

South Gippsland Shire Council

COUNCIL PLAN

2017-2021



Adopted - June 2017



South Gippsland
Shire Council



*South Gippsland
Shire Council*

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Version 1

Our 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.

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Council

Coastal Promontory Ward



Cr Ray Argento



Cr Jeremy Rich



Cr Alyson Skinner

Strzelecki Ward



Cr Aaron Brown



Cr Lorraine Brunt



Cr Andrew McEwen

Tarwin Valley Ward



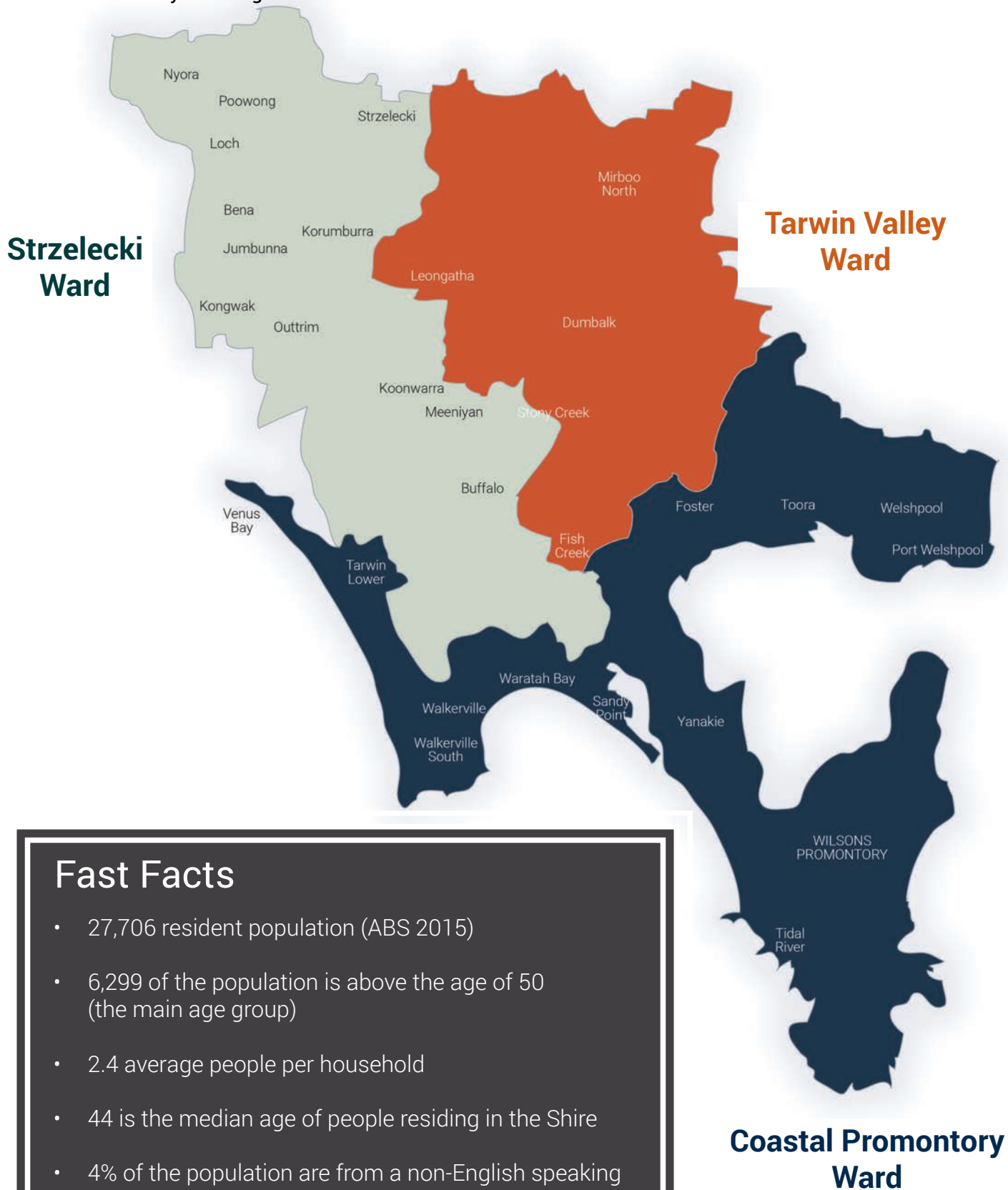
Cr Meg Edwards



Cr Don Hill



Cr Maxine Kiel



Fast Facts

- 27,706 resident population (ABS 2015)
- 6,299 of the population is above the age of 50 (the main age group)
- 2.4 average people per household
- 44 is the median age of people residing in the Shire
- 4% of the population are from a non-English speaking background
- 32% of the population is 'couples without children'
- 26% of the population is 'couples with children'
- 26 Townships and Hamlets

Council's Commitment to the Community

As Councillors, we are committed to demonstrating leadership by working constructively together and with the organisation to achieve success.

