesh Planning. The findings will be used to help inform the next stage of the project, which aims to support future growth/development in Maffra.

August 2020

- IT Staff continued to successfully manage the ICT environment to support Wellington Shire Council during COVID-19 restrictions and working from home. The high volume of ICT support requests, across both Wellington and East Gippsland Shires, were completed without any outages or Service Level interruptions.
- The new online system for tender submissions was rolled out. All tender submissions will now be submitted via the new portal. The e-tendering website provides a web-based tool that enables Council to procure goods and services over the internet. It provides a simple, secure and efficient means for managing tendering activities, correspondence and quotations. Registration for our suppliers is required and is free.
- A new public art sculpture, valued at \$120,000 and donated by the late South Gippsland artist Adrian Maurik, was installed at the Port of Sale precinct.
- The new risk & maintenance subsidy model was rolled out, providing 103 volunteer community facilities committees with a percentage of over \$900,000, an increase of almost \$300,000 ongoing annually.
- Wellington Emergency Relief and Client Support Services brochure was developed and distributed to provide information about relief services and act as an entry point into relief services for vulnerable people. Wellington Food Relief Network established in readiness for relief services during the pandemic.
- Wellington Libraries established a very popular 'Click & Deliver' service to add to its 'Click and Collect' services during COVID-19 restrictions. In the first 3 weeks, 2,200 items were delivered to 627 patrons, including books, audio items and 'takeaway' Storytime and Science Week packs for children.
- The 'QuaranTony's' encouraged entries of musical theatre performances prepared in Wellington households during stay at home restrictions. Thirteen high quality entries were featured in an awards night attended live by entrants and reached nearly 500 people online.
- Upon recommencement of COVID-19 restrictions, The Wedge reintroduced popular Saturday Night Trivia with Darren McCubbin, attracting 200 participants weekly.
- Gippsland Regional Sports Complex hosted a fitness assessment process for prospective local Victoria Police recruits and an Essential Services First Aid course.
- The virtual launch of Gippsland Social Enterprise Collective, led by Wellington Shire Council, had over 165 registrations creating a great foundation for us to build a fertile environment for social enterprise growth and success across Gippsland.
- Wellington Shire Council joined the Cities Power Partnership, Australia's largest local government climate network, made up of 129 councils from across the country. This partnership which will provide the tools, the connections and the momentum to take meaningful actions on climate.

September 2020

- Council's grant-making went digital with the launch of 'Smarty Grants', an online grants management platform.
- Council adopted Haskell Architect's concept design for Aqua Energy 25-metre pool replacement project on 1 September allowing project to proceed to external funding attraction phase.
- As COVID-19 restrictions gradually eased, The Wedge introduced 'Stage Door Twilight Series' by repurposing the loading dock area into an outdoor concert venue for live, local artist music events for Fridays and Saturday nights with 50 patrons allowed to attend each event.

- Practical completion of the Cameron Stadium Redevelopment project was achieved and planning for the official opening began.
- Practical completion of the Stratford Recreation Reserve Female Friendly Changerooms project was achieved.
- A series of online consultation sessions were held with key community members, agencies and stakeholders to inform a review and update of the Port of Sale Masterplan.
- The multiyear project to revitalise the Maffra streetscape was completed with works on both the north and south service roads complete.
- Construction of the Tarra Trail was completed and is being used by the general public to travel between Alberton and Port Albert.

October 2020

- After an unexpected state government announcement, 700+ travel permits were issued in two weeks to enable metropolitan-based property owners to travel to Wellington to prepare their properties for the bushfire season.
- For the second consecutive year, a Children's Book Week costume competition was run on social media by the Communications and Media team, encouraging parents to send in photographs of their children dressed up as different book characters. Dozens of entries were received with winners scoring vouchers for a local bookshop.
- The Wellington Municipal Emergency Management Plan successfully passed its three-yearly audit, with audit processes managed fully in an online environment.
- Wellington Libraries and The Wedge performing arts centre hosted book week shows '*Curious Creatures*' and '*Wild Minds*' with four sold out performances.
- The 2020 Wellington Youth Film Festival was live-streamed on Friday 30 October receiving hundreds of views in the first day – a fantastic result for a great effort by Wellington's 'Freeza' crew. Freeza is a program of drug, alcohol and smoke free music events and one of a number of youth groups facilitated by Council.
- Council's Communications and Media Team ran a "Sustainability Spotlight" campaign under the Get it Sorted brand across social media, local newspapers and community newsletters to highlight the many ways ratepayers can become more sustainable with help from Council. The actions included taking advantage of No Fee Green Waste during November, hard waste collections, participating in the Garage Sale Trail and accessing a self-sufficiency program.
- After significant and successful advocacy for 'headspace' by Wellington Youth Council and partners, the Sale-based service opened for booked appointments on 27 October. A past Wellington Youth Councillor joined the service's Youth Advisory Group.

November 2020

- Gippsland Art Gallery was the first public gallery in Victoria to re-open after 13 weeks of COVID-enforced closure on 9 November 2020. One visitor wrote to the gallery of her joy at returning: "It has been hard crawling out of our COVID shell, but we finally managed to visit our beautiful gallery today. We remembered how much being in close quarters with great artwork lifts our spirits."
- Wellington's outdoor rural pools opened for the summer with 'Free Swim Friday' on 20 November.
- Maffra Library contributed to the Maffra Garage Sale Trail community project, providing a great opportunity to engage with locals and promote library services to the community.

- The Wedge, in partnership with Gunaikurnai Land & Waters Aboriginal Corporation, hosted a live performance from Black Satin at the stage door loading dock and live streamed, reaching 1500 people.
- The only theatre in the state hosting live performances during the restriction period with 20 and 50 person limited audiences, The Wedge was also the first to reopen its theatre to an audience, on 24 and 26 November, with sold out performances of 'The Broadway I Love'.
- Council's Communications and Media team worked with the Community and Culture team to adapt events and projects for Social Inclusion Week into the digital space, specifically using Facebook and YouTube, to meet Covid requirements. These projects included an LGBTIQA+ storytelling project, This Girl Can, Cooking Up Connections, Be Kind Wellington, and the 16 Days of Activism.
- Council facilitated and supported 'This Girl Can', a community project to encourage girls' and women's physical activity, including roller derby, bionic tennis, netball, club golf, a women's wellness walk and calisthenics teen session.
- A local awareness campaign was launched to promote gender equity and prevention of family violence including lighting The Wedge and Sale Clock Tower orange for 16 days and Wellington Libraries displays, give away packs and children's Storytime sessions themed around positive messages of gender equity and respect.
- An LGBTIQA+ project was launched aimed at supporting young people aged up to 25 years to learn the art of storytelling, and mentor them to build confidence to tell their story to their friends and family. Speakers presented videos which were promoted as short advertisements calling for Expressions of Interest to attend story telling workshops, launched as a media campaign in Social Inclusion Week.
- Information sessions were conducted to assist neighbourhood houses and community houses be better prepared to support communities in times of emergencies, continuing Council's role in bringing relief and recovery agencies together through our Wellington Municipal Relief and Recovery Plan.
- The construction of the new plantroom for the Aqua Energy outdoor pools was completed in time for the summer season ensuring that the pool waters were pristine in time for the opening.
- Following the election, the new Council was sworn in at a special Council meeting on 12 November. Returning Councillors were Cr Garry Stephens, Cr Scott Rossetti, Cr Ian Bye, Cr Carolyn Crossley, Cr Malcolm Hole and Cr Gayle Maher. New Councillors were Cr Jill Wood, Cr John Tatterson and Cr Marcus McKenzie. Cr Stephens was elected as Mayor for the next 12 months and Cr Rossetti will be Deputy Mayor.

December 2020

- Gippsland Art Gallery was announced as the sole Victorian host of the 2021 Archibald Prize national tour exhibition. Expecting to generate 40,000 visitors to Wellington over its 6 week exhibition period, the announcement was met with great excitement in the media and has generated a real buzz around the community.
- The new Gippsland Art Gallery Foundation was launched, which resulted in three separate donations of \$5,000 each in its first week adding to the initial \$200,000 received from the John Leslie Foundation. This money will be invested by the Foundation Directors to fund future major acquisitions and projects at the gallery.
- Rosedale Library participated in the Rosedale Christmas Market, ran 2 children's Storytime sessions and distributed children's Christmas activity packs, engaging positively with the local community and promoting library services.
- The Wedge implemented a new ticketing system, Red 61, replacing its previous aging system and streamlining patron's box office experience.
- The new toilet block made from rammed earth was opened in the Sale Botanic Gardens.

- The construction of the roundabout and ancillary works at the intersection of Macarthur Street and Market Street was completed.
- The 'Middle of Everywhere' marketing rollout was well underway via social media and radio. Melbourne Metro Train advertising was also currently in place for the next few months on three south-eastern train lines.
- Ongoing consultation with Port of Sale Boat Club regarding a \$2M Mooring Access upgrade project continued.
- A celebration of Wellington's most dedicated and selfless residents was held in Sale for the 2021 Wellington Shire Council Australia Day Awards. While the numbers were small at the luncheon due to Covid, the atmosphere was electric as Kate Mirams was awarded Citizen of the Year, A Better Life for Foster Kids was named Group of the Year and Cathy Cook was named Covid Hero.

January 2021

- East Gippsland Shire's new website was created and delivered under the longstanding ICT Shared Services Memorandum of Understanding with the Wellington Shire Council.
- Art murals thanking fire-fighting agencies were unveiled in Rosedale, a community recovery project from the Rosedale South bushfires in January 2019, funded by Emergency Management Victoria.
- A preparedness for emergencies project at Dargo Hall saw equipment purchased for use in community meetings and planning, bringing people and businesses together around emergency needs for Dargo and surrounds.
- The Communications and Media team launched its first edition of the Wellington Edit, a weekly ½ page newspaper advertisement highlighting Council news stories for ratepayers in the Gippsland Times and The Bridge newspapers.
- VICSWIM 'Summer Kidz' learn to swim programs at all of Wellington's rural outdoor pools and 'In-10-sive' learn to swim programs offered by the Aqua Energy team at Sale outdoor pool attracted hundreds of enrolments in these important aquatic safety programs.
- Outdoor pools aqua aerobics, introduced for the first time this summer, ran at all outdoor pools one night per week and our very popular inflatables fun equipment was available at all outdoor pools on Saturdays throughout January.
- Gippsland Regional Sports Complex hosted many keen community members at a community 'Return to Sport' activity and fun day on 20 January. Activities included Spartan Kids, Melbourne Boomers, Melbourne Victory, PGA Golf and Ultimate Frisbee.
- Gippsland Regional Sports Complex launched a new online booking system to support social sports programs, enabling individuals to book for their chosen social sport from their digital device and to make payment before attending, further enabling access to social programming, an important part of the sporting mix in Wellington.
- All Wellington Library branches ran sessions with a summer reading theme 'The Great Outdoors', including a combination of indoor craft sessions and outdoor programs held in local parks, enthusiastically taken up by over 150 attendees.
- An Australia Day community celebration and new Citizenship Ceremony was held at the Port of Sale.
- The Wedge hosted The Pierce Brothers to a sold-out audience of 400 (with a ticket waitlist of 60 people) at the Port of Sale, this being the first time the port precinct space has been used for a large paid concert and proving its potential for future events.
- Sale's Botanic Gardens was awarded a grant of \$130,200 to rejuvenate its Sensory Garden and to develop a new Bill Cane Living Collection, a themed garden that celebrates the life and

work of an important local nurseryman and plant breeder. The grant will pay for the repair of paths and raised garden beds, and a redesign of the plant collection.

February 2021

- Council commenced the implementation of several cyber security improvement recommendations. Wellington has been acknowledged for its existing strong ICT process and security controls and its continuous improvement of its cyber security efforts to ensure the protection of its data, technology and all users of its services.
- Gippsland Art Gallery commenced its 'Baby on Board' weekly program of gallery tours for mums and babies, adding to start of year schools art outreach program and adult life drawing classes, all wonderful examples of supporting community involvement in the arts.
- Council collaborated with Country Fire Authority (CFA) to conduct a planned burn on the West Sale Aerodrome as part of an ongoing arrangement with CFA. This maintains native grassland at the aerodrome as well as providing experience for CFA crews and reducing the fuel hazard at the aerodrome.
- The Communications and Media team launched its first edition of a subscriber-only fortnightly email newsletter titled The Digital Edit, for ratepayers who prefer to receive their news in a digital format.
- Council's new community engagement website 'Your Wellington Your Say' launched on 8 February 2021, reaching almost 100 people per day in its first two weeks, 500 of whom engaged with at least one Council project, as part of Council's new deliberative engagement approach.
- Council partnered with Outdoor Victoria to deliver the nature play project across 12 kindergartens with services committing to ongoing delivery of the nature play which has significant health, wellbeing, environmental and educational benefits to children.
- Council attracted a VicHealth grant for a three year youth mental health project which will focus on improving mental health, with community developing a common language to discuss mental health and driving actions to encourage people to care for their mental health.
- A new Youth Play Precinct in Heyfield was officially opened with a community celebration on 6 February. This \$250,000 project was built in two stages, which included the redevelopment and refurbishment of the existing skate park followed by the building of a new pump track.
- A Discussion Paper for the Maffra Structure Plan project was finalised, along with an updated Master Plan for the Port of Sale Precinct.

March 2021

- A new category of Community Assistance Grants, COVID-19 Operational Support Grants were made available to Wellington Shire's not-for-profit organisations to assist with operational expenses and lost revenue impacts incurred during COVID-19 restrictions.
- Gippsland Regional Sports Complex hosted the successful Sale Amateur Basketball Association Tournament on the last weekend of March, the first major tournament since reopening after COVID-19 restrictions.
- Wellington Libraries provided free access to scholarly journals in a trial called CloudSource OA (Open Access). This will test and survey the demand by university students and others for academic information provided by Victorian public libraries.
- The Wedge celebrated World Theatre Day on 27 March with free backstage tours for the general public, a highlight being a local eight-year-old who learned how to operate theatre lighting, capping off a full month of sold out shows following The Wedge 2021 Season launch.

- An application seeking \$6M submitted to RDV's Regional Infrastructure Fund to complete the Great Southern Rail Trail (Alberton to Welshpool).
- To celebrate Parks Week, virtual tours of some of Wellington's most spectacular parklands were launched online, due to Covid-19 restrictions. Small Baby's Day Out activities were held in Sale, Maffra and Yarram.

April 2021

- Construction of a new microwave communications tower at Gippsland Regional Sports Complex was successfully completed. The new tower provides Council with improved business continuity capability and tele communications infrastructure to support improved connectivity across the shire to support Council's business operations. The new tower will also support Council's ICT Disaster Recovery requirements.
- Council implemented a new customer request management system to improve data collection and analysis, and facilitate improvement of customer requests which will result in a more efficient and responsive customer service experience for the community.
- Volunteers from 15 hall committees of management came together for the first time since 2019 following COVID-19 restrictions. Hosted by Heyfield Hall, volunteers shared how COVID-19 impacted use of their facilities and how they are beginning to reactivate and welcome their communities back into the halls.
- Stratford Recreation Reserve Changeroom Redevelopment project was completed with the official opening held on 28 April 2021. The Stratford Football Netball Club used the new facilities on 24 April 2021 for their first home game of the season attracting their largest attendance in many years.
- Cameron Stadium Redevelopment construction works were completed and the facility was formally handed over to the committee of management, with the facility immediately activated with new sports including a weekly social volleyball competition and netball clinics.
- New COVID Safe plans for emergency relief centre operations were tested in a Council - Victoria Police joint training exercise.
- Sale outdoor pool's water treatment plant replacement project, Gippsland Regional Sports Complex stadium's air handling works and Maffra and Rosedale pools' installation of pool blankets were all completed and, at Gippsland Regional Sports Complex, works commenced on LED court lighting conversion and installation of additional outdoor netball shelters.
- The Wedge performing arts centre facilitated children's chorus rehearsals for Opera Australia's 'Carmen' which will be presented in June, enabling local children to be involved in this professional staging of the much-loved opera providing a wonderful opportunity for young performers, local talent development and community involvement in performing arts.
- Council was saddened by the sudden passing of Cr Malcolm Hole after 21 years of tenacious advocacy for the Wellington community and in particular his hometown of Heyfield.
- Wellington Youth Fest at the Port of Sale provided many options for young people including: portrait workshops; virtual reality games; hoola hooping workshops; and public screening of 2020 Wellington Youth Film Festival on the bleachers at the Port of Sale.
- The Heesco Mural commissioned to thank frontline workers was installed in Yarram Memorial Park and officially unveiled by the Governor of Victoria on 29 April 2021.
- Wellington's first public fast electric vehicle charging station was launched at the Port of Sale, to form part of a network of more than 20 chargers to be rolled out across central and western Victoria.

May 2021

- Due to the extraordinary vacancy in Northern Ward within Wellington Shire Council as a result of the passing of Councillor Malcom Hole on 12 April 2021, a countback was undertaken by the Victorian Electoral Commission and to fill the vacancy and Carmel Ripper was elected.
- Wellington Shire Council and East Gippsland Shire Council completed a successful collaborative tender for the provision of ICT equipment across both organisations. The joint tender provided both councils the opportunity to achieve savings by working together to secure the most suitable and best value arrangement, and also ensure procurement efficiencies for both councils.
- Gippsland Art Gallery's inaugural 'VCE Accessing Art' held in May was a great success with 120 VCE students from six schools across the shire attending workshops, artist talks and presentations at The Wedge and the Gippsland Art Gallery at the Port of Sale.
- Gippsland Regional Sports Complex was activated as a Covid Community Vaccination Clinic on 26 May 2021, commencing in this function the day prior to announcement of the state-wide seven day COVID-19 lockdown and expansion of vaccination eligibility.
- Tech Savvy Wellington programs commenced at Wellington Library branches and neighborhood houses across the shire and generated much interest and booked-out sessions. This program was supported by a state government Community Activation Social Isolation grant which aims to increase connection during COVID-19 restrictions.
- Redevelopment of the Sale Oval football/cricket changerooms to provide female and family friendly home/away changerooms, trainers rooms, umpire rooms, storage and administrative areas was completed. Stage 2 works will commence in October following the football/netball season.
- The construction of the pump track in Maffra, following input from the local community on the design was completed.
- The Memorandum of Understanding between Wellington Shire Council and Regional Roads Victoria for the York Street Revitalisation works was finalised.
- Wellington Shire Council joined the Victorian Energy Collaboration (VECO), the largest emissions-reduction project undertaken by local government in Australia. The project has seen 46 Councils pool their electricity needs to create a power purchase agreement which will enable them to buy clean power at a reduced price. Under the agreement, Wellington will source 25% of its electricity use from renewable sources.
- The 'Middle of Everywhere' App was successfully launched. The app is a go-to guide to the region's best attractions, exciting events and amazing places to eat and drink.
- For the first time ever, the rainbow pride flag was raised at the Raglan Street roundabout in Sale and Yarram Memorial Park in Yarram to mark International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT Day).

June 2021

- 'Thank a Volunteer Campaign' was launched as part of Council's Be Kind Wellington Facebook group, allowing community members to nominate a Wellington Shire volunteer to thank, reaching over 20,000 people in a wonderful display of gratitude for community volunteers.
- An information session for volunteer Gallery Guides resulted in an uptake of at least 20 new volunteers for the gallery. We are very fortunate to have the assistance of committed volunteers as we prepare for the upcoming Archibald Prize 2021 national tour exhibition.

- \$1 million in funding through the Australian Government's Drought Communities Program saw important works undertaken at seven community facilities throughout 2020-21. Works have included:
 - accessible and building compliance upgrades at the Stratford Hub,
 - pedestrian safety upgrades and open space improvements at the Briagolong Recreation Reserve,
 - multi-purpose shed at the Gordon Street Recreation Reserve to service the Heyfield Vintage Machinery Club rally days,
 - power supply upgrade and improved lighting at the Boisdale Recreation Reserve,
 - façade refurbishment at the Yarram Regent Theatre,
 - renewal of fencing at the Maffra Lawn Tennis Club, and upgrades to the Heyfield Youth Play Precinct.
- Three shire-wide strategic plans, the Early Years Infrastructure Plan, Sporting Infrastructure Plan and Community Infrastructure Plan were completed, ready for community consultation providing guidance for future investment.
- Council coordinated significant response and relief services following the 9 June severe weather event which left hundreds of Wellington property owners without power and telecommunications for days. Damage estimates to roads was estimated at \$1.7M. Activities included –
 - managing road closures, re-openings and safety assessments; during this time around 120 local roads were impacted and 50 roads temporarily closed
 - providing accurate and timely emergency updates to storm-affected residents via social media and Council's website
 - emergency relief line which fielded calls from community members impacted by the storm, flooding or power outages;
 - providing isolated communities with hot meals, showers and support events;
 - opening transfer stations fee-free to support property owners' clean up; and
 - linking affected businesses and property owners to state government relief funds and not for profit organisations for immediate financial and other assistance.
- Aqua Energy successfully trialled a new approach to swimming teacher recruitment which offers selected candidates the opportunity to receive 'on the job' training in all aspects of swimming teaching, before transitioning to become fully fledged members of Aqua Energy's Swim School team.
- Wellington Youth Council held a very successful 'Crystal Queer Ball' on 23 June at Bond Street Event Centre in Sale. Selling out within 24 hours, the event demonstrated a need within the community for this type of safe and inclusive event.
- The final Road Management Plan was adopted by Council on 15 June 2021 and the new plan was uploaded on Council's website on 29 June 2021.
- Council was successful in receiving a grant for the upgrade of the Heyfield Transfer Station commingled recycling area in preparation for future separate collection of glass.
- The Great Southern Rail Trail Extension Project (Alberton to Welshpool) has now been funded (\$6M) through the Regional Jobs and Infrastructure Fund – Regional Infrastructure Fund with a December 2022 completion date.
- Finalisation of the Port of Sale Masterplan is continuing including Councillor Site Tour held on 29 June. Once adopted, the Port of Sale Master Plan will set out the future development of the Port, including moorings and boat club facilities.

1.6 Service Delivery during COVID-19 pandemic

Wellington Shire Council reviewed and adjusted provision of some services and events in response to the global COVID-19 pandemic during 2020/21, taking lead from health authorities, and latest advice

from Victoria's Chief Health Officer. The majority of Council staff managed to continue to work from home / remotely without major impact to business operations.

1.7 Challenges and Future Outlook

Challenges

Below is an overview of challenges coming up in 2021/22 year and beyond mainly due to external factors.

- Broad delivery of actions in the Sustainability Strategy including reduction of Co2 emissions in line with Council target.
- Increasing percentage of tree canopy cover in the urban environment.
- Managing Council's increasing cyber security obligations required to ensure data, technology and users of its services remain protected against increasing cyber threats and online scams.
- Management of increasing compliance requirements in relation to Data Privacy and the Victorian Protective Data Security Standards.
- Federal government structural reforms to funding for home and community care services for older people in their homes will change how people access and pay for services and impact on Council's ability to directly fund service providers.
- Inadequate public and community transport in regional rural areas and impact on access to services, employment, education and recreation activities and social inclusion.
- Meeting future demand as three year old kindergarten increases from 5 hours to 15 hours per week of state-funded kindergarten over upcoming years.
- Homelessness and family violence incidences and mental health issues are increasing as our community struggles with psychosocial impacts of sustained COVID-19 restrictions and high levels of anxiety and fear relating to the pandemic. Council will assess how it can assist.
- Ongoing support for volunteer community committees of management to ensure sustainability of clubs, associations, hobby groups and other users of public reserves and assets due to constantly changing COVID-19 restrictions.
- Ongoing support for our 5 secondary schools, 31 primary schools and 22 kindergartens to deliver health and wellbeing programs during COVID-19 disruptions and remote learning and associated tight rules for visitors, changes to curriculum which often mean programs are dropped to accommodate remote learning requirements.
- COVID-19 travel restrictions continue to result in difficulties for private property owners' maintaining their properties and in particular annual preparation for summer bushfire seasons.
- Severe weather events in March and June highlighted ongoing concerns with security of telecommunications and power, essential services to remote communities which will need to be addressed through lobbying for infrastructure contingency and community preparedness for periods of isolation.
- Cumulative effect on community, businesses and industry and emergency management workforce of multiple, successive and concurrent emergencies from drought, bushfires, pandemic, storms and flood and the need for community preparation and adaptation planning.
- Accessing recovery costs reimbursement after 2021 storm and flood events and previous two summers' bushfire events via federal-state national disaster relief and recovery arrangements which are subject to convoluted processes, increasing standard of evidence requirements and shortened timeframes.
- Ensuring availability of suitably qualified, direct-delivery staff in aquatic education and group fitness instruction is challenging with workforce shortages being exacerbated by loss of staff during COVID-19 closures.

- Rebuilding public and customer confidence in participating in face-to-face services at leisure and aquatic facilities post COVID-19 including Learn to Swim, schools swimming program, Living Longer Living Stronger age-friendly program, gym memberships and group fitness class participation at Aqua Energy and contact sport training and competition activities at Gippsland Regional Sports Complex.
- Managing upward pressure on utilities and other costs at major leisure and aquatic facilities and significant revenue loss due to COVID-19 closures and associated suspension of membership payments, while increasing the level and range of 'activity and participation' programs offered.
- Broadening community usage and appeal of seasonal outdoor pools via delivery of new programming and events.
- Ensuring outcomes of 'A Warmer Pool for Yarram' capital project (roof and weather protection, heated water for future summer seasons) are achieved through returning pool major users, increased patronage, environmental and financial sustainability through solar energy offset provision and providing clarity for community regarding service levels post-project delivery.
- Forward programming of performing and visual arts shows and exhibitions and library programs is difficult to plan with constant threat of COVID-19 venue closures or restricted audiences.
- Cancellations, postponements and renegotiating rescheduled shows and associated refunding, crediting and re-issuing of tickets due to COVID-19 closures and restrictions will continue to be challenging for The Wedge performing arts centre and community music and arts venues.
- Rebuilding public confidence in 'face to face' attendance at art galleries, libraries and theatres, understanding and managing public and member expectations in post-COVID-19 environment.
- Undertaking food inspections impacted by pandemic restrictions and lockdowns.
- The impact of COVID-19 on compliance activities limits our ability to conduct door knocks, parking patrols and face to face interaction with members of the public.
- Managing the impact of the proposed state government building permit legislation.
- Potential need for ongoing financial relief to the business community particularly around Council fees (permits, rent relief on Council owned commercial properties etc).
- Safely managing the Gippsland Regional Livestock Exchange (GRLE) during the COVID-19 pandemic and ensuring best value to the local livestock industry and ratepayers.
- Advocating for the sustainability of the timber industry in Wellington Shire.
- Addressing residential and industrial land shortages as identified across Wellington.

The future

This section lists important projects/operations in the pipeline for 2020/21 year and beyond.

- Commence staged delivery of key outcomes identified in the Maffra North Development area and North Sale Development area Drainage Strategies including opportunities for integrated water management.
- Undertake recovery works in the advent of the June 2021 flood event.
- Deliver Princes Highway Revitalisation Works and Cunninghame Street Signals Project.
- New waste services contract for a new Food Organics and Green Organics (FOGO) kerbside collection service.
- Continued delivery of actions from the Sustainability Strategy.

- Construction of a new Resource Recovery facility at Maffra and future closure of existing landfill at Maffra.
- Developing the Greening Wellington Plan to increase our Urban Forests.
- Establishing a Gender Equality Audit and Action Plan to take positive steps towards achieving gender equality in line with the new Victorian *Gender Equality Act 2020*.
- Implement a workforce plan which establishes the process of shaping the workforce to ensure it is capable of delivering current organisational objectives and future requirements.
- Establish an internal drug and alcohol random testing program to ensure staff and community safety.
- Promote traineeship and work experience programs in partnership with registered training organisations.
- Undertake a cultural values review and realignment to refresh the values we use as the guiding principles that are most important to the employees of WSC about the way we work.
- Implement the new municipal public health & wellbeing plan, '*Healthy Wellington 2021 – 2025*' actions, including establishing a new governance group which looks to oversee the implementation of the plan across partner organisations throughout the shire.
- Review Council's Access and Inclusion Plan (Disability Action Plan) through engagement in accordance with Healthy Wellington 2021-2025 strategic framework.
- Deliver recommendations from the 2021 review of Council funding allocation to home and community care service providers in response to the federal government system and funding reform.
- Undertake pre-planning for needed early years infrastructure projects in locations with greatest demand and supply gaps in order to meet future demand due to state government increase in funded three year old kindergarten from five hours to fifteen hours per week.
- Commence Reconciliation Action Plan engagement and development using Reconciliation Australia processes and templates.
- Deliver Council's VicHealth Youth Mental Health project including establishment of a youth mental health partnership group which advocates for increased and improved services in Wellington.
- Feasibility and business planning for Sale Community and Early Childhood Services Hub.
- Finalise the review and development of a new suite of land use agreements to ensure committees of management and users of community facilities understand their role and responsibilities for operation of Council's community facilities and Council's support.
- Review Sale Oval Reserve and Stead Street Reserve operating model with a view to transition from direct-managed to volunteer community-managed operating model, the first of a number of transitions of Sale recreation reserves and community facilities to align with volunteer management model in place for the rest of the shire.
- Deliver major sporting infrastructure projects: Sale Oval Reserve changeroom redevelopment and past players hill amenities; Stephenson Park Reserve changeroom redevelopment; Maffra Recreation Reserve netball court redevelopment and lighting; Briagolong Recreation Reserve tennis court renewal and Maffra Lawn Tennis pavilion.
- Deliver or fund community facilities and sporting infrastructure projects: Stephenson Park Reserve croquet club amenities and main oval bunker replacement, Cowwarr Recreation Reserve LED oval lighting, Cameron Sporting Complex cricket net renewal, Maffra Lawn Tennis grandstand renewal, Rosedale Recreation Reserve turf wicket water source, Briagolong Recreation Reserve pony club shed, Heyfield Tennis Club pavilion refurbishment, Yarram Recreation Reserve irrigation and turf wicket, Maffra Sugarbeet Museum refurbishment, Sale Memorial Hall air conditioning, Baldwin Reserve fencing and netting, Rosedale Men's Shed accessibility, kindergarten maintenance and accessibility works at

Briagolong and Glassford Kindergartens and infrastructure projects planning for Cameron Sporting Complex changeroom redevelopment.

- Undertake pedestrian and vehicle management safety capital upgrades at Stephenson Park Reserve and Gordon Street (Heyfield) Recreation Reserve and planning for Yarram Recreation Reserve traffic management projects.
- Integrate emergency recovery projects and programs from recent drought, bushfires, pandemic, storm and flood emergencies to achieve community and disaster resilience objectives of Healthy Wellington 2021-25
- Embed an emergency management training calendar with internal Council staff to ensure that all are prepared for emergency response, relief and recovery roles.
- Develop and implement support and tools for community emergency preparedness planning in high risk townships across the shire.
- Complete claims process for costs of recovery from recent bushfires, storm and flood emergencies under federal-state disaster relief and recovery arrangements.
- Host The Archibald Prize 2021 national tour exhibition in October and November, a major blockbuster exhibition at the Gippsland Art Gallery.
- Complete a business case and concept design for potential redevelopment of The Wedge performing arts centre responding to opportunities arising from major expansion projects in neighbouring shires and the desire to develop local talent, encourage small touring shows and community and youth development through performing arts.
- Public launch of the Gippsland Art Gallery Foundation, a separate entity to enable and encourage private contribution of funding donations and bequests to the visual arts in Wellington.
- Continue to develop and showcase local and emerging performing artists from Wellington and new Australian works through The Wedge performing arts centre commencing with *42 George Street* by a local playwright Melesa Eldridge.
- Review and update the Wellington Arts and Culture Strategy including an activation plan for the Port of Sale cultural precinct and operational review of Council's libraries service.
- Libraries capital and maintenance projects including exterior signage upgrades at Heyfield, Stratford, Rosedale, Yarram and Maffra libraries, exterior painting at Heyfield library, Maffra library toilets refurbishment, Yarram library soundproofing and Port of Sale undercroft landscaping.
- Complete detailed design for Aqua Energy Redevelopment, a major capital redevelopment and renewal project for replacement of the 50 year old 25-metre indoor pool and change facilities including a new indoor water play area, 24 hour gym access and family changeroom and amenities upgrades.
- Undertake a review of Council's leisure services operating model.
- Complete delivery of 'A Warmer Pool for Yarram', to provide a membrane roof structure and weather protection as well as heated water for future summer seasons.
- Deliver planning and design for water treatment plant upgrade at Yarram pool.
- Complete upgrade of solar water heating at Maffra pool with conversion to evacuated tube technology and deliver solar heating upgrade for Stratford pool.
- Supply and install pool blankets at Heyfield and Stratford pools.
- Deliver Aqua Energy complex fencing replacement, program pool and outdoor changerooms roof upgrades and outdoor pool heating flow and return piping renewal.
- Deliver security CCTV installation at Council's five rural outdoor pools.

- Implementation of a Complaints Policy, an organisational initiative that will support the Wellington Excellence Principles and Council Plan.
- Rollout of new State Government Disability Parking permits.
- Implementation of Council's four-year Domestic Animal Management Plan in conjunction with members of the community and external stakeholders.
- Preparation of robust compliance framework to promote prudent and responsible management to ensure highest standards of legislative compliance is achieved across Council.
- Commencement of Customer Service Satisfaction survey for environmental health, which will progress to entire business unit of Municipal Services by end of 2021.
- Development of Environmental Newsletter to educate food and health businesses on how to achieve compliance with legislation.
- Supporting the continual growth of the emerging renewable energy and broiler farm sectors.
- Build upon the success of the Middle of Everywhere brand.
- Delivering on state and federal government initiatives to provide economic resilience programs that assist community and businesses.
- Facilitate the adoption of regenerative agriculture and investment to increase water security and assist farmers to increase resilience and profitability in a warmer, drier climate.
- Commence Port of Sale Masterplan priorities.
- Continue the advocacy for the sustainability of the timber industry in Wellington Shire.
- Facilitate the development of aviation related activity at the West Sale Airport and industrial growth on adjacent land.

2.0 The Year in Review

2.1 Mayor's Message

I am pleased to present the Wellington Shire Council Annual Report 2020/2021.

There is no doubt that this reporting period has provided us all with many challenges. The Covid-19 pandemic has changed the way many of us work, learn and conduct our business. In Victoria, in particular, the ongoing lockdowns and restrictions have taken their toll on many small businesses and as a consequence, our local economy.

As many of you know, Wellington Shire Council is responsible for the delivery of more than 100 services to its ratepayers. Despite the challenges of Covid-19, the majority of these services continued with little disruption or in an altered format during the upheaval of the pandemic. The willingness and ability of our staff to adapt to the challenges and find other ways to continue service delivery during lockdowns was exemplary.

This reporting period also fell within an election year. So, in November 2020, we welcomed some new faces into the Council chamber and said goodbye to others. Our former Mayor Cr Alan Hall retired from Council after one full term and two years as Mayor. We also said goodbye to Cr Darren McCubbin and Cr Carmel Ripper who were not re-elected. But we also welcomed Cr Jill Wood in Central Ward, Cr John Tatterson in Northern Ward and Cr Marcus McKenzie in Coastal Ward.

It would also be accurate to say that our new Councillors came on board in particularly difficult circumstances during the Covid-19 pandemic, where face-to-face interaction has been limited. They have had to learn the ropes for a significant part of the reporting period online via technology such as Zoom, Skype and other video platforms. The days sitting in front of a screen for briefings and meetings seem to be so much longer and tiresome than when you are meeting face-to-face. But all nine Councillors, new and not so new, have taken this new "normal" in their stride and have adapted remarkably well.

Similarly, Council officers and the organisation as a whole has had to adapt. The ongoing lockdowns have been difficult for officers managing front-of-house services and wherever possible services have had to be adapted to an online environment. It also seemed like every "re-open" after lockdown was under different conditions and restrictions as the time before, requiring the development of new ways of working and interacting with ratepayers.

It is with a heavy heart that I also think back to April 2021 when we lost serving Councillor Malcolm Hole, who had been in hospital in the weeks prior to his passing. Cr Hole had served his community of Heyfield and the Wellington Shire for 21 years and his sudden loss was deeply felt.

Following Cr Hole's passing, the Victorian Electoral Commission held a count-back of votes from the November election and consequently we welcomed Cr Carmel Ripper back into the chamber.

Despite the challenges of Covid, I'm proud to report that Council continued its longstanding commitment to improving and maintaining local assets, investing \$35.5 million on capital works during the reporting period. More than \$20 million was spent on improving roads, bridges, footpaths and \$6.5 million to reseal and asphalt rural and urban roads. A further \$1.8 million was spent on our parks, gardens, and streetscapes around the Shire.

A major highlight was the completion of the \$9.34 million Cameron Sporting Complex Stadium redevelopment, the largest investment the township of Maffra has ever seen in one hit. Council funded \$5.25 million of this project, with the completed refurbishment made possible with funding partners Sport and Recreation Victoria, the Latrobe Valley Authority and the users themselves via Maffra Basketball Association and the Maffra Gymnastics Club. While official opening celebrations were cancelled a number of times due to Covid-19, the facility is open and being enjoyed by hundreds of children and adults each week from Maffra and surrounding towns.

Other major project completions of note were the Maffra Streetscape project and the Aqua Energy plant room replacement.

I'd also like to focus on some other key highlights, including:

- The exceptional emergency relief and recovery services provided to those affected by the extreme storm event in June 2021, which resulted in hundreds of residents being without power or telecommunications for many days.
- The adaption of arts and culture programming to an online audience during Covid-19 lockdowns including Saturday Night Trivia, the Quarantony awards via The Wedge, Click and Deliver and Click and Collect services for library patrons and, as restrictions gradually eased, the 'Stage Door Twilight Series' developed by The Wedge by repurposing the loading dock area into an outdoor concert venue for live, local artist music events for Fridays and Saturday nights.
- The development and growing success of The Middle of Everywhere business boost, tourism and investment campaign.
- Our continued advocacy for the timber industry, through our work on the Native Timber Task Force.
- The completion and opening of the Stratford Recreation Reserve Family Friendly Changerooms project.
- Public toilet replacements at Hiawatha, Sale Botanic Gardens and the Stead Street Reserve in Sale.
- Completion of the Tarra Trail between Alberton and Port Albert.
- Gippsland Art Gallery being announced the sole Victorian venue for the 2021 Archibald Prize.
- Building and completion of a roundabout at Market and Macarthur Streets, Sale.
- Special charge schemes at Cooper Crescent, Maffra; Boggy Creek Road, Longford; and, Lloyd Street, Stratford.
- The completion of the Heyfield Youth Precinct skate park expansion and pump track.
- Completion of the Briagolong Recreation Reserve traffic management and pony club redevelopment.

In such challenging times, it is reassuring to know that the Councillors and staff at Wellington Shire Council are able to work together for the betterment of the local community. The accomplishments of varying degrees detailed in this Annual Report in a year overshadowed by a global pandemic and not to mention a freak storm event that impacted hundreds of people in the south of the municipality, is a credit to all.

A sincere thank-you to my Council colleagues for working so diligently this year and making my term as Mayor a memorable one.

Councillor Garry Stephens
Mayor

2.2 Financial Summary

This summary should be read in conjunction with the Financial Statement and Performance Statement which are available as an Appendix to this Annual Report.

2.2.1 Performance to Budget

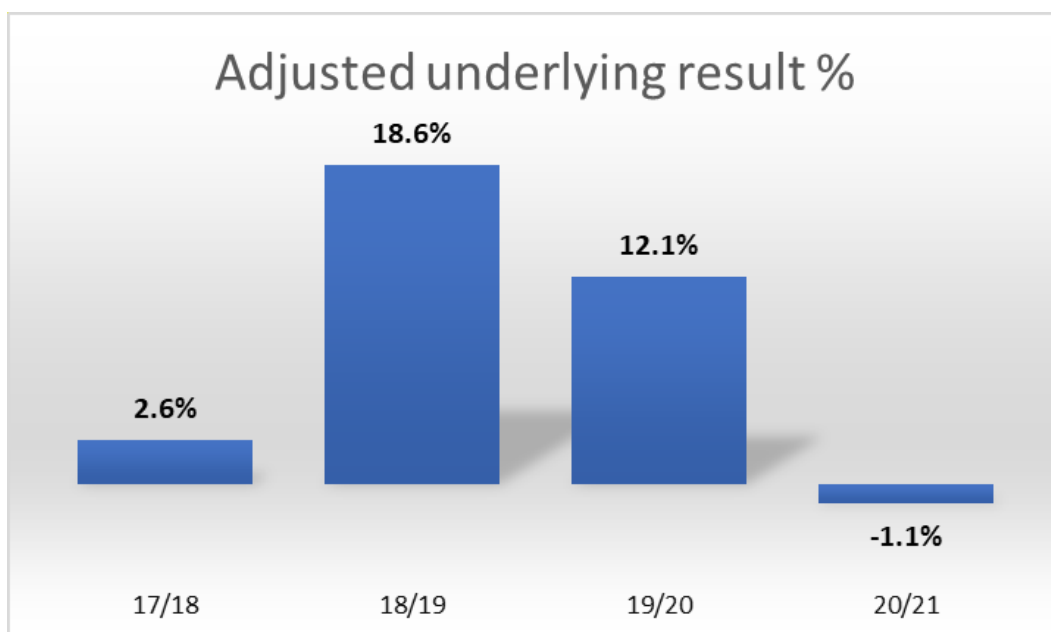
Council finished the year with a surplus of \$14.51 million (excludes asset revaluation increment), against a budgeted surplus of \$9.04 million, a variance surplus of \$5.47 million.

