



SOUTH GIPPSLAND SHIRE COUNCIL

Annual Report 2018/19



*South Gippsland
Shire Council*

Welcome...

South Gippsland Shire Council's 2018/19 Annual Report provides a detailed account of Council's achievements, challenges and performance measures for the past financial year. It demonstrates the breadth of Council's operations and the diversity of services delivered to the community.

This report is prepared to meet Council's statutory reporting requirements under the *Local Government Act 1989*. All councils must submit an Annual Report to the Minister for Local Government by 30 September each year.

A copy of the report is available on Council's website at www.southgippsland.vic.gov.au





Council's Vision

South Gippsland Shire will be a place where our quality of life and sense of community are balanced by sustainable and sensitive development, population and economic growth.

Council's Commitment to the Community

We are committed to demonstrating leadership by working constructively together and with the organisation to achieve success.

Council's Values

As Council, we commit to:

- Value the contribution made by everyone; to listen to you and each other.
- Value individual diversity, act with respect and professionalism in our interactions with you and each other, and never seek to undermine, mislead or undervalue anyone.
- Value opportunities that come from change, keeping our focus on the future and our responses flexible for a constantly evolving world.
- Value the community spirit, vibrancy and unique character of each of our towns and rural areas.
- Encourage our communities and support our community leaders.
- Value constructive criticism that helps us understand how and where we need to improve.
- Pro-actively reflect on our own behaviour, that of each other and of the organisation as a whole, to continually build the capacity, passion and success of this Council.

Council acknowledges Gunnai, Bun Wurrung, Wurundjeri, Gunaikurnai and Bunurong Traditional Owners of this land and all Aboriginal and Torres Strait Islander people who are part of the South Gippsland community.

Shire at a glance

South Gippsland Shire Council is located in coastal south eastern Victoria, approximately 100km south-east of Melbourne. It is made up of three wards; Tarwin Valley, Strzelecki and Coastal Promontory.

South Gippsland is the southern part of Gippsland, which honoured Sir George Gipps, Governor 1838-1846. The original inhabitants of the South Gippsland area were the Gunnai, Bun Wurrung and Wurundjeri Aboriginal people. South Gippsland Shire Council was formed in 1994 from the amalgamation of four municipalities.

The Shire is bounded by Cardinia and Baw Baw Shires to the north, Latrobe City and Wellington Shire to the east, Bass Strait to the south, and Bass Coast Shire to the west.

The Shire is a rural, residential and tourist area. It encompasses 3,308 square kilometres, including extensive coastal areas and the spectacular Wilsons Promontory National Park. Much of the rural area is used for forestry and agriculture; with dairy, beef, sheep, and snow pea farming being the main agricultural pursuits. Fishing, viticulture and tourism are also important industries that contribute economic diversity to the region.



Other major attractions of the Shire include Port Welshpool Long Jetty, Cape Liptrap Coastal Park, Strzelecki Ranges, Coal Creek Community Park and Museum, the Great Southern Rail Trail, Grand Ridge Rail Trail, Nyora Speedway, Stony Creek Racecourse, Agnes Falls and specialist wineries, gin distilleries and breweries.

The major towns in South Gippsland are Leongatha, Korumburra, Mirboo North and Foster. Other townships include Dumbalk, Fish Creek, Loch, Meeniyen, Nyora, Poowong, Port Welshpool, Sandy Point, Tarwin Lower, Toora, Venus Bay and Welshpool. There are also a number of other smaller rural hamlets.

Council Offices

South Gippsland Shire Council Office
9 Smith Street, Leongatha VIC 3953

Telephone: (03) 5662 9200

Fax: (03) 5662 3754

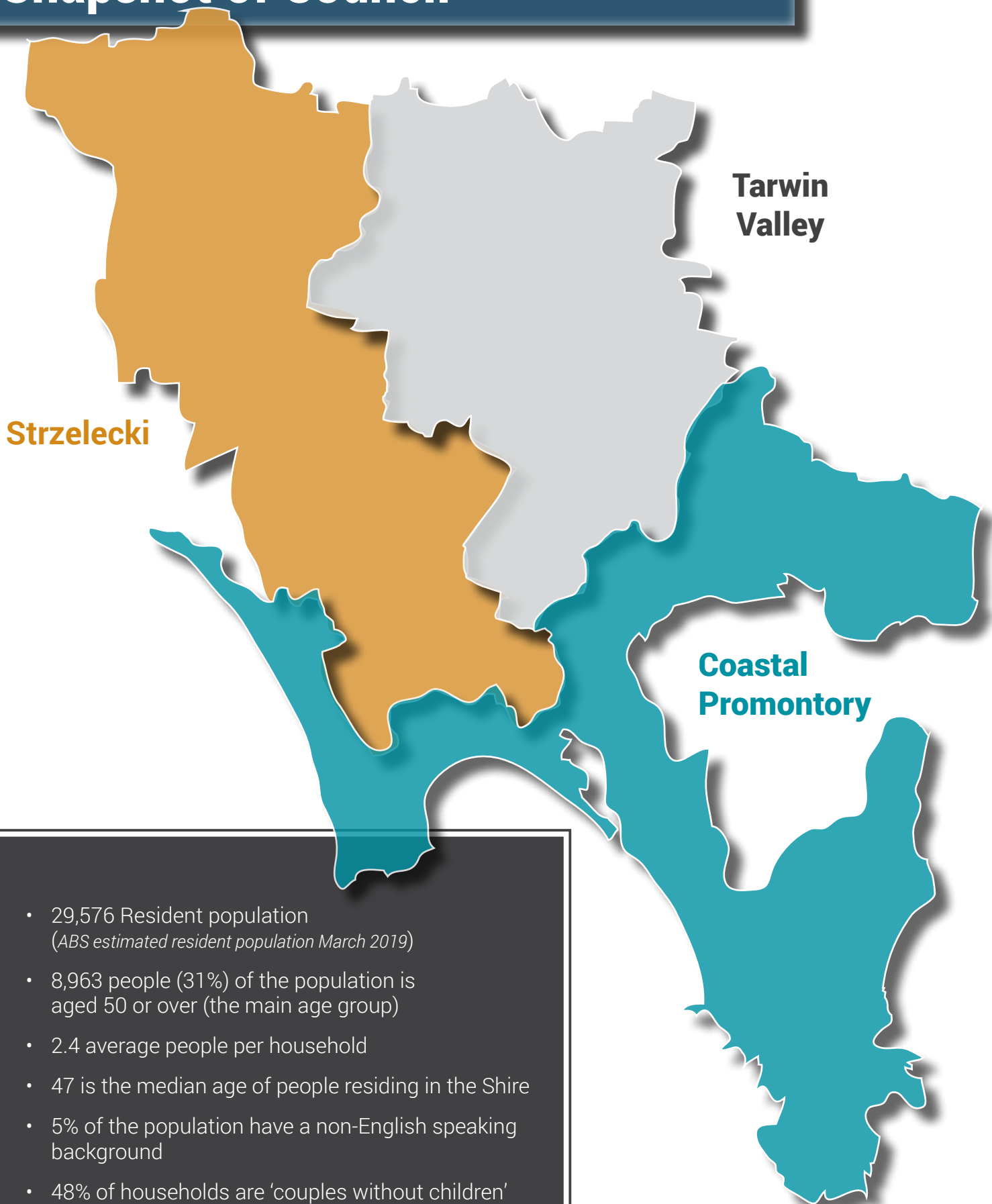
Email: council@southgippsland.vic.gov.au

Website: www.southgippsland.vic.gov.au

Facebook: www.facebook.com/southgippslandshirecouncil

Hours: 8:30am – 5:00pm Monday to Friday

Snapshot of Council



- 29,576 Resident population
(ABS estimated resident population March 2019)
- 8,963 people (31%) of the population is aged 50 or over (the main age group)
- 2.4 average people per household
- 47 is the median age of people residing in the Shire
- 5% of the population have a non-English speaking background
- 48% of households are 'couples without children'
- 38% of households are 'couples with children'
- 26 Townships and Hamlets

MESSAGE TO THE MINISTER FROM THE Chief Executive OFFICER



Dear Minister.

The Council has seen turbulent times at a political level which included six Councillor resignations, the appointment of a Municipal Monitor and the establishment of a Commission of Inquiry.

As Chief Executive Officer (CEO) I am proud of the manner in which the organisation has maintained support to the Councillors and the community, regardless of any perceived difficulties at a Council level. Without exception officers continued to uphold their professional integrity, ensuring that frank and fearless advice was always provided to Council and that the Council's decisions were implemented.

While the 2018/19 financial year has seen the Long Jetty at Port Welshpool completed and opened to the public, many projects are still in the planning stages. Funding has been received from the Federal Government for the revitalisation of Bair Street, Leongatha and the Mirboo North Pool Refurbishment. The Fixing Country Roads Program has provided funding for both Bair Street and the Timms Road bridge in Poowong North. All exciting projects ahead for the Shire.

Overall, this year we have delivered on 100 per cent of the sixteen committed 2018/19 Annual Initiatives and eight out of 10 (80 per cent) Council Plan indicators. The dedicated efforts of staff, volunteers and community members have contributed to achieving these great outcomes for all the people who live in and visit South Gippsland.

At the end of June 2019, Council's financial position remains strong with more than \$595M of community assets under Council's stewardship. The operating result of \$5.67MM is stronger than the budgeted \$1.45M, due primarily to the timing of the receipt of grant payments from the Victorian Grants Commission. Council's Long Term Financial Strategy forecasts continued surpluses over the next 15 years, providing a sustainable level of funding for the refurbishment and replacement of community assets. Overall the organisation is in excellent financial shape.

I would like to take the opportunity to acknowledge the terrific Home and Community Care staff and volunteers who continued to work in the best interests of their clients up until this service was successfully resourced by MecwaCARE, a specialist service provider, on 31 March 2019. Together with all the South Gippsland Shire Council staff and volunteers, they worked towards delivering our Council's vision and providing excellent service to our community.

Finally, this is my last Annual Report as CEO of South Gippsland Shire Council. June 2019 sees the end of my 10 year tenure as CEO. I am proud of all the organisation's achievements, and particularly pleased to present this 2018/19 Annual Report to you as a measure of the resilience and professionalism of the staff I have worked alongside and managed throughout an unprecedented period.

Bryan Sword was appointed Acting CEO on 25 May 2019. I wish Bryan all the best as he takes over the reigns of the organisation.

A handwritten signature in black ink, appearing to read 'Tim Tamlin'.

Tim Tamlin

Chief Executive Officer (CEO)

South Gippsland Shire Council No. 438 - 25 September 2019

MUNICIPAL MONITOR APPOINTED AND COMMISSION OF INQUIRY

The Minister for Local Government The Hon. Marlene Kairouz MP appointed Municipal Monitor, Peter Stephenson, on 18 June 2018 to monitor the South Gippsland Shire Council's governance processes and practices in accordance with defined terms of reference. The Monitor presented his final report to the Minister in late March 2019.

The Minister for Local Government The Hon. Adem Somyurek MLC served the Council with a 'Show Cause' letter on 2 April 2019 seeking a formal response to the Municipal Monitor's report and recommendation that the Council be suspended. Several submissions were made to the Minister by Councillors.

The Minister for Local Government established on 21 May 2019 a Commission of Inquiry into the South Gippsland Shire Council under section 209 of the *Local Government Act 1989*.

The Commission of Inquiry provided its final report to the Minister on 13 June 2019. On 19 June 2019 the Minister, on behalf of the Victorian Government, advised that the Council had been dismissed and Administrators appointed.

The reports into South Gippsland Shire Council were made public on the Local Government Victoria website at www.localgovernment.vic.gov.au.



ADMINISTRATOR CHAIR

Ms Julie Eisenbise was appointed interim Administrator of the South Gippsland Shire Council on 22 June 2019.

On 23 July 2019 Ms Eisenbise was announced as the Administrator Chair and Mr Frederick (Rick) Brown and Mr Christian Zahra (OAM) as the two additional Administrators for South Gippsland Shire Council.

An Administrator's role is to perform all the functions, powers and duties of the Council under the *Local Government Act 1989*.

FUTURE OF COUNCIL

The Administrators are appointed until October 2021, following a council general election. Under Administration, Council aims to strengthen the organisation, build stability and improve trust and confidence within the community of the Shire.

This term will provide an opportunity for transformation and improvement as staff and Administrators address the Commission of Inquiry and implement the *Local Government (South Gippsland Shire Council) Act 2019*.

The normal functions of Council will continue and the Council's staff are committed to supporting the community and delivering quality services.

Council Plan 2017-2021

The South Gippsland Shire Council Plan 2017-2021 includes four main themes, each comprised of strategic outcomes, objectives, strategies and performance measures.

Council's performance for the 2018/19 year is reported against each of these four themes to demonstrate how Council is achieving the 2018/19 Annual Initiatives.

| Objective | Council Plan Theme |
|-----------|---|
| 1 | Strengthen Economic Growth & Prosperity |
| 2 | Build Strong Partnerships, Strengthen Arts & Culture & Deliver Equitable Outcomes |
| 3 | Improve South Gippsland's Built Assets & Value our Natural Environment |
| 4 | Enhance Organisational Development & Implement Governance Best Practice |

Annual Initiatives

2018/19

Highlights for the 2018/19 year are presented on the following pages under the four main Council Plan themes.

Performance Report Highlights

When reading this report the following icons are highlighted throughout to demonstrate Council's performance against the 2017-2021 Council Plan and the 2018/19 Annual Initiatives.



**Strategic
Objective**



**Major
Initiatives**



**Description of
Services Funded**



**Performance
Indicators**

Objective 1 Council Plan

Strengthen Economic Growth & Prosperity

IN THE YEAR OF 2018/19

Six Priority Projects adopted by Council:

- Leongatha Revitalisation Project - Leongatha Business Precinct Development (Bair Street and Railway Station Stage 1)
- Great Southern Rail Trail (Welshpool to Alberton link component)
- Mirboo North Pool Refurbishment

Priority Projects for development:

- Korumburra Revitalisation Project
- Great Southern Rail Trail (Leongatha to Korumburra and West of Korumburra)
- Leongatha Community Hub Development Project
- The South Gippsland Branding Strategy developed in consultation with Destination Gippsland, was adopted at the Ordinary Meeting of Council on 26 June 2019.
- Strategic Investment Program adopted on 26 June 2019.

ADVOCACY

- Official opening of the Port Welshpool Long Jetty on 21 June 2019. A total of \$9.85M Federal and State Government grant funding was secured.
- *South Gippsland Advocacy Framework* adopted to support delivery of Council's Priority Projects and Significant Roads Projects.
- Secured \$4.2M in Federal and State Government grant funding for the \$5.4M Leongatha Revitalisation Project as part of the *Building Better Regions Fund* Program.
- Federal Government commitment for \$600,000 secured for the Mirboo North Pool Refurbishment project.

\$4.2M

**GRANT FUNDING
RECEIVED FOR
LEONGATHA REVITALISATION PROJECT**

\$11M

COST OF PORT WELSHPOOL LONG JETTY

*Note: \$9.85M secured funding from
Federal and State Government*

OBJECTIVE 1 2017-2021 COUNCIL PLAN 2018/19 ACHIEVEMENTS

COUNCIL PLAN
INITIATIVES
6
TARGET ACHIEVED

100%
COUNCIL PLAN
INITIATIVES
ACHIEVED

280
PLANNING
APPLICATIONS
DECIDED
WITHIN TIME FRAME
OF 60 DAYS

24
AGENDA ITEMS
FOR COUNCIL
DECISION

8
PLANNING SCHEME
APPLICATIONS/
AMENDMENTS OR GRANT
APPLICATIONS FOR
COUNCIL DECISION

80%
PLANNING
APPLICATIONS
DECIDED
WITHIN TIME FRAME
VS. 77% IN 2017/18

\$2,223
COST PER HEAD OF
MUNICIPAL POPULATION
\$15,855
INFRASTRUCTURE COST
PER HEAD OF
MUNICIPAL
POPULATION



Objective 2 Council Plan

Build Strong Partnerships, Strengthen Arts & Culture & Deliver Equitable Outcomes

IN THE YEAR OF 2018/19

- Council exited the Home and Community Care (Aged and Disability) service on 31 March 2019. MecwaCARE, a not-for-profit organisation, was selected by the Australian Government as the new service provider in South Gippsland.
- Community Transport retained, pending a service review to be completed in 2019/20.
- *Community Engagement Strategy and Policy* developed and adopted by Council in July 2018.
- *Community Strengthening Strategy 2018-2022* adopted by Council in October 2018.
- *South Gippsland Youth Strategy 2019-2023* developed and scheduled to be adopted by Council in July 2019.
- A \$25,000 grant obtained from the Transport Accident Commission to develop a *South Gippsland Road Safety Strategy 2019-2023* which was adopted for implementation in March 2019.

ADVOCACY

- Council advocated to all local political parties and candidates nominated in the *2018 Victorian State Government Election and Transport for Victoria* to develop a 'Local Bus Services Plan' for South Gippsland.
- 84 per cent of grant applications submitted to State and Federal funding programs were successful.

ENGAGEMENT

- Council convened a number of District Cluster meetings. The meetings provided information to the community and access to a range of Council staff in Nyora, Tarwin Lower, Fish Creek, Mirboo North, Koonwarra and Toora.

\$288,212

PROVIDED IN COMMUNITY
ALLOCATED GRANT
FUNDING

15+

**TOWNS INCLUDED IN
COMMUNITY DISTRICT
CLUSTER MEETINGS**

**OBJECTIVE 2
2017-2021 COUNCIL PLAN
2018/19 ACHIEVEMENTS**

COUNCIL PLAN
INITIATIVES

4

TARGET ACHIEVED

100%

COUNCIL PLAN
INITIATIVES
ACHIEVED

10

STRATEGIES
ADOPTED BY
COUNCIL

24

AGENDA ITEMS
FOR COUNCIL
DECISION

87

COMMUNITY
GRANT APPLICATIONS
RECEIVED

84%

APPLICATIONS APPROVED
BY STATE AND FEDERAL
GOVERNMENT FUNDING

\$237,875

COMMUNITY GRANTS PROGRAM

\$20,200

EMERGENCY GRANT PROGRAM

\$30,137

SMALL GRANTS PROGRAM

16,588

HOURS IN
AGED &
DISABILITY
SERVICE



Objective 3 Council Plan

Improve South Gippsland's Built Assets & Value our Natural Environment.

IN THE YEAR OF 2018/19

- *South Gippsland Municipal Emergency Management Plan 2018-2021* adopted on 24 October 2018.
- Following community consultation, Council resolved to implement a 24 hour Cat Curfew and Leash Order in township areas.
- Seven projects completed as part of the *2018/19 Tennis Facilities Maintenance Program*.

ADVOCACY

- Council submitted grant funding applications for:
 - \$500,000 funding for the Foster Indoor Stadium Redevelopment Project;
 - \$50,000 for the Venus Bay Emergency Management Training Exercise;
 - \$100,000 for the proposed Port Welshpool Long Jetty Enhancement Project;
 - \$100,000 for the reconstruction of the Venus Bay Fishing Jetty Project;
 - \$50,000 for the Baromi Park Community Space Development Project; and
 - \$50,000 for the South Gippsland Community Leaders Program Project.

ENGAGEMENT

- Community information sessions on gravel roads were held in towns such as Toora, Jumbunna, Tarwin Lower, Foster, Poowong, Welshpool, Mirboo North, Sandy Point and Meeniyan.

\$8.9M

ASSET
RENEWAL
EXPENDITURE

\$8.1M

**TOTAL
INFRASTRUCTURE
EXPENDITURE 2018/19**

OBJECTIVE 3 2017-2021 COUNCIL PLAN 2018/19 ACHIEVEMENTS

COUNCIL PLAN
INITIATIVES

9

TARGET ACHIEVED

100%

COUNCIL PLAN
INITIATIVES
ACHIEVED

10

GRANT
FUNDING
APPLICATIONS

61

AGENDA ITEMS
FOR COUNCIL
DECISION

5

POLICIES
REVIEWED AND
ADOPTED

14

AWARDED
CONTRACTS FOR
COUNCIL DECISION

149,162

SQUARE METRES
RESEALED
OF SEALED
LOCAL ROADS

28,591

SQUARE METRES
RECONSTRUCTION
OF SEALED
LOCAL ROADS

\$4.2M

ROAD MANAGEMENT

\$1.6M

BRIDGE MAINTENANCE

\$439,000

FOOTPATH DEVELOPMENT



Objective 4 Council Plan

Enhance Organisational Development & Implement Governance Best Practice

IN THE YEAR OF 2018/19

- Live streaming views of Council meetings increased from 2,321 in 2017/18 to 3,117 in 2018/19.
- There were 29 public presentations made to Council and a total of 274 people attended the gallery during public presentations, open briefing sessions and Council meetings.
- Councillor attendance at Ordinary Council Meetings was 76 per cent, down from 98 per cent in 2017/18.
- Community Satisfaction Results (out of 100 points):
 - Council improved performance on the conditions of sealed local roads by two points from 46 in 2017/18 to 48 points in 2018/19.
 - Community satisfaction decreased in Council's performance in making decisions in the interest of the community from 42 to 35 points.
 - Council's overall customer service performance was 66 points whereby 48 per cent of customers surveyed were very satisfied with their customer service experience.
- The *Annual Budget 2019/20*, the *Revised Council Plan 2017-2021* and the *Rating Strategy 2019-2022* were ready to be adopted by Council at the 26 June 2019 Council Ordinary Meeting, however with the dismissal of Council, the Minister of Local Government, Hon. Adem Somyurek MLC, fixed the date by which Council must adopt the Budget as 31 August 2019 in the Government Gazette Notice S 274, Friday 28 July 2019.
- These documents were adopted at the 24 July 2019 Ordinary Meeting of Council.
- Final projections for the next financial year, resulted in a total budgeted expenditure of \$62.4M with expenditure on a capital works program of \$32.5M.
(Scheduled to be adopted in July 2019)

\$62M

TOTAL
ANNUAL BUDGETED
EXPENSES 2019/20

\$67M

**TOTAL
ANNUAL BUDGETED
INCOME 2019/20**

OBJECTIVE 4 2017-2021 COUNCIL PLAN 2018/19 ACHIEVEMENTS

COUNCIL PLAN
INITIATIVES

5

TARGET ACHIEVED

2

TARGET NOT ACHIEVED

71%

**COUNCIL PLAN
INITIATIVES
ACHIEVED**

216

**TOTAL
NUMBER OF
AGENDA ITEMS**

52

**AGENDA ITEMS
FOR COUNCIL
DECISION**

31

**NUMBER OF
COUNCIL
MEETINGS**

40

**PROCEDURAL
AGENDA ITEMS
FOR ADOPTION**

\$32.5M

**BUDGETED CAPITAL WORKS
EXPENDITURE FOR 2019/20**

\$8.4M

**BUDGETED GRANT
FUNDING FOR 2019/20**

209

**TOTAL NUMBER OF
BRIEFING SESSIONS
HELD AT COUNCIL**



Advocacy

external funding

Council actively seeks external funding on behalf of its community.