Throughout the next four years 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 the depth and breadth of creative thinking and the outcomes that can be achieved from working closely with our communities, businesses, supporting agencies, government agencies and other councils.
- Embrace and encourage community engagement, work collaboratively with others and establish partnerships that benefit our communities and the wider region.
- Value our reputation in the community and the region, and acknowledge that we are the guardians of community information.
- Respect the trust placed in us by seeking to be as open and transparent in our decisions as the law allows, to help the community understand the decisions Council makes.
- Value constructive criticism that helps us understand how and where we need to improve.
- Proactively 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.

Community Requests for Consideration

The following verbatim comments encapsulate some key themes from our community consultation processes.

Infrastructure

“Improve the roads and roadsides – both Council’s sealed and unsealed roads, and advocate to encourage VicRoads to improve its roads.”

“Build footpaths so we can get from place to place more safely.”



Lifestyle

“More or better community facilities for libraries, equestrian, trails, recreation and community spaces are needed.”

“Development of Arts and Culture has commenced; please keep the focus on it going.”



Community Requests for Consideration

Growth & Prosperity

"Focus attention on the economic growth of our Shire, the sustainability of our businesses and the creation of jobs; our survival depends on it."

"Our main townships are struggling; continue their revitalisation, but don't forget about some of our smaller communities as there are things we need too."

"The cost of living is escalating, so please improve the efficiency of your operations to minimise rate rises, keep rates affordable and reduce them where you can."

Communication

"Please listen to what we are saying to you."

"Work with us - we want to get involved in what you're planning and doing that affects us, we also have things we want to achieve that will benefit our communities."

"Communicate what you are doing – open up and be more transparent about what you've based your decisions on."



Council's Response

This 2017-2021 Council Plan responds to these community requests. The Strategic Objectives with their Strategic Overviews and Strategic Outcomes provide the overarching direction for the Council over its four year term.

The Strategies provide greater detail on the focus areas that Council realistically aims to address and the Strategic Indicators assist in monitoring progress to achieve them.

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 Objectives



Objective Overview

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.

Successful Outcomes

- The Shire has a vibrant, resilient regional economy that continues to support and grow agriculture, value adding, food production, manufacturing and the visitor economy.
- Our main towns have vibrant commercial precincts.
- Priority Projects are identified, advocated for and aligned to State and Federal policy objectives.
- Existing rail trails promoted and new trails developed to support growth to our visitor economy, enable a healthier lifestyle and enhance wildlife corridors.
- An adequate supply of land to support future business, residential, agriculture and tourism markets.

Strategic Indicators to Monitor Progress

- At least one delegation per year will be made to State and Federal politicians to advocate for the Shire's requirements.

Strengthen Economic Growth & Prosperity



Strategies to Achieve the Objective

Strategies	
1.1	Develop a 'vision' for the future growth and development of the Shire in partnership with the community.
1.2	Develop a strategy to grow the Shire, attract investment and promote tourism consistent with the 'vision'.
1.3	Undertake a review of residential, commercial and industrial land supply to ensure that it is adequate to support growth.
1.4	Identify Priority Projects and advocate to the State and Federal Governments for funding and support.
1.5	Review and implement the Economic Development and Tourism Strategy to provide direction to support our businesses to grow, generate employment, pursue economic development and the attraction of visitors.
1.6	Support our diversified agricultural sector.
1.7	Investigate feasibility of further extensions and upgrades to the Rail Trails, particularly between Leongatha and Korumburra and explore opportunities to develop nationally significant trails.
1.8	Finalise South Gippsland's Branding Strategy that supports the regional 'Destination Gippsland' branding and use them both to promote the Shire.
1.9	Progress the development of a business case to support the establishment of a multipurpose undercover 'Equestrian / Expo Centre' at Stony Creek.
1.10	Undertake an investigation of caravan parks and camping grounds at Sandy Point.

Objective Overview

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.

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Successful Outcomes

- A shared culture of working together with communities for the best outcomes.
- The Arts & Culture Policy and Strategy implemented.
- Investment in community facilities is consistent with the Blueprint for Social Community Infrastructure.
- Sport and Recreation facilities maintained and enhanced in partnership with the communities.
- Planning for Community Hubs for Leongatha and Korumburra progressed.
- Municipal Public Health and Wellbeing Plan implemented in partnership with other agencies.

Strategic Indicators to Monitor Progress

- 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% of applications submitted to be funded.
- 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 by Council on behalf of community groups.

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



Strategies to Achieve the Objective

Strategies	
2.1	Where appropriate support community groups to achieve projects they have ownership of and want to progress.
2.2	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.
2.3	Update and implement strategies for Community Strengthening and Engagement.
2.4	Implement the Arts and Culture Strategy and support growth of the sector.
2.5	Review the Recreation Strategy.
2.6	Review and update the Paths and Trails Strategy to determine where regional and local connections are required.
2.7	Renew and maintain aquatic facilities in accordance with the Asset Management Plan and the Aquatic Strategy.
2.8	Investigate opportunities to consider a model for community self-determination to facilitate working in partnership with the community.
2.9	Determine and implement the arrangements for the future Aged and Disability services provision, including advocating for those affected by Federal policy service delivery changes.
2.10	Implement the Active Ageing Strategy.

Objective Overview

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.