The following major factors influenced this result:

- Council received fifty percent of its 2021/22 Victoria Grants Commission (VGC) allocation of \$7.7M in June 2021, which will be carried forward into FY 2021/22.
- Non monetary contributions for the recognition of land, drainage, roads and footpaths assets associated with new subdivisions of \$4.0M. Donated art gallery works of \$1.5M have also been recognised during the year.
- The largest unbudgeted expense was the repayment of unused grant funding of \$4.3M for the shared services initiative.

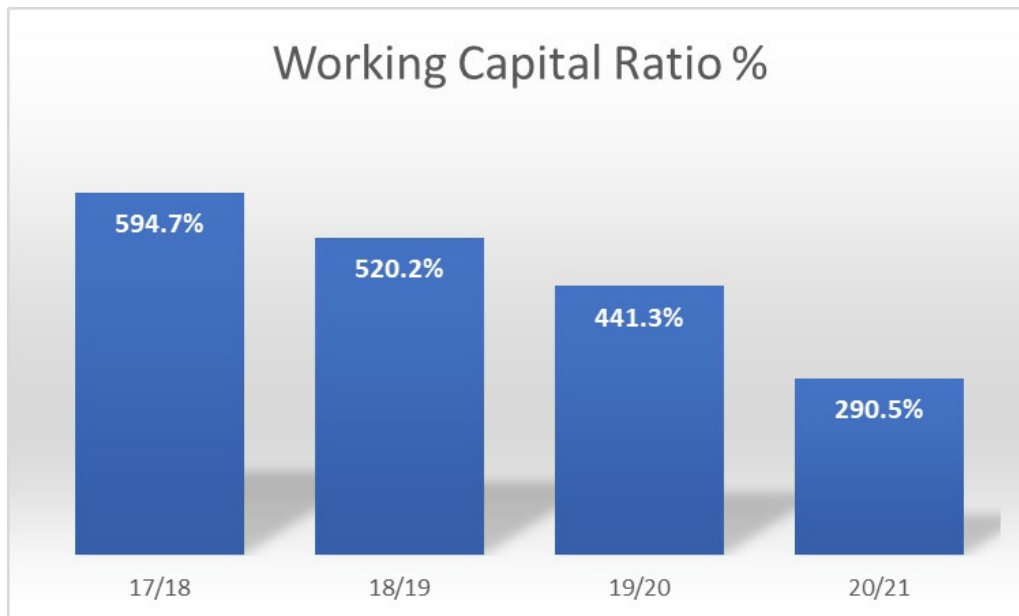
2.2.2 Adjusted Underlying Result:

The adjusted underlying result, pictured below, excludes non-recurrent capital grants, other revenue received towards capital projects, non-monetary asset contributions (gifted assets and developer subdivision contributions) and the effects of asset revaluations. The 2020/21 adjusted underlying result of (-1.1%) is in the acceptable ranges (20%) to 20%. Achieving an underlying surplus is a critical financial strategy that provides capacity to renew Council's assets, and this is an ongoing challenge for councils with an extensive road network and lower population than metropolitan councils.



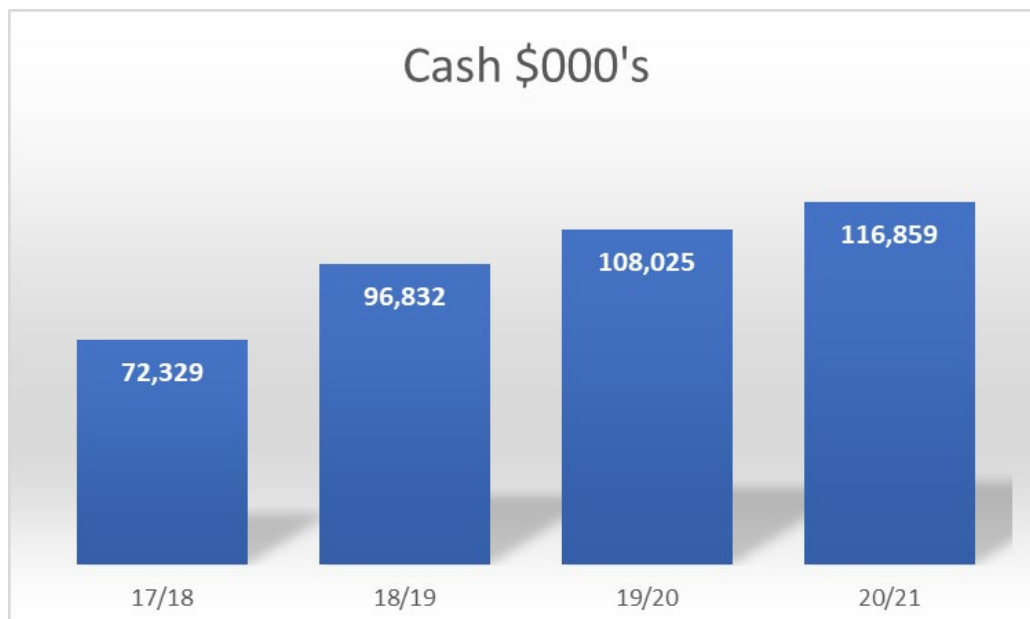
2.2.3 Liquidity

Working capital at the end of the year was \$87.07M or 290.5%, which is lower than the 2020/21 Council's budgeted position of 441.3%. 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 290.5% reflects our strong financial position and is above the expected target band of between 120% and 200%. Ignoring cash, which is restricted for specific purposes, the ratio reduces to 181%.



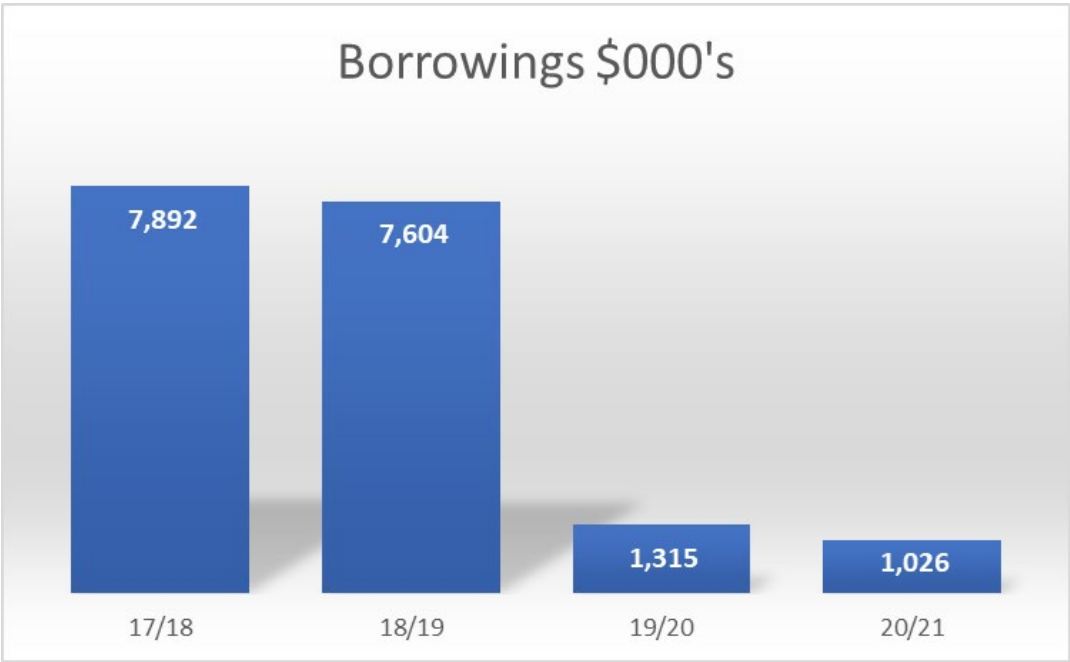
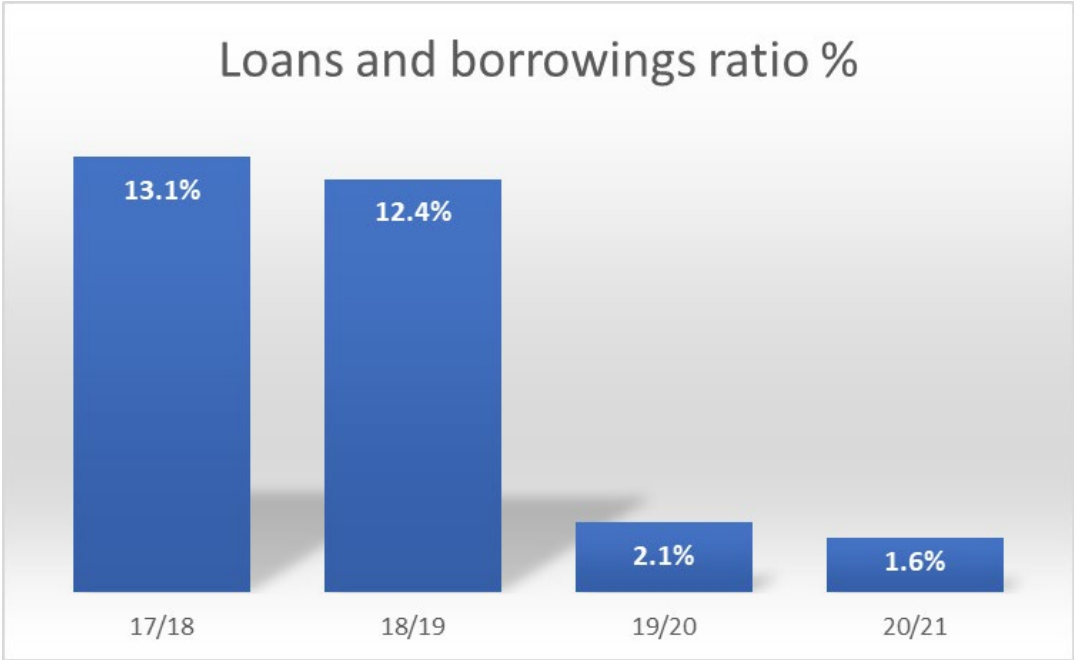
2.2.4 Cash

Council's cash including term deposits greater than 90 days' maturity (classified as other financial assets) finished at \$116.9M against a budget of \$79.9M, with \$31.3M reserved for specific purposes in future years including completion of carried forward capital works and major operating projects, trust funds and deposits, the 2021/22 Victoria Grants Commission advance and funds for future waste infrastructure projects and major plant purchases.



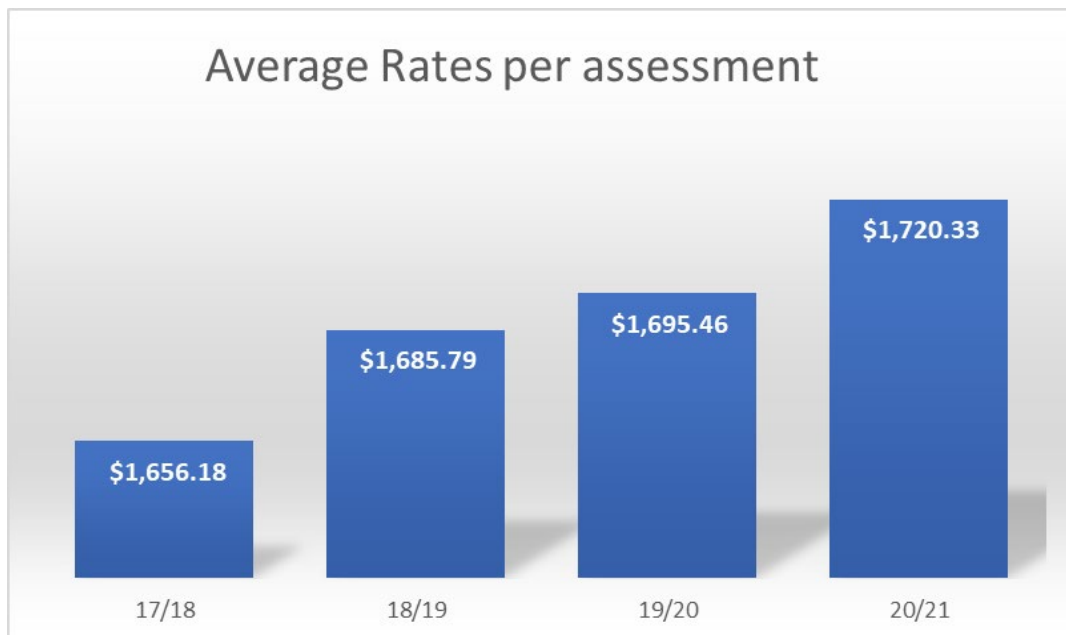
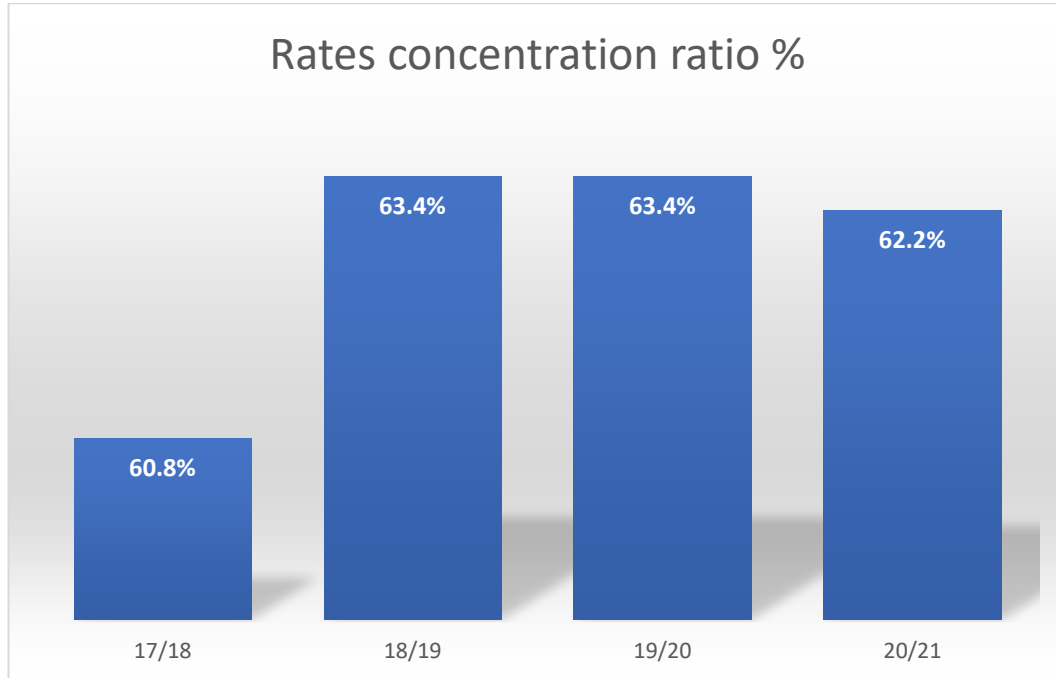
2.2.5 Obligations

During the 2020/21 year no new loans were secured. At the end of the year, Council’s debt ratio was 1.6%, well within the expected target band of 0% - 70% and also in line with Council's Borrowing Strategy of no more than 40% of annual rate revenue. Planned borrowings of \$7.0M were not required.



2.2.6 Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Council's rates concentration which compares rate revenue to adjusted underlying revenue was 62.2% for the 2020/21 year. Council average rates per assessment was \$1,720.33, an increase of \$0.48 per week on the prior year.

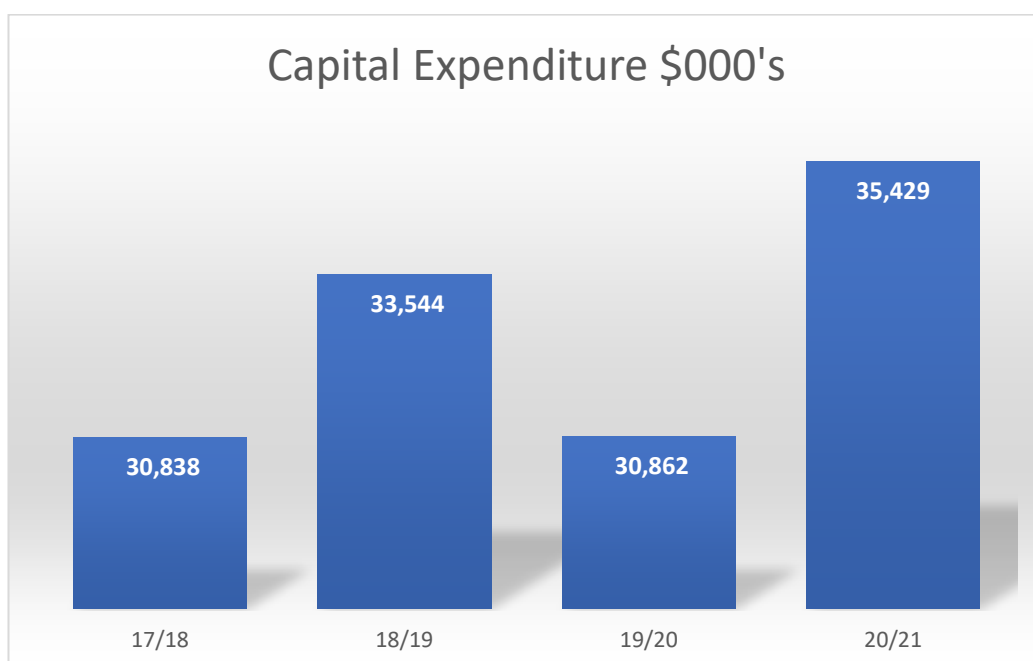


2.2.7 Capital Expenditure

During the year, the Council spent \$35.4M on capital works. Council invested \$20.8M on improving our roads, bridges, and footpaths, including \$5.6M to reseal and asphalt rural and urban roads.

Major projects which continued and were completed in 20/21 include the Cameron Sporting Complex Stadium redevelopment, Maffra Streetscape and Aqua Energy Plant Room Replacement. Other projects completed during the year include the reconstruction of Ingles Bridge Devon North, Market and Macarthur Street roundabout, Toongabbie Cowwarr Road which is on the boundary with Latrobe, special charge schemes at Cooper Crescent, Maffra, Boggy Creek Road, Longford and Lloyd Street, Stratford, Heyfield Youth Precinct Skate Park Expansion and Pump Track, Briagolong Recreation Reserve Traffic Management and Pony Club Redevelopment, public toilet replacement at Hiawatha, Sale Botanical Gardens and Stead Street Reserve Sale.

A further \$1.8M was spent on our parks, gardens, and streetscapes around the Shire.



2.3 Description of Operations

Wellington Shire Council is responsible for delivering more than 100 services, from the maintenance of public open spaces, environmental health, statutory building services, land use planning, compliance, animal management, infrastructure planning, road management and maintenance, building and maintenance, community wellbeing, recreation facilities, arts and culture, access and inclusion, youth engagement, waste management; to matters concerning business development, tourism, planning for appropriate development and ensuring accountability for Council's budget.

This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our 2017-21 Council Plan and the associated Budget 2020/21 and are reported upon in this document. Refer to the section on 'Our Performance' for more information about Council services.

2.3.1 Major Capital Works

Cameron Sporting Complex Redevelopment

Work has been completed on the Cameron Sporting Complex Redevelopment which included the construction of two new multipurpose courts compliant with basketball, volleyball and netball with permanent spectator and player seating. The project increased the gymnastics floor area and now provides competition space with increased clear roof height and an allowance for increased seating. The complex now has four new unisex change rooms. The \$9.34 million project was funded by Wellington Shire Council, the Victorian Government through Sport and Recreation Victoria (\$3 million), Latrobe Valley Authority (\$1 million) and the Maffra Basketball Association and Maffra Gymnastic Club (\$250,000).

Sale Tennis Club Improvements

The Sale Tennis Centre is currently being redeveloped so it can attract higher grade tournaments and provide improved amenities for community use. The reconstruction of 12 tennis courts and ground works include four new red porous surfaces, meeting official requirements for International Tennis Federation (ITF) level tournaments, and eight courts upgraded to improve club-level competitions.

The works also include upgrades to seating and shared pathways to connect facilities and court lighting to improve amenity for evening games.

During the year, resurfacing of stage 1 courts was completed and additional funding secured for stage 2 courts redevelopment with the Sale Tennis Club opting to directly deliver court works to higher quality standard than originally scoped.

This \$2.792 million project is funded by Wellington Shire Council with contributions from the Victorian Government (\$1 million), Tennis Victoria (\$150,000) and Sale Tennis Club (\$550,000). Additional funding secured for courts resurfacing and redevelopment works from the Australian Government's Local Roads and Community Infrastructure Program (\$150,000), Wellington Shire Council (\$100,000) and John Leslie Foundation (\$100,000) and the Sale Tennis Club.

Maffra CBD Streetscape Renewal

The renewal of the Maffra CBD streetscape has now been finalised with all works on the northern service road completed in addition to works previously completed on the southern service road. The works included renewal of all footpaths, kerb and channel and rehabilitation of the road pavement including an asphalt resheet overlay.

Briagolong Recreation Reserve Traffic Management and Pony Club Redevelopment

The traffic management project to improve vehicle and pedestrian access and interaction throughout the Briagolong Recreation Reserve is now complete. Works included improving entry to the reserve and sealing of the access road and carpark construction. Other works for the Pony Club Redevelopment included new fencing and reshaping of the competition paddocks. The budget/expenditure was \$385,000 and fully funded by the Australian Government's Drought Communities Program, one of seven projects for which we received \$1M in funding towards \$1.12M of projects.

Aqua Energy Outdoor Pool Plant Replacement

A new plant room was constructed and commissioned in time for the start of the 2020 Summer pool opening. The new plant room replaced aging and hard to maintain plant which provides improved water quality control. The relocation of the plant into the grounds of the pool has allowed Brayakaulung Way to be extended around the perimeter of the pool to Guthridge Parade providing additional parking and better traffic management around the Aqua Energy site.

Market Street / Macarthur Street Roundabout Construction

The roundabout in Macarthur Street at Market Street was constructed due to the poor road crash history at this location. Works are complete.

Yarram Regent Theatre Refurbishment

Works on repairing the render and repainting of the Yarram Regent Theatre façade are now complete along with the replacement of the cracked marble steps.

Tarra Trail Stage 2 Alberton to Port Albert

The Tarra Trail between Alberton and Port Albert is now complete with the track opened to the public in December 2020. The Tarra Trail now extends from Yarram to Port Albert enabling cyclists and walkers to travel between these towns off road.

Road Reseal Program

The annual road reseal program was completed with 729,402m² of both urban and rural roads resealed across the shire. This is equivalent to over 121kms of a 6 metre wide rural road resealed in the past year, a distance greater than between Briagolong and Port Albert through Stratford, Sale and Yarram.

Asphalt Resheeting Program

The annual asphalt resheeting program has been expanded in recent years with the program in 2020/21 completing over 111,894m² of asphalt resheeting which is mainly concentrated in urban areas and high trafficked rural intersections.

Sale Oval Redevelopment

Stage 1 of the Sale Oval Redevelopment is complete which included new umpire change rooms and upgrading and making the football/cricket club changerooms female and family friendly. Stage 2 works will commence at the end of the 2021 football season and will be complete prior to the start of the 2022 season. This \$1,655,000 project was funded by Wellington Shire Council with contributions from the Australian Government (\$880,000) and John Leslie Foundation (\$250,000).

Stratford Recreation Reserve Pavilion Upgrade

Works were completed in time for the start of the 2021 football/netball season on the upgrade to the football/cricket changerooms and public toilets which included construction of new umpire and female and family friendly changerooms. This \$1,119,323 project was funded by Wellington Shire Council, the Victorian Government through Sport and Recreation Victoria (\$500,000) and community user group (\$50,000) contributions.

Gippsland Art Gallery

Installation of major outdoor sculpture by Adrian Mauriks at Port of Sale - \$120,000 sculpture donated by the artist, concrete slab funded by Wellington Shire Council rates - \$10,000.

Construction of 'Action Station' Art Activity Furniture - 100% funded by Wellington Shire Council rates - \$8,841.

Gippsland Regional Sports Complex Upgrades

Three new outdoor netball player shelters were completed at Gippsland Regional Sports Complex. The total project budget expended for this project was \$98,000 with \$50,000 contribution from the Sale Netball Association.

Installed air extraction and movement system at Gippsland Regional Sports Complex stadium for enhanced player and spectator comfort. 100% funded by Wellington Shire Council rates - \$180,500.

Rosedale Pool Upgrade

Installed solar water heating at Rosedale pool. 100% funded by Wellington Shire Council rates - \$36,400.

Yarram Pool Upgrade

Installed new electric BBQ and shelter at Yarram pool to enhance user experience. 100% funded by Wellington Shire Council rates - \$37,400.

Aqua Energy Redevelopment design

Concept design complete and adopted in September. Detailed design underway and external funding identified. This \$12.9 million project will be funded by Wellington Shire Council with anticipated contributions from the Australian Government's Local Roads and Community Infrastructure Program (\$3.2m) and the John Leslie Foundation (\$950,000).

Drought Communities Program

\$1M in funding through the Australian Government's Drought Communities Program has seen seven community facilities receive important works throughout 2020-21. This has included –

- accessibility and building compliance upgrades at the Stratford Hub,
- pedestrian safety upgrades and open space improvements at the Briagolong Recreation Reserve,
- a multi-purpose shed at the Gordon St Recreation Reserve to service the Heyfield Vintage Machinery Club's rally days,
- a power supply upgrade for improved lighting at the Boisdale Recreation Reserve,
- a façade refurbishment at the Yarram Regent Theatre,
- renewal of fencing at the Maffra Lawn Tennis Club and
- upgrades to the Heyfield Youth Play Park.

Stephenson Park Changeroom Redevelopment design

Detailed design was completed in 2020/21 which includes upgrades to and expansion of the existing changerooms to make them female and family friendly football/cricket player/umpire changerooms. New netball player and umpire changerooms, a multipurpose room with kiosk, storage and public amenities. Construction will commence in September following the current football/netball season. The \$2.8M project has received \$800,000 in funding from the Victorian Government and \$300,000 from the John Leslie Foundation.

The Wedge Upgrades

Refit of meeting room to create a 50-seat performance studio and rehearsal space by installing lighting and seat infrastructure. 100% funded by Wellington Shire Council rates - \$19,149.

New follow spots lighting to replace ten year old inefficient follow spots with brighter energy efficient models. 100% funded by Wellington Shire Council rates - \$46,184.

Audio console replacement of the 12-year-old failing sound desk to ensure continued quality service for events and music concerts. 100% funded by Wellington Shire Council rates - \$66,586.

Port of Sale highway banners purchase - for installation in 2021. 100% funded by Wellington Shire Council rates - \$56,000.

2.3.2 Major Changes

- Changes to day-to-day business activities and a shift to a primarily online workforce during the COVID-19 restrictions. All normal business operations have successfully continued during this challenging time.
- COVID-19 stay at home restrictions have also fundamentally changed how the organisation engages with community, with stakeholders and internally with working from home, online meetings and engagement and physically distant ways of working embedded.
- Doubling of Built Environment customer action requests from 500 annual requests to 1063. Total requests across all units 3,258 for the year.
- Response to two major flood events impacting approximately 120 council managed roads at the peak of the June event.
- Capital Works Program increased due to additional Drought and Local Roads and Community Infrastructure Program Funding and the Adjusted Budget reached \$61.48M

- Deliberative engagement practices were incorporated into Council's Community Engagement Strategy and Policy stemming from changes required under the *Local Government Act 2020* and deliberative community engagement approaches were used in developing our new 4 year Council Plan and municipal public health and wellbeing plan.
- Pending structural system reform relating to Commonwealth funding of home and community care support services, Council commenced a review of how funding is provided to local service providers with a view to amending future funding arrangements to better support the availability and quality of in-home care.
- Following announcement of state government funding of fifteen hours of 3 year old kindergarten, Council commenced a review of early years facilities provision, registration and enrolment practices and supply and demand analysis across all volunteer-run, not-for-profit, private and school-based kindergarten services to ensure future availability of services for our community.
- Changes to Commonwealth funding arrangements resulted in Wellington's ten volunteer-run senior citizens centres losing operational funding support, a major setback especially during COVID restrictions when social isolation represents a huge risk for older community members and sustainability of community groups is not assured. Council is working with senior citizen's centres to provide stop gap support while identifying local service provider partners to assist with attracting alternative, sustainable operational support.
- Commenced transition of remaining direct-managed recreation reserves and community facilities in Sale to become volunteer-run to align with reserves and facilities in other parts of the shire. Council's Community Managed Facilities Strategy, developed in consultation with community facilities' committees of management, recommends this reform to create a fairer level of support across all facilities.
- COVID Safe plans for delivery of emergency response, relief and recovery required changed arrangements including offering virtual and in-home emergency relief support services and training staff in the role of Covid Safety Officers for emergency relief centres.
- Victorian Government emergency management planning reform and the *Emergency Management Legislation Amendment Act 2020* required replacement of Council's Municipal Emergency Management Planning Committee with a joint responsibility multi-agency committee which was achieved in December 2020.
- Ongoing disruption to services delivery due to sustained and multiple COVID closures of Council's libraries, galleries, performing arts centre and aquatic and leisure facilities resulted in underemployment for casual staff, departure of aquatic industry workforce and systematic reassignment of permanent staff to assist with delivering Council's emergency management responsibilities and in other, continuing service areas.
- Gippsland Art Gallery, The Wedge performing arts centre and Wellington Libraries moved to online delivery of content including exhibitions, performances, public workshops, children's library programming and schools' arts program due to sustained COVID closure during 2020.
- Workforce shortages in performing arts technical staff resulted from COVID impacts on the performing arts industry.
- Limitations in permitted audience numbers under COVID easing of restrictions resulted in The Wedge performing arts centre trialling alternative programming featuring intimate performances, local artists and splitting audiences across extra performances.
- Sustained closure of aquatic and leisure facilities led to workforce shortages of qualified aquatic educators and group fitness instructors resulting in extended waiting list for swim school enrolments and forced alterations to group fitness timetabling.
- COVID closures of Council's aquatic and leisure facilities resulted in significant revenue loss from suspended and cancelled memberships to around 85% of pre-COVID levels and aquatic education enrolments reverted to 2018-19 levels after strong growth in 2019-20 and children and adult sports participation levels significantly dropped.

- Adoption of the new Community Local Law 2021 on 15 June 2021.
- The closure of the Council offices due to repeated COVID-19 lockdowns saw the Local Laws team forced to work semi-remotely within their vehicles.
- In addition to the normal legislative requirements for Environmental Health, high level advice was also provided in relation to COVID-19 to reinforce the State Government messaging. A risk-based approach was used in relation to inspections under the *Food Act* and *Public Health and Wellbeing Act*, as many premises were closed or had limited trading impacting on the normal inspection regime. A contractor Environmental Health Officer was engaged at the end of June to assist with outstanding inspections due to the ongoing restrictions experienced during 2020/21.
- Employment of a 'Concierge Business Support Officer' support local businesses in securing grant funding.
- Adapted work practices at the Gippsland Regional Livestock Exchange during the COVID-19 pandemic to continue operating a critical service for our agricultural industry.

2.3.3 Major Achievements

- Installed first Electric Vehicle (EV) Charger at the Port of Sale.
- Installed 60 kilowatts of solar on Council buildings with a further 138 kilowatts scheduled to be installed.
- Planted more than 1,000 street trees as part of Council's ongoing development of the Urban Forest.
- Finalised the design of the Lake Guyatt Environmental Education Centre.
- As part of Council's Youth Play Plan, provided new Pump Tracks to Heyfield, Yarram, Maffra, Stratford and Sale.
- As part of a 46 Council collaboration secured a Power Purchase Agreement for 25% of Council's total electricity use meaning that the Port of Sale building, The Wedge and Civic building are 100% renewable electricity.
- Secured \$10.35M of federal and state funding for the Princes Highway Revitalisation Project and \$1.58M of federal funding for the Cunninghame Street Signals Project.
- Responded to more than 1000 customer action requests within the built environment planning area, more than double the amount received in previous years.
- Outdoor teams continued to meet maintenance KPI's in the midst of lockdown restrictions and response to two major storm events.
- Completed the Maffra Township Drainage, Flood and Integrated Water Management Study, a key document to support future growth in Maffra.
- Capital Works Program increased due to additional Drought and Local Roads and Community Infrastructure Program Funding and the Adjusted Budget reached \$61.48M with over \$37M delivered, the highest amount of capex delivered by Wellington.
- Delivered the Cameron Sporting Complex Project.
- Completed the Maffra Streetscape Project.
- Implementation of new model to support community facilities volunteer committees of management including increased risk and maintenance subsidies of \$919,649 (additional \$292,000 per year) to support 103 committees of management address risk and undertake preventative maintenance to add to maintenance funding of \$300,000 now available to an additional thirty committees of management.

- Development of three significant shire-wide strategic infrastructure plans for Sporting, Community and Early Years facilities to guide long term decision-making around capital, maintenance and activation investment.
- Secured \$2.577M from state and federal government for sporting and community facilities' capital redevelopment projects – Warmer Pool for Yarram; Maffra Recreation Reserve netball court redevelopment; Briagolong Recreation Reserve tennis/netball court redevelopment; Boisdale Recreation Reserve power supply and lighting upgrade; Sale Memorial Hall roof replacement; Heyfield Memorial Hall / McFarlane Street streetscape; Longford Recreation Reserve entry upgrade; Briagolong Quarry Reserve nature-based playground; Yarram Regent Theatre solar system; Maffra Lawn Tennis Club grandstand renewal; Cameron Recreation Reserve cricket net renewal; Yarram Recreation Reserve turf wicket installation; Cowwarr Recreation Reserve main oval LED lighting; Sale Memorial Hall air conditioning; Baldwin Reserve, Sale fencing upgrades; Sale Tennis Club court surface replacement/redevelopment.
- Launch of new online engagement website, '*Your Wellington Your Say*' which, since its launch in February 2021 has had 10,500 visitors, gained 700 active registered users and been utilised for community engagement for 18 council projects.
- Be Kind Wellington - online social media campaign that addresses social isolation and disconnection due to COVID-19. The campaign includes a Facebook group which has approximately 1,000 members with daily engagement from the members.
- Established the 'Young Archie' competition for children and young people being run in collaboration with the Gippsland Art Gallery's staging of The Archibald Prize 2021.
- Effective and coordinated response, relief and recovery for emergency events, including storm event of 9 June 2021 which was Wellington's sixth emergency in four years, with ongoing recovery work continuing across recent years' drought, bushfire, pandemic, storm and flood emergencies.
- Provided 704 permits over a two week period to metropolitan-based property owners to attend their Wellington properties during 2020 COVID-19 restrictions to prepare properties for 2020/21 summer bushfire season.
- Community Activation and Social Isolation project allocated over \$100,000 to 16 community projects to increase social connection and reduce isolation from COVID-19 restrictions.
- Council formally adopted concept design for \$13 million redevelopment of Aqua Energy indoor aquatic facility including replacement of the fifty year old 25 metre indoor pool.
- Activated Gippsland Regional Sports Complex as a COVID Community Vaccination Centre in partnership with Latrobe Regional Health.
- Implemented a trial 'turnkey' user fees arrangement at Gippsland Regional Sports Complex whereby association users provide volunteer staffing for reduced hire fees.
- Creation of new 'Mind and Body' studio at Aqua Energy as an alternative group fitness and wellness programming space.
- Gippsland Art Gallery announced as the only Victorian venue for The Archibald Prize 2021 national tour exhibition.
- Gippsland Art Gallery Foundation established enabling philanthropic and estate donations to be made towards future capital projects and art acquisitions, significantly enhancing the long term sustainability and growth of the gallery.
- Creation of 'The Studio' at The Wedge by conversion of meeting room space into rehearsal and small performance space to enable more innovative programming and support community theatre and performing arts training.
- Wellington Libraries implemented enormously popular 'Click and Deliver' and 'Click and Collect' library services to support our community during COVID-19 restrictions.

- As part of the Working for Victoria initiative, Council received \$1.3 million in funding to go towards gaining and retaining employment opportunities within our municipality and to help stimulate the economy.
- Continued to enable staff to work from home to continue to provide services in collaboration with IT.
- Employee Staff Engagement survey 2020 conducted with 73% engagement achieved.
- Completed an Airspace Review of West Sale Airport including facilitation of risk workshop engaging with all key aviation stakeholders including RAAF Base East Sale and local aviation community. This provides future direction for airport development and informs prospective aviation business to ensure operations are compatible with existing military activities.
- Established new lease for solar up-cycling facility. This is a positive reflection on Wellington Shire being a leader and promoter of renewable and sustainable business.
- Worked with commercial tenants to provide relief in accordance with the Covid Commercial Code of Leasing.
- A highly contested issue regarding Council's role in advocacy regarding airspace was resolved. A clear direction for all new airport related development has now been established.
- The Middle of Everywhere campaign was developed and successfully rolled out during 2020-2021.
- \$6M in funding for the Great Southern Rail Trail Extension Project (Alberton to Welshpool) was successful through the Regional Jobs and Infrastructure Fund - Regional Infrastructure Fund.
- Throughout the year Council worked closely with Small Business Victoria and a number of other relevant agencies to deliver a wide range of programs and support services to businesses across Wellington.
- Council worked closely with the Latrobe Valley Authority and supported the Concierge Business Support service providing 28 businesses a share in a total of \$179,854 in small grant funding. Officers also continued to work closely with Regional Development Victoria to facilitate new business investment opportunities in Wellington including a new solar panel upcycling facility located at Fulham.
- Council supported business through COVID-19 waiving the costs of a number of permits including costs associated with outdoor dining, planning permits, portable advertising, tenancy costs and food and health registrations.
- Funding offered to Business Traders and Tourism Associations, providing free memberships to businesses in Sale, Maffra, Yarram, Port Albert, Loch Sport, Rosedale and Heyfield.
- The business Latrobe Valley Authority business reimbursement scheme (2016) wound up this year and officers supported 62 businesses in Wellington Shire in obtaining a share in \$7,151,083.53 over the duration of the scheme. Total employment outcomes for the period for those businesses was 210 full-time, 84 part-time and 28 apprentices.
- 145 events attracted to Wellington.
- Improved customer satisfaction with planning applications (74% 'excellent' rating compared to 71% in 2019).
- Adaptation and consequent continued high level service provision from all areas of the Land Use Planning section in response to COVID-19 restrictions.
- Progression of key Strategic Planning projects - including Maffra Structure Plan; Port of Sale Masterplan Charrette and Residential Stocktake Charrette using virtual on-line approach.
- Successful grant funding support from the Victorian Planning Authority for the preparation of the 'West Sale Industrial Area Development Plan'.

- Continued high level of service from all areas of Municipal Services during the COVID-19 lockdowns. Workloads across the business unit increased with higher level of renovations and complaints being received during the pandemic.
- Council support of businesses and farmers through COVID-19 waiving costs of permits (Local Laws and health).

2.3.4 Economic Factors

The COVID-19 pandemic has caused many facilities to be closed and most staff, where possible, to work from home since March 2020. Council continued to engage staff in support of the Working for Victoria initiative.

With competition for contracting services and the supply chain delays flowing from COVID-19 restrictions, the progress of planned projects has been difficult.

Government programs to stimulate the economy have diverted attention away from some budget or planned programmed areas to meet grant obligations.

Interest rates on term deposits are at an all-time low restricting income from the treasury functions.

Rates debt collection has been hampered by COVID-19 lockdowns.

Ratepayer hardship has been a focus and will be an ongoing challenge.

3.0 Our Council

3.1 Municipality Profile

Wellington is geographically the third largest municipality in Victoria, covering an area of 10,924 square kilometres. Easily accessible from Melbourne via road or rail, travel time is a convenient 2.5 hours.

Traditionally, the Wellington region was marketed as the 'Heart of Gippsland', in that it was ideally placed for everything Gippsland has to offer. Wellington extends from the Great Dividing Range and Victoria's High Country, through rich irrigated flats and pristine grazing land, to the internationally significant Gippsland Lakes and wetlands and the Ninety Mile Beach and Bass Strait.

While that is still true, Council now prefers to market the Wellington region as 'The Middle of Everywhere', due to its enviable location in the middle of everything any resident, visitor, tourist or investor could ever want or need.

The most recent population estimate from the Australian Bureau of Statistics indicates that there are many that agree that Wellington is 'The Middle of Everywhere', with the population growing from 43,928 in 2018 to 44,699 in 2021. Council is pro-active in ensuring there is a plentiful supply of new residential and industrial land to encourage this growth.

Wellington is renowned for its quality public spaces, including parks and gardens and public buildings and infrastructure. A drawcard is top quality facilities for sport, health and regional shopping. The Port of Sale precinct brings together the very best in arts and culture, with The Wedge performing arts centre, Gippsland Art Gallery, Sale library, meeting areas, cafes and youth spaces such as the skate park.

Gippsland Regional Sports Complex offers outstanding facilities including indoor basketball/multi-use courts, state-of-the-art hockey precinct, outdoor netball courts, meeting rooms and kiosk. Aqua Energy offers indoor and outdoor swimming pools, gym, group fitness and a café.

Wellington also boasts some of the best schools in Gippsland across public and private primary and secondary, vocational training and further education. TAFE Gippsland is currently building a new campus a stone's throw away from the Port of Sale precinct, offering a wide range of programs.

About 16% of the Wellington population works within the agricultural/forestry/fishing sectors, with a wide range of other local opportunities ranging from manufacturing and construction to retail, mining, public sector and education, community services, arts and recreation.

Wellington is also the location of the East Sale RAAF Base, home to the famous Roulettes, Central Flying School, the Officers' Training School and the schools of Air Warfare and Air Traffic Control. The recent relocation of the Basic Flying Training School component of pilot training to East Sale is also projected to boost the local economy up to \$168M each year, over a 25 year period.

The Council-owned West Sale Airport provides a base for helicopters servicing the Bass Strait oil rigs and for the servicing of aircraft and training of civilian pilot and aircraft maintenance engineers. It is also soon to become a leading facility for aviation education with the runway extension and lighting upgrade providing the required standard for use by RAAF Air Academy for its new Pilot Training System, along with avionics training through TAFE Gippsland.

