



Pyrenees
Shire Council

ANNUAL *Report*



2022/23



Three strong elements make up the Pyrenees Shire Council logo: wool, the Pyrenees mountain range and wine. The logo embraces all three images in an elegant and stylised representation, intertwining as a consolidated unit.

We acknowledge the people past and present of the Wadawurung, Dja Dja Wurrung, Eastern Maar, and Wotjobaluk tribes whose land forms the Pyrenees Shire. We pay our respect to the customs, traditions and stewardship of the land by the elders and people of these tribes on whose land we meet and work on.

*Photography in this Annual Report by
Preface Films, Jayne Newgreen and Tess Astbury*



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Section 1: INTRODUCTION





WELCOME TO THE REPORT OF OPERATIONS 2022/23

The Annual Report of Operations is the primary means of advising the Pyrenees Shire community about Council's operations and performance during the financial year and demonstrates our ongoing commitment to transparent reporting and accountability to the community.

Council's performance is measured against strategic goals and objectives contained within the existing Council Plan. The Council Plan 2021 – 2025 was adopted in 2021 with a focus on the following areas:

- People
- Place
- Environment
- Economy

and supported by internal Enabling Principles.

This report includes Council's audited financial statements, an audited performance statement and other details as required by the *Local Government Act 2020*.

To reduce environmental impact, a limited number of printed copies of this Annual Report have been produced. Residents and interested parties are encouraged to access the report via Council's website, www.pyrenees.vic.gov.au. If you would like a printed copy of the Annual Report, please visit your local Council front counter or ask for a copy via pyrenees@pyrenees.vic.gov.au or by telephoning 1300 797 363.

This report has not yet been reproduced into languages other than English. If you or your community would find this to be of value in increasing accessibility for future productions, please let us know at pyrenees@pyrenees.vic.gov.au or by 1300 797 363.



SNAPSHOT OF COUNCIL

Community Vision

Our vision is for **inclusive, happy and healthy connected** communities that create **sustainable and welcoming** townships, natural environments and rural areas.

We attract diversity through promotion, innovation, growth and partnerships while addressing climate and community needs such as reliable and responsive infrastructure, affordable services and housing whilst protecting our natural environment.

Council Vision

Sustainable and welcoming places and natural environments that create inclusive, happy and healthy connected communities.

Enabling Principles

- Motivate and inspire community involvement
- Provide transparency and accountability
- Use resources efficiently and effectively

Council's History

Pyrenees Shire Council was formed on 23 September 1994 with the amalgamation of the Shires of Ripon, Avoca and Lexton, by an Order of the Governor. It operates in accordance with the *Local Government Act 2020*.

The role of Council is to:

- Act as a representative government by considering the diverse needs of the local community in decision making.
- Provide leadership by establishing strategic objectives and monitoring their achievement.
- Maintain the viability of the Council by ensuring that resources are managed in a responsible and accountable manner.
- Advocate the interests of local communities to other communities and governments.
- Act as a responsible partner in government by considering the needs of other communities.
- Foster community cohesion and encourage active participation in civic life.



Council's Location

Council's administrative offices are located in Beaufort and its two works depots are located in Avoca and Beaufort where residents can access libraries, tourism information, meeting rooms, public access computers and Wi-Fi. Landsborough Resource Centre and Lexton Rural Transaction Centre also provide public access to computers and Wi-Fi.

Council offices

Pyrenees Shire Council

5 Lawrence Street,
Beaufort VIC 3373
T 1300 797 363

E pyrenees@pyrenees.vic.gov.au
www.pyrenees.vic.gov.au

Avoca Information and Community Centre

122 High Street,
Avoca VIC 3467
T 03 5465 1000



Section 2:

OUR YEAR





MAYOR AND CHIEF EXECUTIVE OFFICER'S MESSAGE

We are pleased to present this Annual Report on behalf of Pyrenees Shire Council for the 2022/23 year. This year has been one of both achievement and challenge.

It is important firstly to highlight the tremendous strides we have made in enhancing the infrastructure of our beautiful shire. The Lexton Community Hub was completed after many years in the planning, and the replacement of four major bridge structures were among the highlights. Within our townships, significant additional paths have been created in Avoca and Beaufort to improve accessibility for residents, including around Beaufort Lake. In rural areas, we have successfully completed numerous road upgrades, ensuring safer and smoother travel for our residents and visitors.

In line with our commitment to be environmentally responsible, we continue to make advancements to build climate change resilience. These include installation of electric vehicle charging stations in our towns and planting of additional street trees. Along with the ongoing purchase of green power and efficiency measures in council buildings, these have not only reduced our carbon footprint but also resulted in substantial cost savings for the council. We are proud to have taken a step towards a greener future for Pyrenees Shire.

Fostering economic growth and supporting local businesses through various initiatives has included the introduction of the shop façade grant program. Council has also committed to support the tourism sector by committing to the new Visitor Economy Partnership, Tourism Midwest Victoria.

While we celebrate these achievements, it is important to acknowledge the challenges we have faced and continue to address.

The flood events of October and November 2022 were widespread across the state and had significant impact across the shire. The communities of Avoca, Lexton, Natta Yallock, Beaufort and Amphitheatre were the most significantly impacted with many homes, local roads, bridges and community facilities damaged.

The flooding also impacted many businesses shire wide, and BlazeAid and Landmate stepped in to support farmers to replace damaged fencing. Various government grant funding support was made available, and the Council Flood Recovery Team worked to ensure those eligible were supported to access these funds.

Major events were affected including the Avoca Cup, the Beaufort Agricultural Show, which was postponed to be in early 2023, and at the Lake Goldsmith Steam Rally where the event was cancelled due to the around 80% of the site being inundated.

With most of the Pyrenees Shire being in the upper reaches of catchments, there is little warning for our communities to respond. Not having an SES presence in the shire also highlights the challenges for Pyrenees.

With the assistance of our local contractors, we have commenced the challenging road repair program and continue to do this in a way that maximises government funding.

While the majority of COVID-19 restrictions were lifted by the Victorian government during 2022-23, effects on the economy have been significant in Victoria. The growth in state debt incurred as a result of the pandemic saw the Andrews Labor Government introduce cost saving measures in its budget and the introduction of a statewide land tax to assist in paying back the debt.

Council relies heavily on the state to provide funding support for services such as libraries, emergency management, maternal and child health services, and roadside weeds management. While operational funding for these services has largely been unaffected, there has been limited funding for grant programs such as the Regional Infrastructure Fund, which Council has relied on in the past to undertake capital improvements in townships.

A further effect of the economic climate has been a major increase in the cost to deliver projects and services. With inflation reaching levels not seen for many years, Council experienced cost increases for capital projects in the order of 15-30%. In order to manage works within our means, this has required some projects to be rescope and reduced. The purchase of heavy plant has also seen delays of over a year before delivery of haulage trucks needed in our road construction.

Advocacy for the ongoing commitment by both state and federal governments to fund essential Council services has never been greater. The Commonwealth Local Road and Community Infrastructure Program (LRCIP) and the Roads to Recovery program have been critical funding streams for Council to renew our assets, to build our communities, and support our economy.

Council relies heavily on peak bodies such as the Municipal Association of Victoria (MAV) at a state level and the Association of Local Government (ALGA) at a federal level to present a strong and consistent case for sustained and increased funding.

The Western Renewables Link project continues to be the subject of significant community concern across the length of the project including in Pyrenees. Council's advocacy this year included a meeting with Minister D'Ambrosio to highlight these concerns and to table the need for community benefits to be considered by government to offset the impacts of this major infrastructure on rural communities.

Engaging with our communities has included ongoing commitment by Councillors to meet with residents in our smaller townships through the community cuppa sessions held monthly across the shire. Our Community Development staff also have made a concerted effort over the year to engage more directly with community leaders in their place to understand community priorities and work together to advance their priorities.

Following the election of the Albanese government in 2022, the matter of referendum on the Voice to Parliament has been discussed and debated cross the country. Regardless of the outcome of the referendum, Council is committed to build awareness of the traditional owner cultures across our shire, to dialogue respectfully with traditional owner groups and build reconciliation through the implementation of our Reconciliation Action Plan.

A major decision of Council this year, due in part to changes at a Commonwealth program level, was the decision to cease to be a provider of in-home aged care services from 30 June 2023. This was a challenging decision for Council given the quality of service provided by the Council team over many years servicing our most vulnerable residents. This has resulted in a transition to new providers, and farewell to our much-loved Community Care Team.

In conclusion, we would like to express our deepest gratitude to the residents of Pyrenees Shire, the council members, and the dedicated staff for their unwavering support and commitment. Together, we have overcome many challenges achieved much to be proud, and we are confident that our collective efforts will lead to a brighter future for our shire.

As we move forward, let us remain united in our vision to create inclusive happy and healthy connected communities.

With warm regards,



Cr Ron Eason

Mayor



Jim Nolan

Chief Executive Officer



HIGHLIGHTS OF OUR YEAR

Strategic Objective: People

New Youth Officer

A Youth Engagement Officer was recruited for the Pyrenees Shire, facilitating a number of youth-oriented programs such as the Western Bulldogs Community Foundation Youth Leadership Program, which enabled participants to develop leadership skills, learn about education and employment pathways and develop ideas about how to connect with the local community.

Australia Day

Lexton's Judy Martin was recognized for her outstanding work in the community by being named the Pyrenees Citizen of the Year. Mayor Cr Ron Eason announced the award at the Australia Day event in Beaufort. Australia Day Awards were also presented for the Young Citizen of the Year, Event of the Year, and Leadership Award.



Australia Day Award Ambassador Dennis Banfield with event of the year Landsborough Hall Committee representatives Robyn Leslie, Pam Ellis and Daryl Leslie, Leadership Award winner Mark Summerfield, Pyrenees Citizen of the Year Judy Martin, Young Citizen of the Year Ella Kerr, and Mayor Cr Ron Eason.



More than 50 people gathered to hear from guest speakers for International Women's Day.

International Women's Day

One of the most successful events held in 2022/23 was the International Women's Day forum at the Beaufort Community Resource Centre. More than 50 people gathered to hear from guest speakers including local historian Elizabeth Thurgood, who provided a reflection on the history of the day and the strides towards equality that have been achieved since New Zealand became the first country to grant all women the right to vote in 1893.

Local GP Dr Pushparani Ravindranayagam, Beaufort and Skipton hospital services CEO Meryn Pease, and Elena Tommasi from the University of the Third Age Ballarat all shared their personal experiences and discussed challenges faced by women in the community in 2023, particularly in the healthcare space.

The day celebrated achievements, acknowledged there is work still to be done, and was an opportunity for everyone who attended to feel supported and surrounded by like-minded community members.



A change in meeting times has helped increase attendance at Community Cuppas around the Shire.

Community Cuppas

Council continued to hold monthly Councillor Cuppa and Chat sessions around the municipality in 2022/23. These informal sessions provide community members with the opportunity to meet the Councillors, have a chat about a project or an idea, and generally gain a better understanding about how Council operates.

Thanks to a change in the time change for these events, many more attendees were able to participate, which was pleasing to see.



Two citizenship ceremonies were held this year, with six residents presented with their certificates.

Citizenship

Pyrenees Shire held two citizenship ceremonies this financial year to acknowledge our country's newest members and welcome them into the community.

Held at the Beeripmo Development Centre, the recipients were awarded their certificate of citizenship and sworn in by Pyrenees Shire Mayor, Cr Ron Eason.

Art, Music & Culture

Avoca Mural

Spring colour burst into Avoca in 2022, with Cambridge Street becoming home to a stunning pavement mural linking High Street to the river frontage and the Chinese Garden.

The design is the work of Dja Dja Wurrung and Yorta Yorta artist Troy Firebrace, who took inspiration for the mural from the Avoca Primary School students that shared stories and drawings about their connection to the area. The mural was completed with the help of 30 community members.

The mural is part of the Cambridge Street COVID Outdoor Activation Project, funded by the Victorian Government.



30 community members helped complete the Avoca mural.

Play in the Pyrenees events

Following the success of last year's Sunday by the Lake and Sunday by the River events, Council hosted Summer Sessions in Beaufort and Avoca in early 2023.

A range of musicians were engaged for the events, as well as food trucks and entertainment for the children, making the events an ideal afternoon for families to come out and enjoy the warm weather.



Community members of all ages have enjoyed coming together for sun, food and entertainment.

Creative Community Engagement

The Pyrenees Shire supports a rich and energetic creative community and this year, Council called on help from the community to design a creative community strategy that celebrates, nurtures and promotes creativity in all its forms across the region.

As home to visual artists, writers, craftspeople, hay bale sculptures, big bands and choirs, the region boasts a diverse range of creative activities and events from music festivals to dance classes to markets. The proposed *Creativity in the Pyrenees* strategy would seek to build on this foundation by facilitating a coordinated approach to growth in the sector.

Strategic Objective: Place

Lexton Community Hub

The Lexton Community Hub was completed this year and handed over to the new Community Asset Committee. The space includes a multipurpose function room, change rooms, bar, canteen and commercial kitchen, all of which will enable the community to host a range of events.

Bridges Renewal Program

In April, work was completed on a new bridge on the Raglan-Elmhurst Road over Fiery Creek. The new bridge is slightly wider and includes improved safety railing so it can be used by oversize and overmass vehicles such as B-doubles.

The project is part of Council's Bridge Renewal Program, which is designed to improve the safety and capacity of our local road network and provide a boost to our transport and agriculture sectors.

The program has also facilitated the replacement of bridges on Carngham-Streatham Road, Moonambel-Warrenmang Road, Chepstow-Pittong Road, and Lamplough-Greenhill Creek Road.

The current program will conclude with the construction of a new bridge on Beaufort-Carngham Road at Mena Park, a four month project which is on track for completion in July 2023.

Council funded the \$3.85 million Bridge Renewal Program with assistance from various sources including the Australian Government's Bridges Renewal and Roads to Recovery programs, and the Victorian Government's AgriLinks Upgrade Program.



Council's Bridge Renewal Program has facilitated the replacement of several bridges, enhancing safety for all travellers.

Bulaki Wuka Digital Hub

The Bulaki Digital Hub in Avoca was officially opened in March. Two rooms at the rear of the Avoca Information and Community Centre were completely redeveloped to create the digital hub, which features fast internet access, mobile phone charging stations, video conferencing, co-working and private workspaces, plus CCTV security and kitchen facilities.

The facility was developed to provide a practical office and meeting space as an alternative to working from home or travelling to Maryborough, Bendigo or Ballarat for work.

Bulaki Wuka is a local Indigenous term that means "giving to the community".

Strategic Objective: Environment

Tree planting program

Growing our Tree Canopy

Council adopted a tree planting program over the last few years to replace aging street trees and to provide additional trees to enhance our green spaces.

The current planting program has been designed to supplement previous programs and expand into suburban streets where trees are either absent or have been removed due to age and/or defect.

Many of the new plantings are deciduous trees that reflect the character of original plantings. Council also integrated natives into the system where possible.

Forgotten Woodlands

Forgotten Woodlands is a project Council commenced to re-establish the woodlands across the Victorian Volcanic Plains. Almost all these woodlands were cleared for agriculture in the early 1900s and very few remnants exist to provide seed or cuttings for future generations. The species involved are drooping sheoak, banksia and bursaria.

Strategic Objective: Economy

Asset development

EV charging station network

Beaufort's first electric vehicle (EV) recharging station was installed this year thanks to funding from the Commonwealth Local Road and Community Infrastructure Program (LRCIP), and the Department of Energy, Environment and Climate Action (DEECA). The two 50kW fast chargers can charge up to four vehicles at a time.

The Pyrenees charging network includes stations in Avoca and Amphitheatre.



The new EV charging station joins a recently installed facility in Amphitheatre as part of the Pyrenees charging network.

Beaufort Lake renewal

Beaufort lake has undergone significant asset renewal with sections of the path around it resurfaced and several culverts installed to improve drainage and the quality of the walking surface. A concrete path on the eastern side of the lake and another close to the caravan park was built. In addition to this work, a new barbeque shelter, featuring space for live performances, is nearing completion, and a new footbridge was installed.



The Beaufort Lake is looking better than ever thanks to the recent asset renewal project.

Roads

Council completed major road projects this year as part of its ongoing commitment to upgrade local road networks.

The \$500,000 Crowlands-Eversley Road upgrade and \$520,000 upgrade to the Snake Valley-Smythesdale Road involved resurfacing, new guard rails and line marking, improving driver safety for the area and modernising local road infrastructure.

The upgrades were funded through the Commonwealth Government's Roads to Recovery and Regional and Local Community Infrastructure Programs.



The Crowlands-Eversley Road underwent a \$500,000 upgrade this financial year.

Correa Park development

Correa Park in Beaufort has been developed by Council to meet the needs of a growing population by creating affordable residential housing lots.

Correa Park was developed in staged developments over seven years and completed in 2021. Council has invested \$6 million into 100 residential lots, with lot sizes ranging from 700m² to 1100m². All money invested in this project by Council was recouped through the sale of the lots.

Housing construction continues in the development, with approximately 20 new homes constructed or under construction during 2022/23, providing jobs and population growth.

STAND project completed

As part of the STAND (Strengthen Telecommunications Against Natural Disasters) program, 20 NBN Satellite internet connections were installed at halls and recreation reserves across the Pyrenees Shire to provide free Wi-Fi access for the public all year round, as well as improved communications during emergency events.