It approaches other levels of Government and other funding and support agencies to assist with projects that are of benefit to South Gippsland.

| ADVOCACY PROJECT | PROJECT COST | FUNDING SECURED |
|---|--------------|-----------------|
| Leongatha Business Precinct (Bair Street) Redevelopment Project | \$5,400,000 | \$4,200,000 |
| Leongatha and District Netball Association (LDNA) - Netball Courts Redevelopment | \$800,000 | \$500,000 |
| Toora - Swimming Pool Stage 2 Development | \$600,000 | \$250,000 |
| Poowong North - Timms Road Bridge | \$600,000 | \$400,000 |
| Foster - Court Street | \$560,000 | \$540,000 |
| Mirboo North, Korumburra, Foster, Koonwarra, Venus Bay - E-Waste Infrastructure Project | \$500,000 | \$500,000 |
| Korumburra Recreation Reserve - Changeroom Redevelopment | \$380,000 | \$250,000 |
| Fish Creek - Kindergarten Upgrade | \$338,000 | \$147,894 |
| Mirboo North - Active Play Project | \$300,000 | \$200,000 |
| Baromi - Community Space Development | \$240,000 | \$50,000 |
| Poowong Football Netball Club - Netball Court Redevelopment | \$200,000 | \$100,000 |
| Venus Bay - Jetty Redevelopment | \$200,000 | \$100,000 |
| Communities Combating Pests and Weeds Project | \$85,000 | \$85,000 |
| Reclaim the Lanes: Girls Own Space Project | \$85,000 | \$85,000 |
| FreeZa Program | \$73,500 | \$73,500 |
| South Gippsland Business Associations Good Governance Toolkit | \$60,000 | \$50,000 |
| South Gippsland Community Leaders Program | \$50,000 | \$37,500 |
| TAC 2018 Community Road Safety Grants | \$40,000 | \$30,000 |
| Electric Vehicle Infrastructure Project | \$40,000 | \$30,000 |
| Activating Small Halls in South Gippsland | \$32,000 | \$7,500 |
| Kindergarten Central Enrolment Development Grants | \$25,000 | \$25,000 |
| Ordinary Meeting of Council No. 438 - 25 September 2019 | 161 | |
| Mirboo North V/Line Bus Stop Footpath | \$12,000 | \$12,000 |



Challenges

- Adapting and responding to the challenges associated with climate change.
- Increasing customer satisfaction and improving on Council's reputation through active community engagement.
- Making South Gippsland the most attractive region in Victoria in which to live, invest and work.
- Developing South Gippsland into a united, cohesive community with a belief that the interests of every ratepayer are best served through the development of the region as a whole.
- Achieving State and Federal Government funding for new infrastructure, including Council's Priority Projects and other community assets.
- Managing the community's expectations of funding for new infrastructure and higher levels of service in a rate capped environment.

Future

- Creating a shared vision with the community for the future of South Gippsland.
- Maximising the value South Gippsland derives from its location, resources and natural advantages.
- Determining the pace of growth required for the Shire and its implications on rates, lifestyle, infrastructure demands, communities and demographics.
- Optimising the strengths of the Shire in being a significant 'food bowl' with reach into regional, state, national and international markets.
- Advocating for 'Priority Projects' that will deliver economic growth and community benefits .
- Pursuing better ways of delivering services that are valued by the community.

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Section Overview 1



1.1

Achievements

Outcomes in 2018/19



19,780

Rateable properties



45,899

Number of calls to Council



\$288,212

Distributed in community grant funding (1st round)



409

Planning applications received



4,224

Tonnes of waste collected



4,594

Tonnes of recyclables and green waste collected



157,268

Visits to aquatic facilities



1,179km

of sealed roads maintained



611

Sealed local road requests



210,472

Library collection items available



117,122

Library visits



4,828

Active library members



Maternal Child Health
Hours

7,440

Hours worked by MCH Nurses



1,210

Children enrolled for Maternal Child & Health



264

Birth notifications



7,261

Animals registered



566

Number of Food Businesses registered

16,588

Aged & Disability Services
Number of Hours

- > 10,358 Domestic Assistance
- > 2,632 Assessment
- > 1,581 Personal Care
- > 1,156 Respite
- > 861 Property Maintenance

1.2

Financial Overview

FINANCIAL OVERVIEW

Council's financial position continues to remain sound. Our performance is summarised below. Detailed information relating to Council's financial performance is included within the Financial Statements and Performance Statement sections of this Report.

Operating Position

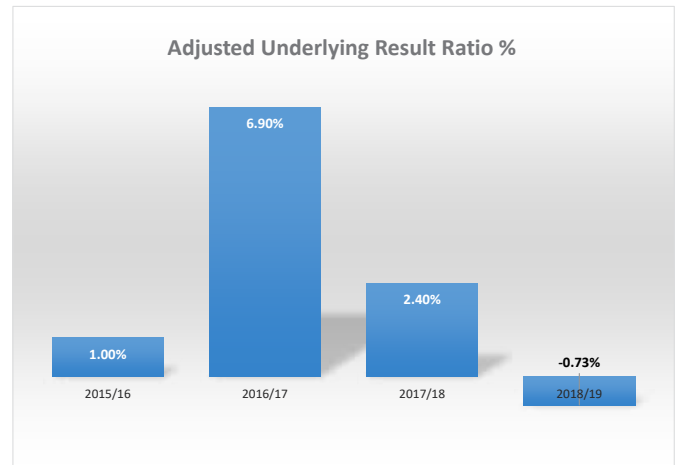
Council achieved a surplus of \$5.70M in 2018/19. This surplus continues on from a surplus from the prior year of \$7.50M.

The adjusted underlying surplus of Council, after removing capital grants (\$4.53M), cash capital contributions (\$0.15M), non-monetary capital contributions (\$1.19M) and found assets (\$0.35M) is a deficit of \$0.52M or (0.73 per cent) when compared to adjusted underlying revenue. The ratio is a decrease to the prior year surplus result of 2.41 per cent. The main reason for the lower underlying surplus is due largely to increased operating expenses in 2018/19 for employee costs, materials and services and depreciation.

The negative result does not present a strategic concern as the factors causing the result are either non-cash or "one-off" related such as in the case of redundancy costs for Home and Community Care services which is a service Council exited from in March 2019.

Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew over \$500M of community assets under

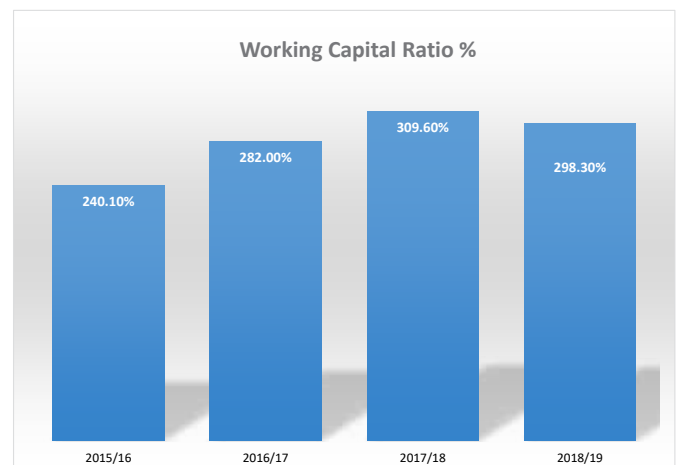
Council's control.



Liquidity

Cash (this includes 'cash and cash equivalents' and 'other financial assets') has increased by \$5.5M from the prior year. 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.

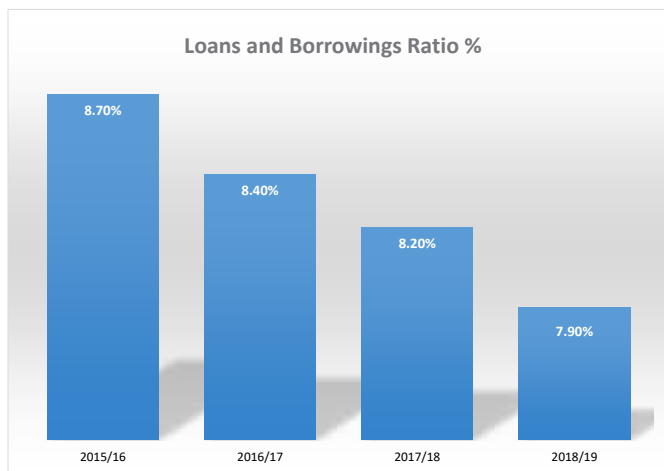
Council's result of 298 per cent (310 per cent in 2017/18) is an indicator of a satisfactory financial position and within the expected target band of 100 per cent to 300 per cent.



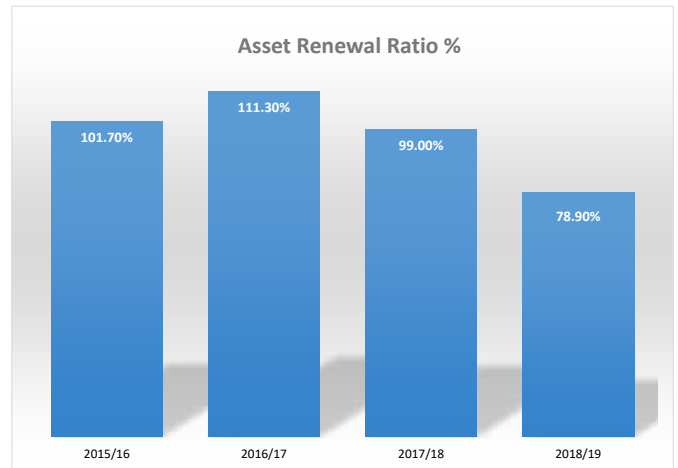
Obligation

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$8.9M in renewal works during the 2018/19 year.

At the end of the 2018/19 year, Council's debt ratio which is measured by comparing interest bearing loans and borrowings to rate revenue was 7.89 per cent which indicates that Council has no concern over its ability to repay debt.



Council's asset renewal ratio, which is measured by comparing asset renewal expenditure (\$8.9M) to depreciation (\$11.28M) was 78.9 per cent, which is below the expected target band of 90 per cent to 110 per cent. Carrying forward a large component of renewal capital works from 2018/19 to 2019/20 accounts for the lower result this financial year and simply represents a timing difference between the two years.



Stability and Efficiency

Council raises revenue through provision of a range of services including rates, user fees, fines, grants and contributions. Council's rates concentration which compares rate revenue to adjusted underlying revenue was 65.1 per cent for the 2018/19 year which is in the mid-range of the expected target band of 40 per cent to 80 per cent.

The average rate per residential assessment is \$1,834 including both the rates and the garbage/waste charge.

| YEAR | Average Rate per Residential Assessment (\$) |
|---------|--|
| 2015/16 | \$1,752 |
| 2016/17 | \$1,789 |
| 2017/18 | \$1,811 |
| 2018/19 | \$1,834 |

ECONOMIC FACTORS

Positive economic growth is occurring in the Shire with expansion of major industries including Saputo Dairy Australia, ViPlus Dairy and Burra Foods. South Gippsland has an annual economic output of \$3.5 billion and has maintained the lowest unemployment rate in Gippsland. Completion of key infrastructure projects such as the Foster Streetscape, Port Welshpool Long Jetty, Lance Creek Water Connection Project and several new bridges are stimulating future economic development.

There have been strong increases in property valuations in a number of towns in the Shire. The proposed works in Bair Street Leongatha will encourage the re-tenancing of shops in the town centre.

There is an increased number of major infrastructure projects underway in Victoria. This is placing pressure on tender prices for infrastructure projects. There are also increasing costs for aggregate and other material for road infrastructure and maintenance. The ongoing impact of these pressures will be that fewer projects may be completed within the available resources of Council.

MAJOR CHANGES

A number of changes have occurred within the Council Chamber. Over the past 12 months, there were six Councillor resignations and eight election countbacks, resulting in five new Councillors being elected. The Minister for Local Government, Hon. Adem Somyurek MLC, dismissed the South Gippsland Shire Council on 19 June 2019 and appointed a panel of three Administrators.

In June 2018, Council's CEO Tim Tamlin's completed his contracted tenure. The Council appointed Bryan Sword as the Acting CEO for up to 12 months effective from 25 May 2019.

Council exited the Home and Community Care (Aged and Disability) service on 31 March 2019. MecwaCARE, a not-for-profit organisation, was selected by the Australian Government as the new service provider in South Gippsland.



1.3

Major Capital Works

Bridges

- Bena Kongwak Road, Bena (\$2.8M)
 - Construction of a new bridge and associated road realignment works over the disused rail line.
- Powneys Road, Pound Creek (\$393,000)
 - Construction of new bridge.
- Ruby Arawata Road, Ruby (\$1.07M)
 - Construction of new bridge and associated road approach works.

Buildings

- Franklin River Reserve Toilet (\$225,000)
 - Construction of a new toilet amenity.
- Mirboo North Hall Toilets (\$293,000)
 - Upgrade of the toilet amenities.
- Foster Indoor Stadium (\$28,000)
 - Design works for facility upgrade.

Guardrails

- Buffalo Stony Creek Road, Buffalo (\$51,000)
- Fullers Road, Foster (\$38,000)
- Silcocks Hill Road, Foster (\$50,000)

\$15M
IN CAPITAL WORKS
EXPENDITURE 2018/19

Community

Three projects under the Community Capital Works Allocation Program:

- Korumburra Recreation Centre (\$162,000)
 - Construction of carpark and supply of equipment including mobile elevated work platform, tables, chairs, and trolleys.
- Couper Street, Mirboo North (\$104,000)
 - Construction of a new footpath.
- Foster Recycled Water (\$400,000)
 - Construction of new pipeline for distribution of recycled water from Foster Treatment Plant to storage tanks at the Foster Show grounds and Foster Golf Club.

Culverts & Drainage

- Culverts
 - Shands Road, Agnes (\$77,000)
 - Fish Creek Waratah Road, Waratha Bay (\$109,000)
- Drainage (\$232,000)
 - Sanders Lane, Korumburra

Footpaths

- Footpath Renewals
 - Bridge Street, Korumburra (\$88,000)
 - Baromi Park, Mirboo North (\$21,000)
 - Korumburra Wonthaggi Road, Kongwak (\$81,000)
 - Spring Street, Korumburra (\$31,000)
 - Landy Road, Foster (\$45,000)

Playgrounds

- Foster Recreation Reserve (\$29,000)
- Gale Street, Waratah Bay (\$52,000)
- Korumburra Recreation Reserve (\$27,000)
- Korumburra Tourist Park (\$47,000)
- Mossvale Park, Berrys Creek (\$36,000)
- Playgrounds - Replacement Program - RV Fisher Reserve (\$44,000)

Recreation

- Korumburra Recreation Reserve (\$341,000)
 - Changeroom refurbishment
- Port Welshpool Long Jetty (\$5.7M)
 - Restoration of the Long Jetty.
 - This project was completed over 2 financial years. The 2018/19 expenditure was \$5.7M.
- Venus Bay Jetty (\$200,000)
 - Demolition of the existing Jetty and replacement with piled pontoon.
- Fish Creek Football Netball Club (\$304,000)
 - Construction of new Netball court with lighting and modifications to the abutting building.
- Leongatha Football Netball Club (\$292,000)
 - Construction of two new competition courts with lighting and associated shelter.
- Tarwin Lower to Venus Bay Walking Tracks (\$19,000)
 - Construction of new sun shelter.

Swimming Pools

- Toora Swimming Pool (\$400,000)
 - Stage 1 - refurbishment of amenities block, addition of two all person/family bathrooms and construction of accessible ramp.
- Mirboo North Pool (\$258,000)
 - Design of pool and amenities building upgrade

Roads

Sealed Road Rehabilitation

- Court Street, Foster (\$475,000)
- Hawkins Street, Korumburra (\$140,000)
- Kurrle Street, Korumburra (\$8,000)

Pavement Rehabilitation

- Leongatha Depot (\$120,000)
- Yarragon Road, Leongatha service road (\$28,000)

Road Rehabilitation/Retaining Wall Protection

- Walkerville North Road (\$361,000)

Footpath, Drainage and Kerb Works

- Hanily Street, Meeniyan (\$77,000)

New Carpark Construction

- Charles Street, Korumburra (\$157,000)

Civil Design Works

- Bair Street, Leongatha (\$75,000)



1.4 Community grant funding

Council's Community Grants Program supports community initiatives and provides grants to community, volunteers and not-for-profit organisations. All applications were assessed under programs and categories listed below:

- Small Grants Program;
- Emergency (Quick) Grants Program;
- Community Grants Program (categories);
 - Minor Projects and Equipment;
 - Festivals and Events;
 - Major Projects; and
 - Planning and Development Studies.



87

APPLICATIONS APPROVED IN 2018/19

\$288,212

IN COMMUNITY GRANT FUNDING

Community Grant Funding - Round 1

TOTAL \$130,950

The Community Grants Program provides funding between \$1,000 and \$10,000. The program supports projects that enhance the quality of life, heritage, recreation and cultural opportunities for the broader South Gippsland community.

| ROUND ONE Organisation | Project Details | Approved Funding (\$) |
|--|--|--------------------------|
| Venus Bay Community Centre | Tarwin River Precinct Plan | \$10,000 |
| Korumburra Bena Football Netball Club | Female Facilities Planning | \$10,000 |
| Friends of Coal Creek | Renovation of Lands Office | \$10,000 |
| Allambee South Community Centre | Allambee South Outdoor Development Plan | \$9,500 |
| Korumburra Recreation Reserve | Plan to revamp the disused netball courts | \$9,000 |
| Outtrim Reserve Committee | Accessible Toilet and Storage Room | \$8,000 |
| Meeniyen Mechanics Institute | Hall ceiling refurbishment | \$8,000 |
| Meeniyen Tourism and Traders Association | Meeniyen Arts Trail | \$8,000 |
| Rotary Club of Leongatha | 'Fooverage' - Gippsland Produce Event March 2020 | \$8,000 |
| Mount Best Hall | Construction of covered area at Mount Best Hall | \$7,000 |
| Welshpool Recreation Reserve | Storage Shed | \$7,000 |

| ROUND ONE | | Approved Funding (\$) |
|--|---|------------------------------|
| Organisation | Project Details | |
| Nyora Recreation Reserve Committee | Replace carpets and chairs in Social Club Rooms | \$6,000 |
| Stony Creek Racecourse and Recreation Reserve | Masterplan for Reserve | \$5,000 |
| St Paul's Catholic Social Club | Mirboo North Italian Festa | \$5,000 |
| Prom Coast Festival | Prom Coast Festival 2019 | \$4,750 |
| Arawata Community Hall Association | Lights, fans and chairs | \$4,600 |
| Korumburra and District Agricultural and Pastoral Society Inc. | Power upgrade / road construction | \$3,000 |
| Carols in the Drome | Carols in the Drome 2018 | \$3,000 |
| Sandy Point Community Centre | Remove and replace garden edging | \$2,000 |
| Toora Football Club | Replace kitchen equipment | \$1,900 |
| Toora Community Action Team | Christmas lights | \$1,200 |

Community Grant Funding - Round 2

TOTAL \$106,925

| ROUND TWO | | Approved Funding (\$) |
|--|--|------------------------------|
| Organisation | Project Details | |
| Leongatha Men's Shed | Leongatha Men's Shed Hub | \$10,000 |
| Bena Hall | Upgrade to Bena Hall | \$10,000 |
| Friends of the Lyrebird Walk | Vehicle for Volunteers | \$10,000 |
| Jumbunna Public Hall | Strategic Plan for the Hall | \$8,400 |
| Meeniyah Dumbalk United Football Netball Club | New Scoreboard | \$7,500 |
| Leongatha South Progress Association | Strategic Plan | \$7,300 |
| Tarwin Lower Recreation Reserve | 5 Year Master Plan | \$6,000 |
| Venus Bay / Tarwin Lower and District Men's Shed | Tarwin District Auto Festival | \$6,000 |
| Meeniyah and District RSL Men's Shed | Purchase of Tools and Safety Equipment | \$5,000 |
| Korumburra Cricket Club | Shade Awning for Deck | \$5,000 |
| Leongatha Business Association | Leongatha Daffodil Street Festival | \$5,000 |
| Meeniyah Bowls Club | Barefoot Bowls | \$4,400 |
| Poowong Recreation Committee | New AFL Goal Posts | \$4,000 |
| Mount Best Community Hall | Upgrade Mount Best Hall | \$3,000 |
| Grand Ridge Rail Trail | Mower project | \$2,500 |
| Gippsland Ranges Roller Derby | Getting South Gippy Skating | \$2,500 |
| Foster Cemetery Trust | Historic Monument Restoration | \$2,500 |
| Dumbalk Hall Committee | Upgrade Window Glass | \$2,400 |
| Port Welshpool Flotilla | Display Equipment | \$2,250 |
| Koonwarra / Leongatha RSL Cricket Club | Air Conditioner replacement | \$2,075 |
| Leongatha North Tennis Club | Replace nets and poles | \$1,100 |

Emergency (Quick) Grants Program

TOTAL \$20,200

The Emergency (Quick) Grant Program provides funding of up to \$5,000 for projects that require immediate funding and the applications are generally assessed within two weeks.