With Yarram Aerodrome and aerodromes at Bairnsdale and other locations in East Gippsland, there are extensive facilities for defence, general and recreational aviation and considerable capacity for expansion. Esso Australia's Longford gas plant, south of Sale, supplies gas to Victoria, New South Wales and Tasmania. A number of local companies provide services to the bass Strait oil and gas industry, operated by Exxon Mobil (Esso).

The Macalister Irrigation District (MID), with its centre at Maffra, supports Wellington's strong dairy, beef and vegetable growing industries comprising award-winning businesses providing goods Australia-wide.

Timber is another natural resource which contributes to the local economy through direct employment, contract and transportation services. Australian Sustainable Hardwoods (ASH) at Heyfield mills timber products from sustainably grown forests and manufactures products such as windows, doors, staircases, flooring and architraves.

Wellington is a diverse, vibrant and connected community where delivering liveability, economic prosperity and sustainability outcomes underpin all that we do.

3.2 Council Offices

Sale Service Centre - Council Headquarters

18 Desailly Street (PO BOX 506), Sale VIC 3850

Telephone: 1300 366 244 Fax: (03) 5142 3501

Email: enquiries@wellington.vic.gov.au

Yarram Service Centre

156 Grant Street, Yarram VIC 3971

Telephone: (03) 5182 5100 Fax: (03) 5182 6264

3.3 Councillors

	<p>Cr Garry Stephens (Mayor)</p> <p>Coastal Ward</p> <p>Terms Elected: 2016, 2020</p>	<p>0476 000 157 garrys@wellington.vic.gov.au</p>
	<p>Cr Scott Rossetti (Deputy Mayor)</p> <p>Central Ward</p> <p>Terms Elected: 2008, 2012, 2016, 2020</p>	<p>0419 366 686 scottr@wellington.vic.gov.au</p>
	<p>Cr Carolyn Crossley</p> <p>Northern Ward</p> <p>Terms Elected: 2012, 2016, 2020</p>	<p>0409 495 833 carolync@wellington.vic.gov.au</p>
	<p>Cr Gayle Maher</p> <p>Coastal Ward</p> <p>Terms Elected: 2016, 2020</p>	<p>0476 000 162 gaylem@wellington.vic.gov.au</p>
	<p>Cr Ian Bye</p> <p>Central Ward</p> <p>Terms Elected: 2016, 2020</p>	<p>0476 000 146 ianb@wellington.vic.gov.au</p>
	<p>Cr Jill Wood</p> <p>Central Ward</p> <p>Terms Elected: 2020</p>	<p>0448 573 297 jillw@wellington.vic.gov.au</p>



Cr John Tatterson

Northern Ward

Terms Elected: 2020

0448 433 036
johnta@wellington.vic.gov.au



Cr Marcus McKenzie

Coastal Ward

Terms Elected: 2020

0448 482 509
marcsm@wellington.vic.gov.au



Cr Carmel Ripper

Northern Ward

Terms Elected: 2016, 2020 (elected on
countback following passing of Malcolm
Hole)

First meeting 18 May 2021

0457 056 436
carmelr@wellington.vic.gov.au



Cr Malcolm Hole

Northern Ward

Terms Elected: 2000, 2003, 2005, 2008, 2012, 2016, 2020
(passed away 10 April 2021)



Cr Alan Hall

Coastal Ward

Terms Elected: 2016



Cr Darren McCubbin

Central Ward

Terms Elected: 2003, 2005, 2008, 2012, 2016

Vale Malcolm Hole

Malcolm Hole was first elected to council in 2000 and was re-elected in 2003, 2006, 2009, 2012, 2016 and 2020. He was Mayor in 2002 and 2006.

Over the years, Malcolm was involved with many boards and associations:

- 2002 Chair of the Gippsland Local Government Network
- 2001-2014 Timber Towns Victoria Executive
- 2004-2013 State President Timber Towns Victoria
- 2004 -2014 National President National Timber Councils Association
- 2005-2014 Executive Rural Councils Victoria
- 2015 elected to the Board of the Municipal Association of Victoria (MAV)
- 2015-16 Chair Local Government Emergency Management Committee.

In 2016, Malcolm was involved in the steering committees for MAV Act for the Future and the review of the *Municipal Association Act 1907*.

Malcolm passed away on 10 April 2021.

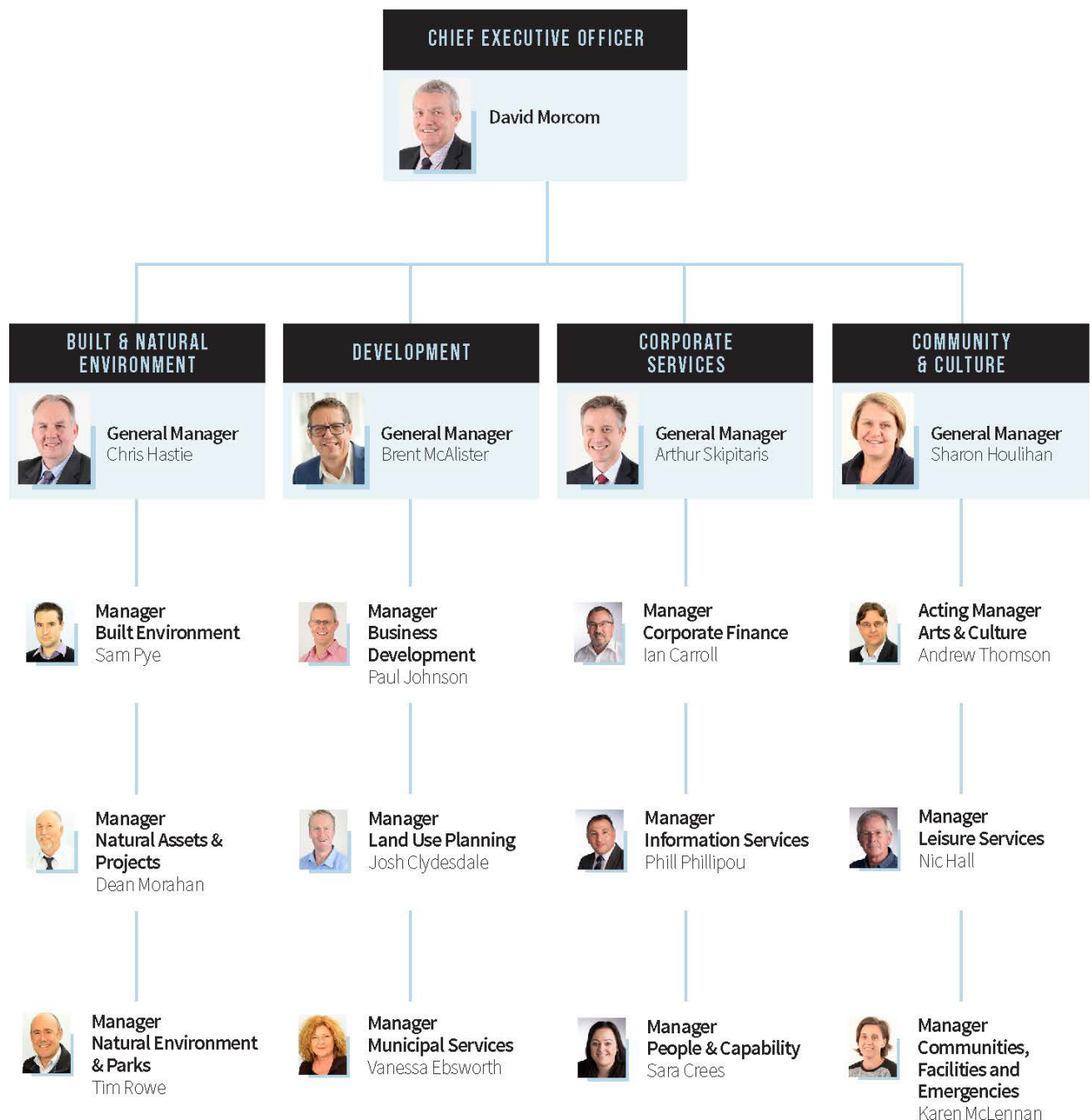
4.0 Our People

4.1 Organisational Structure

Council is the governing body that appoints a Chief Executive Officer. The Chief Executive Officer has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Four General Managers and the Chief Executive Officer form the Corporate Management Team (CMT) and lead the organisation.

Organisation Structure

As of 30 June 2021, Council organisation structure was as below.



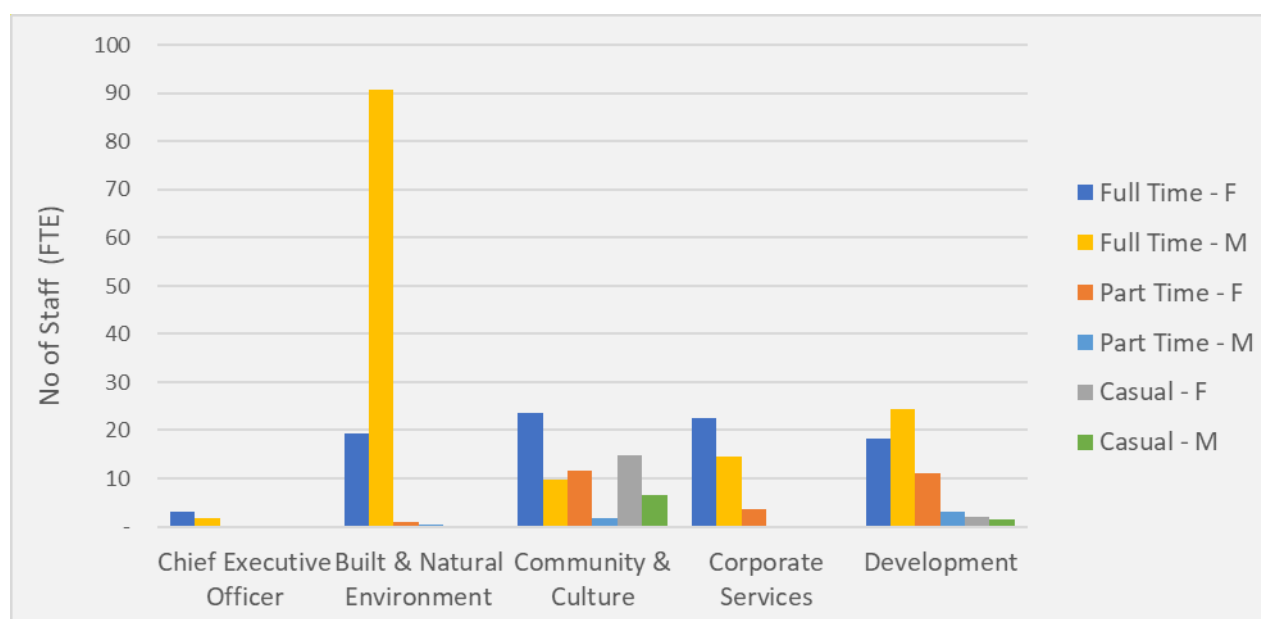
4.2 Senior Officers

As at 30 June 2021, senior officers as designated by the *Local Government Act, 1989* were David Morcom, Arthur Skipitaris, Chris Hastie, Sharon Houlihan, Brent McAlister, Phillip Phillipou and Ian Carroll.

4.3 Council Staff

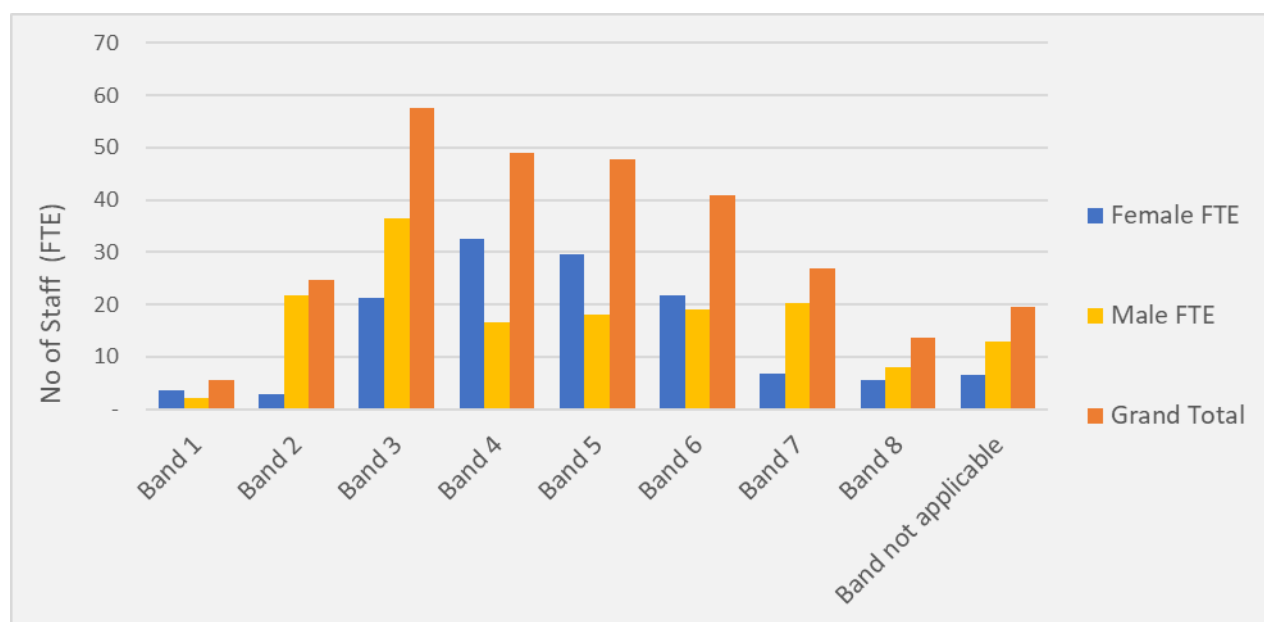
A summary of the number of full time equivalent (FTE) Council staff by organisational structure, employment type and gender:

Division	Status code	Gender		Total
		F	M	
Chief Executive Officer	Full Time	3.00	1.85	4.85
Built & Natural Environment	Full Time	19.37	90.79	110.15
	Part Time	1.07	0.45	1.52
Community & Culture	Full Time	23.48	9.85	33.32
	Part Time	11.57	1.79	13.36
	Casual	14.82	6.62	21.44
Corporate Services	Full Time	22.48	14.54	37.02
	Part Time	3.55		3.55
Development	Full Time	18.31	24.35	42.66
	Part Time	11.15	3.20	14.35
	Casual	1.88	1.56	3.45
Grand Total		130.68	155.00	285.67



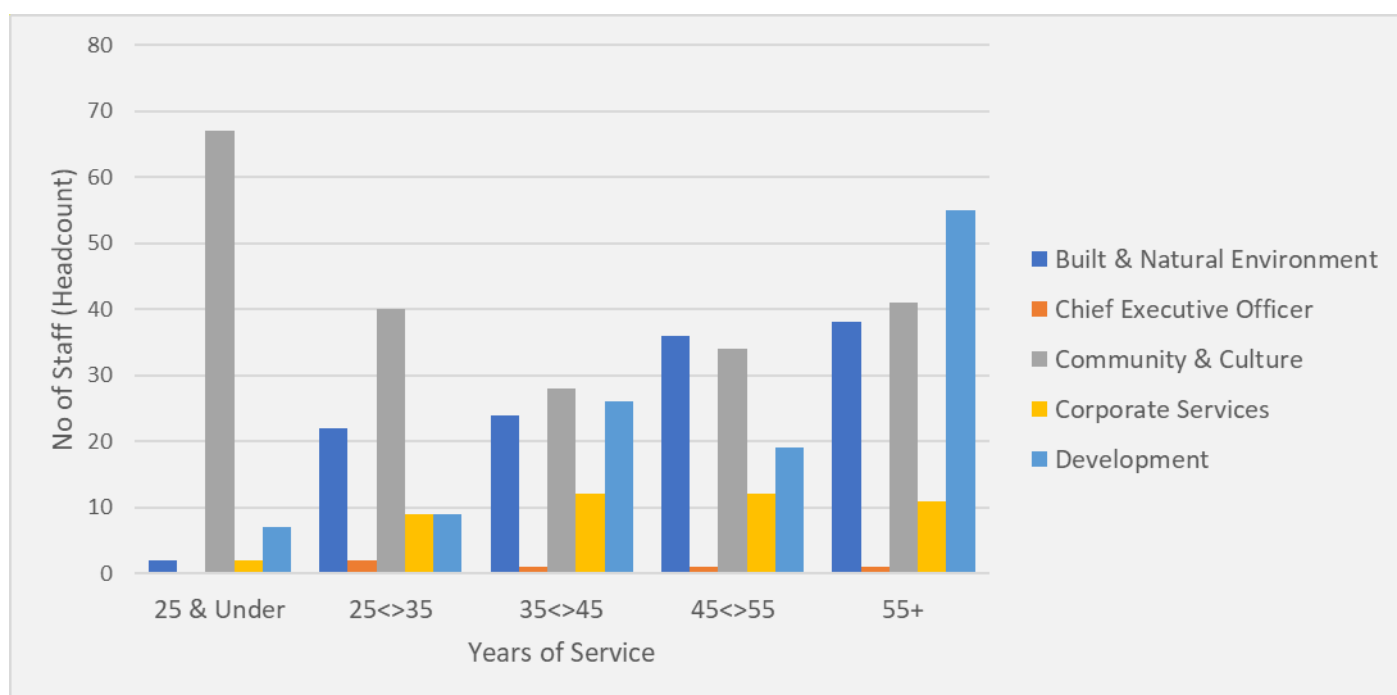
A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender:

Employee Classification	Female	Male	
	Female FTE	Male FTE	Total
Band 1	3.50	2.03	5.53
Band 2	2.91	21.72	24.63
Band 3	21.31	36.38	57.69
Band 4	32.46	16.52	48.99
Band 5	29.70	18.15	47.85
Band 6	21.81	19.01	40.82
Band 7	6.79	20.18	26.97
Band 8	5.62	8.00	13.63
Band not applicable	6.56	13.00	19.56
Grand Total	130.68	155.00	285.67



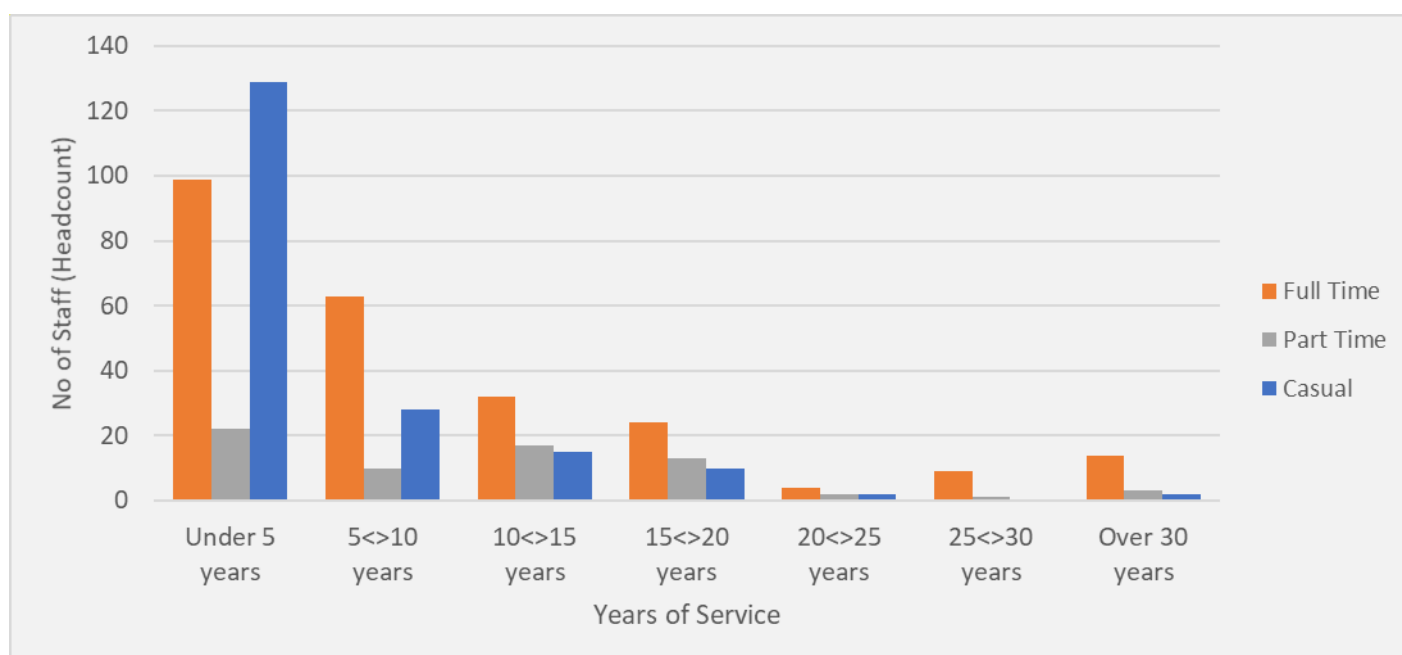
A summary of age spread of staff by headcount:

	25 & Under	25<>35	35<>45	45<>55	55+
Built & Natural Environment	2	22	24	36	38
Chief Executive Officer		2	1	1	1
Community & Culture	67	40	28	34	41
Corporate Services	2	9	12	12	11
Development	7	9	26	19	55
Total	78	82	91	102	146



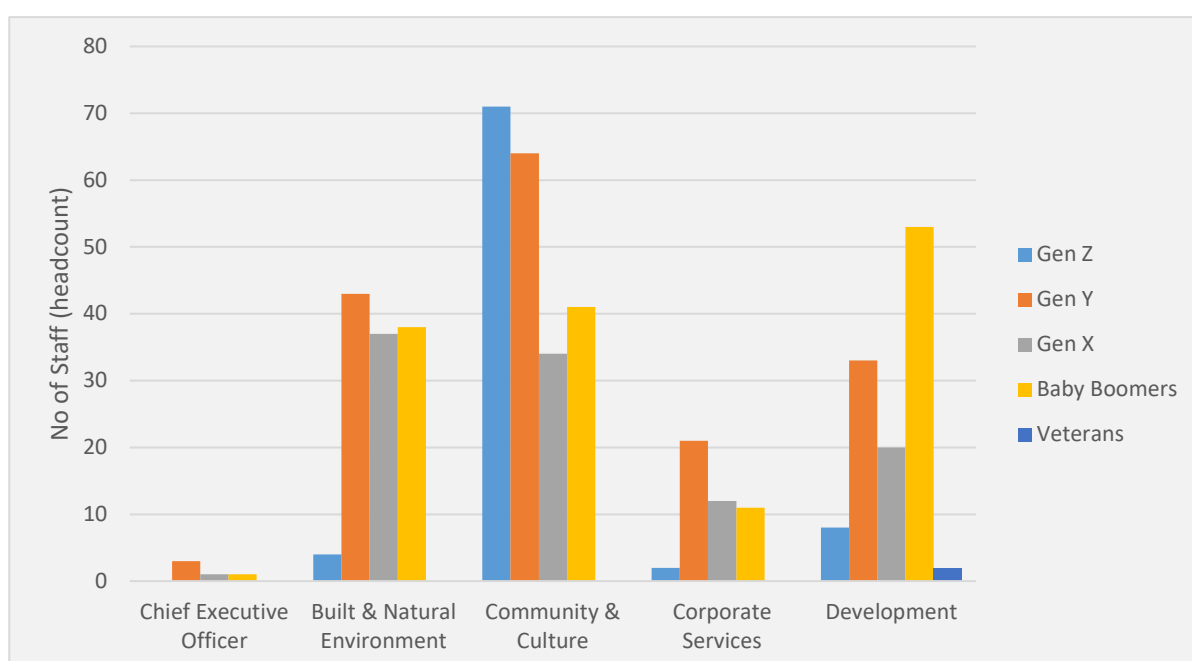
Years of service summary by headcount:

	Under 5 years	between 5 & 10	between 10 & 15	between 15 & 20	between 20 & 25	between 25 & 30	Greater than 30
Casual	129	28	15	10	2		2
Full Time	99	63	32	24	4	9	14
Part Time	22	10	17	13	2	1	3
Total	250	101	64	47	8	10	19



Our workforce by generation:

	Gen Z (born 1995 onwards)	Gen Y (born 1977- 1994)	Gen X (born 1966- 1976)	Baby Boomers (born 1946-1965)	Veterans (born before 1946)
Chief Executive Officer		3	1	1	
Built & Natural Environment	4	43	37	38	
Community & Culture	71	64	34	41	
Corporate Services	2	21	12	11	
Development	8	33	20	53	2
Total	85	164	104	144	2



4.4 Equal Employment Opportunity

Wellington Shire Council is committed to supporting a workplace culture that treats all people with dignity and respect. Employees, contractors and volunteers of Council have the right to conduct their work in a safe environment unimpeded by bullying, harassment and/or discrimination. Council has an Equal Employment Opportunity program which is designed to eliminate discrimination, promote equal opportunity and provide a means for consultation in regard to employment matters which have the ability to adversely affect staff or the organisation.

The objective of Wellington Shire Council's Equal Employment Opportunity program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment. The provision of Bullying and Harassment online training for all new employees and managers as part of their onboarding ensures they are aware of

their obligations and responsibilities in maintaining a workplace that is free of bullying and harassment and/or discrimination.

We care deeply about creating a workplace where our employees feel valued, respected and empowered and we are committed to:

- Providing equal opportunities regardless of gender identity, ethnicity, disability, sexual orientation, different backgrounds or life stage.
- Strive for gender equality and condemn men's violence against women in all forms and support a work culture that ensures women enjoy respect, equal opportunity and full participation.
- Seeking an 'access for all' working environment to promote a culture in which people of all abilities can thrive.
- Employing and selecting people for jobs based on merit.

Wellington Shire Council's Equal Employment Opportunity Committee provides a forum for the promotion and discussion of equal employment opportunities, access and inclusion, anti-bullying/harassment, discrimination and human rights matters affecting current and potential employees of Wellington Shire Council. The elected representatives represent a diverse group of individuals from across the organisation and act as contacts for staff

4.5 Our Volunteers

Volunteers are vital to our organisation as they deliver great services to our community.

We recognise the specialist nature of some of the roles, qualifications and vast industry experience these volunteers bring to their voluntary roles.

Volunteers make an important contribution to our society by building social and community networks that strengthen ties to community life. The contributions that Volunteers make within our community reach beyond the individual satisfaction that Volunteers get from those they assist. Wellington Shire Council welcomes volunteer involvement and have a wide range of volunteer programs available to interested individuals who would like to help achieve the common goal of making Wellington Shire a great place to live.

Volunteers at Wellington Shire Council must:

- Provide a National Police Record Clearance
- Provide a Working With Children Check and acknowledge the Child Safe Standards
- Undertake a Volunteer Induction Program and training as required.
- Acknowledge that volunteering is an unpaid community service.

The following table summarises the enormous number of hours our volunteers contribute through council services. This is excluding the volunteering work offered by numerous service and volunteer organisations during various events, which was uncounted.

Volunteering in Wellington website [Volunteering at Wellington Shire Council | Wellington Shire Council \(applynow.net.au\)](https://www.wellingtonshirecouncil.govt.nz/volunteering) provides information for people looking for volunteer opportunities in Wellington and for community groups and service providers who are looking for volunteers.

Volunteer service	Main duties	Volunteer number	Volunteer hours
Visitor Information Centre (Sale, Maffra)	Provide customer service, tourism advice, directions, local business information and administration support	21	>112 hours per week

Volunteer service	Main duties	Volunteer number	Volunteer hours
Art Gallery Guides	Deliver education programs and workshops for kindergarten, primary and secondary schools and community groups	10	= 19 hours per week
Art Gallery Attendants	Greet visitors, provide security and provide basic customer service within the gallery space	53	= 10 hours per week
Friends of Sale Botanic Gardens	Attend monthly gardening day in Sale Botanic Gardens	6	>10 hours per month
Wellington Shire Council Community Committees	Manage, maintain and operate facilities to meet the needs of current and future populations resulting in positive health and wellbeing outcomes for the community. This includes facilities such as halls, recreation reserves, sports clubs, early learning centre, neighbourhood houses, senior citizens centres and service clubs.	1,000+	>10,200 hours per month
Wellington Bike Education Project	Provide training and assistance to schools to run the Bike Education project which is funded by TAC and VicRoads.	3	105 hours per year
Community Training Support	Provision of tailored community training programs across the shire to build capacity for community owned and community led projects.	213	>1,013 hours per year
Access and Inclusion Advisory Group	<ul style="list-style-type: none"> Assist communication on access and inclusion matters, to and from their local communities, through their contacts and networks. Identify and address access issues via the Access and Inclusion Policy and Action Planning process. Provide access and inclusion expertise and experience during the planning stages of Council projects and policy development. Promote Access and Inclusion throughout Wellington Shire. Act as a reference group for the Rural Access position located at Wellington Shire Council. 	15	>360 hours per year
Wellington Shire Youth groups: <ul style="list-style-type: none"> Youth Council 	<ul style="list-style-type: none"> Provide opportunities for young people to have their voices heard, to act on issues and advocate for different youth needs. To be a youth voice for the Council. To put on events and activities that are inclusive of all young people and to engage them in community life. 	31	>1,872 hours per year

Volunteer service	Main duties	Volunteer number	Volunteer hours
<ul style="list-style-type: none"> Propellor FReeZA group 	Provide opportunities for young people to perform and experience music events.	6 (+up to 10 casual volunteers for events)	>730 hours per year
L2P Program (Council run program in partnership with Mission Australia)	Support and mentor young people in Wellington Shire to get their probationary license	30	936 hours per year

4.6 Other Staff Matters

4.6.1 Professional Development

Wellington Shire Council recognises the benefit of supporting staff to increase their professional development. Council acknowledges the value gained from staff advancing their qualifications and acquiring enhanced skills and knowledge that can be applied within the workplace. We take an integrated approach to learning, focusing on a mix of on-the-job experience, online, and instructor lead training and formal education.

The table below shows the total number of employees who undertook online training during the 2020/21 year.

Course	Target Audience	Number of staff
Approaching an employee you're concerned about	Self-enrolment (supervisors only)	17
Child Safe Standards	All staff	418
Communicating With People Who Have Communication Difficulties	Self-enrolment	16
Community Engagement Awareness	All staff	344
Contractor Safety	As needed	107
Fraud and Corruption Awareness	All staff	401
Human Resources	New starters	71
Human Rights	All staff	403
Interview Panellist Training	As needed	130
Infection Control	Select staff	55

Course	Target Audience	Number of staff
Information and Communication Technology	New starters	73
Introduction to Customer Service	New starters	149
Managing mental health risks at work	Self-enrolment	7
Mental health awareness	Select staff	20
Occupational Health and Safety Awareness	All staff	214
Prevention of Alcohol and Drug Use in the Workplace	All staff	434
Prevention of Workplace Bullying and Harassment	All staff	377
Prevention of Workplace Bullying and Harassment - for Managers and Supervisors	Supervisors only	64
Procurement Awareness	All staff	432
Procurement Delegations	Only staff with financial delegations	175
Record Keeping and Privacy	All staff	419
Returning to the workplace during COVID-19	All staff	390
Welcome to Wellington	New starters	73

The table below highlights a sample of the instructor led training undertaken as of 30 June 2021:

Course	Target Audience
Emergency Warden Training	Emergency response staff
Contact Officer Training	Equal Employment Opportunity Committee
Chemical Users Training	Relevant outdoor and maintenance staff
Chainsaw Training	Relevant outdoor staff
Stop/Slow bat Training	Relevant outdoor staff
First Aid / Cardiopulmonary resuscitation (CPR)	First Aid officers
Implement a traffic management system	Relevant outdoor staff

4.6.2 Staff Recognition

Wellington Staff Achievement Awards Program seeks to recognise individuals who go 'above and beyond' in their roles, or in their service to the community. The Wellington Staff Achievement Awards include recognition at:

- The business unit level
- An annual awards presentation

The nomination categories of:

- Leadership
- Customer Focus
- Relationships
- Innovation
- Sustainability

have been developed in line with Council values and staff are encouraged to nominate their peers for going 'above and beyond' in these categories.

Council also recognises employees for their ongoing contribution, commitment and service to the organisation by acknowledging their key service milestones. The following 61 staff members celebrated and received Service Awards for the 2020/21 year.

Years of service	Staff members	
>45 years	Margaret Payne	
>35 years	Daniel Read	Michelle Selzer
>30 years	Marj McInnes	
>25 years	Fiona Smith Brian Neilson Heather Richards	Kim Phillips David Stevens
>20 years	Tim Rowe	Robyn Rynia
>15 years	Desmond Evans Brian Marshall Lesley Scott Leigh Stoertebecke Lucia Rettino	Colin Houghton Michelle Page-Cook Iain Wade Debra Cooper
>10 years	Anton Fernando Craig Brideson Lynda Robinson Alison Brown Kerrie Coey Sarah Hurley Robyn Clark	Dean Morahan Christine Stevens Britt Appleby Timothy Lothian Karen McLennan Jessica Bland
>5 years	Tilo Junge Pam Swarbrick Lillie Jago Tina Bartle Georgina Glanville Paul Johnson Steffanie Beaumont David Patching Sam Pye Evan Lamb Nicolas Hall Adam Jackson Andrea Bryant Francois Theron	Zac Elliman Melissa Forlano Kallan Randle Robert Dorber Colin Wilson Barry Waddell Kenneth Cody Steven Goodwin David Anderson Maria Mayall Ian Carroll Georgie Collins Leanne Dempster Rachel Weatherley

4.6.3 Gender Equality and Prevention of Violence Against Women

Wellington Shire Council has a long standing commitment to preventing violence against women through the promotion of gender equity and other educational activities as a part of the Prevention Violence Against Women (PVAW) strategy and the Paving the Way Project, both Victorian Government initiatives. These two programs are delivered via a partnership agreement with Gippsland Women's Health in order to create organisational and community awareness around the prevention of men's violence against women.

The PVAW is supported by Wellington Shire Council. Family violence includes physical, sexual, financial, verbal or emotional abuse by a family member or partner and Wellington Shire Council has in place a Family Violence Leave Policy to support staff who are experiencing family violence through the provision of unlimited Family Violence Leave to attend medical appointments, legal proceedings and/or other preventative activities.

Wellington Shire Council is committed to primary prevention initiatives through its gender equity awareness and Mentors in Violence Prevention (MVP) accredited training. Moving forward we have been focused on important work which will help us to meet our obligations under the *Gender Equality Act 2020*.

The *Gender Equality Act 2020* aims to improve workplace gender equality in the Victorian public sector, universities and local councils. To meet our obligations of the *Gender Equality Act 2020*, Wellington Shire Council are required to:

- Conduct a workplace Gender Audit;
- Conduct Gender Impact Assessments (GIA);
- Develop and submit a Gender Equality Action Plan.

Through this work, Wellington Shire Council is seeking to understand the current state of our organisation when it comes to gender equality and find out what requirements are needed to improve gender equality and diversity within our organisation.

In addition to this, as part of our work to promote gender equality, Dr Nikki Vincent the Commissioner for Gender Equality in the public sector joined us as a guest speaker for a special virtual event with our leaders and Councillors. Our very first Gender Equality survey was launched to capture employee data for our workplace gender audit and our new Gender Equality Committee was established to assist in promoting gender equality and work to apply a gender lens to relevant work when developing policies and programs and delivering services to the community.

4.6.4 Health and Safety

Wellington Shire Council is committed to providing and maintaining a safe work environment, and protecting the health, safety and welfare of staff, labour hire personnel, volunteers, contractors, customers, associated authorities, visitors and all other persons whose health or safety could be at risk through our work.

COVID-19 had a major effect on the completion of OH&S major projects but some new initiatives to support staff wellbeing during this time were rolled out including Mental Health Awareness Training for all Supervisors and a video series for all other staff. This received very positive feedback from staff in helping with support of staff. Another challenge at the start of COVID-19 was assisting staff with transitioning to working from home. Major work established and updated advice and guides for staff and the public as to how we were providing a safe working environment for all during all transitional periods. We continue to update our systems to align with ISO 45001 with only 1 action remaining from the Gap analysis audit.

Listed below are projects and improvements undertaken during 2020/21 to improve Council's OH&S functions:

- Major confined space review
- Confined space register and permit system established
- Finalised most actions from OH&S Management System ISO 45001 Gap Analysis (1 outstanding only)
- Completed first year of operational OH&S Management System audit
- Mental Health First Aid training for all Supervisor roles
- Access for all staff to a suite of Mental Health Awareness videos
- Established and updated Council's overall COVID-19 Management Plan, advice and guides for staff and visitors
- Assisted with establishing the Working from Home policy
- Assisted with updating the Alcohol and Drug policy
- Kick started the staff health monitoring vaccination catch -up sessions
- Assisted with re-establishment of the local Council safety network group.

Main priorities and projects for 2021/22 are as follows:

- Complete upgrade of documents within OH&S Management System to align with ISO 45001 (over 240 documents and links)
- Finalise actions and updates connected to 2020 Melsafe OH&S Management System audit before November 2021
- Complete staff health monitoring onboarding process
- Review incident report and investigation program to enhance usability
- Review and update chemical site risk assessment and processes
- Emergency planning and exercise awareness
- Increase mobile device use for online documentation of onsite Job Safety Analysis, traffic management plans
- Increase to automatic electronic transfer of all safety documents to ECM, where required

Below is a small snapshot of some data being closely monitored to proactively identify potential risks and hazards:

Measure	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
WorkCover claims	9	5	10	7	9	3
Days lost to WorkCover injury	276	136	187	73	130	15
Incidents reported (all types)	53	72	60	139	67	112
Near misses reported	13	22	14	17	13	12
Incidents resulting in injury	30	40	39	33	38	26
Worksafe notifiable incidents	6	4	4	2	2	0

4.6.5 Employee Health and Wellbeing

Our health and wellbeing programs, initiatives and support services are designed to:

- Improve work performance and productivity
- Reduce costs associated with absenteeism, presenteeism, disability and workers' compensation
- Improve the workplace culture of the organisation and retain existing employees
- Improve our branding and image.

Employee Engagement survey - The Pulse

In September 2020 we conducted our employee engagement survey "The Pulse". The organisation received an overall engagement score of 73% with a 60% participation rate. All leaders shared the results with their teams and have created action plans to help increase engagement across the organisation.

Employee wellbeing call initiative

It is fair to say that 2020 was a very challenging year for us all, with the devastating bushfires earlier in the year as well as the ongoing challenges faced with the COVID-19 pandemic. In response to this the HR team commenced a wellbeing call initiative throughout August and September making phone calls to all of our employees. We wanted to take a proactive approach to get in touch with each employee just to check in and see how people were going. This was a simple way for us to get in touch with staff, check in and see if people were ok and find out how people were coping working from home.

Wellness page - SharePoint

We launched a new Wellness page on SharePoint for staff to access valuable information relating to their health and wellbeing.

Our Wellness Page features 4 categories

- **Support Services**
 - Family Violence, Mental Assessment Tools, Suicide prevention, interactive YouTube videos on how to spot the signs that someone might be struggling
- **Wellbeing**
 - Strong focus on mental health and wellbeing, support services including Lifeline and Beyond blue, e-magazines with comprehensive tips and advice on Health and Wellbeing, lifestyle, money and work as well as ways to tackle the obstacles faced with COVID-19.
- **Wellness**
 - Health and fitness tips, recipes and gardening tips, sleep health and exercise to help with work/life balance.
 - In addition, employees at Council are provided a 10% discount on membership to our leisure facility Aqua Energy. Aqua Energy provides fitness classes, a fully equipped gymnasium and swimming pool.
- **Social**
 - A one stop shop of what's happening in the Shire and surrounding areas, upcoming events, ideas/activities for the weekend.

Promoting employee social inclusion:

Wellington Shire Council Social Club provides social connection for staff by providing social events such as communal lunches, weekend outings, movie nights and health initiatives such as yoga, walking and soccer nights. This year we participated in lunchtime BBQ's, Trivia Night and Easter raffles.

HR Events Calendar

As a part of continuous improvement practices in our HR team we have refreshed our annual HR employee wellbeing events for the upcoming year and have looked at some creative ways to engage our people while the majority of our workforce has been working from home.

November 2020

Movember - Fundraising Initiative (online) to change the face of men's health and recognise its importance. We had a group of 19 employees participate in the Movember challenge for the month of November and together we raised \$1,875.

March 2021

International Women's Day walk

On March 10 the HR team organised an event for WSC staff to walk around Lake Guthridge to raise money for Gippsland Women's Health. There were 20 people who participated in the walk and a total of \$117 was raised and donated to support the great services provided to Gippsland Women's Health. We also shared a number of profiles of great women who work for Wellington Shire Council who shared insights on their careers and advice to women seeking to progress their careers at Council.

May 2021

Australia's Biggest Morning Tea

On Thursday 27 May we hosted Australia's Biggest Morning Tea at Wellington Shire Council's head office in Desailly Street and our Sale Depot who also got on board. There was a huge selection of delicious home baked treats on offer but most importantly we raised \$284 for the Cancer Council.

June 2021

Men's Health Week

Each June we celebrate Men's Health Week which has a direct focus on the health impacts of men's and boys' environments. Due to the Victoria state lockdown this year, we created an informative page on our Intranet page to highlight Men's Health week and its importance. Additional initiatives in the month of June included a Staff "Push Up Challenge" with funds raised going to Sale's Headspace Office, a total of \$532 was raised.

4.6.6 Child Safe Standards

As an organisation providing child related services, Wellington Shire Council is committed to creating a culture of child safety and recognises that protecting children and preventing and responding to child abuse is an organisation wide responsibility.

Council is also committed to achieving compliance with the Child Safe Standards, the Reportable Conduct Scheme, recent criminal law reform and other practices to monitor and report child abuse related concerns.

