



WARRNAMBOOL
CITY COUNCIL

REPORT OF OPERATIONS

For the year ended 30 June 2022

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INTRODUCTION

Welcome to the report of operations 2021-22.

The Warrnambool municipality is situated on the lands of the Gunditjmara and Eastern Maar peoples. Council acknowledges their Elders past, present and emerging.

This annual report includes a report of operations, financial and performance reports for the 2021-2022 year.

Warrnambool City Council is committed to transparent reporting and accountability to the community and the Annual Report 2021-2022 is the primary means of advising the Warrnambool community about council's operations and performance during the financial year.

The Warrnambool municipality

The municipality of Warrnambool covers 120sqkm in Victoria's South West.

It includes the city of Warrnambool and townships of Allansford, Bushfield and Woodford.

It has annual population growth of about one per cent, a population of 35,600 and is the most populous city in the South West.

Warrnambool is the major regional centre for health care, education, professional services and sport and culture.

Warrnambool's economy generates an annual output of \$4.743 billion accounting for over 25 per cent of the Great South Coast region's economic output from less than one per cent of the land area.

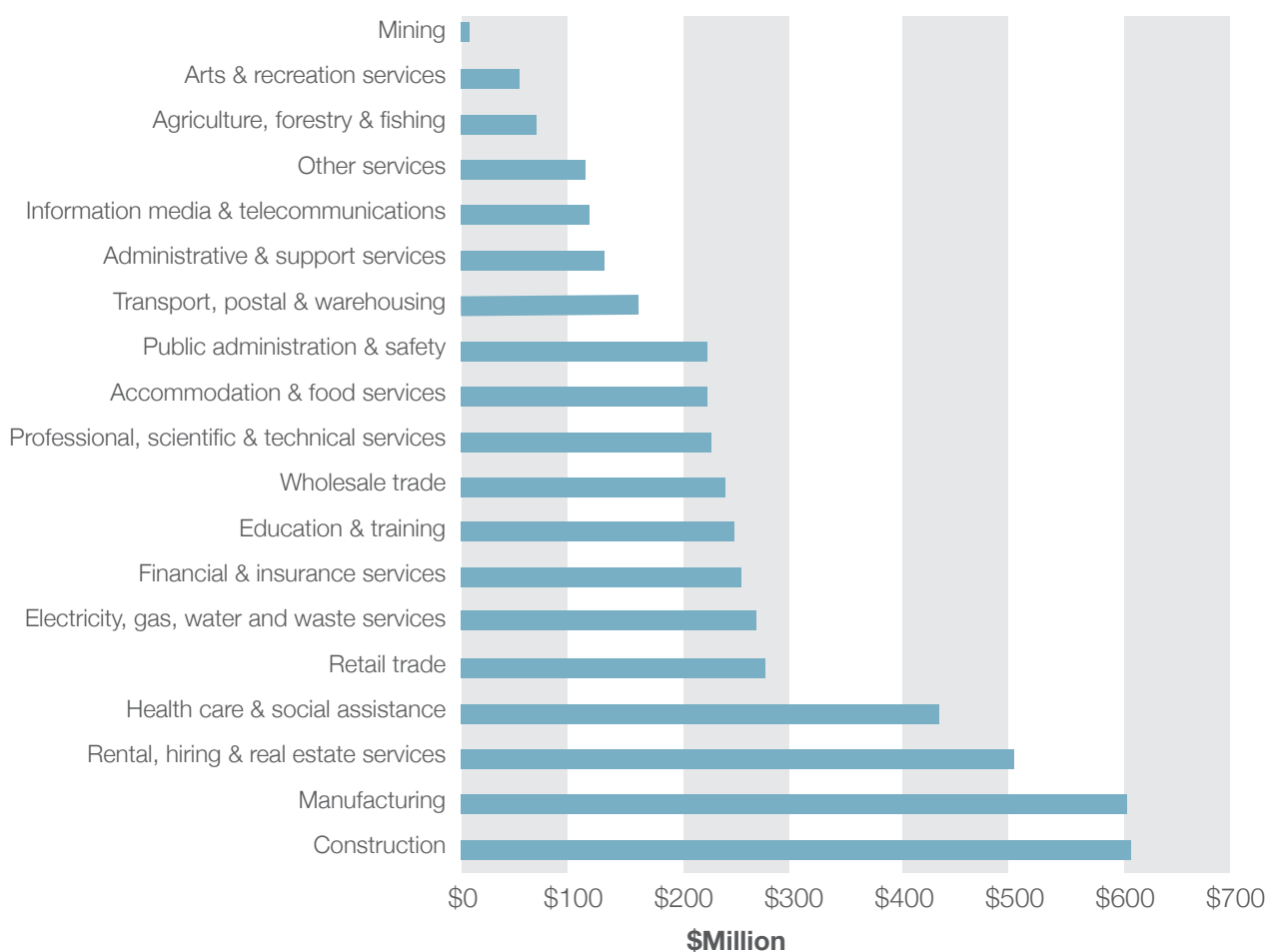
Output by industry sector

Industry Sector	\$M	%
Construction	\$608	12.8%
Manufacturing	\$605	12.8%
Rental, hiring & real estate services	\$502	10.6%
Other	\$3,029	63.9%





Economic output - all sectors



There are 16,653 jobs in Warrnambool. The major contributors to employment are:

Industry Sector	Jobs	%
Health Care & Social Assistance	3,279	19.7%
Retail Trade	2,370	14.2%
Education & Training	1,677	10.1%
Other	9,327	56.0%

GUIDING OUR ACTIONS

Council activities are guided by key strategic documents. These include the four-year Council Plan, developed by Councillors and adopted within six months of a Local Government election. The Council Plan, which is revised annually, also acknowledges the goals of the long-term community plan, Warrnambool 2040 (W2040).

Council, in partnership with the community, developed W2040 over 2017 and 2018. A long-term community plan, or vision, is now a requirement under the new Local Government Act 2020. The Council Plan aligns with the goals of W2040.

The icons beside the Council Plan objectives and the W2040 visions below will appear throughout this report to provide readers with an insight into the strategic origins of Council's actions and initiatives.

Our vision

A thriving city at the heart of coast and country

Our strategic objectives

1. A healthy community – we will be a healthy, inclusive and thriving community with equitable access to services, cultural opportunities and recreational activities
2. A sustainable environment – we will protect and strengthen local ecosystems, enhance biodiversity and enable sustainable communities.
3. A strong economy – we will support a resilient local and self-sustaining economy that encourages economic growth and provides increased employment opportunities that attract ongoing investment.
4. A connected, inclusive place – we will provide high quality places that people value and want to live, work, play and learn in.
5. An effective Council – we will be recognised as a collaborative Council and a high performing organisation that enables positive outcomes for Warrnambool's community, environment and economy for Victoria's South West.

Warrnambool 2040 – the community's long-term vision

Council is a major partner in the delivery of the objectives identified in the long-term community plan, Warrnambool 2040.

Prepared with the community through an extensive community engagement process, Warrnambool 2040 contains the following four strategic objectives.



1. People. Warrnambool will be a city where all people thrive.



2. Economy. Warrnambool will be Australia's most resilient and thriving regional economy.



3. Place. Warrnambool will be Australia's most liveable regional city.



4. Environment. Warrnambool will be Australia's most sustainable city



Solar installation at AquaZone.



OUR ORGANISATIONAL VALUES

Accountability

We will be responsible and take ownership of our actions and decisions by being ethical, honest and transparent.

Collaboration

We will foster effective relationships through engagement, communication and co-operation, supporting decisions and outcomes for the benefit of all.

Respectfulness

We will treat everyone with dignity, fairness and empathy, providing others with the opportunity to share views and be heard.

Progressiveness

We will evolve and grow by encouraging development, change and continuous improvement in all that we do.

Wellbeing

We will commit to providing a safe and healthy workplace that promotes staff engagement, performance and achievement, allowing employees to flourish for the benefit of themselves and the organisation.

HIGHLIGHTS



1. A HEALTHY COMMUNITY

Funding to improve the Jetty Flat pavilion

In August Council and the Victorian Government announced the sports pavilion at Jetty Flat Reserve would receive a \$980,000 upgrade that includes female-friendly changerooms.

Council was successful in its application to the Victorian Government's Local Sports Infrastructure Fund seeking \$500,000 for the project.

Council committed \$395,000 towards the project with a further \$30,000 from Cricket Victoria and \$55,000 from the Warrnambool BMX Club and Russells Creek Cricket Club.

The upgrade will create two new change areas and amenities that are not gender specific and which will provide clear separation between club amenities and the general public.

From the pavilion, there will be a clear line of sight to the BMX track to the south and the cricket oval to the north.

Designated umpires amenities include a separate shower, toilet and changing space, while the shared community and social spaces will be able to transform from one space to two.

Regardless of age, we all count

Warrnambool Mayor Cr Vicki Jellie signed up to the EveryAGE Counts campaign, which focused on addressing ageism relating to older people.

"Ageism can have a terrible impact on people," Cr Jellie said.

"It can restrict people's opportunities and diminish confidence and health.

"The reality is that people are able to make a contribution to the workplace and community well into senior years and this is something we should celebrate.

“We need to acknowledge that older people are capable and have accumulated valuable life and professional experience.

“Our older years should be like any other phase within a person’s life span – valid, positive and meaningful.”

The EveryAGE Counts campaign, organised by the Benevolent Society, has a vision for “a society where every person is valued, connected and respected regardless of age and functional health”. Council created a public pledge poster on the exterior of the Lighthouse Theatre and encouraged Warrnambool residents to show their commitment to tackling ageism.

A vaccinated economy

In October 2021 Warrnambool was involved in a trial to progressively reopen a “vaccinated economy”.

The trial conducted by the Victorian Government saw businesses and events across highly vaccinated parts of regional Victoria re-opened to help the state progressively move towards a vaccinated economy.

The trials tested systems and support in the fortnight before Victoria anticipated reaching a 70 per cent full vaccination mark, which triggered greater freedoms for vaccinated people.

“This is tremendous news for our economy and feels like a great reward for the effort that Warrnambool people have made over the past 18 months,” Warrnambool Mayor Cr Vicki Jellie said.

The trials covered hospitality, hairdressing, beauty services and tourism businesses, along with events such as race meetings, community celebrations and concerts – allowing higher patron numbers with all attendees confirmed as being fully vaccinated. Other municipalities to be part of the trial - all with high vaccination rates and low or no COVID-19 cases – included Bass Coast, Greater Bendigo, Pyrenees, Buloke and East Gippsland.

Help with vaccination proof

Warrnambool Library staff were available to help people access and display their COVID-19 vaccination certificates.

The Library developed a simple guide explaining how to access vaccination certificates, which was available at the library and on the library’s website. People could receive help by booking a one-on-one session during the Computer Connected program.

First cricket game on new Reid Oval surface

The first match on the new Reid Oval was a Division 1 cricket match between Nestles and North Warrnambool Eels in January.

Reid Oval Project Control Group Chair Cr Debbie Arnott said while the playing surface and the wicket was ready to go by the beginning of January, there’s still work to be done on the pavilion and the area around the oval.

The Reid Oval Redevelopment is a \$10.7 million project funded by the Victorian Government (via Sport and Recreation Victoria and Regional Development Victoria), the Warrnambool City Council (via the Victorian Government’s Community Sports Infrastructure Loans Scheme), the AFL (via the Australian Football Facilities Fund) and Cricket Victoria (via the Australian Cricket Infrastructure Fund).



Everyday Gourmet host Justine Schofield in Warrnambool with Cr Debbie Arnott.



2. A SUSTAINABLE ENVIRONMENT

Fox baiting produces results

Fox activity along Warrnambool’s foreshore was more than halved following a baiting program earlier this year, with a second phase to focus on remaining hotspots.

In an attempt to protect native bird and animal species, Council carried out a fox baiting program during October and November 2021.

Bait was buried in the coastal reserve around Pickering Point, Thunder Point and Shelly Beach. Following a baiting program in April to June specially-trained border collies scouted the baiting areas to look for signs of fox activity, with the results of the pre and post-program survey showing a 58 per cent reduction in fox scats.

Warrnambool City Council Director Infrastructure Services David Leahy said that while the results were encouraging, realistically, foxes will be a constant threat to native wildlife.

“Overall scat numbers were low around Lake Pertobe and the Viaduct Road precinct following the program, which is good news for the native fauna in the area,” he said.

“Surveying showed that although there was a reduction in scat numbers between Thunder Point and the golf course, there were still active foxes in the area, so we will be concentrating our efforts

along the coastal reserves in spring as foxes begin to be more active.”

When the rubber, glass and plastic hit the road

Recycled glass, rubber and plastic were used for Council’s 2021 Road Rehabilitation Program.

Council has used locally recycled glass to rehabilitate roads since 2020 and in 2021 introduced recycled plastic and rubber from old tyres to asphalt and sprayed seal road finishes.

About 2km of roads were rehabilitated over the five week program, which began in late October.

Warrnambool Mayor Cr Vicki Jellie said along with many Councils across Australia, Warrnambool was looking at new and innovative ways to reduce its environmental impact by finding new uses for old materials.

“Our roads projects are one area in particular where we can make use of a significant volume of recycled materials,” she said.

“Last year, we used the equivalent of 360,000 glass bottles on our roads.

“This year, we’re expecting to use a similar volume of recycled glass as well as approximately 440 tyres and plastic predominantly from old car parts.”



Solar to help power Stadium

Council completed a solar energy project at the Warrnambool Stadium funded by the RACV.

The RACV project, which includes battery storage, was part of a \$1 million RACV program to install solar systems on community facilities around Victoria.

Venues were chosen based on them also being used as emergency safe places and relief centres during bushfires and other extreme weather events. During the St Patrick's Day fires of 2018 the stadium and its staff played a vital role in switching the function of the stadium from sporting venue to relief centre.

The RACV is installing solar and battery systems in 24 towns across Victoria, each worth about \$40,000 on average.

Other locations include Omeo, Tallangatta, Wairewa, Wodonga, Goongerah, Clifton Creek, Yea, Aireys Inlet, Calivil, Anglesea, Heathcote, Dederang, Winchelsea, Hamilton, Harrietville, Hawkesdale, Balmoral and Mirranatwa.

Detox your home

The annual Detox Your Home event in Warrnambool was held in March 2022 at the South-West Victorian Livestock Exchange in Caramut Road.

Organised by Sustainability Victoria in partnership with Warrnambool City Council, the Detox Your Home program helps residents dispose of their old and unwanted chemicals in an environmentally responsible way.

Warrnambool Mayor Cr Richard Ziegeler encouraged everyone to make use of the free service.

"It's time to clean those unwanted household chemicals out of your shed, cupboard and from under your sink to dispose of them safely," he said. "2.7 tonnes of hazardous chemicals were collected at the most recent Detox Your Home event in Warrnambool.

"That's 2.7 tonnes of material that isn't polluting the environment, harming a loved one or acting as fuel in the event of a fire."

Solar power for the WAG, Archie Graham, AquaZone and the Civic Centre

In 2022 Council began the rollout of a

large photovoltaic project involving four Council buildings.

The four sites and the size of the installation were:

- AquaZone = 136kW
- Archie Graham Community Centre = 37.2kW
- Civic Centre = 76kW
- WAG = 64.4 kW

Council will install a total of 313.6kW of solar capacity across the four buildings - about 785 panels.

The payback period for the installations is six to eight years.



Solar installation on the Warrnambool Art Gallery.

More waste diverted from landfill

Council completed the rollout of its four-bin kerbside waste collection system which has further reduced the volume of rubbish being sent to landfill.

Collection stream	Tonnage collected 2020-2021	Tonnage collected 2021-2022
FOGO	6,279	6,125
Recycle	3,153	2,453
Glass	413	1,174*
Waste	5,432	4,965

*Glass breakdown was 1149T kerbside plus 25T at the glass bank (Cleanaway).



3. A STRONG ECONOMY

Extra BIG

In July Council opened its second round of Business Improvement Grants (BIG) to help local businesses increase efficiency and navigate COVID-19 impacts.

This allowed local businesses to apply for grants of up to \$3,000 to help implement new ideas, projects or programs.

Free CBD parking

Council introduced one hour of free parking in the city centre as a business stimulus measure in its 2021-2022 Budget.

This was a response to calls for more free parking in the city centre and to assist businesses recovering from the impact of COVID-19

The free hour was made available in the 2P bays within Parkers Car Park, Ozone Car Park and in the privately owned Coles-Younger Car Park.

New signage and linemarking was installed to help identify the free parking bays.

Business opportunity to Level Up

In November 2021 Council hosted Level Up, a special half-day conference for tourism, retail, events and other local businesses and professionals that covered a range of topics to help businesses thrive in a rapidly changing world.

Advertiser, social activist and author Alex Wadelton, who counts McDonald's, Nike, Myer, the Australian Defence Force, the Australian Football League and Cricket Australia among his past clients, discussed the business of creativity and ways to unlock your hidden creative potential.

Public relations and marketing professional Karen Foster presented a grant writing masterclass while retail expert Martin Ginnane spoke about overcoming challenges and embracing opportunities in 2022 and beyond.

Catriona Rowntree was host with funding for the event obtained by Council via the Department of Jobs Precincts and Regions' Regional Recovery Fund.

Warrnambool City Council CEO Peter Schneider said that local businesses had expressed a desire to sharpen their skills in events, marketing, tourism and retail.

Grant funds for off-peak events

As part of city’s COVID recovery, Council’s Activate Warrnambool program provided grants of up to \$5,000 for small and medium events and up to \$10,000 for large events and festivals held between May and November, traditionally quieter months in terms of visitation.

For small and medium events, no matching funding was required, which meant the events could be fully funded by an Activate Warrnambool grant. In 2021, the program provided a combined \$68,000 to 12 events.

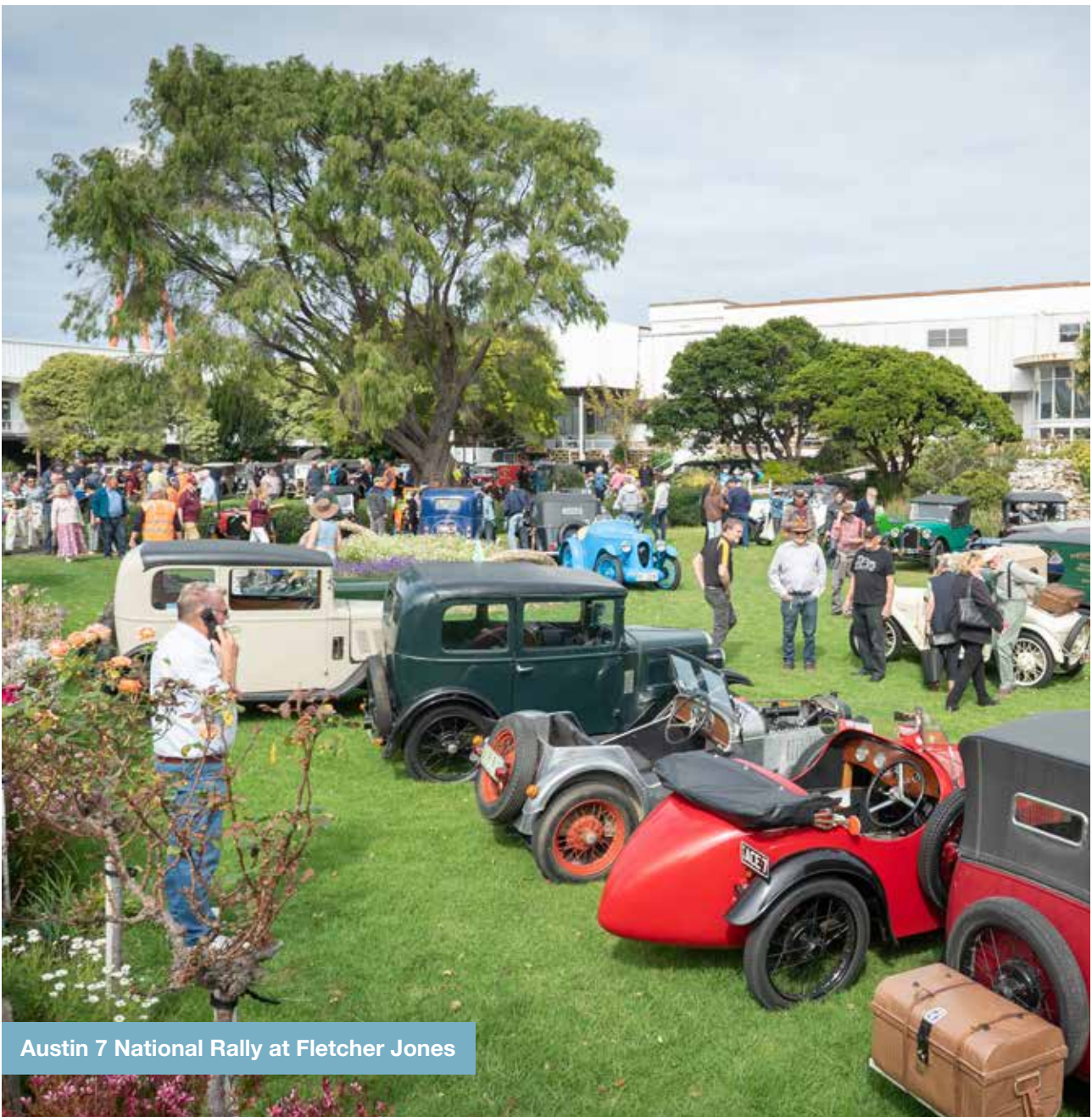
With the summer holiday period cut short for many,

a strong off-peak period became more important for our tourism and hospitality businesses.

Raglan Presents was one of the 12 successful applicants in 2021, with funding helping its Downtown Festival.

Raglan Presents Director James Kol said the funding allowed him to confidently plan and deliver a large scale music festival in the heart of Warrnambool during uncertain times.

“Without the backing of Activate Warrnambool, Raglan Presents would not have been able to present the festival at a level that we would expect due to the added expenses involved in making the event a COVID-safe experience,” he said.



Austin 7 National Rally at Fletcher Jones



Mayor Cr Vicki Jellie and Peek Whurrong Elder Uncle Robert Lowe at Merrivale's Marrang Park where signage to complement existing sandstone sculptures was installed.

4. A CONNECTED, INCLUSIVE PLACE

Small Infrastructure Fund

At its July 2021 meeting Council endorsed five community projects worth a combined \$430,000 to be delivered via the Small Infrastructure Fund.

Projects included an update to Goodwin Hall used by the Holiday Actors and the Warrnambool Theatre Group, a new veranda roof for the Warrnambool Croquet Club, concrete resurfacing at the BMX track, a rabbit fence at Jetty Flat Oval and a new storage shed for the Dragon Boat Club.

Support for Aboriginal art and culture

Warrnambool Art Gallery (WAG) won funding of \$125,000 through Regional Arts Australia to support its Aboriginal art and cultural engagement initiatives.

The funding will be provided over three years and will help support the employment of a Curator of Cultural Engagement who will implement programs, exhibitions and workshops at the Maar Nation

Gallery within WAG.

Mayor Cr Vicki Jellie said the funding was great acknowledgement of the significance of Aboriginal art in the South West and of the cultural engagement already undertaken by the WAG team.

“We know that the South West has a long and rich cultural Aboriginal history that indigenous and non-indigenous people value highly,” Cr Jellie said.

“It is important that it is appropriately acknowledged with a dedicated space and resources within WAG.”



Better paths, better accessibility

New concrete paths built at Lake Pertobe over recent months have made negotiating the iconic park much easier for many people.

Among those who have welcomed the paths is Warrnambool resident and wheelchair user Rhiannon Newman.

“The footpath at Lake Pertobe is great. It makes it easy for me to view the lake and access most parts of the park. Accessing the park can be hard especially when the grass is wet and muddy,” Ms

Newman told Council.
 “I also like the accessible change rooms that have been installed at Lake Pertobe. This can mean the difference between going out or staying at home.”
 Ms Newman is a client of disability services organisation, Southern Stay.
 Southern Stay Chief Executive Officer Paul Lougheed said it was important that new infrastructure catered to all abilities.
 “This work is welcomed by Southern Stay,” Mr Lougheed said.
 “These kinds of upgrades, which seem so simple, can make a profound difference for some people with restricted mobility.
 “The Changing Places facility is another example of infrastructure that can really improve the quality of life for people who might not otherwise be able to contemplate a visit to Lake Pertobe, something many of us might perhaps take for granted.”

Poetry slam comes to Warrnambool

Write a revolution. Write to speak.
 Write to be heard in Australia’s largest performance poetry competition!

In September the Warrnambool Library hosted one of just three regional Victorian heats of the Australian Poetry Slam (APS).
 Hosted by Ren Alessandra, 2020 APS Champion, poets had two minutes to perform their original work; no props, no costumes, no music. Judges were randomly chosen from the audience with the two highest-scoring poets able to complete in the Victorian state final hosted by the State Library of Victoria.
 The program also included a poetry slam workshop for young adults hosted by Ren.

Raised pedestrian crossing for East Warrnambool

A new raised pedestrian crossing was finished in Ward Street to make getting to and from East Warrnambool Primary School safer for students, parents and carers.

Funded by the Transport Accident Commission Local Government Small Infrastructure grant, the new “wombat” crossing gives pedestrians priority when crossing the road and the raised platform reduces car speed as well as making people on the crossing more visible.
 In addition to the crossing in Ward Street, a raised

crossing was also built in Garden Street in July while other pedestrian infrastructure improvements were added to Aitkins Road near the playground, Selby Road near Our Lady Help of Christians Primary School and Zeigler Parade near the Allansford Kindergarten and along Merrivale Drive.



WAG façade takes on a new glow

Ballarat artist Ash Keating covered the WAG façade with a blaze of colour that reflected the sometimes gentle, sometimes intense, colours of South West sunsets.

Ash’s work on the WAG façade was a prelude to the Wallawar festival held in November.
 For several years Ash has been used fire hydrants full of paint to create his splash art works that layer colour rapidly over large surfaces in a spectacular way.
 He said using fire extinguishers allowed him to create a large scale abstract expressionist style that had a lot of gravity and pull as the paint descended the surface of the wall. He balances the paint using fire extinguishers filled with water.
 “It is about creating immersive painting that reflects the spectacle of nature that we all enjoy. It is quite spontaneous and because it is large scale it is a bit like action painting,” he said.



Home is where the art is

A new mural at a decommissioned Derby Street bus shelter became part of Council's Let's Get Neighbourly program, designed to bring neighbours closer together.

Deakin University PhD student Thiru Somasundara moved to Warrnambool two years ago. COVID-19 has had an impact on the social connections of most people, but for the Sri Lankan student who didn't know anybody in the city, it was especially tough.

"I was so lonely and upset and I couldn't connect with anybody in the neighbourhood," he said.

"This is my second year in Australia and Warrnambool and I didn't have many friends."

He heard about the Let's Get Neighbourly program and decided to get involved. Through workshops and mentoring, the program guided participants through the process of introducing themselves to their neighbours, and potentially forming new neighbourhood groups.

"I couldn't build my relationships gradually and properly with people at university or at other places because of all the lockdowns," he said.

"At the Let's Get Neighbourly program, I got advice on how to approach neighbours. This is entirely a new world for me.

"I think I learnt a lot, and it helped me to have positive interactions with my neighbours.

"I know my neighbours now, and I feel like I've been accepted."

The project culminated in a public mural, with Thiru the lucky participant selected to have the artwork created in his neighbourhood.

Artist Jimmi Buscombe said that the design was shaped by local residents.

"Everyone was really enthusiastic. It was just a fun, cohesive thing and we were able to tie a lot of their ideas together," he said.

Citizen of the year

Eco-defender Colleen Hughson was the 2022 Warrnambool Citizen of the Year.

The long-time Warrnambool resident started a movement by not just picking up rubbish on local beaches, but working tirelessly to try and stop it at the source.

Other award winners are music therapist Garry Price, who has won a Local Achiever Award, and TEDxWarrnambool which was named the Warrnambool Event of the Year.

Colleen leads Beach Patrol 3280-3284, and along with a team of fellow volunteers, she was instrumental in the banning of plastic stemmed cotton buds in Victoria and New South Wales.

Long-time visitors to the beaches west of Thunder Point can also attest to the tangible difference Beach Patrol has made in recent years.

Colleen was also recognised at the 2019 Warrnambool Australia Day Awards as a Local Achiever.

Ms Hughson said that while she had won the award, she was accepting it on behalf of everyone who helped make their local beaches and coastline better places.

"It's an absolute honour to be recognised for something that I really enjoy doing and something that I'm really passionate about," she said.

"It's a wonderful opportunity to raise awareness about the issue of marine litter along our coastline and I also see it as an opportunity to thank all the volunteers that are part of Beach Patrol. Thank you to my husband and kid too."

Ms Hughson said that the first time she visited a beach with the sole purpose of picking up rubbish was in August 2017 when she saw cotton buds on Shelly Beach, and things had grown from there.

"I was walking along and seeing all these sticks and I thought 'this is terrible, someone should do something about this' and as I was walking home I thought 'hang on, I could go back with a bag and pick them up'," she said.

"It was a bit of a wake up and I haven't looked back since then."

Beach patrol has done over 500 clean ups on Shelly Beach and collected 27,000 cotton buds.





Redeveloped Reid Oval officially opens in April

The redeveloped Reid Oval opened with the \$10.7 million project completed on-time and under budget.

The upgrade included a new playing surface; a modern, accessible, gender equitable pavilion; lighting that allows for night football and cricket matches as well as better training facilities.

Christine Couzens MP officially opened the new facility on Friday April 29 on behalf of the Victorian Government.

Warrnambool Mayor Cr Vicki Jellie thanked the many parties responsible for such a terrific outcome.

“A project of this magnitude is years in the making, and to borrow a sporting cliché, this win is a team effort,” she said.

“Despite the complexities of such a large project, not to mention the significant impact of COVID-19, the Reid Oval Redevelopment was completed on time and under budget.