| EMERGENCY (QUICK) GRANTS PROGRAM | | Approved Funding (\$) |
|---|--|-----------------------|
| Organisation | Project Details | |
| Venus Dance | Alice in Venus Dance Project | \$5,000 |
| Korumburra Amateur Swimming & Lifesaving Club | Replace air heater | \$3,600 |
| Mirboo North Lions Club | Mirboo North Motorcycle Show | \$3,000 |
| Leongatha Football Netball Club | Turf to stabilise area around new netball courts | \$2,250 |
| Hallston Hall | Upgrade electrical works | \$2,000 |
| Loch Bowling Club | Replace stove and oven in kitchen | \$1,500 |
| Fish Creek Football and Netball Club | Freezer replacement | \$1,425 |
| Dumbalk Hall Committee | Security upgrades | \$1,425 |

Small Grants Program

TOTAL \$30,137

The Small Grant Program provides funding of up to \$1,000 for small projects.

| SMALL GRANTS PROGRAM | | Approved Funding (\$) |
|---------------------------------------|--|-----------------------|
| Organisation | Project Details | |
| Manna Gum Community House | Corner Inlet Pamper Day event | \$1,000 |
| Uniting Gippsland | 50 Years Poowong Kinder | \$1,000 |
| Foster Secondary College | The Band Who Knew Too Much - music show | \$1,000 |
| Leongatha Community House | Prevention of Violence Against Women event | \$1,000 |
| Korumburra Croquet Club | Lawn improvement | \$1,000 |
| Corner Inlet Boxing Club | Boxing Event in Leongatha | \$1,000 |
| Friends of Mirboo North Pool | Support for Mirboo North Idol | \$1,000 |
| Leongatha Business Association | Lennie Gwyther Tourist Display Signage | \$1,000 |
| Friends of Mirboo North Swimming Pool | Movie Night and Pool Party | \$1,000 |
| Leongatha and District Netball Club | Celebration of 50 Years event | \$1,000 |
| Rotary Club of Leongatha | Energy Forum | \$1,000 |
| Foster Cricket Club | Cricket Pitch Surface Replacement | \$1,000 |
| National Cancer Council | Korumburra Relay for Life | \$1,000 |
| Tarwin Lower and District Bowls | Aggregate Scoreboards | \$1,000 |

Small Grants Program

| SMALL GRANTS PROGRAM Organisation | Project Details | Approved Funding (\$) |
|---------------------------------------|--|--------------------------|
| Loch Memorial Reserve Inc. | Fence – Playground/Carpark (<i>Resubmission</i>) | \$1,000 |
| Toora Community Action Team | Sagasser Park Rotunda Refurbishment | \$1,000 |
| Venus Bay Community Centre | Jupiter Park Water Tank Mural | \$1,000 |
| Port Franklin Progress Association | Community forum | \$1,000 |
| Loch Memorial Reserve | Memorial gates restoration | \$1,000 |
| Stockyard Gallery | Replace personal computer | \$1,000 |
| Gippsland Intrepid Landcare | Tree Planting – Tarwin Lower | \$900 |
| Leongatha Angling Club | Trout stocking dam | \$900 |
| Leongatha Horticultural Society Inc. | Leongatha Rose show | \$800 |
| Friends of Agnes Falls | Reprint – Brochure and Postcard | \$800 |
| Toora Community Hall | Resubmission – Stage Light | \$727 |
| Korumburra Amenities Complex | Public Address System | \$700 |
| Welshpool and District Advisory Group | Community Noticeboard | \$653 |
| Hallston Mechanics Institute | Emergency Exit Lighting | \$600 |
| St. Joseph's Primary School | Live @ the Burra | \$550 |
| Korumburra Tennis Club | Replacement fridge | \$500 |
| Korumburra Bowling Club | Front of house update | \$500 |
| Pound Creek Rural Fire Brigade | Australia Day Community BBQ | \$500 |
| Meeniyan Art Gallery | Purchase volunteer laptop | \$500 |
| Toora RSL Sub Branch | Portable PA System | \$500 |
| Fish Creek Community Garden | Gas Hot Plate | \$407 |
| Foster War Memorial Arts Centre | Public Address System | \$350 |
| Korumburra Bowling Club | Laptop and Software | \$250 |



1.5

DESCRIPTION OF OPERATIONS

Council's role is to provide leadership for the appropriate governance of the Shire and its local communities. Council undertakes its responsibilities in accordance with the *Local Government Act 1989* (the Act) and other Acts for the peace, order and good government of the Shire.

South Gippsland Shire Council is responsible for more than 100 diverse services, ranging from family and children's services, sealed and gravel road maintenance, open space and recreation services, youth facilities, waste management and community buildings; to matters concerning economic development, land-use planning, customer service and ensuring accountability for Council's long term financial sustainability.

The provision of community services and infrastructure supports the wellbeing and prosperity of South Gippsland's community. Council's vision, strategic objectives and strategies seek to further improve services and facilities. These are described in the 2017-2021 Council Plan and the 2018/19 Annual Budget.

The delivery of services, facilities, support and advocacy to achieve the strategic objectives is measured by a set of service performance indicators and measures.



KEY OUTCOMES

Council's vision is for South Gippsland to be a place which has:

- A caring community where people feel safe and secure.
- A wide range of recreation and leisure amenities.
- Appropriate infrastructure to meet community needs.
- Respect for the environment by being clean and green, with consideration of the sustainability of nature, plant and animal life.
- Sustainable economic growth.
- Coordinated health services.
- Youth who are valued and participate in the community.
- A sustainable agricultural industry, including direct and indirect support for businesses.
- A sustainable thriving tourism industry.

1.6

Leadership Team Executive

**TIM TAMLIN**

Chief Executive Officer
(up to 24 June 2019)

- Executive Office
- People and Culture
- Community Information and Executive Support

**BRYAN SWORD**

Appointed Acting
Chief Executive Officer
(appointed 25 May 2019)

- Executive Office
- People and Culture
- Community Information and Executive Support

Senior Officers

**FAITH PAGE**

Director Corporate and
Community Services

- Finance, Risk, Procurement
- Community Services
- Innovation, Technology and Council Business
- Community Strengthening

**ANTHONY SEABROOK**

Director
Infrastructure

- Operations
- Infrastructure Planning
- Infrastructure Delivery

BRYAN SWORD

(until 25 May 2019)
Director Development Services

- Planning
- Economic Development and Tourism
- Regulatory Services

1.7

Organisational Structure

ADMINISTRATORS

CHIEF EXECUTIVE OFFICER

MANAGER

People & Culture

- Recruitment/Employee Relations
- Payroll
- Learning & Development
- OH&S/Return to Work

MANAGER

Executive Support & Community Information

- Customer Service
- Community Engagement
- Communications
- Marketing
- Media/Social Media/Web content

DIRECTOR - CORPORATE & COMMUNITY SERVICES

MANAGER

Finance, Risk & Procurement

- Accounting & Finance
- Rates
- Valuations
- Risk Management
- Procurement

MANAGER

Community Services

- Regional Assessment Services
- Children & Family Services
- Community Transport
- Library Board

MANAGER

Innovation & Technology

- IT Systems & Support
- Information Management
- Business Analysis

COORDINATOR

Community Strengthening

- Arts, Culture & Youth
- Volunteers
- Accessibility
- Road Safety/L2P
- Section 86 Committees
- Community Grants

COORDINATOR

Corporate Planning & Council Business

- Corporate Planning
- Council Support
- Council Business

DIRECTOR - DEVELOPMENT SERVICES

MANAGER

Planning

- Statutory Planning
- Strategic Planning
- Social Planning

MANAGER

Economic Development & Tourism

- Economic Development & Tourism
- Visitor Information Centres
- Coal Creek Community Park & Museum
- Caravan Parks

MANAGER

Regulatory Services

- Building & Planning
- Enforcement
- Local Laws
- Environmental Health

DIRECTOR - INFRASTRUCTURE

MANAGER

Operations

- Roads & Drains
- Footpaths
- Kerb & Channel
- Workshop
- Routine Maintenance
- Plant/Fleet Management
- Parks & Gardens
- Construction

MANAGER

Infrastructure Delivery

- Engineering
- Design
- Community Construction Projects
- Development Referrals from Planning
- Buildings
- Emergency Management
- Grants

MANAGER

Infrastructure Planning

- Waste Management
- Sustainability
- Biodiversity
- Recreation Property
- Asset Management

1.8 Council Staff

The Council appoints a Chief Executive Officer (CEO) to manage the day-to-day operations of the Council. The CEO together with three directors form an Executive Leadership Team (ELT) that leads the organisation with support from department managers and staff.

At 30 June 2019 Council had 252.67 Full Time Equivalent (FTE) employees including ongoing, temporary and casual positions. This data is provided at a single point in time. It does not consider employment context such as fixed term, grant funded, capital works, or seasonal factors.



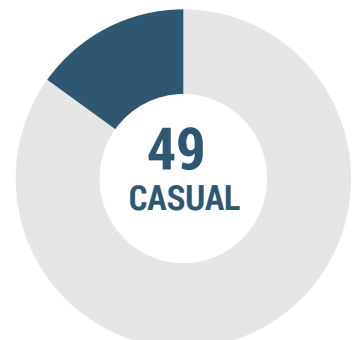
On 31 March 2019, Council exited the Home and Community Care (HACC) service. This led to a departure of 38 people (16.36 FTE) and two individuals redeployed to other departments.

A summary of the actual number of FTE Council staff by organisational structure, employment type and gender is set out below.

WORKFORCE DATA BY HEADCOUNT

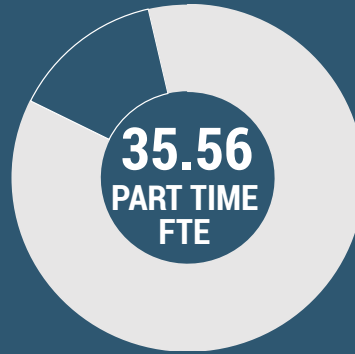
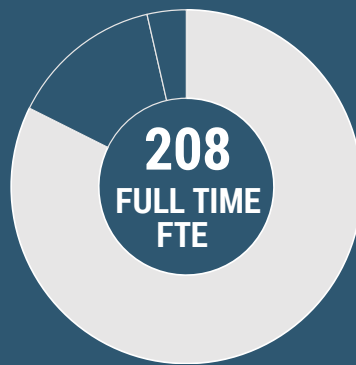
| Employee Headcount | Number | Full Time | Part Time | Casual |
|--------------------|--------|-----------|-----------|--------|
| June 30, 2019 | 325 | 210 | 66 | 49 |
| June 30, 2018 | 370 | 210 | 95 | 65 |
| June 30, 2017 | 355 | 203 | 93 | 59 |

325
NUMBER OF STAFF



252.67

FULL TIME EQUIVALENT STAFF

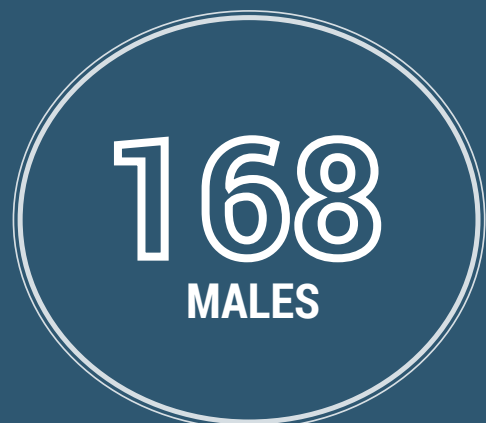


WORKFORCE DATA BY FULL TIME EQUIVALENT & GENDER TYPE

| Employment Classification | Executive Office FTE | Corporate & Community Services FTE | Infrastructure FTE | Development Services FTE | Total 2018/19 FTE | Total 2017/18 FTE |
|---------------------------------|-------------------------|---------------------------------------|-----------------------|-----------------------------|----------------------|----------------------|
| Permanent Full Time (FT) | | | | | | |
| Female | 11.00 | 23.00 | 14.00 | 23.00 | 71.00 | 66.00 |
| Male | 7.00 | 17.00 | 98.00 | 15.00 | 137.00 | 142.00 |
| Total Permanent FT | 18.00 | 40.00 | 112.00 | 38.00 | 208.00 | 208.00 |
| Permanent Part Time (PT) | | | | | | |
| Female | 4.66 | 11.01 | 3.66 | 8.48 | 27.81 | 42.89 |
| Male | 0.00 | 1.80 | 4.10 | 1.85 | 7.75 | 8.69 |
| Total Permanent PT | 4.66 | 12.81 | 7.76 | 10.33 | 35.56 | 51.58 |
| Casual | | | | | | |
| Female | 1.33 | 0.50 | 0.26 | 2.06 | 4.15 | 7.49 |
| Male | 0.00 | 0.00 | 3.45 | 1.51 | 4.96 | 6.97 |
| Total Casual | 1.33 | 0.50 | 3.71 | 3.57 | 9.11 | 14.46 |
| Total Overall | 23.99 | 53.31 | 123.47 | 51.90 | 252.67 | 274.04 |

| Employment Classification | Band 1 FTE | Band 2 FTE | Band 3 FTE | Band 4 FTE | Band 5 FTE | Band 6 FTE | Band 7 FTE | Band 8 FTE | All other FTE |
|---------------------------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Permanent Full Time (FT) | | | | | | | | | |
| Female | 0.0 | 3.0 | 4.0 | 11.0 | 9.0 | 25.0 | 9.0 | 7.0 | 3.0 |
| Male | 0.0 | 2.0 | 43.0 | 21.0 | 14.0 | 15.0 | 17.0 | 14.0 | 11.0 |
| Total Permanent FT | 0.0 | 5.0 | 47.0 | 32.0 | 23.0 | 40.0 | 26.0 | 21.0 | 14.0 |
| Permanent Part Time (PT) | | | | | | | | | |
| Female | 3.2 | 0.0 | 0.7 | 5.7 | 6.4 | 6.2 | 5.0 | 0.6 | 0.0 |
| Male | 2.4 | 0.0 | 1.7 | 0.6 | 0.6 | 2.4 | 0.0 | 0.0 | 0.0 |
| Total Permanent PT | 5.6 | 0.0 | 2.4 | 6.3 | 7.0 | 8.6 | 5.0 | 0.6 | 0.0 |
| Casual | | | | | | | | | |
| Female | 0.7 | 0.0 | 0.4 | 2.3 | 0.1 | 0.0 | 0.5 | 0.2 | 0.0 |
| Male | 1.8 | 0.7 | 1.9 | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Casual | 2.5 | 0.7 | 2.3 | 2.8 | 0.1 | 0.0 | 0.5 | 0.2 | 0.0 |
| Total Overall | 8.1 | 5.7 | 51.7 | 41.1 | 30.1 | 48.6 | 31.5 | 21.8 | 14.0 |

FTE captures all employment categories and hours, converted to a full time equivalent.



EMPLOYEE PERFORMANCE & PROFESSIONAL DEVELOPMENT

South Gippsland Shire Council encourages and supports staff to build on their skills and professional development. A competency framework has been developed to provide a focus on being ready and able to serve our community. Council provides a variety of opportunities for learning and developing skills via a mix of on-the-job training, online learning, instructor lead and formal education.

Council also provides a mentoring program to its employees which provides opportunities for staff to engage and be mentored by people within the organisation.

CORPORATE SOCIAL RESPONSIBILITY

Council supports local charity organisations through a staff donation program.

ENTERPRISE AGREEMENT

Council's Enterprise Agreement expired on 30 June 2019. The new three year Enterprise Agreement is scheduled to be submitted to the Fairwork Commission for approval in August 2019.

PREVENTING VIOLENCE AGAINST WOMEN

Council's *Workplace Health and Wellbeing Plan*, ensures prevention of violence against women is a strategic priority for the organisation and has brought about the establishment and implementation of a range of violence prevention initiatives, activities and events, driven by an internal working group. Council has made available Domestic Violence leave to support any employee that may require assistance.

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

Council is dedicated to providing a workplace that is free from all discrimination, bullying and harassment and in which each employee is treated with dignity, courtesy and respect.

The organisation adopts a proactive approach to the prevention of discrimination through training, policy development, equal employment opportunities and utilising Contact Officers.

HUMAN RIGHTS CHARTER AND RESPONSIBILITIES

Council's *Human Rights Policy* was reviewed, updated and readopted 28 June 2017. The policy confirms Council's commitment to considering and respecting human rights when developing and implementing local laws, policies, procedures, decisions and services. The policy outlines the twenty human rights articulated in the *Charter of Human Rights and Responsibilities 2006 (Charter)*.

CHILD SAFETY COMMITMENT

Council has zero tolerance towards child abuse. Council has a moral and legal responsibility to ensure that all children and young people are safe in our direct care and supervision.

Council provides training, resources, information and guidance to staff on the Child Safe Standards.

HEALTH AND WELLBEING

Council maintains a workplace that supports healthy lifestyles and encourages workforce participation in programs that are designed to improve the overall health and wellbeing of the staff. This is done through Council's *Health and Wellbeing Program*.



Section Overview 2

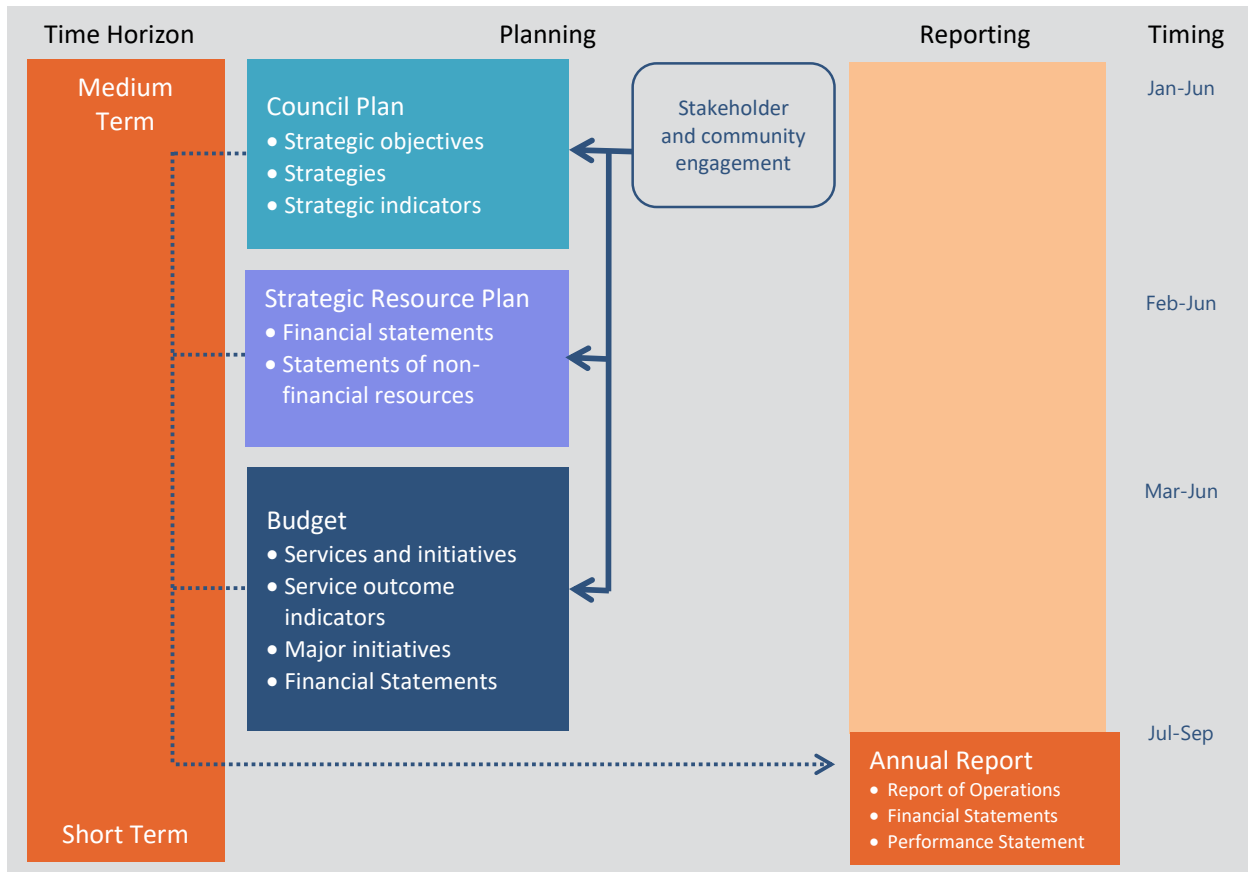
2.1

Victorian Planning & Accountability Framework

Elected by the community every four years, Council sets the strategic direction of the Shire. The administration, led by the CEO, delivers the objectives set by Council.

- The four year Council Plan sets out what will be achieved during the Council's term, including an annual review;
- A rolling Strategic Resource Plan for a period of at least four years is updated annually and included in the Council Plan;
- The budget for each financial year sets out what actions will be undertaken to progress achievement of the Council Plan;
- An Annual Report outlines Council's performance against the Budget and Council Plan each financial year.

The following diagram shows the relationship between the key planning and reporting documents that make up the planning and accountability framework for Local Government. It also shows the opportunities for community and stakeholder input and feedback at various stages of the planning and reporting cycle.



Source: Department of Environment, Land, Water and Planning

2.2

Council Plan

2018/19 Annual Initiatives

Performance of the Council Plan 2017-2021 is measured by:

- Results achieved against the strategic objectives in the Council Plan;
- Progress against the annual major initiatives identified in the 2018/19 Annual Budget;
- Services funded in the Annual Budget and the departments responsible for these services; and
- Results against the prescribed service performance indicators and key performance measures.

Performance Report Highlights

The below icons are highlighted in the following pages to demonstrate Council's performance against the 2017-2021 Council Plan and 2018/19 Annual Initiatives.



Strategic Objective



Major Initiatives



Description of Services Funded



Performance Indicators

2.3

Strategic Objective

1



Strengthen Economic Growth & Prosperity

A strong, resilient and growing regional economy with vibrant commercial precincts where businesses are supported and jobs created.

Our region's agriculture, value adding, food production and manufacturing sectors are promoted and supported, recognising that the diversity and strength of these industries is the major economic base of the Shire.

Attracting businesses, investments, tourism and new residents will grow the Shire.

A well-planned Shire that identifies areas for population growth, protects natural resources and agricultural land, guides development, considers climate change and encourages sustainable economic growth – all supported by appropriate infrastructure.

The unique character of our smaller towns is recognised and supported.