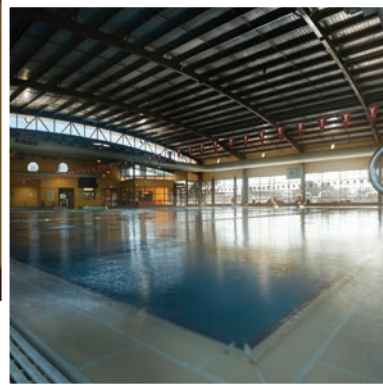
Successful Outcomes

- Improved standard of gravel roads and roadside maintenance.
- Increased communication to the public regarding road works, reported issues and scheduling of works.
- Investment-ready projects that are of high value to the community have been developed, are aligned to State and Federal funding opportunities and Council actively advocates for them.
- Council Building Portfolio reviewed.
- Sustainable practices promoted.

Strategic Indicators to Monitor Progress

- The readiness to make the most of government funding opportunities will be measured by the number of investment-ready projects prepared, with the aim of at least two ready at any time.
- Kerbside collection waste diverted from landfill, will be monitored in accordance with the Local Government Performance Reporting Framework.

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



Strategies to Achieve the Objective

Strategies	
3.1	Improve management of roads and roadsides through enhanced operational practices, increased funding and continued advocacy to VicRoads.
3.2	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.
3.4	Facilitate community and business renewable energy programs and sustainable practices to reduce the Shire's carbon footprint.
3.5	Undertake a review of the Council's Building Portfolio to ensure it meets community needs.
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.
3.7	Review the Strategic Land Review Project in regard to public open spaces in Venus Bay.
3.8	Implement the Footpath Extension Program.
3.9	Council to receive a report on the use of Design Panels for major projects and other development in the municipality.
3.10	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.
3.11	Council to play an advocacy role for townships that demonstrate 70% or greater community support, for sewerage infrastructure.

Objective Overview

Council will focus on becoming a more responsive, innovative, productive and effective organisation that follows best practice in transparency, 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.

Successful Outcomes

- Council meets its annual financial performance reporting requirements to the Auditor General.
- Council is focused on business improvement, innovation and increased transparency.
- Council has implemented systems that are better connected, agile and adaptive to deliver operational efficiencies.
- Council has increased its medium and long term sustainability and is delivering services more efficiently and flexibly.
- Community members experience improved customer service.

Strategic Indicators to Monitor Progress

- Council will encourage community members to provide information to Council on matters affecting them at public presentation sessions, in line with our Public Presentation Policy and report on participation rates.
- Council decisions made at meetings closed to the public will be monitored in accordance with the Local Government Performance Reporting Framework.
- Councillor attendance at Council meetings will be monitored in accordance with the Local Government Performance Reporting Framework.
- Productivity savings identified and reported annually.

UNITY

Enhance Organisational Development & Implement Governance Best Practice



Strategies to Achieve the Objective

Strategies	
4.1	Increase transparency through more items being held in open Council Meetings and communicating more clearly the reasons behind decisions.
4.2	Actively pursue continuous improvement and innovation, consider best practice and encourage the creation of higher valued services.
4.3	Develop a Digital Strategy.
4.4	Enhance customer service experiences through the development of a continuous feedback and improved customer service system.
4.5	Develop educative tools and processes to assist community members understand the Planning and Enforcement processes.
4.6	Enhance staff skills, capabilities and well-being through the implementation and ongoing development of SGSC people.
4.7	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% through improved innovation and productivity savings, streamlining the administrative structures and processes, through improved Business Unit performance and economic growth.

Strategic Resource Plan

2017-2021



The Strategic Resource Plan (SRP) describes the financial and non-financial resource requirements over a four-year period. The SRP is derived from the Annual Budget document that incorporates the 15-year Long Term Financial Plan. The financial projections are reviewed and updated on a yearly basis. This document is available from www.southgippsland.vic.gov.au.

Long Term Financial Strategies

1. Target consistent underlying surpluses that provide sufficient funds for both recurrent service level and asset renewal and upgrade requirements.
2. Target the Balance Sheet having at least a 1.25 to 1 underlying working capital ratio in the Long Term Financial Plan.
3. Transfers to discretionary reserves will only be included in the Annual Budget if matched by an equivalent budgeted underlying surplus in the Income Statement to preserve the accumulated surplus position of Council.
4. Material favourable budget variations realised at year's end in a given financial year will be allocated to a general reserve (unless required to finance projects deemed as 'unavoidable') that can be used as a funding source for future one off, unexpected or unavoidable costs.
5. Annual transfers of equivalent to 1.0% of rate income are made to the general reserve.
6. Annual transfers equivalent to the average interest earned on investments during the financial year are made to all reserves, Loan Reserve excepted.
7. Budgeted underlying cash at the end of each year shall be measured by referencing it against the underlying working capital ratio in the Long Term Financial Plan.
8. Service level funding gaps will be identified and classified as primary or secondary in nature to clearly distinguish the cash flow requirements of maintaining existing service levels (primary gaps) and for service level enhancements (secondary gaps).
9. A series of key financial performance indicators, with appropriate threshold targets, will be utilised to strategically analyse the financial integrity of the Plan. These include:
 - underlying working capital ratio – greater than 1.25
 - underlying result – greater than 0.0
 - financial sustainability indicator – greater than 95%
 - self-financing greater than 20%
 - indebtedness – less than 40%
 - total debt as a % of rate revenue – less than 60%
 - debt service costs as a % of total revenue – less 5%