Our Child Safe Standards Policy implemented by the CEO which applies to all employees, contractors and volunteers assists us in meeting Council's obligations under the *Child Wellbeing and Safety Amendment (Child Safe Standards) Act 2015*.

A total of 418 employees undertook online training on Child Safe Standards during 2020/21 year. All employees, contractors, and volunteers who have direct contact with children are required to have a current Working with Children Check.

4.6.7 Recruitment Trends

As an organisation, it is important to track recruitment statistics to identify market shortfalls and improvements. Wellington Shire Council is a remote rural council, and as such, faces a variety of recruitment constraints including difficulty attracting talent to the area, keeping remuneration competitive and offering competitive employee conditions. Within the next year, Council will be focused on attracting talent through improved media presence and diversifying our applicants to include more culturally diverse applicants and applicants of different ability levels.

- Total number of external recruitment campaigns for the year: 45
- Number of internal recruitment campaigns for the year: 41
- Total number of applications received for external recruitment campaigns: 687
- Employee turnover rate: 8.9%.

4.6.8 COVID-19 - Alternative Duties Initiative

The ongoing COVID-19 pandemic has had a dramatic effect on many of the businesses in our region. During the early stages of the pandemic Council temporarily closed several services including Aqua Energy, The Gippsland Art Gallery, The Wedge and all Libraries.

Due to this situation many staff were no longer able to carry out the normal duties of their roles, we had to consider reasonable alternative work options for staff that were suitable for them to carry out remotely.

Wellington Shire Council worked to ensure that we have done everything possible to ensure that our employees are able to maintain their income and remain engaged in meaningful and productive work.

Therefore, we commenced the Alternative Duties Initiative where staff impacted by business shutdowns could be considered for redeployment to another area of Council on a temporary basis until such time that they could return to their substantive roles.

Human Resources worked with leaders across the organisation to match employees to tasks based on their existing skills, capability, and interests.

The program was a great success with positive feedback provided from both staff involved and Managers who had taken them on to complete tasks.

Some examples of successful placements included:

- School crossing supervisors who spent time assisting the horticulture team planting trees;
- A Swim School Instructor assisting as an Animal Attendant at Animal Aid;
- Customer Service Officers from Aqua Energy assisting with emergency management pandemic response; and
- Art Gallery Trainee assisting the Rates team.

4.6.9 Working for Victoria Initiative

The Victorian Government has provided \$500 million to the Working for Victoria initiative to help our community and contribute to Victoria's ability to respond to the coronavirus (COVID-19) pandemic.

As part of this initiative, Council received \$1.3 million in funding to go towards gaining and retaining employment opportunities within our municipality and to help stimulate the economy. This equates to 31 jobs that will provide much-needed employment opportunities for our local economy and community, by focusing on providing important services across the municipality in response to the COVID-19 crisis.

Applications were open to all Victorians who were unemployed or underemployed at the time of applying.

The roles spanned across a range of areas including infrastructure maintenance, environment, business/community support, asset management, customer service, human resources, transformation and technology and recovery and support.

Wellington Shire Council is proud to have taken part in the Working for Victoria initiative and we hope that by offering these temporary opportunities we have been able to help our community and contribute to Victoria's ability to respond to the coronavirus (COVID-19) pandemic.

5.0 Our Performance

5.1 Measuring our Performance

5.1.1 Local Government Performance Reporting Framework

This annual report is prepared in accordance with the *Local Government Amendment (Performance Reporting and Accountability) Act 2014* and *Local Government (Planning and Reporting) Regulations 2014*.

These form the *Local Government Performance Reporting Framework*, which provides the foundation for standardising and strengthening performance measuring and reporting across the local government sector. As a tool, the framework enables local communities to compare how their council has performed during the year against others.

Our *Report of Operations* and audited *Performance Statement* in section two of this report provide comparative performance data for 2020/21 and data trends for the last three years.

Ratepayers, residents and other stakeholders can compare our performance results against other large rural Victorian councils via the *My Council* website (www.knowyourcouncil.vic.gov.au).

5.1.2 Community Satisfaction Survey

The annual Local Government Community Satisfaction Survey provides additional means to compare with other similar councils as well as tracking our results over recent years.

Our 2021 survey results indicated that Wellington Shire Council is performing better than other large rural Councils. Council scored a rating of 64 out of 100 for overall council performance compared to 58 for other large rural councils and 61 state-wide.

The three areas that the survey participants highlighted Council performing particularly well in are, arts centres and libraries, the appearance of our public areas and our recreational facilities.

Council also scored significantly higher results compared to other large rural councils in the areas of sealed local roads, local streets and footpaths, building & planning permits.

The Local Government Satisfaction Survey is independent of Council. The research is conducted annually by JWS Research on behalf of the Department of Environment, Land, Water and Planning.

A summary of core Community Satisfaction Survey Results is shown below. For more information about Council's Community Satisfaction Survey results, please contact Coordinator Social Planning and Policy on 1300 366 244.

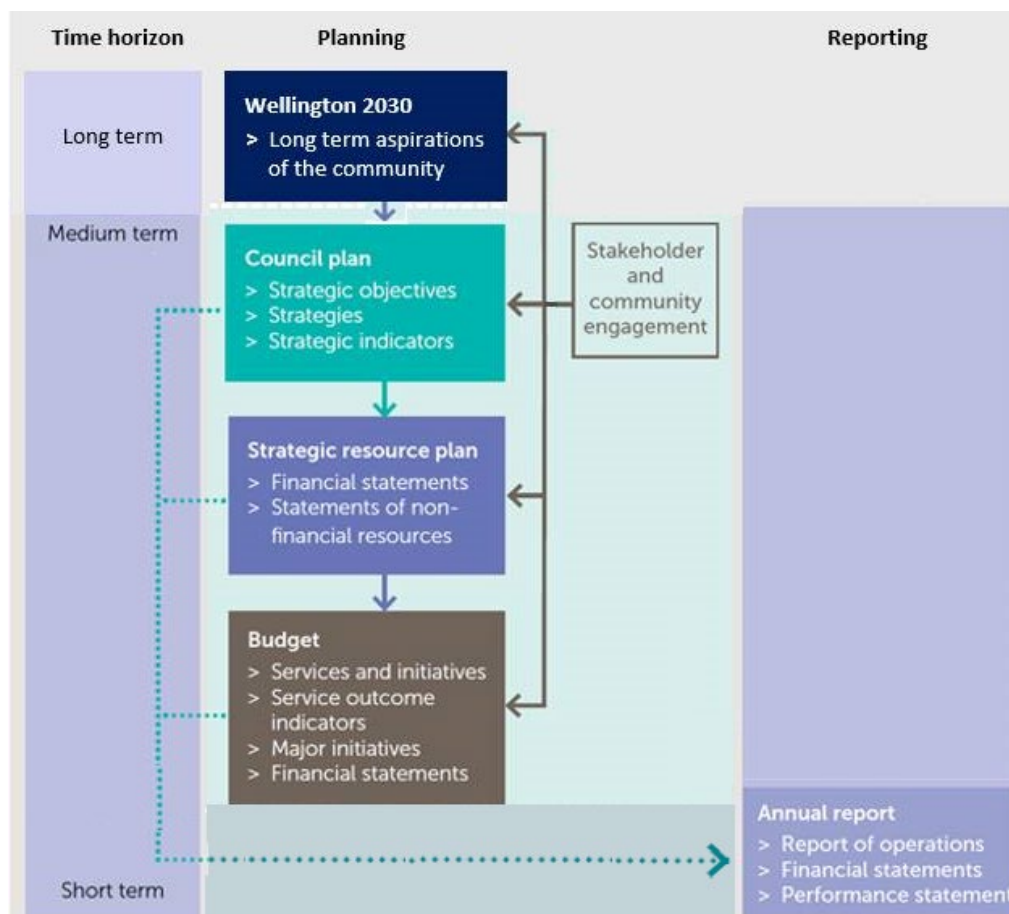
Summary of Core Measures

Performance Measure	Wellington 2021	Wellington 2020	Large Rural 2021	State-wide 2021
Overall performance	64	62	58	61
Community Consultation (Community consultation and engagement)	58	57	54	56

Performance Measure	Wellington 2021	Wellington 2020	Large Rural 2021	State-wide 2021
Advocacy (Lobbying on behalf of the community)	57	57	54	55
Making Community Decisions (Decisions made in the interest of the community)	61	58	54	56
Sealed Local Roads (Condition of sealed local roads)	65	59	50	57
Customer Service	71	71	68	70

5.1.3 Reporting against the *Council Plan 2017-21 and Annual Budget 2020/21*

The following diagram shows the relationships between the Annual Report and the key planning documents in local government. It also shows community and stakeholder engagement as the foundation to our planning and reporting process.



Council undertook an extensive community consultation program to review the 'Wellington 2030-Community vision for the future' document during 2016. The revised Wellington 2030 was used to develop and guide the key themes and strategic objectives of the new 2017-21 four-year Strategic Plan, our Council Plan.

We continued to work throughout 2020/21 towards better integration of the Council Plan and other strategic documents with key operational documents such as annual business plans and individual

work/performance plans. Our aim was to create a strong focus across the organisation on achieving the plan's strategic objectives while continuing to meet our operational and service delivery requirements.

We continuously kept the community informed about our progress and performance through our website, social media, fortnightly digital newsletter 'The Edit', local newspapers and actively engaged members in our planning and decision-making processes via surveys, workshops, focus groups, forums, committees and meetings.

Section 5.3 details how we performed during the year towards realising the various strategies identified in 2017-21 Council Plan, major initiatives and initiatives as identified in the 2020/21 Annual Budget and achieving the performance measures and targets related to each.

5.2 Council Plan

The Wellington Shire Council Plan 2017-21 includes six themes, each comprised of strategic objectives and strategies for achieving these, strategic indicators for monitoring achievement as well as Council's four-year strategic resource plan as included in the 2020/21 budget.

The following details the six themes and corresponding strategic objectives as detailed in the Wellington Shire Council Plan 2017-21.

Theme	Strategic Objective
Communities We know and support each other and have a strong sense of community belonging. Diversity is respected and there are many social and community activities providing opportunities for all people to interact. We strive for good health, feel safe in our communities and are prepared for natural disasters.	1.1 Maintain friendly, safe communities providing opportunities for residents to lead healthy and active lifestyles. 1.2 Celebrate, recognise and acknowledge our diverse community and improve social connections among youth, aboriginal and aged communities. 1.3 Strengthen community identity by promoting our heritage and history and appreciation for small town rural living. 1.4 Enhance resilience in our towns and our communities.
Services & Infrastructure Wellington has a built environment that is sustainable, appropriate, accessible and responsive to the community. Transport connects people to communities and places. Events and services support our strong communities.	2.1 Council services and infrastructure are responsive to identified current and future community needs within budgeted parameters. 2.2 Council assets are responsibly, socially, economically and sustainably managed. 2.3 Wellington Shire is well planned, considering long term growth and sustainability. 2.4 Continued improvement to Wellington Shire's connectivity with further developed, accessible transport networks.

Theme	Strategic Objective
Natural Environment Wellington's natural environment and landscape is clean, diverse, beautiful, accessible and protected.	3.1 Conserve and protect our natural environment through responsible and sustainable management practices. 3.2 Demonstrate leadership in waste and water management, and energy efficiency. 3.3 Build resilience in our communities and landscapes to mitigate risks from a changing climate.
Lifelong Learning Wellington has a broad choice of local training, education and holistic learning and development options that lead to meaningful employment and personal fulfilment.	4.1 Improve people's access to opportunities to challenge and extend their thinking, promote independence, stimulate ideas, further develop leadership skills and lead meaningful lives. 4.2 Encourage innovation for and in the region.
Economy Wellington has a wealth of diverse industries providing employment opportunities for all. There is growth in the Wellington population and economy which is balanced with the preservation of our natural environment and connected communities.	5.1 Support and develop our existing businesses. 5.2 Use a targeted approach to attract new business investment to Wellington Shire, to support population growth. 5.3 Grow Wellington Shire's visitor economy.
Organisational Wellington is well led, managed and supported by best organisational practices to deliver services and infrastructure to the community. We do this by listening, advocating and responding to their needs.	6.1 Wellington Shire Council is a leader in best practice, innovation, and continuous improvement. 6.2 Community engagement and customer service excellence is central to Council's decision-making process. 6.3 Maintain a well governed, transparent, high performing, ethical and accountable organisation. 6.4 Act and lobby on behalf of the priorities of the community.

5.3 Performance

Council's performance for the 2020/21 year is reported against each theme and strategic objective to demonstrate how Council is performing in achieving the 2017-21 Council Plan. Performance is 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.

5.3.1 Theme 1 – Communities

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
Satisfaction with enforcement of Local Laws	Control	64%	65% Large rural average 64%
Community satisfaction with Emergency and Disaster Management	Influence	74%	71% Large rural average 71%
Percentage of annual Municipal Health and Wellbeing Action Plan items achieved	Control	>75%	75%
Percentage of annual Action Plan items achieved for the Wellington Youth Strategy.	Influence	>75%	76%
Monitor utilisation and diversity of usage of Council's community facilities	Monitor	Monitor numbers	This is an ongoing process for Council to ensure the community has flexible access to Council's facilities.
Total value of Community Assistance Grants distributed annually	Control	Monitor annual total	Community Assistance Grants \$124,853 Quick Response Grants \$ 129,983

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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	Status
Implement new facilities hierarchy and operating subsidy model across all community managed facilities and ensure appropriate reporting by community committees of management via new methods as included in the Community Managed Facilities Strategy.	Council's new Risk & Maintenance Subsidy model, featuring subsidy increases or new subsidies introduction covering most committees of management was well received. Noticeable improvements to preventative maintenance practices and increased awareness of risk mitigation.	Complete (100%)

Major Initiatives	Progress	Status
Develop Municipal Public Health and Wellbeing Plan 2021-2024 that considers planning for Youth, Age Friendly and Early Years, ahead of legislated due date of October 2021.	Draft Municipal Public Health and Wellbeing Plan complete and due to go out for community consultation in July ahead of final adoption in October.	Complete (100%)
In preparation for submission of grant funding application to Sport and Recreation Victoria and responding to the previously developed business case for a major redevelopment of facilities at Aqua Energy, develop appropriately costed concept and schematic designs, via appropriate community and user consultation, in conjunction with Leisure Services team and appointed consultants.	<p>Aqua Energy redevelopment project has reached the key waypoints of:</p> <ul style="list-style-type: none"> - Completed costed concept and schematic design to standard required for Sport and Recreation Victoria grant; - Completed community consultation before and after concept design. <p>No grant funding opportunities currently available through Sport and Recreation Victoria. To access alternative grant funding sources with higher investment ready requirements, detailed design needs to be concluded.</p> <p>Tender advertised for detailed design of Aqua Energy redevelopment in June.</p> <p>Alternate external funding sources are now under consideration in order to enable this project to commence when Detailed Design and Documentation has been prepared.</p>	Completed
Successfully attract funding for 'A Warmer Pool for Yarram Project' in conjunction with Leisure Services and deliver the capital upgrade project to achieve enhanced swimmer amenity, including the installation of improved weather protection structures, consistently warmer pool water along with electricity energy offset to Council, in readiness for outdoor pool season 2021-22 in conjunction with the Assets and Projects team.	<p>Grant funds were obtained from Sport & Recreation Victoria (SRV) to enable this much awaited community project to advance, adding to contributions from the Rotary Club of Yarram and Council.</p> <p>Inflated costs for the structure element of the project required a second tender to be advertised. As the resulting cost was 40% higher than earlier advice had indicated, additional funds were required.</p> <p>Supplementary funding was identified in unexpended funds from another program (federal government) and council agreed to proceed with the project despite the increased cost.</p> <p>Contractors commenced on site in June and tenders for electric heat pumps are to be awarded in July with all works on track for completion prior to 2021/22 summer season.</p> <p>The anticipated completion date for this project is November 2021, ahead of the official opening date for the Outdoor Pool Season, 2021-22. This will see completion of a near 20 year old Yarram community vision, delivering a Warmer Pool for Yarram.</p>	Progressing (95%)

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 are provided the service.

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Community Wellbeing	<p>Community Wellbeing Unit provides opportunities for communities to work in partnerships with local government to achieve identified priorities. The unit works to ensure all members of the community have equal opportunity to participate in community activities. Special focus is given to those who have traditionally remained marginalised such as the young, elderly, disabled and transport disadvantaged.</p> <ul style="list-style-type: none"> • Social Policy and Planning • Access and Inclusion • Youth Liaison • Art Development • Community Engagement <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Develop user/hire fees and financial management guidelines for communication to all applicable facilities as identified in the Community Managed Facilities Strategy. (Progressing – 10%)</i> • <i>Undertake consultation, including with the Aboriginal community to determine Council and the community's position on contestable historical legacies and provide recommendations on actions to be undertaken. (Progressing – 50%)</i> • <i>Implement the 'Smarty Grants' system for community assistance grants and quick response grants programs including the development of associated business processes. Prepare other business units within the organisation for the introduction of 'Smarty Grants' from 2021/22. (Complete – 100%)</i> 	<p>1,721 <u>1,779</u> 58</p>
Leisure Services	<p>The Leisure Services Unit provides services and functions directed at fostering a healthier and more active community through the facilitation and provision of a range of recreation, fitness and community activities and programs at Council's recreation facilities. This Unit ensures Council owned recreation facilities are managed sustainably, are fully utilised and accessible to people of all abilities.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Work with Gippsland Water to implement the 'Be Smart, Choose Tap' initiative/campaign at all of Wellington Shire's seasonal outdoor pools, including the installation of supporting water dispensing infrastructure, improved signage, advertising and marketing - in readiness for outdoor pool season 2020-21. (Complete – 100%)</i> • <i>Develop and deliver, across all Wellington Shire's seasonal outdoor pools during season 2020-21, a planned program to promote increased physical activity, facilitate social</i> 	<p>1,168 <u>860</u> (308)</p>

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
	<p>connection and inclusion, catering for a range of demographics. (Complete -100%)</p> <ul style="list-style-type: none"> In conjunction with Information Communications and Technology and Facilities Management teams, deliver an upgrade of the Aqua Energy creche facilities to extend use of the area for additional group fitness programs and for training programs and meetings. (Progressing – 90%) 	
Municipal Services	<p>The Municipal Services Unit works with people to ensure the life, health and safety of the community is maintained through educating and enforcing Environmental Health (including food safety support programs), Building and Local Laws regulations and animal management services.</p> <p>Initiatives</p> <ul style="list-style-type: none"> Commence an independent audit of the Domestic Wastewater Management Plan (DWMP). Include recommendations in the annual progress report. (Progressing – 85%) Implement a robust Swimming Pool/Spa inspection database and inspections regimes to align with the new legislation changes. (Complete – 100%) Develop a robust compliance and enforcement policy. (Complete – 100%) Commence the Local Laws review to ensure that Local Laws are accessible and clear to the community, reduce the regulatory burden on business and assist Council in achieving better policy outcomes. (Complete – 100%) 	<p>1,236</p> <p><u>1,184</u></p> <p>(52)</p>
Emergency Management	<p>The Emergency Management team coordinates Council's emergency management responsibilities ensuring the organisation has the skills and capacity to respond appropriately to emergencies and facilitates a coordinated shire approach through the Municipal Emergency Management Planning Committee.</p> <p>Initiatives</p> <ul style="list-style-type: none"> Under the Municipal Emergency Resource Program (MERP) project plan, develop community emergency management (CEM) planning following asset based community development (ABCD) principles. <ul style="list-style-type: none"> Develop a new CEM guide and template Engage with four high risk communities to undertake CEM. (Progressing – 60%) Implement municipal strategic roadside vegetation management framework ('Leave Early Access Road Network' or 'LEARN' roads). Outputs will include: <ul style="list-style-type: none"> Agreed procedure with Built Environment to review list of fire managed roads Updated list of fire managed roads Natural Environment & Parks' reserve treatments listed in ConQuest. (Complete – 100%) Conduct a major review of the Municipal Relief and Recovery Sub Plan of the Municipal Emergency 	<p>(210)</p> <p><u>432</u></p> <p>642</p>

Business area	Description of services provided	Net Cost Actual Budget Variance \$000
	<p><i>Management Plan in conjunction with the Municipal Recovery Manager incorporating learnings from reviews of the 2019-2020 East Gippsland bushfires relief and evacuation support. (Complete – 100%)</i></p> <ul style="list-style-type: none"> <i>In conjunction with Business Development, Community Wellbeing and People & Capability business units manage a Municipal level response, relief and recovery for the COVID-19 Pandemic. (Complete – 100%)</i> 	

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service Indicator/Measure	Result				Comments
	2017/18	2018/19	2019/20	2020/21	
Aquatic Facilities					
Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of council aquatic facilities / Number of council aquatic facilities]	1.0	1.0	1.0	1.0	Wellington Shire Council operates one indoor aquatic, all year facility in Sale and five outdoor seasonal aquatic facilities (Heyfield, Maffra, Rosedale, Stratford and Yarram). All six facilities were inspected at least once in 2020/21.
Service cost Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	New in 2020	\$8.52	\$10.79	During 2020/21, Wellington Shire Council's indoor and outdoor aquatic facilities operated at a cost to Council of \$ 1,722,917 and recorded 159,699 visitors. This resulted in an average cost per visitation of \$10.79. Operation of Council's aquatic facilities both indoor (Aqua Energy) and outdoor (Sale, Maffra, Heyfield, Yarram & Rosedale) were impacted by the mandated COVID-19 closure of aquatic and leisure facilities. This affected attendances, a subsequent revenue sources, from late July until a partial reactivation of facilities in October, and again in February and May 2021. Lost revenue is estimated at approximately \$615k due to a substantial reduction in attendances.

Service Indicator/Measure	Result				Comments
	2017/18	2018/19	2019/20	2020/21	
Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.57	5.72	4.20	3.57	The combined number of visits recorded at Wellington Shire Council's indoor and outdoor aquatic facilities during 2020/21 was 159,699. This equates to an average of 3.5 aquatic facility visits, per Wellington Shire resident, for the year. Operation of Council's aquatic facilities both indoor and outdoor was impacted by the mandated COVID-19 closure of aquatic and leisure facilities. This substantially affected attendances from late July until a partial reactivation of facilities in October, and again in February and May 2021.
Food Safety					
Timeliness <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.00	4.50	2.58	1.00	Council received a total of 11 food complaints during this period, with all food safety related complaints responded to within 1 day.
Service standard <i>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 <i>Food Act, 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	84.5%	70.1%	97.1%	75.65%	During 2020, many food premises reduced their operating hours or were closed for a significant part of the year as a result of COVID State Government restrictions and as a result there was a reduced opportunity for Class 2 premises to be inspected by Council Environmental Health Officers. However officers used a risk based approach, and prioritised inspecting high risk and higher volume premises. When physical inspections were not possible, officers engaged via the phone, social media and email to provide advice and guidance to registered premises. All higher risk Class 1 premises received an annual inspection during 2020/21.

Service Indicator/Measure	Result				Comments
	2017/18	2018/19	2019/20	2020/21	
Service cost <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act, 1984</i>]	\$402	\$352	\$372	\$402	The direct cost of Council's food safety program for all registered and notifiable food premises has remained steady.
Health and safety <i>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 food premises] x100	57%	94%	100%	96%	During this period there were 26 non-compliance notifications with 25 followed up. Conflicting priorities due to the COVID-19 pandemic impacted on the normal inspection regime leaving 1 follow up to be completed as a priority in the next inspection year.
Animal Management					
Timeliness <i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.4	1.3	1.2	1.2	Local Laws officers responded to 1,269 domestic animal management requests during the reporting period, with an average initial response time of 1.18 days. The response time was slightly higher than the last reporting period due in part to COVID-19 restrictions requiring staff to work remotely.
Service standard <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]	56%	68%	69%	71%	629 domestic animals were collected by our Local Laws officers during the reporting period. 449 were reunited with their owners. Unclaimed animals are placed into the care of Victorian Animal Aid Trust and, if suitable, rehomed

Service Indicator/Measure	Result				Comments
	2017/18	2018/19	2019/20	2020/21	
					through their pet adoption program.
<i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x100	New in 2020	New in 2020	25.2%	27.8%	Through the dedicated work of Victorian Animal Aid Trust, 175 unclaimed animals (or 28.8% of animals collected) were successfully rehomed during the reporting period, in addition to 449 lost animals reunited with their owners.
Service cost <i>Cost of animal management service per population</i> [Direct cost of the animal management service / Population]	New in 2020	New in 2020	\$14.65	\$17.82	Direct animal management costs for the reporting period were higher than the previous year, due to increased pound and shelter contract management fees and staff labour costs.
Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	100%	100%	Wellington Shire Council undertook 9 animal management prosecutions during the reporting period for matters relating to animal cruelty and serious dog attacks. All prosecutions were successful.

5.3.2 Theme 2 – Services & Infrastructure

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
Community satisfaction with condition of local streets and footpaths.	Control	55%	64% Large rural average 55%
Community satisfaction with planning permits	Control	58%	58% Large rural average 48%
Total annual value of municipal development	Influence	Monitor annual total	Wellington \$180,534,050 Victorian rural average

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
			\$28,108,107
Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal	Control	Monitor percentage	99.97%

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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	Status
Complete civil works for the Maffra Streetscape Upgrade Project	Maffra Streetscape Upgrade Project complete.	Complete
Complete the Sale Tennis Club Facility Upgrade Project	Sale Tennis Club Facility Upgrade Project nearing completion.	Progressing (90%)
In collaboration with Community Facilities Planning on behalf of stakeholders, complete upgrade works on the Cameron Sporting Complex Stadium Redevelopment project in accordance with external funding agreements.	Cameron Sporting Complex Stadium Redevelopment project complete.	Complete
Commence stage 1 civil works for the York Street, Sale, Streetscape upgrade project.	Co-ordination on the first cutover of new power supplies has commenced. Streetlights have been installed between Bond Street and Stawell Street. Civil works commenced at intersection of Bond Street and York Street. Tenders to be called in July for first stage of concrete works between Foster and McAlister Streets.	Progressing (10%)
Progress the production, through collaboration with stakeholders, consultants and other Council staff, of a business case for redevelopment options of The Wedge Performing Arts Centre for Council consideration.	2020/21 project to undertake business case investigations and develop concept designs for potential future redevelopment of The Wedge performing arts centre was initially delayed pending financial impacts of COVID-19. With the assistance of a Creative Victoria (state government) grant to progress the business case, project recommenced in 2021 with tender for consultant advertised and evaluation of tender submissions underway with award expected in July.	Progressing (70%)
Prepare a structure plan for Maffra to support the future urban growth of the township.	Structure Plan has continued to be progressed over the last 12 months despite challenging COVID-19 restrictions.	Progressing (65%)

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 are provided the service.

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Assets and Projects	<p>The Assets and Projects Business Unit manages a diverse range of services for Council including the implementation and management of capital projects across the organisation in the order of \$35M to \$55M per annum: planning for new infrastructure development opportunities and providing asset management and information systems and support.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Complete Maffra Drainage Study. (Complete – 100%)</i> • <i>Complete North Sale Drainage Study. (Complete – 100%)</i> 	<p>1,966 <u>4,270</u> 2,304</p>
Built Environment	<p>The Built Environment Unit manages the maintenance, renewal and improvement of Council's road and boating infrastructure, in addition to various civic facilities and buildings, including roadways, paths, drainage, boat ramps and jetties etc. This includes managing Council's road maintenance teams and ensures that maintenance of Council's road and other infrastructure is performed in a coordinated way to maximise benefits to the community and other users.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Commence planning for carpark renewal projects for IGA and Coles carparks, Sale. (Progressing – 90%)</i> 	<p>8,265 <u>10,066</u> 1,801</p>
Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Arts & Culture	<p>The Wedge, as part of the Arts and Culture Unit seeks to assist in the development of a vibrant, culturally active community that: promotes expression and participation through visual, literary and performing arts; informs and educates the community on various aspects of the arts; enhances the lifestyle of Wellington residents; and encourages visitors to explore the heritage and culture of the region.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Project manage the improvement and upgrade of facilities in The Wedge meeting room to create a studio performance space. (Complete – 100%)</i> 	<p>637 <u>877</u> 240</p>
Land Use Planning	<p>The Land Use Planning Unit through our statutory planning and strategic land use planning services, aims to develop and improve forward looking land use planning policies and plans that guide and support sustainable growth and appropriate land use and development. Many of these services are provided through and driven by legislation. We aim to provide services that satisfy community needs by encouraging and supporting well-designed development that meets required standards.</p>	<p>934 <u>1,282</u> 348</p>

	<p>Initiatives</p> <ul style="list-style-type: none"> • <i>Implement the North Sale Development Plan into the Planning Scheme to support well planned housing growth. (Progressing – 80%)</i> • <i>Undertake a two Stage Residential Land Stocktake (based on the outcomes of a charette) to support the supply of residential land across the municipality (including consideration of financial and non financial incentives to help activate development). (Progressing – 50%)</i> • <i>Facilitate preparation of a development plan for the Wurruk Growth area (subject to a private request) to support well planned housing growth. (Progressing – 70%)</i> • <i>Implement the findings of the State Government's Planning in the Economic Growth Zone project to ensure that the Planning Scheme is up to date/relevant. (Progressing – 20%)</i> • <i>Implement appropriate planning controls surrounding RAAF Base East Sale to support the ongoing operation of this airfield. (Progressing – 30%)</i> • <i>Undertake a review of potentially contaminated land to ensure appropriate mitigation prior to development occurring. (Not Progressing)</i> • <i>Update the Port of Sale Masterplan (based on the outcomes of a charette) to support and encourage the integrated and high quality development of the Port of Sale precinct. (Progressing – 95%)</i> • <i>Undertake an annual statutory planning customer survey to support continuous improvement initiatives. (Complete – 100%)</i> • <i>Undertake an annual audit of planning permit determinations to support best practice decision making. (Not Progressing)</i> 	
Business area	Description of services provided	<p>Net Cost</p> <p>Actual</p> <p>Budget</p> <p>Variance</p> <p>\$000</p>
Community Facility Planning	<p>The Community Facility Planning team provides services and functions directed at fostering a healthy, well serviced community with a primary focus on community infrastructure planning, priorities and projects; project funding attraction; management and governance of community facilities and administration of Council's community assistance grants scheme. The team plans for and supports recreation facilities that encourage the community to participate in physical and general wellbeing activities and the development of community infrastructure that addresses community service needs.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Update the Community Facilities Project Prioritisation Model with items identified out of the Sporting, Early Years and Community Infrastructure Plans. Include priority projects in the 10-Year Capital Program for community facilities. (Complete – 100%)</i> 	<p>2,535</p> <p><u>3,187</u></p> <p>652</p>

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
Roads					
Satisfaction of use <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	11.2%	9.6%	11.1%	15.58%	Council received a total of 239 customer action requests for local sealed roads, which is an increase on the previous year. We believe that this may be primarily due to the impact of weather events such as the impact of increased rainfall in 2020/21 which resulted in two storm and flood events in March and June 2021.
Condition <i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.7%	99.9%	99.9%	99.9%	Wellington Shire Council conducts inspections of local roads every three years, pursuant to the inspection frequencies within its Road Management Plan. Council is continuing its investment in its road network through capital reconstruction and rehabilitation projects, as well as its annual road sealing program.
Service cost <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$28.93	\$55.97	\$59.74	\$41.22	Wellington Shire Council's reconstruction program switched focus from last year, going from urban reconstruction to predominantly rural construction in the 2020/21 financial year. This change resulted in decreased average project costs as rural road reconstruction is cheaper than urban road reconstruction due to the cost of asphalt, drainage infrastructure and

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
					additional traffic management requirements on urban roads.
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$3.42	\$3.89	\$4.22	\$4.03	Wellington Shire Council procures both its urban and road sealing services in a cost-effective manner. In 2020/21, the unit rate for cost per square metre of road sealing has reduced compared to 2019/20.
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	56	56	59	65	Results from the 2021 Community Satisfaction Survey show a significant increase in residents' satisfaction rating for Wellington Shire's sealed local roads. This result is 15 points higher than the average for similar large rural councils. The increased satisfaction could be attributed to Council's continued investment in the renewal and resurfacing of its local urban streets.
Statutory Planning					
Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	42	39	37	41	Council achieved a result of 41 for the median number of days between receipt of a planning application and a decision being made, which is significantly better than the Rural Average of 64 days.
Service standard Planning applications decided within 60 days [Number of planning application decisions made within 60 days /	97.8%	97.6%	96.7%	96.7%	The statutory timeframe for issuing planning permits is 60 days for regular applications and 10 days for Vic Smart applications. Council has achieved strong results

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
Number of planning application decisions made] x100					with 96.69% of regular applications and 99.5% of Vic Smart applications being decided within specified time frames, compared to the Rural Average of 72.2% and 84.6% respectively. (Source: Wellington-June 2021 Planning Permit Activity Monthly Report produced by Department of Environment, Land, Water and Planning & LGPRF PPARS Data Document 2020-21).
Service cost <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$1752.56	\$1857.42	\$1,524.14	\$1,286.83	Costs to deliver the statutory planning service in 2020/21 were not dissimilar to the year prior, but due to a higher number of planning applications being received in 2020/21, the cost to deliver the service has been reduced.
Decision making <i>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	50%	100%	100%	100%	Only one planning decision was appealed at VCAT during 2020/21, with Council's decision being upheld by VCAT.

5.3.3 Theme 3 – Natural Environment

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
Community satisfaction with the appearance of public areas	Control	74%	75% Large rural average 75%
Community satisfaction with waste management	Control	67%	66% Large rural average 66%
Community satisfaction with Council's slashing and weed control activity	Control	53%	55% Large rural average 51%
Monitor participation rates of Council's Sustainable Living Education Program	Control	Monitor participation rates	Participation in the program has been heavily and adversely impacted by COVID-19 across the entire financial year

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Natural Environment and Parks	<p>The Natural Environment and Parks Unit covers a range of activities related to the operational management of public open space, which includes approximately 320 hectares of parkland and associated infrastructure, such as picnic shelters, BBQs, seating, boardwalks, fences and public toilets. The service also proactively manages 30,000 – 35,000 urban trees and is responsible for the management, design and development of parks and streetscapes in urban areas.</p> <p>The unit is also responsible for moving the Wellington community towards a more sustainable future. Key priority areas include biodiversity, water consumption and quality, waste management and energy use.</p> <p>Initiatives</p>	<p>7,455</p> <p><u>4,347</u></p> <p>(3,108)</p>

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
	<ul style="list-style-type: none"> Investigate future management options for Kilmany Landfill and Resource Recovery Facility to ensure the facility is meeting best value principles. (Progressing – 95%) Determine the feasibility of a combined Maffra/Stratford Transfer Station with a view to improving asset management in line with industry standards. (Complete – 100%) Develop a plan for the recovery of organic waste from landfill that takes into account the proposed Gippswide Kerbside Collaborative Procurement shared service opportunity, and the State Government's rollout of a state-wide "four bin" residential waste collection system. (Complete – 100%) Develop Urban Forest (Greening Wellington) Strategy including Design Standards, Technical Specifications, Green Infrastructure Guidelines and community consultation process to drive continuous improvement in the management of this key asset class. (Progressing – 40%) 	
Wellington Coast Subdivision Strategy	The Wellington Coast Subdivision Strategy Project Manager is responsible for implementing the Ninety Mile Beach Plan Voluntary Assistance Scheme. Expenditure for 2020/21 is funded through unspent State Government grant funding carried forward.	252 <u>562</u> 310

The following information provides the results of this strategic objective's service performance indicators and measures, including where required, an explanation of material variations.

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
Waste Collection					
Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	36.8	38.8	47.5	46.4	Council receives requests for damaged or stolen bins to be replaced, uncollected bins to be collected, and additional bins to be provided. In 2020/21, we received a total of approximately 46 requests per 1,000 households. Garbage bins are reaching the end of their useful life and may be the cause of

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
					the continued elevated number of bin requests.
Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	1.6	1.6	1.7	1.9	Over 1.57 million bin lifts were performed during 2020/21 as part of Wellington Shire's waste collection service which operates within a defined collection boundary across an 11,000km2 municipality. Only 300 bins were reported as missed during 2020/21.
Service cost <i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] <i>Cost of kerbside recyclables collection service</i>	\$65.95	\$67.40	\$69.26	\$83.34	Wellington Shire's kerbside collection includes the weekly garbage waste collection service of 19,941 bins across the municipality. Additional services for residents in Wellington Shire, not incorporated in this cost, include an annual hard waste collection service, a no charge green waste disposal month and a fortnightly recycling bin collection service. Please note that the previous year's data did not include a landfill levy therefore 2019/20 should have been \$81.51 and 2018/19 \$78.80.
Service cost [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$53.77	\$68.49	\$73.05	\$77.93	China's 2018 ban on some recyclable material has resulted in increased costs for Australian waste collectors including the Wellington Shire Council. This is a direct cost to Council and the main contributor to the increase in cost per bin for the kerbside recyclable collection service

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
					compared to previous years.
Waste Diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	33.6%	35.7%	35.3%	31.45%	More than 3,500 tonnes of recyclable material was diverted from landfill in 2020/21. That's an average of 178kg of recyclables (a reduction of 12kg from previous year) per collection household in Wellington Shire.

5.3.4 Theme 4 – Lifelong Learning

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
Maintain or increase the proportion of residents with post school qualifications of some sort relative to the Gippsland average	Monitor	>51.6%	Wellington – 59.1% Gippsland – 60.4%
Increase participation at Council's libraries	Influence	Monitor participation rates	125,082 library visits
Increase participation at Council's Arts and Culture facilities	Control	Monitor participation rates	Art Gallery 18,723 The Wedge 7,881

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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 are provided the service.

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Arts & Culture	<p>The Art Gallery and Libraries, as part of the Arts & Culture Unit, seek to assist in the development of a vibrant culturally active community that: promotes expression and participation through visual, literary and performing arts; informs and educates the community on various aspects of the arts; enhances the lifestyle of Wellington residents; and encourages visitors to explore the heritage and culture of the region.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Hold a public launch, as part of broader marketing, of a philanthropic donor fund to increase the amount of donated funds received by the Gippsland Art Gallery. (Progressing – 55%)</i> • <i>Source and deliver advanced staff training in the Library Management Software to produce greater efficiencies in customer service through reduced task times, improved patron satisfaction, and increased staff confidence in their system's features. (Progressing – 50%)</i> • <i>Commence planning of a major exhibition initiative to take place at the Gippsland Art Gallery in October 2021. (Confidential - embargoed for a further year). (Complete – 100%)</i> • <i>Prepare an update of Council's Arts and Culture Strategy to provide continuing direction on community arts development and the performing, visual and literary arts. (Progressing – 50%)</i> 	<p>1,590</p> <p><u>1,562</u></p> <p>(28)</p>

The following information provides the results of this strategic objective's service performance indicators and measures, including where required, an explanation of material variations.

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
Libraries					
Utilisation					
<i>Library collection usage</i>	2.26	2.70	2.17	1.94	The Wellington collection is available from 6 branches and 4 community sites across the 11,000km ² Shire. This measure only includes

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
[Number of library collection item loans / Number of library collection items]					physical resource loans which declined by 9% due to restricted public access to branches, as opposed to eResource loans which increased by 27% through the year.
Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x 100]	50.02%	54.46%	45.27%	46.18%	Wellington Shire resources are continually improved with new material through the year. More emphasis was placed on purchasing electronic titles and enlarging existing eResource collections, which were immediately available to borrowers.
Service cost <i>Cost of library service per population</i> [Direct cost of the library service / Population]	New in 2020	New in 2020	\$20.31	\$32.74	Wellington Shire Library facilities continued to provide value for services across the Shire. COVID-19 restrictions and closures reduced staffing and operational expenditures as service was maintained through additional collection eResource spending. The previous year's direct cost per population should have been recorded as \$34.22, not \$20.31.
Participation <i>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	13.82%	14.11%	13.35%	12.02%	Libraries continue to be one of our top performing service areas according to the 2021 Community Satisfaction Survey. Wellington Shire Libraries continued to offer popular programs online during COVID-19 closures. Patron membership declined during COVID-19 closures with 26% fewer visits recorded to branches.