The final installation was completed at Barkly Hall in August 2022.

STAND was a Federal Government program developed in response to the 2019 bushfire season. All 20 buildings nominated by the Pyrenees Shire Council were successful.

REVIEW OF OPERATIONS

Pyrenees Shire Council is responsible for more than 150 services, from family and children's services, open space, waste management and community facilities; to matters concerning business support and development, planning for appropriate development, and ensuring accountability for Council's budget and financial sustainability.

This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan 2021-25 and associated Budget 2022-23 and reported upon in this document.

The delivery of services, facilities, support and advocacy to achieve our 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.

Advocacy

Financial sustainability has been at the centre of Council's advocacy during 2022-23, and Council relies heavily on peak bodies such as the Municipal Association of Victoria (MAV) at a state level and the Association of Local Government (ALGA) at a federal level to present a strong and consistent case for sustained and increased funding to renew our assets, to build our communities, and support our economy.

Maintaining and growing the pool of funds distributed by the Commonwealth through the Financial Assistance Grants (FAGs), and the Roads to Recovery Program have been central. Council welcomed the commitment by the Albanese government to provide a fourth round of funding under the Local Road and Community Infrastructure Fund, which will enable Council to deliver critical infrastructure for projects such as the major urban drainage works in Avoca.

At a state level, Council CEO Jim Nolan and Mayor Councillor Ron Eason attended Victorian Parliament House twice during the year to meet with Ministers and their representatives on a range of matters including tourism, energy, roads growth and housing.

The Western Renewables Link project continues to be the subject of significant community concern across the length of the project including in Pyrenees. Council's advocacy this year included a meeting with Minister D'Ambrosio to highlight these concerns and to table the need for community benefits to be considered by government to offset the impacts of this major infrastructure on rural communities.

The importance of close relationships with local MPs during the year was never highlighted more than during the October and November 2022 flood event. Visits by Federal MPs Dan Tehan (Wannon) and Anne Webster (Mallee) was an opportunity to highlight the impact of the event on our community and businesses, and to use them to raise awareness of the need for practical immediate funding and support.

Regular contact with Member for Ripon Martha Haylett MP has provided an avenue to raise awareness of critical road and community infrastructure needs as well as the importance of disaster support for community groups and businesses. Beaufort Ward Councillor Damian Ferrari and CEO Jim Nolan met with the MP, along with representatives of the Community Committee, to discuss the future of the former Beaufort Primary School site, and the delivery of the state promise of \$800,000 towards a masterplan and the first stage of development.

The Mayor and CEO participate in regional advocacy through the recently formed Greater Ballarat Alliance of Councils (GBAC). The Alliance brings together six rural and regional councils to tackle common issues including transport, enabling growth, and improving digital connectivity.

Cr Robert Vance participates in the Rural Councils Victoria (RCV) forum advocating on a range of matters relevant to the sustainability of rural councils.

Economic factors

In the Spring of 2022, Pyrenees Shire was heavily impacted by floods that affected all parts of the region, causing delays, setbacks and cancellations to key economic events.



Spring Floods caused major damage and setbacks for Council and the community.

The damage to rural properties was extensive and delayed much of the region's planned harvesting and shearing activities. Crops were damaged, along with sheds and fencing, yet repairs had to be postponed because the ground was heavily waterlogged for many weeks.

Moving and containing livestock became problematic for the same reasons.

Further to this, three major events planned for the Pyrenees community in October and November were cancelled. The Beaufort Agricultural Show, the Avoca Cup and the Lake Goldsmith Steam Rally are major family and tourist draw cards for the region, and the subsequent cancellations were felt by many businesses including accommodation, food businesses and other linked services.

This is the fourth consecutive year that Pyrenees Shire residents and businesses have faced extreme challenges, starting with the 2019 bushfires, then pandemic impacts and now flood damage.

With the flood damage estimated to have cost upwards of \$15 million (later estimate \$8-\$10 million), Council welcomed the Victorian Government's multi-million dollar funding announcement to kickstart the recovery process.

Council worked with the Government and agencies to determine what Pyrenees was eligible for, including \$500,000 in immediate support. The initial focus was making roads and Council properties safe and resuming normal Council services including waste pick up.

Due to the impacts on a number of Council and community infrastructure, clean-up and repair work is expected to continue into 2024.

Family & Child Health

The Family and Child Health Service had a successful year as the Shire experienced a good birth rate - a total of 61 new births and 271 children were seen by staff this year. The service also provided support to families through the Supported Playgroup Program, Parents' Groups and a Paediatric First Aid Course for families, with three places funded by Council.

Service name updated

During the year conversations were had around gender inclusivity regarding the service commonly known as the *Maternal* and Child Health. In response, the service has been renamed the *Family* and Child Health Service.

Scheduled Vaccinations

Vaccinations have once again been a big part of Council's Early Years workload, with 911 individual vaccinations given in consultations. This equated to 94.74% of children in Pyrenees Shire fully vaccinated for their age.

Supported Playgroups

Council facilitates Supported Playgroups (SPG) in Avoca, Beaufort and Landsborough. Each small group provides a safe and nurturing space for families to connect with other families to enhance their parenting skills and have fun with their child/ren. In-home coaching is also available to families where appropriate.

During Terms 1 and 2 of this year an SPG model was trialed in Snake Valley and Landsborough. A strong response was seen in Landsborough, leading to an ongoing SPG service being established.

Community Development

This year the Community Development team focussed on Community Outreach, a program where the team works from within and is accessible to the community. Highlights from the Outreach program included community meetings and engagement activities such as supporting the Waterloo community to have a "keeping connected" Christmas in July activity at the Beeripmo Development Centre.

Pyrenees Libraries & Resource Centres

Pyrenees Shire Council Resource Centres in Avoca and Beaufort experienced a 30% increase in attendance during the 2022/23 financial year. Visitors to the Mobile Library totaled 3744, with the service increasing to 12 stops per fortnight in March 2023. This resulted in an increase of 25% for the month of May 2023.

Municipal Emergency Management Plan

The Municipal Emergency Management Plan was reviewed and prepared for audit towards the end of the financial year. This Plan informs our community about what happens in the event of a natural disaster, like a bushfire or flood. It has been prepared by response agencies including the CFA, SES and Victoria Police, operating locally.

A joint project with the Golden Plains Shire to build community resilience to bushfire was also started in 2022/23.



The CFA has played an integral role in assisting Council with its Municipal Emergency Management Plan.

Planning

Brewster Wind Farm

Wind energy company RE Future has submitted a planning permit for a seven-turbine, 42-megawatt wind farm which, under new planning provisions, will bypass Council and be assessed directly by Victoria's planning minister.

A motion was carried at Council to write to the Minister for Planning regarding the community's concerns for the proposed development. Residents of the township are worried the wind farm will be approved despite its proximity to populations of an endangered bird, the Brolgas (Australian Cranes).

Western Renewables Link

The Western Victoria Transmission Network Project has now changed its name to the Western Renewables Link. This project, which is of state and national significance, is being delivered by AusNet and is still in the planning stage.

Council does not have a direct role in planning or building the project but is advocating on behalf of the community at every opportunity, and continues to share new information as it becomes available. In August, an amended route for the proposed line was released.

One of the main concerns expressed about the project is the plan to build an above ground transmission line. Council has written to the Minister for Planning highlighting a range of community concerns and continues to engage with community groups and other affected councils. Council is also offering practical support to landholders who would like to make a submission to the EES once it is open for comment.

The project will require the approval of the Victorian Minister for Planning before it proceeds.

VNI West

The Victoria to NSW Interconnector West – known as VNI West – is a proposed new 500 kV double circuit transmission line connecting the high voltage electricity grids in New South Wales and Victoria.

Residents have expressed concerns relating to visual impact, impacts on the ability to farm the land and concerns relating to fire prevention / response and agricultural spraying.

Council resolved to make a submission to the report advocating on behalf of Pyrenees residents and landowners in respect of concerns raised with Council relating to impacts.

Cattle Feedlot, Avoca

In March, 2023 Council approved a planning permit application for a 4,000 Standard Cattle Unit (SCU) Beef Cattle Feedlot in Homebush to enhance economic development for the region.

Pipeline for reliable water supply

A feasibility study for the proposed Southern Wimmera and Northeast Pyrenees Water Supply pipelines was launched in January 2023. This major infrastructure project aims to consolidate water supply across almost 300,000 hectares spanning parts of the Central Goldfields, Northern Grampians and Pyrenees Shires.

The project was initiated by the Natte Yallock Landcare Group, who met with local councils and GWM Water in 2019 to discuss the challenges of prolonged dry seasons and the impact of climate change.

In October 2022, a \$300,000 grant was announced under Victorian Government's Investment Fast Track Fund stream to support a feasibility study and help get the project investment ready.

Pyrenees Shire Council is leading the project and has engaged Grampians Wimmera Mallee Water to deliver the study with support from Central Highlands Water, Central Goldfields and Northern Grampians Shire Councils.

Matching funds of \$75,000 in cash and \$70,000 in-kind have been committed by project partners.

Should it progress to a successful business case and eventually secure funding, Council expects a range of long-term benefits to flow from the project.



Meetings with the community continue as we work towards securing a new water supply.

Footpath works

Footpath works throughout the Shire in 2022/23 include works in Moonambel and Avoca, where a new path was built along Barnett Street, giving the community's smallest citizens a safer pathway to school. The paths will link to a future pedestrian rail crossing on Homebush Road and link to the school along Boyce Street and Barnett Street. The rail pedestrian crossing is proposed to be built by VicTrack.

Works were also completed in Faraday Street, south of the Pyrenees Highway towards the caravan park, to provide a connection for residents to the existing footpath network.

A new footpath was built along Gregory Street in Beaufort, between South Street and Stuart Street. The pathway works include a path linking through to Acacia and Casuarina Closes. A new shared pathway between 12 Neill Street and 49 High Street in Beaufort is also complete.

Beaufort Linear Park

Initiated in 2021/22, the Beaufort Linear Park project continued into this financial year. The project aims to create a recreational corridor along the course of the Garibaldi Creek, from Beaufort Lake at the southernmost point, to the area where the creek intersects with Yam Holes Creek, north of the railway line in Beaufort.

This project was instigated by the Green Blue Infrastructure (GBI) Guidelines for Small Towns, which focuses on improving township amenities through innovative water (blue) projects.

Funding was sought to work with the Beaufort community, including the traditional owners, to develop a masterplan and complete economic and financial analysis of the proposal.

At the time of this report, the project is preparing to commence the community engagement phase.

Major Capital Works

During 2022/23, major capital works included:

Project	Overview
Lexton Community Hub TPC = \$3.8m*	Construction of the Lexton Community Hub was completed providing new change rooms for football, cricket and netball. The Hub provides kitchen and meeting facilities for the community to use for sporting and other social events.
Beaufort Goldfields Electrical and Oval Lighting TPC = \$3.8m	Design and procurement for the Goldfields electrical and oval lighting upgrade was undertaken in 2022/23 with the contract awarded to Dearaugo & Lea. Construction will occur in the latter half of 2023 with completion expected in November 2023.
Gregory Street Pathway \$160k	A pathway from South Street to Stuart Street, Beaufort was constructed including an elevated walkway over the creek and minor drainage work.
Beaufort Cricket Nets TPC = \$300k	A synthetic turf practice wicket with three lanes was completed at the Goldfields Recreation Reserve.
Avoca EV car park TPC = \$160k	Car Parking for approximately 18 cars has been constructed in the median of High Street, Avoca. The car park includes a charging station for electric vehicles as well as 2 DDA car parks.
Beaufort Havelock St toilets TPC = \$200k	The public toilets in Havelock Street were renovated to provide an improved amenity standard. Structural improvements were undertaken including re-roofing of the building.
Kerb & Channel \$28k	Kerb and channel replacement was undertaken along Rutherford Street, Avoca from Russell Street to Duke Street.
Avoca Pool car park \$160k	A car park for the Avoca pool was constructed addressing drainage and pavement issues in the vicinity of the pool.
Beaufort Lake pathways and foot bridge TPC = \$200k	Pathways around Beaufort Lake were resurfaced. The second causeway was lowered and the floodway paved with concrete to reduce the risk of the paths being inundated with high water levels. A low-level walking platform was installed over the floodway to provide year-round access. Additional paths were created along the lake edge.
Bridge 86 – Lamplough Greenhill Crk Rd 22/23 FY = \$549k	Replacement of bridge with a new major culvert to new design loading SM1600.
Bridge 110 – Moonambel-Warrenmang Rd 22/23 FY = \$77k	Replacement of bridge with a new bridge to new design loading SM1600.
Bridge 32 – Carngham Streatham Rd 22/23 FY = \$787k	Replacement of Bridge with a new bridge to new design loading SM1600.
Bridge 139 – Raglan Elmhurst Rd 22/23 FY = \$774k	Replacement of Bridge with a new bridge to new design loading SM1600.
Bridge 11 – Beaufort Carngham Rd 22/23 FY = \$638k	Replacement of Bridge with a new bridge to new design loading SM1600.
Crowlands-Eversley Rd \$500k	Reconstruction and widening of road.
Smythesdale-Snake Valley Rd \$520k	Reconstruction of road.
Drainage – Russell St & Boyce St, Avoca \$17k	Table drain and driveway culvert works to remove localised flooding.
Drainage – Pascoe St & North St, Avoca \$5k	Table drain and driveway culvert works to remove localised flooding.
Kerb – Beaufort Recreation Reserve Entry \$8.5k	Installation of kerb to improve traffic safety at the entry to the rec reserve and school.

* Figures represent total project cost (TPC) of projects that span multiple years and do not necessarily represent expenditure in 2022/23 financial year.

Major Changes

Aged Care Services

Council has delivered in-home aged care services throughout Pyrenees Shire for more than 45 years, with dedicated staff delivering tens of thousands of hours of aged care support to residents.

However, due to industry changes implemented by the Commonwealth Government, Council was unable to continue with this service and at the end of the financial year, community-based aged care was handed over to specialist providers offering a full range of services across the Shire.

Council worked closely with clients and the new providers to assist in the transition. The majority of clients (approximately 270) nominated their preferred provider.

Council will continue to carry out assessments for aged-care services during 2023/24, as well as implement new active ageing programs and broader well-being initiatives for the community into the future.

As the new era begins, the incredible work of the dedicated and professional staff who deliver these services over many years must be acknowledged. Thank you and well done to the Pyrenees Community Care team!

Flood Recovery



With the floods affecting so much of the community, Council appointed a specialist team to help with the recovery process.

Council worked quickly and tirelessly to support the community following the floods in October and November, 2022.

A Flood Recovery Team with four specialists was established to consolidate Council's efforts to rebuild and recover. The team worked its way through the Shire visiting flood affected homes and businesses and through these visits, Council was able to put people in contact with the supports that they need – linking them to the immediate financial relief available from State and Federal Governments and helping them manage clean up and waste disposal safely.

The initial assessment of flood damage estimated upwards of 60 properties had some level of damage from the severe rain events.

The team also coordinated the rebuilding of damaged community infrastructure with a view to making them more resilient to future weather events where possible. These assets included the Avoca Recreation Reserve, Men's Shed (Avoca & Beaufort), Beaufort Scout/Guide Hall, parks in Avoca, Lexton and Beaufort.

Repair work to Council owned infrastructure, such as road and culverts, was also undertaken to the value of over \$8 million. Works were prioritised based on the severity of the damage and the amount of traffic that uses the road.

The Victorian Government provided \$200,000 to support the development of a Lexton Flood Management Plan. This project will be managed by Council and have technical support from North Central Catchment Management Authority. It will include a full flood study and assessment of mitigation options for the township of Lexton. The information from this project will increase the flood resilience of the Lexton community by improving and building on the available flood knowledge.

The Pyrenees Shire Flood Recovery Plan, which was developed with input from members of the Shire's business, tourism, environment and community services teams, was approved by Council on 21 February 2023.

Challenges

- Improving our community's satisfaction with Council performance
- Change management for exit from home-based community care services.
- Long-term financial sustainability pressures.

Future Outlook

- Going into El Nino – worsening fire and drought predictions, longer term more extreme climatic events.
- Developing an Active Ageing Program.
- Opportunities for cost savings and service improvements long-term.
- Reducing Council's environmental footprint.
- Investigate options for better food and organic waste management.
- Strategic plan implementation.
- Local Government General Election 2024.

Community Funding Program 2022/23

Council provides funding annually through community grants, sponsorships and subsidies to recognise the importance of providing financial assistance to community groups, services and organisations located or operating within the Pyrenees Shire. This funding is included in Council's annual budget and designed to enable the provision of activities and events which promote community activity, achievement, participation and wellbeing.

Funds are allocated under the following schemes:

Community Grants

- Up to \$2,000 for programs, projects and equipment.
- Up to \$7,000 for minor capital works.
- Up to \$2,000 sponsorship for events.
- Up to \$5,000 for shop façade improvements.