Strategic Resource Plan

2017-2021

Long Term Financial Strategies

10. The amount of asset renewal funding required to maintain specified service levels as documented in asset management plans will be updated into the Long Term Financial Plan, subject to the available resource requirements, to ensure that the financial integrity of the plan is not compromised.
 11. Any new, upgrade and expansion capital work proposals in the first four years of the Long Term Financial Plan must include a lifecycle cost evaluation that identifies the asset's construction, maintenance and operating cash flow requirements as well as the depreciation impact.
 12. Capital income must only be utilised as a funding source for capital or 'one off' expenditure requirements.
 13. Council consider borrowing for new capital projects only when consistent underlying operating surplus results are being achieved.
 14. For borrowings to be considered, projects must have had a full lifecycle cost analysis undertaken, proving that future cash inflows will exceed the cash outlays, or alternatively that the additional costs are quantified in the Long Term Financial Plan and the integrity of the financial strategies are not compromised.
 15. Where reasonably possible, fees and charges are increased by the same general rates increase until full cost recovery is achieved for direct service provision. Any fees that are not increased in line with the planned rate rise be clearly identified and documented for Council's consideration.
 16. Any services that undergo service level review process which have non statutory fees and charges will have those fees and charges identified to reflect their level of community benefit which clearly articulates the basis for the fee or charge relative to the service being provided.
 17. Council consider the most appropriate rating strategy to provide adequate funds to:
 - achieve sustainable underlying surpluses;
 - achieve sustainable cash flows; and
 - fund capital renewal projects;in both the Annual Budget and Long Term Financial Plan to support defined service and infrastructure asset requirements.
- The Financial Strategies are reviewed and updated on a yearly basis.
- This document is also available from www.southgippsland.vic.gov.au.

Strategic Resource Plan

2017-2021



The Minister for Local Government the Hon. Natalie Hutchins announced on 19 December 2016 that Victorian council rate increases will be capped to the rate of inflation, 2.0% for 2017/18. The cap is based on Melbourne CPI for the next financial year as forecast by the Victorian Treasury.

Financial Challenges

The rate rise for 2017/18 will now be 2.0%. The rate rise for 2016/17 in the previous years' Long Term Financial Plan was 2.5%.

The rate rises in the forward years have been set at 2.0%.

The key longer term financial strategic performance targets are to:

- Achieve consistent underlying operating surpluses.
- Produce strengthening underlying working capital and liquidity positions.
- Progressively increase funding for asset maintenance / capital renewal expenditure.
- Provide a reasonable degree of consistency and stability in the level of the rates burden.

These initiatives will enhance the longer term financial sustainability of Council to:

- Achieve the strategic objectives documented in the Council Plan.
- Address any infrastructure funding gap issues that may arise.
- Achieve long term financial sustainability, that being, having adequate level of funding for a defined level of services in current and forward budgets.

Financial Resource Requirements

The SRP has a very strong focus on short to medium term financial outcomes. Budgeted statements are documented further in this section.

Budgeting Methodology used for the Standard Financial Statements Strategic Resource Plan

The Budgeted Financial Statements are a subset of Council's 15 year Long Term Financial Plan. It has been prepared at the lowest accounting level within the Council's general ledger system. At this level, certain accounts were coded for manual adjustment rather than broad percentage increases. For example, election expenses occur only once every four years. It is therefore, not possible to simply multiply the previous year's base by a percentage and achieve the same outcomes as presented.

The Reserve Bank of Australia target rate for inflation (as measured in the CPI), is that it remains between 2.0% and 3.0%.

CommSec forecasts that underlying inflation will be 1.8% for 2016/17 and 2.1% for 2017/18.

Where an inflation movement has been used in material and consumable calculations, it has been modelled at being set at 0% for 2017/18.

Strategic Resource Plan

This recalibration can be justified a number of ways including:

- The actual CPI for 2014/15 was 1.10% and for 2015/16 was 1.40%;
- Council's inflation index over that period of time was set at 2.50% which has created embedded financial capacity in the recurrent budgets; which in turn has
- Contributed to consistent overall actual operational expenditure outcomes being favourable relative to forecasted results.

In the following two years (2018/19-2019/20), the default inflation index in the Long Term Financial Plan has been set at 2.00% per annum. In the following four years it is set at 2.25% and then increases to 2.50% from 2024/25 onwards.

Commsec Wages Prices Index project a 2.1% movement to occur in 2016/17 and 2.6% on 2017/18.

The employee costs increments have been set at 2.00% from 2017/18 to 2018/19 and at 2.50% from 2020/21 to 2023/24 and then at 2.75% from 2024/25 onwards. It also has factored in the increase in superannuation contributions from 9.5% to 10.0% to occur in 2021/22 and then to increase by 0.5% each year thereafter until it reaches 12.0% in 2025/26.