5.3.5 Theme 5 – Economy

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2019/20 Result Comments
Maintain or increase the total number of jobs in Wellington Shire relative to the Gippsland workforce	Influence	> 14,192 jobs (15.88% of Gippsland workforce)	18,111 jobs (17.14% of Gippsland workforce)
Maintain or increase number of businesses	Influence	> 3,889 businesses	4,040 businesses
Maintain or increase estimated resident population relative to Gippsland population	Influence	> 41,965 residents	44,770 residents
Maintain or increase Gross Regional Product (GRP) relative to Gippsland GRP	Influence	\$2.32b GRP	\$3.651b GRP (7.178% up from 2019/20 result)
Maintain or increase visitor numbers by type/duration	Influence	Monitor Destination Gippsland data	No international visitors Domestic overnight visitors 351,000 Domestic day trips 391,000 Total visitors 742,000 Domestic visitor nights 1,160,000
Maintain lower unemployment rate than the Gippsland Average.	Influence	Monitor ABS data	Wellington 5.3% Gippsland 7.1%

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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	Status
<p>Implement initiatives and projects associated with State and Federal Government bushfire and drought funding including a specific marketing and advocacy campaign.</p>	<p>The Middle of Everywhere campaign has been developed and successfully rolled out over the course of the past 12 months.</p> <ul style="list-style-type: none"> Wellington Shire Council was provided with State and Federal funding to reactivate Wellington post Bushfires. Via tender, creative agency <i>Pace</i> was appointed to develop and deliver a tourism, regional development and resident attraction campaign. A thorough program of consultation was conducted followed by extensive brand development. The Middle of Everywhere campaign was launched in November 2020 across Gippsland, Metro Melbourne, regional Victoria and SE New South Wales. Creation of the <i>themiddleofeverywhere.com.au</i> website completed - over 37,000 unique visitors and 79,000 page views of the website (average of 2.2 pages per session). The Middle of Everywhere App completed and launched 6 May. Advocate Videos completed - 27 unique, long-lasting advocate videos created, averaging 2-3 minutes in length. 29,825 video views with 11 videos still yet to be published on social media. Social Media completed - 554,673 organic engagements on social media, 2500 loyal followers across Facebook and Instagram. YouTube Channel completed - 107,335 un-skippable ad views. Spotify completed - 71,822 ad listens. TRFM Advertising completed - 201 x 30 second Radio ad spots reaching an average of 79,400 people each week. TV Advertising completed - 273 x 30 second TV ad spots on 9 Gippsland and 7 Gippsland networks, covering a combined audience of 473,000 viewers. Printed Media completed - 24 full page press ads published across the Herald Sun, Gippslandia, Gippsland Times and The Bridge. 	<p>Complete</p>

Major Initiatives	Progress	Status
	<p>What the future holds:</p> <ul style="list-style-type: none"> • Street Banners – July roll out • Town entry signage– July roll out 	
Review Council's external tourism marketing activities and present findings and recommendations and agreed plan to Council.	Council worked with Central Gippsland Tourism to implement a new Memorandum of Understanding effective from April 2021.	Complete
Effectively manage and operate the Gippsland Regional Livestock Exchange to Council's satisfaction and provide updates to Council highlighting key performance indicators.	<p>The Gippsland Regional Livestock Exchange (GRLE) continued to be effectively managed and provide a key asset for the local agriculture sector.</p> <p>Throughput for 2020/21 was expectedly below the previous year:</p> <p>Cattle 13,666 (-13%)</p> <p>Sheep/Lambs 12,513 (-10%)</p> <p>Store cattle numbers for Q4 were pleasingly up 30% on the previous year and it is expected numbers will strengthen following the effects of drought, fire and flood subsiding. Whilst having an accumulated operating surplus over the previous five years, GRLE will return its first deficit in 2020/21.</p> <p>Media reporting on GRLE occurred throughout the year and was very positive. WIN News and print media including Stock and Land reports included on sales and one feature on our Saleyard Manager, Bec Shaw.</p> <p>Regular Council workshops will continue to be held reporting on KPIs, industry trends, marketing/promotions and stakeholder engagement.</p> <p>As per previous reporting, GRLE supports \$6-8M in economic activity and up to 120 jobs.</p>	Complete
Participate in the Project Control Group related to the delivery of mooring access improvements the Port of Sale West Bank Project.	<p>Business Development has participated in a number of PCG meetings and ones relating to the Port of Sale Masterplan. Discussions were also completed with the Port of Sale Boat Club (POSBC) noting they had a change in President in late 2020. The POSBC did make a submission to the Draft Port of Sale Masterplan regarding the Mooring Access Project and noted future investment.</p> <p>Once adopted, the Port of Sale Masterplan will set out the future development of the Port including moorings and boat club facilities.</p>	Complete

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

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Business Development	<p>Council's Business Development service aims to support business growth and employment, lifestyle opportunities and a vibrant tourism sector.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Funding extension secured via Latrobe Valley Authority (LVA) to actively market and promote the municipality's competitive agricultural strengths and to leverage the agribusiness sector, in particular the Macalister Irrigation District (MID) to grow investment, output, branding/position, innovation and future opportunities. (Complete – 100%)</i> • <i>Secure support from Council for the 2020-22 Action Plan associated with Wellington Shire Economic Development Strategy and then lead its implementation. (Complete – 100%)</i> • <i>Secure funding for the extension of the Great Southern Rail Trail from Hedley to Alberton to increase visitation and business opportunities in adjacent areas. (Complete – 100%)</i> • <i>Secure events to Wellington Shire to stimulate the local economy, raise the region's profile and increase visitation. (Complete – 100%)</i> • <i>Assess market demand to develop Eastern Recreation Aviation Precinct (ERAP) and progress the next stage of ERAP. (Complete – 100%)</i> 	<p>1,127</p> <p><u>1,248</u></p> <p>121</p>

5.3.6 Theme 6 – Organisational

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

Strategic Indicator in 2017-21 Council Plan	Council Responsibility Level	Target	2020/21 Result
Maintain or increase community satisfaction with Council's overall performance.	Influence	63%	64% (Large rural average 58%)
Increase satisfaction with community consultation and	Influence	58%	58%

engagement.			(Large rural average 54%)
Maintain or increase satisfaction with advocacy on behalf of the community to other organisations and levels of government	Control	57%	57% (Large rural average 54%)
Maintain or increase community satisfaction out of 100 with how Council has performed in making decisions in the best interests of the community	Influence	56%	61% (Large rural average 54%)
Maintain or increase overall staff engagement ratings	Influence	69% engagement	73% engagement

Definitions: Control: Council actions directly control the result. Influence: Council can influence the result, but other external factors may also have an impact. Monitor: Council has no influence on this result but monitors it to assist future planning

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

Major Initiatives	Progress	Status
Develop and implement a Leadership Development program for all staff.	This initiative was delayed due to the impacts of COVID-19, however this project continues to progress although slower than we would have liked.	Progressing (30%)
Progress initiatives associated with the Port of Sale East Bank project in line with Council direction including acquisition.	<p>Over the course of 2020/21 progress has been made regarding Council's acquisition of the Former Sale High School and Specialist School site with budget being allocated in future years to complete a purchase. The objective is to see the site prepared and then sold where the scale of development is consistent with the soon to be adopted Port of Sale Master Plan.</p> <p>The current focus has been on entering into negotiations with Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) noting part of the site is subject to native title. A series of meetings has been held following GLaWAC CEO receiving formal approval to enter into negotiations. A milestone was reached in June 2021 where a co-proposal was drafted which sets out agreed terms.</p> <p>Discussions will continue with all stakeholders into 2021/22 including with Department of Treasury and Finance, Department of Environment, Land, Water and Planning in line with Council's direction to complete an acquisition.</p>	Complete

Major Initiatives	Progress	Status
Implement the Customer Service Strategy Mystery Shopping initiative across all areas of Council	Since the completion of the mystery shopping process there is a heightened level of customer awareness when dealing with enquiries and a higher level of ownership is evident amongst the team.	Complete

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

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
Councillors, Chief Executive and Executive Team	<p>This area of governance includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which covers service provision across the entire organisation.</p> <p>Initiatives</p> <ul style="list-style-type: none"> Working with participating GLGN Councils and Local Government Victoria, to plan the establishment of a shared services operating model. (Not Progressing) 	<p>7,165</p> <p><u>3,265</u></p> <p>(3,900)</p>
Media and Public Relations	<p>This area provides internal and external communication services and support and branding initiatives for Council. The team also seeks to proactively inform our community and our staff ensuring transparency, consistency and clarity of our message.</p> <p>Initiatives</p> <ul style="list-style-type: none"> Research and implement social media management software to streamline the process of posting/scheduling/reporting. (Progressing – 80%) Plan and develop media strategies to lobby relevant agencies in the best interests of Wellington residents, local business and the economy. (Complete – 100%) Replace marketing items used for events - new pull-up banners, flags and marquee to improve public perception of Council as a professional organisation. (Complete – 100%) 	<p>434</p> <p><u>505</u></p> <p>71</p>
Information Services	<p>The Information Services Business Unit provides centralised and integrated information services and new and emerging technologies to assist Council to reach the 2030 Vision.</p> <p>Initiatives</p> <ul style="list-style-type: none"> Major upgrade of Council's phone and video conferencing systems to ensure compliant, compatible and secure communications to support council business operations. (Complete – 100%) Manage the ICT operations requirements for the Wellington Shire and East Gippsland Shire Councils as per the ICT 	<p>3,375</p> <p><u>4,004</u></p> <p>629</p>

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
	<p><i>Shared Services Memorandum of Understanding. (Complete – 100%)</i></p> <ul style="list-style-type: none"> • <i>Manage the implementation and rollout of new Intranet System to meet Council business requirements. (Complete – 100%)</i> 	
People and Capability	<p>The People and Capability Unit provides expert and responsive advice and services in the areas of Human Resources, Learning and Development, Occupational Health and Safety & Risk Management.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Implement an enhanced Performance Review process for all staff. (Progressing – 60%)</i> • <i>Implement a Safety Leadership Program in line with new Victorian Occupational Health & Safety changes. (Complete – 100%)</i> • <i>Develop a Workforce Management Plan to address the human resourcing (succession) and recruitment requirements while meeting relevant Access and Inclusion plan outcomes to ensure that Council has the right employees, with the right skills, to deliver the Council Plan and services required by the community, both now and into the future. (Progressing – 35%)</i> 	<p>2,101</p> <p><u>2,871</u></p> <p>770</p>
Finance	<p>The Finance Unit provides financial, payroll, rating and property valuation services to the organisation, community and external stakeholders. These services underpin the drive to be a financially sustainable Council, comply with the necessary legislative requirements and meet community needs. The unit also aims to provide a safe, reliable and sustainable fleet of vehicles to support the organisation in achieving its goals. The significant procurement goal is that of gaining good value from our purchasing.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Implement online tendering system across the organisation to ensure consistency and good governance. (Complete – 100%)</i> 	<p>2,285</p> <p><u>2,996</u></p> <p>711</p>
Business Development	<p>The Commercial Facilities team, as part of the Business Development unit, manages a range of commercial property portfolios including strategic projects in addition to completing the transactions for property acquisitions, disposal and transfers.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Progress the sale of Council's Surplus Land in accordance with policy and standards of best practice. (Complete – 100%)</i> 	<p>(283)</p> <p><u>(19)</u></p> <p>364</p>
Municipal Services	<p>The Customer Service team, as part of the Municipal Services Business Unit, provides responsive, quality customer service to all stakeholders.</p>	<p>465</p> <p><u>530</u></p> <p>65</p>

Business area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$000
	Initiatives <ul style="list-style-type: none"> Rollout the Complaint Handling Strategy (aligned with the Complaint Handling Framework). (Complete – 100%) 	

The following information provides the results of this strategic objective's service performance indicators and measures, including where required, an explanation of material variations.

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
Governance					
Transparency Council resolutions at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100	4.3%	3.8%	1.9%	2.7%	Wellington Shire Council made 260 resolutions during the 2020/21 financial year. Of those decisions, 253 or 97.3 % were made in meetings open to the public. Additionally, all meetings open to the public are broadcast live via Council's website and made available via an online video archive.
Consultation and engagement Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	58	57	57	58	As per the 2021 Local Government Community Satisfaction Survey results, Wellington Shire Council is performing four points higher than the large rural council average for community engagement.
Attendance Councillor attendance at Council meetings	88.9%	92.3%	92.1%	95.6%	Wellington Shire Councillors' commitment to actively serve the community is reflected in

Service Indicator/Measure	Result				Commentary
	2017/18	2018/19	2019/20	2020/21	
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x100					its 95.65% attendance rate at the 21 ordinary Council meetings and 2 unscheduled Council meetings held in 2020/21. The ongoing COVID-19 pandemic has required Council meetings to continue virtually throughout the period and has done so with great success, resulting in no missed or cancelled Ordinary Council meetings.
Service cost Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$40,834	\$43,898	\$42,221	\$36,777	This cost reflects both Councillor allowances and reimbursements (for travel and motor vehicles expenses) for the period being lower due to the impacts of the COVID-19 pandemic which meant that most Council meetings were conducted virtually and anticipated meetings / conferences either cancelled or conducted virtually.
Satisfaction Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	58	58	58	61	Council's participation in the 2021 Local Government Community Satisfaction Survey showed an increase in community satisfaction rating with the way Council has performed in making decisions in the interests of the community. Council has performed seven points higher than large rural average and five points higher compared to state-wide average.

5.3.7 Retired service performance indicators

Retired indicators <i>Service / indicator / measure</i>	Results			
	2018	2019	2020	2021
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	10	5	Retired in 2020	Retired in 2020
Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,330.57	\$1,371.08	Retired in 2020	Retired in 2020
Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	93.26%	96.48%	Retired in 2020	Retired in 2020

6.0 Governance, Management and Other Information

6.1 Governance

Wellington Shire Council is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and local community. Council has a number of roles including:

- taking into account the diverse needs of the local community in decision-making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring that resources are managed in a responsible and accountable manner
- advocating the interests of the local community to other communities and levels of government
- fostering community cohesion and encouraging active participation in civic life.

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

Council places a strong emphasis on good governance, ensuring that Council operates effectively, efficiently, impartially and with integrity. Council employs good governance principles by making decisions based on proper processes and systems, making sure Council officers carry out these decisions appropriately.

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

The *Local Government Act 2020* received Royal Assent on 24 March 2020 with Stage 1 of four stages proclaimed on 6 April 2020. The introduction of the new Act has provided an opportunity for Council to revise its good governance framework as the *Local Government Act 2020* is a principles-based Act, removing unnecessary regulatory and legislative prescription. The following five principles have guided the development of the Act and thus the revision of Council policies, processes and strategies:

1. Community Engagement: This principle aims to ensure all Victorians have the opportunity to engage with their Council on the future of their community. At a minimum, all Councils must adopt and maintain a community engagement policy which must be used in the development of:

- planning and financial management
- community vision
- council plan
- financial plan.

2. Strategic Planning: The *Local Government Act 2020* requires Councils to develop an integrated, longer-term and transparent approach to planning that supports Councillors in leading strategically, rather than focusing on operational issues. The strategic planning principle works together with the community engagement principle to ensure that communities are involved in strategic planning and decision making.

3. Financial Management: A significant percentage of a Council's revenue comes from rates, and the community has expectations that these rates will be used to deliver an array of services and infrastructure. It is vital that Councils undertake responsible spending and investment that ensures

financial, social and environmental sustainability. The new *Local Government Act 2020* is also intended to create a legislative environment that embraces innovation, modern business practices and microeconomic reform.

4. Public Transparency: Openness, accountability and honesty are essential to build high levels of accountability and trust amongst citizens and enable fully informed engagement in the democratic process. Councils will be required to adopt and maintain a public transparency policy, which must be in line with underpinning principles in the Act.

5. Service Performance: This principle ensures that Councils deliver services to the community that are equitable, accessible, good value and meet the needs of their diverse communities.

The final of four stages to the *Local Government Act 2020* roll out will continue over the next 12 months, with the full transition from the *Local Government Act 1989* being finalised in June 2022 with the adoption of the Asset Management Plans.

6.1.1 Meetings of Council

Council conducts open public meetings on the first and third Tuesday of each month. Members of the community are usually welcome to attend these meetings and observe from the gallery however due to COVID-19 physical distancing restrictions coming into place in May 2020, Council moved to virtual Council meetings and closed physical access to the public gallery. This method of meeting continued throughout 2020 and into early 2021 and has required that Council provide a suitably safe alternative for community interaction and engagement by providing an online webform for members of the public to email through any questions or comment (general or relating to a particular agenda item) for Council to read out on their behalf during the next scheduled Council meeting.

Wellington Shire Council also streams live video and audio of Council Meetings and Unscheduled Council Meetings. Recently recorded meetings or earlier meetings can be accessed via Council's web page at <https://www.wellington.vic.gov.au/council/meeting-minutes-and-agendas>.

Council held the following meetings during 2020/21:

- 21 Ordinary Council Meetings
- Two Unscheduled Council Meetings.

6.1.2 Councillor Meeting Attendance 2020/21

The following table provides a summary of Councillor attendance at Council meetings and Unscheduled Council meetings for the 2020/21 financial year. Due to the COVID-19 pandemic, Council continued with fully virtual Council meetings from May 2020 so that all Councillors were able to continue to participate equally in Council meetings. The 2021 local government elections were also held by the Victorian Electoral Commission on 24 October 2020.

With the sad passing of Councillor Malcolm Hole in April 2021, an extraordinary vacancy was left in the Northern Ward for the second meeting in April and first meeting in May while the Victorian Electoral Commission conducted a countback of remaining candidates. Councillor Carmel Ripper was successful in filling the Northern Ward vacancy and was sworn in as a Councillor at the second Ordinary Council meeting in May. This temporary vacancy has resulted in a slightly higher attendance percentage due to there being only eight Councillors sworn in and in attendance during the second meeting in April and first meeting in May where there would usually be nine each.

Councillor (7 July 2020 to 20 October 2020)	Ordinary Council Meeting	Unscheduled Council Meeting	Total
Cr Alan Hall (Mayor)	8	0	8
Cr Gayle Maher (Deputy Mayor)	6	0	6
Cr Ian Bye	8	0	8
Cr Carolyn Crossley	7	0	7
Cr Malcolm Hole	8	0	8
Cr Darren McCubbin	8	0	8
Cr Carmel Ripper	8	0	8
Cr Scott Rossetti	8	0	8
Cr Garry Stephens	8	0	8

Councillor (12 November 2020 to 15 June 2021)	Ordinary Council Meeting	Unscheduled Council Meeting	Total
Cr Garry Stephens (Mayor)	13	2	15
Cr Scott Rossetti (Deputy Mayor)	13	1	14
Cr Ian Bye	13	2	15
Cr Carolyn Crossley	13	2	15
Cr Malcolm Hole (12/11/20 - 10/04/21)	7	1	8
Cr Marcus McKenzie	13	2	15
Cr Gayle Maher	13	2	15
Cr Carmel Ripper (18/05/21 - 30/06/21)	3	1	4
Cr John Tatterson	13	2	15
Cr Jill Wood	13	2	15

6.1.3 Special Committees

Under section 65 of the *Local Government Act 2020*, in addition to any Advisory Committees that the Council may establish, the Council may establish one or more Community Asset Committees, made up of any combination of Councillors, Council staff and other individuals or organisations.

The following list provides all current Community Asset Committees of Wellington Shire Council with their purpose and Councillor representation where a Councillor has self-nominated. These committees were previously known as Section 86 Committees under *the Local Government Act 1989*.

Special Committee	Councillors	Officers	Purpose
Briagolong Recreation Reserve Committee	No Council Representative	1	To protect, promote and develop the Briagolong Recreation Reserve.
Cameron Sporting Complex Committee	Cr John Tatterson	1	To protect, promote and develop the Cameron Sporting Complex, Maffra.
Gordon Street Reserve Committee	Cr Carmel Ripper	1	To protect, promote and develop the Gordon Street Reserve, Heyfield.
Maffra Recreation Reserve Committee	Cr John Tatterson	1	To protect, promote and develop the Maffra Recreation Reserve.
Newry Recreation Reserve Committee	No Council Representative	1	To protect, promote and develop the Newry Recreation Reserve.
Sale Performance Space Fundraising Committee	Cr Carolyn Crossley	3	<p>To maintain a public fund into which the public may contribute towards the construction, maintenance, upgrade and expansion of Wellington Shire Council owned cultural spaces, facilities and Equipment.</p> <p>To maintain a public fund into which the public may contribute towards cultural activities, programs and events conducted by Wellington Shire Council through Wellington Shire Council owned cultural spaces and facilities. To coordinate fundraising activities on behalf of Wellington Shire Council owned cultural spaces and facilities. To obtain all necessary permits and approvals required for eligible fundraising activities.</p> <p>To retain the registration of the Sale Performance Space Donations Fund on the Register of Cultural Organisations for the purposes of the <i>Income Tax Assessment Act 1997</i> (Commonwealth), ensuring that those cultural activities and projects accepted meet the definition of the "organisation's principal purpose" in the Register of Cultural Organisations Guide.</p>

- List of Advisory Committees:

Audit & Risk Committee
CEO Performance Review Committee
Gippsland Art Gallery Advisory Group
Gippsland Regional Sports Complex User Group Committee

Place Names Committee
Remuneration Committee
Strategic Land Use Planning Projects Review Group
The Wedge Advisory Group
Wellington Youth Service Network (WYSN)
Wellington Shire Youth Council

- Committees of Other Organisations (Delegates):

Australian Coastal Councils Association
Gippsland Climate Change Network Incorporated
OneGippsland
Gippsland Local Government Waste Forum
Municipal Association of Victoria (MAV)
National Timber Council Association Inc
South East Australian Transport Strategy (SEATS)
Timber Towns Victoria

- Other Groups, Taskforces, Project Control Groups (PCG's) and Statutory Committees:

Municipal Public Health and Wellbeing Partnership Group
Wellington Shire Municipal Emergency Management Planning Committee (MEMPC)
Living Well During COVID-19 Municipal Committee
Domestic Animal Management Plan Reference Group
Business Boost Reference Group (Business Recovery Sub-Committee)

6.1.4 Code of Conduct

Section 139 of the *Local Government Act 2020* replaces section 76C of the *Local Government Act 1989*, Councillor Code of Conduct and must include the standards of conduct expected to be observed by Councillors that will be prescribed in regulations and may include any other matters which the Council considers appropriate. The Code was reviewed, revised and adopted by Council on 1 September 2020.

Wellington Shire Council's Councillor Code of Conduct sets out the minimum standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as Councillors as required under the Act and the Regulations.

The Councillor Code of Conduct is prescribed by the Regulations to assist Councillors by:

- Providing understanding and guidance for compliance with the Standards of Conduct; and
- Enabling Councillors to recognise how the Standards of Conduct enhance the Code of Conduct in directing them in fulfilling their statutory duties.

Wellington Shire Council's Councillor Code of Conduct will assist Councillors in achieving their Primary Principles by:

- setting out the standards of conduct expected of elected representatives;
- endeavouring to foster good working relations between Councillors to enable a collegiate environment to work constructively together in the best interests of the Wellington Shire;
- mandating Councillor conduct designed to build public confidence in the integrity of local government;
- setting out the internal resolution procedure for dealing with misconduct and alleged contravention of the Councillor Code of Conduct;
- setting out processes for the purpose of resolving internal disputes between Councillors and Councillors and Council staff;
- facilitating contribution toward the strategic direction of the council through the development and review of key strategic documents of the council, including the Council Plan; and
- including other matters relating to the conduct of Councillors, which are considered to be appropriate.

6.1.5 Conflict of Interest

Councillors are elected by Wellington Shire residents and non-residential ratepayers to act in the best interests of the community. When a council delegates its powers to a Council officer or a Committee, they must act in the public interest.

A conflict of interest arises when an individual has an interest that could improperly influence, or be seen to influence, their decisions or the performance of their Council duties. Conflicts can be actual, potential or perceived and can be general or material in nature. Council has a standard procedure for all Council and Committee meetings requiring the declaration of a conflict of interest and then stepping aside from the relevant decision-making process or from the exercise of public duty.

During 2020/21, two conflicts of interest were declared at Council and Special/Unscheduled Council and Committee meetings.

Date of Declaration	Councillor	Conflict of Interest - Council Meetings
21 July 2020	Councillor Crossley	Indirect - Section 78B - Item C4.2 Macarthur Street and Market Street Roundabout Construction
4 August 2020	Councillor Bye	Direct - Section 77B - Item C4.1 Road Discontinuance and Sale - Rear 72-74 Patten Street, Sale

6.1.6 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 also entitled to receive a higher allowance.

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

For the period 1 December 2019 to 30 June 2020, the Councillor annual allowance upper limit for a category two Council (as defined by the *Local Government Act 1989*) was fixed at \$26,245 per

annum and the allowance upper limit for the Mayor was \$81,204 per annum. Due to the introduction of the *Local Government Act 2020*, the Minister for Local Government approved a continuation of the current allowance limits in light of the change to who will set these limits moving forward. As outlined in section 39(1) of the *Local Government Act 2020*, the Victorian Independent Remuneration Tribunal will be responsible for making determinations relating to Mayor and Councillors allowances and is set to make its first determination in the second half of 2021.

This table contains a summary of the allowances paid to each Councillor during the 2020/21 year.

Note: Allowances include an amount equivalent to a superannuation contribution of 9.5%.

Councillor	Term of Office during the financial year	Allowance \$
Cr Ian Bye	1 July 2020 to 23 October 2020 12 November 2020 to 30 June 2021	27,214
Cr Carolyn Crossley	1 July 2020 to 23 October 2020 12 November 2020 to 30 June 2021	27,214
Cr Alan Hall	1 July 2020 to 23 October 2020 (Mayor, 6 November 2019 - 23 October 2020)	27,939
Cr Malcolm Hole	1 July 2020 to 23 October 2020 12 November 2020 to 10 April 2021	22,411
Cr Darren McCubbin	1 July 2020 to 23 October 2020	9,030
Cr Marcus McKenzie	12 November 2020 to 30 June 2021	18,184
Cr Gayle Maher	1 July 2020 to 23 October 2020 12 November 2020 to 30 June 2021	27,214
Cr Carmel Ripper	1 July 2020 to 23 October 2020 18 May 2021 to 30 June 2021	12,494
Cr Scott Rossetti	1 July 2020 to 23 October 2020 12 November 2020 to 30 June 2021	27,214
Cr Garry Stephens	1 July 2020 to 23 October 2020 12 November 2020 to 30 June 2021 (Mayor, 12 November 2020 - 30 June 2021)	65,292
Cr John Tatterson	12 November 2020 to 30 June 2021	18,184
Cr Jill Wood	12 November 2020 to 30 June 2021	18,184
Total (\$)		300,570

6.1.7 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 his or her 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 and member of a Delegated Committee paid by the council.

The details of Councillor expenses for the 2020/21 year are shown below.

Councillors	Travel	Car Mileage	Child Care	Info and Comm.	Conf. and Training	Total
	\$	\$	\$	\$	\$	\$
Cr Ian Bye (01/07/20 - 23/10/20) (12/11/20 - 30/06/21)	0	0	0	390	567	956
Cr Carolyn Crossley (01/07/20 - 23/10/20) (12/11/20 - 30/06/21)	1,086	0	0	386	1,595	3,067
Cr Alan Hall (Mayor from 6 November 2019) (01/07/20 - 23/10/20)	1,558	0	0	170	0	1,728
Cr Malcolm Hole (01/07/20 - 23/10/20) (12/11/20 - 10/04/21)	398	0	0	1,308	328	2,034
Cr Darren McCubbin (01/07/20 - 23/10/20)	0	0	0	208	0	208
Cr Marcus McKenzie (12/11/20 - 30/06/21)	5,702	0	0	201	1,112	7,015
Cr Gayle Maher (01/07/20 - 23/10/20) (12/11/20 - 30/06/21)	1,688	0	0	386	567	2,640
Cr Carmel Ripper (01/07/20 - 23/10/20) (18/05/21 - 30/06/21)	278	0	0	464	520	1,262
Cr Scott Rossetti (01/07/20 - 23/10/20) (12/11/20 - 30/06/21)	0	0	0	259	167	426
Cr Garry Stephens (Mayor from 12 November 2020) (01/07/20 - 23/10/20) (12/11/20 - 30/06/21)	319	1,181	0	412	872	2,784
Cr John Tatterson (12/11/20 - 30/06/21)	0	0	0	201	674	875
Cr Jill Wood (12/11/20 - 30/06/21)	0	0	0	201	967	1,168

6.2 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 *Local Government Act 2020 (including transitional arrangements of the Local Government Act 1989)* requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its Report of Operations. Council's Governance and Management Checklist results are set out in section 6.3. The following items have been highlighted as important components of the management framework.

6.2.1 Audit & Risk Committee

The Audit & 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 and risk management and fostering an ethical environment. The Audit & Risk Committee consists of three independent members, Mr Chris Badger (Chair), Mr Frank Evans and Ms Kiah Cashman and two Councillors. Independent members are appointed for a maximum term of three years. The chair is elected from amongst the independent members.

The Audit & Risk Committee meets at least four times per year. The Internal Auditor, Chief Executive Officer, General Manager Corporate Services and Manager Corporate Finance attend all Audit & Risk Committee meetings. Other management representatives attend as required to present reports. Each year the External Auditors provide an external audit plan and independent audit report.

Recommendations from each Audit & Risk Committee meeting are subsequently reported to and considered by Council.

The Committee met on five occasions during 2020/21, providing advice to Council on a wide range of issues including:

- quarterly legal and insurance reports,
- risk management updates
- financial reports
- updates on outstanding audit recommendations
- updates on Information Services and cyber security and
- updates on the impact of COVID-19 on Council operations.

Other key outcomes for the 2020/21 year are summarised below.

In **September 2020** the Committee:

- Considered the draft 2019/20 financial and performance statements in accordance with legislative requirements and resolved to schedule another meeting for further consideration and adoption of same;
- Reviewed the revised Strategic Internal Audit Plan;
- Received and noted the internal audit follow-up review report;
- Considered the strategic risks and Risk Framework of Council;
- Noted the Chairman's report for the period ending 30 June 2020;
- Received a report on the 'Revitalising Our Region' package of works;
- Noted the Ombudsman's investigation into Council responses to ratepayers in financial hardship;
- Received a gap analysis of recent reports and publications for Local Government;
- Reviewed Council's response to the IBAC report on Building Local Government Integrity during times of Crisis or Emergency;
- Received an update on the impact of the *Local Government Act 2020* on Audit & Risk Committees;

- Received a report on the Chief Executive Officer's credit card expenditure;
- Received an update on Audit & Risk Committee membership;
- Received a report on Related Party Transactions;
- Received and noted an annual update on the Road Management Act processes;
- Received a report on the introduction of an Audit & Risk Committee portal for use by Committee members.

In **October 2020** the Committee:

- Adopted in-principle the 2019/20 financial and performance statements in accordance with legislative requirements;
- Farewelled and thanked outgoing member Councillor Alan Hall for his service.

In **November 2020** the Committee:

- Received and noted the internal audit on the review of the Road Management Plan;
- Reviewed and agreed to proposed changes to the Audit & Risk Committee Charter;
- Received a summary of the Gifts Register;
- Received a report on the review of Council policies.

In **February 2021** the Committee:

- Elected Chris Badger as Chair of the Committee;
- Received and noted the internal audit on the review of the Systems, Controls and Processes against Cyber Risk;
- Received and noted the VAGO report on Sexual Harassment in Local Government;
- Received a report on the review of Council policies;
- Received a report on the Chief Executive Officer's credit card expenditure;
- Received and noted an IBAC Research Report on Unauthorised Access and Disclosure of Information by Local Government;
- Received a report on Related Party Transactions.

In **May 2021** the Committee:

- Received and reviewed the External Audit Strategy as provided by Crowe;
- Received and reviewed the draft Strategic Internal Audit Plan;
- Received and noted the internal audit of the OH&S Management system by Melsafe;
- Received and noted the VAGO report on Maintaining Local Roads;
- Received a report on changes to Accounting policies/Accounting Standards;
- Received a report on the review of Council policies;
- Received a report on Local Government's role in building control;
- Received a summary of the Gifts Register;
- Received a report on the production of the Council Plan 2021-2025;
- Received a report on the draft Budget 2021/22;
- Reviewed the evaluation of Audit & Risk Committee performance by each member.

6.2.2 Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. The function is undertaken by an independent external provider. A risk-based three-year Strategic Internal Audit Plan (SIAP) 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 to operations, systems or the business environment, prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit & Risk Committee annually.

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

the responsible Manager and tracked in Council's corporate planning system. Managers provide quarterly status updates that are reviewed by the Audit & Risk Committee.

The SIAP for 2020/21 was undertaken with the following reviews conducted:

- Road Management Plan - November 2020
- Systems, Controls & Processes against Cyber Risk - February 2021.

6.2.3 External Audit

Council is externally audited by the Victorian Auditor-General's representatives to provide an assurance that financial statements reflect the financial position at the end of the financial year. These auditors conducted audits of Council's Financial Statements and Performance Statement for 2020/21 by testing a sample of Council's internal controls, observing processes being performed, making enquiries of key staff within Council and examining financial and accounting records and other relevant documents.

The external auditors also attended the September 2020, October 2020 and May 2021 Audit & Risk Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses were also provided to the Audit & Risk Committee.

6.2.4 Risk Management

Council is committed to proactive risk management and has continued to maintain a Risk Management Framework which is in line with the Risk Management Principles & Guidelines, (AS/NZS ISO 31000: 2009). Council's risk management objectives are to:

- Integrate risk management practices into all of Council's work practices.
- Promote and support best practice risk management throughout Council.
- Equip staff and management with the knowledge and ability to identify, analyse and prioritise areas of risk to Council.
- Implement effective processes to reduce and/or eliminate high-level risk.
- Continuously improve risk assessment, monitoring and reporting standards.
- Allow for the effective allocation and use of resources.
- Provide a basis for higher standards of accountability through the creation of effective performance objectives and measurement of performance against these objectives.
- Manage appropriate cover and minimise costs associated with insurance and litigation.

In 2020/21:

- Council has continued to review its insurance profile, policies and cover for 2020/21, working with our insurance brokers and insurers to ensure that our insurance cover is consistent with Council's identified risk profile and requirements.
- Continued to deliver key compliance training for staff including Fraud and Corruption, Procurement Delegations, Record Keeping and Privacy.
- A review of Council's Business Continuity Plan was completed which will ensure Council can continue to offer critical services to our community in the event of any major disruptions that effect our organisation.

6.3 Governance and Management Checklist

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

Governance and Management Items		Assessment
1. Community engagement policy (policy 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: 2 March 2021
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	✓	Community Engagement Strategy updated in 2020/21 to include deliberative engagement tools and guidelines. Strategy will be formally reviewed in four years or sooner. Date of Adoption: 2 March 2021
3. Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	✗	As per the Local Government Act 2020 the 10 Year Financial Management Plan is due for adoption by 31 October 2021 in conjunction with our Council Plan.
4. Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	✗	As per the Local Government Act 2020 the draft Asset Plan is due for adoption in June 2022.
5. Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of council to levy rates and charges)	✓	Revenue and Rating Plan 2021-2024 adopted in accordance with section 93 of the Act. Date of adoption: 1 June 2021
6. Annual budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	✓	Adopted in accordance with Section 94 of the Act. Date of adoption: 15 June 2021
7. Risk policy (policy outlining council's commitment and approach to minimising the risks to council's operations)	✓	Risk Management Policy included in Council Policy Manual. Date of operation of current policy: 17 December 2019
8. Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	✓	Fraud Control Policy included in Council Policy Manual. Date of operation of current policy: 17 December 2019
9. Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	✓	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act, 1986</i> . Date of operation: 20 November 2020

Governance and Management Items		Assessment
10. Procurement policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchases of goods and services by the Council)	✗	We currently have a Procurement Policy which is being reviewed to incorporate the requirements of the <i>Local Government Act 2020</i> which details that this policy must be adopted by December 2021.
11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	✓	Plan in operation. Date of operation: 21 October 2020
12. Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	✓	ICT Disaster Response and Recovery Plan in operation. Date of operation: 20 February 2020
13. Risk management framework (framework outlining council's approach to managing risks to the council's operations)	✓	Framework in operation. Date of operation: 30 June 2019
14. Audit & Risk Committee (advisory committee of council under sections 53 and 54 of the Act)	✓	Continuation of existing Audit & Risk Committee endorsed in accordance with section 53 of the Act. Date of endorsement: 1 September 2020.
15. Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	✓	Date of engagement of current provider: 29 June 2017
16. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of <i>Local Government Act, 1989</i>)	✓	Date of operation of current framework: 1 July 2019
17. Council Plan report (report reviewing the performance of the council against the council plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	✓	Date of report: 18 August 2020
18. Financial reporting (quarterly statements to council under section 138(1) of the <i>Local Government Act, 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure)	✓	Reports presented to the Council in accordance with Section 138(1) of the <i>Local Government Act, 1989</i> . Date reports presented: 18 August 2020, 20 October 2020, 16 February 2021, 20 April 2021
19. Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and	✓	Strategic Risk Register reviewed by Audit & Risk Committee. Date of report:

Governance and Management Items		Assessment
consequences of occurring and risk minimisation strategies)		24 September 2020
20. Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the <i>Local Government Act, 1989</i>)	✓	Quarterly Reports. Date of reports: 18 August 2020, 20 October 2020, 16 February 2021, 20 April 2021
21. Annual report (annual report under sections 131, 132 and 133 of the <i>Local Government Act, 1989</i> to the community containing a report of operations and audited financial and performance statements)	✓	Considered at a meeting of Council in accordance with Section 134 of the <i>Local Government Act, 1989</i> . Date report presented: 1 December 2020
22. Councillor Code of Conduct (Code setting out the standards of conduct to be followed by councillors)	✓	Reviewed in accordance with Section 139 of the Act. Date reviewed: 16 February 2021
23. Delegations (documents setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	✓	Reviewed in accordance with Section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act. Date reviewed: 8 July 2020
24. Meeting procedures (Governance Rules 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: 1 September 2020

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



David Morcom
Chief Executive Officer
Dated: 1 November 2021



Cr Garry Stephens
Mayor
Dated: 1 November 2021

6.4 Statutory Information

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

6.4.1 Documents Available for Public Inspection

The Public Transparency Policy is a requirement of section 57 of the *Local Government Act 2020* and has been developed to ensure Wellington Shire Council gives effect to the public transparency principles outlined in the Act. Under this new policy, Council is committed to the principles of public transparency and commits to making all Council information publicly available, except where the information is 'confidential information' as defined under section 3(1) of the Act, unless Council has determined by resolution that the information should be made publicly available, confidential by virtue of any other Act or such that making it publicly available, would be contrary to the public interest.

Under the Act (and, in some cases, the *Local Government Act 1989*), there are specific provisions for certain information to be made publicly available, namely:

- Council and Delegated Committee Meeting Agendas and Minutes
- Local Laws and any documents incorporated
- Council Plan
- Strategic Resource Plan
- Budget
- Annual Report
- Councillor Code of Conduct
- Procurement Policy
- Register of Interests
- Council Policy Manual
- Summary of Election Campaign Donation Returns
- Personal Interests Returns of Councillors and Nominated Officers.

Council will also make the following Council information available on request to ensure the community are informed and can benefit from access to information regarding Council's functions and operations:

- Authorised Officers
- Councillor Code of Conduct
- Council Expense and Administration Policy
- Delegations
- List of all Leases
- List of Donations and Grants
- Record of Assembly of Councillors
- Travel Register
- Details of Chief Executive Officer reappointment and total remuneration.

Under various other Acts administered by Council, the following information will be made publicly available:

- Subject to the specified requirements of the *Planning and Environment Act 1987*, the following may be inspected (note that charges may apply):
 - Approved Planning Scheme Amendments
 - Panel Reports
 - Planning Permits/Applications
 - Submissions/objections
 - Planning Register
 - Planning Scheme
- Register of Building Permits and Occupancy Permits
- Copies of Building Permits, plans and documentation (by application from the property owner or persons authorised by the property owner only, charges will apply)
- Register of Animal Registrations

- Register of Public Roads
- Freedom of Information Part II Statement.

6.4.2 Best Value Principles and Continuous Improvement

Council ensure that *Best Value Principles* apply to ensure our services:

- Offer the **best possible quality and value** for money
- Are **responsive to community needs**
- Are **accessible** to the people they are intended for
- Show **continuous improvement**
- Are subjected to **regular community consultation**
- Are **reported back regularly to its community** on how they measure up against the best value principles.

We recognise continuous improvement as fundamental to improving community outcomes. We are committed to pursuing continuous improvement as a core part of how we practice our business daily and in our strategic and operational planning.

The corporate planning cycle puts into practice Best Values principles through:

- Identifying the **community needs** in terms of Council services and creating strategic objectives to identify the services to be offered and their intended outcomes, as voiced in our Strategic Vision Wellington 2030
- Identifying the service delivery with **best possible quality and value** for money through linking the community vision- Wellington 2030 with the Council Plan 2017-21 and business planning, and measuring service performance by the means of Corporate Performance Indicators (CPIs)
- Ensuring services are **accessible** to the people for which they are intended by service planning and explicitly seeking users' experience of the service through forums such as surveys
- Monitoring and refining the services to ensure there is **continuous improvement** on quality and value, currently through the customer satisfaction survey, service reviews, process mapping in Promapp and business plan reporting in Pulse, Council's Corporate Planning and Reporting system
- Reviewing the service following **regular community consultation** as part of ongoing strategic planning
- Council **reporting regularly to its community** on the results of consultation and how the council's services have measured up against the best value principles.

6.4.3 Community Engagement

In 2020 Wellington Shire Council reviewed its Community Engagement Strategy and Community Engagement Policy to include a new, deliberative engagement approach.

Deliberative engagement is an approach to decision-making where citizens consider facts from multiple points of view, talk with each other to think critically about options and enlarge their perspectives, opinions and understandings.

Council's engagement approach means a stronger onus on Council collaborating deliberatively with community and having a two-way conversation about important areas of our work and is balanced by greater community responsibility in the co-design of strategies, plans and projects.

During 2020-21, to support deliberative engagement, we have built on current community engagement tools through our new online engagement website, '*Your Wellington Your Say*'. Since its launch in February 2021, *Your Wellington Your Say* has had 10,500 visitors, gained 700 active registered users and 18 Council projects have utilised the website to support and strengthen community engagement.

6.4.4 Carers Recognition

The *Carers Recognition Act 2012* (the Act) formally recognises and values the role of carers and the importance of care relationships in the Victorian community. The Act defines a carer as someone who provides care to another person and includes carers under the age of 18. Carers can provide care for a person who:

- Has a disability
- Has a mental illness
- Has an ongoing medical condition
- Is an older person with care needs.

Care relationships also include those situations where a person is being cared for in a foster, kinship or permanent care arrangement.

Within the *Carers Recognition Act 2012* Wellington Shire Council is required to report annually on its care measurement obligations under Section 11 of the Act.

Wellington Shire Council has taken all practicable measures to comply with its responsibilities outlined in the Act.

Some of the ways Wellington Shire Council supports carers is through:

- Recognition of Carers through awareness raising activities such as Volunteers Week and Seniors Week.
- Participation on networks such as Sale and District Aged Care Network, Wellington Early Years Network and Wellington Access and Inclusion Advisory Group.
- Projects listed in Council's Access and Inclusion Plan and Municipal Public Health and Wellbeing Plan, more specifically within the Social Connection and Inclusion Priority area.
- Wellington Shire Council's funding agreement with Central Gippsland Health and Yarram & District Health Service, who are the providers of Home and Community Care (HACC) services, outlines compliance with all legislation.