Community Grant Program:

Amount	Who to	What for
\$2,000	Avoca & District Historical Society Inc.	Helen Harris OAM Room Renovation
\$2,000	Avoca Community Food Pantry	Healthy Eating Initiative
\$5,000	Avoca District Co-operative Limited	Community Bank Avoca & District Relocation
\$4,650	Avoca Friends of the Pool	Access for All Abilities - Avoca Swimming Pool
\$2,000	Avoca Gem Girl Guides	Avoca Girl Guides
\$6,666	Avoca Sporting & Recreation COM	Lighting Up Netball
\$2,000	Beaufort Agricultural Society	Fenced play area (Show Food Court)
\$2,000	Beaufort and Skipton Health Service	Mental Health & Wellbeing Forum
\$2,000	Beaufort Blue Light Motorcycle Club	Public Address System
\$4,364.55	Beaufort Christmas Shop & Church Gallery	Rejuvenation of front veranda entrance
\$2,000	Beaufort Community Bank Complex	AV Equipment Upgrade
\$2,000	Beaufort Community House & Learning Centre	Down The Alley Art Program
\$2,000	Beaufort Cricket Club	Female Cricket Participation Program - Social Sixers
\$1,463	Beaufort Croquet Club Inc.	Croquet Come & Have a Go Program
\$2,000	Beaufort Football Netball Club	Beaufort Football Club Truck & Car Show
\$7,000	Beaufort Golf/Bowls Club	Replacing Timbers on Outdoor Deck
\$2,000	Beaufort Guides Support Group Inc.	Beaufort & District Junior Disco Program
\$1,932	Beaufort Historical Society	IT Software Upgrade
\$3,500	Beaufort Mens Shed	Roof Repairs
\$5,000	Beaufort Municipal Band Inc.	Equipment Transport & Storage Facility
\$5,000	Beaufort News and Tatts	Façade refresh
\$4,445	Beaufort RSL	Beaufort RSL kitchen refurbishment
\$1,000	Beaufort Walkfest	Beaufort Walkfest

Responsive Fund

- Up to \$750 for projects identified as being unexpected and/or having an urgent community need.
- Event Signage Subsidy – up to \$250 for township entry promotion signage.

In 2022/23 Council awarded \$183,681.40 from the funding program. A total of 63 projects were funded across 59 community organisations and local businesses.

Amount	Who to	What for
\$6,000	Carranballac Progress Association	Carranballac Hall Toilet Upgrade
\$2,000	Cave Hill Creek	Victorian Concert Orchestra
\$5,000	Craig Skene	Former Bakehouse façade upgrade
\$1,200	Cyril Callister Foundation Inc	BOOK LAUNCH - The Man who Invented Vegemite
\$1,992	Cyril Callister Foundation Inc	Bench seating
\$2,698.35	de Baere House Antiques	de Baere House Antiques Façade Improvement Project
\$2,000	GAP Events Pty Ltd	Pyrenees Hideout Festival
\$2,062.50	Howell Contractors Pty Ltd	Replace veranda iron on 160 High Street Avoca
\$5,000	Jo and Mick Allen	Renewal 121 High Street Avoca
\$7,000	Lake Goldsmith Steam Preservation Association	Roadway and path reinstatement
\$2,000	Landsborough & District Historical Group Inc.	Digitisation of Microfilm of newspaper
\$2,000	Landsborough and District Bowling Club	Landsborough bowls club redevelopment project
\$3,500	Landsborough Larder	Store Rejuvenation
\$4,029	Landsborough Tennis Club	Refurbishment of Landsborough Tennis Club facility
\$5,000	Moonambel Recreation Reserve Committee of Management	New Gas Hot Water system (50 litre)
\$5,000	Northend Service Station Pty Ltd	External building refurbishment / painting / signage
\$700	Pyrenees Arts Council	Pyrenees Art Exhibition
\$5,000	Pyrenees Motel	Motel Sign Upgrade
\$5,000	RAGLAN HALL & RESERVE COM	Raglan Hall Gravel Driveway & Parking Area Resurfacing
\$5,000	RG & RL McErvale	15 Lawrence Street, Beaufort
\$5,000	Royal Hotel Snake Valley	Royal Hotel Face Lift
\$1,026	Sam's place	Storefront signage and Lighting project.
\$1,250	Shear Delights Bakery	Shear Delights Bakery Avoca Frontage Refresh
\$2,000	Skipton Cemetery Trust	Cemetery Alternative Register Project
\$1,000	Snake Valley Craft Group	Establishment of the Snake Valley Craft Group
\$690	Snake Valley Hall Committee	Community Easter Project
\$5,000	The Springs Hotel Waubra p/l	The Springs Hotel, Waubra façade upgrade
\$5,073	Trawalla & District Rec Reserve	Property fence replacement
\$2,000	Uniting Church Carngham - Snake Valley	The Valley 'Seasons' Community Market
\$2,000	Waterloo Community Group	Waterloo Community Group - Community Consultation
\$2,000	Waubra Community Hub	Safety Fence Waubra Netball Court
\$3,750	Westbury Antiques	Westbury Antiques façade painting
\$4,890	Yvonne and Bruce Leaman	Home Made Cafe - Facade Refresh

Response Subsidy:

Amount	Who to	What for
\$750	Avoca Riverside Market Incorporated	Community Christmas Carols
\$550	Beaufort and District Pony Club	Winter Woolies Gymkhana
\$750	Beaufort Mens Shed	Beaufort Mens Shed operational cost.
\$250	Cyril Callister Foundation Inc	Signage - 100 year anniversary of Vegemite
\$250	GAP Events Pty Ltd	Signage - Pyrenees Hideout Festival
\$750	Tour de Trails	Wild Mount Trail Run
\$500	Casablanca Movie Club Inc	Avoca Community Bush Dance



FINANCIAL OVERVIEW

Council continually seeks to find the right balance between community expectations and financial responsibility. A commitment to cost restraint and the provision of value-for-money services for the community, combined with the continual refinement of the Long-Term Financial Plan constitutes the financial framework that Council uses to address this balance. This financial framework remains imperative and continues to drive Council's financial decisions.

Whilst Council continues to strive to achieve these objectives, this is becoming increasingly difficult due to the limitation of the Council's ability to raise revenue due to constraints in place via the State Government "Rate Capping" framework, which continues to be significantly less than the inflationary impacts on the delivery of Council services.

In the 2022/23 financial year the State Government imposed rate cap was set at 1.75% whilst inflation peaked at 6.0% for the financial year. The significant variation between Council's revenue raising capacity and the increase in the cost of delivering services continues to increase the challenge of financial sustainability into the future.

Other factors impacting the financial results during 2022/23 are:

- October 2022 flood event.
 - This has reduced the cost of assets by \$6.116 million.
 - Significantly impacted the Council's infrastructure, which will take significant time to repair.
 - This event and continued adverse weather conditions impacted Council's ability to deliver its works program within acceptable timeframes.
- The asset valuations of councils were reviewed and increased due to rising index cost. The impact of this resulted in increased valuations of \$28.790 million.

- The impact of increased asset valuations will result in an increase in depreciation costs, which has a direct impact on Council's asset renewal ratio. As a result, without providing significantly more funds in asset renewal, Council ratio will reduce as a consequence.
- Council received its 2023/24 Federal financial assistance grants in the 2022/23 financial year. This artificially impacts the financial results for 2022/23. Both Council's operating surplus and cash balance is improved as a result.

It is important to review these 2022/23 financial results in the context of the long-term financial objectives developed by Council. These are:

- Maintain a strong cash position.
- Ensure that Council remains financially sustainable in the long-term.
- Continue to pursue grant funding for strategic capital works from the state and federal governments.
- Maintain the existing range and level of services available to communities within the municipality.
- Ensure adequate revenue to maintain a sustainable level of services for the community.
- Ensure appropriate levels of funding is provided to address Council's Infrastructure renewal gap.

The following is a snapshot of the 2022/23 financial position:

- Operating Surplus

\$5.162 million	2022/23
\$4.155 million	2021/22
\$3.231 million	2020/21
- Total Cash and Investments

\$19.293 million	2022/23
\$15.761 million	2021/22
\$12.953 million	2020/21



- Total Assets \$303.711 million 2022/23
 \$274.167 million 2021/22
 \$257.851 million 2020/21
- Working Capital \$13.003 million (257%) 2022/23
 \$9.896 million (240%) 2021/22
 \$6.255 million (180%) 2020/21
- Capital Expenditure \$8,615 million 2022/23
 \$9,303 million 2021/22

The overall financial position of Council for the 2022/23 financial year fell within the financial parameters of Council's 10-year Financial Plan adopted in June 2022.

In preparation of the annual accounts according to the Australian Accounting Standards, the final results are not comparable to the annual budget approved by Council. After adjusting the results to remove the impact of the accounting standards, Council finished the year with a positive cash result of \$271,000.

Council's 2022/23 capital expenditure continued to address the challenge of renewing community assets. It is anticipated that in future, capital expenditure will be maintained at a realistic level with a high degree of dependence on funding from government grants.

Council continues to face a significant challenge in funding the renewal of critical long-lived community infrastructure. In 2022/23 Council received funding under the Roads to Recovery Program, and the Local Roads and Community Infrastructure Program. This funding has significantly improved Council's ability to maintain infrastructure. Council will continue to advocate for more grants that will help improve the renewal of assets. Meeting the continual renewal of Council's vast asset base remains an ongoing challenge for all councils.

Council has many current and future demands on funding. As mentioned, there is a discrepancy between Council's ability to raise funds during an economic period of higher levels of inflation, highlighting the need for strong, long-term planning and the targeted allocation of resources. This is achieved through the preparation and annual review process of the Council Plan, which is supported by Council's Strategic Resource Plan. Ultimately, these documents are guided by longer-term visions and plans including the Long-Term Financial Plan, which projects Council's financial direction for the next ten years. This enables Council to identify and analyse trends of significance and provide for sound financial planning and decision-making.

The continued revision and refinement of the Long-Term Financial Plan enables longer-term conversations with the community, and this makes possible long-term goals that assist in creating engaged and vibrant communities.

This financial snapshot for the 2022/23 financial year gives a brief overview of Council's financial performance and the significant factors that impacted on the financial resources used to support the achievement of long-term community service and asset management objectives. A more detailed analysis of the financial performance for 2022/23 can be found in the Annual Financial Report, which is available on Council's website and is attached to Council's physical Annual Report.

Glenn Kallio
Principal Accounting Officer

Section 3:

OUR COMMUNITY





OUR HISTORY

Traditional Owners

The traditional custodians of the lands that make up the Pyrenees Shire comprises the Wadawurrung, Dja Dja Wurrung (Djaara), Eastern Maar and the peoples of the Wotjobaluk Nations – the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk.

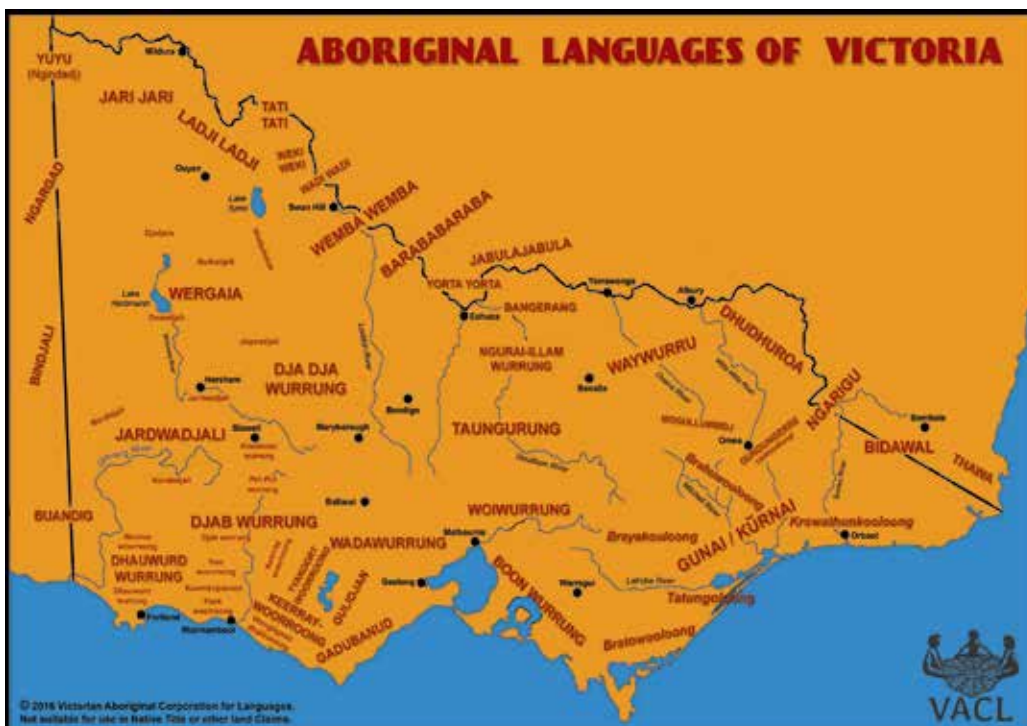
We acknowledge the traditional owners of the lands upon which the Pyrenees Shire is located, along with their continuing connection to land, waters and culture. We pay our respects to their ancestors and Elders past, present and emerging.

Aboriginal and Torres Strait Islander People currently make up almost 2% of the Pyrenees Shire population, double the Victorian percentage.

More Recent Past

The Shire has a strong history of pioneer settlement, gold exploration and mining, agriculture, and viticulture starting in the early 19th Century. Its community also has strong links to the men and women who served in major conflicts across the globe, including the First World War and Second World War.

The Shire is served by dedicated groups of its community who focus on the preserving, collecting and researching the history of the districts within the Shire, including the Avoca and District Historical Society, the Beaufort Historical Society, the Woody Yaloak Historical Society and the Linton & District Historical Society; the Shire’s Cemetery Trusts in Avoca, Beaufort, and Elmhurst; plus the countless number of community groups and organisations with a wealth of historical knowledge.



OUR FUTURE

Reconciliation

Council is working with an advisory group of community members to implement its second Reconciliation Action Plan 2021-2024, which reaffirms and commits Council to actions for advancing reconciliation.

In this Plan we speak of partnership, recognition and empowerment and we commit to a truth-telling process to be honest about our past to support healing.

Council has developed an Aboriginal and Torres Strait Islander Protocol Guide to provide Councillors and officers with advice on the appropriate use of terminology when engaging with the Aboriginal and Torres Strait Islander community and assists in understanding culturally significant protocols when delivering programs and services within the Pyrenees Shire. The Guide is available on Council's website.

Working together

Today, Council works with Registered Aboriginal Parties within the Pyrenees Shire on protecting and preserving their local cultural heritage and ensuring that their representatives have a voice regarding activities that take place on public land.

This is done through notification and consultation processes as determined under relevant recognition and settlement or land use agreements such as the Dja Dja Wurrung LLUA.



My Totem Brewarrina - Bushka

Artworks

As part of its Art Collection, Council actively seeks artworks produced by Aboriginal and Torres Strait Islander members of the community. Our latest acquisition is an artwork entitled 'My Totem Brewarrina' created by Bushka (see left). The painting represents the artist's totem animal.

"(the Brewarrina) is one of my family totems and I am on a journey to look for the rest of my family." Buska.

Beaufort is home to the Koori Art Trail, a walk around the Beaufort Lake populated with Indigenous art painted by Indigenous prisoners from the Langi Kal Kal prison. Each of the paintings is accompanied with its story and a virtual tour is available to view the works on Council's website and on YouTube [National Reconciliation Week 2020 Come Take a Walk With Me - YouTube]. The art trail is located on the traditional lands of the Wadawurrung People and the artwork was provided to the Beaufort Community and visitors to celebrate the Indigenous history of Wadawurrung.



Platypus Dreaming - Koori Art trail

Place naming

Council prioritises the use of local Aboriginal Language when naming or renaming roads or places within the Shire. With the approval of the Dja Dja Wurrung, during the past year two new community hubs in Avoca were named:

- Balaki Wuka Digital Hub: Balaki Wuka Hub means *giving to community*.
- Gunga Community Hub: Gunga means *to do, to work, to create, to make something*.
- Wurreker Meeting Room (within the Gunga Community Hub): Wurreker means *to yarn, to talk*.

Over coming years, Council will also include within its place naming priorities, recognition of the women that have contributed to making Pyrenees Shire the beautiful and vibrant place it is today.



Return to Country - Koori Art Trail



OUR GEOGRAPHY



Pyrenees Shire offers the best of country living, accessible healthcare, kinder to Year 12 education, and positive community life.

The Pyrenees Shire is situated in the beautiful surrounds of the Pyrenees Ranges, nestled adjacent to the popular tourist area of the Grampians National Park in Western Victoria, and situated between the regional cities of Ballarat, Ararat, Stawell and Maryborough.

The Shire covers some 3,500 square kilometres of a wide range of land types, from steep mountainous forested country to basalt plains and cropping lands. The municipality is approximately two hours' drive west of Melbourne via the Western and Sunraysia Highways, and 30 minutes from Ballarat.

Pyrenees Shire contains significant areas of publicly accessible land being the Pyrenees Ranges and Mount Cole State Forest, which form part of Australia's Great Dividing Range. Other forested areas exist in the southern and northern parts of the Shire between Moonambel and Redbank / Barkly areas, along with the Beaufort and Snake Valley districts. Other significant elements of the Great Dividing Range in or adjacent to the Shire include Mount Langi Ghiran, Mount Buangor, Mount Cole and Ben Nevis. These areas of public land have farmed foothills associated with them.

The countryside of the Shire varies from the very steep hill areas of the Mount Cole, Mount Buangor and Pyrenees Ranges to the undulating flat open terrain around the Natta Yallock, Stoneleigh and Streatham areas. The major streams are the northerly running Wimmera and Avoca Rivers and the Bet Bet Creek, together with the southerly running Middle, Fiery and Emu Creeks.