“This meant that we could include a 500m concrete footpath around the entire oval, improving the

accessibility for all spectators. It also meant that we could upgrade the lights at the netball courts to allow for night games to be played. And all while remaining within budget.

“I’d like to recognise that a facility as outstanding as Reid Oval doesn’t just look after itself.

“As well as investing in new equipment, Council staff have spent years undergoing specialised training to prepare for the curation of such a high-level playing surface.

“Reid Oval is in safe hands, and it’s a facility that everyone can enjoy for many years to come.”

Warrnambool Football Netball Club Football Operations President Ken Radley said that the club was excited to settle in to its new home.

“It’s been a long time coming but we’ve been really patient and worked really well with Council and the contractors,” he said.

“It’s a fantastic facility and we’re really grateful to be a tenant here.

“Our numbers in our youth girls under 18s has grown dramatically and these facilities help make our women feel part of the club.”

Nestles Cricket Club President Gary MacLean said that the surface, as well as the new nets and the potential for night cricket were all very exciting.

“This year we got to play four or five games here at the end of the season, and now moving forward, we have 12 teams that are part of our club, boys and girls, so it’ll be fantastic to be able to get into the brand-new nets and really work towards getting our club to where we want to be,” he said.

“Everyone has been impressed with the wicket and the grass – it’s nice and fast for cricket – and the next step is to turn the lights on for some T20 games or day-night games.”

The funding:

Organisation	Amount
Victorian Government (Sport and Recreation Victoria & Regional Development Victoria)	\$7,100,000
Council (Treasury Corporation Victoria Loan)	\$3,000,000
AFL Victoria	\$250,000
Cricket Victoria	\$200,000
Club and community	\$ 95,000
TOTAL	\$10,645,000

Early years literacy – it takes a village

A special forum run by the Council in May - Early years literacy: it takes a village - discussed the role we can all play to have a positive impact on young children’s learning.

“This is a really good opportunity for parents, carers and educators to hear from experts in the field about how we can build foundations for lifelong learning,” Warrnambool Mayor Cr Vicki Jellie said.

“The Warrnambool Library has organised the forum which is free to attend and provides access to people working at the cutting edge of early years literacy.”

Keynote speaker was Associate Professor Jane Page who is Associate Director, Pedagogy and

Leadership Research in the REEaCh Hub, the University of Melbourne.

Assoc. Professor Page has worked in early childhood for more than 30 years and over the past decade has been involved in several professional learning and research projects designed to enhance early years teachers’ pedagogical practices and to have a positive impact on young children’s learning.

Also presenting at the forum were South West HealthCare speech pathologist Elisia Nichol and occupational therapist Danili Dwyer who bring a combined 20 years’ experience working with children, families and early years professionals.

There was also a panel discussion with a Q and A session, a presentation on the Beyond the Bell project, Koori Kinder Preschool, the Warrnambool Toy Library and Nurture in Nature, which connects kids and communities with the natural world.



Neighbour Day celebrations at West Warrnambool Primary School.

Community Development Fund

Under the Community Development Fund 2021/22 round, Council received 68 applications.

Of the 68 applications, 12 were ineligible based on the criteria, 2 eligible were not supported, 48 are fully funded and 6 are partially funded.

Of the funded applicants, 32 were funded with conditions attached to their funding.

The report recommends \$218,131 to be allocated to 54 eligible local clubs and organisations under the Community Development Fund 2021/22.

Environment and Sustainability \$23,183

Festivals and Events \$42,197

Sport and Recreation, Culture and Arts \$152,751

Total \$218,131

Organisation Name	Project	Funding category	Total approved
Find Your Voice Collective	Capturing creative activism, accessibility & advocacy	Culture and Arts	\$3,103
Friends of Warrnambool Botanic Gardens	Take a seat and rest revive review	Culture and Arts	\$3,920
Russells Creek Club	Showcasing local Indigenous culture in a football clash guernsey	Culture and Arts	\$5,000
Warrnambool & District Artists Society	Warrnambool and District Artists Society 60th anniversary celebrations	Culture and Arts	\$4,467
Warrnambool & District Historical Society	Archival survival	Culture and Arts	\$1,000
Warrnambool Camera Club Incorporated	Increasing competition and workshop participation	Culture and Arts	\$3,709
Warrnambool Mozart Choral Group Incorporated	Mozart Hall stage lighting	Culture and Arts	\$5,000
Warrnambool Symphony Orchestra	Purchase of percussion equipment	Culture and Arts	\$4,612
Australian Plants Society - Warrnambool & District (Prev Society for Growing Australian Plants)	Environmental Weeds of Warrnambool booklet	Environment and Sustainability	\$4,996
Beach Patrol 3280-3284	Beach Patrol 3280-3284	Environment and Sustainability	\$4,280
Friends of Harris on Merri	Harris on Merri upstream revegetation 2022	Environment and Sustainability	\$4,600
Russells Creek Landcare	Revegetating Russells Creek	Environment and Sustainability	\$2,970
Tozer Reserve	Protecting the natural values of Tozer Reserve	Environment and Sustainability	\$1,390
Warrnambool & District Landcare Network Inc	WCLN essential equipment	Environment and Sustainability	\$4,947
Bushfield and Woodford Community Hub	Community engagement	Festivals & Events	\$1,282
Comunidades de Lingua Portuguesa	Warrnambool Portuguese Festival- 1522 to 2022	Festivals & Events	\$5,000

Dennington Community Association	Carols by the Merri	Festivals & Events	\$2,000
Warrnambool Agricultural Society	Warrnambool Show 2021	Festivals & Events	\$5,000
Warrnambool and District Easter Arts Festival	Warrnambool Easter Arts Festival	Festivals & Events	\$4,000
Warrnambool Gem Club Inc.	2022 Gem Show signage for new show location	Festivals & Events	\$4,259
Warrnambool Gift	Warrnambool Gift	Festivals & Events	\$5,000
Warrnambool Model Railway Club Inc.	Model Railway Exhibition 2022	Festivals & Events	\$2,000
Warrnambool Organ Festival Inc	The 2021 Warrnambool Organ Festival	Festivals & Events	\$3,656
Warrnambool Tri Club	Warrnambool Foreshore Tri 2022	Festivals & Events	\$5,000
Wunta Fiesta Incorporated	Wunta Fiesta	Festivals & Events	\$5,000
Brierly Christ Church Cricket Club	Bowling machine	Sport and Recreation	\$4,900
Dennington Bowling Club	Shade sails for shelter	Sport and Recreation	\$5,000
Dennington Football Netball Club	New tables and chairs for the football club rooms	Sport and Recreation	\$5,000
Dennington Pony Club Inc	Purchase of show jumping timing system	Sport and Recreation	\$1,000
Lake Gilleard Small Bore Rifle Club	Improve access and inclusion - electronic target	Sport and Recreation	\$5,000
Merrivale Cricket Club	Purchase of super soaker	Sport and Recreation	\$1,000
Nestles Cricket Club Incorporated	Scoreboard replacement	Sport and Recreation	\$1,947
Nestles Rowing Club	Boat and trailer winch	Sport and Recreation	\$4,555
North Warrnambool Eels Cricket Club	North Warrnambool Eels strategic plan development	Sport and Recreation	\$5,000
North Warrnambool Rifle Club	Target and range safety equipment purchase	Sport and Recreation	\$2,250
Old Collegians Football Netball Club	Increasing club capacity, amenity and efficiency	Sport and Recreation	\$5,000
Panorama Three Year Old Kindergarten	Active, happy, healthy kids	Sport and Recreation	\$1,313
South Rovers Football Netball Club	Let's go to the videotape	Sport and Recreation	\$4,755
Southern Titans Cricket Club	Junior development program	Sport and Recreation	\$4,549
Southwest Strength Sports	Purchase of equipment 2021	Sport and Recreation	\$4,985
Warrnambool Athletic Club	2021 Warrnambool Running Festival	Sport and Recreation	\$5,000

Warrnambool Bridge Club Inc	Purchase appropriate seating	Sport and Recreation	\$5,000
Warrnambool Calisthenics Club	Annual concert	Sport and Recreation	\$3,400
Warrnambool City Croquet Club	Fast 5 Croquet - the next big hit!	Sport and Recreation	\$4,742
Warrnambool Cycling Club	Women's cycling program	Sport and Recreation	\$3,000
Warrnambool Gun Club Inc	Upgrade to electronic scoreboard and electronic shoot program	Sport and Recreation	\$4,969
Warrnambool Kart Club	Girls in karts	Sport and Recreation	\$5,000
Warrnambool Little Athletics	Back to the track and field	Sport and Recreation	\$5,000
Warrnambool Rangers Football Club	Jones Oval lighting upgrade	Sport and Recreation	\$5,000
Warrnambool Rifle Club	90m safety range lighting	Sport and Recreation	\$4,791
Warrnambool Roller Hockey Club	Replacement of spectator grandstand	Sport and Recreation	\$4,784
Warrnambool Small Bore Rifle Club	Purchase interactive electronic target	Sport and Recreation	\$5,000
Warrnambool Springers Gymnastics	Soft underlay in arena to alleviate possible injury	Sport and Recreation	\$5,000
Warrnambool Volleyball Association	Junior training development	Sport and Recreation	\$5,000





5. AN EFFECTIVE COUNCIL

Council recognised with events awards

In a challenging year for public events Council won two awards at a national “Event of the Year” awards ceremony, the only municipality in Australia to do so.

Online music festival “Get Around Warrnambool presents LoungeFest” won the 2020 Victorian Government Event of the Year award while neon-themed scavenger hunt “Solstice Searching” was deemed the 2020 Victorian Regional Event of the Year.

The awards were announced in September 2021. The awards were presented by Meetings and Events Australia, the largest professional events organisation in the country.

Warrnambool Mayor Cr Vicki Jellie said the awards recognise the goodwill in the events space between Council, event partners and the broader community. “Warrnambool is an events city. When there aren’t

restrictions on tourism, events play a key role in our visitor economy, but they are just as important for local residents and they add a lot to the liveability of the city,” she said.

“While virtual concerts will forever be synonymous with the COVID-19 pandemic, LoungeFest was one of the first events of its kind in Australia.

“The reason we could put the event together so quickly was due to the willingness of the local musicians and all of our event partners to get involved. Everyone saw what we were trying to create, and people watched in their thousands.

“With Solstice Searching, it was such a great concept, it could have worked at any time.”

Investment tackles drainage maintenance backlog

Council invested in a new jet/vac truck to help clear a significant drainage maintenance backlog, while allowing staff to quickly respond to blockages in the event of heavy rain.

The vehicle is equipped with a high-pressure water hose that breaks up debris up to 100m along the drainage pipe, while a second hose acts as a vacuum, sucking the material into the truck. In its first few months of operation, Council’s

drainage team averaged 18 cubic metres, or 25 tonnes of debris cleared from the stormwater system each month.

In previous years, drains were cleaned by hand. In more recent times, Council would employ a contractor to use a jet/vac truck. Warrnambool City Council CEO Peter Schneider said that the new truck was a great investment in the city's drainage system. "We no longer need to hire contractors to clean our drainage pits and stormwater pipes, so this truck will well and truly pay for itself over its lifespan," he said. "Without the need to rely on contractors, if we receive a report of a blocked drain, our staff can respond much more quickly. And in the event of a flood, we are not reliant on the availability of an external company.

"Depending on the type of drain, the team are now cleaning 50 to 60 drains a week. Back when things were done by hand, one drain could take all day." After debris is sucked into the truck, it is taken to the municipal depot where it is drained, sorted, sifted and where possible, recycled. Council awarded a \$511,000 tender for the Hino truck and Spout Vac body.

CFA volunteers gain skills loading water bomber

In December 2021 CFA volunteers including Council staff gained or refreshed skills in loading firefighting aircraft.

A Hamilton-based water bomber was flown down for the exercise and volunteers completed a number of drills which involved refilling the aircraft with water.



Airport Reporting Officer Terry O'Sullivan at the CFA training day.



The CFA air base at Warrnambool Airport acts as a supporting base to refill fixed-wing firefighting aircraft after they have been dispatched for larger incidents.

Local CFA volunteers undertake additional training and are placed on a duty roster during the fire season in order to ensure the airbase can be manned and operational within 15 minutes. Council's airside infrastructure ensures a greater level of fire safety to Warrnambool and the South West.

Council Chief Executive Officer Peter Schneider said he was proud of the Council and community roles staff often performed. "It's not uncommon for staff to be pitching in outside their work, just as many other residents do, to make their city and region a better place," Mr Schneider said.

A chance to have a say

Council began community engagement for the 2022-2023 Budget and the 2022 revision of the 2021-2025 Council Plan in February.

This involved asking the community to submit any questions or requests they have in relation to the Council Plan and/or budget. The questions and commentary were reviewed by Council and used to help inform the revision of the plan and budget preparation.

Making Archie the best it can be

In March residents were asked how they thought the Archie Graham Community Centre could be improved.

Archie is a special place for many Warrnambool people who wish to learn, to have fun, socialise and even work out.

It is a community where people can connect and feel a great sense of belonging.

To ensure it continued to meet the needs of the whole community Council sought community input to help us plan Archie programs and, if need be, shift the focus on the services Council provides and how they are provided.

Council ran two surveys, one for current Archie customers and clients – including our active and engaged senior citizens group which is very much at the heart of Archie – and the other for the whole of community who might not have much involvement with Archie at the moment.

Funding for planning projects

In February Council received \$200,000 from the Victorian Government to fund strategic planning projects in Allansford and Bushfield-Woodford.

Council received \$100,000 to implement the Allansford Strategic Framework Plan and \$100,000 to develop the Bushfield-Woodford Strategic Framework Plan through the Victorian Planning Authority’s Streamlining for Growth program

The plans are designed to anticipate and address issues arising relating to population growth and land supply.

The townships within our municipality are growing and with that comes challenges and opportunities to look at how these townships can grow while enhancing amenity and built infrastructure.

They need to grow in a way that will not detract from the appeal they have and the lifestyle they offer for current and future residents.

In May last year Council adopted the Allansford Strategic Framework Plan (Allansford SFP). The Allansford SFP sets a long-term strategic land use vision for Allansford and provides a framework for its future growth and development over the next 20 years.

The Allansford SFP considered site attributes, relevant policy and range of feedback received

during three rounds of community and stakeholder engagement.

To implement the Allansford SFP, Council will undertake detailed technical assessments on stormwater drainage, flooding and traffic impact and also prepare a planning scheme amendment to provide the policy direction to deliver the recommendations of the plan.

Council will undertake a community engagement process with the Bushfield-Woodford community to inform the development of the Bushfield-Woodford Strategic Framework Plan.

A digital strategy for the South West

The municipalities of Warrnambool, Moyne and Corangamite began work on developing a regional digital strategy to enhance liveability, productivity and promote sustainability in the South West.

The strategy aims to provide the Councils, communities, partners and investors with a clear direction for digital activity and initiatives that enrich community outcomes.

“The City of Warrnambool and Shires of Moyne and Corangamite understand the importance of digital transformation as an enabler for the region to become sustainable, resilient and attractive for residents, visitors, businesses and investors into the future,” Warrnambool City Council Mayor Cr Vickie Jellie said.

“We’re excited to be working together to accelerate momentum, address digital risks and overcome local challenges and barriers.”



Mayor Cr Vicki Jellie and CEO Peter Schneider at the mental health and wellbeing event, Let’s Talk on the Green.



WARRNAMBOOL
CITY COUNCIL

LOOKING AHEAD

Challenges faced by Council

- Worker shortages in some sectors e.g. early childhood.
- Meeting asset renewal and maintenance needs
- Decision to be made around investment at the South-West Victorian Livestock Exchange

Future projects

- Further development of shared services (IT enterprise system) with Moyne and Corangamite shires.
- Further investigation into a community hub at the Brierly Reserve to service a growing population in Warrnambool's north.
- Investigation into a new or upgraded aquatic centre for Warrnambool.
- Opening of the new Library and Learning Centre. This is Warrnambool's new public library and is situated on the South West TAFE site. It will open in the second half of 2022 and replaces the existing library service which is in a small and outdated space at the Civic Centre.



MAYOR'S MESSAGE

This Annual Report details Warrnambool City Council's achievement of the 2021-2025 Council Plan strategic objectives and is the third report of this Council. The role of council includes:

The role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

It must give effect to over-arching governing principles which are:

Council decisions are to be made and actions taken in accordance with the relevant law;

- (b) priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- (c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
- (d) the municipal community is to be engaged in strategic planning and strategic decision making;
- (e) innovation and continuous improvement is to be pursued;
- (f) collaboration with other Councils and Governments and statutory bodies is to be sought;
- (g) the ongoing financial viability of the Council is to be ensured;
- (h) regional, state and national plans and policies are to be taken into account in strategic planning and decision making;
- (i) the transparency of Council decisions, actions and information is to be ensured

Highlights

A significant step to making sport in Warrnambool more inclusive was taken with the opening of the Reid Oval redevelopment.

Along with a high standard playing surface the upgrade included a new pavilion with change-rooms that cater equally to males and females. The pavilion also has improved all-abilities access and the ground itself has a concrete path around its perimeter that can be used by those with scooters or wheelchairs. Work began on a new Edwards Bridge and on an amazing new playspace at Lake Pertobe Adventure Park.

As a Council we also continued our journey to learn more about our local Aboriginal history and culture and to build relationships with our Aboriginal community.

Advocacy and engagement

We asked a great deal of the community when it came to seeking feedback on Council activities and proposals.

Among the issues we canvassed were the Budget, Council Plan, Beach Access Strategy, Asset Plan, Volunteering Strategy, Public Tree Planting, Archie Graham Community Centre, the Principle Pedestrian Network and the Waste Asset Management Plan – and that list is by no means exhaustive. Councillors and executive staff also made representations to State and Commonwealth

levels of government on matters of importance to our community. In June a delegation from Council travelled to Spring Street to meet Victorian members of parliament and senior government officials. Included in the items for discussion were the 2026 Commonwealth Games, Brierly Reserve Community Hub, Japan Street catchment management and flood mitigation, an upgrade of the animal shelter, Wollaston Road, Raglan Parade pedestrian safety, the repair of the Breakwater and a new surf lifesaving club building.

Thank you

I would like to thank my fellow councillors for their dedication and effort on behalf of the city.

In particular I acknowledge Cr Richard Ziegeler who served as Mayor from November 2021 to February 2022.

Thank you also to the dedicated Council staff for their work to deliver on the objectives of the Council Plan.

And a very special thank you to residents who completed a Council survey, sent us a letter or attended a Council forum or meeting. The feedback we receive from our very engaged community is insightful, helpful and enters our considerations when we make decisions as a Council.

Cr Vicki Jellie
Mayor



New Edwards Bridge under construction.

Work progressing on the new adventure playspace at Lake Pertobe.



A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

On behalf of Warrnambool City Council it is a pleasure to present Council's Annual Report for the year ending June 30, 2022.

The Chief Executive Officer is responsible for:

- Establishing and maintaining an appropriate organisational structure for the council
- Ensuring that the decisions of the council are implemented without undue delay
- The day to day management of the Council's operations in accordance with the council plan
- Developing, adopting and disseminating a code of conduct for council staff
- Providing timely advice to the council
- Carrying out the council's responsibilities as a deemed employer with respect to councillors, as deemed workers, which arise under or with respect to the Accident Compensation Act 1985 or the Accident Compensation (WorkCover Insurance) Act 1993.

Highlights

The past financial year was extremely busy with a number of major infrastructure projects under way including the Library and Learning Centre, the construction of Edwards Bridge and the installation of a major playspace at Lake Pertobe Adventure Park

We also had the official opening of the redeveloped Reid Oval. All of these projects improve the liveability of the city and in some cases enhance the experience of visitors to Warrnambool.

The 2022 Community Satisfaction Survey contained some very pleasing results with the community expressing greater levels of satisfaction across all key measures including overall council direction.

Internally we formed a Gender Equity Action Committee to develop a Gender Equality Action Plan. This will be an influential plan and together with the Gender Equality Act will create not only a fairer workplace but will have an influence on all aspects of Council operations, including infrastructure design.

Organisational performance

At the end of June 2022, council's financial position remains sound.

We care for community assets that have a replacement value estimated at \$865 million. About half of that value comprises our roads and 368 buildings.

While asset renewal and maintenance remain perennial challenges our Long Term Financial Plan spells out how we intend to do address this.

Operating expenditure for 2021-22 was tightly controlled and council's operating income and expenditure were within 8% and 6% respectively of the Annual Budget adopted in June 2021.

In 2021-22, council achieved a surplus of \$18.445 million.

Thank you

I would like to take the opportunity to acknowledge council, the local community and all Warrnambool City Council staff who are working to ensure we are a thriving city at the heart of coast and country.

Peter B. Schneider
Chief Executive Officer
Warrnambool City Council



An under 18s girls match was the first football game under lights at the redeveloped Reid Oval.

FINANCIAL SUMMARY

Council’s financial position continues to remain sound.

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

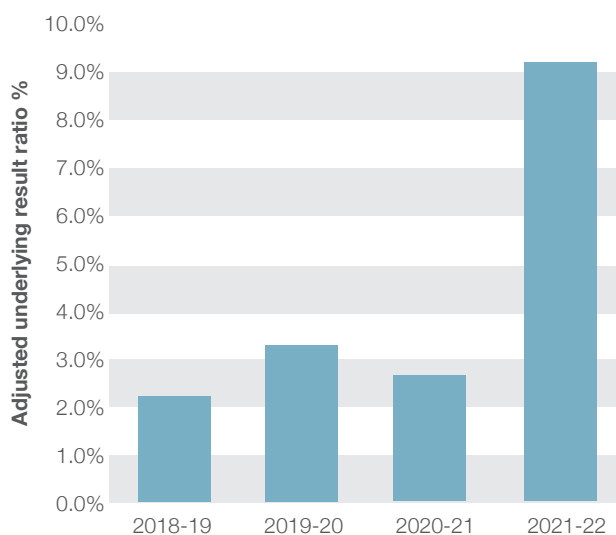
Operating position

Council achieved an accounting surplus of \$18.45 million in 2021-22 which is higher than the 2020-21 surplus of \$12.09 million and is impacted by a higher level of capital grants in particular for the Reid Oval Redevelopment project and the Joint Use Learning and Library Hub, the advance payment of 75% of the Victoria Grants Commission funding and the property insurance settlement for the Florence Collins child care centre.

In addition, user fees were higher than the previous year due to increased usage across multiple services post-COVID.

Salary costs were lower than expected due to vacancies across the organisation and there were some savings in materials and services.

The adjusted underlying surplus of council, after removing non-recurrent capital grants, non-monetary capital contributions, profit/loss on sale of equipment and major expensed capital works, is a surplus of \$7.45 million (\$2.00m in 2020-21). Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$738 million of community assets under council’s control.



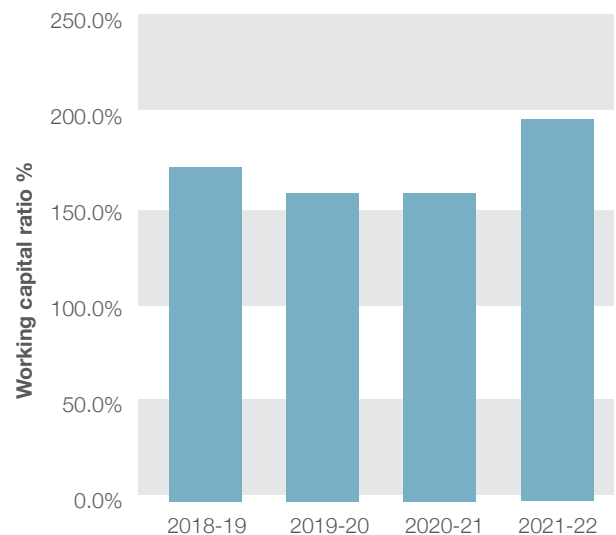
Liquidity

The working capital ratio has increased from 158.9% to 196.2% .

This is mainly due to a number of government grants received in advance for provision of service or project delivery that will occur in the 2022-23 financial year, the advance payment of 75% of the Victoria Grants Commission funding, the increase in user fees plus salary costs being lower than expected due to vacancies.

In addition, council are carrying forward some funds to complete projects that were not able to be completed in 2021-22 due to a shortage of professional staff and the impact of COVID19. 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 196.2% is an indicator of satisfactory financial position and within the expected target band of 100% to 200%.

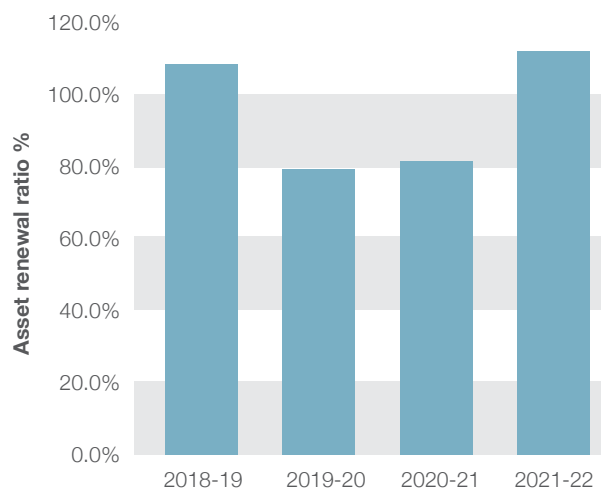
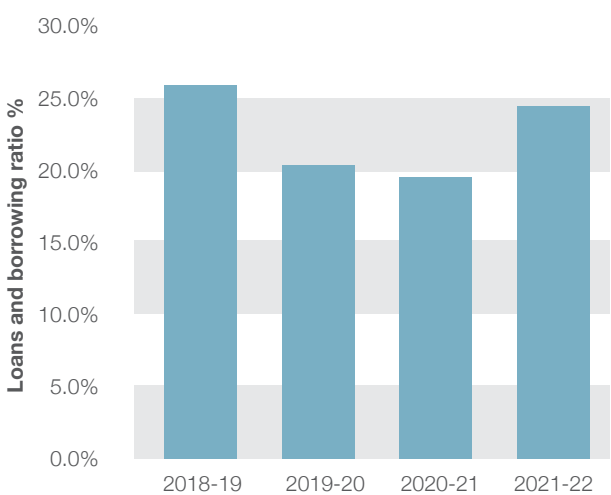


Obligations

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community.

To help bridge the current infrastructure gap, council invested \$14.10 million in asset renewal works during the 2021-22 financial year which was higher than the 2020-21 investment of \$9.98 million. Council's asset renewal ratio which is measured by comparing asset renewal expenditure to depreciation was 113.4% compared to the 2020-21 rate of 82.5%.

The increase is primarily as a result of Council's capital works program having an emphasis on asset renewal and includes the Lake Pertobe Adventure Playspace, Edwards Bridge and the completion of the Reid Oval Pavilion redevelopment.



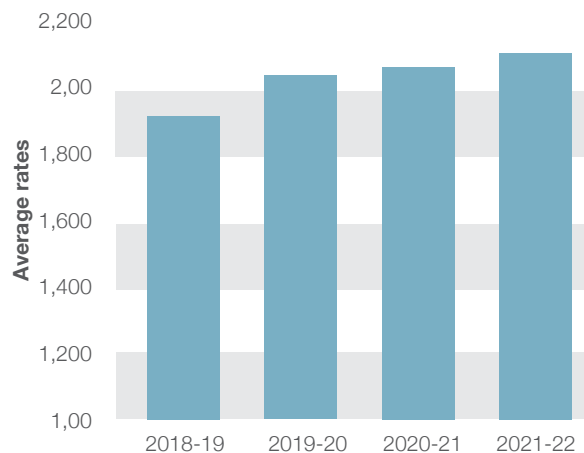
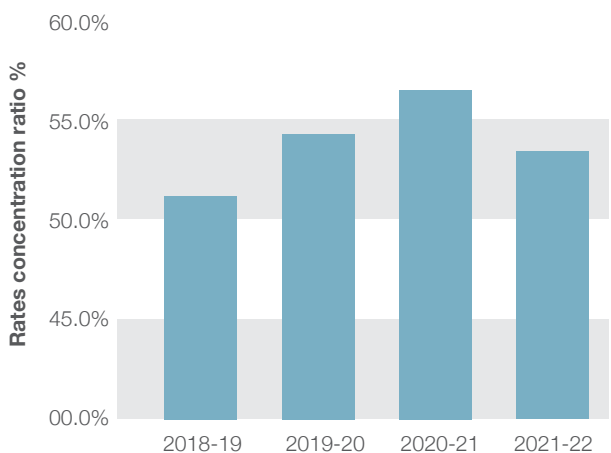
Stability and efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions.

Council's rates concentration which compares rate revenue to adjusted underlying revenue was 53.4% for the 2021-22 year which is within the expected target band of 40% to 60%.

This is lower than the previous year with the COVID pandemic having less of an impact on fee income especially in the latter part of the second half of the financial year.

Council's average rate per residential assessment of \$2,106 has increased on prior years driven by the 1.5% rate cap increase and an increase in waste management fees of \$6.91 due to the implementation of a four-bin system. The four-bin system includes kerbside glass collection reduces Council's risk exposure to the recycling market and provides environmental benefits that will help achieve the objectives in the Council Plan.





Reid Oval Pavilion under construction.

DESCRIPTION OF OPERATIONS

Warrnambool City Council provides a diverse range of services which include: the building and maintenance of municipal roads, footpaths, cycling paths and public amenities; waste management; tourism and economic development; Meals on Wheels, respite care, early childhood services, recreation services including provision and maintenance of sporting facilities; planning; a live performance theatre, aquatic centre, art gallery, sporting stadium, a visitor information centre maritime museum and village tourism attraction.

Council's vision, strategic objectives and strategies to further improve services and facilities are described in the Council Plan 2021-2025, the 2021-2022 Council budget and the annual report.

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

Council also has a wide range of responsibilities under Victorian and Australian legislation.