STRATEGIC OBJECTIVES

1.1 Develop a 'vision' for the future growth and development of the Shire in partnership with the community.

1.2 Identify Priority Projects and advocate to the State and Federal Governments for funding and support.

1.3 Develop a strategy to grow the Shire, attract investment and promote tourism consistent with the 'vision'.

1.3.1 Review and implement the Economic Development and Tourism Strategy to provide direction to support our businesses to grow, generate employment and pursue economic development and the attraction of visitors.

1.3.2 Undertake a review of residential, commercial and industrial land supply to ensure that it is adequate to support growth.

1.3.3 Support our diversified agricultural sector.

1.3.4 Investigate feasibility of further extensions and upgrades to the Rail Trails, particularly between Leongatha and Korumburra and explore opportunities to develop nationally significant trails.

1.3.5 Finalise South Gippsland's Branding Strategy that supports the regional 'Destination Gippsland' branding and use both brands to promote the Shire.

1.3.6 Encourage increased tourism through the support of local community events and initiatives.

1.3.7 Undertake a feasibility study into establishing a multipurpose 'Equestrian / Expo Centre' within the Shire.

1.4 Undertake a coastal study to explore opportunities for developing the Shire's coastal areas, while still protecting the coastline and environment.

Initiatives Council Plan



The following statement reviews the progress of Council in relation to the initiatives identified in the 2018/19 Budget for the year:

| Initiatives | | |
|---|------------------|---|
| Indicator | Action/Target | Progress Comment |
| Identify and target 'Priority Projects' requiring external funding and advocate to State and Federal Governments seeking funds to implement them. | by 30 June 2019. | <p style="text-align: right;">TARGET ACHIEVED</p> <p>Council identified and adopted in June 2018 its 2018/19 Priority Projects:</p> <p>Priority Projects for advocacy:</p> <ul style="list-style-type: none"> • Leongatha Revitalisation Project - Leongatha Business Precinct Development (Bair Street and Railway Station Stage 1) • Great Southern Rail Trail (Welshpool to Alberton link component) • Mirboo North Pool Refurbishment <p>Priority Projects for development:</p> <ul style="list-style-type: none"> • Korumburra Revitalisation Project • Great Southern Rail Trail (Leongatha to Korumburra and west of Korumburra) • Leongatha Community Hub Development Project <p>Council's <i>South Gippsland Advocacy Framework</i> was endorsed by Council on 22 August 2018. This framework provides a structured approach to secure funding for Council's Priority Projects and Significant Roads Projects.</p> <p>Leongatha Revitalisation and Business Development Project - \$4.2M grant funding received from the <i>Building Better Regions Fund</i> and the <i>Regional Roads Victoria Fixing Country Roads Program</i>.</p> <p>Great Southern Rail Trail Welshpool to Alberton - funding application for the extension of the Great Southern Rail Trail from Welshpool to Alberton to the Federal Government's <i>Building Better Regions Fund</i> was unsuccessful. As a result of this, funding from the Latrobe Valley Authority was withdrawn.</p> <p>Mirboo North Pool Refurbishment - Federal Government made a commitment of \$600,000 to the refurbishment of the Mirboo North Swimming Pool.</p> |
| <i>Economic Development and Tourism</i> | | |

| Initiatives | | |
|---|----------------------|--|
| Indicator | Action/Target | Progress Comment |
| Develop the Branding Strategy. <i>Economic Development and Tourism</i> | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>The South Gippsland Branding Strategy developed in consultation with Destination Gippsland, was adopted at the Ordinary Meeting of Council on 26 June 2019.</p> <p>Implementation of the Branding Strategy will commence in 2019/20.</p> |
| Develop a Strategic Investment Program by working closely with relevant stakeholders to deliver a targeted approach to business investment attraction. <i>Economic Development and Tourism</i> | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>The Strategic Investment Program was adopted at the Ordinary Meeting of Council on 26 June 2019.</p> <p>This program is an internal strategic document that identifies roles and responsibilities with an action plan for targeting strategic investment in the Shire. It includes an economic development model that highlights the value of advocacy, support and infrastructure to grow new and existing businesses.</p> <p>The Business Expansion And Retention (BEAR) Program was established to provide for small businesses.</p> |

| Initiatives | | |
|---|------------------|--|
| Indicator | Action/Target | Progress Comment |
| <p>Deliver 'Southern Gippsland Food Futures Program' that supports existing and potential food networks through marketing, business support and the Southern Gippsland Food Map.</p> <p><i>Economic Development and Tourism</i></p> | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>Successful grant application of \$30,000 from Food Source Victoria to undertake the <i>South Gippsland Specialty Food Logistics Program</i>. This program aims to identify current and future strategic opportunities for this emerging sector.</p> <p>This grant agreement was signed with the Victorian Government and completed within the acquittal date of August 2019.</p> <p>Council supported the dairy industry by participating in the Gippsland Dairy Industry Leadership Group and the South Gippsland Dairy Extension Committee. Council sponsored the South Gippsland Dairy Expo and the Cows Create Careers Project. The Southern Gippsland Food Map Project was also completed.</p> |
| <p>Advocate for Critical Infrastructure (telecommunications, water, energy and transport) in the Shire that will facilitate further strategic investment and growth.</p> <p><i>Economic Development and Tourism</i></p> | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>Advocacy for critical infrastructure resulted in the following outcomes:</p> <ul style="list-style-type: none"> Economic Infrastructure Network established. Members include South Gippsland Water, Regional Development Victoria, VicRoads, Telstra, National Broadband Network, Environment Protection Authority Victoria, AusNet Services, Multinet Gas Networks, Gippsland Ports and Transport for Victoria. Funding announcement for Berrys Creek mobile phone blackspot tower as part of Round 4 of Federal funding program. Upgrades of mobile telephone and National Broadband Network (NBN) coverage and fixed wireless infrastructure across many locations with the Shire. Active member of South East Australian Transport Strategy (SEATS). Council undertook community consultation to identify public transport needs of residents. <p>Four local projects received funding under Flexible Local Transport Solutions Program:</p> <ol style="list-style-type: none"> Gippsland South Coast Health Transport Connection Pedestrian Path Bus Stop connection - Mirboo North Transport solutions for VET students Venus Bay Men's Shed Community Bus |

Indicators

Council Plan



The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to relevant strategic indicators:

| COUNCIL PLAN 2017-2021 INDICATOR | | |
|--|----------------------------------|---|
| Indicator | Action/Target | Progress Comment |
| At least one delegation per year will be made to State and Federal politicians to advocate for the Shire's requirements. | At least one delegation annually | <p>TARGET ACHIEVED</p> <p>Mayor and CEO met with Danny O'Brien MLA and Melina Bath MLC to advocate South Gippsland Shire Council's Priority Projects in July 2018.</p> <p>Council adopted the South Gippsland Advocacy Framework on 22 August 2018 to guide Council's advocacy on Priority Projects, Significant Roads Projects and Government policy issues affecting Local Government. The Framework is designed to be updated annually as projects are completed and new priorities are developed.</p> <p>The Federal Government committed \$2.7M funding to the Leongatha Revitalisation Project (Bair Street, Redevelopment).</p> <p>The Federal Government committed \$600,000 towards the \$5.4M Mirboo North pool refurbishment project.</p> |
| <i>Executive Office</i> | | |



Services

Funded

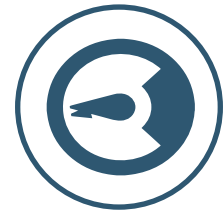


The following statement provides information in relation to the services funded in the 2018/19 Budget that supports Strategic Objective 1 and the persons or sections of the business area responsible.

| Business Area | Description of Services provided | Net Cost \$000 |
|----------------------------------|--|--|
| | | Revised Budget \$000 |
| | | Variance \$000 |
| Development Services Management | <p>The Development Services Directorate includes:</p> <ul style="list-style-type: none"> • Planning; • Regulatory Services; and • Economic Development and Tourism. <p>Together these Departments provide strategic policy advice to inform their decisions, undertake regional advocacy to facilitate planned growth in the Shire, education and enforcement activities and implement the strategic directions set by Council relevant to the Directorate.</p> | <p>\$147</p> <p>\$160</p> <hr/> <p>\$13</p> |
| Economic Development and Tourism | <p>The Economic Development and Tourism Department strategically plans for and facilitates economic expansion and investment within the Shire by actively promoting and supporting sustainable industry, business and tourism development.</p> <p>The Department manages Council's Coal Creek Community Park and Museum which aims to enhance the liveability of the Shire as the largest cultural heritage site in South Gippsland.</p> | <p>\$1,226</p> <p>\$1,218</p> <hr/> <p>(\$8)</p> |
| Planning Department | <p>The Planning Department provides statutory, strategic and social planning services to the community to provide for development, land use and community policy.</p> <p>The Department actively supports planned growth across the municipality, protects and enhances the unique identity and liveability of local districts and advocates to other levels of government and stakeholders for developments that will help the Shire prosper.</p> | <p>\$588</p> <p>\$851</p> <hr/> <p>\$263</p> |

Services

Performance Indicators



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

| Local Government Service Performance Indicators | | | | | |
|---|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Statutory Planning | | | | | |
| Timeliness | | | | | |
| <i>Time taken to decide planning applications</i> | 60 | 62 | 69 | 72 | The median number of days to decide an application has increased to 72 days as a number of long-outstanding applications were determined during this financial year. |
| [The median number of days between receipt of a planning application and a decision on the application] | | | | | |
| Service standard | | | | | |
| <i>Planning applications decided within required time frames</i> | 77% | 77% | 77% | 79% | No material variation |
| [Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x 100 | | | | | |
| Service cost | | | | | |
| <i>Cost of statutory planning service</i> | \$2,005 | \$2,056 | \$2,229 | \$1,773 | The reduction in cost can be attributed to Council assessing more planning permit applications in 2018/19. |
| [Direct cost of the statutory planning service / Number of planning applications received] | | | | | |
| Decision Making | | | | | |
| <i>Council planning decisions upheld at VCAT</i> | 71% | 50% | 80% | 80% | No material variation |
| [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] x 100 | | | | | |

2.4

Strategic Objective 2



Build Strong Partnerships, Strengthen Arts & Culture & Deliver Equitable Outcomes

STRATEGIC OBJECTIVES

2.1 Update and implement strategies for 'Community Strengthening' and 'Engagement'.

- 2.1.1 Where appropriate support community groups to achieve projects they have ownership of and want to progress.
- 2.1.2 Investigate opportunities to consider a model for community self-determination to facilitate working in partnership with the community.

2.2 Review and update recreation, aquatic and the paths and trails strategies.

- 2.2.1 Review the Recreation Strategy.
- 2.2.2 Review and update the Paths and Trails Strategy to determine where regional and local connections are required.
- 2.2.3 Renew and maintain aquatic facilities in accordance with the Asset Management Plan and the Aquatic Strategy.

2.3 Update and continue to implement the Blueprint for Social Community Infrastructure so that services and the associated supporting infrastructure are planned, ready for business and population growth.

A Council that listens and continues to involve its community in decision making and delivery of services and projects.

Support for the Arts and Culture sector and its role in both enhancing community identity and contributing to wellbeing, tourism and economic development.

Communities are supported by appropriate and relevant services.

A Council committed to act in ways that are compatible with human rights.

2.4 Implement the Arts and Strategy and support growth of the sector.

2.5 Implement the Active Ageing Strategy.

2.6 Determine and implement the arrangements for the future Aged and Disability services provision, including advocating for those affected by Federal policy service delivery changes.

2.7 Develop and implement a Youth Strategy to determine the needs of young people and assist them to have a voice regarding matters that affect them.

Initiatives

Council Plan

The following statement reviews the progress of Council in relation to the major initiatives identified in the 2018/19 Budget for the year:

| Major Initiative | | |
|---|------------------|---|
| Indicator | Action/Target | Progress Comment |
| Continue to explore options to maintain high quality Aged and Disability service provision into the future as Council responds to Federal policy changes. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>Council exited this service on 31 March 2019. MecwaCARE was selected by the Australian Government as the new service provider for Aged and Disability Services in South Gippsland. Community Transport continues to be retained pending a service review to be completed in 2019/20.</p> <p>The Regional Assessment Service was retained. Government funding was extended to 30 June 2020.</p> <p>A Positive Ageing Officer was appointed in May 2019.</p> |
| <i>Community Services</i> | | |
| Commence the Age-friendly South Gippsland Implementation Plan 2017/18 and provide a progress report following the first year's activities. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>A public presentation on the progress of implementing the <i>Age-Friendly South Gippsland Plan 2017-2021</i> was held on 28 November 2018.</p> <p>The plan aims to build partnerships between local agencies, governments and communities to support older residents (people aged 55 and over) in South Gippsland to live active and meaningful lives.</p> <p>The Age-Friendly South Gippsland Annual Plan priorities include:</p> <ul style="list-style-type: none"> • Social and civic participation, inclusion, and respect; • Community support and health services; • Housing and independence in the home; • Public buildings and outdoor spaces; • Communication and information; and • Mobility and transport. |
| <i>Community Services</i> | | |

Indicators

Council Plan



The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to relevant strategic indicators:

| COUNCIL PLAN 2017-2021 INDICATOR | | |
|---|--|---|
| Indicator | Action/Target | Progress Comment |
| The effectiveness of efforts to gain State and Federal government funding for community projects will be measured by the number of grants submitted for funding and the number of grants announced, with the aim of 30 per cent of applications submitted to be funded. | 30 per cent of applications submitted to be funded. | <p>TARGET ACHIEVED</p> <p>84 per cent of assessed applications have been approved for funding totalling \$8.4M as at 30 June 2019.</p> <p>Total Number of Applications Submitted - 39</p> <p>Approved - 31</p> <p>Not Approved - 6</p> <p>Pending - 2</p> |
| <i>Infrastructure Delivery</i> | | |
| The effectiveness of efforts to support community groups to achieve their projects will be addressed through the annual review of the Community Grants Program and the number of applications submitted to Council on behalf of community groups. | Number of applications submitted to Council on behalf of community groups. | <p>TARGET ACHIEVED</p> <p>A total of 87 applications submitted and \$288,212 allocated under the Community Grants Program. Grant programs include:</p> <ul style="list-style-type: none"> • Small Grants Program; • Emergency (Quick) Grants Program; • Community Grants Program categories; • Minor Projects and Equipment; • Celebrations, Festivals and Events; • Major Projects; and • Planning and Development Studies. <p>Refer to pages 31 to 34 for a full list of applications that received funding under the Community Grants Program.</p> |
| <i>Infrastructure Delivery</i> | | |

Advocacy for the community



\$8.4M Received in
External Grant
Funding for
**Community
Projects**

Services

Funded



The following statement provides information in relation to the services funded in the 2018/19 Budget that supports Strategic Objective 2 and the persons or sections of the business area responsible.

| Business Area | Description of Services provided | Net Cost \$000 |
|---|---|-----------------------------|
| | | Revised Budget \$000 |
| | | Variance \$000 |
| Corporate and Community Services Management | Corporate and Community Services Directorate includes: | \$3,307 |
| | <ul style="list-style-type: none"> • Community Services; • Finance, Risk & Procurement; and • Innovation & Council Business. | \$3,808 |
| | <p>Together these Departments provide strategic policy advice to Councillors to inform their decisions, coordinate the preparation of the four year Council Plan, plan for long term financial sustainability, facilitate community strengthening programs, manage corporate technologies and systems, and implement strategic directions relevant to the Directorate once set by Council.</p> <p><i>Note: this Department Budget contains Community Strengthening and Community Grants that connect and support community groups, volunteers, committees and other Council Departments, to provide services beyond those that Council, by itself, can deliver.</i></p> | \$501 |
| Community Services | <p>Community Services Department provides policy advice and program delivery for the following services:</p> <ul style="list-style-type: none"> • Aged & Disability Services, including Home and Community Care and Disability Service support; • Children and Family Services; including Maternal and Child Health; Immunisation, Pre-school and Playgroup support; • Libraries; and • Progresses the Municipal Public Health and Wellbeing Plan. <p>Together these teams work towards creating a collaborative, self-supporting community.</p> | \$1,254 \$419 (\$835) |

Services

Performance Indicators



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

| Local Government Service Performance Indicators | | | | | |
|--|--------------|--------------|--------------|--------------|---|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Libraries | | | | | |
| Utilisation | | | | | |
| <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items] | 5 | 5 | 5 | 5 | There were 42,761 printed items, audio-visual, digital materials, and games available in South Gippsland public libraries during the year. There were 210,472 loans made this year. South Gippsland public libraries are also performing higher than average loans per item compared to the average for other municipalities (as at 2017/18). |
| 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 | 61% | 70% | 71% | 69% | This is consistent and shows the quality of the library collection. This is higher than the average result for other municipalities as at 2017/18 that average approximately 65 per cent. |
| Service cost | | | | | |
| <i>Cost of library service</i> [Direct cost of the library service / Number of visits] | \$10 | \$10.50 | \$11.50 | \$11.00 | During the year, 117,122 visits were made to South Gippsland public libraries, resulting in a cost of \$11.00 per visit to deliver the service. |
| Participation | | | | | |
| <i>Active library members</i> [Number of active library members / Municipal population] x 100 | 23% | 21% | 17% | 16% | Active members for the year were 4,828. This is a slight decrease on last year, when compared to the growth in municipal population. |

Local Government Service Performance Indicators

| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
|---|--------------|--------------|--------------|--------------|---|
| Aquatic Facilities | | | | | |
| Service standard | | | | | |
| <i>Health inspections of aquatic facilities</i> | 1 | 0.5 | 0 | 0 | Daily monitoring of water quality is conducted at the pools four times a day. Where there is a concern raised, a health inspection can be requested by Council's Environmental Health Team. No complaints were received in 2018/19. |
| [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities] | | | | | |
| Health and Safety | | | | | |
| <i>Reportable safety incidents at aquatic facilities</i> | 2 | 2 | 1 | 0 | No reportable safety incidents occurred in this financial year. |
| [Number of WorkSafe reportable aquatic facility safety incidents] | | | | | |
| Service cost | | | | | No material variation |
| <i>Cost of indoor aquatic facilities</i> | \$4 | \$4 | \$4 | \$4 | |
| [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities] | | | | | |
| Service cost | | | | | No material variation |
| <i>Cost of outdoor aquatic facilities</i> | \$7 | \$7 | \$8 | \$8 | |
| [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities] | | | | | |
| Utilisation | | | | | No material variation |
| <i>Utilisation of aquatic facilities</i> | 6 | 6 | 5 | 5 | |
| [Number of visits to aquatic facilities / Municipal population] | | | | | |



| Local Government Service Performance Indicators | | | | | |
|--|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Maternal and Child Health (MCH) | | | | | |
| <p>Satisfaction</p> <p><i>Participation in first MCH home visit</i></p> <p>[Number of first MCH home visits / Number of birth notifications received] x 100</p> | 104% | 93% | 89% | 99% | The number of births late last financial year was higher than usual. As they were near financial year end, nine home visits could not be scheduled until the start of 2018/19. Due to this timing, they were not able to be captured in the 2017/18 year-end data and were held over to this financial year. |
| <p>Service standard</p> <p><i>Infant enrolments in the MCH service</i></p> <p>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100</p> <p><i>Note: Since 2015 a number of Maternal and Child Health service providers have migrated to a new record system. Difficulties in transitioning to this system has affected the reporting of enrolment data in a number of Local Government Areas. As such, caution should be taken when analysing data for this indicator.</i></p> | 100% | 99% | 89% | 100% | Enrolments occur after the first home visit. As the home visits for births late in the 2017/18 year were held over to the start of 2018/19, the enrolment could not occur. |
| <p>Service cost</p> <p><i>Cost of the MCH service</i></p> <p>[Cost of the MCH service / Hours worked by MCH nurses]</p> | \$64 | \$62 | \$61 | \$67 | An increase of hours were recorded compared to the previous financial year due to the increase of births in the previous year. |
| <p>Participation</p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100</p> | 75% | 76% | 76% | 75% | No material variation |
| <p>Participation</p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100</p> | 62% | 67% | 58% | 63% | The service has seen an increase in the number of Aboriginal children being enrolled and attending the MCH service. |

| Local Government Service Performance Indicators | | | | | |
|---|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Home & Community Care | | | | | |
| Timeliness | | | | | |
| <i>Time taken to commence the HACC service</i> | 14 | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service] | | | | | NDIS - National Disability Insurance Scheme program CHSP - Commonwealth Home Support program |
| Service standard | | | | | |
| <i>Compliance with Community Care Common Standards</i> | 94% | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x 100 | | | | | |
| Service cost | | | | | |
| <i>Cost of domestic care service</i> | \$52 | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Cost of domestic care service / Hours of domestic care service provided] | | | | | |
| Service cost | | | | | |
| <i>Cost of personal care service</i> | \$53 | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Cost of personal care service / Hours of personal care service provided] | | | | | |
| Service cost | | | | | |
| <i>Cost of respite care service</i> | \$54 | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Cost of respite care service / Hours of respite care service provided] | | | | | |
| Participation | | | | | |
| <i>Participation in HACC service</i> | 26% | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Number of people that received a HACC service / Municipal target population for HACC services] x 100 | | | | | |
| Participation | | | | | |
| <i>Participation in HACC service by CALD people</i> | 22% | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x 100 | | | | | |

2.5

Strategic Objective 3



Improve South Gippsland's Built Assets & Value our Natural Environment

Our infrastructure is well-maintained and our asset management practices ensure they are sustainable and fit for purpose.

Council encourages sustainable practices, seeks to reduce its carbon footprint and diverts a greater proportion of its waste away from landfill.

Council seeks to protect and enhance the natural environment.

Revitalisation of our major commercial precincts will be encouraged through infrastructure and streetscape renewals.

STRATEGIC OBJECTIVES

3.1 Improve management of roads and roadsides through enhanced operational practices, increased funding and continued advocacy to VicRoads.

3.1.1 Implement the Footpath Extension Program.

3.2 Facilitate community and business renewable energy programs and sustainable practices to reduce the Shire's carbon footprint.

3.2.1 Waste Management and Sustainability strategies implemented.

3.3 Promote a safe and healthy community through our municipal public health programs, Emergency Management Plans and regulatory activities that meet our statutory obligations.