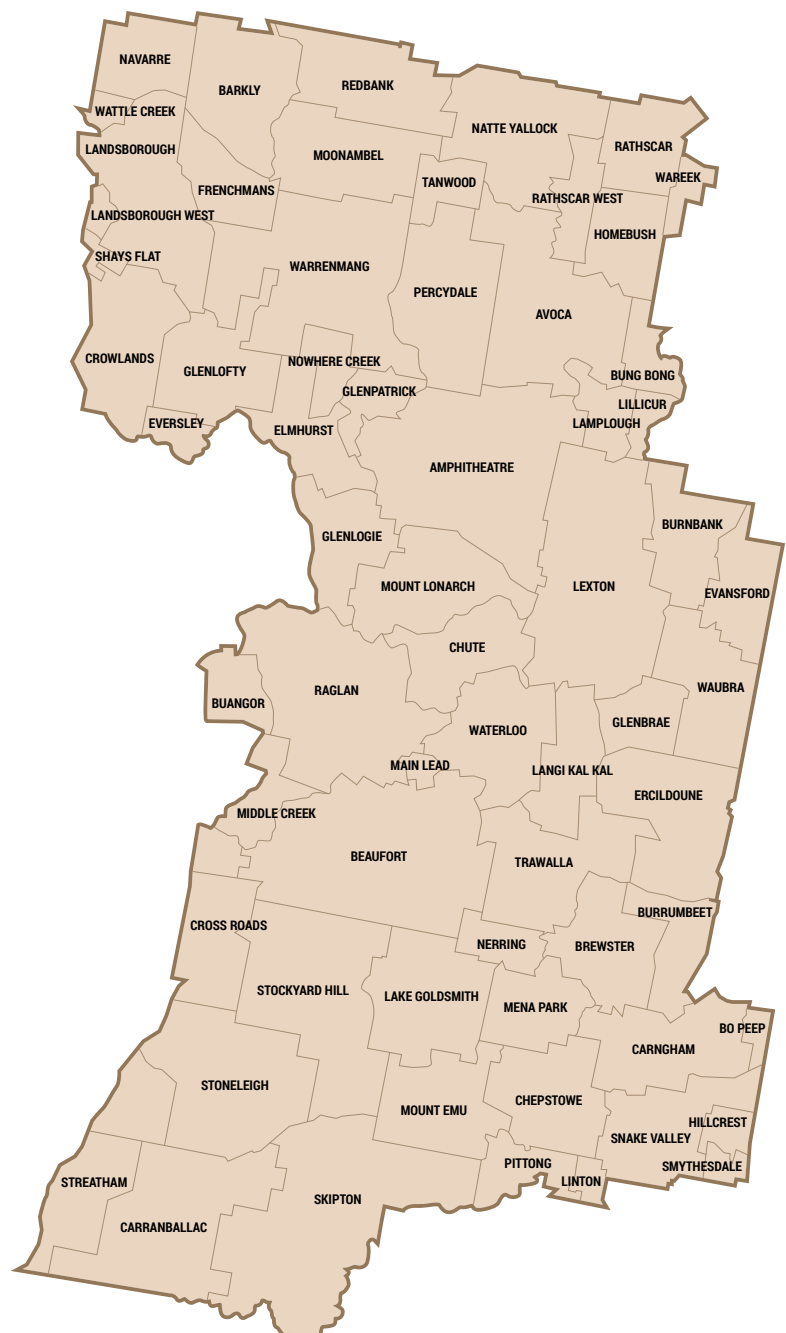
Sections of the Shire which have been cleared have generally been improved for pasture with soil types varying from light gravel / clay soils in the north to very rich volcanic soils in the east and south.

Major water courses still contain and promote stands of native trees. Considerable areas of State forest, pine and blue gum plantations, along with private plantations exist in Beaufort, Raglan, Avoca, Landsborough, Moonambel, Waterloo, Chute and Snake Valley. Other plantations are reducing in size at Skipton, Lake Goldsmith, Trawalla, Eurambeen and Mena Park.

The climate varies between the north and south of the region. North of the Pyrenees Ranges there is a warmer, drier climate with rainfall of about 650mm per year. South of the Ranges is a cooler, wetter climate with rainfall average in excess of 750mm per year.

Our townships and localities

The municipality includes the townships of Beaufort, Avoca and Snake Valley and the communities of Amphitheatre, Barkly, Bo Peep, Brewster, Bung Bong, Burnbank, Carngham, Carranballac, Chepstowe, Chute, Cross Roads, Crowlands, Ercildoune, Eurambeen, Evansford, Eversley, Frenchmans, Glenbrae, Glenlofty, Glenpatrick, Glenshee, Hillcrest, Lake Goldsmith, Landsborough, Lamplough, Langi Kal Kal, Lexton, Lillicur, Lower Homebush, Main Lead, Mena Park, Middle Creek, Moonambel, Mortchup, Mount Emu, Mount Lonarch, Natte Yallock, Nerring, Nowhere Creek, Percydale, Raglan, Rathscar, Redbank, Shays Flat, Shirley, Stockyard Hill, Stoneleigh, Tanwood, Trawalla, Warrenmang, Waterloo, Wattle Creek and Waubra.



OUR MUNICIPALITY SNAPSHOT



Population

Population **7,645**

Males **52.1%**

Females **47.9%**

Country of Birth

Australia **81.1%**

England **3.6%**

New Zealand **1.2%**

Netherlands **0.5%**

Philippines **0.4%**

Scotland **0.4%**

Households with a non-English language used at home **3.2%**



Area

3,434 square kilometres

2029 km of local road network – 738 km sealed, 1,291 km unsealed

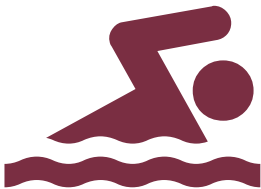
6,543 rateable properties



Council

5 Councillors

121 employees



Pools

3 outdoor public swimming pool locations: Avoca, Beaufort and Landsborough

9,328 visits to swimming pools



Libraries

2 Library / Resource centres at Avoca and Beaufort

Mobile outreach service serviced Amphitheatre, Lexton, Avoca Hostel, Landsborough, Barkly, Redbank, Raglan, Trawalla, Snake Valley, Moonambel, Natte Yallock and Waubra.

12,498 library collection items

19,273 library items loaned



Schools

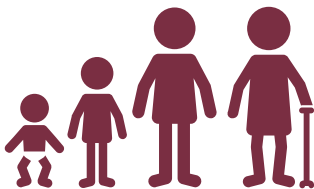
9 Government primary schools

1 Government secondary school



Family and Child Health

61 Enrolments in Maternal and Child Health Service from birth notifications



Age

Median age 50

Population over 60 years 35.8%



Income and work

Median weekly family income \$1,419

In the labour force 48.2%

Working 53.3% full-time, 34.1% part-time

Unemployed 3.8%



OUR HEALTH



In the last Census:

- **46.9%** report no long-term health conditions

Health conditions reported included:

- Arthritis **13.6%**
- Mental Health condition **11.7%**
- Asthma **9.9%**
- Cancer **4.3%**
- Diabetes **6.1%**
- Heart disease **6.1%**
- Dementia **0.6%**

OUR ECONOMY

Our Shire is home to a strong community and economy. It is host to attractive tourism and business operations including the Pyrenees Wine Region and other locally owned enterprises and agriculture.

Council has a strong record of allocating its budgets to meet areas of priority to local communities.



Community facilities

- Lexton Hub construction completed in 2022/23 – \$3.8 million joint Council and Government investment
- Beaufort Goldfields Electrical upgrades and oval lighting -\$450k



Communication improvements

- STAND project implemented by NBN Co to improve rural connectivity in the event of a natural disaster
- Council continuously advocates for improvements in the black spot removal program
- Installation of a digital hub in Avoca to support small business and business start-ups was completed during the financial year



Critical Infrastructure

- Almost \$9 million invested into infrastructure and community focused capital works projects – including roads and drainage
- Over \$2.8 million on bridge replacements



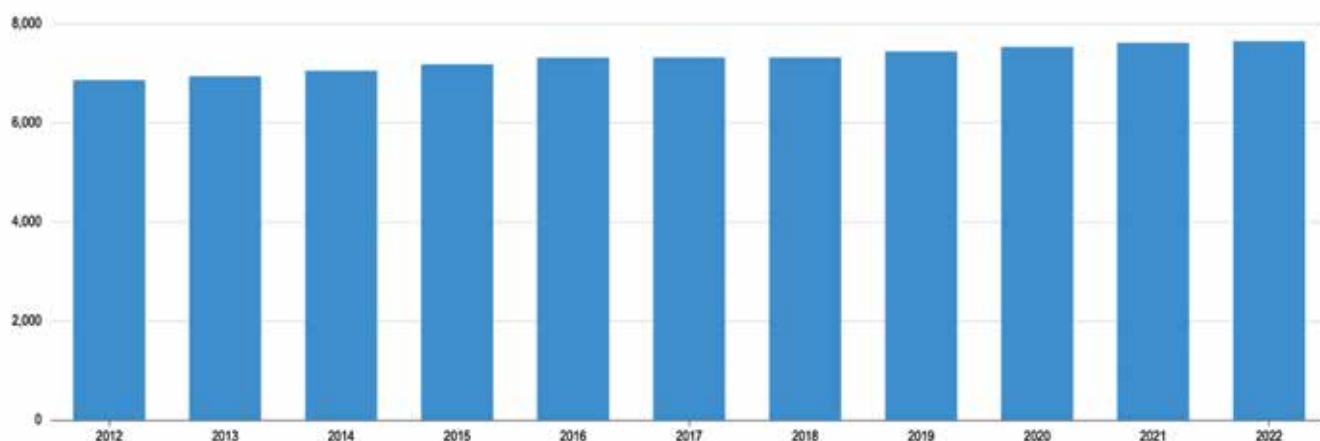
The unique features of the Shire establish it as the liveable heart of Victoria, celebrated by tourists, business and our communities, with a broad range of community interests in the arts, sport, its historical background and the numerous natural assets for those interested in bushwalking and cycling. Tourist attractions include:

- Distinctive landscapes, encompassing flat and open plains and hilly terrain, amongst which Mount Cole stands highest
- The Pyrenees Ranges which provides for two separate climates to its north and south
- Situated at the heart of the famous Pyrenees Wine Region, hosting many established vignerons and wineries
- A long and continuing history of gold discovery, reflected in the current bid to add the Victorian Goldfields to the UNESCO World Heritage List
- Heritage precincts across the Shire, particularly in Avoca, Beaufort, Landsborough and Moonambel
- Historic homesteads on the Victorian Heritage Register, including Mawalok, Mount Mitchell, Ercildoune and the Percydale Historic Reserve
- Burgeoning creative sector exemplified by the Art Trax Gallery operating from the refurbished Beaufort train station and the Avoca Arts & Gardens Precinct operating from the former Avoca railway station
- Several high-profile State Parks including Mount Buangor, Pyrenees Ranges State Forest, Mount Cole and Ben Major.

Key industry sectors include an established agricultural industry focussing on wool, meat, hay production, grain, potatoes and nurseries, grapes and forestry; plus four windfarms.

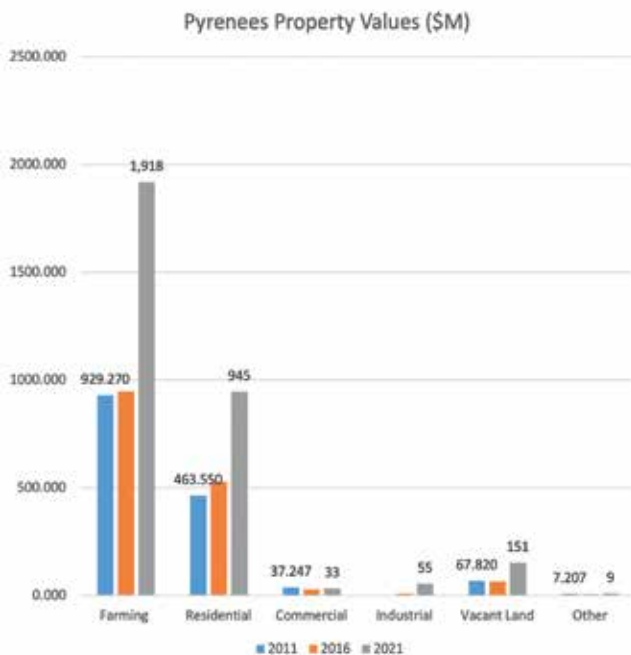
Population

Population growth in the Pyrenees Shire has seen a small but steady increase over the last 10 years, supported by Council's Correa Park development in Beaufort, and infill development in all townships.



Property values

Property values rose across the Shire in the financial year. Although the statistics are difficult to separate, the increase seen in farming valuations was greater in the southern end of the Shire.



Tourism

Tourism is an important industry in the Shire. The Pyrenees has a range of natural attributes which lend themselves to outdoor activities such as bushwalking, camping, cycling, and sightseeing with around 20 winery cellar doors operating in the renowned Pyrenees and Grampians wine regions.

The Shire hosts a range of food and wine events throughout the year, including “Pyrenees Unearthed” wine and food festival in April and cellar door events such as “Paella in the Pyrenees”. Many local wineries host more informal music and arts events.

Moonambel events specialise in mid-winter bonfires or spectacular fireworks displays. Lake Goldsmith Steam Rally is held twice per year.

Other events throughout the year include equestrian endurance rides and races, car rallies, cycling and walking events that take advantage of the state forests or country roads of the Pyrenees. Many smaller towns showcase their area with events such as markets and vintage car rallies. Regular tournaments are held including petanque, croquet, golf and lawn bowls.



The Pyrenees Shire Council is partnered with 12 other local governments, led by the Cities of Ballarat and Greater Bendigo, to progress a bid for the Central Victorian Goldfields to be included on the World Heritage List.

This will share the extraordinary story of the Central Victorian Goldfields with people from across the globe and create social, cultural and economic opportunities across the region.

Arts & Culture

Art features prominently in the Shire with two main galleries in Beaufort (Art Trax) and Avoca (Gallery 127), a range of other art-focused communities and major art shows held in the two major towns annually.

Markets held across the Shire attract a range of visitors and locals alike and support a growing group of local artisans, food producers and makers.

Sport

The Pyrenees Shire hosts football and netball clubs and leagues, junior and senior cricket, tennis, golf and lawn bowls, with many of the townships enjoying easy access to recreation and sportsgrounds.

The beautiful natural environment attracts sporting pursuits including motorbike riding, cycling and hiking.

The Avoca Shire Turf Club hosts country race meets twice a year.

Economy

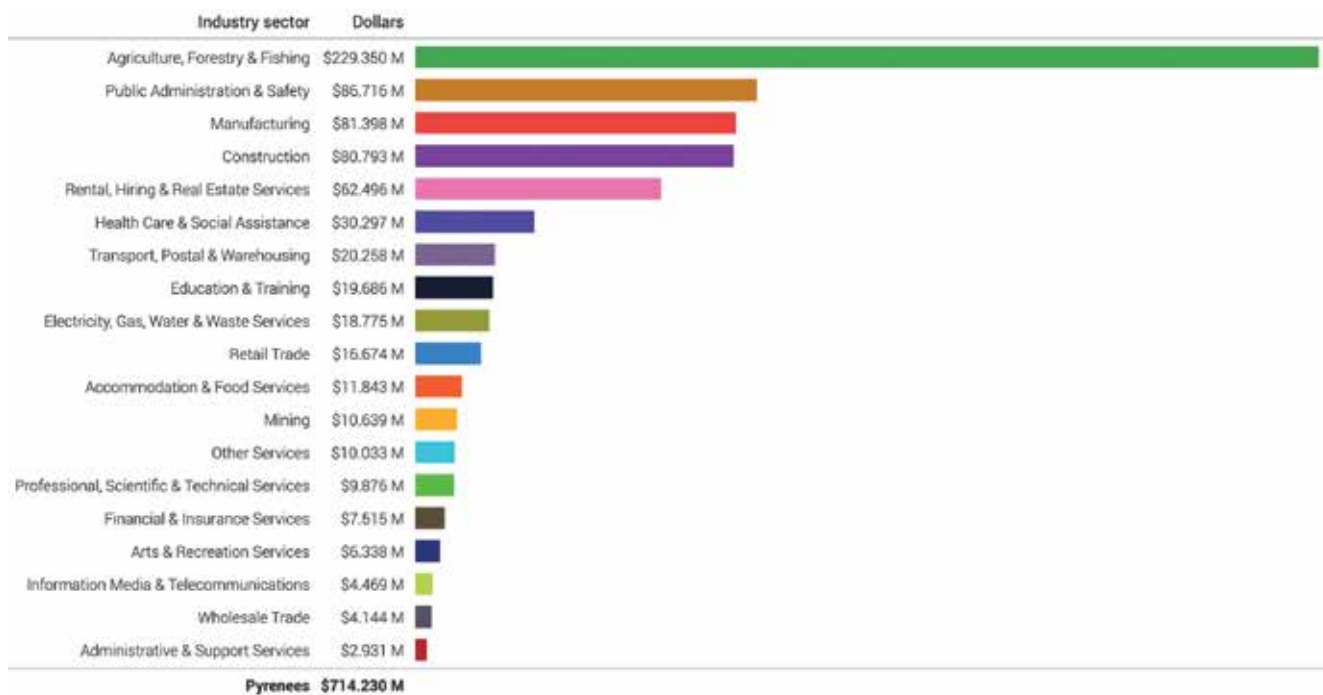
The Shire is dependent on its agriculture and viticulture industries. It is renowned for wool, wine, grain, sheep and forestry activity.