6.4.5 Contracts

During the year Council did not enter into contracts valued at \$150,000 or more for services or \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the *Local Government Act 1989* with the exception of the contract extension noted below.

It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

Council implemented an e- tendering system during the financial year.

Contract extension:

The current contract between Council and Victoria Animal Aid Trust (Animal Aid) for the provision of pound and animal shelter services was due to expire on 31 July 2021. Council invited Animal Aid to extend the current contract for a further twelve months, expiring 31 July 2022.

The Contract will now have a revised value of \$323,000.00 per annum.

6.4.6 Disability Action Plan

The *Victorian Disability Act 2006* aims to reaffirm and strengthen the rights and responsibilities of people with a disability, which includes recognising the role that government and community support plays in achieving this. In accordance with section 38 of the *Disability Act 2006*, as Council has prepared a Disability Action Plan it must report on the implementation of the Disability Action Plan in its annual report.

Wellington Shire Council has reviewed and developed the Wellington Access and Inclusion Plan 2017 – 2022 and accompanying action plan which incorporates a Disability Action Plan.

The focus of the strategy and action plans is:

- To increase accessible programs, services and events offered or funded by Council
- To increase accessible and inclusive information and communications produced by Council
- To increase inclusive employment opportunities at Council for people with disabilities
- For persons employed at Council to be informed about the access requirements of people with disabilities
- To increase advocacy for improved access and inclusion within the Wellington Shire community.

Over the last 12 months some achievements that have come from the Access and Inclusion Plan include:

- Continued use of the Low Cost No Cost guide. This guide can be accessed via Council services at libraries and Council buildings and community health services such as hospitals, community centres and neighbourhood houses).
- Accessibility audit of community facilities, including senior citizens centres and kindergarten services across Wellington Shire. Information obtained from audits informed further access and inclusion needs for Council's community facilities and early years facilities.
- Accessibility audit for playgrounds used where applicable in update and refurbishment of playgrounds to include inclusive play.
- Inclusion of equality (gender, racial, language spoken, age, religion, preferences, all-abilities, socio-economic) as one of four health priorities in the draft of our new municipal public health and wellbeing plan developed this year.

6.4.7 Domestic Animal Management Plan

The primary purpose of the Domestic Animal Management Plan (DAM Plan) is to provide a strategic guide to the community towards the goal of responsible pet ownership and to assist Council to achieve a professional, consistent and proactive approach to domestic animal management.

The 2017-21 DAM Plan was developed based on the key considerations for:

- Maintaining qualified and experienced staff.
- Encouraging increased pet registration and compliance, with an emphasis on cats.
- Reducing the number of dog attack incidents by encouraging responsible pet ownership, increasing safety awareness around dogs, and enforcing legislation.
- Maintaining continued compliance relating to the keeping of declared menacing, dangerous and restricted breed dogs.

- Reducing the feral cat population and euthanasia rates of unwanted pets.
- Ensuring Domestic Animal Businesses are identified and regulated.
- Responding to and investigating animal nuisance complaints in a timely and effective manner.
- Responding to any emergency involving people and their pets.

A review of the DAM Plan was conducted in October 2020 to evaluate the effectiveness of the plan. Of note:

- A slight decrease in the number of cat and dog registrations, mainly due to the COVID-19 situation, meaning follow up visits and registration door knocks were restricted.
- 1253 Domestic animal complaints received in the past twelve months, with an initial response time of 1.15 days.
- 191 Barking/Nuisance dog complaints received, with an initial resolution rate of 78%.
- A pleasing 12% decrease in the number of reported dog attacks.
- 79 cats, 61 kittens, 41 dogs and 5 pups successfully rehomed.
- A successful prosecution of an illegal dog breeder.
- In January 2020, Wellington Shire was once more significantly impacted by bushfires. Local Laws staff enacted the Emergency Animal Welfare Plan and by doing so, were able to provide support to animal owners affected by the fires.

6.4.8 Food Act Ministerial Directions

In accordance with Section 7E of the *Food Act, 1984*, Council did not receive any Ministerial Directions.

6.4.9 Freedom of Information

The *Freedom of Information Act 1982* (the Act) was created to promote openness, accountability and transparency in the Victorian public service by giving the public the right to access government information.

This general right of access to information is limited only by exceptions and exemptions which have been prescribed to protect essential public interests, and the private or business affairs of people about whom information is held by the Council.

Requests for access to documents under the *Freedom of Information Act 1982* must be in writing, clearly describe the documents to which access is requested and include the applicable application fee (\$29.60 - 2019/2020), unless entitled to fee waiver. Access charges are also payable under the Act prior to the release of documents processed under Freedom of Information (FOI). These are charges for search time, providing supervision of inspection of documents and or photocopying charges, where applicable.

For the first time since the introduction of fee units in 2004, the value of a fee unit (on which FOI application fees are based) wasn't amended by the Victorian Treasurer, therefore the application fee for a request for access to documents under s17 of the *Freedom of Information Act 1982* (Vic) remained unchanged for the 2020/2021 period. The value usually increases on the 1 July each year.

Council encourages applicants to log onto their website www.wellington.vic.gov.au prior to lodging a FOI request to view publicly available documents, the Freedom of Information (FOI) Part 11 Statement or to contact the Freedom of Information Officer by phoning (03) 5142 3112. By contacting the FOI Officer, applicants can discuss their request and assistance may be provided to enable clear descriptions and timeframes for which the requested documents relate, and/or provided details on how the documents can be obtained outside of the Act.

Council's Freedom of Information Part II Statement is a document, required under Section 7 of the *Freedom of Information Act 1982*, which describes Council's powers and functions, the documents and information maintained by Council and the ways in which people can view or access copies.

Wellington Shire Council's Freedom of Information Policy is also published on Council's website www.wellington.vic.gov.au and the Office of the Victorian Information Commissioner (OVIC) website www.ovic.vic.gov.au also includes information for individuals on how to make an FOI request, how to request an amendment, exempt documents and more.

FOI requests can be addressed to Freedom of Information Officer, Wellington Shire Council, PO Box 506, SALE VIC 3850, or emailed to foi@wellington.vic.gov.au.

Mrs Marj McInnes, Coordinator Information Management is authorised under Section 26(1) of the *Freedom of Information Act 1982* ('FOI Act') to make decisions in respect of Freedom of Information requests made to Wellington Shire Council.

The Principal Officer of Council is Mr David Morcom, Chief Executive Officer.

From 1 July 2020 to 30 June 2021, Wellington Shire Council received nine (9) Freedom of Information requests.

Summary of FOI requests	
New requests	9
Access granted in full	2
Access granted in part	5
Requests not finalised at the end of the reporting period	1
Withdrawn	0
Requests processed outside of the <i>Freedom of Information Act</i>	0
Requests – no documents existed	0
Others: not processed, not proceeded with (request never clarified)	0
Application fees collected	\$266.40
Access charges collected	\$352.36
Access charges not paid (processed documents not collected)	0
Freedom of Information requests transferred to another agency to whom the requested documents relate	1

Summary of FOI Appeals	
Complaints lodged with the Office of the Victorian Information Commissioner (OVIC) and investigated	0
Applications for review of FOI decision to the Office of the Victorian Information Commissioner (OVIC)	0
Application to the Victorian Civil and Administrative Tribunal (VCAT)	0
Notices served on the agency under Section 12(1)	0

Summary of FOI Appeals	
Disciplinary action taken out against any officer in respect of the administration of this Act.	0
Outcomes of requests outstanding from previous reporting period	N/A

6.4.10 Privacy and Data Protection

The *Privacy and Data Protection Act 2014* applies to Victorian government departments, Ministers, local councils, statutory offices, government schools, universities, and TAFEs. The Act also applies to contracted service providers in the private sector and not-for-profit organisations when they handle personal information on behalf of a Victorian public sector organisation.

Wellington Shire Council is committed to protecting the privacy of individuals and the responsible and fair handling of personal information, consistent with the requirements of the *Privacy and Data Protection Act 2014* (PDPA) and the requirements of the *Health Records Act 2001* (Vic).

In keeping with the PDPA, Council will only collect personal information where it is necessary to perform Council functions or when required by law. Wellington Shire Council protects personal information from misuse, loss, inappropriate access and disclosure in accordance with the requirements of the Act's ten Information Privacy Principles.

In Victoria, individuals also have the right to know why their information is being collected, how an organisation handles their personal information and to which third parties their information may be disclosed. Council uses Privacy Collection Statements on forms and documents to inform individuals why they are collecting personal affairs information and how it will or may be used.

On-line training courses and information bulletins are regularly communicated within our agency to assist staff, contractors, Councillors, volunteers and agency staff to understand their information privacy obligations under the *Privacy and Data Protection Act 2014*.

Wellington Shire Council's Privacy & Data Protection Policy is available on Council's website www.wellington.vic.gov.au.

Individuals also have the right to make a privacy complaint if they have concerns about how an organisation has handled their personal information. If an individual believes that Council has breached their privacy rights, they should first make a complaint to Wellington Shire Council's Privacy Officer to try to resolve the issue. If they aren't satisfied with the way Council deals with their concerns, they can then make a complaint to the Officer of the Victorian Information Commissioner (OVIC) who will attempt to resolve the matter.

Detailed information on the requirements of the *Privacy and Data Protection Act 2014* including the privacy complaints process is available on the OVIC website www.ovic.vic.gov.au.

Council is always readily available to assist with general privacy enquiries and privacy concerns which can be made to Council's Privacy Officer by phoning (03) 5142 3112 or by emailing enquiries@wellington.vic.gov.au.

No privacy breaches were reported to Wellington Shire Council in 2020/2021.

6.4.11 Public Interest Disclosure Procedures

The *Public Interest Disclosures Act 2012* came into force on 1 January 2020 and Council adopted the associated policy at the 17 December 2019 Council meeting as part of the adoption of the 2020 Council Policy manual. This legislation replaced the *Protected Disclosure Act 2012* and the updates to the *Public Interest Disclosures Act 2012* provide stronger protections for people who make disclosures about improper conduct in the public sector, including Wellington Shire Council, its staff, employees and Councillors. Procedures for anyone wanting to make a disclosure are available publicly on our website at <https://www.wellington.vic.gov.au/council/public-interest-disclosures-process>.

During the 2020/21 year, no disclosures were made to the Public Interest Disclosure Coordinator or to the Independent Broad-based Anti-Corruption Commission (IBAC).

6.4.12 Road Management Act Ministerial Direction

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

6.4.13 Infrastructure and development contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in council's annual report. There were no such reports in 2020/21.

6.5 Other Operational Information

6.5.1 Grants Distributed

6.5.1.1 Community Assistance Grants 2020/21

Twenty nine (29) applicants were successful in receiving Community Assistance Grants across the categories: Projects, Events and Facilities, totalling \$124,853 (details below).

Organisation	Project title	Amount funded
Sale Polocrosse Club	Sale Polocrosse Annual Polocrosse Tournament 2021	\$5,000
Sale Amateur Basketball Association	Sale Amateur Basketball Association Junior and Senior Tournament 2021	\$4,248
Riviera Triathlon Club	Maffra Teams Triathlon 2021	\$4,962
Glenmaggie & District Boat Club	Glenmaggie Cup 2020	\$5,000
Sale Music Festival	Sale Music Festival: Picnic on the Green 2021	\$5,000

Organisation	Project title	Amount funded
Stratford on Avon Shakespeare Association	Shakespeare on the River Festival 2021	\$5,000
Woodside & District Football Netball Club	Annual Family Fun Day & Show 'n' Shine 2021	\$3,500
Port Albert Progress Association	Port Albert 2021 NYE Night Market and Fireworks Display	\$5,000
Sale United Football Club	Aluminium framed soccer goals	\$2,518.18
A Better Life for Foster Kids	Shelving	\$2,801.97
Golden Paradise Beach Ratepayers & Residents Assoc Inc	Digital community information kiosk	\$3,207
Macalister Trophy Bowhunters	Archery equipment	\$5000
Yarram & District Adult Riding Club Inc	Club Strategic Plan	\$4000
Lake Wellington Yacht Club Inc	Accessibility for All	\$5,000
Victorian Railways Institute Inc	Kitchen Upgrade	\$5,000
Loch Sport Golf Club	Flooring for new facility	\$5,000
Glenmaggie and District Boat club	Boat club amenities renovation	\$5,000
Port Albert Water Sports and Safety Centre Inc	Air-conditioning	\$5,000
Heyfield & District Vintage Machinery Group Inc	Power up multi-purpose shed	\$5,000
Golden Paradise Beach Ratepayers & Residents Assoc Inc	Community plant nursery carport	\$5,000
Rosedale Recreation Reserve CoM	Paint main building of Rosedale Recreation Reserve	\$3,730
Maffra Golf Club Inc	Build new cart storage shed	\$5,000
Yarram & District Adult Riding Club Inc	Yarram Equestrian Facility - Day Yards	\$4,900
Meerlieu Cricket Club	Cricket Oval Fence Replacement	\$5,000
Rosedale RSL	Rosedale RSL facility improvements	\$5,000
Port Albert Light Game and Sports Fishing Club Inc	Club facility improvements	\$3,595
Loch Sport Bowls Club	Into the Future – solar installation	\$5,000
Seaspray Surf Life Saving Club Inc	Reduce OH&S issues and increase safety and security at the clubhouse	\$2,390.86
29 APPLICATIONS	TOTAL	\$124,853

6.5.1.2 Quick Response Grants 2020/21

Sixty-two (62) applicants were successful in receiving Quick Response Grants, totalling \$113,875 (details below).

Organisation	Project title	Amount funded
Uniting Gippsland	Uniting Children's Week 2020	\$2,000
Dargo Landcare	Workshops for regeneration	\$1,550
Lions Club of Loch Sport	Loch Sport Lions Children's Christmas Party	\$500
Live at the Bundy	Mick Thomas - Bundy Hall - restricted shows	\$2,000
Yarram & District Traders & Tourism Inc	Pitch Invasion	\$2,000
North Gippsland CWA	North Gippsland Creative Arts Exhibition.	\$2,000
Port Albert Progress Association	NYE Twilight Market and Fireworks display	\$2,000
Rotary Club of Sale Inc	Rotary Race the Rubeena 2021	\$2,000
Yarram and District Canine Club Inc.	All Breeds Championship Dog Show	\$2,000
Sale Vintage Tractor Club	37th Annual Longford Vintage Tractor Pull	\$2,000
Gippsland Water Dragons	Gippy Gallivant 2021	\$2,000
The Hive Community Collective	Easter Carnival 2021	\$2,000
Golden Paradise Beach Ratepayers & Residents Association	Golden Beach End of Summer Surf Festival 2021	\$2,000
Boisdale Briagolong Junior Football Netball Club	Love & Lies Tour 2021	\$2,000
East Gippsland Dog Obedience Club Inc	32nd Annual Double Open Obedience & Rally Trials	\$2,000
Ramahyuck District Aboriginal Corporation	NAIDOC Week 2021 Celebrations	\$2,000
Gippsland Woodcraft Group	Domino jointing system	\$1,223.40
Sale United Football Club	Line Marking Machine	\$2,000
Dargo Bush Nursing Centre Inc	Dargo Bush Nursing Centre consumer booklet & folder	\$870
Avon Landcare Group Inc	Sandhill Road revegetation project	\$1,075.63
Gwenfa Hampton Kindergarten	Broadening kindergarten learning experiences	\$987
The Port Albert Community Tattler auspiced by Port Albert Progress Assoc	Port Albert Community Tattler	\$2,000
Stratford Town Crier Incorporated	Stratford Town Crier	\$2,000
Maffra Dramatic Society Inc	Theatre production	\$2,000

Organisation	Project title	Amount funded
Yarram Secondary College & Yarram & District Health Service/CGHS	Yarram Secondary College 'ISO' cookbook.	\$2,000
Sale Theatre Company	Theatre production	\$2,000
Marley Street Community Hub		\$1,544
Stratford on Avon Shakespeare Association	Stratford Arts Trail - renewal of the Witches	\$2,000
Loch Sport Community House	Loch Sport Wild Festive Season 2020	\$2,000
Boisdale Briagolong Football Netball Club	Leadership Development	\$2,000
Sale Bridge Club	Return to Face to Face Bridge in Sale	\$1,012
Rosedale & District Adult Horse Riding Club	Continued Safety Improvements for Local Equestrians	\$1,665
Sale Football Netball Club	Women's Football Team	\$2,000
Stratford Courthouse Committee of management	Safety improvement at the theatre	\$2,000
Gippsland MTB Inc	MTB skills and training	\$2,000
Glenmaggie Mechanics Institute Hall	Kitchenware for newly renovated kitchen	\$2,000
Port Albert Progress Association	Reflections of Port Albert	\$1,978
Sale Keenagers Table Tennis Club	New tables for Table Tennis for older people	\$1,650
Heyfield Community Resource Centre	Heyfield News - keeping community connected	\$2,000
Yarram Neighbourhood House	The Drum Community Newsletter	\$2,000
Dargo Landcare Group	Weed control support	\$2,000
Golden Paradise Beach Ratepayers & Residents Association Inc	Letts Beach News	\$2,000
Lake Wellington Yacht Club	Anchor Safety	\$2,000
Maffra Golf Club	Practice Nets	\$2,000
Heyfield & District Historical Society Inc	Construction of Storage shed	\$2,000
Loch Sport Bowls Club Inc	Into the Future - Insulation	\$1,400
Wurruk Community House	Refresh Project - painting	\$2,000
Stratford Cricket Club	Replace Cricket Nets	\$2,000
Loch Sport Golf Club Inc	Solar system install to new clubhouse	\$2,000
Boisdale Briagolong Cricket Club	Roller maintenance	\$2,000
Golden Beach Surf Life Saving Club Inc	Flooring of new accessible toilet	\$1,790

Organisation	Project title	Amount funded
Heyfield Community Resource Centre	Safer sandpit for all	\$2,000
Sale Tennis Club Inc	Sale Tennis Club LED upgrade	\$2,000
Port Albert Light Game & Sports Fishing Club Inc (PALG&SFC Inc)	Reverse cycle air conditioner	\$2,000
Yarram Football Netball Club	Timekeepers box relocation	\$2,000
Wellington Food Pantry Inc	Food Relief Program - fridge and freezer	\$2,000
The Loch Sport Boat Club Inc	Kitchen upgrade	\$2,000
Gormandale Football Netball Club	Gormandale oval work	\$2,000
Ramahyuck District Aboriginal Corporation	Ramahyuck access improvement project	\$2,000
Staceys Bridge Hall Committee	Hall interior painting	\$2,000
Golden Paradise Beach Community Centre CoM	Building a stronger Community Centre	\$1,297
Woodside Beach Surf Life Saving Club Inc	Kitchen equipment upgrade	\$1,332.72
62 APPLICATIONS	TOTAL	\$113,875

6.5.1.3 Individual Sponsorships 2020/21

Wellington Shire Council provided \$1,500 as individual sponsorship for 3 applicants in 2020/21.

Name	Activity title	Amount funded
Finn Staple	2021 Australian Track and Field Championships, Sydney	\$500
Mark duRose	ISSF SKEET junior world championships, Newcastle and Brisbane	\$500
Tayli Dimarco	Victorian State Team - Under16 Australian Junior Championship	\$500
3 APPLICATIONS	TOTAL	\$1,500

6.5.1.4 COVID Operational Support Grants 2020/21

Wellington Shire Council provided \$14,608 as COVID Operational Support Grants to community groups impacted by multiple periods of COVID restrictions (details below).

Organisation	Amount Funded
Stacey's Bridge Hall Committee	\$748.00
Rosedale Lions Club	\$1,000
Gippsland Regional Arts - Sale	\$1,000
Rosedale & District Historical Society	\$1,000
Gippsland Regional Arts - Sale	\$1,000
McMillan Rockhounds	\$1,000
Heyfield & District Historical Society Inc	\$591.12
Yarram Agricultural Society	\$1,000
East Gippsland Dog Obedience Club Inc	\$1,000
Glenmaggie Mechanics' Institute	\$1,000
Coongulla Reserves Committee of Management Inc	\$1,000
Sale & District Family History Group	\$1,000
Historic Port Albert Boat Club	\$1,000
Sale Baseball Club	\$1,000
Golden Paradise Beach Ratepayers & Residents Association Inc	\$1,000
Yarram Agricultural Society	\$268.91
16 APPLICATIONS	TOTAL
	\$14,608.03

6.5.1.5 Community Activation and Social Initiative (CASI) Grants 2021

Wellington Shire Council provided \$90,364 as Community Activation and Social Initiative (CASI) Grants to support 15 community connection projects during COVID restrictions (details below).

Project	Amount spent
Café 123 Thrift shop fashion parade - Sale	\$1,364
Carer's Art project	\$2,805
Cooking up connections	\$9,000
Virtual Agricultural Show	\$9,300
Tech Savvy workshops	\$7,353
Rosedale support for community bushfire recovery event	\$2,889
Heyfield Seniors Project	\$5,540

Project	Amount spent
Wurruk Play, Learn Share project	\$9,636
Wellington I'm ready are you	\$6,552
Story Fest Yarram	\$9,700
You're welcome theatre passes	\$10,375
Sale Neighbourhood House community garden	\$5,300
Bundy School of Rock	\$3,000
Opera for Elderly	\$4,050
Christmas in July - Gormandale	\$3,500
15 APPLICATIONS	TOTAL
	\$90,364

6.5.1.6 Support for Community Committees

In 2020/21 103 Committees of Management of community facilities were supported with \$919,649 distributed in risk and maintenance subsidies to assist with the operational costs of running community sporting, social and cultural facilities.

6.5.2 Citizenship

During 2020/21 Wellington Shire Council conducted three citizenship ceremonies, including a ceremony on Australia Day for new citizens. A further ceremony scheduled for September 2020 was postponed due to the COVID-19 pandemic and government restrictions in place at the time. Throughout the last year we welcomed 30 new citizens from 16 different countries into our community. Some of the countries represented included England, India, Italy, Mauritius, Netherlands, Northern Ireland, Pakistan, Philippines, Scotland, Singapore, Thailand, United States and Zimbabwe. These new citizens were warmly welcomed into our community and we are anticipating a higher number during 2021/22, pending travel restrictions being lifted.

6.5.3 Civic Receptions

There was one civic reception given during the 2020/21 year which was an Australia Day awards luncheon. Our usual civic reception to welcome new professionals to Wellington Shire, scheduled for May 2021, was again postponed to July 2021, due to COVID-19 government restrictions in place at the time.

Event/ Civic Reception	Description	When
2021 Australia Day Awards Luncheon	<p>Held on Wednesday 9 December 2020, the 2021 Australia Day Awards Luncheon hosted 50 guests to announce the winners of the 2021 Wellington Shire Council awards for our Citizen of the Year, COVID Hero of the Year and Community Group of the Year. Due to the limited number of community events, our Community Event of the Year was replaced with a special category, COVID Hero of the Year. There were no eligible nominations received for Young Citizen of the Year for 2021.</p> <p>The awards luncheon is a great way to recognise not only award winners but also the people who took time to nominate them and all the other nominees in each category. This is the ninth year Council has acknowledged our community members with the special luncheon. Numerous communities and individuals were represented and many outstanding achievements and contributions recognised. These events would not be possible without the help of all our great communities, big and small. Everyone was a winner on the day and a great time was had by everyone present.</p>	9 December 2020

6.5.4 Youth Events and Achievements

Youth-led FReeZA (Victorian Government funded program providing opportunities for drug and alcohol-free events for and by young people) groups: Wellington Youth Film Festival Crew; 'Propellor' (music focus with the support of FReeZA) and Wellington Shire Youth Council; engaged over 4,000 community members in over 40 social, educational and cultural events, both virtual and face to face, including:

- 2020 Wellington Youth Film Festival – virtual and on the big screen in 2021
- Youth Fest
- Crystal Queer Formal
- HEY! Wellington stories, celebrating LGBTIQ+ young people
- Open Mic Nights

Council provided many opportunities to support young people grow the skills they need to advocate effectively:

- Youth Mental Health First Aid training
- Youth leadership camp for Youth Councillors
- Youth Parliament team
- Online consultations and discussion

Youth Advocacy

Youth Council utilised school and community environments to inform their participation in a number of online consultations:

- Development of the Victorian Youth Strategy with Commission for Children and Young People and Youth Affairs Council of Victoria;
- Inform government of the impact of living in a pandemic with Youth Affairs Council of Victoria;
- Conversations and research into the better use of school buses with Youth Affairs Council of Victoria; and
- engaging young people in the development of *Healthy Wellington 2021-2025*, our municipal public health and wellbeing plan.

6.5.5 Emergency Management

6.5.5.1 COVID-19 Pandemic emergency

COVID-19 and associated restrictions and lockdowns continued to impact on our communities, our health and our businesses. To manage our community's relief needs during the COVID-19 pandemic, Council's relief line remained activated to take calls from residents and refer them to appropriate welfare agencies, whenever an outbreak occurred and relief in the home needs increased.

Wellington Shire Council is a community connector service provider under the Victorian Government's Community Activation and Social Inclusion scheme, taking referrals from the state COVID-19 hotline for relief needs and referring them to local providers. Through this program Wellington Shire Council has been able to support 17 local community organisations to deliver 23 projects to the amount of \$130,000. These projects have helped to keep isolated and vulnerable community members connected.

6.5.5.2 Emergency Event – June 2021 Storm & Floods

The municipality was impacted by a severe weather event on June 9 and 10 with one community member tragically dying in flood waters. Council's thoughts remain with the family and affected local community.

Communities which were impacted by storm and flood damage and significant power and telecommunications outages included: Gormandale, Carrajung, Carrajung South, Callignee, Seaspray, Yarram, Tarra Valley, Jack River, Devon North, Willung South, Mack's Creek, Blackwarry, Calrossie, Won Wron, Willung, Stacey's Bridge, Woodside, Woodside Beach, McLoughlins Beach, Binginwarri, Wonyip, Denison, Tinamba, Cowwarr and Heyfield.

In total, approximately \$1.7M of damage occurred to Council roads, bridges, culverts and drains and the long process of rebuilding and recovering costs via inter-governmental funding assistance arrangements is underway.

Over 220 initial impact assessments were completed through the Incident Control Centre and were followed up through a secondary impact assessment (SIA) process by Council, informing our community recovery activities which are ongoing.

6.5.5.3 Leave Early Access Road Network (LEARN) Project

In 2020/21, Wellington Shire Council completed a review of our annual fire prevention roadside maintenance program, which traditionally involved slashing various roadside sections spread throughout the municipality.

The goal of the review was to identify communities at highest risk of bushfire and determine how roads can support them before, during and after a fire. The project was supported and funded by Emergency Management Victoria.

A new risk-based approach to annually identifying and treating roadsides in most need of vegetation management based on emergency evacuation and fire-fighting access criteria is now in place shire-wide.

With a total of 262 km of identified LEARN roads to maintain, having a connecting network makes the maintenance work more efficient, allowing crews to work in focussed areas rather than having to pack up and move from one site to another.

6.5.6 Grants Received for Projects

- Contribution towards purchase of artwork by Susan Purdy from Robert Salzer Foundation - \$3,750
- Local Incident Management Plans (LIMP) Evaluation from Department of Environment, Land, Water & Planning's Safer Together program - \$31,200
- Leave Early Access Road Network Roads from Department of Environment, Land, Water & Planning's Safer Together program - \$150,000
- COVID Relief Program from Department of Jobs, Precinct & Regions - \$15,000
- Vulnerable People program from Department of Families, Fairness & Housing - \$31,321
- Municipal Emergency Resources Program from Department of Jobs, Precincts & Regions - \$146,000
- Community Activation and Social Isolation (CASI) Initiative from Department of Families, Fairness & Housing - \$130,000
- Maffra Recreation Reserve, Netball Court Redevelopment from Sport and Recreation Victoria's Female Friendly Facilities Program - \$250,000
- Briagolong Recreation Reserve, Tennis Court Redevelopment from Sport and Recreation Victoria's Female Friendly Facilities Program - \$250,000
- Annual Regional Partnership Funding (Gippsland Art Gallery) from Creative Victoria - \$95,000
- Annual Regional Partnership Funding (The Wedge Performing Arts Centre) from Creative Victoria - \$95,000
- VicHealth Partnership Grant - \$120,000 over 3 years
- Traffic Accident Commission Local Government Grant - \$30,000
- Centralised Registration and Enrolment Scheme (CRES) program from Department of Education & Training - \$60,000
- Community Road Safety from VicRoads - \$50,000
- L2P learner driver education from Department of Transport - \$168,000
- Australian Centre for Rural Entrepreneurship - \$10,000
- Youth Engage funding from Department Families, Fairness & Housing - \$20,000
- FReeZA (drug, alcohol and smoke free events) funding from Department Premier & Cabinet - \$25,000
- Commonwealth Home Support Program, Senior Citizens Centres - \$59,200
- Rural Council ICT Technology Support Package 2020-21 from Department Jobs, Precinct & Regions - \$100,000
- Public Libraries Funding Program from Department Jobs, Precinct & Regions - \$337,248
- The Wedge Masterplan from Infrastructure Planning and Acceleration Fund (IPAF) - \$100,000
- Roads to Recovery - \$3.5M
- Local Roads and Community Infrastructure Program - Round 1 and 2 - \$6.3M
- Cairnbrook Road Intersection Upgrade - Agrilinks - \$310,000
- Princes Highway Improvements Package - Sale - National Land Transport Funding - \$10.1M
- Cunninghame Street Intersection Signalisation - National Land Transport Funding - \$1.58M
- Sloping Bridge renewal, Jack River - Bridges Renewal Program - \$402,000
- Pound Road East upgrade, Yarram - Heavy Vehicle Safety and Productivity Program Round Seven - \$385,000
- Heyfield Transfer Station Upgrade - Transfer Station Upgrade Fund - \$235,000

- Wellington Weed and Animal Pest Control project - \$536,000
- Great Southern Rail Trail Extension - Regional Infrastructure Fund - \$6M
- Radial Renewable Energy Park - Dept. Jobs, Precincts and Regions - \$2M
- Gippsland Comeback Event - Regional Development Australia - \$70,000
- West Sale Industrial Area Development Plan Preparation – Victorian Planning Authority - \$35,000

6.5.7 Council Managed Recreational Facilities

6.5.7.1 The Wedge

The Wedge performing arts centre is a contemporary hub for performing arts and entertainment complete with a 400 seat theatre, new rehearsal and small performance theatre and modern café.

The Wedge hosted 67 performances of 56 shows for 2020/21 plus 14 interactive workshops, backstage tours and trivia nights and The Saturday Drama School classes for young people, with many more shows cancelled or postponed due to multiple closures due to COVID-19.

The Wedge was renowned statewide in 2020/21 for its flexibility and resilience in offering performing artists opportunities to work and our community a chance to see shows during all periods of COVID-19 restrictions, whether online, in 20 person limited foyer shows or 50 person limited outdoor shows.

The following summary demonstrates the breadth and diversity of performing catered for at this facility during 2020/21.

Show Name:	Type:
At the Writers Table 42 George Street	Workshop
Possum Presents Live at the Wedge	Live Music
Midnight Pilots Live Music Series	Live Music
Erin Therese & Emma Goodsall Live Music Series	Live Music
ART Sale Theatre Company	Theatre
The John Gibson Trio Live Music Series	Live Music
QuaranTONY Awards Night of Nights	Awards night
Saturday Night Trivia	Trivia Night
The Blanket Initiative Live Music Series	Live Music
Midnight Pilots Live Music Series	Live Music
Frank Stage door Twilight Series	Live Music
Harry Hookey Stage Door Twilight Series 2020	Live Music
Micka Harrington Stage Door Twilight Series 2020	Live Music
Matthew Bentley Stage Door Twilight Series 2020	Live Music
Erin McKinney Stage Door Twilight Series 2020	Live Music
John Gibson Trio with Sue & Jill Stage Door Twilight Series 2020	Live Music
Jade Empress Stage Door Twilight Series 2020	Live Music

Show Name:	Type:
Oscar Grant - Halloween Cabaret Stage door Twilight Series	Cabaret
Adam Dunning Stage Door Twilight Series 2020	Live Music
Black Satin NAIDOC Week Celebrations	Live Music
Blanket Initiative Stage Door Twilight Series 2020	Live Music
Gippsland Symphony Orchestra Mozart Clarinet Concerto	Live Music
Micka Harrington Stage Door Twilight Series 2020	Live Music
The Broadway I Love	Musical Theatre
Todd Cook Stage Door Twilight Series 2020	Live Music
Marty Fields The Great Aussie Joker	Comedy
Danny Spencer Stage Door Twilight Series 2020	Live Music
Tinkerbell and the Dream Fairies	Kids Show
Leaps and Bounds	Dance competition
The Pierce Brothers	Live Music
The Farndale Avenue Housing Estate Townswomens Guild Dramatic Society Murder Mystery	Theatre
Cara Janes Soul Revival Featuring the John Gibson Trio, Jill McCubbin and Sue Kewming	Live Music
Spinning Wheel	Live Music
YOU & I	Musical Theatre
The Traveling Wilbury's	Tribute Band
Rewind 80's Party	Tribute Band
Archie Roach tell me why 2021	Live Music
Gruffalo's Child March 2021	Kids Show
91 Storey Treehouse	Kids Show
Macbeth	Theatre
World Theatre Day 2021	Back Stage Tour
Silver Series - Suite Beethoven	Classical Music
Silver Series - Sounds of Rogers & Hammerstein	Musical Theatre
GO GO GO - Circus Workshop	Workshop
GO GO GO - The Gravity Dolls	Circus
David Scheel Don't Shoot Me I'm Still Only the Piano Player	Musical Theatre
Wanderlust - The Cheeky Dance Cabaret	Cabaret/Dance
Wellington At War	Musical

Show Name:	Type:
Eric Bogle & Michael Waugh	Live Music
The Brothers Bach	Classical Music
Jimeoin	Comedy
QUEEN Bohemian Rhapsody	Tribute Band
50 SHADES! The Musical Parody	Musical Theatre
Family Is Murder	Theatre
Club Soda	Cabaret
Lior	Live Music
Ringmaster Royale	Dance
The Magnolia Tree	Theatre
Australian Stars of Ballet	Ballet
Love Song Dedications	Theatre

6.5.7.2 Gippsland Art Gallery

Gippsland Art Gallery is home to Gippsland's most comprehensive collection of art and hosts a diverse and dynamic range of exhibitions and visitor programs. In 2020/21, 32 exhibitions were staged at the Gippsland Art Gallery and Port of Sale along with 74 public art programs and artists talks, demonstrating the breadth and diversity of visual arts offered at this loved public arts venue.

Full details of exhibitions, public programs and artist talks held in 2020/21 in table below.

Exhibition Name	Type
Stories from the Collection	Painting, photography, sculptures, textiles, ceramics, etc
The Art of Annemieke Mein	Textiles, drawing, multimedia
Recent Acquisitions	Painting, Printmaking, Ceramics, Textile, Sculpture
Peter Cole: The Circus of Life	Painting, Sculpture, Drawing, Craft & Design
Jan Hendrik Scheltema: The Lost Impressionist	Painting, Drawing
Anthea Williams	Sculpture
2020 John Leslie Art Prize	Painting
Celia Rosser: Celia Rosser	Botanical Painting
Artist Proof: The Collective Spirit of Freestone Press	Printmaking

Exhibition Name	Type
Gavin Roberts & Paul Gennings	Sculpture
Earth Songs	Painting, sculpture, drawing, photography, ceramic
Play	Painting, sculpture, drawing, photography, ceramic
Rodney Forbes: In My Life	Painting, drawing, printmaking, ceramic
Victor Cobb: The Happy Wanderer	Printmaking, Drawing
Entrancing Others	Printmaking
Equus: George Gray Centre Studio Artists	Painting, Printmaking
Jock Clutterbuck: Wisdom Journey - Prints and Sculpture 1967-1972	Printmaking, Sculpture
Timelines	Painting, sculpture, drawing, photography, ceramic
Annemieke Mein: The Walk of Fame	Sculpture (bronzes)
Middle Ground	Photography
Gippsland Women's Health: Powerful Together, Uniquely Different	Painting, Sculpture, Installation
Queen Street Kindergarten	Children's art - Painting, Sculpture
David Oldfield: Havens of the High Country	Photography
Sale Specialist School	Children's art - Painting, Sculpture
Alison Lester: 30th Anniversary of Magic Beach	Children's book illustration
Local Scenes	Painting
Seaspray Primary School	Children's art - Painting, Sculpture
Watercourse	Painting
Longford Primary School	Children's art - Painting, Sculpture
Sale North Kinder	Children's art - Painting, Sculpture
St Patricks Primary School	Children's art - Painting, Sculpture
Gippsland Grammar School Junior School	Children's art - Painting, Sculpture

List of Artist Talks and Art Programs held at the Gippsland Art Gallery during 2020/21.

Date	Exhibition / Activity Title	Main Artform
30 July 2020	Art Basics - Printmaking	Teacher Professional Development
6 August 2020	Art Basics - Sculpture	Teacher Professional Development
13 August 2020	Art Basics - Printmaking	Teacher Professional Development
20 August 2020	Art Basics - Sculpture	Teacher Professional Development
16 September 2020	Ask a Curator Day	Curator Talk
24 September 2020	Gallery Geckos School Holiday Activities	Children's art workshops
1-31 October 2020	The Big Draw Magic Beach Drawing	Children's art workshops
1-31 October 2020	The Big Draw Activities for 16+	Children's art workshops
1-31 October 2020	The Big Draw Activities for under 16s	Children's art workshops
2 October 2020	Botanical Drawing into with Heather Harrington	Public art activity
13 October 2020	Art Basics - Fibre	Teacher Professional Development
20 October 2020	Painted Emotion Workshop	Teacher Professional Development
27 October 2020	Art Basics - Fibre	Teacher Professional Development
4 November 2020	Painted Emotion Workshop	Teacher Professional Development
10 November 2020	Indigenous Australian Culture	Teacher Professional Development
12 January 2021	Printmaking with Gillian Kline (6-9)	Children's art workshop
12 January 2021	Printmaking with Gillian Kline (10-14)	Children's art workshop
13 January 2021	Printmaking with Gillian Kline (6-9)	Children's art workshop
13 January 2021	Printmaking with Gillian Kline (10-14)	Children's art workshop
14 January 2021	NGV Kids on Tour - All (Alice)	Children's art workshop
14 January 2021	NGV Kids on Tour - All (Kenny)	Children's art workshop
19 January 2021	NGV Kids on Tour - All (Misaki)	Children's art workshop
19 January 2021	NGV Kids on Tour - Teen (Lucy)	Children's art workshop
29 January 2021	Baby on Board	Art for babies and mums
5 February 2021	Baby on Board	Art for babies and mums

Date	Exhibition / Activity Title	Main Artform
11 February 2021	Life Drawing Class	Drawing
12 February 2021	Baby on Board	Art for babies and mums
18 February 2021	Latrobe Community Health	Art workshop
18 February 2021	Life Drawing Class	Drawing
19 February 2021	Baby on Board	Art for babies and mums
20 February 2021	Two-colour lino reduction workshop with Gillian Kline	Public art workshop
23 February 2021	Teacher Professional Learning	Teacher PD
25 February 2021	Life Drawing Class	Drawing
26 February 2021	Baby on Board	Art for babies and mums
27 February 2021	Floral Ink Workshop with Sofie Dieu	Public art workshop
2 March 2021	Kikezuri Wood Shaping workshop for kids with Gavin Roberts	Children's art workshop
4 March 2021	Life Drawing Class	Drawing
5 March 2021	Baby on Board	Art for babies and mums
9 March 2021	Baby's Day Out - Parks Week Event	Art for babies and mums
10 March 2021	Baby's Day Out - Parks Week Event	Art for babies and mums
11 March 2021	Life Drawing Class	Drawing
12 March 2021	Baby on Board	Art for babies and mums
12 March 2021	Exhibition Opening - Rodney Forbes exhibition	Exhibition Opening
13 March 2021	*Rodney Forbes Artist Talk	Artist Talk
16 March 2021	Kikezuri Wood Shaping workshop for kids with Gavin Roberts	Children's art workshop
16 March 2021	Teacher Professional Learning	Teacher PD
18 March 2021	Life Drawing Class	Drawing
19 March 2021	Rodney Scherer guest curator talk - Victor Cobb	Curator Talk
19 March 2021	Baby on Board	Art for babies and mums
20 March 2021	Embroidery Workshop with Jenny Bennett	Public art workshop
26 March 2021	Baby on Board	Art for babies and mums
20 March 2021	Embroidery Workshop	Public art workshop
9 April 2021	Baby on Board	Art for babies and mums
13 April 2021	Portrait Painting for 5-11 Year Olds with Klara Jones	Children's art workshop

Date	Exhibition / Activity Title	Main Artform
13 April 2021	Portrait Painting for 12-17 Year Olds with Klara Jones	Children's art workshop
14 April 2021	Portrait Painting for 18-25 Year Olds with Klara Jones	Children's art workshop
15 April 2021	Timber jewellery workshop for kids with Gavin Roberts	Children's art workshop
16 April 2021	Baby on Board	Art for babies and mums
17 April 2021	Ceramic Workshop with Tim Clarkson	Public art workshop
18 April 2021	Ceramic Workshop with Tim Clarkson	Public art workshop
23 April 2021	Exhibition Tour of Stories from the Collection	Curator Talk
23 April 2021	Baby on Board	Art for babies and mums
30 April 2021	Baby on Board	Art for babies and mums
7 May 2021	Baby on Board	Art for babies and mums
7 May 2021	Exhibition Tour of Entrancing Others	Curator Talk
14 May 2021	Baby on Board	Art for babies and mums
20 May 2021	Accessing Art - VCE Seminar	VCE Schools Seminar
21 May 2021	Baby on Board	Art for babies and mums
21 May 2021	Exhibition Opening - Jock Clutterbuck exhibition	Exhibition Opening
22 May 2021	Drawing Workshop with Jock Clutterbuck	Public art workshop
18 June 2021	Baby on Board	Art for babies and mums
19 June 2021	Mosaic Planter Workshop	Public art workshop
25 June 2021	Baby on Board	Art for babies and mums

Some of the Gallery's best treasures are artworks that have been donated from private collections.