Program service delivery areas that include construction type projects tend to have costs that increase above CPI. The Australian Bureau of Statistics showed that the Road Bridge Construction Index for Victoria was an average of 2.34% for the five year period ending December 2016. The annualised movement (as at December 2017) was a 0.82% increase.

The budgeting methodology used in the capital works program depends on the nature and timing of the projects. For the majority of infrastructure projects that occur yearly, such as roads, bridges culverts and drains, the costing for 2017/18 is based on an indexed increase of 2.00%. The following 2018/19 year the indexed increase is 2.50% and then trends up by 0.50% each year up until 2020/21. From 2021/22 onwards the index increase is set at 3.80%.

Fees and charges increases are generally modelled to increase by the same general rates increase until full cost recovery is achieved for direct service provision, where appropriate.

Rates

The general rate for 2017/18 will increase by 2.0%. The garbage and green waste charge will increase by 1.3% for 2017/18.

The general rate rises are projected to be increased by 2.00% in the forward years and the waste charges by 0.90% in the forward years.

This Strategic Resource Plan has allowed for a growth factor of 175 additional supplementary valuations each year. This has a significant compounding impact on rate income in the forward budgets.

Non-Financial Resources

The range of services undertaken by Council involves the abilities, efforts and competencies of 265.53 Equivalent Full Time (EFT) staff. The skill base of Council's workforce is diverse, with staff holding qualifications in areas such as aged care, civil engineering, accounting, health care, planning, building, and other fields.

There are also a vast number of volunteers that provide unpaid assistance across many services of Council.

Strategic Resource Plan

2017-2021

Comprehensive Income Statement

For the four years ended 30 June 2021

SOUTH GIPPSLAND SHIRE COUNCIL	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Budget 2018/19 \$'000	Budget 2019/20 \$'000	Budget 2020/21 \$'000
INCOME					
Rates and charges	39,811	40,995	42,092	43,217	44,369
Statutory fees and fines	625	618	622	630	650
User fees	4,053	4,183	4,460	4,629	4,855
Grants - Operating	18,048	8,228	11,954	13,030	12,346
Grants - Capital	7,656	8,669	1,872	5,763	5,980
Contributions - monetary	497	316	67	68	571
Contributions - non monetary	379	479	387	395	404
Net gain/ (loss) on disposal of property, infrastructure, plant and equipment	104	(329)	(257)	(276)	(397)
Fair value adjustment for investment property	0	0	0	0	0
Other income	2,420	2,388	2,374	2,414	2,456
TOTAL INCOME	73,593	65,547	63,571	69,870	71,234
EXPENSES					
Employee costs	23,871	24,687	25,079	25,696	26,328
Materials and services	22,542	24,079	18,552	20,807	19,671
Bad and doubtful debts	1	1	1	1	1
Depreciation and amortisation	11,209	11,884	12,491	13,113	13,873
Borrowing costs	142	142	142	59	0
Other expenses	3,213	3,120	3,576	3,239	3,312
TOTAL EXPENSES	60,978	63,913	59,841	62,915	63,185
SURPLUS (DEFICIT)	12,615	1,634	3,730	6,955	8,049
OTHER COMPREHENSIVE INCOME Items that will not be reclassified to surplus or deficit					
Net Asset revaluation increment (decrement)	0	25,655	0	27,526	0
Previously unrecognised assets	0	0	0	0	0
TOTAL COMPREHENSIVE RESULT	12,615	27,289	3,730	34,481	8,049

Budgeted Balance Sheet

For the four years ended 30 June 2021

SOUTH GIPPSLAND SHIRE COUNCIL	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Budget 2018/19 \$'000	Budget 2019/20 \$'000	Budget 2020/21 \$'000
BUDGETED BALANCE SHEET					
Current assets					
Cash and cash equivalents	15,894	7,738	7,804	6,196	1,432
Trade and other receivables	4,203	4,203	4,203	4,203	4,203
Other financial assets	6,896	6,896	6,896	6,896	6,896
Inventories	195	195	195	195	195
Other assets	227	227	227	227	227
Total current assets	27,415	19,259	19,325	17,717	12,953
Non current assets					
Trade and other receivables	0	0	0	0	0
Investments in associates and joint ventures	991	991	991	991	991
Property, infrastructure, plant and equipment	531,215	566,700	569,689	602,533	615,453
Investment property	729	729	729	729	729
Total non current assets	532,935	568,420	571,409	604,253	617,173
Total assets	560,350	587,679	590,734	621,970	630,126
Current liabilities					
Trade and other payables	2,978	2,978	2,978	2,978	2,978
Trust funds and deposits	873	873	873	873	873
Provisions	5,045	5,085	5,125	5,165	5,205
Interest bearing loans and borrowings	0	0	3,350	0	0
Total current liabilities	8,896	8,936	12,326	9,016	9,056
Non current liabilities					
Provisions	2,313	2,313	1,598	1,663	1,730
Interest bearing loans and borrowings	3,350	3,350	0	0	0
Total non current liabilities	5,663	5,663	1,598	1,663	1,730
Total liabilities	14,559	14,599	13,924	10,679	10,786
Net assets	545,791	573,080	576,810	611,291	619,340
Equity					
Accumulated surplus	212,941	213,328	215,936	225,762	232,965
Reserves	332,850	359,752	360,874	385,529	386,375
Total equity	545,791	573,080	576,810	611,291	619,340