Businesses in the industry type “agriculture, forestry and fishing” make up nearly half of the total number of businesses in the Shire, almost one third of its gross output, and almost a third of the workforce is employed in this industry. Key agriculture crops include wool, cereal, hay and meat.

Other important industries of employment include viticulture, healthcare and social assistance, electricity, gas and waste-water services, construction industry and retail trade.

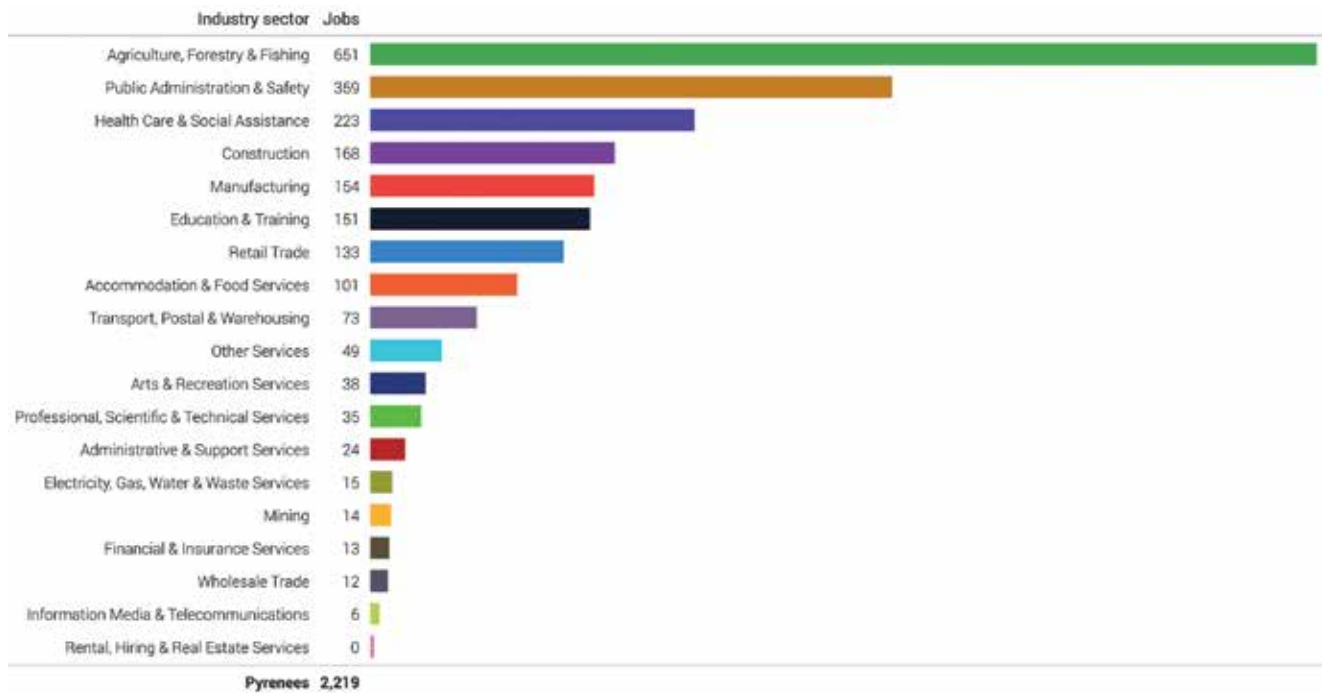
HM Prison Langi Kal Kal and Council are major employers in the region within the Public Administration and Safety sector.

Output data represents the gross revenue (or total sales / income) generated by businesses/organisations in each of the industry sectors. The total output estimate for Pyrenees is \$704.526 million.

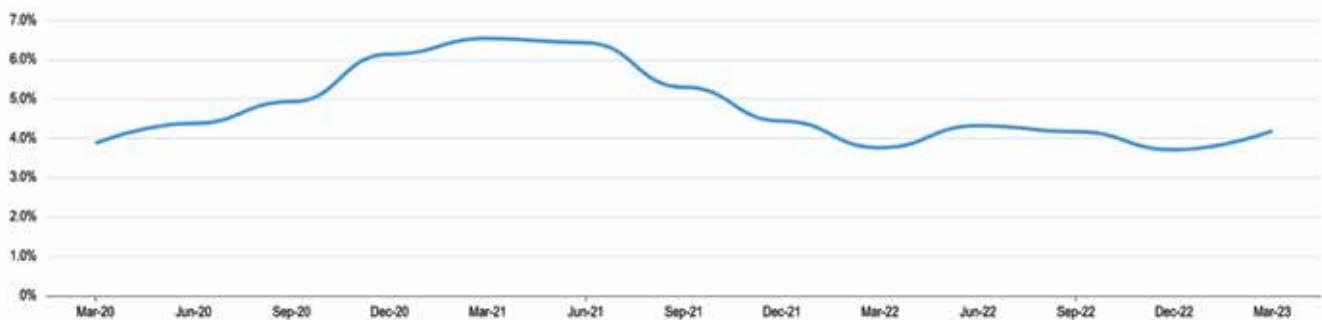


Employment

The total employment estimate for the Pyrenees Shire is 2,219 jobs. Employees whose place of work is located within the Pyrenees Shire is shown across the range of industries below.



In line with statistics throughout Victoria, unemployment remained steady during the financial year, remaining at just under 4%.





Avoca
Community Bank Branch

Section 4: OUR COUNCIL

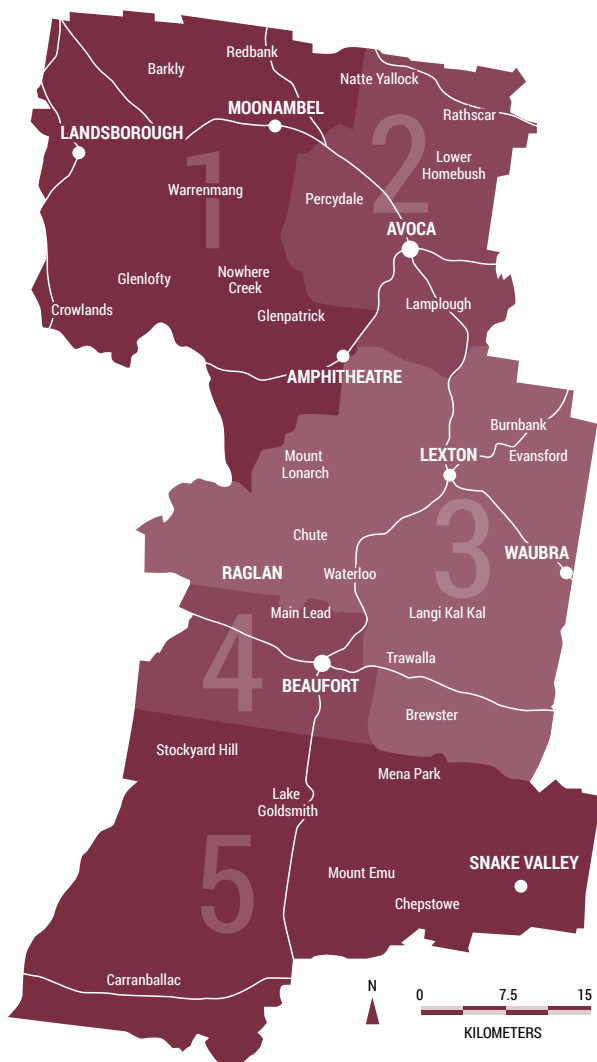




OUR COUNCIL

Council is elected by the Pyrenees Shire community to provide leadership for the good governance of the municipal district and the local community. This Council was re-elected on 24 October 2021 for a further four-year term.

The municipality is divided into five wards, represented by one Councillor in each ward. The five Councillors are the elected representatives of all residents and ratepayers across the Shire. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.



- 1 De Cameron Ward
- 2 Avoca Ward
- 3 Ercildoune Ward
- 4 Beaufort Ward
- 5 Mount Emu Ward



COUNCILLORS



Cr Ron Eason – Mayor

Avoca Ward

First elected 2012, re-elected 2016, 2020

T 0417 508 471 **E** avoca@pyrenees.vic.gov.au

Cr Ron Eason is a businessman and helpful character. Cr Eason's broad working experience includes manufacturing and small business. He loves the picturesque environment around Avoca and has found the community of Avoca so friendly, a big difference to his life in Melbourne and the Goulburn Valley. He highlights a desire to help people in the Pyrenees Shire as his aspiration for standing for Council. Cr Eason would like to see a more sustainable Council that serves the Shire.



Cr David Clark

Ercildoune Ward

First elected 1992, re-elected 1996, 1999, 2008, 2012, 2016, 2020

T 0417 374 704 **E** ercildoune@pyrenees.vic.gov.au

Cr David Clark is a big picture thinker and a champion for the local community. Cr Clark's breadth of experience crosses accounting, community development, public sector governance and natural resource management. He appreciates the character of the Pyrenees landscape, particularly the rolling hills, rich soils, and forests of eucalypts and other species. Cr Clark's motivation to join Council was the chance to make a difference and use his strategic skills. He highlights continuing to improve gravel roads, working towards being a more digitally-astute Council, and communities who (in general) are all after the same things for their future as his aspirations for this Council term. Cr Clark operates a mixed farming property at Glenbrae and works in Landcare. He shares his life with his wife Peta and their three children.



Cr Damian Ferrari

Beaufort Ward

First elected 2018 (Beaufort Ward by-election), re-elected 2020

T 0437 662 295 **E** beaufort@pyrenees.vic.gov.au

Cr Damian Ferrari was born and raised in the Beaufort area and still resides in the area on a farm at Mount Cole. Cr Ferrari is community-minded and a community advocate and genuinely cares about the people in our municipality. He would like to see Council be progressive, sustainable, accountable and accessible to the community. Cr Ferrari is passionate about ensuring the long-term sustainability and progress of Beaufort, building a harmonious, resilient and connected community, and protecting our environment. He highlights providing for our elderly and nurturing our youth as his aspirations for this Council term. Cr Ferrari enjoys camping, fishing, gardening and listening to Radio 88 FM.



Cr Tanya Kehoe

Mount Emu Ward

First elected 2012, re-elected 2016, 2020

T 0439 571 480 **E** mountemu@pyrenees.vic.gov.au

Cr Tanya Kehoe is an educator and community advocate. Cr Kehoe's professional experience spans teaching, pastoral care and farming. Cr Kehoe loves the sense of community in the Mount Emu and Snake Valley area, a community that she has been part of her whole life. In her role as Councillor, she wants to use her strengths to better her community, and strongly represent her community. Cr Kehoe would like to see the continued development of the Snake Valley township, improve opportunities for young people, and advocate for better services with regards to roads and facilities. Cr Kehoe is also keen to continue to focus on how to best support farmers, services and businesses across the shire to continue to advance the local area for all residents. Cr Kehoe and her husband run a sheep property at Mount Emu and have seven children.



Cr Robert Vance

De Cameron Ward

First elected 1987 (Avoca Shire Council), re-elected 1996, 1999, 2008, 2012, 2016, 2020

T 0447 384 500 **E** decameron@pyrenees.vic.gov.au

Cr Robert Vance is a farmer, community lobbyist and long-serving Councillor. Cr Vance is a sheep farmer and has spent more than three decades in local government, including five years as an executive on the Rural Councils Victoria Board. He loves the natural beauty of the environment and appreciates the quality of the people that live in the Pyrenees. Cr Vance values the community's ability to come together in times of need or grief and to provide support to one another, regardless of difference. Cr Vance highlights giving back to his community as his main reason for standing for Council.

Section 5: OUR PEOPLE



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. The CEO and two directors form the Executive Leadership Team (ELT) and lead the organisation.



Jim Nolan – *B.Eng (Civil)* **Chief Executive Officer**

Jim was appointed Chief Executive Officer with Pyrenees Shire Council in December 2014. He has over 30 years' experience in local government at Glenelg, Southern Grampians and Northern Grampians Shire Councils. Jim has extensive experience across infrastructure, project delivery, community and economic development.

As Chief Executive Officer, Jim is responsible for the day-to-day operations of Council, the delivery of the Council Plan and the implementation of Council decisions. Jim also has direct responsibility for economic development, people and culture, and communications.



Kathy Bramwell – *DipHE (Business); Grad. Cert. Risk Management* **Director Corporate and Community Services**

Kathy joined Pyrenees Shire Council in January 2017, originally working in the Governance and Risk area, and moving into the Director role in mid-2018. She has 20 years' experience in governance, risk management and compliance in the Victorian Public Sector – in local government at Brimbank City Council and, before the Pyrenees, at RMIT University in Melbourne.

Kathy is responsible for the strategic management of the Corporate and Community Services Directorate, which includes finance and administration, information technology, governance, corporate compliance, risk management/OHS, emergency management, customer service, community wellbeing, community development, and Council's libraries and information centres.

Kathy is also Council's Councillor Conduct Officer and Public Interests Disclosures Coordinator.

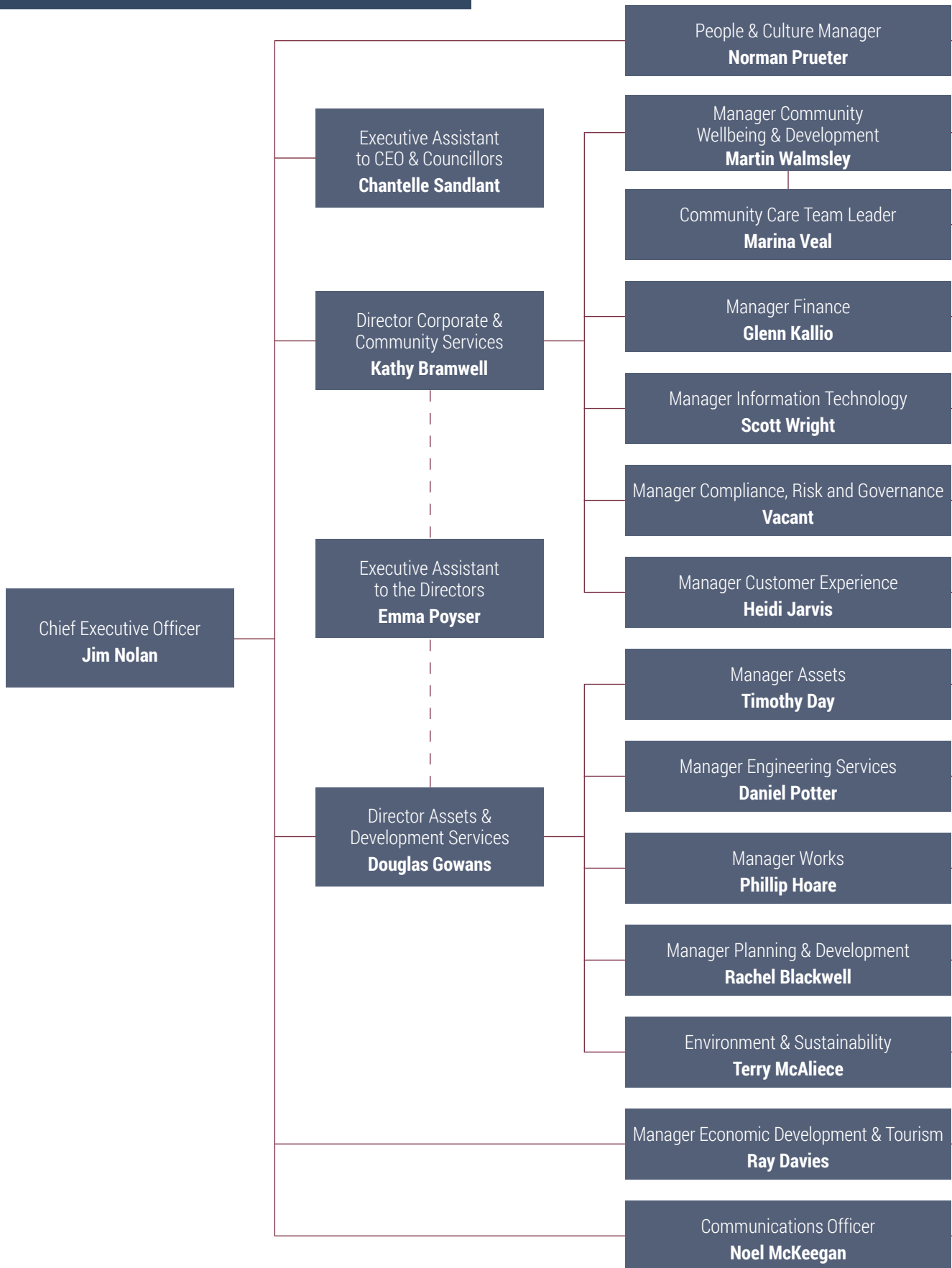


Douglas Gowans – *B.Eng* **Director Assets and Development Services**

Douglas joined Pyrenees Shire Council in 2015. His experience in local government spans two decades including roles at Golden Plains and Hindmarsh Shire Councils.