Economic factors

Major capital works

- Reid Oval
- Library and Learning Centre
- Edwards Bridge
- Lake Pertobe Adventure Playspace

Major achievements

Council finalised key guiding documents including our major Asset Plan 2022-2032, Principal Pedestrian Network, Waste Management Asset Management Plan and the Beach Access Strategy.

Our Council

Municipal profile

The Warrnambool municipality covers an area of 120sqkm and is situated in the Great South Coast region of Victoria, 263km south-west of Melbourne. It contains the coastal city of Warrnambool and the towns of Allansford, Bushfield and Woodford.

Warrnambool has a growing population and over recent years has attracted people seeking a seachange and those from the region who are seeking professional and educational opportunities. Stunning Lady Bay provides a focal point and major attraction for residents and visitors and in winter and spring the bay is home to southern right whales and their calves.

Warrnambool serves as a centre for a regional population of about 120,000 people. It contains a TAFE college, a Deakin University campus

including a School of Medicine and a base hospital which is part of South West Healthcare. The major employment sectors are health care and social assistance, retail, manufacturing, education and training, accommodation and food services, professional services and construction.

Warrnambool has a moderate climate with an average maximum summer temperature of about 24°C, while the average winter maximum is about 14°C.

The Great South Coast region features major visitor attractions including the 12 Apostles, Tower Hill and Budj Bim National Park.

Along with the natural attractions visitors are drawn to events including the speedway car racing, the May Racing Carnival and surf lifesaving events. The region also features some of Australia's most fertile agricultural land much of which is dedicated to dairy and beef production. Major dairy manufacturers and a large meat processor are situated in and around Warrnambool providing a major source of employment.

Council offices

Civic Centre
25 Liebig Street
Warrnambool

Telephone: 03 5559 4800

Telephone: 03 5559 4800

Email: contact@warrnambool.vic.gov.au

Website: www.warrnambool.vic.gov.au

Postal address: P.O. Box 198, Warrnambool, Victoria 3280

The first wicket taken on the new Reid Oval.



OUR COUNCIL

The council was elected to provide leadership for the good governance of the municipal district and the local community.

In 2020 the Warrnambool community elected a new council for a four-year term. The municipality does not have wards with the seven councillors the elected representatives of all residents and ratepayers across the municipality. They are responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.

The Councillors are:

Mayor - Vicki Jellie
Elected: October 24, 2020
Email: vjellie@warrnambool.vic.gov.au

Angie Paspaliaris
Elected: October 24, 2020
Email: apaspaliaris@warrnambool.vic.gov.au

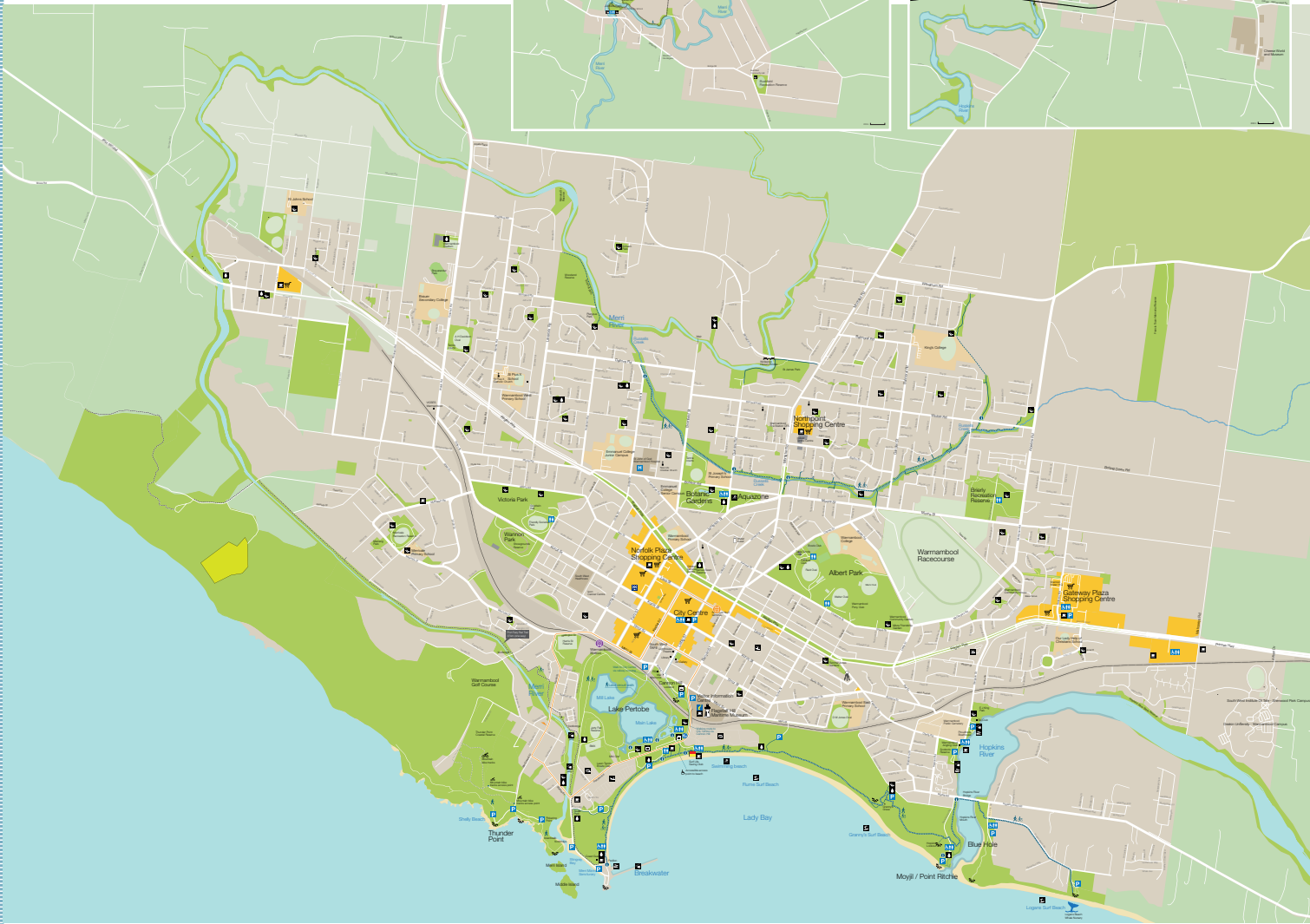
Deputy Mayor - Debbie Arnott
Elected: October 24, 2020
Email: darnott@warrnambool.vic.gov.au

Max Taylor
Elected: October 24, 2020
Email: mtaylor@warrnambool.vic.gov.au

Otha Akoch
Elected: October 24, 2020
Email: oakoch@warrnambool.vic.gov.au

Richard Ziegeler
Elected: October 24, 2020
Email: rziegeler@warrnambool.vic.gov.au

Ben Blain
Elected: October 24, 2020
Email: bblain@warrnambool.vic.gov.au



OUR PEOPLE

Organisational structure

Council is the governing body that appoints a Chief Executive Officer (CEO).

The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the council plan. Four Directors and the CEO form the Executive Management Team (EMT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.

Chief Executive Officer (CEO)

Peter Schneider

Senior officers reporting directly to the CEO

Director City Growth

Andrew Paton

Areas of responsibility:

- Economic development and investment
- City Strategy and Development
- Visitor Services

Director Community Development

Jodie McNamara (acting)

Areas of responsibility:

- Community Planning and Policy
- Recreation and Culture
- Capacity, Access and Inclusion
- Children's and Family Services

Director Corporate Strategies

Peter Utri

Areas of responsibility:

- Financial Services
- Organisational Development
- South-West Victorian Livestock Exchange
- General Counsel, Strategy and Procurement

Director City Infrastructure

David Leahy

Areas of responsibility:

- Infrastructure Services
- City Amenity
- Facilities and Projects

COUNCIL

Chief Executive Officer Peter B. Schneider

Manager Governance

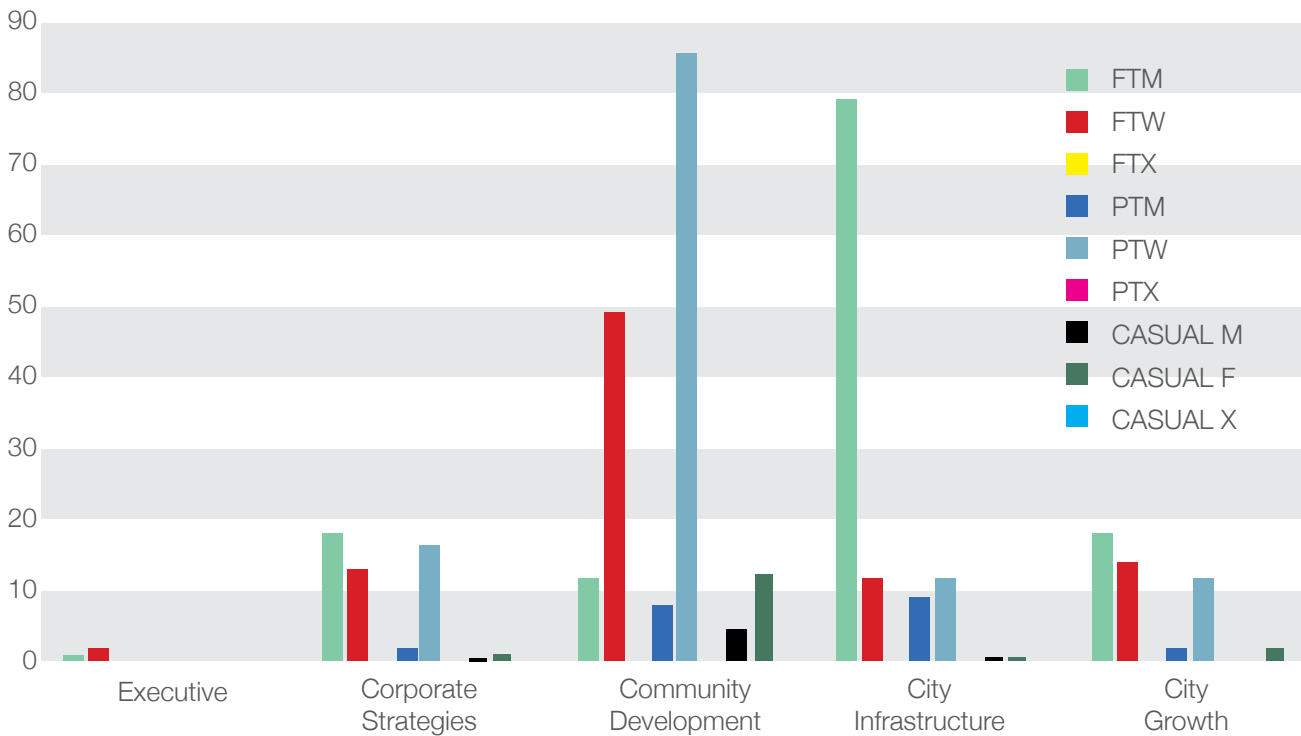
Executive Assistant



COUNCIL STAFF

A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

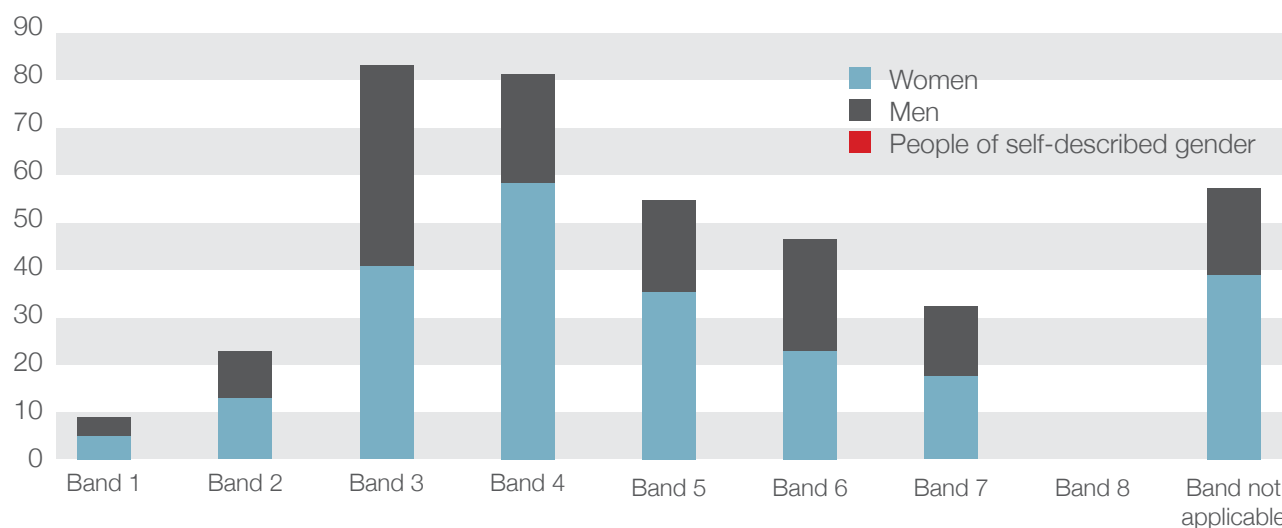
Employee type/gender	Executive	Corporate Strategies	Community Development	City Infrastructure	City Growth	Total
Full-time men	1.00	18.00	12.00	79.00	18.00	128.00
Full-time women	2.00	13.00	49.00	12.00	14.00	90.00
Full-time self-described gender	0.00	0.00	0.00	0.00	0.00	0.00
Part-time men	0.00	1.70	7.90	9.00	1.70	20.30
Part-time women	0.00	16.50	85.30	11.20	11.60	124.60
Part-time self-described gender	0.00	0.00	0.00	0.00	0.00	0.00
Casual men	0.00	0.90	4.40	0.90	0.20	6.40
Casual women	0.00	1.00	12.20	0.80	1.70	15.70
Casual self-described gender	0.00	0.00	0.00	0.00	0.00	0.00
Total	3.00	51.10	170.80	112.90	47.20	385.00



Legend: FT-Full time PT-Part time W-Women M-Men X- persons of self-described gender

Employment Classification	Women FTE	Men FTE	Persons of self-described gender FTE	Total
Band 1	5.40	3.60	0.00	9.00
Band 2	13.10	8.90	0.00	22.00
Band 3	40.40	42.00	0.00	82.40
Band 4	57.50	23.10	0.00	80.60
Band 5	35.60	19.60	0.00	55.20
Band 6	22.70	23.20	0.00	45.90
Band 7	16.50	16.00	0.00	32.50
Band 8	0.00	0.00	0.00	0.00
Band not applicable	39.10	18.30	0.00	57.40
Total	230.30	154.70	0.00	385.00

Banding and gender



OTHER STAFF MATTERS

Gender equity plan

Council formed a working group to develop a Gender Equality Action Plan.

The Plan was presented to the community at an open Council meeting in 2022 and subsequently submitted to the Gender Equality Commission as required under the Gender Equality Act.

Council has formed a Gender Equality Action Committee to oversee the implementation of the Plan.

Enterprise bargaining agreement

Negotiations with staff and union representatives progressed through 2021-2022 with a new Enterprise Agreement to be finalised early in the 2022-2023 financial year.



WARRNAMBOOL
CITY COUNCIL

REPORT OF
OPERATIONS
2020-2021
OUR PERFORMANCE

Integrated strategy planning and reporting framework

Part 4 of the Local Government Act 2020 requires councils to prepare the following:

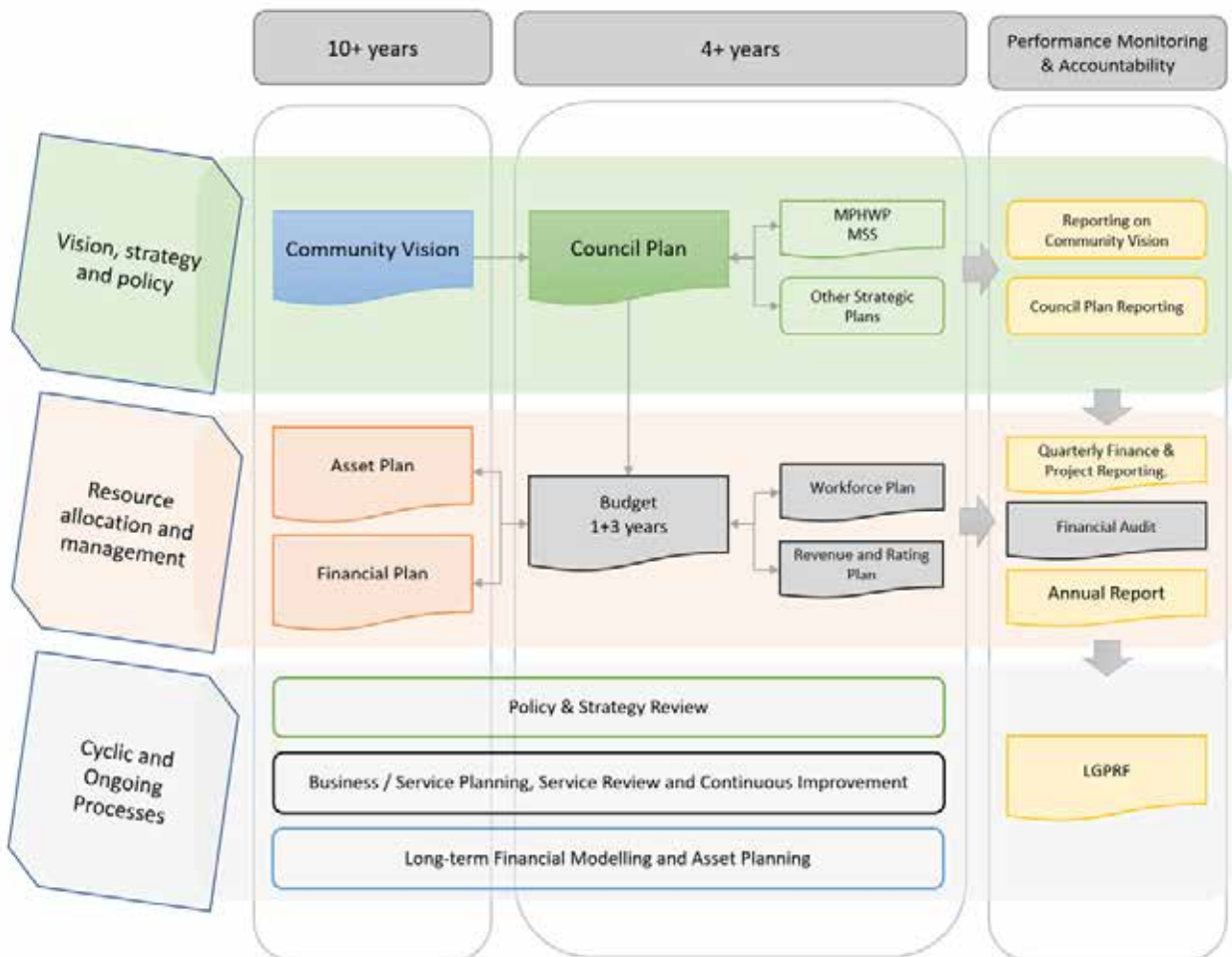
- a Community Vision (for at least the next 10 financial years) – Warrnambool 2040;
- a Council Plan (for at least the next 4 financial years);
- a Financial Plan (for at least the next 10 financial years);
- an Asset Plan (for at least the next 10 financial years);
- a Revenue and Rating Plan (for at least the next 4 financial years);

- an Annual Budget (for the next 4 financial years);
- a Quarterly Budget Report;
- an Annual Report (for each financial year); and
- financial policies.

The Act also requires councils to prepare:

- A Workforce Plan (including projected staffing requirements for at least 4 years);

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback.





An autumnal Liebig Street.

COUNCIL PLAN

The council plan 2021-25 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan.

The following are the five strategic objectives as detailed in the council plan.

1. A healthy community

we will be a healthy, inclusive and thriving community with equitable access to services, cultural opportunities and recreational activities

2. A sustainable environment

we will protect and strengthen local ecosystems, enhance biodiversity and enable sustainable communities.

3. A strong economy

we will support a resilient local and self-sustaining regional economy that encourages economic growth and provides increased employment opportunities that attract ongoing investment.

4. A connected, inclusive place

we will provide high quality places that people value and want to live, work, play and learn in.

5. An effective Council

we will be recognised as a collaborative Council and a high-performing organisation that enables positive outcomes for Warrnambool's community, environment and economy and for Victoria's South West.

PERFORMANCE

Council's performance for the 2021-2022 year has been reported against each strategic objective to demonstrate how council is performing in achieving the 2021-2025 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the council plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons

or sections of the community who are provided those services

- Results against the prescribed service performance indicators and measures

The following colour code indicates the level of progress against each measure for the year ending June 30, 2022.

- Completed
- Progressing
- On hold
- Not progressing
- Not completed
- Withdrawn

STRATEGIC OBJECTIVE 1: A HEALTHY COMMUNITY

We will be a healthy, inclusive, and thriving community with equitable access to services, cultural opportunities and recreational activities.

Strategic indicators

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

Strategic Indicator/measure	Result	Comments
Recreational facilities – Community Satisfaction Survey	71	Maintained the 2021 result.
Community and cultural services – Community Satisfaction Survey	66	An improvement on the 2021 result of 64.
Arts centres and libraries - Community Satisfaction Survey	70	An improvement on the 2021 result of 68.

Major Initiatives	Progress
Construction of new public library (Warrnambool Library and Learning Centre) at the Warrnambool campus of the South West Institute of TAFE.	Construction progressing well and the library will be open to the public in October 2022.
Community consultation under way over a possible new site for the Warrnambool Art Gallery.	July-August 2022 - Council has moved to have a business case prepared that examines the viability of a new art gallery at Cannon Hill.
Redevelopment of Reid Oval	New playing surface and more accessible pavilion to cater for male and female participants completed. Officially opened in April 2022.

Services

The following statement provides information in relation to the services funded in the 2021-22 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Aged Services	This area provides a range of services including meals on wheels, personal care, respite, home maintenance, home care, adult day care and senior citizens programs.	506 530 24
Family Services	This service provides family oriented support services including pre-schools, maternal & child health, child care, counselling & support, youth services, immunization, family day care.	1,036 997 -39

Art and Culture	Provision of high-quality venues where people can see, present and explore the arts, ideas and events provided at the Art Gallery and Lighthouse Theatre.	1,215 1,061 -154
Library Services	Provision of quality library and information services to the community.	670 656 -14
Recreation	Provision of sport, recreation and cultural facilities, service and programs in response to identified community need and to provide information and advice to clubs and organisations involved in these areas.	542 428 -114
Leisure Centres	The Arc and Aquazone provide premier indoor community leisure facilities in South West Victoria, providing equitable and affordable access to a wide range of aquatic and fitness activities.	1,109 1,448 339
Health Services	Administrations of legislative requirements pertaining to public health, immunisation and food premises.	293 322 29

Service performance indicators

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



Results



Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Aquatic Facilities					
Service standard					
Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	2.00	3.00	4.00	4.00	
Utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	6.85	4.37	3.65	3.96	Reduction in COVID closures this financial year but still periods of tight restrictions with about 8-9 months of non-impacted operations.
Service cost					
Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	\$3.87	\$4.53	\$3.80	Operations were impacted in the first quarter by COVID19 closures and restrictions with the remaining nine months being relatively normal. This allowed a stronger return of income streams from Learn to Swim and memberships. There was also an 8% increase in overall visitation numbers for the financial year.
Animal management					
Service standard					
Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	84.24%	19.16%	20.92%	17.25%	While the number of dogs reclaimed maintained pretty steady from the prior year, the number of dogs collected increased from the prior year from 612 to 655.
Animals rehomed					
[Number of animals rehomed / Number of animals collected] x100	New in 2020	64.57%	71.73%	66.72%	

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Service cost Cost of animal management service per population [Direct cost of the animal management service / Population]	New in 2020	\$16.12	\$17.32	\$19.34	There was an increase in the cost of the RSPCA Agreement to cover ongoing increases in costs to run the pound facility.
Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	0.00%	0.00%	0.00%	During the 2021-22 financial year, Council did not initiate any animal management prosecutions as there were no incidents that warranted a prosecution.
Food Safety Timeliness Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.00	1.00	1.00	1.00	
Service standard Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	99.64%	94.26%	53.27%	20.32%	The number of food safety assessments that were performed are lower than prior years due to the limited staffing the department has had since 2021.
Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$323.35	\$281.93	\$289.76	\$353.27	Consulting labour has had to be used to fill gaps in staff shortages causing an increase in costs.
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100	84.21%	100.00%	47.22%	100.00%	All major non-compliance issues have been made a priority which causes the number of standard food safety assessments able to be performed reduce.
Libraries Utilisation Physical library collection usage [Number of physical library collection item loans / Number of physical library collection items]	4.49	3.44	3.07	3.48	Library loans are up due to the lessening effect of COVID-19 closures and restrictions and increased patron confidence in returning to the library to regularly borrow items.

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Resource standard Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	69.03%	66.40%	77.01%	90.26%	With the exit from the Corangamite Regional Library Corporation on 1st of July 2021, Warrnambool library's collection was greatly reduced with the result that a greater percentage of items are less than 5 years old. The library has been following a program of regular collection management practices to assess and delete items according to our Collection management policy.
Participation Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	13.77%	13.87%	12.36%	11.22%	In 2021/22 the Warrnambool Library conducted an active member review, purging all cards that had been inactive or not updated by 31st of May 2022.
Service cost Cost of library service per population [Direct cost of the library service / Population]	New in 2020	\$21.62	\$22.67	\$25.77	Previously Warrnambool City Council was paying a contribution to the Corangamite Regional Library Corporation to deliver a library service, in 2021/22 Warrnambool City Council are paying the full cost of running a library service in-house.
Maternal and Child Health (MCH) Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	99.74%	100.00%	100.00%	103.10%	
Service cost Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$75.13	\$78.44	\$81.30	\$87.24	
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	76.99%	77.68%	82.25%	82.97%	Warrnambool City Council has targeted assertive outreach to re-engage families who typically fall away from the 2-year-old Key Age and Stage visits.
Participation Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	73.24%	80.00%	86.81%	93.21%	Warrnambool City Council has signed a Memorandum of Understanding with Gunditjmara Aboriginal Cooperative to deliver Maternal and Child Health services to families who identify as Aboriginal, via a cultural coordinator who works with the Maternal and Child Health staff to undertake Maternal and Child Health Key Age and Stage visits.
Satisfaction Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	New in 2020	98.62%	96.10%	101.97%	


A HEALTHY COMMUNITY – progress report

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
1.1.1	Provide information to new residents that introduces key Council services, organisations and agencies including those in recreation, culture and early childhood.	Manager Communications	100%		The Communications Team is finalising an updated map of Warrnambool that will show locations of major services and features that will be useful to new and existing residents.
1.1.2	Develop and implement a range of Council activities and events to encourage participation from diverse groups within our community.	Service Manager Healthy Engaged Communities	100%		<p>Staff continue to be active participants in the Wata Waetnanda group. Healthy Engaged Communities team members facilitated the Sorry Day display at Gateway Plaza and making purple flowers for a display through various groups and activities at the Archie Graham Community Centre and West Warrnambool Neighbourhood House. In addition, instruction packs and materials were provided to home-bound community members so they could be included and contribute. We assisted in organising Reconciliation Week events, including the opening ceremony hosted by Council on the Civic Green. Healthy Engaged Communities staff led and organised this year's Council IDAHOBIT Day celebrations on May 17. The event started with a flag-raising ceremony conducted by the Mayor with speeches from Council CEO Peter Schneider and Brophy CEO Francis Broekman. This was followed by refreshments at the Lighthouse Theatre foyer with live music from Maddie Jackway and a rainbow cake cutting ceremony. Council received positive feedback with many comments on the welcoming and joyful ambience of the event. This marked the largest community attendance of any IDAHOBIT Day so far.</p> <p>Our Social Connection Program in collaboration with the Neighbourhood House launched the "Home is Where the Art Is" project during Neighbourhood House week. In addition to a postcard drop to residents which informed and invited them to be part of the project, a community consultation process was held to develop and consolidate ideas for a community art project in West Warrnambool. Students from West Warrnambool Primary school attended which provided diverse and intergenerational representation and input. Apart from beautifying areas of West Warrnambool, the project aims to bring residents together to combat social isolation, loneliness and promote inclusiveness.</p>

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
1.1.3	Increase access to participation for all abilities and raise awareness of the community regarding the needs of people with a disability.	Service Manager Healthy Engaged Communities	100%		<p>The Volunteer Project Officer has developed and implemented a training program for Volunteers and Volunteer Involving Organisations, Welcoming Volunteers with a Disability facilitated by Australian Network on Disability. The training aims to assist Volunteer Involving Organisations to create an inclusive environment in which all people have to opportunity to reach their full potential. The training will help identify barriers that prevent workplaces being an accessible and dignified environment for people with a disability.</p> <p>Healthy, Engaged Communities staff recently attended "Voice at the Table" (VATT) training for service providers which provides practical information to ensure people with cognitive disabilities have a real and equal voice at meetings and other collaborative opportunities. VATT is a project of the Self-Advocacy Resource Unit (SARU), who aims to increase the number of people with cognitive disabilities sitting on boards, committees and advisory groups within government, service providers, community and mainstream organisations at a local, state and national level. The Healthy, Engaged Communities Service Manger was involved in a co-design workshop hosted by South West Sport's Warrnambool Accessibility Project to create more participation opportunities for people with a disability and remove barriers to participation. By participating in this collective action we will support advocacy efforts for more accessible facilities at the Archie Graham community Centre, as well provide an opportunity to assess where any participation gaps may be and how we can support more people in our community to be physically active.</p>
1.1.4	Engage with community to ensure that a diversity of voices are informing Council policies, strategies, programs, and services.	Manager Community Policy & Planning	100%		<p>During the fourth quarter, significant engagement occurred with the community around the following: Botanic Area Local Traffic Management, Regional Digital Strategy for the South West, Volunteering Strategic Plan 2021-24, New Logo for the Library, Draft Public Tree Planting and Management Policy, Draft Beach Access Policy and Council's Asset Plan 2022-2032.</p> <p>A Community Forum was organised on 11 May to discuss the Council Plan and Council Budget for 2022-23 at the Lighthouse Theatre. During the forum, Council's Executive Management team presented on the priorities for the coming year for feedback from the community. Written feedback was also requested from the community and eight submissions were received. All submissions were acknowledged and personally responded to by Council officers.</p>

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
1.1.5	Develop and implement programs to improve community connections and reduce social isolation.	Service Manager Community Support	100%	■	The Local Support Network continues to meet monthly with an average of 20 community groups, volunteer involving organisations and clubs. This network brings together existing community supports, strengthens community participation and expands opportunities to collaborate in the delivery of support, projects and initiatives that decrease social isolation and increase social connection. Our newly arrived residents and multicultural cohorts continue to be supported through the youth Engagement team's Multicultural Leadership group, and support of the multicultural women's group at Archie Graham Community Centre. Supporting Volunteer Involving organisations to be more inclusive and welcoming of volunteers from multicultural backgrounds has been facilitated through cultural training hosted by the Volunteer Connect team. The intercultural café continues to thrive each Thursday afternoon, assisting participants to better connect with the Warrnambool community, share stories, improve English skills and make social connections.
1.1.6	Provide library programs and collections that facilitate inclusion, understanding and acceptance of diversity.	Manager Recreation & Culture	0%	■	Duplication Outcomes provided in 1.1.7
1.1.7	Establish LOTE, ESL and LGBTQI+ collections in the library to foster diversity.	Manager Recreation & Culture	100%	■	Collection profiles have been developed and procurement has commenced. Collections will be available in the new Warrnambool Library from October.



Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
1.1.8	Develop and implement programs and activities that improve community engagement and social connection through West Warrnambool Neighbourhood House.	West Warrnambool Neighbourhood House Coordinator	100%		<p>VCOSS (Victorian Council of Social Services) Voices of Victoria: Listening Tour - 6/4 held at Archie Graham Community Centre (25 attendees) .</p> <p>Term 2 playgroup on Tuesday mornings in partnership with Growing Stronger Families (WCC Children's Services).</p> <p>Conducted activities at Lane Pavilion to celebrate Neighbourhood House Week (May 9-13) Activities included playgroup, mosaics, resin art and Home is where the art is community project.</p> <p>Participated in WCC IDAHOBIT Event - Raising of the Rainbow Flag and community celebrations on May 17.</p> <p>Participated in National Volunteer Week - Screening of movie at Lighthouse Theatre for volunteers May 17</p> <p>Held a Purple flower .making community workshop at Lane Pavilion to commemorate National Sorry Day, flowers were collectively displayed with other organisations at Gateway Plaza.</p> <p>Participated in WCC Reconciliation Week event held at Civic Green on May 27.</p> <p>Attended SW Network of Neighbourhood Houses PD topics included Employment Law for NFP organisations and Working with other organisations.</p> <p>Currently working in Collaboration with DFFH/ SW Health Care to assist in activating the West Warrnambool Social Housing Hubs recreation rooms - post Covid. Rooms have now been opened for use of residents only. WWNH in collaboration with Community Connection program will raise awareness of the Social prescribing program opportunities as well as conduct Power Saving Bonus applications for residents.</p> <p>Participated in the new Power Saving Bonus (PSB#3) online training through Department of Energy, Land, Water and Power and NHVIC) \$250 is available to all eligible households with an electricity bill. WWNH will receive \$50 per application.</p> <p>Enrolled for Mental Health First Aid course to assist with Community Connector and WWNH roles.</p> <p>Continue to deliver Food Share hampers to residents of West Warrnambool. Delivered 650kg this quarter.</p> <p>Continued assisting with power saving bonus - 12 applications this quarter.</p>

STRATEGIC OBJECTIVE 2: A SUSTAINABLE ENVIRONMENT

We will protect and strengthen local ecosystems, enhance biodiversity and enable sustainable communities.

Strategic indicators

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

Strategic Indicator/measure	Result	Comments
Waste management – Community Satisfaction Survey	73	An improvement on the 2021 result which was 71.
Environmental sustainability – Community Satisfaction Survey	66	An improvement on the 2021 result which was 62

Major Initiatives	Progress
Rollout of rooftop photovoltaic installations on major Council buildings	Completed
	Completed

Services

The following statement provides information in relation to the services funded in the 2021-22 budget and the persons or sections of the community who are provided the service.

Activity	Description	Net cost Actual Budget Variance \$'000
Environmental Management	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	637 676 39
Waste Management & Street Cleaning	This service provides kerbside rubbish collections of garbage and recycling waste from all households and some commercial properties in Council. It also provides street cleaning, leaf collection and street litter bins throughout Council.	4,741 4,500 -241
Parks and Gardens	This service covers a range of areas including tree pruning, planting, removal, street tree strategies and the management of conservation and parkland areas, creeks and other areas of environmental significance. Parks management provides management and implementation of open space strategies and maintenance programs.	4,001 4,294 293

Service performance indicators

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

Results

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Waste Collection Satisfaction					
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	162.81	215.87	207.27	46.52	A decrease in the number of bin collection requests compared to the previous year was attributed to the completion of the glass bin rollout.
Service standard					
Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	4.49	7.03	10.43	2.19	Decrease in the number of bin collections missed. In prior years the implementation of the four-bin system contributed to higher numbers.
Service cost					
Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$111.26	\$86.17	\$87.43	\$75.67	Lower garbage volumes are going to landfill which has reduced the cost of the service. Landfill costs (landfill levies) are an expensive component of the overall service cost.
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$59.15	\$61.03	\$52.49	\$45.49	Council now offers a four-bin service: rubbish, FOGO(food organics, garden organics), recycling and glass.
Waste diversion					
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	47.78%	64.30%	64.44%	66.24%	Increasing diversion from landfill is aided by the four-bin system.



A SUSTAINABLE ENVIRONMENT – progress report

Objective 1: NATURAL ENVIRONMENT:

Council will enhance open spaces and infrastructure that support a healthy community, wildlife, flora, fauna and biodiversity.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.1.1	Develop and implement Pest Plant and Animal Management Framework for the control of environmental weeds and pests.	Coordinator Natural Environment	100%	■	Development of the Pest Plant and Animal Framework is progressing with commencement of the strategy development underway. The implementation of the Fox Action Plan continues within the Warrnambool Coastal Reserve and control actions will continue to be undertaken throughout 2022/23.
2.1.2	Develop and implement strategy and programs that improve biodiversity and protect and enhance flora and fauna.	Coordinator Natural Environment	100%	■	Council's Wild Warrnambool bioQuest is currently underway in the Great Australian bioQuest competition. This citizen science program enables members of the community to register sightings of local flora and fauna to be added to CSIRO's Atlas of Living Australia. The Gardens of Warrnambool pilot project is coming to a close with learnings to be reviewed for consideration of an ongoing program.

Objective 2: WATER & COASTAL MANAGEMENT:

Council will protect and enhance the health of Warrnambool's coastline and inland waterways to protect and improve biodiversity.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.2.1	Implement the Domestic Waste Water Management Plan to improve health and environmental outcomes for our community.	Coordinator Local Laws Traffic Fire & Animal Contr	100%	■	Waste water management plan has been adopted by Council with actions and processes being implemented. Data collection is still being transferred over.
2.2.2	Investigate water use opportunities to improve water resource management.	Director City Infrastructure	100%	■	Council has been successful in a grant application under the Integrated Water Management Fund to undertake a study to create options to improve water quality in Lake Pertobe.
2.2.3	Implement the Warrnambool Coastal Management Plan to guide the future use, development and management of Warrnambool's coastline.	Coordinator Natural Environment	100%	■	Implementation of the Warrnambool Coastal Management Plan is ongoing and includes implementation of the Wild Coast Landscape Master Plan. Council is currently implementing action of the Wild Coast Landscape Master Plan including signage and fencing. The Beach Access Strategy was recently adopted by Council and will support strategic management of the beach access.
2.2.4	Implement the Moyjil- Point Ritchie Conservation Management Plan.	Coordinator Natural Environment	100%	■	Implementation of the Moyjil-Point Ritchie Conservation Management Plan is overseen by the Moyjil Advisory Committee and is ongoing.

Objective 3: MINIMISE ENVIRONMENTAL IMPACT & THE IMPACT OF A CHANGING CLIMATE:

Council will encourage innovation and initiatives that minimise Warrnambool’s environmental impact.



Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.3.1	Investigate new technologies to reduce waste from landfill towards zero waste to landfill.	Coordinator Local Laws Traffic Fire & Animal Contr	100%		Volunteer group was pleased with the donated collection bags, with both entities information displayed. Organisation of another promotional day is under way. Staff continue to be involved in the circular economy meetings for the management of waste in the region.
2.3.2	Deliver the Smart Buildings energy efficiency program to reduce greenhouse gas emissions and utilise renewable energy.	Coordinator Natural Environment	100%		The delivery of the Smart Building Program is progressing. The installation of the solar panels at the Civic Buildings is nearing completion. The pool blanket installation for Aquazone has been completed. The solar system at the Warrnambool Stadium is now operational and electric vehicle charging stations are at the design stage for procurement and installation later in the year.
2.3.3	Facilitate and support the delivery of climate change mitigation, adaptation and resilience actions to raise awareness and prepare for a changing climate.	Coordinator Natural Environment	100%		The Barwon South West Climate Alliance has been established and will provide an avenue to progress climate change mitigation, adaptation and resilience actions and programs. A heat vulnerability mapping project will be undertaken in 2022.

Objective 4: WATER RESOURCE MANAGEMENT:

Council will promote and encourage awareness of sustainable practices in our work, and the community including water resource management.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.4.1	Develop a drainage system litter and contaminants improvement/management plan to reduce gross pollutants into the waterways.	Director City Infrastructure	15%		No further actions since Q3 report. This project will continue once staffing positions are filled in the Strategic Asset Team.

Objective 5: WASTE MINIMISATION: Council will pursue programs to minimise waste throughout the community, industry and promote the benefits of reduction, reuse and recycling of materials.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.5.1	Reduce contamination of recyclable materials.	Coordinator Local Laws Traffic Fire & Animal Contr	100%		New Coordinator has commenced and is reviewing policies. Discussions continue with our contractors during COVID times.
2.5.2	Ensure financial efficiency and meeting financial targets by developing a Waste Management Asset Management Plan and Strategy.	Coordinator Local Laws Traffic Fire & Animal Contr	100%		The waste management plan has been adopted by Council, and was favorably accepted by the public.

Objective 6: AWARENESS & CELEBRATION: Council will foster community awareness and recognition of the benefits of positive outcomes for Warrnambool's environment.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
2.6.1	Promote awareness and celebrate the outcomes of environmental work including actions that align with the Green Warrnambool plan.	Coordinator Natural Environment	100%		The Green Futures Now Program is underway for 2022 and seeks to connect young people to community groups in the environment and sustainability field along with individuals who are making an impact on the environment and our community. The program is aligned with the goals and actions of Green Warrnambool.
2.6.2	Monitor and manage organisational greenhouse gas emissions and energy usage.	Coordinator Natural Environment	100%		Councils greenhouse gas emissions and energy usage continues to be monitored and managed in partnership with Service Providers and Facility Managers. Council is part of the Victorian Energy Collaboration (VECO) where 40% of Councils electricity is provided by renewable energy.

STRATEGIC OBJECTIVE 3: A STRONG ECONOMY

We will support a resilient local and self-sustaining regional economy that encourages economic growth and provides increased employment opportunities attracting ongoing investment.

Strategic indicators

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

Strategic Indicator/measure	Result	Comments
Business/community development/tourism – Community Satisfaction Survey	64	An improvement on the 2021 result of 61.
Business and community development – Community Satisfaction Survey	62	An improvement on the 2021 result of 60.
Town Planning Policy – Community Satisfaction Survey	57	An improvement on the 2021 result of 55.
Planning and building permits – Community Satisfaction Survey	56	Down from 59 in 2021.

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 20X3-X4 budget for the year.

Major Initiatives	Progress
Master Plan of Flagstaff Hill	Under way and expected to be complete in 2022-2023.
East of Aberline Structure Plan	<p>The future urban growth area is located between Wangoom Road to the north, Dales Road to the south, Aberline Road to the west, and Horne Road to the east.</p> <p>The growth area covers approximately 360 hectares of land. The northern boundary of the growth area abuts the municipal boundary of Moyne Shire. The growth area is positioned centrally to other key development sites identified in the Warrnambool Planning Scheme, being the Eastern Activity Precinct and the Horne Road Industrial Precinct.</p> <p>A Precinct Structure Plan (PSP) is being prepared for the growth area to guide future development and land use outcomes within the growth area, known as East of Aberline Precinct Structure Plan.</p>

Services

The following statements provide information in relation to the services funded in the 2021-2022 budget and the persons or sections of the community who are provided the service.

Activity	Description	Net cost Actual Budget Variance \$'000
Statutory Building Services	This service provides statutory building services to the Council community including processing of building permits.	103 158 55
City Strategy & Development	This service prepares and processes amendments to the Council Planning Scheme. This service processes statutory planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors the Council's Planning Scheme, prepares major policy documents and processes amendments to the Council Planning Scheme.	942 1,209 267
Warrnambool Livestock Exchange	Provides a regional livestock marketing centre that meets the needs of the stock agents, buyers and producers.	-192 -267 -75
Holiday Parks	Provides affordable holiday accommodation that is modern, clean and well maintained in a family orientation atmosphere.	-742 -838 -96
Flagstaff Hill Maritime Village	A major regional tourist attraction that includes a recreated heritage village that displays the maritime history of the region and features the "Shipwrecked" Sound & Light laser show.	633 894 261
Economic Development	Includes the industry and business support, research and statistical analysis and project development which underpin economic development.	570 789 219
Warrnambool Airport	This service provides a regional Airport that meets the needs of users and operates as a viable commercial enterprise to the benefit of the region.	124 172 48
Port of Warrnambool	This service aims to maintain a viable port facility.	-11 2 13
Festivals and Events Group	Delivers a range of promotions, festivals and events along with attracting events to the city to deliver economic benefits.	859 1,059 200



Renegades area manager Chris Harris, Geelong MP Christine Couzens, AFL National Head of Facilities Shayne Ward, former mayor Tony Herbert and Mayor Cr Vickie Jellie.

Service performance indicators




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

Results




Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Statutory Planning Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	37.00	35.00	28.00	53.00	High numbers of planning applications and fewer staff have influenced the 2022 outcome (delay between positions becoming vacant and then filled).
Service standard Planning applications decided within required timeframes [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	93.20%	91.97%	100.00%	71.79%	High numbers of planning applications and fewer staff have influenced the 2022 outcome (delay between positions becoming vacant and then filled).
Service cost Cost of statutory planning service [Direct cost of statutory planning service / Number of planning applications received]	\$1,928.14	\$1,806.07	\$1,399.64	\$1,691.67	
Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50.00%	0.00%	50.00%	0.00%	During the 2021-2022 financial year there were no VCAT decisions in relation to WCC planning applications.


A STRONG ECONOMY – progress report

Objective 1: BUILD ON COMPETITIVE STRENGTHS: Council will support initiatives that foster ongoing development and investment in the industries which underpin Warrnambool’s economic strengths and comparative advantages.




Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.1.1	Implement Development Plans and Developer Contributions Plans to provide future resources for improved infrastructure across the municipality.	Manager Infrastructure Services	100%		<p>Development Plan applications and Development Plan amendments continue to be processed and determined by Council, being:</p> <ul style="list-style-type: none"> - 15 Dales Road . - 147 Wollaston Road - Yallambe Estate <p>Council approved 119 Bridge Road in Woodford and a permit has since followed for a multi-lot subdivision.</p> <p>Pre app meetings for 158 Wollaston Rd have also occurred.</p> <p>Numerous development applications have been received for subdivision in the growth areas. Where relevant permits include conditions triggering contributions payable in accordance with the relevant DCP.</p> <p>The planning department is developing efficiencies in processing plans to comply to assist developers meet their permit requirements and bring forward land in a timely manner.</p>
3.1.2	Develop programs and collateral to promote Warrnambool as an appealing investment destination.	Manager Economic Development & Events	100%		<p>Council has completed a round of industry engagement with businesses in the CBD and industrial precincts across the municipality. Business databases have been updated and engagement directed towards understanding the investment pipeline of businesses and potential barriers to investment.</p>
3.1.3	Grow engagement with local businesses across the municipality.	Manager Economic Development & Events	100%		<p>Engagement with local businesses occurred through Jan - May adding to the existing levels of engagement by Council via the EcoDev Business Support Program. To strengthen Council’s engagement with businesses from a wider range of industries, ATO’s Local Business Register was downloaded and the ED Team is in the process of cleansing the data to make them available for use. This data will be incorporated with the existing data so Council will have a complete list of local businesses with and without GST from various industries.</p>

Objective 2: EMERGING INDUSTRIES: Council will encourage emerging industry sectors that contribute to Warrnambool’s economic growth and diversity.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.2.1	Facilitate and partner in initiatives to progress the implementation of the Great South Coast Economic Futures Plan, including the development of renewables in Warrnambool and the Great South Coast region.	Director City Growth	100%		Funding has been secured through State Government to appoint a Program Manger through 2022/23 to assist with delivery of the GSC Economic Futures Program. Key priority of this resource will be bridging the gap between current high level strategies for the high value economic pathways from the Economic Futures report to clear, identifiable actions to achieve successful outcomes.
3.2.2	Review and implement the Warrnambool Economic Development and Investment Strategy to facilitate investment and employment growth across the Warrnambool municipality.	Manager Economic Development & Events	100%		Planning is under way for the new Warrnambool Economic Development and Investment Strategy and grant funding opportunities are being explored. WCC Economic Development have taken the lead to re-establish quarterly meetings with all economic development units from LGA's in the GSC Region to foster collaboration and sharing and will host the first meeting in August.
3.2.3	Facilitate and promote business support initiatives to grow the local economy.	Manager Economic Development & Events	100%		<p>Economic Development Team are currently working on several new initiatives including:</p> <ul style="list-style-type: none"> • Warrnambool Business Survey which is being launched in July to gain an understanding about local businesses’ interest in economic projects and issues, particularly the challenges post COVID • The ‘Win in Winter’ campaign commenced encouraging locals to shop at locally owned and operated business in the Warrnambool City Council municipality. The campaign goes for 10 weeks June throughout August. Shoppers take a photo at a local business and post it to Instagram with the chance to win a \$500 worth of vouchers each week to be redeemed locally. • Council’s Business Information Portal to provide relevant information efficiently with enhanced navigation and up-to-date information. • Business seminars and training programs have recommenced with face to face delivery • An enhanced newsletter will be launched in the second half or 2022. The current newsletter now goes to over 1000 businesses as a result of the industry engagement improved database work completed. • Enhanced business database from the industry visits and consultation. • Strengthening a ‘One Stop Shop’ service to businesses through completing the councils economic development web pages • Planning is underway to reintroduce business networking events on a monthly basis commencing in the 2023 financial year • Our sister cities anniversaries are scheduled for this year with Miura (Japan) a 30th year and Changchun (China) a 10th anniversary.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.2.4	Plan for the development and implementation of precinct structure plans to facilitate investment in appropriate development across the municipality.	Coordinator City Strategy	100%		<ul style="list-style-type: none"> - The East of Aberline Precinct Structure Plan is progressing under the lead of the Victorian Planning Authority. Technical reports and studies are currently underway for flooding and drainage, with detailed traffic modelling to commence later in 2022. Landowner consultation will be undertaken later in 2022 to update landowners on the work to date and next steps. - Implementation of the Hopkins / Coastal, North Dennington and North of the Merri structure plans continue with subdivision and development occurring at a growing rate. - The Allansford Strategic Framework Plan has been adopted with an implementation plan currently being developed. External funding has been received to implement the Allansford Strategic Framework Plan, including developing technical studies for traffic, drainage and flooding. - External funding has also been successful to develop a strategic framework plan for Bushfield/Woodford. Project planning is currently underway for these externally funded projects.

Objective 3: VISITOR GROWTH: Council will facilitate Warrnambool’s visitor growth and year-round visitation through industry development, effective destination management and promotion of attractions and experiences leveraging key events.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.3.1	Review and implement the Warrnambool Destination Action Plan in partnership with Great Ocean Road Regional Tourism and industry.	Manager Economic Development & Events	100%		With easing on COVID-19 restrictions, Council’s Visitor Economy teams are working together with Great Ocean Road Regional Tourism and Industry to develop the Destination Action Plan in the calendar year 2022. Engagement with industry stakeholders will occur later in the year.
3.3.2	Increase visitation with events across the year and enhance the profile of Warrnambool as a destination.	Manager Economic Development & Events	100%		20 events were delivered with the assistance of Council during Q4. Equating to a total of \$38,448 and the delivery of the new event - Solstice Search Party. This new winter event attracted over 5,000 attendees and supported 18 local businesses and creatives. May Racing Carnival was also delivered at full capacity for the first time since Covid with a record attendance of 29,048.
3.3.3	Develop and share economic data and analysis to business and industry to inform the performance of the Warrnambool economy.	Designated Area Migration Agreement Coordinator	100%		Council continues to use Spendmapp, Remplan, ABS data, AU Government’s Labour Market Information Portal etc. to monitor economic performance. Economic Development is in the process of publishing user-friendly local economic data on a quarterly basis to share with residents and businesses in and outside the LGA.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.3.4	Increase community participation in the delivery of a diverse range of events through a grants program.	Service Manager, Events & Promotion	100%		Following the success of Activate Warrnambool Round one, a second round was delivered in April 2022. The goal was again to drive event activation during the off peak time of May - November 2022. 8 events were funded to a total of \$38,448.
3.3.5	Participate in the establishment of the Great Ocean Road Coast and Parks Authority to protect and manage visitation of the Great Ocean Road Coast and Parks.	Director City Growth	100%		Established in late 2020 the Great Ocean Road Coast and Parks Authority's primary purpose is to protect and manage visitation of the Great Ocean Road Coast and Parks. Council continues to engage in workshops with the authority, more recently on the development of an asset methodology to better understand the asset needs and service levels across Crown Coastal land in the region. Further engagement is expected through 2022/23.

Objective 4: WORKFORCE CAPABILITY: Council will foster the development of a workforce capable of supporting the needs of the local and regional economy.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.4.1	Deliver the Designated Area Migration Agreement (DAMA) representative role for the Great South Coast region and the Regional Certifying Body function on behalf of the Great South Coast.	Designated Area Migration Agreement Coordinator	100%		<p>Analysis of endorsed employers to date (March 2019 to July 2022). 43 employers endorsed & 6 for a Deed of variation.</p> <ul style="list-style-type: none"> - x 1 worker = 22 endorsements. - x 2 workers = 8 endorsements. - x 3 workers = 8 endorsements. - 3+ workers = 5 endorsements. - Current Applications in Progress x 3. <p>Total workers endorse to date = 203. 60% of the businesses endorsed in the first 3 years are dairy farms.</p> <p>Discussions have been completed with all LGA's in the GSC DAMA. Key employers and industry sectors have been consulted with to review the current list of occupations with the view to expanding it. Business cases are being developed to support the increased occupations and seek approval from the Department of Home Affairs . Health, aged care are the main sectors indicating a need for more occupations to be available.</p>
3.4.2	Partner on projects and initiatives with Deakin University Warrnambool and South West TAFE that help provide a skilled workforce that meets local industry needs.	Manager Economic Development & Events	100%		<p>The Economic Development Team is currently reviewing the DAMA Occupation List with a view to expanding the number of areas for skills shortages. The work is being done in collaboration with industry, Deakin University Warrnambool (and five other LGAs) and South West TAFE. A strong emphasis on supporting the health and aged care sectors are coming through in the consultation phase.</p> <p>Council is also continuing to assist Deakin University and SWTAFE with industry engagement in various industry sectors for vocational training package development and attracting a skilled workforce within Australia and internationally.</p>

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.4.3	Deliver education and advisory services to business and industry to raise awareness of building, planning and heritage requirements.	Manager Infrastructure Services	100%		Council's Heritage Advisory Service is transitioning away from remote only to the advisor visiting the city again. The service continues to be used frequently including via an online platform e.g zoom. Permit activity within the heritage areas continues to be strong. The services is proving essential with several large projects in Warrnambool including the Callaghans site redevelopment, Stanley Street bridge replacement and pre-application advice on other redevelopment sites within the city. The website has recently been updated and there is an opportunity to add content on the planning pages on frequently asked questions and design guidelines

Objective 5: DIGITAL CAPABILITY: Council will facilitate greater digital capability.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
3.5.1	Participate in the implementation of the Great South Coast Digital Plan to address connectivity issues for industry and households.	Director City Growth	100%		The Great South Coast Digital Plan identifies gaps in the region's current digital infrastructure and makes recommendations on how these gaps can be addressed. As part of this regional implementation, Warrnambool is developing its own digital strategy and action plan with funding support from Regional Development Victoria. The Great South Coast Digital Plan is expected to be completed on schedule in 2022/23.
3.5.2	Identify and promote investment in digital projects across the Warrnambool municipality to address priority digital infrastructure supply shortfalls, including mobile coverage, and access to business-grade broadband.	Manager Economic Development & Events	100%		The Economic Development Unit represents Council on the Great South Coast Regional Digital Plan. The project will develop a digital strategy and action plan for the local government areas of Warrnambool, Corangamite and Moyne. The strategy is expected to be completed in 2022/23.

STRATEGIC OBJECTIVE 4: A CONNECTED, INCLUSIVE PLACE

We will provide quality places that all people value and want to live, work, play and learn in.

Strategic indicators

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

Strategic Indicator/measure	Result	Comments
Parking facilities – Community Satisfaction Survey	56	An improvement on the 2021 result of 51.
Traffic management	55	Down from 59 in 2021.
Appearance of public areas	76	On par with the 2021 result
Sealed local roads	60	Up from 59 in 2021.

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2021-22 budget for the year.

Major Initiatives	Progress
Replacement of Edwards Bridge	Provides vital access to the foreshore and Port of Warrnambool. This project is under way and will be completed in late 2022.
A new adventure playspace at Lake Pertobe	Under way and will be completed in late 2022.

Services

The following statement provides information in relation to the services funded in the 2021-22 budget and the persons or sections of the community who are provided the service.

Activity	Description	Net cost Actual Budget Variance \$'000
Asset Maintenance	This service prepares long term maintenance management programs for Council's property assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These include municipal buildings, pavilions and other community buildings.	1,824 1,847 23
Infrastructure Services	This service prepares and conducts capital works and maintenance planning for Council's main civil infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These include roads, laneways, car parks, foot/bike paths, drains and bridges.	2,890 3,564 674
Regulatory Services	Local laws enforcement including parking fees and fines, public safety, animal management and traffic control.	-789 -590 199

Service performance indicators

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








Results

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Roads					
Satisfaction of use					
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	67.89	58.50	60.19	54.98	
Condition					
Sealed local roads maintained to condition standard [Number of kilometres of sealed local roads below the renewal intervention level set by council / Kilometres of sealed local roads] x100	96.48%	96.80%	96.05%	95.43%	
Service cost					
Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$91.05	\$97.30	\$98.78	\$112.65	The reason for the higher variance between 2020/21 and 2021/22 is due to a substantial increase in the market unit rates for costs of road construction jobs nation-wide in 2021/22 due to changes with materials supply and demand.
Service Cost					
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$8.18	\$6.65	\$6.85	\$5.87	The 2021/22 Reseal Program was a joint program with Corangamite Shire. The joint venture and the large number of roads resealed in 2021/22 resulted in a better market rate for road reseals (spray sealing).
Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	58	48	59	60	The public perceptions in relation to this category relate predominantly to the State road network. Warrnambool's local road network is at a high standard.




CONNECTED & INCLUSIVE PLACE – progress report

Objective 1: EFFECTIVE PLANNING: Council will ensure its planning acknowledges the unique character and attributes of local places, and that it supports social connection, equitable access, appropriate housing and sustainable population growth.


Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
4.1.1	Deliver the building renewal program.	Coordinator Building Strategy & Services	100%		Building renewal program has concluded and is being reported on in detail via the capital works reporting process. Projects at Proudfoots Boathouse and Lighthouse Theatre have been moved to the 22-23 program due a poor response to an invitation to tender and ongoing staff shortage due to illness.
4.1.2	Develop and adopt a Tree Asset Management Plan including significant and heritage trees.	Director City Infrastructure	100%		Public Tree Planting & Maintenance Plan adopted by Council in July and works continuing on the Tree Asset Management Plan.
4.1.3	Complete service level reviews for parks, gardens, roads and drainage services.	Coordinator Municipal Depot Operations	100%		This is completed annually when business plans are reviewed prior to the budget process. Depot Coordinator still completing components of Manager Infrastructure duties and will be until at least August 2022.
4.1.4	Review the CBD Parking Strategy including the expansion of off-street parking areas.	Coordinator Local Laws Traffic Fire & Animal Contr	75%		A new parking strategy is about to commence covering the CBD and outlying areas.
4.1.5	Finalise the Social Housing Planning Project Report to support delivery of social and affordable housing.	Coordinator City Strategy	100%		Implementation plan has been finalised and reported to Councillors in January 2022.
4.1.6	Deliver the redevelopment of Reid Oval.	Manager Recreation & Culture	100%		Successful launch event held. Oval condition good and handling expected hours of play. Agreement with SWS as weekday tenant in place. Minor issues still outstanding with contractor.
4.1.7	Commence planning of neighbourhood community infrastructure assets.	Manager Community Policy & Planning	10%		Progress on this will occur in the quarter of July 2022 based on the new Census 2021 data that has recently been released by ABS.