3.3.1 Establish a Council Committee to review the implementation of Council's 'Compliance and Enforcement Policy', and that it seeks appropriate input from the general public and from people who have had concerns with Council's enforcement of the Policy.

3.3.2 Develop educative tools and processes to assist community members understand the Planning and Enforcement processes.

3.4 Undertake a review of the Council's Building Portfolio to ensure it meets community needs.

3.4.1 Council to receive a report on the use of
 Ordinary Meeting of Council No. 438 - 25 September 2019
 development in the municipality.

3.5 Review the Strategic Land Review Project in regard to public open spaces in Venus Bay.

3.6 Advocate to Parks Victoria, DELWP and other relevant stakeholders to improve access, parking, safety and user-friendliness of beaches, State and National Parks, conservation areas and natural assets.

3.6.1 Undertake an investigation of caravan parks and camping grounds at Sandy Point.

3.7 Council to play an advocacy role for townships that demonstrate 70% or greater community support, for sewerage infrastructure.

Initiatives

Council Plan



The following statement reviews the progress of Council in relation to the major initiatives identified in the 2018/19 Budget for the year:

| Major Initiative | | |
|---|------------------|---|
| Indicator | Action/Target | Progress Comment |
| Complete a service level review of gravel roads and roadside maintenance, test assumptions and report the findings to Council with the review to include: <ul style="list-style-type: none"> Development of a program to seal the top priority rural gravel roads over the next ten-to-twenty years; Advocate to VicRoads to lower the speed limit of various roads to 80kph or lower, across the region; Investigate how levels of service can be improved on unsealed roads. | by 30 June 2019. | <p style="text-align: center;">TARGET ACHIEVED</p> <p>Strategic Briefing was held on 6 March 2019 to update Council on the progress of this project. The briefing included:</p> <ol style="list-style-type: none"> Selection process and criteria for projects to be included on the Gravel to Seal program. Existing level of service for gravel roads. Community consultation to date. Proposed geotechnical investigation and gravel depth survey. <p>The gravel to seal program review has been completed.</p> <p>The geotechnical consultants have completed their field work and are now finalising the laboratory work and preparing the draft report for review in August 2019.</p> <p>Once all of the geotechnical information is received, Council will be in a position to make informed decisions on the gravel material being used on unsealed roads, and present a Council report at the next appropriate Council Meeting.</p> |

Infrastructure Planning and Operations

| Initiative | | |
|--|------------------|--|
| Indicator | Action/Target | Progress Comment |
| Continue to improve processes and procedures within the Integrated Management System (Roads) and aim for third party certification to achieve improved standards of gravel roads and roadside maintenance. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>A project working group investigated combining the Depot's Integrated Management System (IMS) and Infrastructure Delivery's Project Management System (PMS) to create efficiency gains.</p> <p>The project working group investigated three options for certification:</p> <ol style="list-style-type: none"> 1. Full third party certification; 2. Civil Contractors Federation Version 10 Code certification; or 3. VicRoads Audited Checklist process. <p>The working group adopted the VicRoads audited checklist. An independent auditor will audit the Depot's IMS system against the VicRoads requirements.</p> |
| <i>Infrastructure Planning</i> | | |
| Investigate Library and Community Hub location options in Leongatha to assist in the revitalisation of the town centre. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>Investigations for a new Library and Community Hub location options in Leongatha are underway. The objective is to co-locate the Leongatha Community House and the Library Service within the one facility.</p> <p>Consultants were engaged to consider the potential locations and building requirements. Findings will be presented to Council in 2019/20.</p> <p>Budget is allocated in 2019/20 to undertake the detailed design of the Leongatha Community Hub (incorporating Library and Leongatha Community House). Budget for construction has been allocated in 2020/21 and 2021/22.</p> |
| <i>Infrastructure Planning</i> | | |
| Present a report to Council on the use of Design Panels. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>A report on the use of Design Panels was tabled at the 26 June 2019 Ordinary Meeting of Council.</p> <p>Council resolved (where required) to use the Victorian Design Review Panel (VDRP) at the Office of the Victorian Government Architect (OVGA), as this service is no cost to Council.</p> |
| <i>Planning</i> | | |

| Initiative | | |
|--|------------------|--|
| Indicator | Action/Target | Progress Comment |
| Report on enhancements to communication methods to the public regarding road works, reported issues and scheduling of works. | by 30 June 2019. | TARGET ACHIEVED |
| <i>Infrastructure Delivery and Operations</i> | | <p>The Infrastructure Operations Department has implemented a number of new initiatives to respond to customer requests.</p> <p>The new initiatives include:</p> <ul style="list-style-type: none"> • Introduction of Snap Send Solve app. • Introduction of mobile computing in the field. • Dashboard reporting within Council's Customer Service Request system to manage and monitor the performance of customer requests. • Service Level Agreement between Customer Service and Operations. • Paperless request handling. • Integration of Council's Customer Service Request system with the Asset Management System. • Integration between GoCanvas (an app builder) and Council's Asset Management System. • Review of categorisation within these systems. • Trial of Rapid Customer Response Field Officer. <p>The introduction of a Rapid Customer Response Field Officer proved to be successful.</p> <p>Community presentations on gravel roads as part of the 2019 District Cluster Meetings and Community Forums were conducted at the following locations:</p> <ul style="list-style-type: none"> • Toora (21 February 2019) • Jumbunna (25 February 2019) • Tarwin Lower (18 March 2019) • Foster (28 March 2019) <p>Additional community presentations included:</p> <ul style="list-style-type: none"> • Poowong (1 April 2019) • Welshpool (2 May 2019) • Mirboo North (6 May 2019) • Sandy Point (23 May 2019) • Meeniyah (17 June 2019) |

| Initiative | | |
|--|------------------|--|
| Indicator | Action/Target | Progress Comment |
| Undertake an investigation of caravan parks and camping grounds at Sandy Point. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>A report was presented to Council at the Ordinary Meeting of Council 26 June 2019.</p> <p>A potential future caravan park and camp ground location was identified at a site west of the Sandy Point township on private land. The next step of the project is community consultation.</p> |
| <i>Planning</i> | | |
| Commence implementation of the Tennis Facilities Plan by introducing a new maintenance program for tennis facilities throughout the Shire in accordance with the plan. | by 30 June 2019. | <p>TARGET ACHIEVED</p> <p>The following projects at a total cost of \$30,000 were completed which included:</p> <ul style="list-style-type: none"> • Kongwak Tennis Courts - tree maintenance • Leongatha North Tennis Courts - tree maintenance • Foster Tennis Courts - synthetic court cleaning • Koonwarra Tennis Courts - slab joint repaired • Poowong North Tennis Courts - removal of lights and fencing • Leongatha Tennis Courts - maintenance grant received • Korumburra Tennis Courts - maintenance grant received <p>The Tennis Facilities Maintenance Program for 2019/20 has been developed.</p> |
| <i>Infrastructure Planning</i> | | |



Indicators

Council Plan



The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to relevant strategic indicators:

| COUNCIL PLAN 2017-2021 INDICATOR | | |
|---|--|--|
| Indicator | Action/Target | Progress Comment |
| <p>The readiness to make the most of government funding opportunities will be measured by the number of investment-ready projects prepared.</p> <p><i>Infrastructure Delivery</i></p> | <p>Minimum of two projects ready at any time</p> | <p>TARGET ACHIEVED</p> <p>The following projects are shovel ready:</p> <ol style="list-style-type: none"> 1. Agnes River Road, Agnes Bridge 2. Coal Creek Black Diamond Mine entry/exit upgrade 3. Foster Indoor Stadium Upgrade 4. Great Southern Rail Trail – Leongatha to Nyora 5. Great Southern Rail Trail – Welshpool to Hedley 6. Leongatha SPLASH Hydrotherapy Pool 7. Long Jetty Car Park and Toilet <p>There are numerous guardrail and footpath projects also shovel ready.</p> |
| <p>Kerbside collection waste diverted from landfill, will be monitored in accordance with the Local Government Performance Reporting Framework.</p> <p><i>Infrastructure Delivery</i></p> | <p>Target Range - 20 to 60 per cent waste diverted from landfill</p> | <p>TARGET ACHIEVED</p> <p>Kerbside collection waste diverted from landfill 52 per cent.</p> <p>Recycling - 4,594 tonnes</p> <p>Green waste - 4,224 tonnes</p> |



Services

Funded



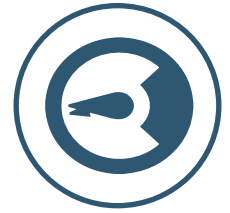
The following statement provides information in relation to the services funded in the 2018/19 Budget that supports Strategic Objective 3 and the persons or sections of the business area responsible.

| Business Area | Description of Services provided | Net Cost \$000 |
|---------------------------|--|---------------------------------------|
| | | Revised Budget \$000 |
| | | Variance \$000 |
| Infrastructure Management | <p>The Infrastructure Directorate includes the following Departments:</p> <ul style="list-style-type: none"> • Infrastructure Planning; • Infrastructure Delivery; and • Operations. <p>Together these Departments provide strategic policy advice to inform decisions, prepare and deliver the Capital Works Program and Asset Management Plans, along with maintaining infrastructure, parks, gardens and public places.</p> | \$262 \$261 <hr/> (\$1) |
| Infrastructure Planning | <p>The Infrastructure Planning Department assists Council in achieving the objectives of its strategies and plans by providing services that contribute to a closely connected and engaged community.</p> <p>Services include managing Council's property portfolio (acquisition, disposal, leasing, and licensing of property), planning for and managing Council's building and recreational assets, managing waste disposal services, and promotion of a sustainable environment and solutions.</p> <p>The teams support and partner with a strong volunteer base to deliver a variety of community projects and education programs for all age groups and abilities.</p> | \$7,130 \$4,717 <hr/> (\$2,413) |

| Business Area | Description of Services provided | Net Cost \$000 |
|---------------------------|--|----------------------|
| | | Revised Budget \$000 |
| Infrastructure Delivery | | \$3,539 |
| | | \$4,402 |
| | Services include coordinating and delivering Council's civil works design program for community infrastructure, determining future capital / community infrastructure projects for inclusion in the 15 Year Capital Works Program, and delivery of the annual Capital Works Program including community infrastructure projects (Major Capital Projects). | \$881 |
| | The Department also delivers a range of services including contract management, preparing funding submissions for community projects, issuing engineering conditions for developments referred from Planning, and managing Council's infrastructure assets which incorporates the collection, management, and analysis of asset data. | |
| Infrastructure Operations | | \$15,213 |
| | | \$14,907 |
| | Services include delivering maintenance, construction, replacements and capital programs for roads, streets, drainage, culverts, bridges, parks, gardens, and playgrounds. | (\$306) |
| | The Department is also responsible for cleaning Council owned and managed public toilets and BBQ amenities, workshop operations, fleet and plant, and the after-hours operations call out service. All services are provided in accordance with the Road Management Act, Road Management Plan, and associated Asset Management Plans. | |
| Regulatory Services | | \$651 |
| | | \$538 |
| | <ul style="list-style-type: none"> • Animal management; • Building and planning enforcement; • Fire prevention; • Local Law development and enforcement; • Litter prevention; • Permits for places of public entertainment; • Parking control; • Registration of food, health and accommodation premises; • Report and consent applications for new building work; • School crossings; and | (\$113) |

Services

Performance Indicators



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

| Local Government Service Performance Indicators | | | | | |
|---|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Waste Collection | | | | | |
| Satisfaction | 98 | 99 | 87 | 90 | Positive increase in performance leading to less waste management customer requests. |
| <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000 | | | | | |
| Service standard | | | | | The number of households receiving a collection service has increased by over 380 households since 2016 and this has had a flow on effect in increasing the number of bin collection pick-ups requested over the year. |
| <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] x 10,000 | 8 | 8 | 6 | 7 | |
| Service cost | | | | | Increased costs due to annual contract price adjustment and increased numbers of properties serviced. |
| <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] | \$120 | \$121 | \$126 | \$130 | |
| Service Cost | | | | | Increased costs due to contract price increases caused by recycling industry issues. |
| <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins] | \$46 | \$46 | \$47 | \$64 | |
| Waste diversion | | | | | No material variation |
| <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] | 50% | 51% | 51% | 52% | |

| Local Government Service Performance Indicators | | | | | |
|---|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Roads | | | | | |
| Satisfaction of use | 15 | 16 | 19 | 52 | Improved data capturing for road requests has been updated in Council's road request system whereby requests can be identified if they are related to a sealed or unsealed road. |
| <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x 100 | | | | | |
| Condition | | | | | No material variation |
| <i>Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100 | 99% | 99% | 88% | 95% | |
| Service cost | | | | | No material variation |
| <i>Cost of sealed road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed] | \$54 | \$34 | \$44 | \$44 | |
| Service cost | | | | | Council introduced contractors to reseal roads within the Shire to improve the condition of local sealed roads that have been a continual concern to the community. |
| <i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed] | \$5 | \$5 | \$4 | \$5 | |
| Satisfaction | | | | | The condition of roads has improved by two points as part of the Community Satisfaction Survey. |
| <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] | 30 | 36 | 46 | 48 | |

| Local Government Service Performance Indicators | | | | | |
|--|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Animal Management | | | | | |
| Timeliness | | | | | |
| <i>Time taken to action animal management requests</i> | 1 | 1.6 | 1.9 | 1.6 | Improved staff practices and customer service approaches have resulted in a reduction of time to respond to requests. |
| [Number of days between receipt and first response action for all animal management requests / Number of animal management requests] | | | | | |
| Service standard | | | | | |
| <i>Animals reclaimed</i> | 59% | 59% | 60% | 58% | No material variation |
| [Number of animals reclaimed / Number of animals collected] x 100 | | | | | |
| Service cost | | | | | |
| <i>Cost of animal management service</i> | \$64 | \$62 | \$59 | \$65 | Improved tracking of requests has refined the cost calculation. This has led to a higher cost for the service compared to the previous financial year along with a reduced number of registered animals by 2 per cent. |
| [Direct cost of the animal management service / Number of registered animals] | | | | | |
| Health and safety | | | | | |
| <i>Animal management prosecutions</i> | 23 | 9 | 19 | 9 | Council has been more pro-active in education of residents in responsible pet ownership. |
| [Number of successful animal management prosecutions] | | | | | |
| Note: Revised data has changed for the previous three years as a result of unpaid fines not being reported as prosecutions processed through the magistrates court. | | | | | |
| The previous animal management prosecution results historically included by Council should not have been included as they represent a non-compliance with the LGPRF. | | | | | |
| The revised figures are: | | | | | |
| <ul style="list-style-type: none"> • 2016 year changed from 23 to 9 • 2017 year changed from 9 to 6 • 2018 year changed from 19 to 16 | | | | | |

| Local Government Service Performance Indicators | | | | | |
|--|--------------|--------------|--------------|--------------|---|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Food Safety | | | | | |
| Timeliness | | | | | |
| <i>Time taken to action food complaints</i> | 4 | 8 | 2 | 2.5 | In the past 12 months, the number of food complaints (6 in 2018/19 compared to 28 in 2017/18) and the response time resolution (15 days in 2018/19 compared to 56 days in 2017/18) has decreased. The time taken for first response increased from 2.0 to 2.5 days. |
| [Number of days between receipt and first response action for all food complaints / Number of food complaints] | | | | | |
| Service standard | | | | | |
| <i>Food safety assessments</i> | 91% | 97% | 85% | 77% | Food safety assessments were lower due to staff unforeseen leave. |
| [Number of registered Class 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 with the <i>Food Act 1984</i>] x 100 | | | | | |
| Service cost | | | | | |
| <i>Cost of food safety service</i> | \$520 | \$542 | \$457 | \$500 | More accurate figures for Temporary and Mobile Food Premises due to system improvements. |
| [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>] | | | | | |
| Health and safety | | | | | |
| <i>Critical and major non-compliance outcome notifications</i> | 95% | 100% | 100% | 100% | From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator in 2016/17 was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year-on-year. |
| [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100 | | | | | |

2.6

Strategic Objective 4



Enhance Organisational Development & Implement Governance Best Practice

Council will focus on becoming a more responsive, innovative, productive and effective organisation that follows best practice in transparency and governance and continually improves delivery of services and projects.

Councillors will work with the organisation, community and other levels of government for the benefit of the Shire.

Council will explore ways to share services between partners and will work with communities to deliver cost effective facilities and services.

STRATEGIC OBJECTIVES

4.1 Develop Digital Strategies for Council and the Community.

4.2 Actively pursue continuous improvement and innovation, consider best practice and encourage the creation of higher valued services.

4.2.1 Increase transparency through more items being held in open Council Meetings and communicating more clearly the reasons behind decisions.

4.2.2 Enhance customer service experiences through the development of a continuous feedback and improved customer service system.

4.2.3 Enhance staff skills, capabilities and wellbeing through the implementation and ongoing development of SGSC people.

4.3 Work in partnership with the Chief Executive Officer and senior staff to develop a four year Rate Reduction Strategy, to reduce the rate burden by 3 per cent through improved innovation and productivity savings, streamlining the administrative structures and processes, through improved Business Unit performance and economic growth.

Initiatives

Council Plan



The following statement reviews the progress of Council in relation to the major initiatives identified in the 2018/19 Budget for the year:

| Major Initiative | | |
|---|--|--|
| Indicator | Action/Target | Progress Comment |
| Develop Digital Strategies for Council and for the community. | Digital Strategy to be endorsed by 30 June 2019. | TARGET ACHIEVED Council's <i>Digital Strategy 2018</i> was adopted at the Ordinary Meeting of Council 30 May 2018 and implementation of this strategy continues across the organisation. This strategy guides digital projects and services in South Gippsland and aims to facilitate service improvement. Some key actions that have been implemented to work towards the Strategy Objectives of the Council Plan are outlined on the following page. |
| <i>Innovation and Council Business</i> | | |

| Initiative | | |
|--|------------------|---|
| Indicator | Action/Target | Progress Comment |
| Investigate and implement a customer feedback system that will assist in improving customer service. | by 30 June 2019. | TARGET ACHIEVED A Strategic Briefing was presented to Council in December 2018 highlighting various options to provide an appropriate system for customer feedback. Council supported the employment of a Feedback Officer for 12 months at 0.4FTE. This position was filled in June 2019 and the feedback process has commenced. |
| <i>Executive Support and Community Services</i> | | |

More customer choice in accessing Council Services...



Online Planning Application Process introduced.

Enhancements made to Snap, Send and Solve app. A tool for people to send in requests and report on Council related issues using mobile devices.



698 Snap, Send and Solve requests actioned

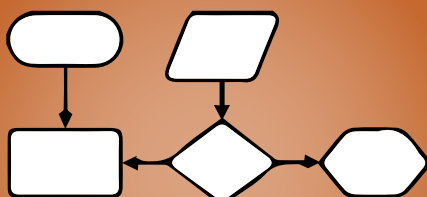
Council explored free wifi and accessibility to assist disadvantage community members, local businesses and deliver tourism benefits



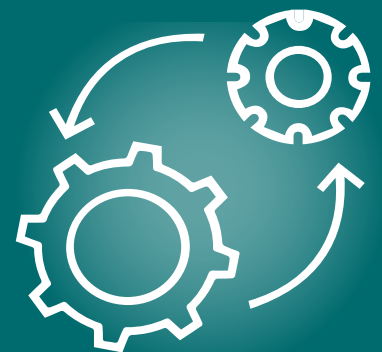
Council provided 140 computers and 120 screens that had been replaced to community organisations for their use.

This initiative will continue into the future.

Successful mapping of over 200 internal business processes reviewed with business improvement plans introduced across Council



Process and knowledge management tools introduced to enable further improvement and efficiencies across Council.



Devices introduced to provide real time off-site geo-location data to staff. Improving response time for the community and reducing mobile duplication of staff

Indicators

Council Plan



The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to relevant strategic indicators:

| COUNCIL PLAN 2017-2021 INDICATOR | | |
|--|------------------------------|--|
| Indicator | Action/Target | Progress Comment |
| Productivity savings identified and reported annually. | Savings identified annually. | <p style="text-align: right;">TARGET ACHIEVED</p> <p>In July 2018, Bass Coast, East Gippsland, Wellington and South Gippsland Shire Council announced an investigation of a shared services initiative to reduce duplication, create efficiencies and deliver cost savings.</p> <p>This model aims to combine back office/corporate services and IT functions over an expected three-year transition period. Funding from the Victorian Government to implement this initiative has been secured, totalling \$4.5M.</p> |
| <i>Chief Executive Office</i> | | |

| COUNCIL PLAN 2017-2021 INDICATOR | | |
|---|--|---|
| Indicator | Action/Target | Progress Comment |
| Council will encourage community members to provide information to Council on matters affecting them at public presentation sessions. <i>Innovation and Council Business</i> | Public presentation sessions will be available for community members to participate in as per the Council's <i>Public Participation Policy</i> . | <p style="text-align: right;">TARGET ACHIEVED</p> <p>Each month, there are a range of opportunities for community members to engage directly with Council by making public presentations, submissions or asking agenda topic questions.</p> <p>Statistics for the 2018/19 financial year:</p> <p>Submitted Questions - 54 questions related to Agenda Topics and responded to in Council Minutes</p> <p>Number of Public Presentations - 29</p> <p>Number of Speakers - 38 people</p> <p>Number of people attending in the gallery at the following Council open sessions:</p> <ul style="list-style-type: none"> • Public Presentations - 96 people • Open Briefing Sessions - 22 people • Open Council Meetings - 156 people <p>Number of views via Live Streaming - 3,117</p> |
| Council decisions made at meetings closed to the public will be monitored in accordance with the LGPRF. <i>Innovation and Council Business</i> | Target as per guidelines - <30 per cent. | <p style="text-align: right;">TARGET ACHIEVED</p> <p>Seventeen per cent of all resolutions were in closed session, meeting the target of less than 30 per cent. Items closed were matters of a legal, contractual and/ or personnel nature or may have prejudiced the Council or any person.</p> |
| Councillor attendance at Council meetings will be monitored in accordance with LGPRF. <i>Innovation and Council Business</i> | Target as per guidelines - >80 per cent. | <p style="text-align: right;">TARGET NOT ACHIEVED</p> <p>Councillor attendance at open and Special Meetings for the Financial Year was 76 per cent. Attendance at meetings was lower due to requested leave of absence, Councillor attendance at conferences and Councillor resignations.</p> |

COUNCIL PLAN 2017-2021 INDICATOR

| Indicator | Action/Target | Progress Comment |
|---|--|--|
| Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community) | Community satisfaction rating out of 100 with the performance of Council in making decisions in the interests of the community | <p>TARGET NOT ACHIEVED</p> <p>Council received an indexed result of 35. This is seven points lower than the 2017/18 result of 42.</p> <p>Council was dismissed on the 19 June 2019 and will be under Administration until October 2021.</p> <p>Improving community satisfaction is a key focus area for the newly appointed Council Administrators.</p> |
| <i>Innovation and Council Business</i> | | |



29

Public Presentations

FACTS on Public Presentations to Council...