Douglas manages the operations and asset areas of Council. His responsibilities include the construction and maintenance of critical public infrastructure, including roads and bridges, as well as waste management and recycling, public asset maintenance, environment, town planning, building services and community safety and amenity.

MANAGEMENT STRUCTURE



- • Human Resources Management
- • People & Culture
- • Recruitment
- • Workforce Planning
- • Community Planning
- • Family & Children's Services
- • Community Development
- • Sport & Recreation, Health Promotion
- • Community Focused Project Management
- • Community Engagement Support
- • Home-based Aged Care
- • Active Ageing
- • Social Support Groups
- • Financial Management
- • Financial Operations
- • Payroll
- • Creditor / Debtors
- • Revenue & Rates
- • Information Technology
- • Computer Hardware
- • Server & Software
- • Telecommunications
- • Geographical Information Systems
- • Policy Systems
- • Risk management
- • Business Continuity
- • Emergency Management
- • Governance
- • Records Management
- • Customer Service
- • Resource Centres
- • Libraries
- • Capital Works Project Management
- • Asset Management Systems
- • Building Maintenance
- • Strategic Asset Management
- • Engineering Design
- • Waste Management & Recycling
- • Contracts Management
- • Parks & Gardens Maintenance
- • Road & Bridge Maintenance
- • Plant & Equipment Maintenance
- • Public Infrastructure Maintenance
- • Statutory Planning
- • Strategic Planning
- • School Crossing Supervisors
- • Planning Enforcement
- • Environmental Health
- • Building Services
- • Community Safety & Amenity
- • Fire Prevention
- • Planning Referrals
- • Council Sustainability
- • Weed Management
- • Economic Development
- • Tourism
- • Visitor Information Centres
- • Events
- • Communications



WHAT WE DO

The following gives a broad outline of the key functions undertaken by the different departments and functions within the directorates.

Office of the Chief Executive Officer

Communications	<ul style="list-style-type: none"> Media releases Social media Official communications Website management
Advocacy	<ul style="list-style-type: none"> Advocating and promoting proposals which are in the best interests of the local community
People & Culture (Human Resources)	<ul style="list-style-type: none"> Recruitment, retention and staff wellbeing Volunteer management Organisational training and development Industrial relations / grievance management WorkCover and return to work management Gender Equality
Economic Development & Tourism	<ul style="list-style-type: none"> Economic and business development Business sector monitoring, support, liaison and advice Tourism promotion and marketing Caravan Parks Events promotion

Corporate and Community Services Directorate

Community Wellbeing & Development	<ul style="list-style-type: none"> Home-based care and support services Senior Citizens centres Supported social activities Maternal & Child Health Supported playgroups Immunisation program Community groups and action planning support Youth services and support Community grants program Community health and wellbeing Sport and recreation planning / aquatic facilities Library services Community engagement Project management facilitation Recovery management Family Violence
Frontline Services	<ul style="list-style-type: none"> Customer service / Council business Resource Centres / Libraries Customer Action Requests administration
Finance	<ul style="list-style-type: none"> Financial management, budgeting and reporting Property and revenue / accounts receivable Fleet procurement and maintenance Accounts payable
Information & Communications Technology	<ul style="list-style-type: none"> Data and information security / Disaster Recovery Information management Systems development and management Customer support Geographic Information Systems
Governance Risk & Compliance	<ul style="list-style-type: none"> Governance and corporate compliance Risk management and occupational health & safety Business continuity management Fraud & corruption protection Privacy and FOI management Procurement governance Records management Complaints administration and management Organisation service and process reviews Internal audit
Emergency management	<ul style="list-style-type: none"> Municipal emergency management planning and administration Municipal relief and recovery support

Assets and Development Services Directorate

Works / Operations	<ul style="list-style-type: none"> Stormwater, bridges, roads and footpath maintenance Parks and gardens, public municipal area maintenance Street tree management Litter management and graffiti removal Traffic management Conservation and bushland management Plant and equipment maintenance Asset inspection schedules and Road Management Plan management / compliance
Planning & Development	<ul style="list-style-type: none"> Customer service, technical advisory and issues resolution Property information Statutory planning Strategic planning (urban design / township, land use, social planning and public spaces, strategic policy & zoning, heritage management) Building control, safety and enforcement Emergency incident post impact assessment
Community safety & public health	<ul style="list-style-type: none"> Fire prevention program Resilient communities / Pyrenees Community Safety Working Group Environmental Health (Food safety, public health & wellbeing, domestic wastewater management) Community Safety & Amenity (local law enforcement, animal & stock management, school crossing supervisors, parking enforcement, footpath trading, public amenity enforcement)
Asset Management	<ul style="list-style-type: none"> Building / facilities maintenance Asset management planning and systems Strategic assets management and lifecycle planning Asset condition inspections and reports
Engineering Services	<ul style="list-style-type: none"> Engineering design Capital works project management Contract and contractor management Roads and footpath provision / planning / construction Roads infrastructure provision Stormwater drainage provision
Environmental sustainability	<ul style="list-style-type: none"> Land management Pest and weed management Environment sustainability and climate change Open air burning / fuel reduction burning Collection of firewood Natural resource management / native vegetation offset management Climate resilient communities Maintenance of bushland reserves and rural walking tracks Support for Friends and Landcare Groups



COUNCIL STAFF

As of 30 June 2023, a summary of the number of full-time equivalent (FTE) staff categorised by employment classification and gender is set out below. This represents an increase in FTE from the previous year.

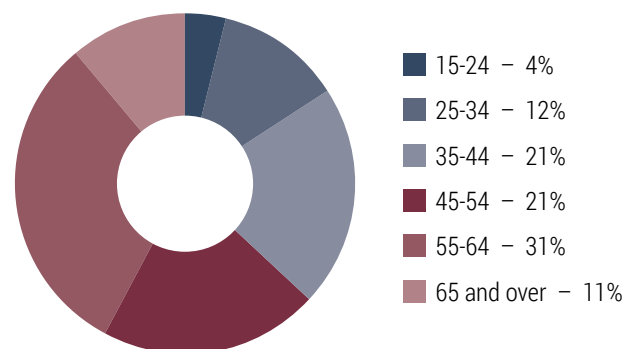
Structure Classification	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All other FTE	Total FTE
Permanent FT – F	0	0	1	1	4	4	1	2	2	15
Permanent FT – M	0	0	16	10	3	11	2	4	7	53
Permanent FT – X	0	0	0	0	0	0	0	0	0	0
Permanent PT – F	0.9	3.1	1.8	8.4	3.4	2	1.5	0	1.5	22.6
Permanent PT – M	0	0	0	0	0	1.6	0	0	0	1.6
Permanent PT – X	0	0	0	0	0	0	0	0	0	0
Casual – F	0.2	0	0	1.7	0.6	0	0	0	0	2.5
Casual – M	0	0	0	0	0	0	0	0	0	0
Casual – X	0	0	0	0	0	0	0	0	0	0
Total	1.1	3.1	18.8	21.1	11	18.6	4.5	6	10.5	94.7

FTE = full-time equivalent; FT = full-time; PT = part-time; F = female; M = male; X = Non-binary

As of 30 June 2023, the Pyrenees Shire Council had a total workforce of 94.7 equivalent full time, 121 individuals.

Number of staff categorised by age group

Age group	Number of staff
15-24	5
25-34	15
35-44	26
45-54	26
55-64	38
65 and over	13





OTHER STAFF MATTERS

Gender Equality Action Plan (GEAP) and Gender Impact Assessments (GIAs)

Council commenced the implementation of its GEAP by providing specific training to women in the workplace, providing Higher Duties or Secondment opportunities to its diverse workforce and educating the workforce on the importance of diversity in the workplace.

Council has also started to develop GIAs (or as it is internally called 'Diversity & Inclusion Impact Assessments) to help the organisation to think critically about how policies, programs and services will meet the different needs of women, men and gender diverse people in its community. The purpose of GIAs is to create better and fairer outcomes and make sure all people have equal access to opportunities and resources.

Recruitment, attraction and retention

Council advertised 30 positions in 2022/23. A few positions needed to be advertised multiple times as Council was unable to fill positions due to labour shortages in the market. For most positions advertised, Council continues to receive multiple applications.

Traineeships and work experience

Five (5) trainees undertook their traineeship during 2022/23 in areas such as Records Management, Occupational Health & Safety, Community Services and Customer Services. Furthermore, secondary school students and tertiary school students are given the opportunity to undertake work experience placements in the organisation.

Learning and development

Council continues to provide ongoing learning and development to all staff through internal and external programs.

A sample of the training undertaken in 2022/23 includes:

- First Aid/CPR
- Occupational health and safety
- Mental Health First Aid
- Emergency Management Training
- Project Management
- Chemical Management
- Contract Management
- Unconscious Bias/Diversity & Inclusion Training
- Management Training for new supervisors
- Company Directors Course

Furthermore, staff attended conferences organised by the Municipal Association of Victoria (MAV) and LG Pro.

Recognition of length of service

Council recognises the length of service that staff contribute as part of its annual end-of-year celebrations. Staff acknowledged for their service and commitment to the Pyrenees Shire in 2022/23 were:

10 years service

Helen Eaton
Terry McAliece
Wendy Anderson
Sally Roberts

15 years service

Norman Prueter
Robert Cloke



HEALTH, SAFETY & WELLBEING

Council is committed to providing a healthy and safe workplace for all Councillors, staff, volunteers, contractors and visitors of the Pyrenees Shire Council.

Council articulates and delivers this commitment through its Health, Safety & Wellbeing Policy and OHS Management System and recognises health, safety and wellbeing as an integral part of our business.

The Pyrenees Way

“The Pyrenees Way” describes how the Pyrenees Shire Council manages its Health, Safety and Wellbeing obligations – representing a culture where safe work practices and attitudes, and a speak up culture are reflective of “the way we do things at the Pyrenees Shire Council – safely and without harm”.

Council works towards minimising harm by focusing on four key pillars:

1. **Leadership:** provide direction and support in the provision of high standards of health, safety, wellbeing and environmental standards; aiming to eliminate or reduce as far as is easily practicable the risk of harm and promoting a zero tolerance to workplace aggression or violence;
2. **Systematic Approach:** establish a management framework that supports a strong and compliant health, safety and wellbeing culture, inclusive of behavioural standards that promote good mental health;
3. **Active OHS and Speak Up culture:** promoting an organizational culture that accepts good health, safety and wellbeing; and encourages continuous improvement as an integral part of the way that Council and its workforce undertakes its activities; and
4. **Workplaces and equipment:** ensuring a deep understanding of the nature of hazards inherent within Councils work, activities and undertakings.

The Pyrenees Shire Council achieves these goals by:

- Ensuring that health, safety and wellbeing is adequately resourced and maintained as an integral part of business planning processes;
- Complying, as a minimum, with all relevant OHS laws and regulations;
- Identifying, eliminating or mitigating risks, as far as is reasonably practicable, to Council’s workforce;
- Implementing, maintaining and reviewing our OHS Management system;
- Continual and effective improvement of OHS performance, through the setting and review of objectives and targets, which relate to key aspects of the business;
- Providing and maintaining an effective mechanism for consultation, communication and partnership with all Councillors and staff on health, safety and wellbeing matters;
- Maintaining a culture of employee consultation and teamwork in all aspects of health and safety;
- Providing and maintaining an effective process and tools to encourage the reporting, management and resolution of health, safety and wellbeing hazards, risks, incidents and issues;
- Providing appropriate health, safety and wellbeing awareness and training to develop an informed and knowledgeable Council and workforce; and
- Requiring all Councillors, employees, contractors and volunteers to accept responsibility for their own actions, and to behave in a manner that reflects safe work practices.

Officers report regularly on health, safety and wellbeing to Council’s Audit & Risk Committee, OHS Committee, Staff Consultative Committee and Risk Management Committee on issues that arise.

Psychosocial Safety & Wellbeing

Council actively monitors the mental wellbeing of its staff and aims to create and maintain an inclusive and supportive workplace, where employees feel appreciated and everyone is treated equally and fairly. Council works under the following principles:

- Fostering a culture of respect and tolerance of people who have psychological challenges.
- Being mindful that people may have undisclosed psychological concerns that could impact on a range of interactions.
- Facilitating good mental health and psychological safety by virtue of connectedness, tolerance and respect and through fostering productive work relationships and an inclusive workplace culture.

To deliver this priority, over the past 12 months Council has:

- Trained a team of mental health first aiders who can provide instant support to staff.
- Developed a Mental Health Policy.
- Monitored staff grievances and use of the employee assistance program to identify early triggers that need intervention.
- Provided training to staff on behaviour matters and unconscious bias.
- Included psychological safety and mental health wellbeing as an integral part of discussions in risk management and healthy & safety committees.

Claims

Council experienced no claims during the reporting period.



Section 6:

OUR PERFORMANCE





OUR PERFORMANCE

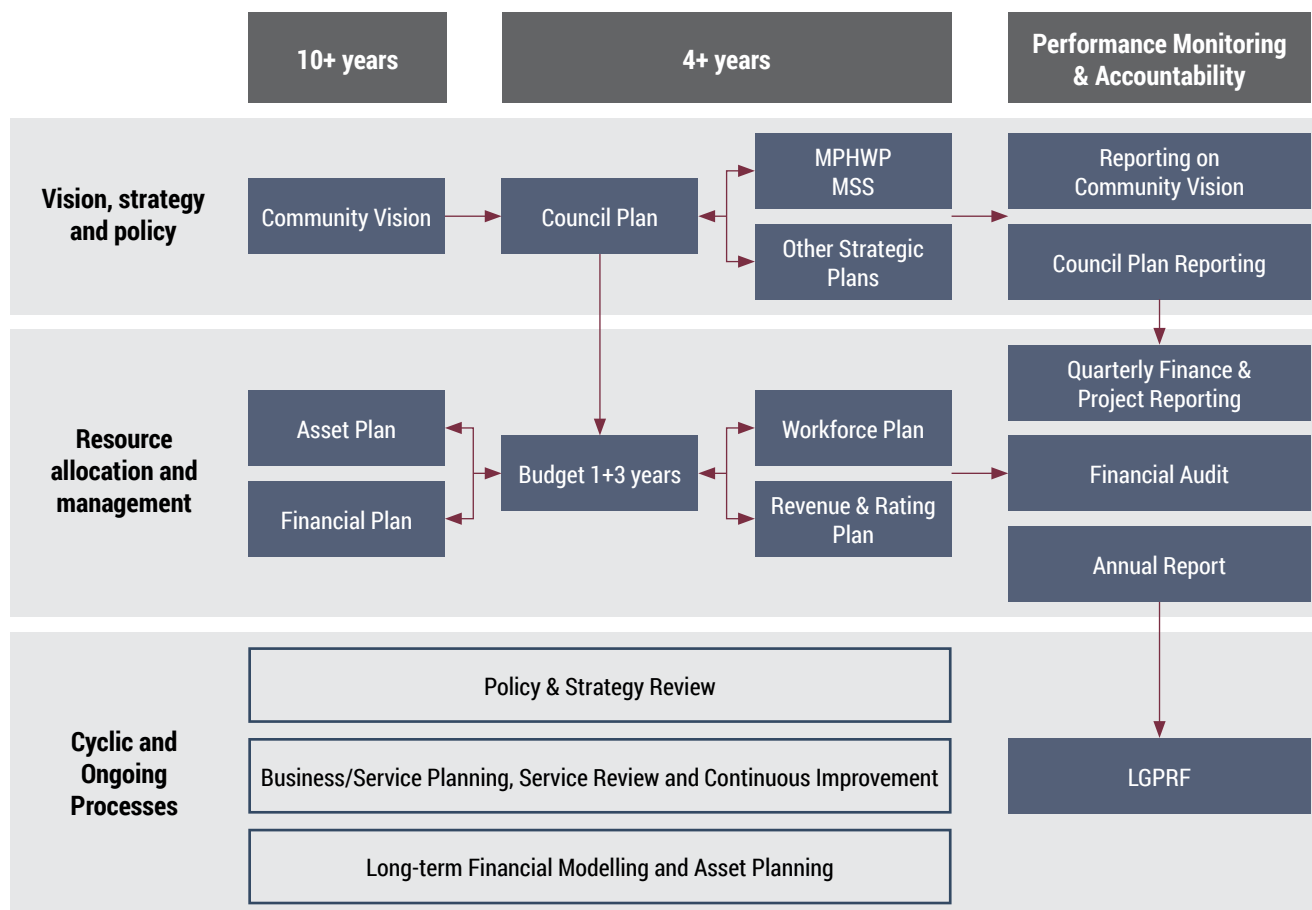
Integrated strategic planning and reporting framework

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 the opportunities for community and stakeholder input and feedback.

Following the development of a full suite of documents from 2021 and 2022, the following were reviewed and updated in 2022/23 financial year:

- An Annual Budget
- The Revenue and Rating Plan and the 10-year Long-term Financial Plan
- Governance Rules

Progress and update reports were provided to the Council and Community via Council meetings on the Budget and Council Plan.



COUNCIL PLAN

30 June 2023 saw the mid-term point of the Council Plan 2021-2025. The Plan was developed and adopted in 2021, strongly based upon the community-developed Pyrenees Shire Community Vision 2021-2031 and changed the plan from an inward focus to a community focus.

The Council Plan 2021-2025 includes strategic objectives, operational strategies for achieving these for the four-year Council term, and strategic indicators for monitoring achievement of the strategic objectives.