During the year, the following donations were received by the Gippsland Art Gallery:

- 187 artworks donated to the Gippsland Art Gallery (total value \$1,567,990)
- 9 cash donations to the Gippsland Art Gallery (total \$24,610)
- 8 cash donations to the Friends of the Gallery (total \$550)
- 11 cash donations to the Gippsland Art Gallery Foundation (total \$242,100)

6.5.7.3 Aqua Energy

Aqua Energy Leisure Centre offers a variety of dynamic fitness options and leisure facilities for users of all ages and abilities. The following programs were held at Aqua Energy during 2020/21:

- 1,409 group fitness classes which included implementing AquaFit classes at our rural pools during the 2020/21 summer season, as well as adapting to COVID-19 restrictions by providing outdoor classes held at Gippsland Regional Sports Complex hockey pitch.
- 444 Strength For Life (Living Longer Living Stronger) sessions
- 221 Teen Gym sessions
- Two x 6 week Running Workshops - which focused on running li and technique and was instructed by one of our personal trainers who is also an Athletics Australia Coach
- 28 Day 'Reset Challenge' where training and eating habits were addressed and monitored with each participant
- Healthy eating program whereby Aqua Energy provided apples for people as a post training snack during the month of May.

Aqua Energy Aquatic Education 2020/21:

- 'In-10-Sive' swim lessons program:
 - Term 2 school holidays program ran for the first week of July 2020 before facility closure due to COVID-19 restrictions
 - Term 3 In-10-Sive did not go ahead due to COVID-19 facility closure
 - Summer holiday program ran for three weeks from 4 January 2021 and was a huge success. 242 students participated, more than double of any previous holiday program.
- Term-based swim school program:
 - Term 3 re-activated for just 18 days from 13 July 2020 to 5 August 2020 between the first two COVID-19 facility closures. The program was run in accordance with COVID-19 restrictions, maintaining low density quotients and strict parameters of lesson time gaps to decrease patron interaction. Student numbers were 289 during this time for our school-aged students, 62% of pre-COVID-19 numbers for this demographic with an 82% occupancy rate.
 - Term 4 2020 started late on 26 October 2020 due to facility re-opening operational considerations. Student numbers were 654 with an enormous occupancy rate of 96.46%. The waiting list was high, with over 180 students wanting to get into the program. This was due to a teacher shortage as current staff had found alternative work during COVID-19 closures.
 - Term 1 program allowed for 812 students to participate as more teachers became available. Occupancy rate was very high with over 93%, which made operations difficult as a negligible number of students were able to move within the program. 88% of pre-covid numbers; which peaked in Term 1 2020 at 925.
 - Term 2 2021 saw our swim school numbers peak at 856, 98% occupancy rate. It was a great feat to get so many students back in the program despite the operational difficulties.
- Infants and pre-schoolers swim school program was due to start lessons on Monday 10 August with 130 students enrolled to join the program, but did not go ahead due to COVID-19 restrictions.
- Adult swim school program did not run this year due to COVID-19 restrictions. This was due to both density quotient parameters for the first half of the year and due to a teacher shortage as current staff had found alternative work during COVID-19 closures.

6.5.7.4 Gippsland Regional Sports Complex (GRSC)

The GRSC facility was open for limited usage in the first part of 2020/21 due to ongoing COVID restrictions implemented the previous year. By early August Victoria was once again under a hard lockdown which lasted for over 3 months before regular activity resumed.

Upon further easing of restrictions in mid November 2020, GRSC was one of the few facilities in the state to resume social sports activities. The six week calendar was heavily COVID-regulated and included play in:

- Mixed netball

- Outdoor soccer
- Mixed hockey
- 'This Girl Can' (women's netball)

By January 2021, GRSC saw limited returns of Sale Amateur Basketball and Sale Netball Association operations along with the re-launch of a full social sports calendar in Term 1.

GRSC also worked with the LaTrobe Valley Authority to host a Fun in the Sun Community Day and 3x3 Basketball Hustle during the summer holidays.

Further COVID-19 restrictions in February and May closed the GRSC facility and halted regular activities. By the end of the 2021 financial year GRSC saw 82,976 entries for the year, a record low for annual entries and participation.

New netball shelters were installed onto the netball court facilities.

New seating bleachers were delivered to the indoor facility increasing the potential seating capacity for another 250 spectators.

6.5.7.5 Library Events

Wellington Shire Council libraries offer activities with fun, for kids of all ages. Below is a list of such activities conducted during the year.

- Community Lego displays
- Baby on Board
- Baby's Day Out playgroup at Seed Community Garden
- Pet care resources list, collaboration with local pet show
- Story sessions at local day care centres and library branches
- Children's Book Week shows
- During closures, takeaway story packs were given in lieu of in-person programs
- 'Crafternoon' sessions
- 'Storytime' sessions
- Rock, Rhythm & Rhyme sessions
- Kindergarten visits
- 1000 Books Before School Reading Program
- Provided space for:
 - School study groups
 - Private tutoring

Council libraries also offered a number of events targeting adults.

- Australian Nurses' Memorial Centre for Irene Singleton mosaic at Maffra
- Tech Savvy Wellington sessions at library branches and Neighbourhood Houses
- Hearing Australia hearing tests
- New Parents Group information sessions
- New Beginnings Group talk at Sale Neighbourhood House
- Be Kind Wellington collaboration with Community Wellbeing & Gippsland Art Gallery
 - postcards & bookmarks
 - 16 days of Activism
- Electric Vehicle charger launch collaboration
- Contribution of books to community Street Libraries in Sale, Yarram & Rosedale
- Maffra Garage Sale Trail weekend
- Rosedale Christmas market
- Stratford Shakespeare Festival
- Personalised housebound service to individuals and institutions
- Provided space for:
 - Supervised Parental Access visits

- Community Consultation sessions
- George Gray writing group
- Gippsland Energy meeting
- TAFE Gippsland language class
- Knitters Lounge
- Book Clubs

Our libraries regularly run Author Talks featuring some of the best local authors. The following Author talks were held during 2020/21 year:

- Zoom event with State Library of Victoria: Victoria Reads: The Dressmaker's Secret with Rosalie Ham
- Zoom event with Latrobe City & East Gippsland: Barry Divola
- Zoom event with Latrobe City & East Gippsland: Anita Heiss.



WELLINGTON SHIRE COUNCIL

Performance Statement

For the year ended 30 June 2021

Performance Statement

For the year ended 30 June 2021

Description of municipality

Wellington Shire is the third largest municipality in Victoria, covering an area of 10,924 square kilometres in Central Gippsland, and includes the internationally significant Gippsland Lakes and Wetlands and the Ninety Mile Beach.

With an estimated population of 44,770* Wellington Shire Council comprises a wide variety of industry and business contributing to the local economy including mining, offshore oil and gas extraction, primary production and agriculture, tourism and service industries, manufacturing and construction, retail, healthcare, education, arts and recreation and community services. In addition, RAAF Base East Sale is a major air and ground training base and home to the famous Roulettes, Central Flying School, the Officers' Training School and the schools of Air Warfare and Air Traffic Control.

During the financial year, Council continued to experience the significant impacts of drought and bushfires of recent years and the continued effects of the COVID-19 pandemic. Council was strongly involved in recovery and support initiatives providing direct support to community and businesses as well as facilitating multi-agency responses for these crises.

*Australian Bureau of Statistics- Catalogue 3218.0 Population Estimates by Local Government Area – Released 30 March 2021

Sustainable Capacity Indicators

For the year ended 30 June 2021

<i>Indicator / measure</i>	Results				Comments
	2018	2019	2020	2021	
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,082.52	\$1,859.74	\$1,972.43	\$2,273.35	Increase reflects a repayment to Local Government Victoria for unused grant funding totalling \$4.3M. COVID-19 also resulted in additional employee expenses for \$1.4M due to the Working for Victoria program and additional cleaning and recovery expenses. The Annual Capital works program has steadily increased Council's depreciation and in 2020/21 the Kilmany landfill rehabilitation commenced.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$17,486.48	\$17,137.94	\$19,564.57	\$19,847.60	Infrastructure increases due to annual capital expenditure. A management adjustment to the Roads and Footpath asset classes was completed in 2019/20 resulting in a \$101M increase in the value of Council's Roads and \$5M in the value of Footpaths and Cycleways.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	14.05	14.13	14.25	14.37	There are 3,115km of sealed and unsealed local roads for an estimated municipal population of 44,770 within Wellington Shire.
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,665.30	\$1,680.64	\$1,681.68	\$1,673.20	Own source revenue has remained relatively steady as the municipal population has increased at a similar rate to the rate capping increase.
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$424.28	\$444.29	\$449.57	\$467.99	Recurrent grant funding is expected to remain consistent with the exception of the timing of the receipt of Victoria Grants Commission (VGC) funds which were received in advance in 2020/21. VGC allocations are indexed by inflation.

Indicator / measure	Results				Comments
	2018	2019	2020	2021	
Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	5.00	4.00	4.00	4.00	The Australian Bureau of Statistics (ABS) index of relative socio-economic disadvantage indicates that 1 is the most disadvantaged and 10 is the least disadvantaged. Wellington Shire's result is 4 within Victoria.
Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	13.86%	11.88%	10.15%	8.87%	Staff turnover is lower due to employee concern with job security. No significant change in staff numbers is anticipated based on current organisational structure.

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2021

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.57	5.72	4.20	3.57	The combined number of visits recorded at Wellington Shire Council's indoor and outdoor aquatic facilities during 2020/21 was 159,699. This equates to an average of 3.5 aquatic facility visits, per Wellington Shire resident, for the year. Operation of Council's aquatic facilities both indoor and outdoor was impacted by the mandated COVID-19 closure of aquatic and leisure facilities. This substantially affected attendances from late July until a partial reactivation of facilities in October, and again in February and May 2021.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	100%	100%	Wellington Shire Council undertook 9 animal management prosecutions during the reporting period for matters relating to animal cruelty and serious dog attacks. All prosecutions were successful.

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	57.14%	94.12%	100.00%	96.15%	During this period there were 26 non-compliance notifications with 25 followed up. Conflicting priorities due to the COVID-19 pandemic impacted on the normal inspection regime leaving 1 follow up to be completed as a priority in the next inspection year.
Governance Satisfaction <i>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]	58	58	58	61	Council's participation in the 2021 Local Government Community Satisfaction Survey showed an increase in community satisfaction rating with the way Council has performed in making decisions in the interests of the community. Council has performed seven points higher than the large rural councils average and five points higher compared to state-wide average.
Libraries Participation <i>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	13.82%	14.11%	13.35%	12.02%	Libraries continue to be one of our top performing service areas according to the 2021 Community Satisfaction Survey. Wellington Shire Libraries continued to offer popular programs online during COVID-19 closures. Patron membership declined during COVID-19 closures with 26% fewer visits recorded to branches.

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
Maternal and Child Health (MCH) Participation <i>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	N/A	N/A	N/A	N/A	The Wellington Shire Council is not directly responsible for the delivery of Home and Community Care Services, so there is no performance data available for these indicators.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	N/A	N/A	N/A	N/A	The Wellington Shire Council is not directly responsible for the delivery of Home and Community Care Services, so there is no performance data available for these indicators.
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	56	56	59	65	Results from the 2021 Community Satisfaction Survey shows a significant increase in residents' satisfaction rating for Wellington Shire's sealed local roads. This result is 15 points higher than the average for similar large rural councils. The increased satisfaction could be attributed to Council's continued investment in the renewal and resurfacing of its local urban streets.

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
Statutory Planning Decision making <i>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	50.00%	100.00%	100.00%	100.00%	Only one planning decision was appealed at VCAT during 2020/21, with Council's decision being upheld by VCAT.
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	33.55%	35.71%	35.26%	31.45%	More than 3,500 tonnes of recyclable material was diverted from landfill in 2020/21. That's an average of 178kg of recyclables (a reduction of 12kg from previous year) per collection household in Wellington Shire.

Definitions

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2021

Dimension/ <i>indicator/measure</i>	Results				Forecasts				Material Variations and Comments
	2018	2019	2020	2021	2022	2023	2024	2025	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,746.91	\$2,468.31	\$2,628.25	\$3,084.18	\$3,046.97	\$3,022.00	\$3,007.03	\$3,069.73	Increase reflects a repayment to Local Government Victoria for unused grant funding totalling \$4.3M. COVID-19 also resulted in additional employee expenses for \$1.4M due to the Working for Victoria program and additional cleaning and recovery expenses. The Annual Capital works program has steadily increased Council's depreciation and in 2020/21 the Kilmany landfill rehabilitation commenced.
Revenue level <i>Average rate per property assessment</i> [Total rate revenue (general rates and municipal charges) / Number of property assessments]	New in 2020	New in 2020	\$1,695.46	\$1,720.33	\$1,750.36	\$1,797.03	\$1,849.18	\$1,902.45	Rates have increased in line with rate capping. Property assessments remain steady. This has resulted in a slight annual increase.
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	594.69%	520.21%	441.28%	290.53%	320.72%	300.22%	279.24%	259.33%	Council's liquidity in 2020/21 is impacted by Victoria Grants Commission payments being received in advance. 2021 had a significant increase in current liabilities due to capital grants received and held as unearned income. These funds are allocated to future capital works programs.

Dimension/indicator/ measure	Results				Forecasts				Material Variations and Comments
	2018	2019	2020	2021	2022	2023	2024	2025	
Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	230.96%	164.94%	136.91%	14.40%	141.78%	126.13%	106.37%	92.96%	The reduction in the measure for 2021 is mainly due to a higher level of grant funding (restricted funds) received in advance which will be expended over the coming years. Council's level of unrestricted cash will gradually reduce over this time as Council continues to fund an extensive capital works program. An adjustment has been made to the 2020 figure from 118.37% to 136.91% as unrestricted cash has been increased by \$4.8M to correct a duplication of carried forward grant income.
Obligations Loans and borrowings Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	13.10%	12.43%	2.08%	1.62%	6.23%	10.61%	13.82%	24.09%	A major loan was repaid in 2019/20. No new borrowings were required for 2020/21. Over the next four years borrowings are expected to increase in order to fund major infrastructure projects. Council will aim to utilise the current low cash rate and to share the debt burden across multi generations.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.84%	1.05%	9.89%	0.60%	0.56%	1.15%	1.76%	2.15%	At 30 June 2021 borrowings are low compared with Council's historical average as a major loan was repaid in 2019/20. No new borrowings were required for 2020/21. Over the next four years borrowings are expected to increase in order to fund major infrastructure projects.

Dimension/indicator/ measure	Results				Forecasts				Material Variations and Comments
	2018	2019	2020	2021	2022	2023	2024	2025	
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	33.68%	25.80%	21.48%	19.34%	26.11%	31.51%	35.42%	42.35%	Non-current liabilities have decreased as the ratio between current and non-current liabilities has shifted as rehabilitation works are planned during 2021/22 for Kilmany and Longford Landfills. Own source revenue has increased slightly as rates have increased by the 1.5% Rate Cap and fees have generally reflected CPI. Over the next four years borrowings are expected to increase in order to fund major infrastructure projects. Council will aim to utilise the current low cash rate and to share the debt burden across multi generations.
Asset renewal and upgrade Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	119.13%	134.72%	154.87%	133.97%	139.25%	166.40%	The completion of several roads special charge schemes in 2020/21 reflected a greater focus on renewal and upgrade projects. In 2022/23 and 2023/24 the focus will be on new and expansion of community and waste infrastructure projects.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	2.61%	18.64%	12.14%	0.33%	-1.90%	0.06%	0.78%	4.29%	Prior year results have been impacted by advance payments of the Financial Assistance Grant. The 2020/21 year has been adversely affected by the repayment of funding received in prior years and the effects of the COVID-19 pandemic. The adjusted underlying revenue has also significantly increased in 2020/21 due to an increase non-monetary developer contributions and non-recurrent grants. Council is focused on achieving an ongoing sustainable adjusted underlying surplus despite

Dimension/ <i>indicator/ measure</i>	Results				Forecasts				Material Variations and Comments
	2018	2019	2020	2021	2022	2023	2024	2025	
									challenges such as rate capping and increasing costs.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	64.39%	60.79%	63.39%	62.16%	65.73%	66.70%	68.39%	66.40%	Rates are a stable percentage of adjusted underlying revenue.
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.52%	0.56%	0.55%	0.52%	0.51%	0.50%	0.50%	0.50%	Rate rise increase with ministerial rate cap.

Retired indicators <i>Service / indicator / measure</i>	Results				Comments
	2018	2019	2020	2021	
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	10	5	Retired in 2020	Retired in 2020	This measure was replaced from 1 July 2019 by new indicator 'Animal management prosecutions' which is a measure of proportion, not a number.
Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,330.57	\$1,371.08	Retired in 2020	Retired in 2020	This measure was replaced by new indicator 'Average rate per property assessment' from 1 July 2019.
Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	93.26%	96.48%	Retired in 2020	Retired in 2020	This measure was replaced by new indicator 'Asset renewal and upgrade compared to depreciation' from 1 July 2019.

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 Australian Account Standards (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.

Other Information

For the year ended 30 June 2021

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.

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 15 June 2021 and which forms part of the Council Plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

Certification of the Performance Statement

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



Ian Carroll CPA
Principal Accounting Officer
Dated: 01/11/2021

In our opinion, the accompanying performance statement of the Wellington 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.

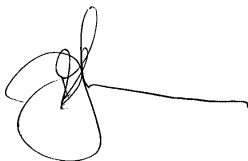
We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Councillor
Councillor Garry Stephens
Dated: 01/11/2021



Councillor
Councillor Marcus McKenzie
Dated: 01/11/2021



David Morcom
Chief Executive Officer
Dated: 01/11/2021

Independent Auditor's Report

To the Councillors of Wellington Shire Council

Opinion	<p>I have audited the accompanying performance statement of Wellington Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2021 • sustainable capacity indicators for the year ended 30 June 2021 • service performance indicators for the year ended 30 June 2021 • financial performance indicators for the year ended 30 June 2021 • other information and • the certification of the performance statement. <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>

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

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

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

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

MELBOURNE
6 November 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria



Wellington Shire Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2021

Wellington Shire Council

Financial Report

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Certification of the Financial Statements

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

A handwritten signature in black ink, appearing to read "Ian Carroll".

Ian Carroll (CPA)
Principal Accounting Officer

Dated : 1 November 2021
Sale

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

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

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

A handwritten signature in black ink, appearing to read "Garry Stephens".

Garry Stephens
Councillor

Dated : 1 November 2021
Sale

A handwritten signature in black ink, appearing to read "Marcus McKenzie".

Marcus McKenzie
Councillor

Dated : 1 November 2021
Sale

A handwritten signature in black ink, appearing to read "David Marcom".

David Marcom
Chief Executive Officer

Dated : 1 November 2021
Sale

Independent Auditor's Report

To the Councillors of Wellington Shire Council

Opinion	<p>I have audited the financial report of Wellington Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 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


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

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

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

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

MELBOURNE
6 November 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Rates and charges	3.1	63,473	63,431
Statutory fees and fines	3.2	1,039	782
User fees	3.3	6,159	6,652
Grants - operating	3.4	21,479	19,719
Grants - capital	3.4	11,355	10,513
Contributions - monetary	3.5	1,090	921
Contributions - non monetary	3.5	7,459	911
Other income	3.6	4,238	4,056
Total income		116,292	106,985
Expenses			
Employee costs	4.1	29,142	26,950
Materials and services	4.2	38,298	30,792
Depreciation	4.3	23,740	22,437
Amortisation - intangible assets	4.4	729	722
Amortisation - right of use assets	4.5	204	444
Bad and doubtful debts	4.6	32	107
Borrowing costs	4.7	92	243
Finance Costs - Leases	4.8	4	15
Other expenses	4.9	6,875	5,124
Net loss on disposal of property, infrastructure, plant and equipment	4.10	2,662	990
Total expenses		101,778	87,824
Surplus for the year		14,514	19,161
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation (decrement) / increment	6.1	(100)	105,875
Total comprehensive result		14,414	125,036

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

Balance Sheet As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	49,934	67,532
Trade and other receivables	5.1	15,624	7,431
Other financial assets	5.1	66,925	40,493
Inventories	5.2	11	21
Other assets	5.2	271	315
Total current assets		132,765	115,792
Non-current assets			
Trade and other receivables	5.1	2,242	1,697
Property, infrastructure, plant and equipment	6.1	1,015,796	994,890
Right-of-use assets	5.8	154	324
Intangible assets	5.2	862	1,531
Total non-current assets		1,019,054	998,442
Total assets		1,151,819	1,114,234
Liabilities			
Current liabilities			
Trade and other payables	5.3	7,770	7,630
Trust funds and deposits	5.3	4,453	4,080
Unearned Income	5.3	21,396	4,830
Provisions	5.5	11,753	9,155
Interest-bearing liabilities	5.4	289	289
Lease liabilities	5.8	36	256
Total current liabilities		45,697	26,240
Non-current liabilities			
Provisions	5.5	13,613	14,871
Interest-bearing liabilities	5.4	737	1,026
Lease liabilities	5.8	134	134
Total non-current liabilities		14,484	16,031
Total liabilities		60,181	42,271
Net assets		1,091,638	1,071,963
Equity			
Accumulated surplus		424,490	405,558
Reserves	9.1	667,148	666,405
Total Equity		1,091,638	1,071,963

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

Statement of Changes in Equity For the Year Ended 30 June 2021

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2021					
Balance at beginning of the financial year		1,071,963	405,558	655,543	10,862
Surplus for the year		14,514	14,514	-	-
Net asset revaluation increment	6.1	5,161	-	5,161	-
Transfer from asset revaluation reserve to accumulated surplus	6.1	-	5,261	(5,261)	-
Transfers to other reserves	9.1	-	(3,459)	-	3,459
Transfers from other reserves	9.1	-	2,616	-	(2,616)
Balance at end of the financial year		1,091,638	424,490	655,443	11,705

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2020					
Balance at beginning of the financial year		950,300	388,816	551,595	9,889
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers		(3,373)	(3,373)	-	-
Adjusted Opening balance		946,927	385,443	551,595	9,889
Surplus for the year		19,161	19,161	-	-
Net asset revaluation increment	6.1	105,875	-	105,875	-
Transfer from asset revaluation reserve to accumulated surplus	6.1	-	1,927	(1,927)	-
Transfers to other reserves	9.1	-	(2,821)	-	2,821
Transfers from other reserves	9.1	-	1,848	-	(1,848)
Balance at end of the financial year		1,071,963	405,558	655,543	10,862

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

Statement of Cash Flows For the Year Ended 30 June 2021

	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities		
Rates and charges	61,826	62,804
Statutory fees and fines	1,039	782
User fees	5,430	6,109
Grants - operating	22,035	21,453
Grants - capital	20,388	11,559
Contributions - monetary	993	546
Interest received	586	1,470
Trust funds and deposits taken	4,250	7,609
Other receipts	1,536	1,501
Goods and Services Tax Collected	1,775	1,070
Goods and Services Tax Refunds from the Australian Taxation Office	5,750	4,427
Employee costs	(29,640)	(25,838)
Materials and services	(36,106)	(29,640)
Trust funds and deposits repaid	(3,877)	(5,677)
Other payments	(4,917)	(4,378)
Goods and Services Tax Paid to Suppliers	(6,942)	(5,702)
Net cash provided by operating activities	44,126	48,095
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment (including intangibles)	(35,470)	(30,599)
Proceeds from sale of property, infrastructure, plant and equipment	817	623
Proceeds from sale of investments	121,682	124,639
Payments for investments	(148,114)	(128,913)
Net cash used in investing activities	(61,085)	(34,250)
Cash flows from financing activities		
Finance costs (paid)	(92)	(243)
Repayment of borrowings	(289)	(6,289)
Interest paid - lease liability	(4)	(15)
Repayment of lease liabilities	(254)	(378)
Net cash used in financing activities	(639)	(6,925)
Net (decrease) / increase in cash and cash equivalents	(17,598)	6,920
Cash and cash equivalents at the beginning of the financial year	67,532	60,612
Cash and cash equivalents at the end of the financial year	49,934	67,532
	Note	
Financing arrangements	5.6	
Restrictions on cash assets	5.1	

Statement of Capital Works For the Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
Property		
Land improvements	1,265	77
Total land	<u>1,265</u>	<u>77</u>
Buildings	6,415	7,113
Total buildings	<u>6,415</u>	<u>7,113</u>
Total property	<u>7,680</u>	<u>7,190</u>
Plant and equipment		
Plant, machinery and equipment	1,495	1,877
Fixtures, fittings and furniture	341	186
Computers and telecommunications	229	33
Library books	250	239
Total plant and equipment	<u>2,315</u>	<u>2,335</u>
Infrastructure		
Roads	16,271	11,074
Bridges	1,020	1,031
Footpaths and cycleways	3,509	3,600
Drainage	277	293
Recreational, leisure and community facilities	2,015	2,631
Waste management	160	575
Parks, open space and streetscapes	1,850	1,188
Aerodromes	123	49
Off street car parks	153	76
Other infrastructure	56	820
Total infrastructure	<u>25,434</u>	<u>21,337</u>
Total Capital Works expenditure	<u>35,429</u>	<u>30,862</u>
Represented by:		
New asset expenditure	231	378
Asset renewal expenditure	22,954	19,811
Asset expansion expenditure	3,215	3,755
Asset upgrade expenditure	9,029	6,918
Total capital works expenditure	<u>35,429</u>	<u>30,862</u>

The above Statement of Capital Works should be read in conjunction with the accompanying notes.
The Statement of Capital Works includes work in progress and excludes intangibles.

Notes to the Financial Report For the Year Ended 30 June 2021

OVERVIEW

Introduction

Wellington Shire Council was established by an Order of the Governor in Council on 2 December 1994. The Council's main office is located at 18-20 Desailly Street, Sale, Victoria 3850.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities* (refer to Note 3).
- the determination, in accordance with AASB 16 *Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgements.

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

Notes to the Financial Report For the Year Ended 30 June 2021

OVERVIEW continued

(b) Impact of Covid-19

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

The impacts of the pandemic have ebbed and flowed through the 2020-21 year and Council has noted the following significant impacts on its financial operations:

- Additional revenue – Grant funding was received for the Working for Victoria Initiative \$1.4M, CASi project \$0.06M and the Outdoor Dining Initiative \$0.21M.
- Revenue reductions – In response to the government directive amidst the COVID-19 outbreak, the leisure centres facilities / libraries / art gallery and community centres were closed. These closures resulted in a decrease in the council user fee income of (\$0.86M) from the adopted 2020/21 budget.
- Revenue foregone – In response to the hardship faced by the community Council waived the raising of interest. In addition debt collection procedures ceased due to court closures. The total revenue foregone was (\$0.29M).
- Additional costs – Any additional grant funding received due to the global pandemic resulted in an equal additional expenditure throughout the year of (\$1.7M).
- Cost Reductions – The closure of leisure centres facilities / libraries / art gallery and community centres resulted in a cost reduction that included reduced employee expenses, utilities, materials and other consumables of \$0.92M. The debt collection pause also resulted in a cost reduction of \$0.1M.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$600,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 16 June 2020. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

1.1 Income and expenditure

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance %	Ref
Income					
Rates and charges	64,276	63,473	(803)	(1)	1
Statutory fees and fines	786	1,039	253	32	2
User fees	7,922	6,159	(1,763)	(22)	3
Grants - operating	11,204	21,479	10,275	92	4
Grants - capital	16,028	11,355	(4,673)	(29)	5
Contributions - monetary	1,541	1,090	(451)	(29)	6
Contributions - non monetary	-	7,459	7,459	100	7
Other income	2,298	4,238	1,940	84	8
Total income	104,055	116,292	12,237	12	
Expenses					
Employee costs	29,821	29,142	679	2	9
Materials and services	38,236	38,298	(62)	-	
Depreciation	24,129	23,740	389	2	
Amortisation - Intangible assets	528	729	(201)	(38)	
Amortisation - Right of use assets	259	204	55	21	
Bad and doubtful debts	70	32	38	54	
Borrowing costs	93	92	1	1	
Finance costs - Leases	4	4	-	-	
Other expenses	931	6,875	(5,944)	(638)	10
Net loss on disposal of property, infrastructure, plant and equipment	948	2,662	(1,714)	(181)	11
Total expenses	95,019	101,778	(6,759)	(7)	
Surplus for the year	9,036	14,514	5,478	61	

(i) Explanation of material variations - Income and Expenditure

Variance Ref	Item	Explanation
1	Rates and Charges	A number of special charge road construction schemes will not be completed until early 2021/22 thereby delaying the raising of owner contributions (\$915k). Delays in raising of interest on outstanding rates has also resulted in lower income to date of (\$110k). This is partly offset by an net increase of additional rates of \$260k raised in 2020/21.
2	Statutory Fees & Fines	Income raised from information certificates/permits of \$155k and planning fees of \$135k to date have been higher than expected due to recent high demand for new dwellings and residential land.
3	User fees	User fees raised from Leisure facilities of (\$1,124k), registration and permits (\$174k) and The Wedge (\$281k) were lower than budget mainly due to the impact of COVID-19. Income from pool registration fees of (\$235k) was due by September 2020 has been deferred due to COVID-19 and will now be received in 2021/22. Income raised from Central Gippsland Visitor Centre and Art Gallery merchandises have been slightly higher than predicted due to an increase in visitors to the region.
4	Grants - operating	The bulk of the operating grants variance includes early receipt of 50% of the Victoria Grant Commission allocation for 2021/22 of \$7.7M. Unbudgeted (new) funding has been received to combat the impact of COVID-19 in encouraging employment (Working for Victoria initiative of \$1.4M) and economic and tourism development of \$512k. Other new funding received during 2020/21 include continuation of funding for the L to P and senior citizens programs totalling \$220k, natural disaster reimbursements of \$100k, and new street lighting/LED changeover \$145k.
5	Grants - capital	There were delays in the commencement of projects with funding to be received in 2021/22. These include funding for; Sale CBD Renewal Program (\$1.03M), Stephenson Park (\$720k), Gormandale-Stradbroke Road (\$653k), Other Boating Facilities Upgrade (\$404k), Sale Oval Redevelopment (\$373k), and Maffra Lawn Tennis Pavilion/Fencing (\$284k). Roads to Recovery Funding will be claimed in 2021/22 with the completion of Special Charge Schemes (\$719k), Sale-Toongabbie Road (\$600k) and Railway Avenue Construction Yarram (\$400k). Funding for Cameron Sporting Complex redevelopment (\$1.1M) was budgeted to be received in 2020/21 but was received in June 2020 but is offset by additional Local Regional Community Infrastructure (LRCI) funding of \$3.1M with \$1.7M being allocated to Capital projects. The LRCI funding was announced after the 2020/21 budget was adopted.
6	Contributions - monetary	The Sale Tennis Club contribution of (\$337k) was not received and there has been a delay in the receipt of the contributions for the Sale Oval Changeroom redevelopment project (\$150k). Glenhaven fields is a new project and received a \$20k contribution.
7	Contributions - non monetary	Recognition of land, drainage, roads and footpaths assets associated with new subdivisions of \$5.9M. Subdivisions are not under the control of Council and are therefore unpredictable and unbudgeted. Donated art gallery works of \$1.5M have also been unexpectedly received during the year.
8	Other income	The variance mainly represents unbudgeted found assets of \$1,458k, donations received of (\$442k) and recognition of new assets of (\$444k) reclassified from non Council to Council maintained during 2020/21. This is partly offset by falling interest income earned on investments by (\$513k) for the year. The impact of Net Present Value (NPV) movement on employee entitlement and landfill provision has resulted in a non-cash interest adjustment of \$213k.
9	Employee costs	Savings in employee benefits are mainly due to savings in 2020/21 workcover premiums of \$320k. COVID-19 and the closure of facilities has resulted in savings in casual salaries.
10	Other expenses	Other expenses includes the repayment of unused grant funding of \$4.3M for shared services initiative. Two pedestrians bridges valued at \$1.3M have been derecognised.
11	Net loss on disposal of property, infrastructure, plant & equipment	Disposals of assets associated with the Cameron Sporting Complex were unbudgeted at (\$752k). Roads and footpaths were replaced while capital works were being completed to the amount of (\$639k) more than budget. Trade in proceeds for plant and fleet were deferred (\$314k) as new fleet vehicles were not being purchased as expected vehicle kilometres were not reached. Plant purchases were delayed due to difficulty in sourcing replacement items.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 1 Performance against budget (continued)

1.2 Capital works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance %	Ref
Property					
Land	2,750	-	(2,750)	(100)	1
Landfill Improvements	2,000	1,265	(735)	(37)	2
Total Land	4,750	1,265	(3,485)	(73)	
Buildings	10,055	6,415	(3,640)	(36)	3
Total Buildings	10,055	6,415	(3,640)	(36)	
Total Property	14,805	7,680	(7,125)	(48)	
Plant and Equipment					
Plant, machinery and equipment	2,556	1,495	(1,061)	(42)	4
Fixtures, fittings and furniture	280	341	61	22	5
Computers and telecommunications*	280	229	(51)	(18)	6
Library books	251	250	(1)	(0)	
Total Plant and Equipment	3,367	2,315	(1,052)	(31)	
Infrastructure					
Roads	17,266	16,271	(995)	(6)	7
Bridges	1,280	1,020	(260)	(20)	8
Footpaths and cycleways	8,302	3,509	(4,793)	(58)	9
Drainage	150	277	127	84	10
Recreational, leisure and community facilities	1,950	2,015	65	3	
Waste management	300	160	(140)	(47)	11
Parks, open space and streetscapes	1,808	1,850	42	2	
Aerodromes	160	123	(37)	(23)	12
Off street car parks	880	153	(727)	(83)	13
Other infrastructure	2,256	56	(2,200)	(98)	14
Total Infrastructure	34,352	25,434	(8,918)	(26)	
Total Capital Works Expenditure	52,524	35,429	(17,095)	(33)	
Represented by:					
New asset expenditure	1,368	231	(1,137)	(83)	
Asset renewal expenditure	31,301	22,954	(8,347)	(27)	
Asset expansion expenditure	7,288	3,215	(4,073)	(56)	
Asset upgrade expenditure	12,567	9,029	(3,538)	(28)	
Total Capital Works Expenditure	52,524	35,429	(17,095)	(33)	

* This comparison excludes intangibles (budget \$493k and actuals \$104k)

(i) Explanation of material variations - Capital Works

Variance Ref	Item	Explanation
1	Land	Delays in negotiations for the purchase of the Department of Education Land \$2.75M.
2	Landfill Improvements	Construction of Kilmany Landfill Cell 3 (\$735k) has had slight delays in obtaining the cell liner with completion expected in August 2021.
3	Buildings	Community consultations, has delayed the commencement of the Stephenson Park project until September 2021 resulting in a variance of (\$1.52 M), Sale Oval (\$1.01M) being completed by April 2022 and the commencement of the Maffra Lawn Tennis Pavilion Redevelopment (\$208k). Lake Guthridge - Guyatt Education Centre (300k) has experienced delays due to Funding and Community Consultation. Aqua Energy Air Handling System Replacement (\$143k) will be completed in October 2021. Delays due to contractors availability and materials has resulted in (\$450k) variance for various building projects which will be completed in 2021/22 financial year.
4	Plant, machinery and equipment	The replacement of some fleet vehicles has been deferred because of lower than expected kilometres and some vehicles are being kept longer as an economy measure. There is also delays in sourcing replacements for plant and vehicles.
5	Fixtures, fittings and furniture	A number of miscellaneous unbudgeted furniture and fittings were purchased during the year, including additional Art work \$25k and Scales at the Saleyards \$25k.
6	Computers and telecommunications*	IT upgrade was delayed due to Shared Services arrangements and will be completed in September 2021.
7	Roads	Delays to the following projects have occurred due to Contractor and Materials availability and extreme weather conditions in June; Gormandale-Stradbroke Road Safety (\$644k), Duke St Reconstruction (\$500k), the Kerb and Channel replacement - Annual Program (\$382k), Roberts Road Reconstruction Macks Creek (\$391k), Railway Avenue Construction Sealing Yarram (\$168k), these are now expected to be completed in September 2021. Community consultation has delayed the commencement of the Gordon Street Heyfield Reconstruction (\$249k). These underspends have been partly offset by an additional funding \$914k of Roads to Recovery grant funding received which included additional works on several projects which were brought forward from future programs, Agri funding for Cairnbrook Road/Grahams Lane \$336k.
8	Bridges	End Posts/Bridge Approach GuardRails (\$142k) and Major Culvert Renewals (\$92k) works were delayed due to supply issues of guard rails and culverts. These are offset by additional spending on Ingles Bridge of \$100k and savings of (\$82k) on Bridge Renewal Project and the Stock Crossing Bridge Barrier Renewal (\$43k).
9	Footpaths and cycleways	Delays in funding confirmation and community consultations, has delayed the commencement of the Sale CBD Renewal Program York St project until early 2021/22 resulting in a variance of (\$3.13M). Sale CBD Bond St (\$1.0 M) expenditure works have commenced and are due to be completed in September 2021. There was savings of (\$518k) for Maffra CBD. There has been delays due to Community Consultation with the Morison Street Maffra upgrade of (\$300k) this was offset by additional funding which was received from LRCI program for \$350k for the Urban Paths Program.
10	Drainage	Additional Drainage Minor Capital Works \$127k were completed.
11	Waste Management	Kilmany Landfill - Flare Installation (\$300k) was delayed. An unbudgeted \$138k E-Waste storage and transfer bin was installed.
12	Aerodromes	Aerodrome Minor Capital Works project had savings of (\$37k).
13	Off street car parks	Negotiations for a Carpark Redevelopment - Sale (\$400k) are progressing. Carpark Park Reconstruction - Manns Beach (\$192k) and Carpark Rehabilitation - Golden Beach (\$66k) and are due to be completed in September 2021.
14	Other infrastructure	Community consultation process has delayed the Port of Sale Mooring Access Project (\$2.08 M). The GRLE C Pen Shed Roof Replacement (\$80k) was put on hold due to requiring more funds.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Built & Natural Environment

Built & Natural Environment division promotes, plans and implements a range of strategies that make a significant contribution to the responsible care and sustainable management of our municipality's diverse natural environment and built environment. Services delivered by this division include Capital works, Asset Management, Infrastructure Development, Road Planning and Maintenance, Built Environment Facilities, Parks Services, Open Space Planning and Waste & Sustainability.

Chief Executive Officer

CEO Office ensures leadership and engagement with our community to ensure our residents feel engaged and informed by Council through services including Media and Communication.

Community and Culture

Community and Culture division promotes, supports and advocates for the social and cultural wellbeing of our community by providing essential and innovative amenities, services and facilities through the creation of beneficial partnerships with key stakeholders. The division is comprised of service areas including Social Planning & Policy, Community Engagement, Youth Services, Rural Access, Emergency Management, Community Facilities Planning and Community Committees. This division also manages our Art Gallery, Library Services, 'The Wedge' Entertainment Centre and Leisure Services which includes our pools and Gippsland Regional Sporting Complex in Sale.

Corporate Services

Corporate Services division provides support services across council to enable the delivery of council's vision and strategic objectives. The provision of these services includes Human Resources, Occupational Health & Safety, Risk Management, Corporate Planning, Accounting & Payroll, Rates & Valuations, Fleet, Procurement, Records Management, Information Technology and Business Systems. This division also ensures the legislative compliance by conducting our affairs openly and with integrity, reflecting the highest level of good management and governance.

Development

Development division supports sustainable growth and development in appropriate locations supported by levels of infrastructure in keeping with the needs of the community while retaining the amenity valued by the community. This includes services such as Strategic Planning, Statutory Planning, Economic Development, Tourism and Visitor Economy. The division is responsible for managing a number of customer focussed, responsive services such as Local Laws, Environmental Health, Municipal Building Services and Customer Service. It also manages a range of commercial property portfolios including the Gippsland Regional Livestock Exchange.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 2 Analysis of Council results by program

2 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/(Deficit)	Grants included in income	Total assets
2021	\$'000	\$'000	\$'000	\$'000	\$'000
Built & Natural Environment	35,964	63,220	(27,256)	16,339	1,002,607
Chief Executive Officer	33	1,362	(1,329)	20	-
Community and Culture	5,105	13,706	(8,601)	4,664	11,669
Corporate Services	68,499	14,579	53,920	10,131	137,543
Development	6,691	8,911	(2,220)	1,680	-
	116,292	101,778	14,514	32,834	1,151,819

	Income	Expenses	Surplus/(Deficit)	Grants included in income	Total assets
2020	\$'000	\$'000	\$'000	\$'000	\$'000
Built & Natural Environment	23,687	53,648	(29,961)	11,894	987,494
Chief Executive Officer	1	1,423	(1,422)	-	-
Community and Culture	4,288	12,351	(8,063)	4,987	5,451
Corporate Services	71,825	12,402	59,423	13,020	121,289
Development	7,184	8,000	(816)	331	-
	106,985	87,824	19,161	30,232	1,114,234

Notes to the Financial Report For the Year Ended 30 June 2021

Note 3 Funding for the delivery of our services	2021	2020
3.1 Rates and charges	\$'000	\$'000

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its total land and improvements value.

The valuation base used to calculate general rates for 2020/21 was \$12,114 million (2019/20 \$11,450 million).