Objective 2: CONNECTED COMMUNITY: Council will enhance Warrnambool’s connectivity through the delivery of, or advocacy for, improvement to roads, public transport, footpaths, trails and digital infrastructure.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
4.2.1	Advocate for essential safety and road improvements on the Princes Highway West.	Director City Infrastructure	75%		No formal advocacy underway, awaiting designs for the section between Warrnambool and Port Fairy.
4.2.2	Advocate for improved passenger and freight rail services between the South West region and Melbourne.	Director City Growth	100%		Work on the Warrnambool Line upgrade is continuing, with signalling upgrades between Waurn Ponds and Warncoort. More than 24km of signalling cable has been installed, along with 8km of access tracks along the line. The project will upgrade more than 50 public level crossings on the Warrnambool line with improved train technology to detect when VLocity trains are approaching. Boom gates will be added to 17 of these crossings to boost safety for motorists and train passengers. Once complete, there will be no unprotected public level crossings on the line. The new crossing loop at Boorcan and a fifth week-day return service between Warrnambool and Melbourne will come into operation following the completion of signalling and commissioning works along the line. The stabling facility at Warrnambool Station is to be upgraded to house the longer VLocity trains, allowing them to start and finish their journey at Warrnambool. The Warrnambool Line Upgrade is targeted for completion in late 2023.
4.2.3	Plan for growth and changes in traffic movements by identifying current and future traffic volumes and use this to review the Municipal Road Management Plan and Road Hierarchy.	Director City Infrastructure	10%		Still awaiting the Strategic Asset Coordinator to commence in their role.
4.2.4	Facilitate the implementation of Cycling Reference Group actions adopted by Council.	Director City Infrastructure	100%		Cycling Reference Group minutes continue to be presented to Council and a number of recommendations for safety improvements are included in the recently adopted Botanic Area Local Area Traffic Management Plan
4.2.5	Review City Centre traffic flows with implementation of new pedestrian crossings.	Coordinator Infrastructure Management	100%		Investigation complete. Briefing report provided to Council on 14 June. Final report will be provided to Council in August 2022.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
4.2.7	Seek funding for and deliver road safety projects.	Coordinator Infrastructure Management	100%		<p>Number of applications have been made in 2021/22 year under the following programs</p> <p>Successful</p> <ul style="list-style-type: none"> • TAC Local Government Infrastructure Grant- Construction of platform crossing Brenton St • Blackspot- Lava/Kepler St • Department of Transport community Road Safety grant- delivering bicycle education to the community • TAC Community Road Safety grant- Bike Ed training, Bike Maintenance, Safe to School (part of the HEALTHY MOVES) <p>Unsuccessful</p> <ul style="list-style-type: none"> • TAC Local Government Infrastructure Grant- Analysis project for Merri/Henna and Merri/Fairy St

Objective 3: STRONGER NEIGHBOURHOODS: Council will foster- ing neighbourhood connection and capacity building including the development of inclu- sive recreational and cultural opportunities.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
4.3.1	Implement the key initiatives of the Open Space Strategy, including our review of the strategy.	Coordinator City Strategy	100%		<p>The Warrnambool Open Space Strategy is seven years into its implementation and on schedule. A detailed progress report was presented to Council in 2021 to highlight achievements to date. Some of the rec- ommendations more recently completed include:</p> <ul style="list-style-type: none"> - a Wayfinding Sign Design Package for the Foreshore, City Centre, and Russell’s Creek (with several signs now installed), - investigation of open space opportunities through the Allansford Strategic Framework Plan, - acquisition of new open space adjoining the Merri and Hopkins Rivers, - completion of all recommendations from the Jubilee Park Master Plan at Woodford, - completion of the South of Merri Open Space Precinct Plan. An implementation plan has been prepared for the South of Merri Precinct, with successful external funding recently received to implement works within the Woodend Road reserve and Platypus Park precincts. These works are currently underway, being undertaken in partnership with the Glenelg Hopkins CMA. 100% of City-wide recommendations have commenced or are complete, and 78% of precinct-based recommendations are com- plete or under way.

Objective 4: SUSTAINABLE PRACTICES: Council will promote and encourage the implementation of sustainable design across the municipality including the attractiveness, safety, accessibility and functionality of our built environment.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
4.4.1	Identify and regularly monitor condition of Council's built assets to ensure effective management.	Director City Infrastructure	100%	■	Program developed for building renewal for the 2022/23 and this will be extended to a 4 year program.



Peek Whurrong Elder Uncle Locky Eccles.

STRATEGIC OBJECTIVE 5: AN EFFECTIVE COUNCIL

We will be recognised as a collaborative Council and a high-performing organisation that enables positive outcomes for Warrnambool's community, environment and economy and Victoria's south west.

Strategic indicators

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

Strategic Indicator/measure	Result	Comments
Customer service – Community Satisfaction Survey	73	Council fielded more than 50,000 inquiries from customers over the phone and in person at the Civic Centre.
Informing the community– Community Satisfaction Survey	60	Up from 52 in 2021. Council moved to quarterly newsletters delivered to all Warrnambool households. Council meetings were livestreamed.
Consultation and engagement	56	Up from 50 in 2021. More opportunities have been made available for people to provide feedback to Council via the Your Say Warrnambool website.

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2016-17 budget for the year.

Major Initiatives	Progress
Shared IT services project involving Warrnambool, Moyné and Corangamite municipalities.	Procurement process under way following process mapping exercise.

Services

The following statement provides information in relation to the services funded in the 2016-17 budget and the persons or sections of the community who are provided the service.

Activity	Description	Net cost Actual Budget Variance \$'000
Governance & Elected Council	Elected Council governs our City in partnership with and on behalf of our community, and encourages and facilitates participation of all people in civic life. Also includes contributions made to community groups and organisations.	-807 607 1,414
Executive Services	Manages and facilitates the Council governance service, implementation of Council decisions and policies and compliance with the legislative requirements.	505 545 40
Communications & Customer Service	Provides a customer interface for various service units and a wide range of transactions. Includes media and marketing.	1,097 1,119 22

Activity	Description	Net cost Actual Budget Variance \$'000
Volunteer Services	Volunteer Connect provides support and guidance to organisations and community groups that involve volunteers in their work, and provides a volunteer matching service to bring together volunteer roles, and volunteers to fill them.	121 124 3
Information Services	Enables Council staff to have access to the information they require to efficiently perform their functions. Includes software support, licensing and lease commitments.	2,583 2,457 -126
Organisation Development	This service promotes and implements positive HR strategies to assist staff reach their full potential and, at the same time be highly productive in delivering Council's services to the community. Includes recruitment, staff inductions and training.	1,560 1,724 164
Corporate & Financial Services	Provides corporate support to Council and all divisions/branches in meeting organisational goals and objectives and includes banking and treasury functions, loan interest, audit, grants commission, legal, procurement, overhead costs including utilities and unallocated grants commission funding.	-2,153 -740 1,413
Depreciation	Depreciation is the allocation of expenditure write down on all of Council's assets over their useful lives.	12,435 13,050 615

Service performance indicators – an effective Council

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



Results

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Governance Transparency Council decisions made at meetings closed to the public [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100	5.19%	12.68%	5.77%	1.88%	Council has worked diligently to meet its Transparency Policy and Local Government Act obligations. This has lowered the number of closed meetings and the total number of items being decided in closed meetings.
Consultation and engagement Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	47	42	50	56	Council has undertaken significant consultation with the community in accordance with the Act and Council's Community Engagement Policy and the quality and quantity of that engagement is reflected in the community's satisfaction results.

Service/ Indicator/ measure	2019	2020	2021	2022	Comments
Attendance Councillor attendance at council meetings [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100	90.68%	90.48%	100.00%	100.00%	Councillors understand the importance of attending meetings and have been committed to attending as many meetings as possible.
Service cost Cost of elected representation [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$56,627.94	\$42,908.86	\$47,574.14	\$45,870.43	Councillor allowances increased in line with direction from State Government.
Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	48	38	49	58	The increase in community satisfaction with Council decisions is a reflection of Council's commitment to transparency and to informed, fact-based decision-making in accordance with the role of Councillors as defined in the Local Government Act 2020.

AN EFFECTIVE COUNCIL – progress report





Objective 1: LEADERSHIP & GOVERNANCE: Council will be a high-functioning team committed to respectful relationships, collaboration, and ongoing engagement. It will provide strong, effective leadership, sound governance and informed decision-making.



Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.1.1	Ensure key priorities of the community are appropriately reflected in the development and review of the Council Plan with the appropriate prioritisation of resources to key strategic themes.	General Counsel, Strategy & Procurement	100%		The annual review of the Council Plan is underway with community engagement planned and staff review being completed. Any updates to the Council Plan will be reviewed and considered prior to being adopted at the end of this financial year.
5.1.2	Identify and report on changes to Council operations, policies and procedures in line with the Local Government Act.	Governance, Property, Projects & Legal	100%		The Local Government Act 2020 has now had all required transition actions completed.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.1.3	Improve Council's systems and policies through review of Governance Framework.	Governance, Property, Projects & Legal	100%		An internal audit on Council's current governance framework has been completed with the audit report including recommendations expected within the next month. This will help inform improvements to be made to relevant systems and policies.
5.1.4	Improve asset management practices.	Director City Infrastructure	100%		Significant step forward with building renewal program, adoption of the 10 year asset plan and draft of saleyards asset management plan.
5.1.5	Improve the Warrnambool Planning Scheme which controls land use and development within the municipality.	Coordinator City Strategy	100%		<p>The Warrnambool Planning Scheme is continuously monitored to ensure officers are kept abreast of State Government planning reforms and trends and relevant reforms are reported to Council. Recent State Government planning reforms include new reforms and streamlined provisions for transport planning; implementation of Stage 1 of the State Government's ESD roadmap which embeds policy support for improved ESD outcomes in the built environment; and amended reforms to support extractive industries. Other recent improvements to the Warrnambool Planning Scheme include:</p> <ul style="list-style-type: none"> - new flood controls for the Russells Creek and parts of the Merri River catchments in north Warrnambool to reflect updated and improved flood modelling for these areas. A Panel hearing has been held to hear submissions, and the Panel report has been recently received and is currently under consideration. - Rezoning of land at Kings College and the adjacent Royal Court subdivision to correctly align the zoning with the ongoing use of the land, has been adopted by Council and will be forwarded to the Minister for Planning for final approval. - Pre-planning and project scoping has commenced for a review of the Warrnambool Planning Scheme. The Planning Scheme must be reviewed every 4 years to ensure it remains effective and efficient in implementing State, regional and local policy objectives.
5.1.6	Work with neighbouring Councils to develop sub-regional and regional plans and advocacy strategies to benefit the region and deliver on the community's aspirations.	Chief Executive	100%		Developed the Great South Coast Advocacy Plan which has been supplied to various Ministers; meetings have also been held with various Ministers regarding the advocacy plan. Ongoing advocacy to take place.
5.1.7	Align the implementation of the Warrnambool 2040 Plan with the Financial Sustainability Plan.	Director Corporate Strategies	100%		The long term financial plan is aligned to Warrnambool 2040. The priorities relevant to Council are picked up in the long term financial plan and Council continues to balance competing demands from many sources. Council continues to review and change its priorities with consultation with its community and updates and modifies its financial plans accordingly.





Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.1.8	Ensure achievement and maintenance of organisation-wide Child Safe Standards compliance and currency of Working With Children Checks.	Manager Organisation Development	100%		An External audit conducted by Crowe has been completed, including the uptake and requirements of WWCC and Standard compliance. Findings were positive with high levels of compliance across the organisation. Opportunities for improvement have been identified and have been adopted by the Child Safe Committee to be addressed in 2022/223
5.1.9	Develop and rollout the Regional and Rural Liveability Strategy in partnership with State Government and South West Primary Care Partnership.	Manager City Strategy & Development	30%		The South West Primary Care Partnership has been realigned to the Public Health Unit of Barwon Health. Partnerships with State Government continue through the Healthy Warrnambool plan and the communities of practice.

Objective 2: ENGAGED & INFORMED COMMUNITY: Council will ensure ongoing community engagement to identify changing needs and priorities when developing and delivering services and programs.






Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.2.1	Improve accessibility, transparency and accountability of Council decision-making.	Governance, Property, Projects & Legal	100%		Inclusions to the report template such as prompts for staff to add any relevant information about gender equity assessments undertaken continue to build upon the information provided to inform Council decision-making.
5.2.2	Monitor and report on the reach and effectiveness of Council's communications measures.	Manager Communications	100%		Council has over the past quarter re-engaged with the community to help inform the development of the 2022-2023 Budget and the 2022 review of the 2021-2025 Council Plan. Community engagement activities have also been undertaken for Council's 10-year Asset Plan, Beach Access Strategy (75 online responses), Tree Planting and Management Policy, Library logo (123 responses), Volunteering Strategic Plan and the Archie Graham Community Centre (200-plus responses).
5.2.3	Produce the annual State of the Assets Report that identifies the asset renewal funding performance to inform renewal expenditure.	Director City Infrastructure	100%		Report completed and presented to Council along with the 10 year community asset plan
5.2.4	Review adopted Asset Management Plans for major asset classes to inform operational activities.	Director City Infrastructure	100%		Process of review and adoption is continuing. The latest adoption is the Public Tree Planting and Maintenance Policy which is linked to the tree asset management plan.

5.2.5	Review strategies and plans to comply with Council's Asset Management Policy.	Director City Infrastructure	100%		Plans and strategies are reviewed to comply with many strategic documents such as, Council Plan, Warrnambool 2040, Gender Equality, Cultural Heritage etc. Each review of a plan or strategy references these plans along with the Asset Management Plan.
5.2.6	Provide communications support to promote Council services, facilities, programs and events.	Manager Communications	100%		In recent weeks the Communications Unit has been involved in helping to promote the Solstice Searching and Solstice Search Party, which received an enthusiastic response from the community. The unit has also supported the Win in Winter business promotion and the official opening of Reid Oval including the inaugural night football matches. Support was also provided to the Early Childhood team to help promote kindergarten enrolments and open days.

Objective 3: CUSTOMER-FOCUSED SERVICES: Council will continue and develop a program of Council services that are delivered to the community's satisfaction.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.3.1	Review and update Council's complaint handling policy and processes in line the Local Government Act changes and Ombudsman's guidelines.	Governance, Property, Projects & Legal	80%		Improvement to processes to support the Complaints Handling Policy are currently on hold due to temporary resourcing implications.
5.3.2	Improve outcomes in the delivery of Council's customer services.	Customer Service Team Leader	100%		Our Live Chat software is presently being looked at to improve efficiencies and increase use of software that may expand on the use of the software.
5.3.3	Deliver library customer programs in partnership with community organisations, non-government organisations and business.	Manager Recreation & Culture	25%		Duplicated in 1.5.6
5.3.4	Develop and influence strategic integrated planning process and decisions to ensure Council strategy is appropriately prioritised and executed.	General Counsel, Strategy & Procurement	100%		Council Plan update adopted on 27 June 2022 as well as 22/23 budget.







Objective 4: HIGH-PERFORMANCE CULTURE: Council will foster an organisational culture to support engaged, committed and high-performing staff for the effective delivery of Council’s services and programs.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.4.1	Prepare and develop appropriate service and organisational review processes to optimise operational efficiency.	Chief Executive Officer	100%		<p>The program of activities in the service review space has concluded for 2021-2022 new opportunities will continue to be explored in the 2022 - 2023 financial year and ongoing. with workforce alignment opportunities being considered as vacancies occur and business process re-engineering continuing to evolve to deliver efficient and effective services to the community.</p> <p>A high level executive review of the the structure has been concluded as part of the development of Councils workforce plan requirement and the core structural elements remain unchanged as the core service functions remain unchanged.</p> <p>The key focus for service review remains in the Corporate Strategies directorate with the shared Information technology project underway with Moyne and Corrangamite shires. Concurrently process re-engineering continues around billing, payroll, rosters development and contracts management to improve efficiency and add automated processes. Shared technology strategy has been completed across the Moyne Corrangamite and Warrnambool. A centralized Training and development system has been scoped and is being introduced to ensure greater efficiency compliance and targeted staff development across the organisation.</p>
5.4.2	Support an organisational approach to strategic procurement to ensure effective operational decision making that improves organisational performance.	General Counsel, Strategy & Procurement	100%		<p>More centralised approach is being supported by the new structure. An internal audit is also taking place on the tendering process which will further support strategic procurement.</p>
5.4.3	Review and improve human resource operational processes to ensure best practice.	Manager Organisation Development	100%		<p>The Human Resource function has implemented actions from the recent internal audit and is now operating along best practice principles.</p>
5.4.4	Enhance organisational awareness of Victoria’s Child Safe Standards.	Manager Organisation Development	100%		<p>Organisation awareness of Child Safe Standards has increased following the reformation of the Child Safe Committee.</p>
5.4.5	Continue to evolve the staff training and development programs in order to drive enhanced employee engagement and culture.	Manager Organisation Development	100%		<p>The training requirements for all staff now sit within the remit of the OD Branch. As such on-line training application and approval processes have been developed and implemented. Planned training has also been aligned to the annual performance review process.</p>

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.4.6	Implement workplace actions to meet the requirements of the Gender Equality Act 2020 resulting in improved gender equity outcomes.	Manager Organisation Development	100%		Gender equity Action Plan completed and submitted to Gender Equity Commission in line with legislative requirements. All actions have now been allocated and recorded in the Corporate reporting data base, Pulse.
5.4.7	Support the re-sourcing of Development Engineering assessments and approvals.	Director City Infrastructure	100%		Current vacancy in this area, which will be filled as soon as possible. The time taken for approvals has shortened when the resources were available.
5.4.8	Develop a Workforce Management Plan which will include an approach to attracting and enhancing workforce to the area/region and ensure effective resource planning.	Manager Organisation Development	100%		The Workforce Plan has been developed and adopted.
5.4.9	Improve systems and structures that facilitate the recruitment and retention of volunteers.	Service Manager Healthy Engaged Communities	100%		Our Volunteers Special Projects Officer developed & delivered cultural awareness training for community & volunteer organisations across the region providing an understanding of the benefits of working in a diverse environment, including the tools to create a more inclusive organisation. Participants now have an enhanced understanding of engaging with volunteers from a culturally & linguistically diverse backgrounds & are able to promote the benefits of a diverse volunteer workforce. The Volunteering Strategic Plan 2021-2024 was adopted by Council on 4 July 2022. Volunteers across Warrnambool were recognised and acknowledged at the annual Volunteer Appreciation Movie Night during National Volunteer Week. Volunteer Connect continue to support Council volunteers to update data on the Better Impact volunteer management software to ensure data is accurate and appropriate screening occurs across the organisation. Position Descriptions have been revised across a number of program areas to accurately reflect volunteer roles to assist in recruitment.





Objective 5: ORGANISATIONAL & FINANCIAL SUSTAIN-



ABILITY: Council will ensure organisational and financial sustainability through the effective and efficient use of Council’s resources and assets.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.5.1	Review and embed the legal and procurement processes to ensure compliance and risk mitigation and that Council is operationally effective.	General Counsel, Strategy & Procurement	100%		Induction training updated and new basic broad training to be captured in Litmos.
5.5.2	Review Council’s property management processes, including for Crown land that Council is the Committee of Management for, with consideration of rental agreements, property and current market valuations and disposal of surplus land.	Governance, Property, Projects & Legal	100%		Small improvements in property management processes continue to be implemented such as seeking template agreements for specific agreement types - for example the agreements for hangar spaces at the Warrnambool Airport.
5.5.3	Allocate financial resources in accordance with strategic plans.	Manager Financial Services	100%		The budget was adopted by Council at a meeting on 27 June 2022.
5.5.4	Review and update the Long Term Financial Plan to ensure Council remains financially sustainable into the future.	Manager Financial Services	100%		The long term financial plan has been updated and formed the basis of the budget preparation for the 2022/23. The long term indicators are forecasting that Council will remain sustainable into the future.
5.5.5	Enhance business processes including IT systems integration.	Manager Financial Services	100%		Accounts payable automation has been installed with a post implementation review completed to establish whether the goals were achieved and future improvements. Council wide roster system has been implemented with the initial go-live phase at Aqua-zone, a post implementation review will begin in the 2022/23 financial year. A new business process automation has been developed to assist the new centralised learning and development model.
5.5.6	Improve digital capacity for Council staff.	Manager Information Services	100%		Shared Service activities scheduled for completion by 30/6/2022 have been completed. EOI evaluations are progressing according to schedule. Invitation To Offer should proceed with little or no delay. Regional Digital Strategy development is on schedule. First draft is out for review.



Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.5.7	Monitor asset condition to ensure they meet users' needs and remain fit for purpose.	Director City Infrastructure	100%		Full scale assessment of entire footpath network completed in May 2022. Ongoing monitoring of every asset class, with a percentage of each class reviewed every year.
5.5.8	Implement COVID-19 recovery plans for Council business units.	Manager Recreation & Culture	100%		All of Council business units have current COVID plans that align with government public health orders. Plans are updated regularly to adapt to changing restrictions.
5.5.9	Recommence rollout of Shared Services Project with surrounding councils.	Director Corporate Strategies	100%		The Shared Services Program has recommenced with Warrnambool City, Moyne Shire and Corangamite Shire.

Objective 6: RISK MITIGATION: Council will mitigate and manage organisational risks through sound management systems and processes.




Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.6.1	Review the IT Strategy and system resilience in relation to data security, confidentiality and critical incidents.	Manager Information Services	100%		Shared ICT Strategy with Moyne and Corangamite developed and adopted by all three councils.
5.6.2	Assist development of Victorian Protective Data Security Plan and lodging of attestation to Office of the Victorian Information Commissioner.	Manager Information Services	100%		Project with Votar Partners is progressing on schedule. All activities due for completion by 30/6/2022 have been. Maturity assessment completed. Information Asset Register discovery interviews completed. First draft of Information Asset Register ready for review. Protective Data Security preparation has commenced.
5.6.3	Ensure effective Business Continuity Planning (BCP) is in place.	Manager Organisation Development	100%		The overarching BCP has been reviewed and is in place. Work continues on the sub-plans.
5.6.4	Enhance Councils risk management processes to ensure key strategic and operational decision making considers risk factors.	Manager Organisation Development	100%		The entire risk framework has undergone a thorough review, including a full review and update of strategic and corporate risks. The risk register has been transitioned across to a more user friendly environment and relevant officers have undergone training in both awareness of the new risk profile and use of the software system.

5.6.5	Continue the development and implementation of Councils Health and Safety Management System with a focus on injury prevention, improved return-to-work processes, OHS training calendar implementation and increased organisation engagement.	Health & Safety Project Officer	100%		Councils Health and Safety Management System continues to be review, refined and implemented. All Health and Safety Management System documents are now in controlled documents and available to all staff via the intranet page.
5.6.6	Partner with State Government to activate and maintain Public Health Pandemic and Emergency Management Operations for staff and community wellbeing.	Director City Infrastructure	100%		Continue to provide services that Council is required to provide. The food delivery service ceased on 30 June for Local Government with residents requiring relief, to apply via the COVID hot-line.

Objective 7: EFFECTIVE ADVOCACY: Council will pursue effective advocacy by providing compelling materials for desired support and funding for community priorities through establishing strong relationships with other levels of government, strategic partners and key stakeholders.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.7.1	Provide materials to support advocacy efforts and report on advocacy outcomes.	Manager Communications	100%		A suite of advocacy documents was developed that summarised Council's advocacy priorities. These were presented to Victorian Government politicians and key department representatives during recent meetings.
5.7.2	Advocate for access to safe and secure housing that is appropriate and affordable for a diversity of needs.	Manager Infrastructure Services	100%		Advocacy for diversity of housing leading to affordability is being undertaken through representation at the regionally based key worker housing strategy project. Advocacy and active engagement is also being undertaken at a regional level through the Big Housing Build agency.

Objective 8: REGIONAL ROLE & RELATIONSHIPS: Council will acknowledge Warrnambool’s capability as the regional centre of south-west Victoria through appropriate leadership, advocacy and partnerships that enable greater opportunity for the region.

Action Code	Action Name	Responsible Officer	Progress	Traffic Lights	Comments
5.8.1	Participate in shared services project - for a shared Information technology enterprise system and associated processes - with Moyne and Corangamite shires.	Director Corporate Strategies	100%		2021 -2022 program of works completed with expression interest out to market and submissions being assessed to move to request for select tender for shared enterprise system for the three Councils
5.8.2	Pursue funding for animal shelter redevelopment in collaboration with surrounding municipalities to facilitate a regional facility if appropriate.	Coordinator Local Laws Traffic Fire & Animal Contr	100%		The agreement with the Glenelg Shire is progressing well. Council officers continue to meet with RSPCA management relating to the project. Funding options are continually being discussed.
5.8.3	Participate in advocacy efforts as part of Regional Cities Victoria, Regional Capitals Australia and Great South Coast Group of Councils.	Chief Executive Officer	100%		Advocacy efforts for 2021- 2022 culminated with a visit to parliament by Councillors and senior executive to advocate for Key councils projects and issues to ministers and shadow ministers of State Parliament.

Retired service performance indicators

Retired indicators Service / indicator / measure	Results 2019	Comment
Aquatic Facilities		
Service cost		
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	-\$1.08	This measure was replaced by Cost of aquatic facilities for 2020.
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$1.10	This measure was replaced by Cost of aquatic facilities for 2020.
Animal Management		
Service cost		
Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$41.48	This measure was replaced by Cost of animal management service per population for 2020.
Health and safety		
Animal management prosecutions [Number of successful animal management prosecutions]	4	This measure was replaced by Animal management prosecutions (%) for 2020.
Libraries		
Service cost		
Cost of library service [Direct cost of the library service / Number of visits]	\$6.75	This measure was replaced by Cost of library service per population for 2020.
Maternal and Child Health (MCH)		
Satisfaction		
Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	93.3%	This measure was replaced by Participation in 4-week Key Age and Stage visit for 2020.

GOVERNANCE, MANAGEMENT AND OTHER INFORMATION

Governance

Warrnambool City Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

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

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

Meetings of Council

Council conducts open public meetings on the first Monday of each month. Members of the community are welcome to attend these meetings and observe from the gallery.

Dates for Council meetings are advertised in the local media and on our website. A guide to Council's meeting procedures is also available on the website at www.warrnambool.vic.gov.au

Council meetings also provide the opportunity for community members to submit a question to the council and to put their question to Council verbally. Over 2021-22 Council held 16 scheduled meetings.

The following table provides a summary of councillor attendance at council meetings for the 2021-22 financial year.

COUNCILLOR	Scheduled Council Meetings attended	Annual/Additional Council Meetings attended	Closed meetings of Council attended	Informal Meetings of Council attended
Cr. Otha Akoch	11/11	3/3	1/1	37/39
Cr. Debbie Arnott	10/11	2/3	1/1	37/39
Cr. Ben Blain	11/11	3/3	1/1	38/39
Mayor, Cr. Vicki Jellie AM	11/11	2/3	1/1	36/39
Cr. Angie Paspaliaris	9/11	3/3	1/1	37/39
Cr. Max Taylor	11/11	3/3	1/1	34/39
Cr. Richard Ziegeler (Mayor October-April)	11/11	3/3	1/1	36/39

Delegated committees

The Act allows councils to establish one or more delegated committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

The following table contains a list of delegated committees established by the council that are in operation and the purpose for which each committee was established

Delegated committee	Councillors	Officers	Other	Purpose
Community and International Relations Advisory Committee	1	1	4	Provides strategic advice on Council's sister city relationships, international relations and to advance Council's progress against the Welcoming Cities standards.
Environment and Sustainability Advisory Committee	1	3	5	Provides strategic advice on environmental and sustainability projects and programs to advance the Green Warrnambool plan.
South-West Victorian Livestock Exchange Advisory Committee	2	2	5	Provides advice on the management and operation of the livestock exchange and acts as a conduit of information between stakeholders and Council.
Economic Development and Tourism Advisory Committee	1	2	5	Provides strategic advice and direction on economic development and tourism matters and acts as a conduit of information between stakeholders and Council.
Audit and Risk Committee	2	-	3	Provides advice on the effectiveness of Council's governance, risk and financial control systems, process and compliance culture to give Council assurance and confidence in these activities.

Code of conduct

The Act requires councils to develop and approve a councillor Code of Conduct within 12 months after each general election.

On February 1, 2021, Council adopted a revised Councillor Code of Conduct which requires Councillors to:

- treat other Councillors, Council staff and members of the community with dignity, fairness, objectivity, courtesy and respect;
- to perform the role of Councillor effectively and responsibly;
- to comply with good governance measures;
- to not discredit or mislead Council or the public; and,
- acknowledge that the standards of conduct do not limit, restrict or detract from robust public debate in a democracy.

In addition to setting out the Councillor Conduct Principles, the Code also 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
- 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 act in the public interest. When a council delegates its powers to a council officer or a committee, the committee or officer also needs to act in the public interest.

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

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all council and Committee meetings. While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests.

During 202-20/22, Councillors declared 25 conflicts of interest.