38

Speakers presented to Council at Public Presentations

3,117

Live Streaming Views

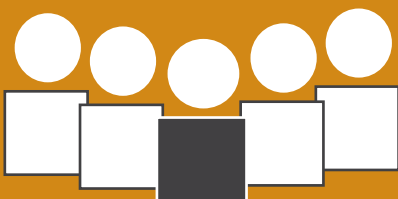


Number of Public Presentations on Council Meeting Agenda Topics

12

76%

Councillor Attendance



274

People attended in the Gallery for Public Presentations, Open Briefings and Council Meetings

54

Number of Questions Submitted at Council Meetings

Services

Funded



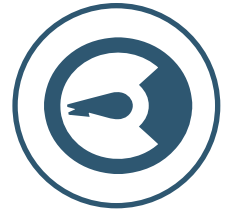
The following statement provides information in relation to the services funded in the 2018/19 Budget that supports Strategic Objective 4 and the persons or sections of the business area responsible.

| Business Area | Description of Services provided | Net Cost \$000 |
|----------------------------------|---|----------------------|
| | | Revised Budget \$000 |
| | | Variance \$000 |
| Executive Office/ Management | The Executive Office builds strong and productive relationships with government and key regional agencies to strengthen the performance of Council. | \$1,106 |
| | The Executive Office is accountable for ensuring that Council's objectives for the Council Plan are achieved through the allocation of appropriate resources, the provision of strategic policy and legal advice to Council and the establishment of good governance practices to guide the management of the organisation. | \$1,057 |
| | | (\$49) |
| Finance, Risk and Procurement | The Finance, Risk and Procurement Department deliver financial planning, budget management oversight, risk management coordination and procurement coordination for the organisation. The Department comprises: | \$2,995 |
| | <ul style="list-style-type: none"> Accounting includes strategic financial advice, accounting systems and services, management accounting support and financial reporting; Rates and Valuations includes property valuations for rating purposes and administration of rate collection; and Risk and Procurement including contract and quotation management, shared risk management services delivery with Baw Baw Shire, risk and insurance management, internal audit and regulatory compliance. <p>Together the teams improve the financial sustainability of Council by pursuing continuous improvement in processes and procedures, pro-actively managing risks, sustainably managing finances and gaining efficiencies through procurement.</p> | \$3,387 |
| | | \$392 |

| Business Area | Description of Services provided | Net Cost \$000 |
|---------------------------------|--|----------------------|
| | | Revised Budget \$000 |
| | | Variance \$000 |
| Innovation and Council Business | <p>The Innovation and Council Business Department leads organisational wide planning and implementation of good governance, innovation, technology and corporate information management practices. The Department comprises:</p> <ul style="list-style-type: none"> • Corporate Planning and Council Business incorporating policy development and review, Council elections, Council meeting, briefings and public presentation coordination, corporate planning and reporting and community engagement to inform the Council Plan and annual initiatives for the Budget; • Innovation incorporates information technology strategy, policy, planning, project development and delivery, systems management and on-going management of hardware and software; and • Corporate Information Management incorporates strategy, policies, systems' coordination and operational support to capture, manage and archive corporate records and respond to Freedom of Information requests and Privacy enquiries. | \$2,342 |
| | | \$2,503 |
| | | \$161 |
| People and Culture | <p>The People and Culture Department ensure our people are developed and supported so they have the opportunity to deliver services to the best of their ability for the benefit of the community.</p> <p>The team's contribution to employee and organisation success is achieved through partnerships with Directorates using people and culture processes and systems; developing employee work environment, mindset and culture; providing people and culture expertise in role, work design, staffing, professional development, performance, remuneration, recognition, OHS, return to work, and wellbeing.</p> | \$988 |
| | | \$885 |
| | | (\$103) |
| Community Information | <p>The Community Information Department plays a pivotal role in raising community awareness of Council services and strategic directions</p> <p>It creates a working interface between Council, Council Departments and the community through customer services, media management, publishing material, social media, website management and internal liaison.</p> | \$776 |
| | | \$716 |
| | | (\$60) |

Services

Performance Indicators



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

| Local Government Service Performance Indicators | | | | | |
|---|--------------|--------------|--------------|--------------|--|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Governance | | | | | |
| <p>Transparency</p> <p><i>Council decisions made at meetings closed to the public</i></p> <p>[Number of Council resolutions made at ordinary or special meetings of Council, or at meeting of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x 100</p> | 15% | 7% | 4% | 17% | <p>Seventeen per cent of all Council resolutions were in closed session. These items were closed due to matters that prejudice the Council or any person, legal, contractual and/or personnel matters.</p> <p>Council aims to improve good governance practices in decision making to reduce the number of reports dealt with in closed session.</p> |
| <p>Consultation and engagement</p> <p><i>Satisfaction with community consultation and engagement</i></p> <p>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p> | 47 | 47 | 48 | 40 | <p>Community concerns with the performance and behaviours of Council/Councillors has negatively impacted on the satisfaction levels associated with community engagement and consultation.</p> |

| Local Government Service Performance Indicators | | | | | |
|--|--------------|--------------|--------------|--------------|---|
| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
| Attendance | | | | | |
| <i>Councillor attendance at council meetings</i> | 90% | 95% | 87% | 76% | Councillor attendance at open and special meetings for the Financial Year was 76 per cent. |
| [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100 | | | | | Attendance at meetings was lower due to requested leaves of absence and Councillor resignations throughout the year. |
| Service cost | | | | | |
| <i>Cost of governance</i> | \$44,061 | \$46,861 | \$48,543 | \$49,514 | No material variation |
| [Direct cost of governance service / Number of Councillors elected at the last Council general election] | | | | | |
| Satisfaction | | | | | |
| <i>Satisfaction with Council decisions</i> | 47 | 45 | 42 | 35 | Community concerns with the performance and behaviours of Council/Councillors has negatively impacted on the satisfaction levels associated with Council decision making. |
| [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community] | | | | | |







Section Overview 3



3.1

Council Information

MUNICIPAL MONITOR

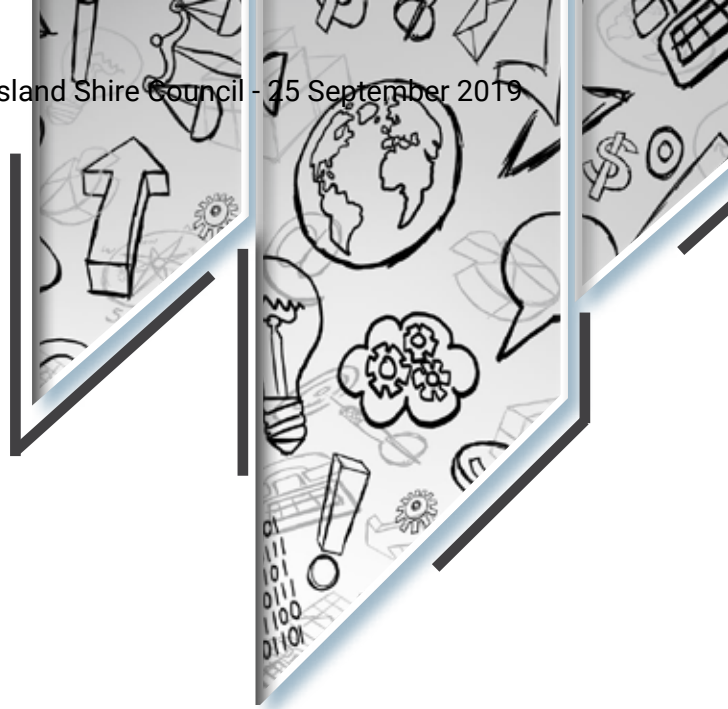
On 18 June 2018, the Minister for Local Government (the Minister), then The Hon. Marlene Kairouz MP, appointed Peter Stephenson to the position of Municipal Monitor at South Gippsland Shire Council under section 223CA of the *Local Government Act 1989* (the Act).

The Monitor's role was governed by Terms of Reference, which included:

1. To monitor the South Gippsland Shire Council's (Council) governance processes and practices, with specific regard to the key areas of concern identified by the Chief Municipal Inspector, including;
 - a. Council's meeting procedures and decision making, including the use of Urgent Special Meetings, Notices of Motion and Notices of Rescission;
 - b. Council's policies and processes to manage conflict of interest;
 - c. Council's policies and processes to manage confidential information;
 - d. The CEO's policies and practices that manage the interactions between Councillors and Council staff, and compliance with those policies and procedures;
 - e. Council's Councillor Code of Conduct, Councillor behaviour with respect to the Code of Conduct, Council's internal resolution procedure, and processes for resolving disputes between Councillors; and
 - f. Any other governance issues identified during the term of the appointment.
2. To advise on, and provide assistance and support, to the Council in relation to the Council's governance processes and practices, with specific regard to the matters raised in clause 1; and
3. To report to the Minister for Local Government on:
 - a. Any steps taken by the Council to improve its governance and the effectiveness of those steps or actions, with specific reference to the matters raised in clause 1; and
 - b. Any recommendations for the exercise of the Minister's powers under the Act.

The Municipal Monitor provided a final report to the Minister for Local Government, The Hon. Adem Somyurek MLC on 21 March 2019. This report recommended that the Minister suspend Council for a period of time and that Councillors participate in governance training.

On 2 April 2019 the Minister issued a 'show cause' letter to Council seeking a response to the Municipal Monitor's report, including that the Council should be suspended. Responses were provided to the Minister by Councillors on, or before 9 May 2019.



COMMISSION OF INQUIRY

On 9 May 2019 the Minister for Local Government, The Hon. Adem Somyurek MLC announced the establishment of a Commission of Inquiry into South Gippsland Shire Council pursuant to section 209 of the Act to:

"look at the stability of the Council, the behaviours of individual councillors, the process of hiring a CEO and the efficiency and effectiveness of governance arrangements in delivering services to the community."

On 21 May 2019 three appointments were made to the Commission of Inquiry: The Hon. Frank Vincent AO QC (Chair of Commissioners), Ms Julie Eisenbise and Mr John Watson.

On 19 June 2019 a report from the Commission of Inquiry was tabled in State Parliament by the Minister for Local Government with the following recommendations.

1. The South Gippsland Shire Council be dismissed;
2. The term of dismissal be until October 2021;
3. During the period of administration, the Council:
 - a. Develops and delivers an extensive community leadership development program that:
 - ii. Encourages widespread participation in community and civic life in the municipality;
 - iii. Supports the development of community leadership skills; and
 - iv. Supports an improvement in the relationship between the Council and its community
 - b. Reviews and implements improved Council policies and procedures, with a focus on Councillor induction and training, the Councillor Code of Conduct and meeting procedures.

A Bill for an Act to dismiss the South Gippsland Shire Council was assented to, by the State Parliament, on 21 June 2019. The Local Government (South Gippsland Shire Council) Act 2019 came into operation on 22 June 2019, the day after Royal Assent was given.

Following the Royal Assent on the 21 June 2019, the Minister for Local Government, Hon. Adem Somyurek MLC announced the Governor in Council appointment of Julie Eisenbise to be the Interim Administrator for South Gippsland Shire Council under section 6(a) of the *Local Government (South Gippsland Shire Council) 2019 (the LGSGSC Act)*, following the dismissal of Council under the Act.

The Interim Administrator appointment was for 90 days. During that time a panel of three Administrators would be appointed to perform the role of Council until the next Council elections, in October 2021.

In this role the Administrator(s) must perform all the functions, powers, duties of the Council which must be treated as if they were performed by the Council. The three Administrators had not been appointed by 30 June 2019.

[Note: On 23 July 2019, The Minister for Local Government announced Ms Julie Eisenbise as Chairperson of the Panel of Administrators. Christian Zahra OAM and Frederick (Rick) Brown were appointed as Administrators of South Gippsland Shire Council.]



Councillors

Elected Term

| NAME | WARD | TERMS ELECTED |
|-------------------------------|--------------------|-------------------------|
| Don Hill (Mayor) | Tarwin Valley | 2012, 2016 |
| Alyson Skinner (Deputy Mayor) | Coastal Promontory | 2016 |
| Ray Argento | Coastal Promontory | 2016 |
| Aaron Brown | Strzelecki | 2016 |
| Lorraine Brunt | Strzelecki | 2012, 2016 |
| Meg Edwards | Tarwin Valley | 2016 |
| Maxine Kiel | Tarwin Valley | 2016 |
| Andrew McEwen | Strzelecki | 2012, 2016 |
| Jeremy Rich | Coastal Promontory | 2016 |
| Rosemary Cousin | Tarwin Valley | Countback October 2018 |
| James (Jim) Fawcett | Tarwin Valley | Countback November 2018 |
| Frank Hirst | Strzelecki | Countback April 2019 |
| Steve Finlay | Tarwin Valley | Countback April 2019 |
| Matthew Sherry | Coastal Promontory | Countback June 2019 |

3.2

Council Governance

South Gippsland Shire Council is constituted under the *Local Government Act 1989, (the Act)* to provide leadership for the good governance of the municipal district and its communities.

ROLES AND RESPONSIBILITIES

Council has a number of roles including:

- Responsibly taking into account the diverse needs of the local community in decision making;
- Providing leadership by establishing the policy direction of Council, setting strategic objectives to be achieved and monitoring progress;
- Achieving good governance through delegations of authority and establishing frameworks for the management of advisory portfolio committees and formally appointed section 86 Committees of Council;
- Advocating the interests of local communities to other levels of Government, including seeking external funding to supplement Council and community funded projects;
- Ensuring resources are managed in a responsible, accountable and sustainable manner; and
- Fostering community cohesion and encouraging active participation and engagement in civic life and decision making.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring the Council and its administration address community priorities.

The community has many opportunities to provide input into Council decision-making processes including community consultation and engagement activities, public presentations to Council, community workshops/forums and the ability to make formal submissions to major strategic directions.

Community members and groups are also able to speak directly to Councillors, submit petitions and public questions for consideration at Council Meetings.

Council's formal decision-making processes are conducted through Ordinary and Special meetings. Council delegates its administrative decision making to staff. Council also delegates decision making for specific facilities/reserves to the community through section 86 Committees.

Council Meetings are held on the fourth Wednesday of each month and are open to the public. These meetings are live-streamed on the internet.

COUNCILLOR CODE OF CONDUCT

The Councillor's Code of Conduct (the Code) provides the foundation of core principles, values and behaviours Councillors are required to demonstrate, as they work together to achieve Council's vision for the Shire.

All Councillors are required to sign their commitment to abide by the Code before they assume the office of Councillor. This is normally made when taking the Oath or Affirmation of Office following a Council election. It is also required within three months of a revised Code being adopted by Council. The Council reviewed, updated and signed the current Code on 22 February 2017, in accordance with the Act. Each Councillor elected as a result of a countback and Administrator(s) appointed throughout the year have also signed the Code of Conduct at the time of making their Oath or Affirmation.

The Code is designed to:

- Assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter;
- Attract the highest level of confidence from Councils stakeholders; and
- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

The Councillor Code of Conduct Principles outlines:

- Other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest;
- Roles and relationships; and
- Dispute resolution procedures.

CONFLICT OF INTEREST

Councillors are elected by the residents and ratepayers to act in the best interests of the community.

This is a position of trust that requires Councillors to put aside personal interests to make decisions in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability of a Councillor or staff member to act in the public interest.

A conflict of interest exists even if no improper act results from it. Declaration of a conflict of interest is a standard agenda item for all Council, Committee and Briefing meetings.

A register is maintained to record all disclosed conflicts of interest for Councillors and staff.

The following table provides a summary of the number of conflict of interest disclosures made by Councillors during 2018/19.

| Conflict of Interest | 2018/19 Number of Declarations | 2017/18 Number of Declarations |
|----------------------|--------------------------------------|--------------------------------------|
| Indirect Interest | 18 | 8 |
| Direct Interest | 9 | 15 |
| Total | 27 | 23 |

COUNCIL MEETINGS

Council aims to ensure its decision making is informed; having considered the legislative requirements it must meet and the diverse needs and opinions of the community. Councillors meet in open and closed briefing sessions to gather the background information they require to make efficient and effective decisions. The topics covered and Councillors attending these sessions are reported in each Ordinary meeting agenda.

Public participation sessions provide an opportunity for community members to present issues of interest to Council. These sessions allow community members affected by potential decisions of Council to present their viewpoints to assist and inform Council's decision making processes. These public sessions are held on the third and fourth weeks of the month, prior to each Ordinary meeting. Details on how to submit expressions of interest to make a presentation to Council are available on Council's website.

ATTENDANCE AT MEETINGS

Council conducts open public meetings, known as Ordinary meetings, normally on the fourth Wednesday of each month, but with a few exceptions. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit up to three questions online by 5.00pm on the Friday prior to the Council meeting or within the first fifteen minutes of the Council Meeting.

In 2018/19, Council held the following meetings:

| Type of Meeting | 2018/19 Number of Meetings | 2017/18 Number of Meetings |
|----------------------|----------------------------------|----------------------------------|
| Ordinary Meeting | 11 | 11 |
| Special Meeting | 9 | 9 |
| Special Committee | 1 | 2 |
| Confidential Meeting | 10 | 5 |
| Total | 31 | 27 |

The following table provides a summary of Councillor attendance at Council meetings, Urgent and Special Council meetings for the 2018/19 financial year:

| Councillor | Council Meeting | Special Council Meeting | Total Number of Meetings |
|--------------|-----------------|-------------------------|--------------------------|
| Cr. Argento | 10 of 10 | 9 of 9 | 19 of 19 |
| Cr. Hill | 10 of 10 | 9 of 9 | 19 of 19 |
| Cr. Brown* | 9 of 10 | 8 of 9 | 17 of 19 |
| Cr. Skinner | 10 of 10 | 8 of 9 | 18 of 19 |
| Cr. McEwen | 9 of 10 | 6 of 9 | 15 of 19 |
| Cr. Rich* | 8 of 9 | 2 of 6 | 10 of 15 |
| Cr. Brunt* | 8 of 8 | 5 of 5 | 13 of 13 |
| Cr. Cousin | 6 of 6 | 7 of 8 | 13 of 14 |
| Cr. Fawcett* | 4 of 4 | 8 of 8 | 12 of 12 |
| Cr. Edwards* | 4 of 4 | 1 of 1 | 5 of 5 |
| Cr. Kiel* | 3 of 3 | 0 of 1 | 3 of 4 |
| Cr. Finlay | 2 of 2 | 4 of 4 | 6 of 6 |
| Cr. Hirst | 2 of 2 | 4 of 4 | 6 of 6 |
| Cr. Sherry** | 0 of 0 | 0 of 0 | 0 of 0 |

* Cr. Kiel resigned in September 2018 | Cr. Edwards resigned in October 2018 | Cr. Fawcett and Cr. Brunt resigned in April 2019

Cr. Rich resigned in May 2019 | Cr. Brown resigned in June 2019

** Cr. Sherry was sworn in as Councillor on 5 June 2019. Council was dismissed on 19 June 2019 and no Council meetings occurred before this date.

SPECIAL COMMITTEES

The Local Government Act allows Council to establish one or more Special Committees consisting of: Councillors, Council staff, other persons and any combination thereof. Council has established Special Committees to hear formal submissions for various section 223 public consultations.

The following table contains a list of all Special Committees established by Council that are in operation and the purpose for which each was established:

| Special Committee | Date | Councillors | Purpose |
|---|----------------|-------------|--|
| Special Committee to hear submissions under section 223 <i>Local Government Act 1989</i> – proposed sale of 8 Varney Road, Foster | 15 August 2018 | 7 | To consider submissions made under section 223 of the Act in regards to proposed sale of 8 Varney Road, Foster |

SECTION 86 COMMITTEES

Council has established a number of Section 86 Committees in accordance with section 86 of the Local Government Act. These Committees have limited delegations, including minor financial delegations for site specific facilities/areas of responsibility.

The following table contains a list of all Section 86 Committees established by Council that are in operation and the purpose for which each was established:

| Section 86 Committee | Purpose |
|-----------------------------------|---|
| Allambee South Community Hall | Committee of Management with limited delegation for the purpose of management of the Hall. |
| Dumbalk Hall and Ladies Auxiliary | Committee of Management with limited delegation for the purpose of management of the Hall. |
| Foster Showgrounds | Committee of Management with limited delegation for the purpose of management of the Showgrounds. |
| Foster Stockyard Gallery | Committee of Management with limited delegation for the purpose of management of the Building in which the gallery is located.. |
| Foster War Memorial Arts Centre | Committee of Management with limited delegation for the purpose of management of the Arts Centre. |

| Special Committee | Purpose |
|--|--|
| John Terrill Memorial Park and Fish Creek Reserve | Committee of Management with limited delegation for the purpose of management of the Park and Reserve. |
| Korumburra Botanic Park Advisory Committee | Committee of Management with limited delegation for the purpose of advising on the management of the Botanic Park. |
| Korumburra Recreation Reserve | Committee of Management with limited delegation for the purpose of management of the Reserve. |
| Leongatha Court House | Committee of Management with limited delegation for the purpose of management of the Court House. |
| Mardan Hall | Committee of Management with limited delegation for the purpose of management of the Hall. |
| Meeniyah and District Sports Stadium | Committee of Management with limited delegation for the purpose of management of the stadium. |
| Mirboo North Hall | Committee of Management with limited delegation for the purpose of management of the Hall. |
| Port Welshpool and District Maritime Museum | Committee of Management with limited delegation for the purpose of management of the Building. |
| Sandy Point Community Centre and TP Taylor Reserve | Committee of Management with limited delegation for the purpose of management of the Community Centre and Reserve. |
| Walter J Tuck Recreation Reserve | Committee of Management with limited delegation for the purpose of management of the Reserve. |



COUNCILLOR ALLOWANCES & EXPENSES

In accordance with section 74 of the *Local Government Act 1989*, Councillors are entitled to receive an allowance while performing their duties as Councillors. The Mayor is entitled to receive a higher allowance.