General rates	56,552	56,185
Waste management charge	4,371	4,326
Service rates and charges	2,041	2,042
Supplementary rates and rate adjustments	219	284
Special rates and charges	1	270
Interest on rates and charges	289	324
Total rates and charges	63,473	63,431

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 revenue 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

Planning fees	515	382
Land and building information certificates	248	163
Permits	201	137
Infringements and costs	75	100
Total statutory fees and fines	1,039	782

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

Waste management services	2,645	2,563
Leisure centres	1,256	1,690
Registration and other permits	805	823
Other fees and charges	803	789
Saleyards	389	425
Entertainment centre	169	230
Emergency management works	47	63
Animal services	45	69
Total user fees	6,159	6,652

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	6,159	6,652
Total user fees	6,159	6,652

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.

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 3 Funding for the delivery of our services

	2021 \$'000	2020 \$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	23,048	18,890
State funded grants	9,786	11,342
Total grants received	32,834	30,233
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	14,821	13,960
Roads to Recovery	-	-
Recurrent - State Government		
Cultural Services	337	202
Libraries	337	330
Rural Access and Transport connection	159	138
Municipal emergency	125	123
School crossing supervisors	127	136
Parks and Environmental services	112	115
Environmental health	64	63
Fire Service Property Levy	62	61
Senior citizens	59	58
Community support programs	9	10
Other	5	21
State emergency services	-	-
Total recurrent operating grants	16,217	15,217
Non-recurrent - Commonwealth Government		
Community and Recreation facilities upgrade	476	-
Non-recurrent - State Government		
Working for Victoria	1,424	-
Economic Development and Tourism	1,251	132
Community and Recreation facilities upgrade	1,142	433
Planning	406	-
Municipal emergency	257	47
Roads	166	-
Community support programs	85	7
Cultural Services	21	-
Other	20	27
Natural disaster funding	14	46
Drought Communities Program	-	3,810
Total non-recurrent operating grants	5,262	4,502
Total operating grants	21,479	19,719

Notes to the Financial Report For the Year Ended 30 June 2021

Note 3 Funding for the delivery of our services

	2021 \$'000	2020 \$'000
3.4 Funding from other levels of government (continued)		
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	4,735	4,735
Total recurrent capital grants	4,735	4,735
<i>Non-recurrent - Commonwealth Government</i>		
Roads	1,895	-
Recreation and leisure community facilities	883	-
Buildings	208	-
Aerodrome	30	-
Drought Community Program	-	100
Parks, open space and streetscapes	-	95
 <i>Non-recurrent - State Government</i>		
Recreation and leisure facilities	1,180	3,644
Roads	1,101	919
Parks, open space and streetscapes	663	89
Footpaths and cycleways	378	311
Buildings	175	-
Plant, machinery and equipment	80	-
Waste management	18	290
Library books	9	9
Bridges	-	321
Total non-recurrent capital grants	6,620	5,778
Total capital grants	11,355	10,513

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

Operating		
Balance at start of year	2,623	-
Received during the financial year and remained unspent at balance date	2,723	3,554
Received in prior years and spent during the financial year	(1,632)	(931)
Balance at year end	3,714	2,623
 Capital		
Balance at start of year	2,207	-
Received during the financial year and remained unspent at balance date	16,490	4,649
Received in prior years and spent during the financial year	(1,015)	(2,442)
Balance at year end	17,682	2,207

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement. Application of this policy has resulted in an adjustment of 2020 figures, as unspent funds are held in trust and not yet recognised.

3.5 Contributions

Monetary	1,090	921
Non-monetary	7,459	911
Total contributions	8,549	1,832

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

Infrastructure	6,113	525
Property	1,346	386
Total non-monetary contributions	7,459	911

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

Notes to the Financial Report For the Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
3.6 Other income		
Other rent	712	764
Interest on investments	586	1,470
Recognition of assets	1,902	797
Donations	665	382
Miscellaneous income	48	84
Changes to net present value due to interest rate movements	213	288
Insurance	65	24
Volunteer Income	34	246
Interest on debtors	13	1
Total other income	4,238	4,056

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.

Changes to net present value due to interest rate movements has been reclassified as other income from borrowing costs in 2020. This is due to the reduction in the bond rates applied to the NPV movement for landfill provisions.

Note 4 The cost of delivering services

	2021 \$'000	2020 \$'000
4.1 Employee costs		
Wages and salaries	24,210	22,117
Superannuation	2,407	2,211
Casual staff	1,835	1,860
Other	288	374
WorkCover	215	199
Fringe benefits tax	187	189
Total employee costs	29,142	26,950

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	139	160
	139	160

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,202	1,119
Employer contributions - other funds	1,071	890
	2,273	2,009
Employer contributions payable at reporting date.	23	-

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

Notes to the Financial Report For the Year Ended 30 June 2021

Note 4 The cost of delivering services

	2021 \$'000	2020 \$'000
4.2 Materials and services		
Contractors	10,864	5,313
Infrastructure & parks maintenance	7,713	7,827
Materials	4,702	3,410
Waste management services	4,694	4,689
Contributions	3,412	2,749
Utility payments	2,170	2,309
Building maintenance	1,423	1,386
Insurances	1,354	1,228
Environmental Authority fees	1,115	1,021
Consultants	851	860
Total materials and services	38,298	30,792

4.3 Depreciation

Infrastructure	16,906	15,809
Property	4,909	4,748
Plant and equipment	1,925	1,880
Total depreciation	23,740	22,437

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

4.4 Amortisation - Intangible assets

Software	72	48
Water Rights	4	3
Landfill Airspace	653	671
Total Amortisation - Intangible assets	729	722

Refer to note 5.2(c)and 6.1 for a more detailed breakdown of amortisation charges and accounting policy.

4.5 Amortisation - Right of use assets

Property	40	161
Vehicles	117	233
Information Technology Equipment	47	50
Total Amortisation - Right of use assets	204	444

Refer to note 5.8 and 6.1 for a more detailed breakdown of amortisation charges and accounting policy.

4.6 Bad and doubtful debts

Rates debtors	31	107
Infringements	1	-
Total bad and doubtful debts	32	107

Movement in provisions for doubtful debts

Balance at the beginning of the year	1,606	1,507
New Provisions recognised during the year	(58)	99
Balance at end of year	1,548	1,606

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 4 The cost of delivering services

	2021 \$'000	2020 \$'000
4.7 Borrowing costs		
Interest - Borrowings	92	243
Total borrowing costs	92	243

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

4.8 Finance Costs - Leases

Interest - Lease Liabilities	4	15
Total finance costs	4	15

4.9 Other expenses

Unused grant funding shared services initiative	4,273	-
Derecognition of assets	1,781	237
Councillors' allowances	301	316
Donations and Gifts	205	-
Work in progress assets written off	123	411
Rate Relief payments	86	3,810
Volunteer Expenses	34	246
Auditors' remuneration - Internal	22	34
Operating lease rentals	2	-
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	48	70
Total other expenses	6,875	5,124

4.10 Net loss on disposal of property, infrastructure, plant and equipment

Proceeds of sale	817	623
Written down value of assets disposed/replaced	(3,479)	(1,613)
Total net loss on disposal of property, infrastructure, plant and equipment	(2,662)	(990)

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

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 Our financial position

	2021 \$'000	2020 \$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	6	6
Cash at bank	10,002	1,216
Term deposits	39,926	66,310
Total cash and cash equivalents	49,934	67,532
(b) Other financial assets		
Term deposits - current	66,925	40,493
Total other financial assets	66,925	40,493
Total financial assets	116,859	108,025

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

Contractually restricted unearned income (Note 5.3 (c))	21,396	4,830
Trust funds and deposits (Note 5.3 (b))	4,453	4,080
Other non discretionary reserves (Note 9.1)	2,385	2,302
Total restricted funds	28,234	11,212
Total unrestricted cash and cash equivalents	21,700	56,320

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/operating projects	5,985	7,260
- Cash held in relation to the Victoria Grants Commission advance to fund general operations and roads works	7,686	7,218
- Unexpended grants and contributions	1,448	5,918
- Discretionary reserve (Note 9.1)	9,320	8,560
Total funds subject to intended allocations	24,439	28,956

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.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

5.1 Financial assets (continued)

	2021	2020
	\$'000	\$'000
(c) Trade and other receivables		
Current		
Statutory receivables		
Rates debtors	5,264	4,196
Special charge schemes	59	34
Infringement and fire hazards	67	89
Net GST receivable	302	885
Non statutory receivables		
Government grants	7,753	776
Other debtors	1,955	1,052
Waste management	224	399
Total current trade and other receivables	<u>15,624</u>	<u>7,431</u>
Non-current		
Statutory receivables		
Rates debtors	3,194	2,619
Provision for doubtful debts	(1,495)	(1,600)
Special charge schemes	482	640
Provision for doubtful debts - special charge scheme	(2)	(2)
Infringements and fire hazards	67	44
Provision for doubtful debts - infringements	(4)	(4)
Total non-current trade and other receivables	<u>2,242</u>	<u>1,697</u>
Total trade and other receivables	<u>17,866</u>	<u>9,128</u>

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

Included in the provision for doubtful debts is an amount relating to land in inappropriate subdivisions mainly in the 90 Mile Beach area. Council has a significant number of rateable properties in these areas for which provision has been made for a total amount outstanding of \$1,494,920 (2020: \$1,600,353). A provision has been established as these properties are unable to be sold in order for Council to recover the debt.

Included in the Current Non Statutory receivables Government Grants is an invoice for \$7.1M for which the purpose or obligations to receive the monies have not yet been fulfilled, the contra for this invoice has therefore been allocated to unearned income.

(d) Ageing of Receivables

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

Current (not yet due)	2,060	1,723
Past due by up to 30 days	124	172
Past due between 31 and 180 days	7,715	45
Past due between 181 and 365 days	-	7
Past due by more than 1 year	-	15
Total trade & other receivables	<u>9,899</u>	<u>1,962</u>

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of Nil (2020: Nil) were impaired.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

5.2 Non-financial assets	2021	2020
(a) Inventories	\$'000	\$'000
Inventories held for sale	11	21
Total inventories	11	21

Inventories held for sale are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	271	315
Total other assets	271	315

(c) Intangible assets

Water rights	11	15
Software	220	232
Landfill air space	631	1,284
Total intangible assets	862	1,531

	Water Right	Software	Landfill	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 1 July 2020	35	373	4,855	5,263
Additions	-	60	-	60
Balance at 30 June 2021	35	433	4,855	5,323
Accumulated amortisation and impairment				
Balance at 1 July 2020	20	141	3,571	3,732
Amortisation expense	4	72	653	729
Balance at 30 June 2021	24	213	4,224	4,461
Net book value at 30 June 2020	15	232	1,284	1,531
Net book value at 30 June 2021	11	220	631	862

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

	2021 \$'000	2020 \$'000
5.3 Payables		
(a) Trade and other payables		
Trade payables	7,193	6,018
Accrued expenses	577	1,612
Total trade and other payables	7,770	7,630
(b) Trust funds and deposits		
Overpaid rates	1,049	1,586
Refundable deposits	717	328
Fire services levy	2,004	1,639
Retention amounts	473	368
Other trust funds and deposits	210	159
Total trust funds and deposits	4,453	4,080

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

Overpaid Rates - Overpaid rates received from ratepayers which are offset when financial year's rates are raised.

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

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

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

Other Trust funds and deposits - Council holds in trust ticket sales for shows performed by third parties at 'The Wedge' Entertainment Centre which are on forwarded to performer on completion of the show.

(c) Unearned income

Grants received in advance - operating	3,714	2,623
Grants received in advance - capital	17,682	2,207
Total unearned income	21,396	4,830

Amounts received by Council are classified as unearned income where funds are received for a specified purpose and where the specified purpose or obligations have not yet been fulfilled. Once the obligations is fulfilled by Council, the associated income will be presented in the comprehensive income statement. This requirement is set in AASB15.

Grants received in advance - capital also includes grants which have been invoiced although not yet received where the purpose or obligations have not yet been fulfilled. The contra debtor of \$7.1M is allocated to Current Non Statutory receivables Government Grants.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

5.4 Interest-bearing liabilities	2021	2020
	\$'000	\$'000
Current		
Borrowings - secured	289	289
	<u>289</u>	<u>289</u>
Non-current		
Borrowings - secured	737	1,026
	<u>737</u>	<u>1,026</u>
Total	1,026	1,315

Borrowings are secured by Council rate income.

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

Not later than one year	289	289
Later than one year and not later than five years	737	1,026
	<u>1,026</u>	<u>1,315</u>

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

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

5.5 Provisions

	Employee	Landfill restoration	Total
2021	\$ '000	\$ '000	\$ '000
Balance at beginning of the financial year	7,008	17,018	24,026
Additional provisions	2,187	2,201	4,388
Amounts used	(2,258)	(1,185)	(3,443)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	608	(213)	395
Balance at the end of the financial year	<u>7,545</u>	<u>17,821</u>	<u>25,366</u>
2020			
Balance at beginning of the financial year	6,488	17,390	23,878
Additional provisions	1,991	-	1,991
Amounts used	(2,125)	(45)	(2,170)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	654	(327)	327
Balance at the end of the financial year	<u>7,008</u>	<u>17,018</u>	<u>24,026</u>

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

5.5 Provisions (continued)

	2021	2020
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,694	1,540
Long service leave	392	289
	2,086	1,829
Current provisions expected to be wholly settled after 12 months		
Annual leave	863	648
Long service leave	4,144	4,108
	5,007	4,756
Total current employee provisions	7,093	6,585
Non-current		
Long service leave	451	422
Sick Leave Gratuity	1	1
Total non-current employee provisions	452	423
Aggregate carrying amount of employee provisions:		
Current	7,093	6,585
Non-current	452	423
Total aggregate carrying amount of employee provisions	7,545	7,008

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.

Sick Leave Gratuity

A former entity of Wellington Shire Council had established a sick leave gratuity scheme which ceased at the end of September 1991. Under the scheme, sick leave is payable to all ex-Shire employees and is not to exceed existing benefits as at the end of September 1991, using remuneration rates current at the time of leaving. The employees are entitled to the sick leave gratuity upon their leaving the organisation. The amount provided for appears as a non-current liability.

Key assumptions:	2021	2020
- discount rate %	0.701%	0.511%
- index rate %	2.000%	2.250%

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 Our financial position

5.5 Provisions (continued)

	2021	2020
	\$'000	\$'000
(b) Landfill Restoration		
Current	4,660	2,570
Non-current	13,161	14,448
	17,821	17,018

Council is obligated to restore the Kilmany, Longford, Maffra, Rosedale, Stratford and Yarram sites to a particular standard. The forecast life of each site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- discount rate %	1.36%	0.84%
- index rate %	1.50%	2.00%
- settlement rate	10 years	10 years
- estimates cost to rehabilitate	\$12.2 million	\$15.7 million

Summary of Provisions	2021	2020
	\$'000	\$'000
Current		
Employee	7,093	6,585
Landfill Restoration	4,660	2,570
Total Current Provisions	11,753	9,155
Non Current		
Employee	452	423
Landfill Restoration	13,161	14,448
Total Non Current Provisions	13,613	14,871
Total Provisions	25,366	24,026

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021.

Bank overdraft	200	200
Credit card facilities	130	130
Loan facilities	1,026	1,315
Total facilities	1,356	1,645
Used facilities	1,056	1,344
Unused facilities	300	301

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 5 Our financial position

5.7 Commitments

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

2021	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste management	5,812	-	-	-	5,812
Landfill Rehabilitation	2,076	-	-	-	2,076
Litter bins	342	353	361	-	1,056
Health Services	1,048	-	-	-	1,048
Animal pound and shelter service	355	30	-	-	385
L to P project	185	-	-	-	186
Software maintenance	61	61	-	-	122
Total	9,879	444	361	-	10,685
Capital					
Roads	2,592	-	-	-	2,592
Recreational leisure and community facilities	1,326	-	-	-	1,326
Buildings	1,236	-	-	-	1,236
Landfill Improvements	715	-	-	-	715
Footpaths and cycleways	608	-	-	-	608
Parks, open space and streetscapes	521	-	-	-	521
Plant, Machinery & Equipment	397	-	-	-	397
Off Street Car Parking	307	-	-	-	307
Bridges	239	-	-	-	239
Total	7,941	-	-	-	7,941
2020	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste management	4,795	-	-	-	4,795
Animal pound and shelter service	355	-	-	-	355
Litter bins	238	-	-	-	238
Software maintenance	61	61	61	-	183
Consultancies	147	-	-	-	147
Total	5,596	61	61	-	5,718
Capital					
Buildings	4,262	-	-	-	4,262
Footpaths and cycleways	1,400	-	-	-	1,400
Roads	863	-	-	-	863
Recreational leisure and community facilities	677	-	-	-	677
Waste management	152	-	-	-	152
Total	7,355	-	-	-	7,355

Notes to the Financial Report For the Year Ended 30 June 2021

5.8 Leases

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

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

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

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

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

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

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

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

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

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

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

Council has no reliance on peppercorn leases.

Right-of-Use Assets	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Balance at 1 July 2019	201	350	100	651
Additions	-	-	117	117
Amortisation charge	(161)	(233)	(50)	(444)
Balance at 30 June 2020	40	117	167	324
Balance at 1 July 2020	40	117	167	324
Additions	-	-	34	34
Amortisation charge	(40)	(117)	(47)	(204)
Balance at 30 June 2021	-	-	154	154
Lease Liabilities	2021	2020		
Maturity analysis - contractual undiscounted cash flows	\$'000	\$'000		
Less than one year	46	272		
One to five years	137	129		
Total undiscounted lease liabilities as at 30 June:	183	401		
Lease liabilities included in the Balance Sheet at 30 June:				
Current	36	256		
Non-current	134	134		
Total lease liabilities	170	390		

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 \$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. (2020/21 Nil).

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2020	Additions	Recognised	Found Assets	Adjustment directly to equity	Contributions	Revaluation	Depreciation	Disposal	Derecognition	Write-off	Transfers	Transfers WIP	At Fair Value 30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	203,780	4,600	7	25	2,203	1,346	(2,060)	(4,909)	(1,138)	(35)	-	792	5,754	210,365
Plant and equipment	14,059	2,430	-	504	-	1,559	3,829	(1,925)	(177)	-	-	258	10	20,547
Infrastructure	764,819	18,369	437	929	3,059	4,555	(1,869)	(16,906)	(2,164)	(1,746)	-	(1,050)	5,152	773,585
Work in progress	12,232	10,106	-	-	-	-	-	-	-	-	(123)	-	(10,916)	11,299
	994,890	35,505	444	1,458	5,262	7,460	(100)	(23,740)	(3,479)	(1,781)	(123)	-	-	1,015,796

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers WIP \$'000	Closing WIP \$'000
Property	5,948	2,730	-	(5,754)	2,924
Plant and equipment	11	119	-	(10)	120
Infrastructure	6,273	7,257	(123)	(5,152)	8,255
Total	12,232	10,106	(123)	(10,916)	11,299

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(a) Property

	Land - specialised	Land improvements	Land Under Roads	Total Land & Land Improvements	Buildings - specialised	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	86,248	1,989	39,395	127,632	159,185	159,185	5,948	292,765
Accumulated depreciation at 1 July 2020	-	(1,018)	-	(1,018)	(82,019)	(82,019)	-	(83,037)
At fair value 1 July 2020	86,248	971	39,395	126,614	77,166	77,166	5,948	209,728
Movements in fair value								
Additions	-	-	-	-	4,600	4,600	2,730	7,330
Recognised	-	-	7	7	-	-	-	7
Found Assets	-	-	25	25	-	-	-	25
Prior year adjustment directly to equity	704	-	-	704	1,499	1,499	-	2,203
Contributions	1,221	-	125	1,346	-	-	-	1,346
Revaluation	(561)	-	-	(561)	(1,499)	(1,499)	-	(2,060)
Disposal	(389)	-	-	(389)	(3,280)	(3,280)	-	(3,669)
Derecognise	-	-	(35)	(35)	-	-	-	(35)
Transfers to other classes	-	-	-	-	792	792	-	792
Transfers WIP	-	-	-	-	5,754	5,754	(5,754)	-
	975	-	122	1,097	7,866	7,866	(3,024)	5,939
Movements in accumulated depreciation								
Depreciation and amortisation	-	(492)	-	(492)	(4,417)	(4,417)	-	(4,909)
Accumulated depreciation of disposals	-	-	-	-	2,531	2,531	-	2,531
	-	(492)	-	(492)	(1,886)	(1,886)	-	(2,378)
At fair value 30 June 2021	87,223	1,989	39,517	128,729	167,051	167,051	2,924	298,704
Accumulated depreciation at 30 June 2021	-	(1,510)	-	(1,510)	(83,905)	(83,905)	-	(85,415)
	87,223	479	39,517	127,219	83,146	83,146	2,924	213,289

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Art Works	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	11,692	3,415	882	2,812	3,953	11	22,765
Accumulated depreciation at 1 July 2020	(5,600)	(1,493)	(267)	(1,335)	-	-	(8,695)
	6,092	1,922	615	1,477	3,953	11	14,070
Movements in fair value							
Additions	1,493	336	296	245	60	119	2,549
Found Assets	-	-	-	-	504	-	504
Contributions	-	-	-	-	1,559	-	1,559
Revaluation	-	-	-	-	3,829	-	3,829
Disposal	(1,052)	-	-	-	-	-	(1,052)
Transfers to other classes	-	-	-	-	258	-	258
Transfers WIP	-	1	9	-	-	(10)	-
	441	337	305	245	6,210	109	7,647
Movements in accumulated depreciation							
Depreciation and amortisation	(1,268)	(343)	(87)	(227)	-	-	(1,925)
Accumulated depreciation of disposals	875	-	-	-	-	-	875
	(393)	(343)	(87)	(227)	-	-	(1,050)
At fair value 30 June 2021	12,133	3,752	1,187	3,057	10,163	120	30,412
Accumulated depreciation at 30 June 2021	(5,993)	(1,836)	(354)	(1,562)	-	-	(9,745)
	6,140	1,916	833	1,495	10,163	120	20,667

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other infrastructure	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	790,882	110,458	45,510	98,443	29,391	5,444	33,647	16,075	3,810	19,755	6,273	1,159,688
Accumulated depreciation at 1 July 2020	(245,268)	(41,782)	(16,030)	(35,369)	(16,731)	(2,055)	(12,417)	(8,588)	(1,656)	(8,700)	-	(388,596)
	545,614	68,676	29,480	63,074	12,660	3,389	21,230	7,487	2,154	11,055	6,273	771,092
Movements in fair value												
Additions	11,329	778	2,645	530	1,619	11	1,398	47	-	12	7,257	25,626
Recognised	437	-	-	-	-	-	-	-	-	-	-	437
Found Assets	359	(136)	181	545	29	-	80	-	36	-	-	1,094
Prior year adjustment directly to equity	1,260	1,650	140	9	-	-	-	-	-	-	-	3,059
Contributions	1,809	-	797	1,419	-	-	530	-	-	-	-	4,555
Revaluation	(1,260)	1,251	(140)	(9)	-	-	-	-	-	-	-	(158)
Disposal	(4,122)	(738)	(784)	(184)	(1,633)	-	(338)	(7)	-	(14)	-	(7,820)
Derecognise	(820)	(1,447)	(14)	(3)	-	-	-	-	-	-	-	(2,284)
Write-off	-	-	-	-	-	-	-	-	-	-	(123)	(123)
Transfers to other classes	-	-	(14)	-	(1,017)	-	(19)	-	-	-	-	(1,050)
Transfers WIP	872	-	994	280	2,931	-	26	-	-	49	(5,152)	-
	9,864	1,358	3,805	2,587	1,929	11	1,677	40	36	47	1,982	23,336
Movements in accumulated depreciation												
Depreciation and amortisation	(10,725)	(1,111)	(910)	(993)	(952)	(179)	(1,066)	(330)	(89)	(551)	-	(16,906)
Accumulated depreciation of disposals	3,250	662	366	79	1,103	-	178	6	-	12	-	5,656
Found Assets Depreciation	(16)	132	(40)	(152)	(9)	-	(52)	-	(28)	-	-	(165)
Accumulated depreciation of derecognised	289	148	18	1	82	-	-	-	-	-	-	538
Accumulated depreciation at revaluation	-	(1,711)	-	-	-	-	-	-	-	-	-	(1,711)
	(7,202)	(1,880)	(566)	(1,065)	224	(179)	(940)	(324)	(117)	(539)	-	(12,588)
At fair value 30 June 2021	800,746	111,816	49,315	101,030	31,320	5,455	35,324	16,115	3,846	19,802	8,255	1,183,024
Accumulated depreciation at 30 June 2021	(252,470)	(43,662)	(16,596)	(36,434)	(16,507)	(2,234)	(13,357)	(8,912)	(1,773)	(9,239)	-	(401,184)
	548,276	68,154	32,719	64,596	14,813	3,221	21,967	7,203	2,073	10,563	8,255	781,840

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Asset recognition thresholds and depreciation periods

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

ASSET TYPE	Depreciation Period	Threshold Limit \$
Property		
Land	-	All
Land Improvements	4 years	All
Buildings	20 - 100 years	>\$10,000
Plant and Equipment		
Motor Vehicles	3 - 10 years	All
Plant	3 - 10 years	>\$5,000
Furniture, Equipment & Information Technology	3 - 10 years	>\$5,000
Art Gallery Works	-	All
Library Books	3 - 10 years	All
Infrastructure		
Roads		
Pavement - Concrete	100 Years	All
Pavement - Sealed	100 Years	All
Pavement Gravel (Local Access A & Above)	15 Years	All
Pavement Gravel (Local Access B & C)	20 Years	All
Subgrade	Indefinite	All
Kerb & Channel	70 Years	All
Road Drainage - Minor Culverts	100 Years	All
Bridges		
Bridges - Concrete	100 Years	All
Bridges - Timber	60 Years	All
Floodways & Major Culverts	100 Years	All
Footpaths and cycleways		
Asphalt/Bitumen	15 Years	All
Concrete/Paved	60 Years	All
Gravel/Sand	10 Years	All
Drainage		
Pits	100 Years	All
Pipes	100 Years	All
Pump Wells	20 Years	All
Other Drainage	20 - 100 Years	All
Open Drain - Earth/Retention Basin	Indefinite	All
Structures		
Off Street Car Parks	30 - 100 years	>\$5,000
Recreational, leisure and community facilities	10 - 100 years	>\$5,000
Waste management	20 - 100 years	>\$5,000
Parks, open space and streetscapes	10 - 120 years	>\$5,000
Aerodromes	20 - 120 years	>\$5,000
Other infrastructure	10 - 120 years	>\$5,000
Intangible Assets		
Landfill Airspace	4 - 38 Years	All
Software	3 - 10 years	>\$5,000

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Acquisition

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

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

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

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of buildings were undertaken by a qualified independent valuer APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913, Dan Atherton Registered Valuer No 2962 and Ryan Collier Registered Valuer No 4090.

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. A full revaluation of the land assets will be conducted in 2021/22 and a full revaluation of the buildings assets will be conducted in 2022/23.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land - Specialised	-	-	87,223	30/06/2018
Land improvements	-	-	479	
Land under roads	-	-	39,517	30/06/2018
Buildings - Specialised	-	8,241	74,905	30/06/2019
Total	-	8,241	202,124	

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of infrastructure assets (roads, bridges, footpaths and drainage) has been determined in accordance with a valuation undertaken by Council Officer Mr. Chris Hastie B.Eng (Civil), Gcert Mgt.

Valuation of infrastructure assets (recreational, leisure and community facilities, waste management, parks, open space and streetscapes, aerodromes and other Infrastructure) has been determined in accordance with an independent valuation undertaken by APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913, Dan Atherton Registered Valuer No 2962 and Ryan Collier Registered Valuer No 4090.

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

Bridges, Major Culverts & Floodways

At 30 June 2021, Council undertook a valuation of the Bridges, Major Culverts & Floodway asset class.

As a result of the revaluation, the total replacement value of bridges, floodways and major culverts has increased by \$2.9M (2.7%) and the 2020/21 annual depreciation forecast is \$1.1M, an increase of \$28k (2.6%).

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2021 are as

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	548,276	30/06/2020
Bridges	-	-	68,154	30/06/2021
Footpaths and cycleways	-	-	32,719	30/06/2020
Drainage	-	-	64,596	30/06/2019
Recreational, leisure and community	-	2,529	12,284	30/06/2019
Waste management	-	-	3,221	30/06/2019
Parks, open space and streetscapes	-	1,370	20,597	30/06/2019
Aerodromes	-	-	7,203	30/06/2019
Off street car parking	-	-	2,073	30/06/2019
Other infrastructure	-	7	10,556	30/06/2019
Total	-	3,906	769,679	

Non-infrastructure assets

Art Gallery collection

Since the last valuation in 2016, additional items to the value of \$2,907,263.61 have been added to the collection (either donated or purchased).

Valuation of the Art Gallery collection has been determined in accordance with an independent valuation undertaken by Rodney James B.A (Hons.); M.A. Monash University, Art Consultant and Valuer. After revaluation on 30 June 2021, the collection was valued at \$10,162,715 which is an increase of approximately 60.5%. This increase is attributed to continued accrual in value of blue-chip Australian traditional, modern and contemporary works with links to the region. Works acquired or commissioned as part of print, drawing and photography folios have also experienced steady rises in value.

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.05 and \$18,147.88 per square metre and land under roads values range between \$0.16 and \$3.12 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 are comprised of a square metre basis ranging from \$370 to \$8,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 year to 87 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.

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment (continued)

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to an indefinite life. 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.

	2021	2020
	\$'000	\$'000
Reconciliation of specialised land		
Parks, open space and streetscapes	48,393	47,204
Recreation, leisure and community facilities	27,453	27,667
Off-street car parks	5,752	5,752
Aerodromes	1,635	1,635
Waste management	1,873	1,873
Other infrastructure - Piers/Jetties/Caravan parks/Markets/Saleyards	1,356	1,356
Drainage	761	761
Total specialised land	87,223	86,248

ADJUSTMENTS DIRECTLY TO EQUITY

Reversal of revalued components of assets disposed or written off (transfer from asset revaluation reserve to accumulated surplus).

Roads, Streets, Drainage, Bridges & Culverts	(3,058)	(1,737)
Buildings & Structures	(1,499)	(182)
Land	(704)	-
Land airspace	-	(8)
	(5,261)	(1,927)

Notes to the Financial Report For the Year Ended 30 June 2021

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Key Management Personnel (KMP)

Wellington Shire Council structure has a CEO and 4 General Managers. Along with 9 Councillors this makes a total of 14 KMP positions.

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

Councillors

Mayor Garry Stephens (12/11/20 - 30/06/21)
Cr Garry Stephens (01/07/20 - 23/10/20)
Former Mayor Alan Hall (01/07/20 - 23/10/20)
Cr Scott Rossetti (01/07/20 - 30/06/21)
Cr Carolyn Crossley (01/07/20 - 30/06/21)
Cr Malcolm Hole (01/07/20 - 10/04/21)
Cr Gayle Maher (01/07/20 - 30/06/21)
Cr Ian Bye (01/07/20 - 30/06/21)
Cr Jill Wood (12/11/20 - 30/06/21)
Cr John Tatterson (12/11/20 - 30/06/21)
Cr Marcus McKenzie (12/11/20 - 30/06/21)
Cr Darren McCubbin (01/07/20 - 23/10/20)
Cr Carmel Ripper (01/07/20 - 23/10/20), (18/05/21 - 30/06/21)

Chief Executive Officer - David Morcom (1/07/20 - 30/06/21)
General Manager Built and Natural Environment - Chris Hastie (1/07/20 - 30/06/21)
General Manager Community & Culture - Sharon Houlihan (1/07/20 - 30/06/21)
General Manager Development - Brent McAlister (01/07/20 - 30/06/21)
General Manager Corporate Services - Arthur Skipitaris (1/07/20 - 30/06/21)

	2021 No.	2020 No.
Total Number of Councillors	12	9
Chief Executive Officer and other Key Management Personnel	5	5
Total Key Management Personnel	17	14

(b) Remuneration of Key Management Personnel

	2021 \$'000	2020 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,553	1,662
Long-term benefits	38	31
Termination benefits	-	-
Total	1,591	1,693

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 7 People and relationships

7.1 Council and key management remuneration (continued)

	2021	2020
	No.	No.
The number of key management personnel whose total remuneration from Council and any related entities fall within the following bands:		
\$1 - \$9,999	1	-
\$10,000 - \$19,999	4	-
\$20,000 - \$29,999	6	8
\$60,000 - \$69,999	1	-
\$80,000 - \$89,999	-	2
\$220,000 - \$229,999	2	1
\$230,000 - \$239,999	1	2
\$240,000 - \$249,999	1	1
\$300,000 - \$309,999	-	1
\$310,000 - \$319,999	1	-
	<u>17</u>	<u>15</u>

(c) Senior Officer Remuneration

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

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

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

	2021	2020
	No.	No.
Income Range:		
\$151,000 - \$159,999	6	7
\$160,000 - \$169,999	1	-
\$170,000 - \$179,999	-	1
\$180,000 - \$189,999	1	-
	<u>8</u>	<u>8</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	1,289	1,269

Notes to the Financial Report
For the Year Ended 30 June 2021

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into a number of transactions with related parties of KMP's or their close family members. These transactions occurred within normal commercial terms and conditions and included \$69,301 to the Municipal Association of Victoria for membership and other services. Annual contributions towards marketing and planning of \$77,032 was made to Destination Gippsland, and a total of \$45,650 was paid for various other materials and services including the Port Albert upgrade and the Resource Recovery Transition Plan. Council also contributed a total of \$59,659 for community grants, operating subsidies to various community groups where KMP's or close family members held positions on the board or committee. Mr. Arthur Skipitaris - General Manager Corporate Services became a Director of Central Gippsland Health Services on 13 June 2020 and the transactions with Central Gippsland Health Services included contributions towards health services of \$940,036.

(b) Outstanding balances with related parties

The balance outstanding at the end of the reporting period in relation to transactions with related parties was Nil (2019/20 Nil).

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party was Nil (2019/20 Nil).

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council was Nil (2019/20 Nil).

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

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

	2021	2020
	\$'000	\$'000
(a) Contingent assets		
Non cash contributions expected to be received in respect of subdivision and gifted assets are as follows:		
Developer contributions	633	1,500
Total Contingent Assets	633	1,500

(b) Contingent liabilities

Superannuation

Wellington Shire 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, Wellington Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil during 2020/21 (2019/20 \$Nil). There were \$22,778 contributions outstanding and \$Nil 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 2021 are \$141,498.

Liability Mutual Insurance

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

(c) Guarantees for loans to other entities

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

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

Council has guaranteed a loan taken out by a community group, to undertake significant capital works to the Club's facilities that are located on Council land.

Council's estimated liability with respect to contingent items is as follows:

	2021	2020
	\$'000	\$'000
Bank Guarantees	934	934
Total Bank Guarantees	934	934

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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 Managing uncertainties (continued)

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) 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 the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 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 the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

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

(c) Credit risk

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

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

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

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

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

The maximum exposure to credit risk at the reporting date to recognise 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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 Managing uncertainties (continued)

8.3 Financial instruments (continued)

(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:

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

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of -0.25% and 0.25% in market interest rates (AUD) from year-end rates of 0.54%.

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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 Managing uncertainties (continued)

8.4 Fair value measurement (continued)

Revaluation

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

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

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

Impairment of assets

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

8.5 Events occurring after balance date

On 30 January 2020, COVID-19 was declared as a global pandemic by world health organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it impacted council operations during 2019/20 and 2020/21.

It is anticipated that COVID-19 will have an impact on Council operations and finances for many years to come. The response to the pandemic will impact normal operating procedures especially in regards to potential ongoing restrictions resulting in the temporary closing of facilities and ongoing additional cleaning expenses. In addition the next few years Council will operate with recovery from the COVID-19 pandemic in the forefront, both for the Wellington community and Council as an organisation.

Council's financial position and performance is likely to be effected in 2021/22 as the leisure centre facilities / libraries/ community centres are known to be closed for a portion of the first quarter of the year at least, the effect on the remainder of the year remains unknown.

There are no other matters or circumstances that have arisen since the end of the financial year which significantly affect the operations of Council, the results of operations, or state of affairs of Council in future financial years.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 9 Other matters

9.1 Reserves	Balance at beginning of reporting period \$'000	Adjustment directly to equity \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves 2021				
Property				
Land & land improvements	75,234	(704)	143	74,673
Land under roads	22,124	-	-	22,124
Buildings	60,987	(1,499)	-	59,488
	158,345	(2,203)	143	156,285
Infrastructure				
Roads	425,902	(1,259)	-	424,643
Bridges	25,472	(1,650)	1,189	25,011
Footpaths	19,574	(140)	-	19,434
Drainage	23,749	(9)	-	23,740
	494,697	(3,058)	1,189	492,828
Other				
Art Gallery Stock	2,501	-	3,829	6,330
Total asset revaluation reserves	655,543	(5,261)	5,161	655,443

Reconciliation of net revaluation movement	\$'000
Increment recognised in 2020/21	5,161
Adjustment directly to equity (note 6.1)	(5,261)
Net revaluation decrement	(100)

	Balance at beginning of reporting period \$'000	Adjustment directly to equity \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
2020				
Property				
Land & land improvements	75,242	(8)	-	75,234
Land under roads	22,124	-	-	22,124
Buildings	61,173	(182)	(4)	60,987
	158,539	(190)	(4)	158,345
Infrastructure				
Roads	326,733	(1,680)	100,849	425,902
Bridges	25,628	(156)	-	25,472
Footpaths	14,436	108	5,030	19,574
Drainage	23,758	(9)	-	23,749
	390,555	(1,737)	105,879	494,697
Other				
Art Gallery Stock	2,501	-	-	2,501
Total asset revaluation reserves	551,595	(1,927)	105,875	655,543

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

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 9 Other matters (continued)

9.1 Reserves (continued)	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(b) Other reserves			
2021			
Discretionary reserves			
Asset improvement	936	371	1,307
Plant replacement	1,027	346	1,373
Waste management	6,597	43	6,640
Total discretionary reserves	8,560	760	9,320
Non discretionary reserves			
Recreational land	723	31	754
Infrastructure contributions	65	(64)	1
Art gallery acquisition	9	4	13
Art gallery contribution	46	(39)	7
Leased property improvements	1,459	151	1,610
Total Non Discretionary reserves	2,302	83	2,385
Total Other reserves	10,862	843	11,705
2020			
Discretionary Reserves			
Asset Improvement	843	93	936
Plant Replacement	999	28	1,027
Waste Management	6,120	477	6,597
Total Discretionary Reserves	7,962	598	8,560
Non discretionary reserves			
Recreational land	628	95	723
Infrastructure contributions	60	5	65
Art gallery acquisition	12	(3)	9
Art gallery contribution	1	45	46
Leased property improvements	1,226	233	1,459
Total Non Discretionary reserves	1,927	375	2,302
Total Other reserves	9,889	973	10,862

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 Other matters

9.1 Reserves (continued)

Purpose of Reserves

Discretionary Reserves

Asset Improvement

Reserve to fund capital improvements.

Plant Replacement

Reserve is to fund future purchases of major plant and equipment.

Waste Management

Reserve is to fund the establishment of recycling and transfer stations and an increase in landfill capacity in the future.

Non Discretionary Reserves

Recreational Land

Reserve to fund future open space facilities as per Section 18 of *Subdivision Act*.

Infrastructure Contributions

Reserve is an accumulation of developer contributions which are to be expended at a future date on infrastructure.

Art Gallery Acquisition

Reserve is to fund future approved art gallery acquisitions.

Art Gallery Contributions

Reserve is to fund future specific major art gallery exhibitions.

Leased Property Improvements

Reserve to fund future works on leased properties in accordance with *Crown Land Act*.

	2021 \$'000	2020 \$'000
9.2 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	14,514	19,161
Depreciation/amortisation	24,673	23,603
Bad and Doubtful Debts	32	107
Loss on disposal of property, infrastructure, plant and equipment	2,662	990
Contributions - monetary (non-operating)	(97)	(375)
Contributions - non-monetary	(7,459)	(911)
Borrowing costs	92	243
Finance Cost - Leases	4	15
Other	(212)	(437)
Change in assets and liabilities:		
(Increase) in trade and other receivables	(8,770)	(52)
Decrease in other assets	44	99
Increase in trade and other payables	140	1,828
Increase in trust funds and deposits	373	1,932
Increase in unearned Income	16,566	1,457
Decrease / (Increase) in inventories	10	(1)
Increase in provisions	1,554	436
Net cash provided by operating activities	44,126	48,095

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 Other matters

9.3 Superannuation

Wellington Shire Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (Vision Super). 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 category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 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 Wellington Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

Funding Arrangements

Wellington Shire Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's 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 years and 2.75% pa thereafter
Price inflation (CPI) 2.0% pa.

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

Vision Super has advised that the estimated VBI at 30 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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 Other matters

9.3 Superannuation (continued)

Funding calls

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

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

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

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

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

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

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

	2020 (Triennial)	2019 (Interim)
	\$m	\$m
- 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 2021 VBI during August 2021 (2020: August 2020).

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.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 9 Other matters

9.3 Superannuation (continued)

Superannuation Contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of Scheme	Rate	2021 \$,000	2020 \$,000
Vision super	Defined benefit	9.50%	139	160
Vision super	Accumulation fund	9.50%	1,202	1,119
Other Schemes	Accumulation fund	9.50%	1,071	890

In addition to the above contributions, Wellington Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil in the 2020/21 year (2019/20 \$Nil).

There were \$22,778 contributions outstanding and \$Nil 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 is \$141,498.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

10 Change in accounting policy

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

This Standard addresses the accounting for a service concession arrangement by a grantor that is a public sector entity. The Standard sets out the accounting for the operator of such arrangements, in relation to its principles for recognising service concession assets.

The Standard requires a grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset
- initially measure a service concession asset at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified in this Standard
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator, using either (or both) the financial liability model or the grant of a right to the operator model.

Council does not currently have any arrangements which are defined by this standard.

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

The new definition of material states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

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

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

It is not expected that these standards and changes will have any significant impact on council.