Type of Meeting	No. of Cr. Conflicts declared
Scheduled	7
Special/Additional	0
Closed	0
Informal	18

Councillor allowances

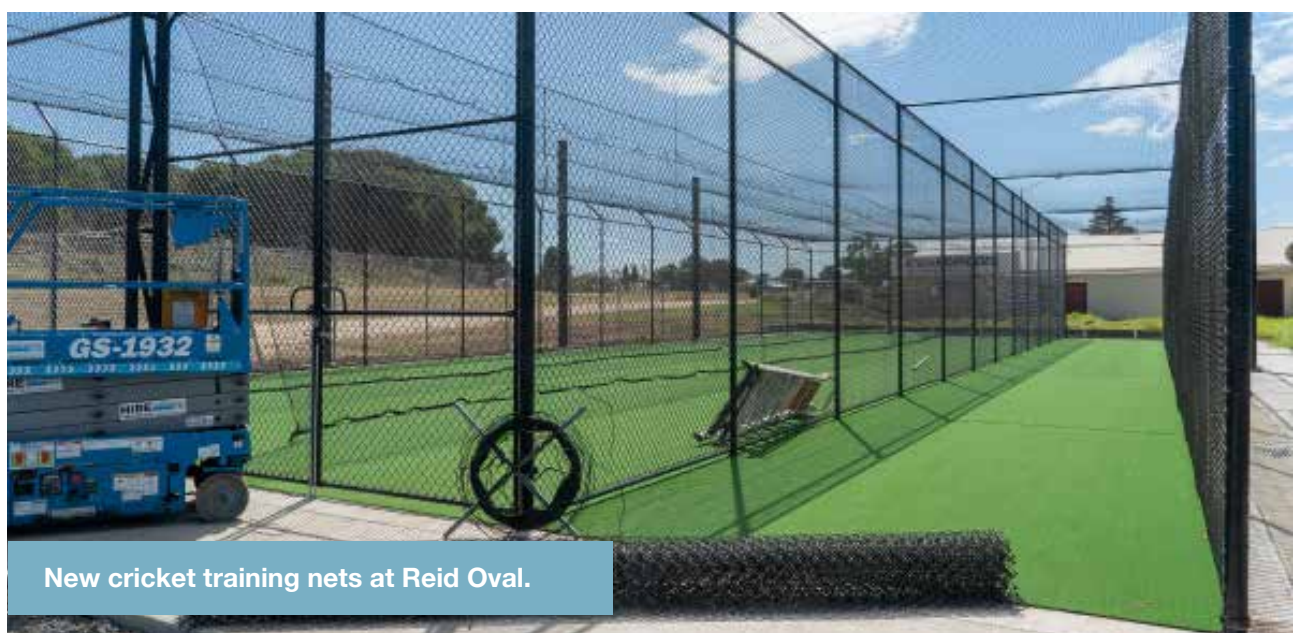
In accordance with Section 39 of the Act, councillors are entitled to receive an allowance while performing their duty as a councillor.

The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to councillors and Mayors. Councils are divided into three categories based on the income and population of each council. In this instance Warrnambool City Council is recognised as a category two council.

The following table contains details of current allowances fixed for the mayor and councillors during the year.

Role	Category 2 Councillor allowance
Mayor	\$96,470
Deputy Mayor	\$48,235
Councillor	\$30,024



New cricket training nets at Reid Oval.

Councillor expenses

In accordance with Section 40 of the Act, council is required to reimburse a councillor for expenses incurred whilst performing their duties as a councillor.

Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors.

The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each councillor and member of a council committee paid by the council

The details of the expenses including reimbursement of expenses for each councillor and member of a council committee paid by the council for the 2021-22 year are set out in the following table.

	Allowance	Tel	Tech	Accomm	Meals	Training	Travel	Airfares	Total
Cr Vicki Jellie	64,536.84	416.25	431.18	1,474.91	665.84	3,150.67	0.00	0.00	70,675.70
Cr Otha Akoch	29,487.06	414.00	431.18	1,378.08	340.84	1,542.14	115.20	349.43	34,057.94
Cr Max Taylor	15,405.79	414.00	431.18	0.00	340.84	1,542.14	0.00	0.00	18,133.96
Cr Angie Paspaliaris	29,487.06	414.00	431.18	0.00	340.84	1,542.14	0.00	0.00	32,215.23
Cr Ben Blain	29,487.06	415.50	431.18	1,582.30	990.84	2,382.14	207.11	410.86	35,907.00
Cr Debbie Arnott	41,061.28	414.00	431.18	940.91	665.84	2,850.67	0.00	0.00	46,363.89
Cr Richard Ziegeler	53,728.64	414.00	431.18	0.00	665.84	2,616.23	87.27	377.53	58,320.70
Totals	263,193.73	2,901.75	3,018.26	5,376.20	4,010.91	15,626.15	409.58	1,137.82	295,674.40

Audit and Risk Committee Independent Member Expenses 2021-22

	Allowances \$	Training \$	Total \$
R.Wallis	2,368	-	2,368
A Kumar	1,582	1,565	3,147
D. Farley	2,185	-	2,185
D. Porritt	396	-	396
L. Fitzgerald	396	-	396
Total	6,926	1,565	8,490

Management

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

The Act requires council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

Audit Committee

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

The Audit Committee consists of three independent members. Mr Rob Wallis resigned from the committee on November 16, 2021, Mr Dennis Farley resigned on March 8, 2022, Mr Aswin Kumar served for the entire financial year and Mr Leon Fitzgerald and Ms Donna Porritt joined the committee on November 16, 2021 and served for the remainder of the financial year.

Crs Ben Blain and Angie Paspaliaris served on the committee for the duration of the financial year.

Independent members are appointed for four-year term, with a maximum of three terms. The chair is elected by the Council. The Internal Auditor, Chief Executive Officer, Director Corporate Services, Manager Organisation Development, Manager Governance and Risk and Manager Financial Services attend all Audit Committee meetings. Other management representatives attend as required to present reports.

The external auditors attend each year to present the audit plan and independent audit report. Recommendations from each Audit Committee meeting are subsequently reported to and considered by council.

Internal audit

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

A risk-based Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers council's risk framework, the council plan, the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit Committee annually.

A Finance Unit representative attends Audit and Risk Committee meetings to report on the status of the SIAP to provide an update on the implementation of audit recommendations and to present findings of completed reviews. The responsible Director and Manager for each area reviewed are required to attend 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 performance management system. Managers provide quarterly status updates that are reported to the Executive Management Team and the Audit and Risk Committee.

The SIAP for 2021-22 was completed with the following reviews conducted:

- Essential Safety Measures (ESM) (August 2021)
- Payroll Management (September 2021)
- Post Incident Internal Control Review (November 2021)
- Project Management (February 2022)
- Human Resources - Workforce Development (February 2022)
- Tree Management (May 2021)



Kinder kids out and about.

External audit

Council is externally audited by the Victorian Auditor-General. For the 2021-22 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 attend the May and August 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.

Risk management

In March 2021 council adopted a Risk Management Policy in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines.

The Risk Management Policy commits Council to the following risk management objectives and statements:

- We will apply a coordinated and integrated approach to risk management across Council Consistent with the principles of AS/NZS ISO 31000:2009 Standards.
- Council through its Audit and Risk committee shall ensure the establishment, implementation and ongoing review of the Councils risk management framework, internal compliance and control systems.
- Risk management will be an integral part of planning and decision making processes.
- We will adopt risk management strategies which promote confidence in the achievement of optimal business & community outcomes.
- We will establish a culture of risk consciousness within our organisation and promote risk awareness with our stakeholders.
- Communication within the stakeholder community in relation to the identification and management of risk is encouraged.
- We will develop and continually improve risk management practices based on established standards and industry practice.
- We will apply a coordinated and integrated approach to risk management.
- There is accountability assigned to all those with risk management responsibilities.
- Council staff will be provided with the necessary training to allow them to undertake their risk management duties.
- All staff with risk management roles and responsibilities are provided with the necessary authority to undertake these responsibilities.
- We will extend our risk management capabilities to our agents (contractors and business partners) to enhance management of their project risks, or use of their policies and procedures if considered suitable.


















New pavilion at Reid Oval.

Governance and management checklist

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

Governance and Management Items	Assessment	
1 Community engagement policy (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with Section 55 of the Act on February 1, 2021.	✓
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Revised guidelines/template commenced with the adoption of the Community Engagement Policy on February 1, 2021.	✓
3 Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 92 of the Act on June 28, 2021.	✓
4 Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in Accordance with Section 92 of the Act on June 27, 2022.	✓
5 Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with Section 93 of the Act on June 28, 2021.	✓
6 Annual budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act Date of adoption: June 27, 2022	✓
7 Risk policy (policy outlining council's commitment and approach to minimising the risks to council's operations)	Policy commenced on May 14, 2022.	✓
8 Fraud and Corruption Control Policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Adopted July 6, 2020	✓
9 Municipal emergency management plan (plan under section 60ADB of the Emergency Management Act 2013 for emergency mitigation, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986. Revised November 2019.	✓

<p>10 Procurement policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)</p>	<p>Adopted in accordance with Section 108 October 4, 2021.</p>	
<p>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)</p>	<p>Plan updated January 2021.</p>	
<p>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)</p>	<p>Plan updated January 2021.</p>	
<p>13 Risk management framework (framework outlining council's approach to managing risks to the council's operations)</p>	<p>Commenced in February 2021.</p>	
<p>14 Audit and Risk Committee (see sections 53 and 54 of the Act)</p>	<p>Established in accordance with section 53 of the Act. Committee charter adopted in May 2020.</p>	
<p>15 Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)</p>	<p>Engaged Date of engagement of current provider:</p>	
<p>16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Local Government Act 2020)</p>	<p>Framework Date of adoption of current framework: 1 July 2015</p>	
<p>17 Council Plan report (report reviewing the performance of the council against the council plan, including the results in relation to the strategic indicators, for the first six months of the financial year)</p>	<p>Council provides quarterly reports to the community on progress made in each of the Council Plan objectives (activities and initiatives reports). Reports presented: November 2021 (included in Annual Report) March 7, 2022 May 2, 2022</p>	
<p>18 Financial reporting (quarterly statements to the Council under section 97(1) of the Local Government Act 2020, comparing actual and budgeted results and an explanation of any material variations)</p>	<p>Reports presented to the Council in accordance with section 97(1) of the Local Government Act 2020 Date reports presented: September 6, 2021; November 1, 2021; February 7, 2022; May 21, 2022.</p>	
<p>19 Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p>	<p>Date of reports: August 31, 2021; November 16, 2021; March 8, 2022; May 17, 2022.</p>	

<p>20 Performance reporting (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Local Government Act 2020)</p>	<p>Date of reports: November 1, 2021; March 7, 2022; May 2, 2022. Community Satisfaction Survey results presented July 5, 2021.</p>	
<p>21 Annual report (annual report under sections 98, 99 and 100 of the Local Government Act 2020 containing a report of operations and audited financial and performance statements)</p>	<p>2020-2021 Annual Report presented at a meeting of the Council in accordance with section 100 of the Act Date statements presented: November 1, 2021</p>	
<p>22 Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)</p>	<p>Code of Conduct reviewed and adopted on February 1, 2021.</p>	
<p>23 Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act))</p>	<p>Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act. Reviewed September 5, 2021.</p>	
<p>24 Meeting procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)</p>	<p>Governance Rules adopted in accordance with section 60 of the Act. Governance Rules adopted May 3, 2021.</p>	

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



Peter B Schneider
 Chief Executive Officer
 Dated: 12 September 2022



Cr Vicki Jellie
 Mayor
 Dated: 12 September 2022

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 25 Liebig Street, Warrnambool:

- 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 councillor or any member of council staff in the previous 12 months
- 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.

Contracts

From July 1, 2021, to October 4, 2021, Council entered into the following works contracts valued at more than \$200,000.

- Construction of Lake Pertobe Playspace & Waterplay
- Design & Construction of Edwards Bridge
- Construction of Lake Pertobe Carpark
- Bushfield Recreation Reserve Power & Lighting Upgrade

Over the same period it entered into the following good/services contracts valued at more than \$150,000.

- Wollaston Road Design Services
- WAG business case

From October 4, 2021, to June 30, 2022, Council entered into the following works contracts valued at more than \$300,000.

- Boat Ramp Construction
- FY2021 / 2022 Playground Renewal
- 21/22 & 22/23 Joint Infrastructure Agreement - Bitumen Resealing Works
- Port of Warrnambool Dredging
- Register of Contractors Supporting Minor Building Construction & Maintenance

Over the same period Council entered into the following goods/services contracts valued at more than \$300,000.

- Supply & Installation of Solar Panels
- Cleaning Services at Main Council Buildings
- Provision of Security Services 2022
- IT Hardware/Computer Refresh

Council also awarded a works contract in excess of \$300,000 for the redevelopment of the Jetty Flat Pavilion. A public tender for this work was advertised December 18, 2021, inviting tender submissions from suitably qualified and experienced contractors. Close of tenders was February 4, 2022, and no submissions were received. Council then invited local building contractors to submit tender prices with updated practical completion dates. Following this process a contract was awarded at the June 6, 2022 meeting of Council.

Disability action plan

In accordance with section 38 of the Disability Act 2006, as council has prepared a Disability Action Plan it must report on the implementation of the Disability Action Plan in its annual report. Council has prepared a Disability Action Plan and implemented the following actions:

- develop and implement a Volunteer Strategy that integrates the needs of people with a

- disability
- promote events such as Carers Week and International Day of People with a Disability

Domestic animal management plan

In accordance with the Domestic Animals Act 1994 Section 68a, council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the annual report.

Council adopted the Domestic Animal Management Plan 2021–22 in October 2021.

Food Act Ministerial directions

In accordance with section 7E of the Food Act 1984, council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received by council during the financial year.

Freedom of information

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

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

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

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

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

Further information regarding FOI can be found at

www.foi.vic.gov.au and on the Warrnambool City council website, www.warrnambool.vic.gov.au

Protected disclosure procedures

In accordance with section 69 of the Protected Disclosure Act 2012 a council must include in their 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 are publicly available council's website.

During the 2021-2022 year no disclosures were notified to council officers appointed to receive disclosures, or to IBAC.

Road management Act Ministerial direction

In accordance with section 22 of the Road Management Act 2004, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by council during the 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. For the 2021-22 year the following information about infrastructure and development contributions is disclosed.

Infrastructure contributions

Total DCP levies received in 2021-22

DCP name (year approved)	Levies received in 2021-22 financial year \$
North of the Merri DCP (2011)	-
North Dennington DCP (2014)	-
Total	-

DCP land, works, services or facilities accepted in-kind in 2021-22

DCP name (year approved)	Project ID	Project description	Item purpose	Project value \$
North of the Merri DCP (2011)	DR02	Riverland Estate Stage 4	Drainage Assets provided in-kind	\$377,236
North Dennington DCP (2014)	RO02			\$-
Total				\$377,236

Total DCP contributions received and expended to date

DCP name (year approved)	Total levies received \$	Total levies expended \$	Total works-in-kind accepted \$	Total ICP contributions received (levies and works-in-kind) \$
North of the Merri DCP (2011)	1,406,804.52	979,551.28	504,321.00	1,911,125.52
North Dennington DCP (2014)	0.00	-	289,114.00	289,114.00
Total	\$1,406,805	\$979,551	\$793,435	\$2,200,240



WARRNAMBOOL
CITY COUNCIL

PERFORMANCE
STATEMENT
**FOR THE YEAR ENDED
30 JUNE 2022**

Independent Auditor's Report

To the Councillors of Warrnambool City Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Warrnambool City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2022 • sustainable capacity indicators for the year ended 30 June 2022 • service performance indicators for the year ended 30 June 2022 • financial performance indicators for the year ended 30 June 2022 • other information and • certification of the performance statement. <p>In my opinion, the performance statement of Warrnambool City Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020</i>.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

Auditor's responsibilities for the audit of the performance statement

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

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

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

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

MELBOURNE
16 September 2022



Travis Derricott
as delegate for the Auditor-General of Victoria

PERFORMANCE STATEMENT

For the year ended 30 June 2022

Description of municipality

The municipality of Warrnambool covers 120sqkm in Victoria's South West.

It includes the city of Warrnambool and townships of Allansford, Bushfield and Woodford.

Warrnambool is 263km south-west of Melbourne and connected to the capital via the Princes Highway and by rail.

It has annual population growth of about one per cent, a population of 35,600 and is the most populous city in the South West.

It contains the coastal city of Warrnambool and the towns of Allansford, Bushfield and Woodford. Warrnambool has a growing population and over recent years has attracted people seeking a seachange and those from the region who are seeking professional and educational opportunities. Stunning Lady Bay provides a focal point and major attraction for residents and visitors and in winter and spring the bay is home to southern right whales and their calves.

Warrnambool serves as a centre for a regional population of about 120,000 people. It contains a TAFE college, a Deakin University campus including a School of Medicine and a base hospital which is part of South West Healthcare. The major employment sectors are health care and social assistance, retail, manufacturing, education and training, accommodation and food services, professional services and construction.

Warrnambool has a moderate climate with an average maximum summer temperature of about 24°C, while the average winter maximum is about 14°C. The Great South Coast region features major visitor attractions including the 12 Apostles, Tower Hill and Budj Bim National Park.

Along with the natural attractions visitors are drawn to events including the speedway car racing, the May Racing Carnival and surf lifesaving events. The region also features some of Australia's most fertile agricultural land much of which is dedicated to dairy and beef production. Major dairy manufacturers and a large meat processor are situated in and around Warrnambool providing a major source of employment.

Warrnambool's economy generates an annual output of \$4.743 billion accounting for over 25 per cent of the Great South Coast region's economic output from less than one per cent of the land area.

Overview of 2021-2022

Throughout the course of the financial year COVID-safe measures began to ease which in turn meant that a number of Council entities including the Library and AquaZone began to return to more usual operation levels.

A number of substantial capital works projects were begun in the financial year including the replacement of Edwards Bridge and the upgrade of Lake Pertobe Adventure Playspace.

The redevelopment of Reid Oval as the premier regional sportsground was completed while work continued on the new library, situated on the campus of South West TAFE.



New indented parking along Botanic Road.

Sustainable Capacity Indicators

For the year ended 30 June 2022

Results

Indicator / measure [formula]	2019	2020	2021	2022	Comment
Population					
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,154.41	\$2,052.59	\$2,044.55	\$2,102.06	
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$13,443.32	\$13,267.27	\$13,429.52	\$16,094.87	A revaluation of all infrastructure assets and buildings occurred in 2021/22 and there were significant increases in construction costs.
Population density per length of road [Municipal population / Kilometres of local roads]	104.31	104.71	104.82	104.11	
Own-source revenue					
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,629.60	\$1,685.48	\$1,617.14	\$1,813.41	There has been an increase in user fees resulting from less COVID19 restrictions particularly in the second half of the financial year. Rates continue to increase via growth and increases in line with the rate cap. In addition, there was a substantial property insurance settlement received for the Florence Collins Child Care Centre building maintenance issue of \$1.285m.
Recurrent grants					
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$394.38	\$342.09	\$359.36	\$389.45	
Disadvantage					
Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	5.00	5.00	5.00	5.00	
Workforce turnover					
Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	10.0%	13.1%	10.5%	13.1%	The staff turnover rate for the 2021/22 financial year is slightly higher than Councils historical averages. Primarily this increase is related to COVID19 vaccine mandates which compromised the ability of employees who chose not to be vaccinated to participate in the workforce.

Definitions

“adjusted underlying revenue” means total income other than:

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

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

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

“population” means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2022

Results

Service/indicator/measure [formula]	2019	2020	2021	2022	Comment
Aquatic Facilities					
Utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	6.85	4.37	3.65	3.96	Reduction in COVID closures this financial year but still periods of tight restrictions with about 8-9 months of non impacted operations.
Animal Management					
Health and safety					
Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	0%	0%	0%	During the 2021-22 financial year, Council did not initiate any animal management prosecutions as there were no incidents that warranted a prosecution.
Food Safety					
Health and safety					
Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	84.21%	100.00%	47.22%	100.00%	All major non-compliance issues have been made a priority which causes the number of standard food safety assessments able to be performed reduce.
Governance					
Satisfaction					
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	48	38	49	58	The increase in community satisfaction with Council's decisions is a reflection of Council's transparency and commitment to informed, fact based decision making in accordance with the role of Councillors under the Local Government Act 2020.
Libraries					
Participation					
Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	13.77%	13.87%	12.36%	11.22%	In 2021/22 the Warrnambool Library conducted an active member review, purging all cards that had been inactive or not updated by 31st of May 2022.

Maternal and Child Health (MCH)					
Participation					
Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	76.99%	77.68%	82.25%	82.97%	Warrnambool City Council has targeted assertive outreach to re-engage families who typically fall away from the 2-year-old Key Age and Stage visits.
Participation					
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	73.24%	80.00%	86.81%	93.21%	Warrnambool City Council has signed a Memorandum of Understanding with Gunditjmara Aboriginal Cooperative to deliver Maternal and Child Health services to families who identify as Aboriginal, via a cultural coordinator who works with the Maternal and Child Health staff to undertake Maternal and Child Health Key Age and Stage visits.
Roads					
Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	58	48	59	60	The public perceptions in relation to this category relate predominantly to the State road network. Warrnambool's local road network is at a high standard.
Statutory Planning					
Decision making					
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50.00%	0.00%	50.00%	0.00%	During the 2021/22 financial year, there were no VCAT decisions made in relation to planning applications.
Waste Collection					
Waste diversion					
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	47.78%	64.30%	64.44%	66.24%	Council continues to see increased diversion from landfill with the glass bin rollout meaning recycling is front of mind for ratepayers.

Definitions

“Aboriginal child” means a child who is an Aboriginal person

“Aboriginal person” has the same meaning as in the Aboriginal Heritage Act 2006

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

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

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

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

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

“food premises” has the same meaning as in the Food Act 1984

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

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

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

“population” means the resident population estimated by council



Financial Performance Indicators

For the year ended 30 June 2022

Dimension/indicator/ measure	Results				Forecasts				Material Variations and Comments
	2019	2020	2021	2022	2023	2024	2025	2026	
Efficiency									
Expenditure level									
Expenses per property assessment [Total expenses / Number of property assessments]	\$4,319.97	\$4,136.33	\$4,122.63	\$4,177.02	\$4,368.61	\$4,451.73	\$5,207.30	\$4,579.33	
Revenue level									
Average rate per property assessment [Total rate revenue (general rates and municipal charges) / Number of property assessments]	New in 2020	\$1,946.27	\$1,996.37	\$2,026.28	\$2,059.08	\$2,092.55	\$2,126.26	\$2,166.31	
Liquidity									
Working capital									
Current assets compared to current liabilities [Current assets / Current liabilities] x100	171.63%	158.72%	158.93%	196.17%	140.78%	140.18%	133.56%	152.60%	Council's cash balance increased due to the receipt of a number of grants for projects that will commence in 2022/23, the major one being the Port boat ramp upgrade. Council also received 75% of the 2022/23 Victoria Grants Commission payment in 2021/22, there was an increase in user fees and salary costs were lower than expected due to vacancies. A number of multi-year capital projects or capital projects scheduled for 2021/22 that were not completed have been rolled over into 2022/23 which will reduce the ratio in that year before averaging out over the coming years.

Unrestricted cash									
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	66.21%	125.43%	77.97%	109.24%	88.03%	86.74%	80.77%	96.80%	Council's cash balance increased due to the receipt of a number of grants for projects that will commence in 2022/23, the major one being the Port boat ramp upgrade. Council also received 75% of the 2022/23 Victoria Grants Commission payment in 2021/22, there was an increase in user fees and salary costs were lower than expected due to vacancies. A number of multi-year capital projects or capital projects scheduled for 2021/22 that were not completed have been rolled over into 2022/23 which will reduce the ratio in that year before averaging out over the coming years.
Obligations									
Loans and borrowings									
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	26.23%	20.39%	19.54%	24.54%	31.32%	32.11%	33.61%	31.61%	Council borrowed funds in 2021/22 for the Reid Oval upgrade. Council also borrowed funds for the Library and Learning Centre with part of the funds being drawn down in 2021/22 and the balance being drawn down in 2022/23. In the forecast period, Council is intending to borrow funds to complete some major capital projects.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.84%	4.85%	4.28%	4.42%	4.74%	5.43%	5.59%	5.79%	Loan repayments increased in 2021/22 as Council borrowed funds for the Reid Oval upgrade and the Learning and Library Hub. Part of the funds were drawn down in 2021/22 for the Learning and Library Hub with the balance being drawn down in 2022/23. In the forecast period, Council is intending to borrow more funds to complete some major capital projects.

Stability

Rates concentration

Rates compared to adjusted underlying revenue
[Rate revenue / Adjusted underlying revenue] x100

51.47%	54.58%	57.11%	53.35%	55.58%	55.50%	48.43%	54.95%
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Rates effort

Rates compared to property values
[Rate revenue / Capital improved value of rate-able properties in the municipality] x100

0.57%	0.58%	0.58%	0.57%	0.43%	0.43%	0.43%	0.43%
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Retired indicators	Results	Comment
Service / indicator / measure	2019	
Animal Management		
Health and safety		
Animal management prosecutions [Number of successful animal management prosecutions]	0	This measure was replaced by Animal management prosecutions (%) for 2020.
Efficiency		
Revenue level		
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,920.58	This measure was replaced by Average rate per property assessment for 2020.
Obligations		
Asset renewal		
Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100	110.26%	This measure was replaced by Asset renewal and upgrade compared to depreciation for 2020.

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 2022

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 2020 and Local Government (Planning and Reporting) Regulations 2020. Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

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

The forecast figures included in the performance statement are those adopted by council in its financial plan on 28 June 2021 and which forms part of the council plan. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The financial plan can be obtained by contacting council.

Certification of the Performance Statement

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



John Brockway CPA
Principal Accounting Officer
Dated: 12 September 2022

In our opinion, the accompanying performance statement of the Warrnambool City Council for the year ended 30 June 2022 presents fairly the results of council's performance in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

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

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

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Cr Ben Blain
Councillor
Dated: 12 September 2022



Cr Angie Paspaliaris
Councillor
Dated: 12 September 2022



Peter B Schneider
Chief Executive Officer
Dated: 12 September 2022





WARRNAMBOOL
CITY COUNCIL

ANNUAL
FINANCIAL REPORT
**FOR THE YEAR
ENDED 30 JUNE 2022**

Independent Auditor's Report

To the Councillors of Warrnambool City Council

Opinion	<p>I have audited the financial report of Warrnambool City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
16 September 2022

Travis Derricott
as delegate for the Auditor-General of Victoria

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Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



John Brockway CPA

Principal Accounting Officer

12 September 2022

Warrnambool

In our opinion, the accompanying financial statements present fairly the financial transactions of Warrnambool City Council for the year ended 30 June 2022 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



Cr Angie Paspaliaris

Councillor

12 September 2022

Warrnambool



Cr Benjamin Blain

Councillor

12 September 2022

Warrnambool



Peter B Schneider

Chief Executive Officer

12 September 2022

Warrnambool

Warrnambool City Council

2021/2022 Financial Report

Annual Financial Report for the year ended 30 June 2022

Victorian Auditor-General's Office Report

Insert VAGO Report here



Annual Financial Report
for the year ended 30 June 2022

Victorian Auditor-General's Office Report (continued)

Insert VAGO Report here

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across Victoria are required to present a set of audited financial statements to their council and community.

What you will find in the Report

The financial report set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2022.

The format of the financial report is standard across all Victorian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by Local Government Victoria.

About the Certification of the Financial Statements

The financial statements must be certified by senior staff and Councillors as "presenting fairly" the Council's financial results for the year as well as Council's financial position, and are required to be adopted by Council - ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. Comprehensive Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

Includes other comprehensive income which primarily records changes in the fair values of Council's property, infrastructure, plant and equipment.

2. Balance Sheet

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

3. Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

4. Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

5. Statement of Capital Works

This statement details all amounts expended by Council on capital works.

About the Notes to the Financial Report

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the Victorian Auditor Generals Office.

The auditor provides an audit report which gives an opinion on whether the financial statements present fairly the Council's financial performance and position.

Who uses the Financial Report?

The financial report is a publicly available document and is used by (but not limited to) Councillors, residents and ratepayers, employees, suppliers, contractors, customers, Local Government Victoria, state and federal governments, and financiers including banks and other financial institutions.

The financial statements must be presented at a Council meeting (open to the public) by 31 October.