Enabling Principles	
Motivate and inspire community involvement	Provide transparency and accountability
	Use resources efficiently and effectively

Priorities to Achieve the Vision	
People	Place
<ul style="list-style-type: none"> Prepare for emergencies and ensure community safety Support a vibrant community arts, culture and heritage environment Improve accessibility and inclusivity Promote health, wellbeing, engagement and connection Improve social outcomes 	<ul style="list-style-type: none"> Sustain and enhance unique character of our communities Support community sustainability Enhance liveability of our communities Promote responsible development
Environment	Economy
<ul style="list-style-type: none"> Lead and promote environmental sustainability Foster a climate change resilient community Encourage community care of biodiversity and natural values Improve waste management to reduce landfill and reduce harm to the environment 	<ul style="list-style-type: none"> Support our local businesses and help to strengthen key industries Invest in road infrastructure to improve connectivity for commerce and community Advocate for and invest in assets and infrastructure to support industry sustainability

Performance

Council's performance for the 2022/23 year has been reported below in separate sections against each strategic objective to demonstrate Council's progress against the Council Plan, separated within each section as follows:

- Results achieved in relation to the strategic indicators in the Council Plan
- Progress in relation to the priorities identified to achieve the Vision in the Council Plan
- Services funded in the budget
- Results against the prescribed service performance indicators and measures









COUNCIL PLAN – ENABLING PRINCIPLES

Our Community Panel said in 2031 that the Pyrenees Shire Council will have motivated and inspired community engagement and involvement; and provided transparency and accountability.

Council Plan Priorities	Progress by 30 June 2023
a Motivate and inspire community involvement	
1 Embed community participation in project management framework	<p>Community engagement is now a condition embedded in the project management framework prior to approval being provided by the steering group for the project to commence.</p> <p>Monitoring of engagement is undertaken through monthly meetings of the project management steering group.</p>
2 Work with our communities to understand and release their aspirations	<p>Officers commenced a regular schedule of working within our communities in 2022/23, facilitating a closer relationship between Council operations and community members. The schedule is regularly promoted to the community.</p> <p>Officers continue to collaborate with community members on re-invigorating the community action plan program.</p> <p>An amalgamated community funding program framework was completed during 2022/23, creating a simpler and more consistent approach for our community groups and businesses.</p> <p>Face to face guidance and information sessions were provided to prospective applications during the year as part of the funding process.</p>
3 Encourage wide representation of community in Council decision-making being diverse in terms of gender, age, culture and occupation	<p>Opportunities for community discussion with Councillors and senior officers are provided monthly on a 24-month rotating schedule to all parts of the Shire.</p> <p>From September 2022, the Councillor Cuppa sessions were moved to late afternoon / early evening resulting in a greater level of community participation.</p> <p>A communications plan for 2023 was adopted in November 2022.</p> <p>Development of an engagement toolkit and guidelines are in development. When complete, this will be included as a step in the project concept development processes.</p>
4 Providing a range of opportunities for community participation, including online, in-person and through different media	<p>Comments relate as in (1), (2), and (3) above.</p> <p>Utilisation of the Engagement Hub application on Council's website is being strongly encouraged and an engagement / communications plan for 2023 was adopted.</p> <p>Use of the Engagement Hub for all engagement activities is encouraged.</p>

Council Plan Priorities		Progress by 30 June 2023
5	Annually report to a community consultative group to review the implementation of the Community Vision	<p>A report on how the Community Vision was implemented is being drafted and will be provided to the community consultative panel that developed the Vision later in 2023.</p> <p>Information was included in the 2022 Annual Report and an in-person forum with the community consultative panel will be convened in late 2023.</p>
b Provide transparency and accountability		
6	Reflect community consultation and research findings in decision-making	The Council report template has been amended to include a section for reporting on community engagement.
7	Have goals that are clear and measurable	<p>Measures to monitor the outcomes of this Council Plan are reported against annually.</p> <p>An Operational Plan was developed and adopted by Council to articulate operational activities that will support delivery and achievement of the Council Plan.</p> <p>The Operational Plan will be reviewed in late 2023.</p>
8	Provide relevant, timely, and accessible updates via a broad range of communication channels to reach groups and individuals without our community (e.g., website, email, e-newsletters, paper newsletters, notice boards)	<p>A "Customer First" project is being developed to identify opportunities to improve customer service across the organisation, including examination on potential improvements on community information and engagement.</p> <p>The Engagement Hub on Council's website continues to be used as an online tool for seeking community feedback and participation in projects. Project summaries are posted on the Engagement Hub to provide information about upcoming work.</p> <p>All active projects within Council are now included on an interactive dashboard. Ongoing improvement of the dashboard includes the implementation of a map facility for project location and the linking of financial data with Council's general ledger.</p> <p>Information and Shire news continues to be published in weekly newspaper media and social media where appropriate.</p>
9	Continue to foster a culture of accountability and transparency	Quarterly reporting is provided to Council and Community on progress against the Council Plan and is included in the Annual Report.
c Use resources efficiently and effectively		
10	Continue to build the capability and capacity of Council employees to deliver the Council Plan	<p>Council's executive leadership team is progressing a project to build organisational capacity, and dynamic workforce planning will feed into this project.</p> <p>Dynamic workforce planning is conducted to ensure that resources are appropriately positioned within the Council administration to maintain alignment with, and enable delivery of, the Council Plan.</p> <p>A robust project management process has been implemented which supports effective monitoring of Council Plan delivery.</p>

Council Plan Priorities		Progress by 30 June 2023
11	Promote financially responsible decisions	<p>Monthly meetings of the project management governance steering committee monitor expenditure on key projects, identifying financial risks and Council Plan alignment for all new projects or initiatives.</p> <p>Controls are in place to maintain an effective fraud and corruption prevention program, including regular checks on aggregate procurement levels with single suppliers or contractors and system-controlled financial expenditure limits based on roles and responsibilities.</p> <p>Project steering committee monitors financial adherence to whole-of-life budgets.</p> <p>Strategic and operational financial risks are regularly monitored and reviewed.</p>
12	Monitor staff wellbeing and satisfaction	<p>Staff satisfaction surveys are conducted annually with action plans developed to address concerns raised.</p> <p>The State Government implemented People Matters Survey was conducted for the second time in 2023.</p> <p>Mental health and wellbeing monitoring forms part of the agenda items considered regularly by the Risk Management and Health & Safety Committees.</p> <p>New Psychosocial Health legislative obligations are being monitored to ensure effective implementation when enacted.</p>

Council Plan – Enabling Principles – Performance against Strategic Measures				
Measure	Target	Source	Status Report	
1	Percentage of Council decisions made at meetings open to the public	Maintain to at least 90%	Local Government Performance Report (LGPR)	 87.31% - the number of decisions made in closed Council meetings is limited to essential confidential items only.
2	Attendance by Councillors at Council meetings	95% or higher	LGPR	 98.57%
3	Community satisfaction with community consultation and engagement	Maintain at 55% or above	Community Satisfaction Survey	 50% - this score level was expected for 2023 and strategies are being implemented to increase over the next few years.
4	Online Engagement Hub	At least 12 new engagement activities per year	Engagement Hub report	 8 published on the Engagement Hub.
5	Social media activity – number of followers on Facebook	Increase to 2,500	Facebook statistics	 2,816
6	Face-to-face engagements with communities by Councillors and senior officers – community cuppa events	Held in at least 20 localities over a 2-year period	Councillor calendars	 18 sessions, 16 different localities. Two-year period impacted by COVID-19 with four months unable to meet in 2021/22.

Council Plan – Enabling Principles – Performance against Strategic Measures				
Measure	Target	Source	Status Report	
7	Responses to Customer Action Requests (CARs) submissions	Maintain open CARs below 300	CARs report	✔ 234 – 2022/23 average. Two months during the year were over target.
8	Average rate per property assessment	Maintain below average for small rural councils	LGPR	! \$1,511 – LG Performance Reports not due until October.
9	Rates as a percentage of underlying revenue	Under 50%	LGPR	! 60.71% - LG Performance Reports not due until October.
10	Annual percentage of staff turnover	Maintain below 15%	LGPR	📊 15.9%
11	Report to Council on health of organisation through Workforce Plan	Annually	Council meeting agenda	✔ Briefing provided 8 November 2022.

Council Plan – Enabling Principles – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Governance						
G1	Transparency <i>Council decisions made at meetings closed to the public</i>	10.47%	15.47%	10.46%	12.69%	Decisions relating to contracts are made in closed Council meetings due to the commercial in confidence nature of information.
G2	Consultation and engagement <i>Satisfaction with community consultation and engagement</i>	55	55	51	50	
G3	Attendance <i>Councillor attendance at Council meetings</i>	91.43%	93.85%	100%	98.57%	
G4	Service cost <i>Cost of elected representation [Direct cost of the governance service / number of Councillors]</i>	\$44,068	\$41,367	\$50,174	\$88,679	Cost change due to back-payment within the provisions of the Council Expenses Policy.
G5	Satisfaction <i>Community satisfaction with Council decisions</i>	54	54	53	50	

Council Plan – Enabling Principles – Financial Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Operating Position						
OP1	Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i>	1.63%	1.45%	2.98%	6.16%	The increase is a direct result of higher levels of grant income, especially the receipt of the total 23/24 allocation of financial assistance grants in 22/23.
Liquidity						
L1	Working capital <i>Current assets compared to current liabilities</i>	223.13%	179.56%	240.50%	256.64%	Increase is due to having more cash at the end of the financial year as a result of receiving payment of grants in advance, including Financial Assistance Grants and flood recovery works.
L2	Unrestricted cash <i>Unrestricted cash compared to current liabilities</i>	66.69%	-70.94%	-66.83%	168.04%	Increase due to the early receipt of grant payments. Investments were short-term, increasing the level of unrestricted cash compared to last year.
Obligations						
O2	Loans and borrowings <i>Loans and borrowings compared to rates</i>	0.00%	0.00%	0.00%	4.40%	New loan commitments were entered in 2022/23.
O3	<i>Loans and borrowing repayments compared to rates</i>	0.00%	0.00%	0.00%	0.87%	New loan commitments were entered in 2022/23.
O4	Indebtedness <i>Non-current liabilities compared to own source revenue</i>	1.78%	1.16%	0.87%	4.18%	Increase due to loan being taken out in 2022/23.
O5	Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i>	128.67%	109.94%	110.58%	116.06%	
Stability						
S1	Rates concentration <i>Rates compared to adjusted underlying revenue</i>	46.55%	46.57%	50.63%	47.19%	Reduction due to high levels of underlying revenue, principally increased grant revenues resulting from receipt of total 23/24 financial assistance grants' allocation in 22/23.
S2	Rates effort <i>Rates compared to property values</i>	0.45%	0.41%	0.40%	0.28%	Valuations are growing at a greater rate than the ability to raise rates due to rate capping limitations.

Council Plan – Enabling Principles – Financial Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Efficiency						
E2	Expenditure level <i>Expenses per property assessment</i>	\$3,684	\$3,962	\$3,866	\$4,108.71	Expenses were greater in 2022/23 due to expenses relating to the flood event in 2022, plus additional projects were carried out.
E4	Revenue level <i>Average rate per property assessment</i>	\$1,407	\$1,463	\$1,507	\$1,512	

Council Plan – Enabling Principles – Sustainable Capacity Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Efficiency						
C1	Population <i>Expenses per head of municipal population</i>	\$2,974	\$3,191	\$3,085	\$3,332	
C2	<i>Infrastructure per head of municipal population</i>	\$30,936	\$31,352	\$31,852	\$35,541	Increase due to revaluation of infrastructure assets.
C3	<i>Population density per length of road</i>	3.64	3.72	3.88	3.79	
C4	Own-source revenue <i>Own-source revenue per head of municipal population</i>	\$1,651	\$1,695	\$1,817	\$1,925	
C5	Recurrent grants <i>Recurrent grants per head of municipal population</i>	\$1,186	\$1,205	\$1,283	1,471	Fluctuations caused by timing of grants receipt.
C6	Disadvantage <i>Relative Socio-Economic Disadvantage</i>	3.00	3.00	3.00	3.00	
C7	Workforce turnover <i>Percentage of staff turnover</i>	7.1%	12.4%	31.0%	15.9%	Stability has been maintained in the staff population within industry expectations.



COUNCIL PLAN PRIORITY 1 – PEOPLE

Our Community Panel said by 2031 in Pyrenees Shire the health and wellbeing of our communities will be paramount.

Council Priorities	Role	What we have achieved so far
a Prepare for emergencies and ensure community safety		
1	Have appropriate and up-to-date emergency management plans	<i>Facilitate</i>
		<p>The Municipal Emergency Management Plan review has been completed and is undergoing final consultation prior to submission for endorsement in August 2023.</p> <p>Supporting operational sub-plans will be reviewed during the 2023/24 financial year.</p>
2	Support communities in times of emergencies and in post-emergency recovery	<i>Support</i>
		<p>Staff emergency management capabilities are maintained through regular training.</p> <p>Relief Centre training was provided to Rotary volunteers to support staff when needed.</p> <p>A review of Council's emergency planning and management roles and responsibilities will be undertaken in late 2023, following some key personnel changes.</p> <p>The fully funded Safer Together project to build local community resilience is progressing and due to end in June 2024. This is a collaborative project between Pyrenees and Golden Plains Shire Councils and in the Pyrenees Shire it is focused on the townships of Snake Valley, Lexton and Redbank; and aims to build community bushfire resilience and preparedness.</p>
b Support a vibrant community arts, culture, and heritage environment		
3	Develop a Creative Community Strategy	<i>Facilitate</i>
		<p>This priority was awaiting a suitable funding opportunity which has not arisen. Officers have, therefore, engaged with community members to determine what could be achieved utilising community volunteers and members of the existing artistic community.</p> <p>Outcomes of this engagement will be considered in late 2023.</p>
4	Implement the Reconciliation Plan and Reconciliation Advisory Committee	<i>Facilitate</i>
		<p>Council's second Reconciliation Action Plan (RAP) is in place.</p> <p>A collaboration between public representatives and Council officers forms a Pyrenees Shire Reconciliation Advisory Committee that meets regularly throughout the year to oversee and monitor RAP implementation.</p> <p>Acknowledgement of Country is done at all meetings and is included in many Council documents and on the website.</p>

Council Priorities		Role	What we have achieved so far
5	Support our community groups, including historical societies, preserve and understand our region's history	<i>Support</i>	<p>Support was provided to historical societies via community grant funding in 2021/22.</p> <p>Support was provided to the Lexton Community on the publication of a book recounting the 2019 Lexton fires.</p>
6	Support community events	<i>Support</i>	<p>Events are supported via the provision of funding through Council's community grants program.</p> <p>Some community events were cancelled in late 2022 due to significant flood impacts, including the Lake Goldsmith Steam Rally, Beaufort Agricultural Show and the Avoca Races.</p> <p>Events administration is under ongoing review to facilitate improvements and simplification for local volunteer organisations.</p> <p>Councillors and Council officers attend community events where opportunity arises.</p> <p>A number of events were hosted by Council in Avoca and Beaufort in 2023.</p>
c Improve accessibility and inclusivity			
7	Facilitate connectivity and increase accessibility through appropriate infrastructure	<i>Advocate</i>	<p>A new 10-year Asset Management Plan was adopted during the financial year.</p> <p>Advocacy for government funding to support improvement of road network linkages and connections, public transport and improved telecommunications coverage is ongoing.</p> <p>The Lexton Community Hub was completed and formally handed over to a new Community Asset Committee.</p>
8	Develop a Diversity and Inclusion Strategy	<i>Pending funding</i>	The Council Plan indicates that this was awaiting appropriate external funding opportunities, which have not arisen.
9	Develop an Accessibility Strategy	<i>Pending funding</i>	<p>The Council Plan indicates that this was awaiting appropriate external funding opportunities, which have not arisen.</p> <p>Council officers will convene a working party during 2023/24 to determine what can be achieved within internal budget parameters with regard to accessibility and inclusion.</p>
10	Progress towards improved gender equality	<i>Facilitate</i>	<p>The workplace Gender Equality Audit and development of a Gender Equality Action Plan was completed and approved by the State Government.</p> <p>A multi-year project to implement the Gender Equality Action Plan is underway.</p> <p>A framework for assessing gender impacts of new projects or services was developed during the financial year and associated training provided to key staff.</p> <p>The community grants program was amended to include a focus on gender equality.</p> <p>A plan to convene a Diversity & Equity Working Group to build upon previous Act@Work and Child Safety activities was not achieved during the year. Effort will be made to complete this in 2023/24.</p>

Council Priorities	Role	What we have achieved so far
d Promote health, wellbeing, engagement, and connection		
11	Have a Municipal Health and Wellbeing Plan	<i>Deliver</i> A regional collaborative review of the Municipal Health & Wellbeing Plan was completed.
12	Assist community with access to appropriate aged care and early years services	<i>Partner / Deliver</i> Due to the unviability of home-based care program delivery in the future under changing Commonwealth provisions, Council made the decision to exit direct service delivery in December 2022. A successful transition to new providers in the aged care sector was completed by 30 June 2023. The transition to a new provider in the under-65 care sector was delayed due to the unpreparedness of the new provider. Council agreed to continue provision of services under contract to the new provider until 31 August 2023. In early 2023/24, an Active Ageing Officer will be recruited, and a strategy developed that will complement direct aged care provision and maintain community connections.
13	Work with partners to support young people to be active in our community	<i>Support</i> A fully funded youth officer was recruited and has been working with community members, schools and youth on programs related to youth engagement. During the year, the partnership continued with the Pyrenees Shire Community Safety Advisory Committee which has a large focus on youth safety. However, involvement with this activity has an impact on Council's capacity to deliver core services and may be discontinued in 2023/24.
14	Support communities to have access to high quality assets, facilities, and programs to promote passive and active recreation	<i>Support</i> Implementation of Council's Recreation Strategy continues. Efforts to identify funding opportunities to maintain, develop and upgrade community facilities remains ongoing. Work has progressed on sportsground lighting projects and installation of the Beaufort cricket nets. The new Lexton Community Hub was completed in 2023. The insurer-funded project to review Council-insured but non-Council owned facilities is in progress. This project is aimed at maintaining insurability and potentially reduce insurance costs.
15	Advocate for appropriate access to medical and allied health services	<i>Advocate</i> Ongoing when opportunities arise.
e Improve social outcomes		
16	Support community programs targeted at access to healthy food	<i>Support</i> Council is supporting the Avoca Market which has transferred management. Council sought expressions of interest in managing the Beaufort Market but was unsuccessful. The Municipal Health and Wellbeing Plan includes promotion of healthier options. Annual funding is provided to the Beaufort and Avoca Food Pantries to facilitate charitable food provision.