Statement of Changes in Equity

For the four years ended 30 June 2021

STATEMENT OF CHANGES IN EQUITY				
For the four years ending 30 June				
	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	reserves
		\$'000	\$'000	\$'000
2017/18				
Balance at beginning of the financial year	545,791	212,941	329,540	3,310
Adjustment on change in accounting policy	-	-		
Comprehensive result	27,289	1,634	25,655	
Impairment losses on revalued assets				
Reversal of impairment losses on revalued assets				
Transfer to reserves		(2,141)		2,141
Transfer from reserves		894		(894)
Balance at end of the financial year	573,080	213,328	355,195	4,557
2018/19				
Balance at beginning of the financial year	573,080	213,328	355,195	4,557
Adjustment on change in accounting policy	-	-		
Comprehensive result	3,730	3,730	-	
Impairment losses on revalued assets				
Reversal of impairment losses on revalued assets				
Transfer to reserves		(2,220)		2,220
Transfer from reserves		1,098		(1,098)
Balance at end of the financial year	576,810	215,936	355,195	5,679
2019/20				
Balance at beginning of the financial year	576,810	215,936	355,195	5,679
Adjustment on change in accounting policy	-	-		
Comprehensive result	34,481	6,955	27,526	
Impairment losses on revalued assets				
Reversal of impairment losses on revalued assets				
Transfer to reserves		(1,678)		1,678
Transfer from reserves		4,549		(4,549)
Balance at end of the financial year	611,291	225,762	382,721	2,808
2020/21				
Balance at beginning of the financial year	611,291	225,762	382,721	2,808
Adjustment on change in accounting policy	-	-		
Comprehensive result	8,049	8,049	-	
Impairment losses on revalued assets				
Reversal of impairment losses on revalued assets				
Transfer to reserves		(2,354)		2,354
Transfer from reserves		1,508		(1,508)
Balance at end of the financial year	619,340	232,965	382,721	3,654

Budgeted Cash Flow Statement

For the four years ended 30 June 2021

SOUTH GIPPSLAND SHIRE COUNCIL	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Budget 2018/19 \$'000	Budget 2019/20 \$'000	Budget 2020/21 \$'000
BUDGETED CASH FLOW STATEMENT					
Cash flows from operating activities					
Rates and charges	39,811	40,995	42,092	43,217	44,369
Statutory fees & fines	625	618	622	630	650
User fees	4,053	4,183	4,460	4,629	4,855
Grants - operating	18,048	8,228	11,954	13,030	12,346
Grants - capital	7,656	8,669	1,872	5,763	5,980
Contributions- monetary	497	316	67	68	571
Interest received	602	602	614	626	640
Other receipts	1,818	1,786	1,760	1,788	1,816
Employee costs	(23,770)	(24,586)	(24,976)	(25,591)	(26,221)
Materials and services	(22,543)	(24,080)	(18,553)	(20,808)	(19,672)
Other payments	(3,213)	(3,120)	(3,576)	(3,239)	(3,312)
Net cash provided by (used in) operating activities	23,584	13,611	16,336	20,113	22,022
Cash flows from investing activities					
Payments for property, infrastructure, plant & equipment	(20,409)	(22,775)	(16,836)	(19,052)	(27,764)
Proceeds from sale of property, infrastructure, plant and equipment	1,510	1,150	708	740	978
Payments for / from investments	8,420	0	0	0	0
Trust Funds and deposits	0	0	0	0	0
Loan advances made	0	0	0	0	0
Repayment of loans and advances	0	0	0	0	0
Net cash provided by (used in) investing activities	(10,479)	(21,625)	(16,128)	(18,312)	(26,786)
Cash flows from financing activities					
Finance costs	(142)	(142)	(142)	(59)	0
Proceeds from borrowing	0	0	0	0	0
Repayment of borrowings	0	0	0	(3,350)	0
Net cash provided by (used in) financing activities	(142)	(142)	(142)	(3,409)	0
Net increase (decrease) in cash and cash equivalents	12,963	(8,156)	66	(1,608)	(4,764)
Cash and cash equivalents at the beginning of the financial year	2,931	15,894	7,738	7,804	6,196
Cash and cash equivalents at the end of the financial year	15,894	7,738	7,804	6,196	1,432