Comprehensive Income Statement

for the year ended 30 June 2022

	Notes	2022 \$ '000	2021 \$ '000
Income			
Rates and charges	3.1	43,202	41,828
Statutory fees and fines	3.2	2,239	2,079
User fees	3.3	16,261	12,593
Grants - operating	3.4	14,481	14,686
Grants - capital	3.4	8,157	4,659
Contributions - monetary	3.5	1,278	1,734
Found assets	3.8	102	61
Contributions - non monetary	3.5	4,705	6,132
Net gain on disposal of property, infrastructure, plant and equipment	3.6	126	8
Share of net profits/(loss) of associates and joint ventures	6.2	–	(49)
Other income	3.7	2,742	954
Total income		93,293	84,685
Expenses			
Employee costs	4.1	35,990	33,563
Materials and services	4.2	25,228	25,601
Depreciation	4.3	12,435	12,099
Amortisation - Right of use assets	4.4	282	260
Bad and doubtful debts	4.5	37	160
Borrowing costs	4.6	211	264
Finance Costs - Leases	4.7	35	34
Other expenses	4.8	630	619
Total expenses		74,848	72,600
Surplus for the year		18,445	12,085
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.1	84,582	–
Total items which will not be reclassified subsequently to the operating result		84,582	–
Total other comprehensive income		84,582	–
Total comprehensive result		103,027	12,085

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

Balance Sheet

as at 30 June 2022

	Notes	2022 \$ '000	2021 \$ '000
Assets			
Current assets			
Cash and cash equivalents	5.1	12,838	10,314
Trade and other receivables	5.1	3,552	2,923
Other financial assets	5.1	25,000	20,000
Inventories	5.2	202	175
Other assets	5.2	2,169	1,186
Total current assets		43,761	34,598
Non-current assets			
Trade and other receivables	5.1	1	5
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.1	737,030	640,290
Right-of-use assets	5.8	1,225	1,427
Total non-current assets		738,258	641,724
Total assets		782,019	676,322
Liabilities			
Current liabilities			
Trade and other payables	5.3	5,322	4,667
Trust funds and deposits	5.3	2,034	1,694
Unearned income/revenue	5.3	6,291	6,718
Provisions	5.5	6,813	6,844
Interest-bearing liabilities	5.4	1,562	1,586
Lease liabilities	5.8(b)	286	261
Total current liabilities		22,308	21,770
Non-current liabilities			
Provisions	5.5	992	1,092
Interest-bearing liabilities	5.4	9,039	6,587
Lease liabilities	5.8(b)	963	1,183
Total non-current liabilities		10,994	8,862
Total liabilities		33,302	30,632
Net assets		748,717	645,690
Equity			
Accumulated surplus		265,259	248,976
Reserves	9.1	483,458	396,714
Total Equity		748,717	645,690

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

Statement of Changes in Equity

for the year ended 30 June 2022

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
2022					
Balance at beginning of the financial year		645,690	248,976	384,874	11,840
Surplus/(deficit) for the year		18,445	18,445	–	–
Other comprehensive income					
Net asset revaluation increment/(decrement)	6.1	84,582	–	84,582	–
Other comprehensive income from investment in associates		–	–	–	–
Other comprehensive income		84,582	–	84,582	–
Total comprehensive income		103,027	18,445	84,582	–
Transfers to other reserves	9.1	–	(2,781)	–	2,781
Transfers from other reserves	9.1	–	619	–	(619)
Balance at end of the financial year		748,717	265,259	469,456	14,002
2021					
Balance at beginning of the financial year		633,605	239,575	385,580	8,450
Surplus/(deficit) for the year		12,085	12,085	–	–
Other comprehensive income					
Other comprehensive income from investment in associates		–	–	–	–
Other comprehensive income		–	–	–	–
Total comprehensive income		12,085	12,085	–	–
Transfers to other reserves	9.1	–	(2,936)	(706)	3,642
Transfers from other reserves	9.1	–	252	–	(252)
Balance at end of the financial year		645,690	248,976	384,874	11,840

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

Statement of Cash Flows

for the year ended 30 June 2022

		2022	2021
	Notes	Inflows/ (Outflows) \$ '000	Inflows/ (Outflows) \$ '000
Cash flows from operating activities			
Rates and charges		43,630	41,748
Statutory fees and fines		1,905	2,259
User fees		15,357	12,067
Grants - operating		16,046	15,099
Grants - capital		6,185	7,247
Contributions - monetary		1,278	1,734
Interest received		47	183
Trust funds and deposits taken		5,223	839
Other receipts		1,635	564
Net GST refund/(payment)		209	(392)
Employee costs		(35,895)	(34,152)
Materials and services		(24,544)	(22,822)
Short-term, low value and variable lease payments		(234)	(300)
Trust funds and deposits repaid		(4,883)	(195)
Other payments (incl. Interest paid)		(841)	(883)
Net cash provided by/(used in) operating activities	9.2	25,118	22,996
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(20,141)	(19,261)
Proceeds from sale of property, infrastructure, plant and equipment		429	641
Payments for investments		(11,000)	(21,280)
Proceeds from sale of investments		6,000	17,951
Net cash provided by/(used in) investing activities		(24,712)	(21,949)
Cash flows from financing activities			
Proceeds from borrowings		4,125	1,400
Repayment of borrowings		(1,697)	(1,528)
Interest paid - lease liability		(35)	(34)
Repayment of lease liabilities		(275)	(249)
Net cash flow provided by/(used in) financing activities		2,118	(411)
Net Increase (decrease) in cash and cash equivalents		2,524	636
Cash and cash equivalents at the beginning of the financial year		10,314	9,678
Cash and cash equivalents at the end of the financial year		12,838	10,314
Financing arrangements	5.6	5,850	350
Restrictions on cash assets	5.1	2,295	1,884

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

for the year ended 30 June 2022

	2022 \$ '000	2021 \$ '000
Property		
Land	429	57
Land improvements	–	–
Total land	429	57
Buildings specialised	2,875	740
Buildings non-specialised	–	14
Building improvements	–	15
Total buildings	2,875	769
Total property	3,304	826
Plant and equipment		
Plant, machinery and equipment	987	1,697
Fixtures, fittings and furniture	–	113
Computers and telecommunications	422	647
Library books	150	–
Paintings and exhibits	69	37
Total plant and equipment	1,628	2,494
Infrastructure		
Roads	4,609	4,333
Bridges	2,615	642
Footpaths and cycleways	754	1,069
Drainage	499	105
Recreational, leisure and community facilities	–	125
Parks, open space and streetscapes	6,733	6,192
Aerodromes	–	5
Off street car parks	–	46
Other infrastructure	1	1,200
Total infrastructure	15,211	13,717
Total capital works expenditure	20,143	17,037
Represented by:		
New asset expenditure	3,828	3,022
Asset renewal expenditure	14,103	9,976
Asset expansion expenditure	6	85
Asset upgrade expenditure	2,206	3,954
Total capital works expenditure	20,143	17,037

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1. Overview

Introduction

Warrnambool City Council was established by an Order of the Governor in Council on 20 September 1994 and is a body corporate.

The Council's main office is located at 25 Liebig Street, Warrnambool.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

(a) Basis of accounting

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

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of landfill provisions (refer to Note 5.5.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgements

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1. Overview (continued)

(b) Impact of Covid-19

During 2021-22 the COVID-19 pandemic continued to impact Council's operations. Council has noted the following significant impacts on its financial operations:

- Additional revenue: Council received COVID-19 related grants of \$878,080 across Community Development, City Growth and Corporate Strategies directorates.
- Revenue reductions: The first half of the financial year saw reductions in revenue at Aquazone, Flagstaff Hill and the Holiday Parks. This was offset by reductions in related expenses.
- Revenue foregone: Council took decreased parking management fees of \$309,607 compared to the original budget.
- Additional costs: COVID-19 requirements for extra staff and additional cleaning contributed to increased costs across Council venues.

Note 2.1. Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of greater than 10 percent and at least \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

	Budget 2022 \$ '000	Actual 2022 \$ '000	Variance \$ '000	Variance %	Ref
2.1.1 Income and expenditure					
Income					
Rates and charges	42,906	43,202	296	1%	
Statutory fees and fines	2,117	2,239	122	6%	
User fees	17,636	16,261	(1,375)	(8)%	
Grants - operating	12,626	14,481	1,855	15%	1
Grants - capital	5,313	8,157	2,844	54%	2
Contributions - monetary	563	1,278	715	127%	3
Contributions - non monetary	5,200	4,705	(495)	(10)%	4
Net gain on disposal of property, infrastructure, plant and equipment	-	126	126	∞	
Found Assets	-	102	102	∞	
Share of net profits of associates and joint ventures	-	-	-	∞	
Other income	418	2,742	2,324	556%	5
Total income	86,779	93,293	6,514	8%	
Expenses					
Employee costs	37,689	35,990	1,699	5%	
Materials and services	26,471	25,228	1,243	5%	
Depreciation	13,050	12,435	615	5%	
Amortisation - right of use assets	265	282	(17)	(6)%	
Bad and doubtful debts	131	37	94	72%	
Borrowing costs	302	211	91	30%	

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.1. Performance against budget (continued)

	Budget 2022 \$ '000	Actual 2022 \$ '000	Variance \$ '000	Variance %	Ref
Finance costs - leases	46	35	11	24%	
Net loss on disposal of property, infrastructure, plant and equipment	1,036	–	1,036	100%	6
Other expenses	841	630	211	25%	
Total expenses	79,831	74,848	4,983	6%	
Surplus for the year	6,948	18,445	11,497	165%	
Other comprehensive income					
Net asset revaluation increment / (decrement)	10,000	84,582	74,582	746%	7
Total comprehensive result	16,948	103,027	86,079	508%	

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.1. Performance against budget (continued)

(i) Explanation of material variations

Variance Explanation

- | Ref | Explanation |
|-----|--|
| 1. | The Victorian Local Government Grants Commission funding increased by \$286k compared to the budget and the advance payment of 2022/23 funding has resulted in an additional \$1.200m favourable variance. Unbudgeted government grants of \$670k relating to COVID19 support have been received by Council. There were some areas where grants were approved throughout the year relating to specific projects of \$100k. |
| 2. | Capital grant income was \$2.844m favourable to the Original Budget primarily due to the timing of projects. The Reid Oval Redevelopment grant was carried over from 2020/21 of \$3.402m and an additional \$500k received in 2021/22 for this project was unbudgeted along with \$1.293m for the Joint Use Learning and Library Hub due to timing of the projects. This variance is partially offset by some grant funds budgeted but not yet received including the Stanley Street Bridge Upgrade (\$700k) and the Local Roads and Community Infrastructure Program grant being allocated to unearned income (\$1.208m) as projects are being carried out over multiple years. |
| 3. | A number of unbudgeted developer contributions were paid during 2021/22 which are related to continued increase demand for property (\$253k). Some contributions received by Council that were not known at the time of adopting the budget include contributions for various Warrnambool Art Gallery projects (\$173k), a Social Prescribing project (\$49k) and a Volunteer management activity contribution (\$89k). Council also received external contributions towards the Jetty Flat Pavilion Redevelopment (\$27k) and the Bushfield Reserve Lighting Upgrade (\$56k) that were not included in the budget. |
| 4. | The level of non monetary contributions (gifted assets) is dependent on the level of development activity. The number of subdivisions that are completed vary from year to year and the timing of these assets transfers is outside of Council control and difficult to predict. |
| 5. | Council was required to relocate one of their child care centres due to building maintenance issues which was covered under insurance and now this claim has concluded with Council receiving a final settlement of \$1.285m. This was unbudgeted due to the uncertain nature of the claim. In addition, rebates were received from the National Carbon Bank of Australia and Powercor to assist in efficient street lighting installation (\$350k), a fuel tax credit review resulted in additional claims (\$56k), other insurance claims received (\$183k), a reimbursement of costs for a shared strategy review (\$55k) were received. These claims were unknown at the time of adopting the Original Budget. Recognition of the volunteer workforce at Lighthouse Theatre and Meals on Wheels (\$218k) and is offset with an equivalent amount in expenditure. |
| 6. | During the 2021/22 financial year, Council made a profit on sale of its motor vehicles and heavy plant due to the strong second hand market for vehicles which resulted in improved sale prices. |
| 7. | Council has assessed the value of its asset base through a unit costing methodology. A revaluation of all infrastructure assets and building occurred in 2021/22 and there were significant increases in construction costs. |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.1. Performance against budget (continued)

	Budget 2022 \$ '000	Actual 2022 \$ '000	Variance \$ '000	Variance %	Ref
2.1.2 Capital works					
Property					
Land	–	429	429	∞	1
Total land	–	429	429	∞	
Buildings specialised	–	2,875	2,875	∞	2
Buildings non-specialised	–	–	–	∞	
Building improvements	2,679	–	(2,679)	(100)%	3
Total buildings	2,679	2,875	196	7%	
Total property	2,679	3,304	625	23%	
Plant and equipment					
Plant, machinery and equipment	980	987	7	1%	
Fixtures, fittings and furniture	–	–	–	∞	
Computers and telecommunications	316	422	106	34%	
Library books	270	150	(120)	(44)%	
Paintings and exhibits	35	69	34	97%	
Total plant and equipment	1,601	1,628	27	2%	
Infrastructure					
Roads	3,752	4,609	857	23%	4
Bridges	3,000	2,615	(385)	(13)%	
Footpaths and cycleways	1,673	754	(919)	(55)%	5
Drainage	340	499	159	47%	
Recreational, leisure and community facilities	1,850	–	(1,850)	(100)%	6
Parks, open space and streetscapes	519	6,733	6,214	1,197%	7
Aerodromes	30	–	(30)	(100)%	
Off street car parks	415	–	(415)	(100)%	
Other infrastructure	2,728	1	(2,727)	(100)%	8
Total infrastructure	14,307	15,211	904	6%	
Total capital works expenditure	18,587	20,143	1,556	8%	
Represented by:					
New asset expenditure	976	3,828	2,852	292%	9
Asset renewal expenditure	11,846	14,103	2,257	19%	10
Asset expansion expenditure	–	6	6	∞	
Asset upgrade expenditure	5,765	2,206	(3,559)	(62)%	11
Total capital works expenditure	18,587	20,143	1,556	8%	

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.1. Performance against budget (continued)

(i) Explanation of material variations

Variance Explanation

Ref

1. The purchase of a block of land for additional parking was expected to be purchased in the 2020/21 financial year, however the settlement date was in July 2021 and pushed into the 2021/22 financial year.
2. The Reid Oval pavilion was initially budgeted for completion in the 2020/21 financial year however the project ran into 2021/22 with a significant amount of spend occurring in the first part of the 2021/22 financial year. The saleyard upgrade works were classified as Buildings however, the budget for the saleyards work was classified as Other Infrastructure. Initial works on the new Joint Use Library was not budgeted however has commenced and has been classified under Buildings.
3. This budget line will offset some of the costs in Buildings - Specialised. When the budget was set it was unknown which category of buildings to place the budget amount.
4. Part of Council's reseal program from 2020/21 was rolled over into 2021/22 and was completed in this financial year. The initial budget did not have this allowed for and it would have been taken up in Council's forecast variations during the year.
5. Council was unable to complete all of its footpath renewal program due to lack of contractor availability and the backlog of footpath projects from the prior year. Many of these projects will be rolled over into the 2022/23 financial year.
6. The budget for the Reid Oval ground work was incorrectly shown on the Recreational, leisure and community facilities line rather than the Parks, open space and streetscapes, which is where the actuals have been classified.
7. The majority of the actuals are for the Reid Oval ground work which was budgeted in prior years and funded from budget rollovers.
8. The saleyards upgrade works were budgeted in Other infrastructure however, the actual costs for the saleyards work has been classified as Buildings - specialised.
9. The Joint Use Library works have been classified as New which were not initially in the budget. The solar panel installation works was classified as Upgrade in the budget however, the actuals have been classified as New.
10. The Reid Oval pavilion works was classified as Renewal. This item was not in the initial budget as it was rolled over works from 2020/21.
11. The solar panel installation works was classified as Upgrade in the budget however, the actuals have been classified as New.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.2. Analysis of Council results by program

2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Corporate Strategies

The Corporate Strategies directorate is responsible for financial services, procurement, revenue, property and land management, leasing and legal issues, city assist (customer service), organisational development (human resources, occupational health and safety, learning and development), business improvement, information technology and records, communication services and the Warrnambool Livestock Exchange.

The directorate is largely responsible for servicing the administrative and legislative needs of other directorates with back-of-house systems and other support.

City Infrastructure

The City Infrastructure directorate provides infrastructure, capital works, asset management, waste management, environmental management, local laws, environmental health and services to the Port of Warrnambool and the Warrnambool Regional Airport. The directorate also assists in facility management and oversight of the council cleaning contract, through the building services team included in the facilities and projects branch. Administrative support is provided to a number of Project Control Groups, Reference Groups and where possible administration support is provided to other programs outside of the City Infrastructure directorate.

The directorate provides engineering services including investigation, design, processing of development approvals, project management and engineering supervision of key infrastructure projects. Strategy and policy advice is provided to council along with technical services and advice to the community. Provision of some contract management for projects in the capital works program as well as servicing the community by managing the city's road, drainage and footpath network, parks, recreational and sporting facilities and vehicle fleet.

The directorate is also responsible for local law enforcement, traffic and animal control and administration of school crossing supervision and is active in promoting and protecting the health of all residents and visitors through food safety monitoring, law enforcement of the Health Act, immunisation and public health education programs. The directorate's immunisation team have also actively assisted in the roll-out of the Covid-19 (Astra Zeneca) vaccine.

In 2021/22, the City Infrastructure team has overseen the implementation of a number of large capital works projects. These include the completion of the Reid Oval upgrade, a project valued at \$11m, the commencement of the Edwards Bridge construction at a value of approximately \$4.5m and the reconstruction of the Warrnambool Boat Ramp and Jetties at a value of \$2.2m. All of these projects have required the management of significant grant funds to enable them to be undertaken.

Community Development

The Community Development directorate plans for and provides a broad range of social, cultural, community, recreational and educational services and facilities to support residents of all ages and stages of life. The directorate receives funding from a variety of sources including State and Federal Government departments in order to subsidise and support the services provided. The directorate also works in partnership with a range of Government departments, and strategic partners and sectors in order to plan for and achieve the community's strategic goals and aspirations.

Services in the directorate include: community policy and planning, baby makes 3+, early years learning and development, maternal and child health, family and children's services, pre-schools, family day care, outside school hours care, Warrnambool Library, AquaZone, multi-purpose stadium, gymnastics stadium, recreation and planning, Warrnambool Art Gallery, Lighthouse Theatre, youth services, Archie Graham Community Centre, volunteer services, home and community care, meals on wheels, home maintenance, respite care, social support programs and a range of community projects.

City Growth

The City Growth Directorate is required to plan, facilitate and deliver growth of population, jobs and investment but with the added responsibility of maintaining the liveability of Warrnambool for residents and visitors. City Growth has a key role in engaging business and all tiers of government, as well as supporting regional growth in business and tourism.

The City Growth directorate provides many services including tourism development, visitor information centre, holiday parks, Flagstaff Hill Maritime Village, economic development and investment, business support, events, regional skilled migration programs (including the Great South Coast Designated Area Migration Agreement), city statutory planning and development, strategic planning to cater for new residential and commercial/industrial growth, building services, environment and sustainability projects and services, open space planning and graphical information support.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2.2. Analysis of Council results by program (continued)

The directorate also has responsibility for supporting and adding value to the city's international relationships with Miura (Japan), Changchun (China), Knoxville (USA) and Mariestad (Sweden).

2.2.2 Summary of income, expenses, assets and capital expenses by program

Functions/activities	Income \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income \$ '000	Total assets \$ '000
2022					
Corporate Strategies	58,507	24,315	34,192	6,396	49,361
City Infrastructure	7,601	18,935	(11,334)	3,473	718,243
Community Development	21,504	23,583	(2,079)	12,159	1,222
City Growth	5,681	8,015	(2,334)	610	13,193
Total functions and activities	93,293	74,848	18,445	22,638	782,019
2021					
Corporate Strategies	56,328	25,267	31,061	5,443	41,125
City Infrastructure	5,643	19,028	(13,385)	2,088	619,688
Community Development	18,344	19,819	(1,475)	11,317	2,316
City Growth	4,370	8,486	(4,116)	497	13,193
Total functions and activities	84,685	72,600	12,085	19,345	676,322

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services

	2022 \$ '000	2021 \$ '000
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3.1 Rates and charges

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

The valuation base used to calculate general rates for 2021/22 was \$7.526 billion (2020/21 \$7.204 billion).

Residential Rates	22,435	21,705
Municipal charge	5,067	4,927
Waste management charge	6,691	6,482
Commercial rates	5,240	5,153
Vacant Land rates	1,285	1,265
Industrial rates	1,840	1,714
Urban farm rates	442	416
Cultural and recreational land rates	87	87
Interest on rates and charges	115	79
Total rates and charges	43,202	41,828

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

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

	2022 \$ '000	2021 \$ '000
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3.2 Statutory fees and fines

Town planning and building	752	652
Parking fines	503	526
Animal control	448	520
Permits and certificates	348	210
Health and Local Laws	188	171
Total statutory fees and fines	2,239	2,079

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
3.3 User fees		
Children's services	4,123	3,665
Foreshore holiday parks	2,622	1,867
Regulatory control	1,779	1,393
Cultural centres	1,546	481
Indoor aquatic centre	1,339	829
Tourism and promotion	1,144	831
Livestock exchange	1,138	1,191
Property management	806	643
Multi Purpose Sports Stadium	766	672
Aged services fees	646	729
Other fees and charges	352	292
Total user fees	16,261	12,593

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	9,466	6,630
State funded grants	13,172	12,715
Total grants received	22,638	19,345
(a) Operating Grants		
Recurrent - Commonwealth Government		
Victoria Grants Commission - Financial Assistance Grant	4,786	3,554
Victoria Grants Commission - local roads	858	697
Aged Services	2,076	1,959
Other	-	89
Recurrent - State Government		
Family and children	3,079	3,792
Aged services	542	882
Pension rebate	751	743
Cultural centres	713	344
School crossing supervision	197	187
Port operations	97	97
Environment initiatives	70	57
Other	48	168
Total recurrent operating grants	13,217	12,569
Non-recurrent - Commonwealth Government		
Other	9	1
Non-recurrent - State Government		
Family and children	345	1,022
Economic development	588	250
Aged services	84	212
Environment initiatives	71	209
Cultural centres	7	192
Recreation	9	90
Infrastructure Services	151	41
Other	-	100
Total non-recurrent operating grants	1,264	2,117
Total operating grants	14,481	14,686

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	650	200
Total recurrent capital grants	650	200
Non-recurrent - Commonwealth Government		
Infrastructure services	1,087	130
Non-recurrent - State Government		
Other	1,396	430
Infrastructure services	860	901
Recreation	3,920	2,728
Port operations	244	270
Total non-recurrent capital grants	7,507	4,459
Total capital grants	8,157	4,659
(c) Unspent grants received on condition that they be spent in a specific manner:		
Operating		
Balance at start of year	700	2,329
Received during the financial year and remained unspent at balance date	2,272	2,958
Received in prior years and spent during the financial year	(698)	(4,587)
Balance at year end	2,274	700
Capital		
Balance at start of year	6,018	350
Received during the financial year and remained unspent at balance date	2,527	9,195
Received in prior years and spent during the financial year	(4,528)	(3,527)
Balance at year end	4,017	6,018

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
(d) Recognition of grant income		
<p>Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with <i>AASB 15 Revenue from Contracts with Customers</i>. When both these conditions are satisfied, the Council:</p> <ul style="list-style-type: none"> - identifies each performance obligation relating to revenue under the contract/agreement - determines the transaction price - recognises a contract liability for its obligations under the agreement - recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered. <p>Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies <i>AASB 1058 Income for Not-for-Profit Entities</i>.</p> <p>Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.</p>		
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	13,037	12,452
Specific purpose grants to acquire non-financial assets	8,234	4,658
Other specific purpose grants	791	1,858
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	576	377
	22,638	19,345

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
3.5 Contributions		
Monetary contributions		
Monetary	1,278	1,734
Total monetary contributions	1,278	1,734
Non-monetary contributions		
Non-monetary	4,705	6,132
Total non-monetary contributions	4,705	6,132
Total contributions	5,983	7,866

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

Land	284	244
Roads	1,863	2,450
Bridges	–	29
Parks open spaces and streetscapes	–	211
Drainage	1,857	966
Footpaths and cycleways	701	1,296
Land under roads	–	922
Paintings and exhibits	–	14
Total non-monetary contributions	4,705	6,132

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

	2022 \$ '000	2021 \$ '000
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Land and buildings		
Proceeds of sale	–	309
Written down value of assets disposed	–	(250)
Total net gain/(loss) on disposal of land and buildings	–	59
Plant and equipment		
Proceeds of sale	429	332
Written down value of assets disposed	(289)	(185)
Total net gain/(loss) on disposal of plant and equipment	140	147
Infrastructure Assets		
Written down value of assets disposed	(14)	(198)
Total net gain/(loss) on disposal of Infrastructure Assets	(14)	(198)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	126	8

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Funding for the delivery of our services (continued)

	2022 \$ '000	2021 \$ '000
3.7 Other income		
Reimbursements	1,630	539
Interest	50	137
Infrastructure services	174	61
Family and community	14	4
Recreation and cultural programs	38	7
Recognition of in-kind volunteer support	218	79
Other	618	127
Total other income	2,742	954

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

	2022 \$ '000	2021 \$ '000
3.8 Found Assets		
Found Assets were received in relation to the following asset classes		
Roads	102	–
Drainage	–	57
Footpaths and cycleways	–	–
Recreation, Leisure and Community Facilities	–	–
Parks and Streetscapes	–	2
Plant and Equipment	–	2
Total found assets	102	61

Found assets are recorded if they are discovered when Council completes its maintenance program. This mainly occurs with assets that are underground such as drainage and drainage pits.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 4. The cost of delivering services

	2022 \$ '000	2021 \$ '000
4.1 Employee costs		
(a) Employee costs		
Wages and salaries	31,470	29,640
Superannuation	3,033	2,667
WorkCover	1,220	1,025
Fringe benefits tax	267	231
Total employee costs	35,990	33,563

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	201	200
	201	200

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,149	2,102
Employer contributions - other funds	683	365
	2,832	2,467

Total superannuation costs

	3,033	2,667
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Employer contributions payable at reporting date

358 331

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

4.2 Materials and services

Corporate services	4,762	5,661
Infrastructure services	5,330	5,891
Waste management	3,870	3,679
Recreation and cultural services	4,912	4,075
Tourism and promotion	1,594	1,648
Children's services	1,288	1,045
Health and local laws	1,086	1,021
Aged services	850	740
Foreshore caravan parks	587	679
Livestock Exchange	474	669
Family day care	136	145
Office administration	1	-
Other	338	348
Total materials and services	25,228	25,601

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 4. The cost of delivering services (continued)

	2022 \$ '000	2021 \$ '000
4.3 Depreciation		
Property		
Land improvements	16	18
Buildings - specialised	2,077	2,035
Buildings - non specialised	37	37
Building improvements	19	20
Total depreciation - property	2,149	2,110
Plant and equipment		
Plant machinery and equipment	1,004	952
Fixtures fittings and furniture	98	90
Computers and telecomms	619	524
Library books	62	–
Total depreciation - plant and equipment	1,783	1,566
Infrastructure		
Roads	4,389	4,282
Bridges	386	379
Footpaths and cycleways	1,307	1,263
Drainage	940	941
Recreational, leisure and community	103	124
Waste management	41	41
Parks open spaces and streetscapes	608	624
Aerodromes	257	258
Off street car parks	330	331
Other infrastructure	142	180
Total depreciation - infrastructure	8,503	8,423
Total depreciation	12,435	12,099

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

4.4 Amortisation - Right of use assets

Property	51	21
Plant & equipment	231	239
Total Amortisation - Right of use assets	282	260

Notes to the Financial Statements

for the year ended 30 June 2022

Note 4. The cost of delivering services (continued)

	2022 \$ '000	2021 \$ '000
4.5 Bad and doubtful debts		
Local Laws debtors	24	135
Other debtors	13	25
Total bad and doubtful debts	37	160
Movement in provisions for doubtful debts		
Balance at the beginning of the year	870	743
New provisions recognised during the year	30	159
Amounts already provided for and written off as uncollectible	(17)	(30)
Amounts provided for but recovered during the year	(3)	(2)
Balance at end of year	880	870
Provision for doubtful debt is recognised based on an expected credit loss model.		
This model considers both historic and forward looking information in determining the level of impairment.		
4.6 Borrowing costs		
Interest - Borrowings	211	264
Total borrowing costs	211	264
Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.		
4.7 Finance Costs - Leases		
Interest - Lease Liabilities	35	34
Total finance costs	35	34
4.8 Other expenses		
Councillors' allowances	281	258
Auditors' remuneration - Internal Audit	72	57
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	56	50
Recognition of in-kind volunteer support	221	79
Impairment of Corangamite Regional Library Corporation investment ¹	-	175
Total other expenses	630	619

(1) Impairment of Councils investment in the Corangamite Regional Library Corporation based on its equity share at the exit date of the 30th June 2021.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position

	Note	2022 \$ '000	2021 \$ '000
5.1 Financial assets			
(a) Cash and cash equivalents			
Current			
Cash at bank		12,790	10,274
Cash on hand		48	40
Total current cash and cash equivalents		12,838	10,314
(b) Other financial assets			
Current			
Term deposits - current		25,000	20,000
Total current other financial assets		25,000	20,000
Non-current			
Unlisted shares in corporations		2	2
Total non-current other financial assets		2	2
Total current financial assets		37,838	30,314
Total non-current financial assets		2	2
External restrictions			
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
Resort and recreation reserve	9.1	261	190
Trust funds and deposits	5.3	2,034	1,694
Total restricted funds		2,295	1,884
Total unrestricted cash and cash equivalents		10,543	8,430
Intended allocations			
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:			
Cash held to fund carried forward capital works		11,173	11,457
Total funds subject to intended allocations		11,173	11,457

Cash and term deposits held to fund carried forward capital works.