Each Council must determine the precise annual amount to be paid to the Mayor and Councillors by way of a Council resolution. This must be done by 30 June in the year following a general election. The amount must be within the limits of the Council Category set by the Victorian Government, and will apply and remain in effect from the day of resolution until the time of the next election.

In accordance with section 75 of the Act, Council is also required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor and adopt and maintain a policy in relation to this. The *Councillor Support and Expenditure Policy* adopted 27 March 2019, 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 conduct their duties.

The following table contains a summary of the Councillor allowances and expenses for 2018/19:

| Councillor Allowance & Expense Report 2018/19 | | | | | | | |
|---|---|--------------------------------|-----------------------------------|--|---|----------------|------------------|
| Councillor | Allowance including Superannuation (\$) | Travel & Vehicle Expenses (\$) | IT and Communication Support (\$) | Conference, Training & Professional Development (\$) | Printing/ Sound Recording Transcript (\$) | Other (\$) | Total (\$) |
| Cr. Argento | \$27,249 | \$3,452 | \$430 | \$87 | \$21 | -\$87 | \$31,152 |
| Cr. Brown* | \$26,554 | \$2,297 | \$474 | | \$22 | \$26 | \$29,373 |
| Cr. Brunt* | \$43,660 | \$4,766 | \$3,680 | \$188 | \$23 | | \$52,317 |
| Cr. Hill* | \$61,568 | \$8,021 | \$894 | \$659 | \$990 | \$256 | \$72,388 |
| Cr. McEwen | \$27,249 | \$9,673 | \$1,766 | \$1,209 | \$436 | \$597 | \$40,930 |
| Cr. Rich* | \$23,853 | \$4,171 | \$246 | \$930 | \$258 | \$3,208 | \$32,666 |
| Cr. Skinner | \$27,249 | \$5,684 | \$355 | \$4,314 | | \$67 | \$37,669 |
| Cr. Cousin | \$18,017 | \$3,004 | | \$1,315 | \$22 | \$84 | \$22,442 |
| Cr. Fawcett* | \$10,702 | | \$220 | | | | \$10,922 |
| Cr. Hirst | \$3,242 | \$1,207 | | \$400 | | \$175 | \$5,024 |
| Cr. Finlay | \$7,873 | \$133 | | | \$7 | | \$8,013 |
| Cr. Sherry** | \$1,312 | \$381 | | | | | \$1,693 |
| Cr. Kiel* | \$6,659 | \$959 | \$82 | | | | \$7,700 |
| Cr. Edwards* | \$9,232 | \$3,138 | \$432 | | | \$1,314** | \$14,116 |
| Total | \$294,419 | \$46,886 | \$8,579 | \$9,102 | \$1,779 | \$5,640 | \$366,405 |

* Cr. Brunt (Mayor) from July 2018 to November 2018

* Cr. Hill (Mayor) from November 2018 to June 2018

** Cr. Edwards Child Support Amount of \$1,314

* Cr. Rich's Other Costs includes a Remoteness Allowance of \$960 and \$2,248 was for meals and accommodation reimbursement for attendance to SEAT conferences

* Cr. Kiel resigned in September 2018 | Cr. Edwards resigned in October 2018 | Cr. Fawcett and Cr. Brunt resigned in April 2019

Cr. Rich resigned in May 2019 | Cr. Brown resigned in June 2019

** Cr. Sherry was sworn in as Councillor on 5 June 2019. Council was dismissed on 19 June 2019 and no Council meetings occurred before this date.

EXPENSE CATEGORIES

Training & Professional Development

This category covers the costs associated with Councillor attendance to conferences, training and professional development courses.

These include accommodation, conference, parking-related expenses and airfares where applicable. Councillor Rich has attended interstate events associated with Council's appointed position on the South East Australian Transport Strategy Inc. (SEATS).

Travel & Vehicle Expenses

Council's Councillor Support and Expenditure Policy - 27 March 2019 and Councillor Vehicle Policy - 3 November 2016, provide for the reimbursement of travel costs, depreciation, insurance and/or use of private vehicles while conducting Council business.

Councillors' use of private vehicles is at the prescribed rate of reimbursement. Reimbursements also include parking fees and public transport costs.

Councillor Allowances & Superannuation

The Victorian Government sets the upper and lower limits for all allowances paid to Mayors and Councillors. Councils are divided into three categories based on the income and population of each Council.

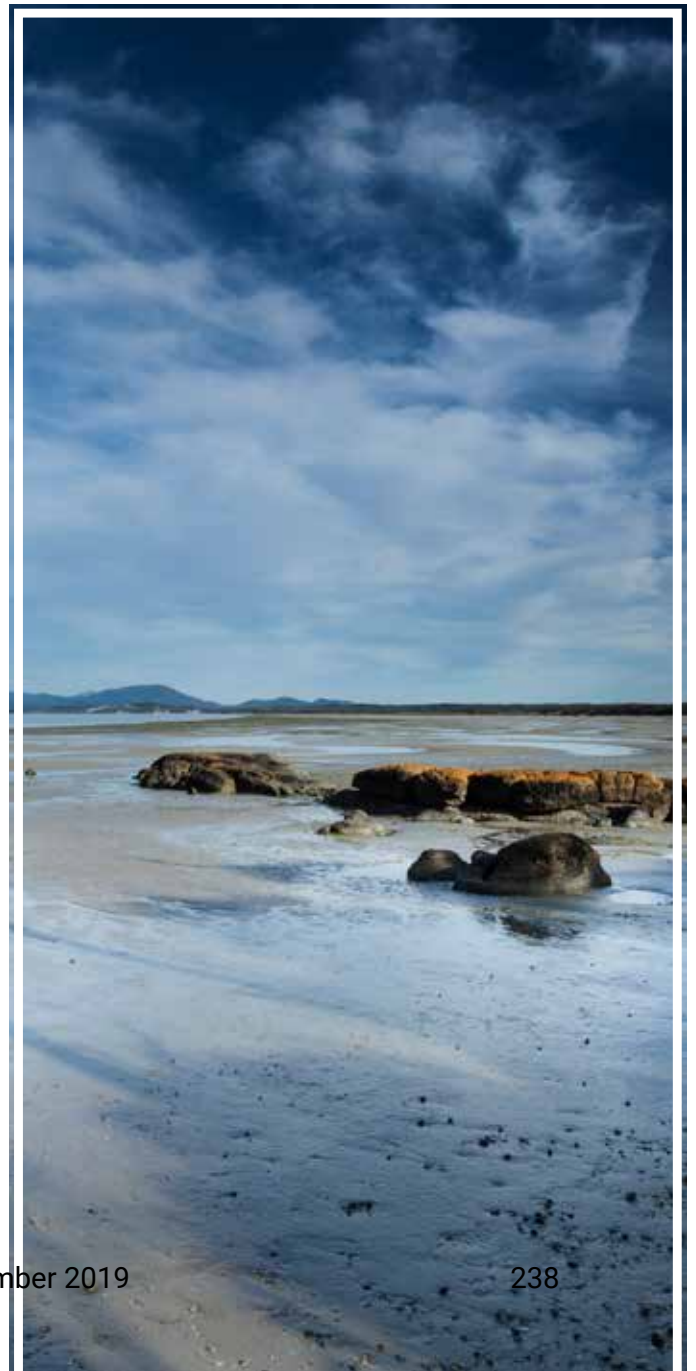
South Gippsland Shire Council is recognised as a Category 2 Council. Allowances are paid in accordance with section 74 of the Act.

IT & Communication Support

Councillors are supplied with mobile devices, including a mobile phone with data plan and a Surface Pro laptop. The cost of providing these services is paid by Council.

Printing, Sound Recording & Transcript Request

Council provides access to fax, photocopying and printing which is made available at Council offices. Printing and audio recording transcription costs have been included.



3.3

Auditing Framework

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having a strong governance and management framework supports better decision making by Council.

The Act requires Council to undertake an assessment of its governance against the prescribed Governance and Management Checklist and include this in its Report of Operations in the Annual Report. The following items have been highlighted as important components of the management framework.

AUDIT COMMITTEE

The Audit Committee is an independent advisory committee of Council established under section 139 of the Act. The role of the Audit Committee is to oversee and monitor Council's effectiveness in carrying out its responsibilities for accountable financial management, corporate governance, maintaining an effective system of internal control and risk management, and fostering an ethical environment.

The Audit Committee consists of three independent members, who from the 10 September 2018 meeting were, Dr John (AJ) Purcell (Chair), Dr Irene Irvine and Mr Homi Burjorjee, the Mayor and one Councillor. Prior to 19 December 2018 was Cr. Brunt (Mayor) and Cr. Argento and post 19 December 2018 was Cr. Hill (Mayor) and Cr. Cousin.

Independent members are appointed for a three year term, with a maximum of two terms. The chair is elected from amongst the independent members. Dr Irvine's second, three year term as an independent member concluded on 30 November 2018 with the Council acknowledging the significant contributions to the Committee made by Dr Irvine over six years. Mr Chris Badger was appointed by Council for an initial three year term commencing 1 December 2018.

The Audit Committee met four times in 2018/19 on 10 September 2018, 19 November 2018, 12 March 2019; and 11 June 2018.

The Internal Auditor, Richmond Sinnott and Delahunty (RSD) Chartered Accountants and CEO (or Acting CEO) attended all Audit Committee meetings. Other management representatives attended as required to present reports. External auditors from the Victorian Auditor-General Office (VAGO) attended the 10 September 2018, 12 March 2019 and 11 June 2018 meetings to present the audit plan and independent audit report.

EXTERNAL AUDIT

Council is externally audited by VAGO. For the 2018/19 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attended the 10 September 2018, 12 March 2019 and 11 June 2018 Audit Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit Committee.

| Attendance to Audit Committee | Meetings Attended |
|--|-------------------|
| Independent Members | |
| Dr Irene Irvine (<i>second and final three year term concluded 30 November 2018</i>) | 1 |
| Dr John (AJ) Purcell (<i>Chair</i>) | 4 |
| Mr Homi Burjorjee | 4 |
| Mr Chris Badger (<i>appointed for an initial three year term commencing 1 December 2019</i>) | 2 |
| Council Members | |
| Cr. Ray Argento (<i>until 19 December 2018</i>) | 1 |
| Cr. Brunt (<i>until 19 December 2018</i>) | 2 |
| Cr. Hill (<i>from 19 December 2018</i>) | 2 |
| Cr. Cousin (<i>from 19 December 2018</i>) | 2 |
| Auditors | |
| Internal Auditor (<i>RSD Chartered Accountants</i>) | 4 |
| External Auditors (VAGO) | 3 |

INTERNAL AUDIT

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. This function is outsourced to RSD Chartered Accountants, who were appointed on 1 July 2016 following a public tender, for an initial term of three years, which will conclude on 30 June 2019.

Following consultation with the Audit Committee, the Council exercised the first and final three year extension under the contract with RSD which will conclude on 30 June 2022.

A risk based Internal Audit Program (IAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's Risk Management Framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit outcomes and management input. The IAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends each Audit Committee meeting to report on the status of the IAP, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. The responsible Director for each area reviewed attends the Audit Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible Manager and tracked in Council's Internal Audit Action Plan.

The IAP for 2018/19 was completed with the following reviews conducted:

- Payroll and Human Resources Audit;
- Domestic Wastewater Management Plan;
- Business Continuity Management and Disaster Recovery;
- Caravan Parks Operations – review of Income and Cash Receipting Controls; and
- Procurement and Tendering.

3.4

Risk Management

In May 2012, Council adopted a *Risk Management Framework and Policy* in line with best practice in the management of business enterprise risks and current International Risk Management Standard AS/NZ ISO 31000.

During the 2016/17 and 2018/19 financial year Council conducted a review of its Risk Management Framework and Policy. This review culminated on 27 February 2019 with Council adopting a revised *Risk Management Framework and Policy*.

These are next due for formal review in February 2023.

The *Risk Management Framework and Policy* addresses items such as:

- Risk management culture;
- Communication and training;
- Best practice in risk management;
- Responsibilities of and to internal and external stakeholders;
- Risk registers; and
- Business Continuity Plan review.

Council's risk management objectives are to:

- Ensure that we achieve our strategic objectives as set out in the Council Plan;
- Highlight which areas of Council's risk profile have the capacity to deliver the maximum benefit or maximum harm and to identify those areas which should receive priority action;

- Establish a reliable basis for decision making and ensure that risk is included as a fundamental component in the planning process;
- Ensure the effective allocation of resources;
- Determine how risk should be reported to Council, Auditors, Audit Committee and Strategic Risk Committee;
- Foster an organisational culture which promotes proactive behaviour regarding the identification and treatment of risk;
- Identify and prepare for emerging risks, future events and change; and
- Improve stakeholder confidence and trust.

3.5

Occupational Health & Safety

Council continues to focus on ensuring the health, safety and wellbeing of all employees, contractors, volunteers and other people who may be affected by their operations.

This is being achieved through:

- Proactive identification and management of health and safety hazards and/or risks;
- Developing the health and safety knowledge and capability of all people;
- Effective measurement of safety activities to identify areas for improvement.

Specific initiatives completed over the past 12 months include:

- Focus on one worker risks and increased uptake of duress alarms;
- Continuance of the MAV WorkCare OH&S Improvement Program (2019 projects completed); and
- Building capability and prevention strategies by review of incidents reported and close out outstanding incidents in consultation with reporting persons, injured workers, and managers.

Training & Development

Training and the personal development of all employees remains a priority to council. As a result we continue to provide both regulatory training and development training for employees on an as required basis. Specific training is offered to employees who will use these skills within the workplace.

Training delivered includes:

- Occupational Health & Safety
- Manual Handling
- Traffic Management
- First Aid
- Confined Space
- Chainsaw operation
- Working at heights
- Conflict resolution
- Effective Assertive Communication

Council continues to invest in internal education sessions, OH&S inductions and training for new staff and New Assets (equipment and machine) inductions and operation is provided by the distributor.

Lag Indicators

The number of Incident reports have increased during 2019. Injuries are up on the previous 12 months however the most proactive change is in the injuries that have resulted in lost time. This statistic shows that of the 54 injuries reported only four injuries required the employee to have time away from the workplace.

| | Incidents, Near Misses & Hazards | Injuries | Injuries resulting on lost time |
|----------------|----------------------------------|----------|---------------------------------|
| 2018/19 | 158 | 54 | 4 |
| 2017/18 | 127 | 47 | 17 |
| 2016/17 | 145 | 58 | 11 |

Number of reported incidents, near misses, hazards and injuries.

Lead Indicators

The identification of Hazards and reporting of Near Misses (positive or lead indicators) continues to increase. Council's focus is identifying the risks and managing them prior to an incident occurring.

The small decline in workplace inspections is attributable to a 50 per cent reduction in checks of low risk workplaces, offsetting an increase in the number inspections of high risk short-term and mobile work sites.

| | Workplace Inspection Completed | Equipment Pre-start Checks |
|----------------|--------------------------------|----------------------------|
| 2018/19 | 43* | 10,705 |
| 2017/18 | 70 | 11,000+ |
| 2016/17 | 76 | 6,000+ |

the downward trend has been corrected.

3.6

Statutory Information

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

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with regulation 12 of the Local Government (General) Regulations 2015, the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 9 Smith Street, Leongatha, Victoria:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months.
- The agendas for, and minutes of ordinary and Special Meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- A register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act.
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease.
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section.
- A list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

BEST VALUE

In accordance with section 208B(f) of the Act, Council is required to report annually to its community on its initiatives carried out in relation to the Best Value Principles.

The Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation.

The following Best Value initiatives were undertaken during 2018/19:

- Investigations into future options for the provision of Home and Community Care Services were determined once the Federal Government announced possible future changes to the funding model. Council determined a suitable external provider and exited the service at the end of March 2019.
- A review of the Visitor Information Services at Foster and Korumburra was undertaken in 2016. Council determined to retain the Foster Service. A subsequent review on the Korumburra Service was reached in 2018 with a decision to maintain a seasonal service from 1 December until one week after Easter each year.

Improvements introduced and/or still underway include:

- Maintenance and Operations teams are able to receive and handle customer requests in the field through automated integration of systems, streamlined processes and improved collaboration between teams.

The outcomes achieved include:

- Reduced an average of 300 unactioned requests to 30 within three weeks, paper usage reduced by 80 per cent (4,000 pages a month no longer printed), reduction in customer call backs, improved quality of records and time management.
- Procurement team has streamlined the contract initiation process, automated some document management functions for contract management and systematised purchasing catalogues. The outcomes achieved include removal of a five day lag time in the process, improved records management, increased administration efficiencies and improved information and access for field staff undertaking procurement processes.
- Local Laws team conducted a project that is still underway. The team is seeking to improve community interactions through increased customer service and education, rather than enforcement. A communications plan has been developed, animal management reminder and follow-up improvements using text messaging services delivered, along with increased in-field officer mobility achieved. Outcomes are focused on improved responsiveness and compliance for animal registrations, improved officer response times to customers through access to information when in the field and increased community outreach and interaction through social media.

CARERS RECOGNITION

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations under section 11 of the Act.

Council has promoted the principles of the Act to people in care relationships who receive Council services and to the wider community by:

- Distributing printed material through relevant Council services;
- Providing information to organisations represented in Council/community networks.

Council has taken all practicable measures to ensure staff, Council agents and volunteers working for Council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Council induction and training programs for staff working in Aged and Disability Services, Community Services and front-line positions with the general community; and
- Induction and training programs for volunteers working directly with the community.

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and has provided the following additional activities and resources to recognise the care relationship.

- Staff supported an event hosted by local Parkinson's Group during National Carers' week.
- Aged & Disability services staff recognised carers and the person they care for while delivering services during National Carers week.
- Ongoing provision of flexible respite services for carers under the Home and Community Care Program.

DISABILITY ACTION PLAN

In accordance with section 38 of the *Disability Act 2006*, Council is required to prepare a Disability Action Plan (DAP), and must report on its implementation in the Annual Report.

The DAP 2018-2021 was adopted at the Council Meeting 30 May 2018. The DAP outlines Council's approach to building a more inclusive community and to meet both Council's obligations and community aspirations in doing so.

Actions that have been completed or that are completed on an ongoing basis are outlined below:

- Development and implementation of an inclusive drama project, called *(it's no) drama*;
- Council business is now more accessible: an improved website, focus on communication access and Council meetings being available via live stream;
- Annual Community Engagement conference includes a focus on access and inclusion;
- Access auditing of Council's community assets, including buildings and reserves, and designated accessible parking, undertaken on a priority basis.

DOMESTIC ANIMAL MANAGEMENT PLAN

In accordance with section 68A of the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan (DAMP) at four-yearly intervals and evaluate its implementation in the Annual Report.

The DAMP 2017-2021 was adopted at the Council Meeting of 27 September 2017 and outlines the services, programs and policies established to address the administration of the Act and the management of dog and cat issues in the community.

Actions that have been completed or that are conducted on an ongoing basis are outlined below:

- Introduced 'lifetime tags' for animal identification;
- Developed an enforcement follow up process;
- Preliminary investigations conducted into the financial viability of appointing consultants to conduct animal registration compliance audits;
- Developed an 'infringement matrix' for issuing domestic animal infringement notices to ensure consistency;
- Animal information articles provided for the public on a quarterly basis and made available via press releases, Facebook and Council's website;
- Lost/found dogs and cats advertised on Council's website, Facebook and local newspapers;
- Annual audits undertaken of premises where declared menacing, dangerous and restricted breed dogs are housed;
- Annual audits of properties housing excess domestic animals via Local Law permits;

- Animal registration database used to identify unregistered Domestic Animal Businesses;
- Press releases prepared and issued for successful dog attack prosecutions;
- Menacing, dangerous and restricted breed dog legislation actively enforced;
- Training register maintained for individual officers;
- Officers attend at least one training/networking session per year; and
- Officers provided with access to the Bureau of Animal Welfare extranet site.



FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* (the FOI Act) gives the community a legally enforceable right to apply for access to documents held by Council. This access is limited only by the application of exceptions and exemptions provided for under the legislation.

A valid request for access must be in writing, be accompanied by payment of the application fee and must provide enough information to enable the documents to be identified. Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Council's Freedom of Information Officer assists the applicant in accordance with the provisions of the FOI Act and handles all requests for FOI access.

There were 20 applications under the FOI Act. Access was granted (in full or in part) for eight requests. A further eight applications were deemed to be enquiries only and one application was processed outside the Act. Three applications had not been finalised before the end of the financial year and will be completed in the next financial year.

Further information regarding FOI can be found at www.foi.vic.gov.au and on Council's website.

FOI requests can be lodged online via Council's website or in writing and addressed to the:

Freedom of Information Officer
South Gippsland Shire Council
9 Smith Street (Private Bag 4)
Leongatha, Victoria 3953
www.southgippsland.vic.gov.au

PROTECTED DISCLOSURE PROCEDURES

In accordance with section 69 of the *Protected Disclosure Act 2012* a Council must include in its Annual Report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure to Council are outlined in its Protected Disclosure Guidelines which are available on Council's website on the Council policies page.

During the 2018/19 financial year there were no disclosures received by Council's Protected Disclosure Coordinators to which the Protected Disclosure Guidelines applied. As such there were no assessable disclosures referred to the Independent Broad-based Anti-corruption Commission (IBAC) for assessment.

CONTRACTS

During the 2018/19 financial year Council entered into no contracts valued at \$150,000 (incl. GST) or more for goods or services or \$200,000 (incl. GST) or more for works or more of a kind specified in section 186(5)(a) and (c) of the Act without engaging in a competitive process as required by section 186 of the Act.

NATIONAL COMPETITION POLICY

Council has a *National Competition Policy* and Council. To the best of its knowledge, Council, has not undertaken any anti-competitive behaviour and has complied with the requirements of Council's *National Competition Policy* during 2018/19.