Strategic Resource Plan

2017-2021

Statement of Capital Works For the four years ended 30 June 2021

Capital Works Areas	Forecast	Budget	Budget		
	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Property					
Land	385	25	400	100	5,100
Buildings	3,082	1,507	1,592	1,354	2,062
Total property	3,467	1,532	1,992	1,454	7,162
Plant and equipment					
Plant, machinery and equipment	2,293	2,258	2,583	2,988	3,712
Computers and telecommunications	1,434	1,595	672	667	683
Total plant and equipment	3,727	3,853	3,255	3,655	4,395
Infrastructure					
Roads	10,718	11,633	5,432	6,171	10,084
Kerb & Channel	-	-	-	-	-
Bridges	233	2,524	399	226	358
Major Culverts	9	124	72	95	98
Footpaths and cycleways	663	760	329	3,440	3,456
Drainage	161	134	116	119	124
Off street car parks	495	-	-	-	-
Waste management #	350	432	38	218	72
Other infrastructure	586	1,724	4,425	3,673	2,015
Total infrastructure	13,215	17,331	10,811	13,942	16,207
Total capital works expenditure	20,409	22,716	16,058	19,051	27,764
Represented by:					
New asset expenditure	154	1,280	-	3,000	3,116
Asset renewal expenditure	15,905	12,093	15,272	12,857	16,895
Asset upgrade expenditure	2,711	6,860	678	909	6,308
Asset expansion expenditure	1,639	2,483	108	2,285	1,445
Total capital works expenditure	20,409	22,716	16,058	19,051	27,764
# Excludes Landfill rehabilitation provision	-	61	778	-	-

Statement of Human Resources Expenditure

For the four years ended 30 June 2021

	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Budget 2018/19 \$'000	Budget 2019/20 \$'000	Budget 2020/21 \$'000
Staff expenditure					
Employee costs – operating	23,871	24,687	25,079	25,696	26,328
Employee costs – capital	1,321	1,338	1,284	1,294	1,326
Total staff expenditure	25,192	26,025	26,363	26,990	27,654
Staff numbers					
Employees	263.40	265.53	264.23	264.03	264.03
Total staff numbers	263.40	265.53	264.23	264.03	264.03

Strategic Resource Plan

Other Information For the four years ended 30 June 2021

Summary of Planned Capital Works Expenditure

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions/ Sales \$'000	Council \$'000	Borrowings \$'000
2017-18										
Property										
Land	25	-	-	-	25	25	-	-	25	-
Total Land	25	-	-	-	25	25	-	-	25	-
Buildings	1,507	175	1,306	-	26	1,507	-	-	1,507	-
Total buildings	1,507	175	1,306	-	26	1,507	-	-	1,507	-
Total property	1,532	175	1,306	-	51	1,532	-	-	1,532	-
Plant and equipment										
Plant, machinery and equipment	2,258	-	2,258	-	-	2,258	-	749	1,509	-
Computers and telecommunications	1,595	-	1,595	-	-	1,595	-	-	1,595	-
Total plant and equipment	3,853	-	3,853	-	-	3,853	-	749	3,104	-
Infrastructure										
Roads	11,633	110	5,224	78	6,221	11,633	6,746	-	4,887	-
Bridges	2,524	-	424	2,100	-	2,524	1,663	-	861	-
Major culverts	124	-	124	-	-	124	-	-	124	-
Footpaths and cycleways	760	220	319	221	-	760	-	-	760	-
Drainage	134	-	-	-	134	134	-	-	134	-
Off street car parks	-	-	-	-	-	-	-	-	-	-
Waste management	432	-	-	-	432	432	-	-	432	-
Other infrastructure	1,724	775	843	84	22	1,724	20	-	1,704	-
Total infrastructure	17,331	1,105	6,934	2,483	6,809	17,331	8,429	-	8,902	-
Total capital works expenditure	22,716	1,280	12,093	2,483	6,860	22,716	8,429	749	13,538	-

Other Information

For the four years ended 30 June 2021

Summary of Planned Capital Works Expenditure

	Asset Expenditure Types					Funding Sources				
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Contributions/ Sales	Council	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2018-19										
Property										
Land	400	-	-	-	400	400	-	-	400	-
Total Land	400	-	-	-	400	400	-	-	400	-
Buildings	1,592	-	1,592	-	-	1,592	-	-	1,592	-
Total buildings	1,592	-	1,592	-	-	1,592	-	-	1,592	-
Total property	1,992	-	1,592	-	400	1,992	-	-	1,992	-
Plant and equipment										
Plant, machinery and equipment	2,583	-	2,583	-	-	2,583	-	708	1,875	-
Computers and telecommunications	672	-	672	-	-	672	-	-	672	-
Total plant and equipment	3,255	-	3,255	-	-	3,255	-	708	2,547	-
Infrastructure										
Roads	5,432	-	5,312	80	40	5,432	1,672	-	3,760	-
Bridges	399	-	399	-	-	399	-	-	399	-
Major culverts	72	-	72	-	-	72	-	-	72	-
Footpaths and cycleways	329	-	301	28	-	329	-	-	329	-
Drainage	116	-	-	-	116	116	-	-	116	-
Offstreet car parks										
Waste management	38	-	-	-	38	38	-	-	38	-
Other infrastructure	4,425	-	4,341	-	84	4,425	200	-	4,225	-
Total infrastructure	10,811	-	10,425	108	278	10,811	1,872	-	8,939	-
Total capital works expenditure	16,058	-	15,272	108	678	16,058	1,872	708	13,478	-