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

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

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
(c) Trade & Other Receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	659	1,087
Infringement debtors	1,288	1,078
GST receivable	409	443
<i>Non-statutory receivables</i>		
Development and buildings	62	55
Animals	138	156
Child care	39	27
TAFE	60	45
Fire Service Levy	10	9
Loans and advances to community organisations	14	14
Other debtors	1,753	880
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - other debtors	(19)	(31)
Provision for doubtful debts - infringements	(861)	(840)
Total current trade and other receivables	3,552	2,923
Non-Current		
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	1	5
Total non-current trade and other receivables	1	5
Total trade and other receivables	3,553	2,928

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

	2022 \$ '000	2021 \$ '000
(d) Ageing of receivables		
The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	1,702	906
Past due by up to 30 days	139	40
Past due between 31 and 180 days	65	106
Past due between 181 and 365 days	14	17
Past due by more than 1 year	138	91
Total trade and other receivables	2,058	1,160

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022	2021
	\$ '000	\$ '000

5.2 Non-financial assets

(a) Inventories

Current

Inventories held for sale	136	109
Inventories held for distribution	66	66
Total current inventories	202	175

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

(b) Other assets

Current

Prepayments	552	825
Accrued income	1,617	361
Total current other assets	2,169	1,186

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
5.3 Payables, trust funds and deposits and unearned income/revenue		
(a) Trade and other payables		
Current		
<i>Non-statutory payables</i>		
Accrued expenses	4,054	3,648
Trade payables	1,047	973
<i>Statutory payables</i>		
Net GST payable	221	46
Total current trade and other payables	5,322	4,667
(b) Trust funds and deposits		
Current		
Refundable deposits	1,969	1,660
Retention amounts	65	34
Total current trust funds and deposits	2,034	1,694
(c) Unearned income/revenue		
Current		
Grants received in advance:		
Grants received in advance - operating	2,274	700
Grants received in advance - capital	4,017	6,018
Total grants received in advance	6,291	6,718
Total unearned income/revenue	6,291	6,718

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of which Council is yet to meet its obligations. Unearned income are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

Purpose and nature of items

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
5.4 Interest-bearing liabilities		
Current		
Treasury Corporation of Victoria borrowings - secured	268	–
Other borrowings - secured	1,294	1,586
	1,562	1,586
Non-current		
Treasury Corporation of Victoria borrowings - secured	3,746	–
Other borrowings - secured	5,293	6,587
	9,039	6,587
Total	10,601	8,173
Borrowings are secured by Council rates		
a) The maturity profile for Council's borrowings is:		
Not later than one year	1,561	1,586
Later than one year and not later than five years	6,625	4,776
Later than five years	2,415	1,811
	10,601	8,173

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

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition. At present, all Council's borrowings are classified as amortised cost.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	Employee provisions \$ '000	Landfill restoration \$ '000	Total \$ '000
5.5 Provisions			
2022			
Balance at the beginning of the financial year	7,284	652	7,936
Additional provisions	2,788	–	2,788
Amounts used	(2,816)	(62)	(2,878)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(18)	(23)	(41)
Balance at the end of the financial year	7,238	567	7,805
2021			
Balance at the beginning of the financial year	7,097	732	7,829
Additional provisions	2,638	–	2,638
Amounts used	(2,425)	(77)	(2,502)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(26)	(3)	(29)
Balance at the end of the financial year	7,284	652	7,936

	2022 \$ '000	2021 \$ '000
Summary of provisions		
Total current provisions	6,813	6,844
Total non-current provisions	992	1,092
Total provisions	7,805	7,936

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	2,240	1,862
Long service leave	661	600
	2,901	2,462
Current provisions expected to be wholly settled after 12 months		
Annual leave	261	718
Long service leave	3,570	3,583
	3,831	4,301
Total current employee provisions	6,732	6,763
Non-Current		
Long service leave	506	521
Total Non-Current Employee Provisions	506	521
Aggregate Carrying Amount of Employee Provisions:		
Current	6,732	6,763
Non-current	506	521
Total Aggregate Carrying Amount of Employee Provisions	7,238	7,284

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

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:

- on-cost rate	12.10%	11.83%
- wage inflation rate	3.85%	2.95%
- discount rate	3.69%	1.49%

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
(b) Landfill restoration		
Current		
Current	81	81
Total current	81	81
Non-current		
Non-current	486	571
Total non-current	486	571

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

Key assumptions:

- inflation rate	5.10%	2.00%
- rehabilitation years	30	30
- remaining rehabilitated years	7	8

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
5.6 Financing arrangements		
The Council has the following funding arrangements in place as at 30 June 2022.		
Bank overdraft	200	200
Credit card facilities	150	150
Treasury Corporation of Victoria facilities	5,500	–
Total Facilities	5,850	350
Used facilities	4,197	47
Used facilities	4,197	47
Unused facilities	1,653	303

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
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5.7 Commitments

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

(a) Commitments for expenditure

2022

Operating

Recycling collection	1,003	1,029	2,135	–	4,167
Waste collection	1,931	1,979	4,062	–	7,972
Food and organics collection	1,334	1,367	2,838	–	5,539
Glass collection	485	497	1,031	–	2,013
Transactional banking	56	59	128	–	243
Cleaning services	747	516	164	–	1,427
Security Services	217	222	190	–	629
Parking Services	50	–	–	–	50
Animal Services	485	165	–	–	650
Internal Audit	78	40	–	–	118
Meals for delivery	167	–	–	–	167
Information technology	50	47	–	–	97
Total	6,603	5,921	10,548	–	23,072

Capital

Information technology	–	–	–	–	–
Infrastructure	7,511	78	21	–	7,610
Library and Learning HUB	1,650	–	–	–	1,650
Total	9,161	78	21	–	9,260

2021

Operating

Recycling collection	671	696	2,251	–	3,618
Waste collection	410	405	1,116	–	1,931
Food and organics collection	850	882	2,850	–	4,582
Glass collection	500	518	1,666	–	2,684
Transactional banking	16	–	–	–	16
Cleaning services	262	17	–	–	279
Security Services	6	–	–	–	6
Parking Services	48	–	–	–	48
Animal Services	489	506	170	–	1,165
Internal Audit	37	–	–	–	37
Meals for delivery	319	218	–	–	537
Information technology	69	71	66	–	206
Total	3,677	3,313	8,119	–	15,109

Capital

Information technology	5	–	–	–	5
Infrastructure	4,110	–	–	–	4,110
Library and Learning HUB	3,025	–	–	–	3,025
Total	7,140	–	–	–	7,140

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

5.8 Leases

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

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

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

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

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

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

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

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

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

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

The interest rate applied to lease payments for 2021/22 was 3.2350% (2020/21: 2.0400%).

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

(a) Right-of-Use Assets

	Property \$ '000	Plant & Equipment \$ '000	Total \$ '000
2022			
Balance at 1 July	97	1,330	1,427
Additions	36	44	80
Adjustments to right-of-use assets due to re-measurement of lease liability	–	–	–
Amortisation charge	(50)	(232)	(282)
Balance at 30 June	83	1,142	1,225
2021			
Balance at 1 July	45	1,112	1,157
Additions	73	422	495
Adjustments to right-of-use assets due to re-measurement of lease liability	–	35	35
Amortisation charge	(21)	(239)	(260)
Balance at 30 June	97	1,330	1,427

	2022 \$ '000	2021 \$ '000

(b) Lease Liabilities

Maturity analysis - contractual undiscounted cash flows

Less than one year	315	295
One to five years	872	968
More than five years	149	297
Total undiscounted lease liabilities as at 30 June:	1,336	1,560

Lease liabilities included in the Balance Sheet at 30 June:

Current	286	261
Non-current	963	1,183
Total lease liabilities	1,249	1,444

Short-term and low value leases

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

Expenses relating to:

Short-term leases	–	13
Leases of low value assets	234	287
Total	234	300

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Our financial position (continued)

	2022 \$ '000	2021 \$ '000
Non-cancellable lease commitments - Short-term and low-value leases		
Commitments for minimum lease payments for short-term and low-value leases are payable as follows:		
Payable:		
Within one year	254	199
Later than one year but not later than five years	536	353
Total lease commitments	790	552

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2021 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Depreciation \$ '000	Disposal \$ '000	Write-off \$ '000	Transfers \$ '000	Carrying amount 30 June 2022 \$ '000
Property	289,180	654	284	2,142	(2,149)	–	–	88	290,199
Plant and equipment	22,570	1,329	–	–	(1,783)	(289)	(48)	–	21,779
Infrastructure	321,241	1,541	4,524	82,440	(8,503)	(14)	–	99	401,328
Work in progress	7,299	16,618	–	–	–	–	(89)	(100)	23,728
Total	640,290	20,142	4,808	84,582	(12,435)	(303)	(137)	87	737,034

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	1,202	2,650	(88)	(682)	3,082
Plant and equipment	–	299	–	–	299
Infrastructure	6,097	13,669	(1)	582	20,347
Total	7,299	16,618	(89)	(100)	23,728

	Land specialised \$ '000	Land non specialised \$ '000	Land improvements \$ '000	Total land and land improvements \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Building improvements \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
Property										
At fair value 1 July 2021	160,413	2,689	995	164,097	140,570	2,853	926	144,349	1,202	309,648
Accumulated depreciation at 1 July 2021	–	–	(423)	(423)	(18,486)	(74)	(283)	(18,843)	–	(19,266)
Carrying amount - 1 July 2021	160,413	2,689	572	163,674	122,084	2,779	643	125,506	1,202	290,382
Movements in fair value										
Additions	–	–	–	–	654	–	–	654	2,650	3,304

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Land improvements \$ '000	Total land and land improvements \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Building improvements \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
Contributions and Found Assets	284	–	–	284	–	–	–	–	–	284
Revaluation	–	–	–	–	(3,702)	(14)	(60)	(3,776)	–	(3,776)
Disposal	–	–	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	–	(88)	(88)
Transfers	–	–	–	–	88	–	–	88	(682)	(594)
Total movements in fair value	284	–	–	284	(2,960)	(14)	(60)	(3,034)	1,880	(870)
Movements in accumulated depreciation										
Depreciation and amortisation	–	–	(16)	(16)	(2,077)	(37)	(19)	(2,133)	–	(2,149)
Accumulated depreciation of disposals	–	–	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	5,932	(191)	177	5,918	–	5,918
Total movements in accumulated depreciation	–	–	(16)	(16)	3,855	(228)	158	3,785	–	3,769
At fair value 30 June 2022	160,694	2,689	996	164,379	137,611	2,839	866	141,316	3,082	308,777
Accumulated depreciation at 30 June 2022	–	–	(439)	(439)	(14,632)	(302)	(126)	(15,060)	–	(15,499)
Carrying amount - 30 June 2022	160,694	2,689	557	163,940	122,979	2,537	740	126,256	3,082	293,278

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Library books \$ '000	Paintings and exhibits \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
Plant and Equipment								
At fair value 1 July 2021	10,303	5,787	7,211	352	13,193	36,846	–	36,846
Accumulated depreciation at 1 July 2021	(6,017)	(4,737)	(3,522)	–	–	(14,276)	–	(14,276)
Carrying amount - 1 July 2021	4,286	1,050	3,689	352	13,193	22,570	–	22,570
Movements in fair value								
Additions	987	–	192	150	–	1,329	299	1,628
Contributions and Found Assets	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–
Disposal	(507)	–	(103)	(72)	–	(682)	–	(682)
Write-off	–	–	–	(48)	–	(48)	–	(48)
Transfers	–	–	–	–	–	–	–	–
Transfers from associates and joint ventures	–	–	–	–	–	–	–	–
Total movements in fair value	480	–	89	30	–	599	299	898
Movements in accumulated depreciation								
Depreciation and amortisation	(1,004)	(98)	(619)	(62)	–	(1,783)	–	(1,783)
Accumulated depreciation of disposals	393	–	–	–	–	393	–	393
Transfers	–	–	–	–	–	–	–	–
Total movements in accumulated depreciation	(611)	(98)	(619)	(62)	–	(1,390)	–	(1,390)
At fair value 30 June 2022	10,781	5,787	7,300	382	13,193	37,443	299	37,742
Accumulated depreciation at 30 June 2022	(6,628)	(4,835)	(4,143)	(62)	–	(15,668)	–	(15,668)
Carrying amount - 30 June 2022	4,153	952	3,157	320	13,193	21,775	299	22,074



Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage

	Roads \$ '000	Bridges \$ '000	Foot- paths and cycle- ways \$ '000	Drainage \$ '000	Recreati- on, leisure, communi- ty \$ '000	Waste manage- ment \$ '000	Parks, open spaces, streetsca- pes \$ '000	Aerodro- mes \$ '000	Off street car parks \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
Infrastructure													
At fair value 1 July 2021	265,508	33,676	59,610	94,473	7,013	606	19,055	10,064	13,860	8,877	512,742	6,097	518,839
Accumulated depreciation at 1 July 2021	(105,853)	(11,255)	(25,434)	(25,131)	(4,698)	(89)	(6,287)	(2,140)	(6,006)	(4,608)	(191,501)	–	(191,501)
Carrying amount - 1 July 2021	159,655	22,421	34,176	69,342	2,315	517	12,768	7,924	7,854	4,269	321,241	6,097	327,338
Movements in fair value													
Additions	1,435	–	66	19	–	–	21	–	–	–	1,541	13,669	15,210
Contributions and Found Assets	1,966	–	701	1,857	–	–	–	–	–	–	4,524	–	4,524
Revaluation	18,158	(8,914)	18,209	13,792	20	–	(2,815)	(801)	984	8	38,641	–	38,641
Disposal	(6)	(8)	(17)	–	–	–	–	–	–	–	(31)	–	(31)
Write-off	–	–	–	–	–	–	–	–	–	–	–	(1)	(1)
Transfers	5	–	94	–	–	–	–	–	–	–	99	582	681
Total movements in fair value	21,558	(8,922)	19,053	15,668	20	–	(2,794)	(801)	984	8	44,774	14,250	59,024
Movements in accumulated depreciation													
Depreciation and amortisation	(4,389)	(386)	(1,307)	(940)	(103)	(41)	(608)	(257)	(330)	(142)	(8,503)	–	(8,503)
Accumulated depreciation of disposals	3	6	8	–	–	–	–	–	–	–	17	–	17
Transfers	–	–	–	–	–	–	–	–	–	–	–	–	–
Revaluations	52,388	2,971	(19,798)	4,748	434	–	307	1,296	1,393	62	43,801	–	43,801
Total movements in accumulated depreciation	48,002	2,591	(21,097)	3,808	331	(41)	(301)	1,039	1,063	(80)	35,315	–	35,315
At fair value 30 June 2022	287,067	24,754	78,664	110,140	7,032	606	16,261	9,263	14,844	8,886	557,517	20,347	577,864
Accumulated depreciation at 30 June 2022	(57,853)	(8,663)	(46,532)	(21,322)	(4,366)	(131)	(6,589)	(1,100)	(4,942)	(4,688)	(156,186)	–	(156,186)
Carrying amount - 30 June 2022	229,214	16,091	32,132	88,818	2,666	475	9,672	8,163	9,902	4,198	401,331	20,347	421,678

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods

	Depreciation Period years	Threshold Limit \$ '000
Land and land improvements		
land	n/a	–
land improvements	20 - 200 years	5
Buildings		
buildings	30 - 100 years	5
building improvements	25 - 60 years	1
leasehold improvements	10 - 20 years	1
Plant and Equipment		
plant, machinery and equipment	3 - 40 years	1
fixtures, fittings and furniture	2 - 25 years	5
computers and telecommunications	5 - 20 years	2
paintings and exhibits	n/a	–
Infrastructure		
roads	12 - 60 years	5
bridges	30 - 200 years	5
footpaths and cycleways	10 - 80 years	5
drainage	100 - 200 years	1
recreational, leisure and community facilities	20 - 80 years	1
parks, open spaces and streetscapes	15 - 80 years	5
off street car parks	12 - 60 years	5
aerodromes	16 - 100 years	1
other infrastructure	20 - 60 years	5

Land under roads

Council recognises land under roads it controls at fair value from 1 January 2008.

Depreciation and amortisation

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

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

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

Repairs and maintenance

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

Valuation of land and buildings

Land- Non Specialised

Valuation of non-specialised land was undertaken by Mr L Speed AAPI (Val) in 2020. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Land - Specialised

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

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

Buildings - Non-specialised

Non-specialised buildings were reviewed in 2022 by Mr Sam Ortisi (Graduate Diploma - Electrical Engineering and Quality Management) from CT Management who reviewed the unit rates used in the valuation process. It should be noted that non-specialised buildings are fair value hierarchy 2 due to the available market for this type of asset.

Buildings - Specialised

The current valuation of specialised buildings is based on an independent assessment by a qualified Quantity Surveyor, component level condition assessments, and on current replacement costs. The valuation was conducted by Mr Sam Ortisi (Graduate Diploma - Electrical Engineering and Quality Management) from CT Management who was engaged by Warrnambool City Council in 2022. The details of the current valuation are detailed in the table below.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1 2022 \$ '000	Level 2 2022 \$ '000	Level 3 2022 \$ '000	Date of valuation
Land - non specialised	–	2,689	–	30/06/2020
Land - specialised	–	–	160,694	30/06/2020
Land improvements	–	–	557	30/06/2021
Buildings - non-specialised	–	2,537	–	30/06/2022
Buildings - specialised	–	–	122,979	30/06/2022
Building improvements	–	–	740	30/06/2022
Total	–	5,226	284,970	

Valuation of Infrastructure

Valuation of infrastructure assets was performed by internal professional staff, Mr Sam Ortisi (Graduate Diploma - Electrical Engineering and Quality Management) from CT Management, and independent assessments by qualified external subject matter experts whom have all been approved by Mr. David Leahy, Director City Infrastructure with Warrnambool City Council. The date of the current assessment is 30 June 2022

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1 2022 \$ '000	Level 2 2022 \$ '000	Level 3 2022 \$ '000	Date of valuation
Roads	–	–	229,214	30/06/2022
Bridges	–	–	16,091	30/06/2022
Footpaths and cycleways	–	–	32,132	30/06/2022
Drainage	–	–	88,818	30/06/2022
Recreational, leisure & community facilities	–	–	2,666	30/06/2022
Waste management	–	–	475	30/06/2019
Parks, open space & streetscapes	–	–	9,672	30/06/2022
Aerodromes	–	–	8,163	30/06/2022
Off street car parks	–	–	9,902	30/06/2022
Other	–	–	4,198	30/06/2022
Total	–	–	401,331	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique.

Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 70% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.12 and \$939 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$293 to \$4,941 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

	2022 \$ '000	2021 \$ '000
Land under roads	5,506	5,222
Crown land	75,144	75,144
Council freehold land	80,044	80,047
Total specialised land	160,694	160,413

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

	2022 \$ '000	2021 \$ '000
6.2 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
Investments in associates and joint arrangements accounted for by the equity method are:		
Corangamite Regional Library Corporation	–	–
Total investments in associates and joint arrangements	–	–
Associates and joint arrangements - in profit		
Corangamite Regional Library Corporation	–	(49)
Total surplus for year in associates and joint arrangements	–	(49)
Corangamite Regional Library Corporation		
Warrnambool City Council in conjunction with Colac Otway Shire, Corangamite Shire and Moyne Shire had an interest in the Corangamite Regional Library Corporation. Warrnambool City Council exited the Library Corporation on 30 June 2021. From this date onwards Warrnambool City Council has a 0% equity interest (39.00% in 2020/2021).		
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	–	695
Reported surplus(deficit) for year	–	(49)
Transfers (to) from reserves	–	25
Distributions for the year	–	(496)
Movement in equity share	–	–
Impairment Loss	–	(175)
Council's share of accumulated surplus(deficit) at end of year	–	–
Council's share of reserves		
Council's share of reserves at start of year	–	25
Transfers (to) from reserves	–	(25)
Council's share of reserves at end of year	–	–
Movement in carrying value of specific investment		
Carrying value of investment at start of year	–	720
Share of surplus(deficit) for year	–	(49)
Distributions received	–	(496)
Movement in equity share	–	–
Impairment Loss	–	(175)
Carrying value of investment at end of year	–	–

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Assets we manage (continued)

	2022 \$ '000	2021 \$ '000
(b) Committees of management		
Committees of management		
Port of Warrnambool		
The Council is the Committee of Management for the Port of Warrnambool. The financial transactions have been included in Council's financial statements and are summarised below:		
Summarised Statement of Comprehensive Income		
Income		
Grants - operating	97	97
User fees	6	9
Grants - capital	1,297	128
Expenditure		
Materials and Services	(226)	(122)
Capital expenditure	(160)	(341)
Surplus/(Deficit) for the Year	<u>1,014</u>	<u>(229)</u>

The operation of the Port of Warrnambool is by an agreement between Warrnambool City Council and the Department of Transport. Any assets are returnable on cessation of the agreement.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Warrnambool City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.2.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Warrnambool City Council. The Councillors, Chief Executive Officer and Executive Directors are deemed KMP.

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

Councillors	Councillor Vicki Jellie (Mayor 01/07/2021 to 24/10/2021; 04/04/2022 to 30/06/2022) Councillor Richard Ziegeler (Mayor 25/10/2021 to 21/03/2022) Councillor Debbie Arnett (Deputy Mayor and Acting Mayor 22/03/2022 to 03/04/2022) Councillor Otha Akoch Councillor Angie Paspaliaris Councillor Ben Blain Councillor Max Taylor
Chief Executive Officer	Mr Peter Schneider
Key Management Personnel	Director - Corporate Strategies Mr Peter Utri Director - City Growth Mr Andrew Paton Director - City Infrastructure Mr David Leahy Director - Community Development Ms Jodie McNamara (Acting 14/10/2021 to 30/06/2022) Director - Community Development Mr Richard Stone (Acting 26/07/2021 to 13/10/2021) Director - Community Development Mr David Leahy (Acting 01/07/2021 to 25/07/2021)

	2022	2021
	No.	No.
Total Number of Councillors	7	14
Total of Chief Executive Officer and other Key Management Personnel	6	9
Total Number of Key Management Personnel	13	23

Notes to the Financial Statements

for the year ended 30 June 2022

Note 7. People and relationships (continued)

	2022 \$ '000	2021 \$ '000
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(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	1,287	1,527
Long-term benefits	25	27
Post employment benefits	94	86
Total	1,406	1,640

	2022 No.	2021 No.
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The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

\$10,000 - \$19,999	2	12
\$20,000 - \$29,999	3	1
\$30,000 - \$39,999	–	3
\$40,000 - \$49,999	1	–
\$50,000 - \$59,999	1	2
\$60,000 - \$69,999	1	–
\$120,000 - \$129,999	–	1
\$130,000 - \$139,999	1	–
\$210,000 - \$219,999	1	2
\$220,000 - \$229,999	2	–
\$280,000 - \$289,999	–	1
\$320,000 - \$329,999	1	–
\$390,000 - \$399,999	–	1
	13	23

Notes to the Financial Statements

for the year ended 30 June 2022

Note 7. People and relationships (continued)

(d) Senior Officer Remuneration

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

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

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

	2022 No.	2021 No.
Income Range:		
\$110,000 - \$119,999	–	1
\$140,000 - \$149,999	–	1
\$150,000 - \$159,999	1	–
\$170,000 - \$179,999	1	1
\$200,000 - \$209,999	1	–
	3	3

	2022 \$ '000	2021 \$ '000
Total Remuneration for the reporting year for Senior Officers included above amounted to:	529	434

Notes to the Financial Statements

for the year ended 30 June 2022

Note 7. People and relationships (continued)

7.2 Related party disclosure

(a) Transactions with related parties

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

Councillor	Related Party	Nature of Relationship	Terms and Conditions	Nature of Transaction	Aggregate Total \$'000
Cr Arnott	Style Active by Chloe	Controlled entity	Commercial	Vouchers	0.1
Cr Paspaliaris	Alex Pye Electrics	Spouse controlled entity	Commercial	Electrical repairs and maintenance	1

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

2022 - Nil (2021 - Nil)

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:

2022 - Nil (2021 - Nil)

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

2022 - Nil (2021 - Nil)

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8. Managing uncertainties

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

Construction of infrastructure assets by developers in the course of creating new subdivisions results in the infrastructure assets being vested in Council when Council issues a Statement of Compliance.

At reporting date, developers had commenced construction of assets that will eventually be transferred to Council contingent upon council issuing a Statement of Compliance.

Due to the nature of the arrangements in place and the assets involved, a contingent asset amount cannot be reliably measured prior to completion.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

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

Liability Mutual Insurance

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

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by WorkSafe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

Gallagher Bassett is a direct provider appointed by WorkSafe Victoria to provide workers compensation insurance and have been appointed as Council's agent since the closure of the MAV WorkCare Scheme.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8. Managing uncertainties (continued)

(c) Guarantees for loans to other entities

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

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

The Council acts as guarantor in respect of bank loans provided to the following clubs and community groups:

Entity and Institution	Original Loan \$'000	Balance of borrowings 2022 \$'000	2021 \$'000
Warrnambool Returned Services Club - Commonwealth Bank	3,351	2,176	2,705
Warrnambool Football Netball Club - Commonwealth Bank	800	556	643
Old Collegians Football Netball Club - NAB	100	90	95
Dennington Football Netball Club - Bendigo Bank	49	35	40
Dennington Bowls Club -Bendigo Bank	100	8	1

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. Council assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank and/or TCV borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk.. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8. Managing uncertainties (continued)

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

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- Council has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8. Managing uncertainties (continued)

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A shift of + 2.5 % and - 0.25 % in market interest rates (AUD) from year-end rates of 3.52%.

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

8.4 Fair value measurement

Fair Value Hierarchy

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

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8. Managing uncertainties (continued)

asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Share of incr. (decr) on revaluation of the asset through disposal of investment \$ '000	Balance at end of reporting period \$ '000
9.1 Reserves				
(a) Asset revaluation reserves				
2022				
Property				
Land	124,251	–	–	124,251
Buildings	92,113	2,576	–	94,689
	<u>216,364</u>	<u>2,576</u>	<u>–</u>	<u>218,940</u>
Plant and equipment				
Artworks	2,640	–	–	2,640
	<u>2,640</u>	<u>–</u>	<u>–</u>	<u>2,640</u>
Infrastructure				
Roads	99,350	72,418	–	171,768
Bridges	15,346	(5,943)	–	9,403
Footpaths and cycleways	677	(677)	–	–
Drainage	21,218	18,540	–	39,758
Aerodromes	238	495	–	733
Offstreet car parks	–	553	–	553
Other infrastructure	29,041	(3,380)	–	25,661
	<u>165,870</u>	<u>82,006</u>	<u>–</u>	<u>247,876</u>
Total asset revaluation reserves	<u>384,874</u>	<u>84,582</u>	<u>–</u>	<u>469,456</u>

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Share of incr. (decr) on revaluation of the asset through disposal of investment \$ '000	Balance at end of reporting period \$ '000
2021				
Property				
Land	124,251	–	–	124,251
Buildings	92,113	–	–	92,113
	216,364	–	–	216,364
Plant and equipment				
Corangamite Regional Library Corporation	706	–	(706)	–
Artworks	2,640	–	–	2,640
	3,346	–	(706)	2,640
Infrastructure				
Roads	99,350	–	–	99,350
Bridges	15,346	–	–	15,346
Footpaths and cycleways	677	–	–	677
Drainage	21,218	–	–	21,218
Aerodromes	238	–	–	238
Other infrastructure	29,041	–	–	29,041
	165,870	–	–	165,870
Total asset revaluation reserves	385,580	–	(706)	384,874

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time. The Corangamite Regional Library Corporation recognises the fair value of revalued assets in their books

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
(b) Other reserves				
2022				
Main drainage fund	886	–	(487)	399
Committed reserve	8,556	2,535	–	11,091
Heritage restoration fund	45	1	–	46
Insurance claims reserve	90	–	–	90
Art gallery reserve	47	1	–	48
Resort and recreation reserve	190	71	–	261
Car park fund	617	–	(132)	485
North of the Merri developer contribution reserve	1,113	57	–	1,170
Hopkins Point Road developer contribution reserve	140	108	–	248
North East growth area developer contribution reserve	156	8	–	164
Total Other reserves	11,840	2,781	(619)	14,002
2021				
Main drainage fund	749	137	–	886
Committed reserve	5,888	2,668	–	8,556
Heritage restoration fund	45	–	–	45
Insurance claims reserve	90	–	–	90
Information technology reserve	131	–	(131)	–
Art gallery reserve	47	–	–	47
Resort and recreation reserve	311	–	(121)	190
Car park fund	96	521	–	617
North of the Merri developer contribution reserve	1,080	33	–	1,113
Hopkins Point Road developer contribution reserve	13	127	–	140
North East growth area developer contribution reserve	–	156	–	156
Total Other reserves	8,450	3,642	(252)	11,840

Main Drainage Fund is maintained specifically for future major drainage works.

Committed Reserve is specifically for future works and Councils small infrastructure fund.

Heritage Restoration Fund is maintained specifically for grant loans for heritage works.

Insurance Claims Reserve is maintained specifically for Council's self-insurance.

Information Technology Reserve is maintained specifically for major information technology upgrades.

Art Gallery Reserve is maintained specifically for the purchase of art pieces.

Resort and Recreation Reserve is maintained specifically for public open space works.

Car Park Fund is maintained specifically for future major car park works.

North of the Merri Developer Contributions Reserve is maintained specifically for contributions held in this growth area.

Hopkins Point Road Developer Contributions Reserve is maintained specifically for contributions held in this growth area.

Northeast DCP Developer Contributions Reserve is maintained specifically for contributions held for the growth areas in the Northeast of Warrnambool.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

	2022 \$ '000	2021 \$ '000
9.2 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	18,445	12,085
Add / (deduct) non-cash items:		
Depreciation/amortisation	12,717	12,359
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(126)	(8)
Contributions - Non-monetary assets	(4,705)	(6,132)
Found assets	(102)	(61)
Net share of net profits of associates and joint ventures	–	49
Bad and doubtful debts expense	37	160
Interest on lease liabilities	35	34
Prior year periodical collections written off	48	–
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(662)	(169)
(Increase)/decrease in inventories	(27)	29
(Increase)/decrease in prepayments	273	384
Increase/(decrease) in accrued income	(1,256)	160
Increase/(decrease) in trade and other payables	659	1,482
Increase/(decrease) in provisions	(131)	107
Increase/(decrease) in trust deposits	340	644
Increase/(decrease) in Unearned income /revenue	(427)	1,873
Net cash provided by/(used in) operating activities	25,118	22,996

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%)).

Defined Benefit

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

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

Funding Arrangements

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

As at 30 June 2021, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.8%. The financial assumptions used to calculate the VBI were:

- Net investment returns 4.75% pa
- Salary information 2.75% pa
- Price inflation (CPI) 2.25% pa.

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). The financial assumptions used to calculate this VBI were:

- Net investment returns 5.5% pa
- Salary information 2.5% pa to 30 June 2023, and 3.5% pa thereafter
- Price inflation (CPI) 3.0% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2022, this rate was 10.0% of members' salaries (9.5% in 2020/21). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

(b) Funding calls

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

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

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

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

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

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

The 2021 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

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

	2021 (Interim) \$m	2020 (Triennial) \$m
- A VBI Surplus	214.7	100.0
- A total service liability surplus	270.3	200.0
- A discounted accrued benefits surplus	285.2	217.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2021.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2021.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2021.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Other matters (continued)

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

Scheme	Type of scheme	Rate	2022 \$ '000	2021 \$ '000
Vision Super	Defined benefit	10%	201	200
Vision Super	Accumulation fund	10%	2,149	2,102
Other Funds	Accumulation fund	10%	683	365

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$0 during the 2021/22 year (2020/21 \$0).

There were \$358k contributions outstanding and no loans issued from or to the above schemes as at 30 June 2022.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$190k.

Note 10. Changes in accounting policies

There have been no changes to accounting policies in the 2021-22 year.

There are no pending accounting standards that are likely to have a material impact on council.