FOOD ACT MINISTERIAL DIRECTIONS

In accordance with section 7E(6) of the *Food Act 1984*, if a Council, or the CEO of a Council, is given a direction under subsection (1), a copy of the direction must be published in the Annual Report under section 131 of the Act. No such Ministerial Directions were received by Council during this financial year.

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.

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 a Council's Annual Report.

There were no infrastructure and development contributions disclosed for this financial year for South Gippsland Shire Council.



3.7

Governance management checklist



The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist:

| Item No. | Government and Management Items | Assessment |
|----------|--|--|
| 1 | Community Engagement Policy (policy outlining Council's commitment to engaging with the community on matters of public interest) | <i>Communication and Engagement Policy</i> Date of adoption: 25 July 2018 |
| 2 | Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community) | <i>Community Engagement Plan and Toolkit</i> Guidelines incorporated into the plan were endorsed by the Executive Leadership Team Date of adoption: February 2017 <i>Community Engagement Strategy 2018-2022</i> Date of adoption: 25 July 2018 |
| 3 | Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years) | Adopted in accordance with section 126 of the Act - Strategic Resource Plan was presented to Council on 26 June 2019 and was deferred by the Administrator to 24 July 2019, awaiting the full panel of Administrators after Council's dismissal. Date to be adopted: 24 July 2019 |
| 4 | Annual Budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required) | Adopted in accordance with section 130 of the Act - Annual Budget was presented to Council on 26 June 2019 and was deferred by the Administrator to 24 July 2019 with the Minister for Local Government approval, awaiting the full panel of Administrators. <i>Note: An extension was granted by the Minister for Local Government due to Council's dismissal.</i> Date to be adopted: 24 July 2019 |
| 5 | Asset Management Plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years) <i>Note: Parks, Gardens and Reserves Asset Management Plan is currently under review as it is now including recreational assets that will take considerable time to complete.</i> | <i>Asset Management Plans</i> and dates of operation: <ul style="list-style-type: none"> • Buildings - 1 August 2017 • Roads - 28 March 2018 • Parks, Gardens and Reserves - 6 March 2013 The following are included in Roads Asset Management Plans <ul style="list-style-type: none"> • Bridges • Footpaths and Cycle-ways • Stormwater Drainage |

| Item No. | Government and Management Items | Assessment |
|----------|--|--|
| 6 | Rating Strategy (strategy setting out the rating structure of Council to levy rates and charges) | Rating Strategy 2019-2022 was presented to Council on 26 June 2019 and was deferred by the Administrator to 24 July 2019, awaiting the full panel of Administrators after Council's dismissal. Date to be adopted: 24 July 2019 |
| 7 | Risk Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations) | <i>Risk Management Policy</i> Date of adoption: 27 February 2019 |
| 8 | Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud) | <i>Fraud and Corrupt Conduct Policy</i> Date of adoption: 26 April 2017 |
| 9 | Municipal Emergency Management Plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery) | <i>2018-2021 South Gippsland Municipal Emergency Management Plan</i> was prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of approval: October 2018 |
| 10 | Procurement Policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works) | <i>Procurement policy</i> prepared and approved in accordance with section 186A of the Act Date of adoption: 26 June 2019 |
| 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) | Adopted by Executive Leadership Team Date of adoption: April 2019 Plans are updated and tested at least annually with the last update and test being 30 April 2019. |
| 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) | Endorsed by Strategic Risk Committee Date of adoption: October 2018 In-progress: 80 per cent complete and was sent to the external audit provider for review on 13 November 2018. |
| 13 | Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations) | <i>Risk Management Framework</i> Date of adoption: 27 February 2019 |
| 14 | Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements) | The Audit Committee was established in accordance with section 139 of the Act. Date of establishment: 1 January 1998 <i>South Gippsland Shire Council Audit Committee Charter</i> was updated and adopted by Council 26 April 2018. <i>Information relating to the operations of this committee can be found in the Audit Committee section of this report.</i> |

| Item No. | Government and Management Items | Assessment |
|----------|--|--|
| 15 | <p>Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)</p> | <p>Internal Auditor engaged Date of engagement of current provider: 1 July 2016</p> |
| 16 | <p>Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)</p> | <p>Performance Reporting Framework is set out in the Council Plan 2017-2021 and 2018/19 Annual Budget adopted 27 June 2018. Requirements for quarterly reporting for the LGPRF is through the Audit Committee Charter and Minutes to Council and is passed through Executive Leadership Team and Risk Committee prior to Audit Committee and Council. The Council Plan 2017-2021 and the 2018/19 Annual Initiatives were reported to the Audit Committee in March 2019, June 2019 and financial year end in this Annual Report.</p> |
| 17 | <p>Council Plan Reporting (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)</p> | <p>Council Plan 2017-2022 - Revised was presented to Council on 26 June 2019 and was deferred by the Administrator to 24 July 2019. awaiting the full panel of Administrators after Council's dismissal. Date to be adopted: 24 July 2019 Council Plan and Annual Plan reporting is provided in organisational performance reports to Council. Date of reports: <ul style="list-style-type: none"> • Revised 2017-2021 Council Plan adopted: 24 July 2019 • Full Year 2017/18 compiled for the Annual Report and Fourth Quarter report combined: adopted 26 September 2018 • 2018/19 First Half Year report adopted: 27 February 2019 • 2018/19 Third Quarter report adopted: 29 May 2019 • 2018/19 Financial Year report - is currently being compiled for the combined Quarterly and Annual Report. </p> |
| 18 | <p>Financial Reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)</p> | <p>Statements presented to Council in accordance with section 138(1) of the Act. Long Term Financial Strategy Date of adoption: 28 November 2018 Financial reporting is provided in Quarterly Performance Reports to Council. Date statements presented: <ul style="list-style-type: none"> • First Quarter Report - July to August 2018 - 26 September 2018 • Second Quarter Report - July to November 2018 - 19 December 2018 • Third Quarter Report - July 2018 to February 2019 - 27 March 2019 • Fourth Quarter Report - included in this 2018/19 Annual Report </p> |

| Item No. | Government and Management Items | Assessment |
|----------|---|--|
| 19 | <p>Risk Reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p> | <p>Audit Committee review of register</p> <p>Date of reports:</p> <ul style="list-style-type: none"> • First report - 19 November 2018 • Second report - 11 June 2019 |
| 20 | <p>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 Act)</p> | <p>Council Plan and Annual Plan reporting is provided in Organisational Performance reports to Council.</p> <p>Half Year report - communication via Councillor's weekly newsletter and Audit Committee 12 March 2019 and three quarterly report in 11 June 2019.</p> <p>Full Year report - included in this 2018/19 Annual Report.</p> |
| 21 | <p>Annual Report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)</p> | <p>The 2017/18 Annual Report was adopted by Council on 26 September 2018. The final version after being presented to the Minister for Local Government was adopted by Council on 24 October 2018.</p> |
| 22 | <p>Councillor Code of Conduct (code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)</p> | <p>The revised <i>Councillor Code of Conduct</i> was reviewed in accordance with section 76C of the Act.</p> <p>Date of adoption: 22 February 2017</p> |
| 23 | <p>Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)</p> | <p>The delegations were reviewed in accordance with section 98(6) of the Act.</p> <p>The delegations were signed by the CEO on</p> <ul style="list-style-type: none"> • Council to CEO (S5) - 22 February 2017 • Council to Staff (S6) - 24 April 2019 • CEO to Staff (S7) - 13 May 2019 • CEO to Staff (S7a) - Miscellaneous - Sale of Council Land and Research - 18 July 2018 • Municipal Building Surveyor to Staff (S12) – 5 June 2019 • CEO Powers to Staff (S13) - 5 April 2019 • CEO to Staff (VICSmart) (S14) - 5 April 2019 |
| 24 | <p>Meeting procedures (a local law governing the conduct of meetings of Council and Special Committees)</p> | <p>Meeting procedures local law made in accordance with section 91(1) of the Act.</p> <p>Date of Local Law made: 19 May 2010</p> |

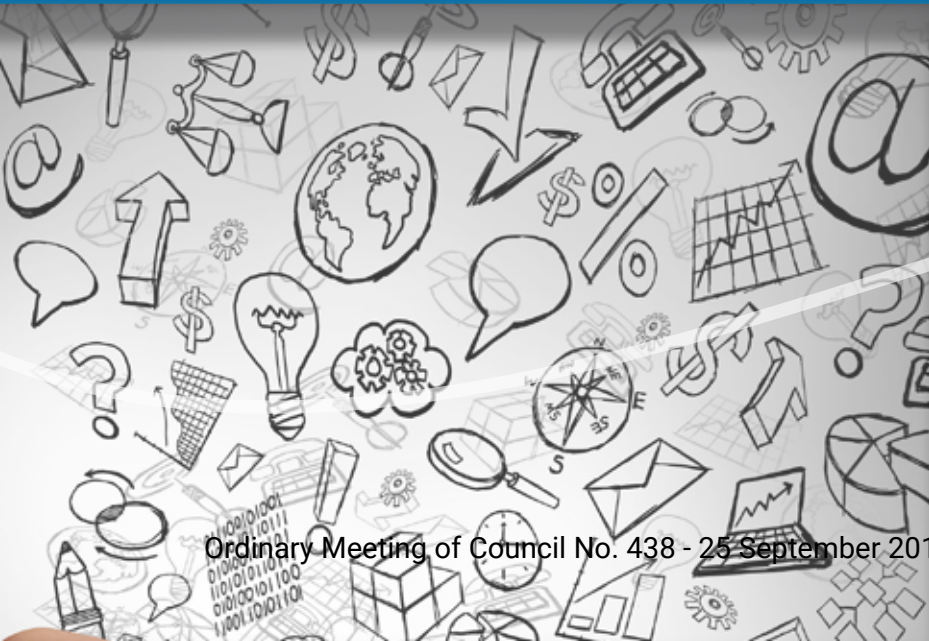
I certify that this information presents fairly the status of Council's governance and management arrangements.

Bryan Sword
Acting Chief Executive Officer
Dated: 25 September 2019

Christian Zahra (OAM)
Administrator
Dated: 25 September 2019



Section Overview **4**





Performance Statement

4.1

Performance Statement

DESCRIPTION OF MUNICIPALITY

South Gippsland Shire was formed in 1994 from the amalgamation of four municipalities. Located 90 minutes south east of Melbourne, the Shire has an expanding population of 29,576 (ABS estimated resident population March 2019).

The Council covers an area of 3,300 square kilometres with substantial coastal frontage. South Gippsland Shire is a spectacular region, with communities nestled among the rolling green hills, and along the coast, linking the mountains to the sea.

The Shire's major centres are Leongatha, Korumburra, Mirboo North and Foster, and other significant townships include Nyora, Toora, Venus Bay, Sandy Point, Poowong, Port Welshpool, Loch, Dumbalk, Welshpool, Meeniyan, Fish Creek, Port Franklin, Koonwarra, Kongwak and Tarwin Lower.

Key industry sectors by employment in the South Gippsland Shire at the last census in 2016 were Agriculture, Forestry and Fishing, Health Care and Social Assistance, Retail Trade, and Construction.



Sustainable

Capacity Indicators

for the year ended 30 June 2019

| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
|--|--------------|--------------|--------------|--------------|--|
| Population | \$2,128 | \$2,091 | \$2,124 | \$2,223 | No material variation |
| <i>Expenses per head of municipal population</i> | | | | | |
| [Total expenses / Municipal population] | | | | | |
| <i>Infrastructure per head of municipal population</i> | \$16,042 | \$15,611 | \$15,228 | \$15,855 | No material variation |
| [Value of infrastructure / Municipal population] | | | | | |
| <i>Population density per length of road</i> | | | | | No material variation |
| [Municipal population / Kilometres of local roads] | 13 | 14 | 14 | 14 | |
| Own-source revenue | | | | | No material variation |
| <i>Own-source revenue per head of municipal population</i> | \$1,670 | \$1,630 | \$1,672 | \$1,671 | |
| [Own-source revenue / Municipal population] | | | | | |
| Recurrent grants | | | | | This indicator is volatile based on the level of grants received each year. Population does not change very much but the higher the level of grants received in a year, the higher the ratio and conversely, the lower the level of grants in a year, the lower the ratio. |
| <i>Recurrent grants per head of municipal population</i> | \$414 | \$684 | \$520 | \$469 | |
| [Recurrent grants / Municipal population] | | | | | |

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 | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
|---|--------------|--------------|--------------|--------------|--|
| Aquatic Facilities | | | | | No material variation |
| Utilisation | | | | | |
| <i>Utilisation of aquatic facilities</i> | 6 | 6 | 5 | 5 | |
| [Number of visits to aquatic facilities / Municipal population] | | | | | |
| Animal management | | | | | Council has been more pro-active in education of residents in responsible pet ownership. |
| Health and safety | | | | | |
| <i>Animal management prosecutions</i> | 23 | 9 | 19 | 9 | Note: Revised data has changed for the previous three years as a result of unpaid fines not being reported as prosecutions processed through the magistrates court. |
| [Number of successful animal management prosecutions] | | | | | The previous animal management prosecution results historically included by Council should not have been included as they represent a non-compliance with the LGPRF. |
| | | | | | The revised figures are: |
| | | | | | <ul style="list-style-type: none"> • 2016 year changed from 23 to 9 • 2017 year changed from 9 to 6 • 2018 year changed from 19 to 16 |
| Food safety | | | | | From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year. |
| Health and safety | | | | | |
| <i>Critical and major non-compliance notifications</i> | 95% | 100% | 100% | 100% | |
| [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x 100 | | | | | |
| Governance | | | | | Community concerns with the performance and behaviours of Council/Councillors has negatively impacted on the satisfaction levels associated with Council decision making. |
| Satisfaction | | | | | |
| <i>Satisfaction with Council decisions</i> | 47 | 45 | 42 | 35 | |
| [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community] | | | | | |
| Home and Community Care (HACC) | | | | | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| Participation | | | | | |
| <i>Participation in HACC service</i> | 26% | N/A | N/A | N/A | |
| [Number of people that received a HACC service / Municipal target population for HACC services] x 100 | | | | | |

| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
|--|--------------|--------------|--------------|--------------|---|
| Participation | | | | | |
| <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x 100 | 22% | N/A | N/A | N/A | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs. |
| Libraries | | | | | |
| Participation | | | | | |
| <i>Active library members</i> [Number of active library members / Municipal population] x 100 | 23% | 21% | 17% | 16% | Active members for the year were 4,828 which is a slight decrease on the prior year. The population growth for the Shire is increasing faster than the number of active members and therefore there is a slight decrease in the indicator. The decrease is also reflective of ageing library buildings and proximity to town centres for community access and use. This indicator does not include the increasing members who use the library service for accessing wifi and computers and who do not borrow an item. |
| 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] x 100 | 75% | 76% | 76% | 75% | No material variation |
| 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] x 100 | 62% | 67% | 58% | 63% | The service has seen an increase in the number of Aboriginal children being enrolled and attending the MCH service. |
| 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] | 30 | 36 | 46 | 48 | The condition of roads has improved by two points as part of the Community Satisfaction Survey. |

| Service | Results 2016 | Results 2017 | Results 2018 | Results 2019 | Material Variation |
|--|--------------|--------------|--------------|--------------|-----------------------|
| Statutory Planning | | | | | No material variation |
| Decision making | | | | | |
| <i>Council planning decisions upheld at VCAT</i> | 71% | 50% | 80% | 80% | |
| [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] x 100 | | | | | |
| Waste Collection | | | | | No material variation |
| Waste diversion | | | | | |
| <i>Kerbside collection waste diverted from landfill</i> | 50% | 51% | 51% | 52% | |
| [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100 | | | | | |

Definitions

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

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

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

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

"CALD" means Culturally and Linguistically Diverse and refers to persons born outside Australia in a country whose national language is not English

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

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

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

"Critical non-compliance outcome notification" means a notification received by Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an 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*

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

the *Home and Community Care Act 1985* of the Commonwealth

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

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

"Major non-compliance outcome notification" means a notification received by a Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an 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

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

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

| Dimension/indicator/ measure | Results 2016 | Results 2017 | Results 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 | Forecast 2022 | Forecast 2023 | Material Variation |
|--|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|---|
| Efficiency | | | | | | | | | No material variation |
| Revenue level | | | | | | | | | |
| <i>Average residential rate per residential property assessment</i> | \$1,752 | \$1,789 | \$1,811 | \$1,834 | \$1,896 | \$1,944 | \$1,992 | \$2,042 | |
| [Residential rate revenue / Number of residential property assessments] | | | | | | | | | |
| Expenditure Level | | | | | | | | | No material variation |
| <i>Expenses per property assessment</i> | \$3,038 | \$3,105 | \$3,094 | \$3,288 | \$3,118 | \$3,118 | \$3,089 | \$3,125 | |
| [Total expenses / Number of property assessments] | | | | | | | | | |
| Workforce turnover | | | | | | | | | Workforce turnover has increased this financial year due to Council exiting the Aged and Disability Service in South Gippsland as of 31 March 2019. |
| <i>Resignation and terminations compared to average staff</i> | 13.13% | 11.19% | 11.98% | 24.57% | 9.09% | 9.09% | 9.09% | 9.09% | |
| [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100 | | | | | | | | | |
| Liquidity | | | | | | | | | No material variation |
| Working capital | | | | | | | | | |
| <i>Current assets compared to current liabilities</i> | 240.08% | 281.98% | 309.55% | 298.31% | 201.04% | 163.86% | 147.25% | 180.08% | |
| [Current assets / Current liabilities] x 100 | | | | | | | | | |

| Dimension/indicator/ measure | Results 2016 | Results 2017 | Results 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 | Forecast 2022 | Forecast 2023 | Material Variation |
|---|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|--|
| Unrestricted cash | | | | | | | | | |
| <i>Unrestricted cash compared to current liabilities</i> | -46.01% | -12.61% | -33.24% | -57.22% | 68.24% | 73.26% | 90.23% | 123.27% | The reclassification of \$4.0M of 'Cash and cash equivalents' to 'Other financial assets' (investments held at reporting date with a maturity of greater than 90 days) to cash has weakened this indicator in 2018/19 but does not indicate any financial concern. |
| [Unrestricted cash / Current liabilities] x 100 | | | | | | | | | |
| Obligations | | | | | | | | | |
| Asset renewal | | | | | | | | | |
| <i>Asset renewal compared to depreciation</i> | 100.84% | 111.33% | 98.04% | 81.02% | 233.60% | 167.23% | 147.45% | 124.49% | Due to various reasons, there was a significant amount of capital renewal expenditure which was not completed in 2018/19 and has been carried forward for completion in 2019/20, hence the significant jump in that year. |
| [Asset renewal expenses / Asset depreciation] x 100 | | | | | | | | | |
| Loans and borrowings | | | | | | | | | |
| <i>Loans and borrowings compared to rates</i> | 8.68% | 8.37% | 8.16% | 7.89% | 7.51% | 6.53% | 5.60% | 4.70% | No material variation |
| [Interest bearing loans and borrowings / Rate revenue] x 100 | | | | | | | | | |
| Loans and borrowings | | | | | | | | | |
| <i>Loans and borrowings repayments compared to rates</i> | 0.37% | 0.36% | 0.35% | 0.33% | 8.58% | 0.86% | 0.83% | 0.81% | The spike in 2019/20 is due to Council's only loan (interest-only) of \$3.35M which is due to be paid out in November 2019. Council will borrow an additional \$3.6M in 2019/20 but repayments of this loan will include principal and interest payments instead of interest-only going forward. |
| [Interest and principal repayments on interest bearing loans and borrowings / rate revenue] x 100 | | | | | | | | | |
| Indebtedness | | | | | | | | | |
| <i>Non-current liabilities compared to own source revenue</i> | 10.67% | 12.62% | 12.73% | 7.42% | 9.88% | 9.09% | 8.32% | 7.46% | The drop in ratio for 2018/19 represents the reclassification of the interest-only loan \$3.35M from Non-current to Current liabilities as this loan is due to be paid out in November 2019 |
| [Non-current liabilities / Own source revenue] x 100 | | | | | | | | | |

| Dimension/indicator/ measure | Results 2016 | Results 2017 | Results 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 | Forecast 2022 | Forecast 2023 | Material Variation |
|--|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|--|
| Operating position | | | | | | | | | |
| Adjusted underlying result | 0.99% | 12.11% | 7.30% | 1.35% | -3.38% | 7.48% | 9.00% | 11.39% | As a result of capital projects being carried forward from one year to the next, the associated capital grant income carried forward impacts this ratio. |
| <i>Adjusted underlying surplus (or deficit)</i> | | | | | | | | | The higher the level of capital grants, the lower the adjusted underlying surplus. |
| [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100 | | | | | | | | | |
| Stability | | | | | | | | | No material variation |
| Rates concentration | | | | | | | | | |
| <i>Rates compared to adjusted underlying revenue</i> | 64.87% | 58.11% | 61.52% | 63.71% | 72.73% | 67.07% | 68.63% | 68.08% | |
| [Rate revenue / Adjusted underlying revenue] x 100 | | | | | | | | | |
| Rates effort | | | | | | | | | No material variation |
| <i>Rates compared to property values</i> | 0.54% | 0.53% | 0.54% | 0.52% | 0.49% | 0.49% | 0.48% | 0.47% | |
| [Rate revenue / Capital improved value of rateable properties in the municipality] x 100 | | | | | | | | | |

Definitions

“Adjusted underlying revenue” means total income other than:

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

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

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

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

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

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

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

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

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

“Population” means the resident population estimated by Council

“Rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“Recurrent grant” means a grant other than a non-recurrent grant

“Residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

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

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

Other Information

for the year ended 30 June 2019

1. Basis of preparation

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

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (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 annually 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 2017-2021 can be obtained by contacting Council.

Certification of the Performance Statement for the year ended 30 June 2019

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.

Stuart Smith, CA
Principal Accounting Officer

Dated: 25 September 2019

In our opinion, the accompanying performance statement of the South Gippsland Shire Council for the year ended 30 June 2019 presents fairly the results of Council's performance in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

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

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

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

Christian Zahra (OAM)
Administrator

Dated: 25 September 2019

Frederick (Rick) Brown
Administrator

Dated: 25 September 2019

Bryan Sword
Acting Chief Executive Officer

Dated: 25 September 2019

2018/19



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