Other Information

For the four years ended 30 June 2021

Summary of Planned Capital Works Expenditure

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions/ Sales \$'000	Council \$'000	Borrowings \$'000
2019-20										
Property										
Land	100	-	-	-	100	100	-	-	100	-
Total Land	100	-	-	-	100	100	-	-	100	-
Buildings	1,354	-	1,082	-	272	1,354	-	-	1,354	-
Total buildings	1,354	-	1,082	-	272	1,354	-	-	1,354	-
Total property	1,454	-	1,082	-	372	1,454	-	-	1,454	-
Plant and equipment										
Plant, machinery and equipment	2,988	-	2,988	-	-	2,988	-	740	2,248	-
Computers and telecommunications	667	-	667	-	-	667	-	-	667	-
Total plant and equipment	3,655	-	3,655	-	-	3,655	-	740	2,915	-
Infrastructure										
Roads	6,171	-	5,905	80	186	6,171	2,111	-	4,060	-
Bridges	226	-	226	-	-	226	-	-	226	-
Major culverts	95	-	95	-	-	95	-	-	95	-
Footpaths and cycleways	3,440	3,000	310	130	-	3,440	-	-	3,440	-
Drainage	119	-	-	-	119	119	-	-	119	-
Offstreet car parks										
Waste management	218	-	218	-	-	218	-	-	218	-
Other infrastructure	3,673	-	1,366	2,075	232	3,673	1,652	-	2,021	-
Total infrastructure	13,942	3,000	8,120	2,285	537	13,942	3,763	-	10,179	-
Total capital works expenditure	19,051	3,000	12,857	2,285	909	19,051	3,763	740	14,548	-

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions/ Sales \$'000	Council \$'000	Borrowings \$'000
2020-21										
Property										
Land	5,100	-	-	-	5,100	5,100	-	-	5,100	-
Total Land	5,100	-	-	-	5,100	5,100	-	-	5,100	-
Buildings	2,062	116	1,946	-	-	2,062	490	-	1,572	-
Total buildings	2,062	116	1,946	-	-	2,062	490	-	1,572	-
Total property	7,162	116	1,946	-	5,100	7,162	490	-	6,672	-
Plant and equipment										
Plant, machinery and equipment	3,712	-	3,712	-	-	3,712	-	978	2,734	-
Computers and telecommunications	683	-	683	-	-	683	-	-	683	-
Total plant and equipment	4,395	-	4,395	-	-	4,395	-	978	3,417	-
Infrastructure										
Roads	10,084	-	9,050	81	953	10,084	3,866	-	6,218	-
Bridges	358	-	358	-	-	358	125	-	233	-
Major culverts	98	-	98	-	-	98	-	-	98	-
Footpaths and cycleways	3,456	3,000	321	135	-	3,456	-	-	3,456	-
Drainage	124	-	-	-	124	124	-	-	124	-
Offstreet car parks										
Waste management	72	-	-	-	72	72	-	-	72	-
Other infrastructure	2,015	-	726	1,229	60	2,015	-	-	2,015	-
Total infrastructure	16,207	3,000	10,553	1,445	1,209	16,207	3,991	-	12,216	-
Total capital works expenditure	27,764	3,116	16,894	1,445	6,309	27,764	4,481	978	22,305	-

Summary of Planned Human Resource Expenditure

For the four years ending 30 June 2021

	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000
Corporate and Community Services				
-Permanent full time	3,759	3,752	3,835	3,930
-Permanent part time	2,376	2,409	2,467	2,527
Total Corporate and Community Services	6,135	6,161	6,302	6,457
Development Services				
-Permanent full time	3,813	3,885	3,979	4,077
-Permanent part time	574	581	595	610
Total Development Services	4,387	4,466	4,574	4,687
Sustainable Communities and Infrastructure Maintenance				
-Permanent full time	9,703	9,850	10,082	10,329
-Permanent part time	826	838	858	879
Total Sustainable Communities and Infrastructure Maintenance	10,529	10,688	10,940	11,208
Executive Services				
-Permanent full time	573	593	608	623
-Permanent part time	182	185	189	194
Total Executive Services	755	778	797	817
Total casuals and other	4,219	4,270	4,377	4,485
Total staff operating expenditure	26,025	26,363	26,990	27,654
Capital works	1,338	1,284	1,294	1,326
Total staff expenditure	24,687	25,079	25,696	26,328
	FTE	FTE	FTE	FTE
Corporate and Community Services				
-Permanent full time	35.00	35.00	35.00	35.00
-Permanent part time	27.49	27.49	27.49	27.49
Total Corporate and Community Services	62.49	62.49	62.49	62.49
Development Services				
-Permanent full time	38.40	38.40	38.40	38.40
-Permanent part time	7.39	7.39	7.39	7.39
Total Development Services	45.79	45.79	45.79	45.79
Sustainable Communities and Infrastructure Maintenance				
-Permanent full time	105.60	105.60	105.60	105.60
-Permanent part time	9.35	9.35	9.35	9.35
Total Sustainable Communities and Infrastructure Maintenance	114.95	114.95	114.95	114.95
Executive Services				
-Permanent full time	5.00	5.00	5.00	5.00
-Permanent part time	1.85	1.85	1.85	1.85
Total Executive Services	6.85	6.85	6.85	6.85
Total casuals and other	35.45	34.15	33.95	33.95
Total staff numbers	265.53	264.23	264.03	264.03



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