Council Priorities	Role	What we have achieved so far
17 Deliver and support activities aimed at increasing community connections and reducing social isolation	<i>Deliver</i>	<p>Community funding programs directly support improving community connections.</p> <p>In 2023/24 an active ageing strategy will be developed with a primary focus on supporting / complementing direct care programs delivered by health providers and maintaining community connections.</p> <p>Council provided several COVID-19 place-activation events during 2022/23 and completed a road covering that was designed to promote social activity / use in Cambridge Street, Avoca.</p>
18 Support learning through provision of knowledge services including contemporary library services	<i>Support</i>	<p>The mobile library outreach program was expanded in 2022/23 following the purchase of a government funded dedicated mobile library van.</p> <p>This service visits primary schools to supplement library resources and support learning and development, as well as helping to maintain community connections for older residents.</p> <p>A review of Council's libraries' core functions, facilities, services, community activities, and collaboration with officers and community to improve connection and literacy is underway as at the end of 2022/23.</p> <p>A libraries strategy will be developed in 2023/24.</p>

Council Plan Priority 1 – People – Strategic Measures				
Measure	Target	Source	Status Report	
1.1 Municipal Emergency Management Plan passes external audit	By June 2023	Audit outcome	❗ MEMP due to be submitted in August 2023.	
1.2 Visits to resource centres	Maintain or increase by 5% per year	Door counts	✅ Increased by 29% from the previous year.	
1.3 Participation in active ageing social support programs	Maintain at least 85 active clients	Client database	❌ 64 active clients. This program will change over the coming financial year following the exit from funded aged care programs.	
1.4 Participation in Maternal and Child Health Service	90% or higher	LGPR	✅ 92.95%	
1.5 Community satisfaction with arts centres and libraries	Increase from 69%	Community Satisfaction Survey	📊 70%	

Council Plan Priority 1 – People – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Libraries						
LB1	Utilisation <i>Physical library collection usage</i> <i>[number of loans / numbers of collection items]</i>	1.77	1.65	1.80	1.54	Library borrowings vary from year to year for a variety of reasons, including a reduction in library borrowers.
LB2	Resource standard <i>Recently purchased library collection</i> <i>[purchased in <5 years]</i>	67.92%	57.57%	60.86%	60.44%	
LB4	Participation <i>Active library borrowers in municipality</i> <i>[Number of active borrowers / populations]</i>	9.94%	8.43%	8.42%	7.38%	The reason behind the declining trend in active borrowers is largely unknown but is being investigated by Council.
LB5	Service cost <i>Average cost of library service per person</i>	\$44.96	\$49.62	\$16.80	\$18.02	
Family and Child Health						
MC2	Service standard <i>% of infant enrolments in the FCH service</i>	96.55%	100%	98.04%	101.64%	
MC3	Service cost <i>Average cost of the FCH service per hour worked</i>	\$85.93	\$69.30	\$115.34	\$80.87	There was a higher demand in the previous year for FCHN services.
MC4	Participation <i>Participation in the service / number of children enrolled</i>	92.97%	78.46%	94.31%	92.95%	
MC5	Participation <i>Participation in the service by Aboriginal children / number of children enrolled</i>	100.00%	93.33%	100.00%	100.00%	
MC6	Satisfaction <i>Participation in 4-week key age and stage visit</i>	101.72%	105.66%	98.04%	108.20%	There is a growing confidence with Council's FCHN services.

Family & Child Health Service Overview	2020/21	2021/22	2022/23
Number of infants enrolled from birth notifications	53	50	61
Number of new enrolments	58	58	64
Number of active infant records	255	262	271
Additional consultations	170	165	173
Telephone consultations	22.68	87.25	155.27
Community strengthening activities	9	21.75	17
Supported playgroup sessions	26	49	100
In home support sessions	-	15	8

Pyrenees Community Care Service Overview	2020/21	2021/22	2021/22
Domestic assistance	6835 Hours	6190 Hours	6200 Hours
Personal care	2041 Hours	1900 Hours	1543 Hours
Respite care	1067 Hours	527 Hours	390 Hours
Delivered meals	4361 Meals	4631 Meals	4150 Meals
Home modifications	\$14,613.00	\$29,799.00	\$12,880.00
HACC PYP Assessment	70 Hours	76 Hours	64 Hours
Social Support Groups	3592 Hours	4331 Hours	2630 Hours
Transport	364 Trips	318 Trips	278 Trips
Home Maintenance	73 Hours	29 Hours	412 Hours
Goods Equipment and Assistive Technology	179 Hours	403 Hours	64 Items
Allied Health & Therapy	38 Items	35 Items	195 Hours
COVID-19 Support Services	355 Hours	69 Hours	70 Hours
Regional Assessment Service	118 new home support assessments (eligibility for aged care service referrals) – [Last year 88] 174 Support plan reviews (changes in care needs and updating service referrals) – [last year 109]		

Council Plan Priority 1 – People – Services Budget

Service	Description	Budget \$'000's	Actual \$'000's	Variance \$'000's
Library	Purchase of library books and resources.	24	17	7
Library	Cost of providing the service.	177	137	40
Governance	Cost of providing the service.	594	738	(144)
Family & Child Health	Cost of providing the service.	311	253	58
Aged Care	Cost of providing the service	841	1003	(162)








COUNCIL PLAN PRIORITY 2 – PLACE

Our Community Panel said by 2031 in Pyrenees Shire communities will be thriving and growth will be underpinned by universal connectivity, access to technology, advanced services, and sustainable education facilities.

Council Priorities	Role	What we have achieved so far
a Sustain and enhance unique character of our communities		
1	Implement and develop strategic planning projects such as further progression of Pyrenees Futures or the Rural Review	<i>Deliver</i> These are long-term multi-year projects. Workshops have been held with Councillors and staff on planning for a Rural Land Strategy, commencing a review of the Restructure Overlay, and other strategic planning matters.
2	Identify priorities and seek support to identify, preserve, and protect heritage assets	<i>Facilitate</i> Subject to identification of appropriate funding availability which has not arisen.
3	Maintain a planning scheme that accommodates community values and guides sustainable development	<i>Deliver</i> Ongoing activity.
b Enhance the liveability and resilience of our communities		
4	Manage impacts of large scale infrastructure projects (e.g., the Beaufort Bypass) on communities	<i>Deliver</i> <i>Advocate</i> <i>Support</i> A successful façade improvement incentive program was conducted in 2022/23, resulting in funding provided to local businesses to improve streetscapes. Planning has commenced on identification of potential projects for inclusion in making Beaufort Bypass ready but are subject to funding for implementation. Council officers have participated in bypass planning panels and submissions to encourage outcomes that support community growth and resilience pre-construction and post-bypass.
5	Actively invite and encourage investment that supports employment	<i>Advocate</i> <i>Support</i> An Investment Attraction Strategy was completed in 2022. Ongoing investment support is provided to potential developers in response to enquiries.

Council Priorities	Role	What we have achieved so far
6 Provide services for towns (e.g., toilets, parks, playgrounds, sports facilities, town entrance signs, etc.)	Deliver	Included as part of asset renewal program. Renewal of public toilets in Beggs Street, Beaufort was completed. Refurbishment of public toilets in Havelock Street, Beaufort is in progress as at 30 June 2023. The new Lexton Community Hub was completed in 2023. The Beaufort Linear Masterplan has been funded and is scheduled for completion by early 2024. The Goldfields Recreation Reserve Masterplan development in Beaufort is underway.
7 Maintain our streetscapes and public gathering spaces and improve and enhance where funding permits ¹	Deliver	Annual inspection and maintenance programs remain an ongoing activity. Planning for appropriate improvement and place-making initiatives continues and implementation will be subject to funding availability.
8 Provide and maintain appropriate infrastructure ensure a high level of amenity, accessibility, and safety ²	Deliver	Included within the 10-year asset management program, which was adopted in June 2022.
9 Work with our communities to understand and realise their aspirations	Facilitate	Community engagement is underway to collaborate with our communities to reinvigorate the community action planning framework.

c Promote responsible development		
10 Adopt and apply principles around sustainable growth and development within townships	Deliver	Not yet commenced – requires project funding to develop and deliver policy and scheme incorporation.

Council Plan Priority 2 – Place – Strategic Measures				
Measure	Target	Source	Status Report	
2.1 Planning applications decided within required timeframes	At least 90%	GPR		97.48%
2.2 Community satisfaction with appearance of public areas	Maintain to at least 70%	Community Satisfaction Survey		65%
2.3 Number of townships with Framework Plans	At least 1 new plan developed every 12 months			No new plans developed – work focused on implementing the current plans.
2.4 Community satisfaction with recreational facilities	Maintain to at least 69%	Community Satisfaction Survey		65%
2.5 Enforcement of Local Laws performance	Maintain to at least 62%	Community Satisfaction Survey		Almost there 61%

¹ Within current resourcing, Council has budgeted for maintaining existing level of service in these areas. However, where additional funding or grants are obtained, Council will seek to also improve, enhance and beautify public spaces further.

² Within current resourcing, Council has budgeted for maintaining existing level of service in these areas. However, where additional funding or grants are obtained, Council will seek to also improve, enhance and beautify public spaces further.

Council Plan Priority 2 – Place – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Statutory Planning						
SP1	Timeliness <i>Average time taken to decide planning applications [days]</i>	77	100	129	100	Council's capacity to process planning applications in an efficient manner is dependent upon our ability to secure professional planning staff.
SP2	Service standard <i>Planning application decisions made within required time frames</i>	90.00%	85.95%	85.61%	97.48%	
SP3	Service cost <i>Average cost of statutory planning service [per application]</i>	\$3,124	\$2,601	\$2,293	\$1,866	Cost reduction due to officer vacancies and time taken to secure professional planning staff.
SP4	Decision-making <i>% of planning decisions upheld at VCAT</i>	0.00%	0.00%	0.00%	0.00%	
Aquatic facilities						
AF2	Service standard <i>Health inspections of aquatic facilities per facility</i>	1	1	1	1	
AF6	Utilisation <i>Number of visits to aquatic facilities / population</i>	1.61	0.99	1.02	1.22	Less disruption and downtime maximised opening times.
AF7	Service cost <i>Cost of aquatic facilities / per visit</i>	\$24.77	\$58.72	\$51.65	\$37.72	Cost per user is dependent upon number of patrons, increase in patronage equals reduction in cost.
Animal management						
AM1	Timeliness <i>Average time taken to action animal management requests [days]</i>	1.00	1.00	1.16	0.86	Increased effort in actioning requests post COVID has improved timeliness.
AM2	Service standard <i>Animals reclaimed</i>	31.78%	39.29%	41.74%	52.53%	Increased effort in contacting owners has contributed to an increase in reclaimed animals.

Council Plan Priority 2 – Place – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
AM5 Service standard <i>Animals rehomed</i>	6.98%	16.67%	34.78%	27.27%	Less animals rehomed because more have been reclaimed by owners.	
AM6 Service cost <i>Cost of animal management service per population</i>	\$28.02	\$26.78	\$16.62	\$20.98	More effort spent on animal management post COVID.	
AM7 Health & Safety <i>Successful animal management prosecutions</i>	100.00%	100.00%	100.00%	100.00%		
Food safety						
FS1 Timeliness <i>Average time taken to action food complaints [days]</i>	1.40	1.25	1.25	1.00	Indicates a more responsive service.	
FS2 Service standard <i>Food safety assessments</i>	104.17%	100%	104.41%	101.25%		
FS3 Service cost <i>Average cost of food safety service</i>	\$319.91	\$480.26	\$324.32	\$155.93	EHO service prioritised other elements during the year, including domestic waste water management.	
FS4 Health & Safety <i>Critical and major non-compliance outcome notifications</i>	100.00%	100.00%	100.00%	100.00%		

Council Plan Priority 2 – Place – Services Budget					
Service	Description	Budget \$'000's	Actual \$'000's	Variance \$'000's	
Recreational, leisure and community facilities	Maintenance and renewal of recreational, leisure and community facilities	663	504	159	
Buildings	Buildings and building improvements	633	413	220	
Land	Land purchases for housing and recreation potential	0	0	0	
Statutory Planning	Cost of providing the service	798	494	304	
Libraries	Cost of providing the service	177	137	40	
Animal management	Cost of providing the service	40	18	22	
Food safety	Cost of providing the service	231	228	3	








COUNCIL PLAN PRIORITY 3 – ENVIRONMENT

Our Community Panel said by 2031 in Pyrenees Shire we will have acted on climate change and have an abundance of conserved natural resources that are highly valued and protected by the local community and visitors.

Council Priorities	Role	What we have achieved so far
a Continue being an environmentally progressive organisation		
1 Continue to implement actions from the Climate Change response and Mitigation Action Plan	<i>Deliver</i>	<p>Council adopted a Climate Change Mitigation & Adaptation Plan in February 2021. Implementation is underway.</p> <p>Installation of electric vehicle charging stations in Beaufort and Avoca is well progressed.</p> <p>Meeting tree planting targets is impacted by budget availability.</p> <p>Planning is underway to identify energy usage in 2023/24 to enable reduction strategies to be developed and implemented.</p> <p>The Crowlands old tip site was rehabilitated – site was cleaned up, weeds removed and area replanted with native species.</p>
2 Apply environmentally responsible design and construction principles	<i>Deliver</i>	<p>Planned policy reviews will include recycled materials priorities and create incentives for inclusion of electric or hybrid vehicles within the Motor Vehicle Policy (although this is likely to be a longer-term aspiration).</p> <p>Staff involved in construction and design have a high level of understanding regarding appropriate design incorporating energy and resource efficiency.</p> <p>Some use of recycled products has been introduced in streetscapes and street furniture.</p>
3 Continue to increase the energy efficiency of all Council owned facilities	<i>Advocate</i>	<p>Ongoing projects include LED replacement lighting and the construction of electric vehicle charging stations.</p> <p>The shared streetlight project with VicRoads to upgrade to LED was finalised.</p> <p>Monitoring and reduction of energy usage and Council's CO2 footprint is planned for 2023 and onwards, although future energy efficiency programs will require funding.</p>

Council Priorities	Role	What we have achieved so far
b Continue being an environmentally progressive organisation		
4	Support environmentally responsible technology innovation initiatives	<i>Advocate</i>
		<p>A review of Council's light fleet policy in late 2023 will include potential future purchases of environmentally friendly vehicles, however this will be dependent upon whole of life costs and may be a long-term replacement strategy.</p> <p>The 2022/23 focus of Economic Development has been to continue its support to small businesses in COVID-19 recovery efforts, followed by recovery support to flood-impacted business which has precluded much effort in promoting environmentally friendly innovations.</p> <p>Council supports the Small Business Energy Savers Program.</p> <p>Council partners with CVGA in advocating for government strengthening interim emissions reduction targets, increasing standards, and getting the National Construction Code on Climate Change added to the National Energy Objective.</p>
5	Ensure urban design and placemaking incorporates climate sensitive principles	<i>Deliver</i>
		<p>Council partners with agencies to deliver recycled water projects, e.g., the Beaufort recycled water scheme and construction of the trunk pipeline.</p> <p>Tree planting activities are ongoing as part of creating more usable urban spaces. 530 trees were planted during the year, half of which were amenity plantings around towns and the other half were biodiversity plantings along roadsides.</p> <p>The Beaufort Linear Park Masterplan has been funded and is scheduled for completion by early 2024.</p>
6	Cooperate regionally to implement initiatives identified within the Grampians Region Climate Adaptation Strategy	<i>Partner</i>
		<p>Implementation of Council's climate change mitigation and adaptation strategy is ongoing but subject to funding and resource restrictions.</p> <p>Successful in having a feasibility study completed and business case funded for the Southern Wimmera and Northeast Pyrenees Pipeline Project.</p>
c Encourage community care of biodiversity and natural values		
7	Encourage ownership and leadership over natural public open space, including participation / lead by First Nations Peoples, youth, industry etc.	<i>Facilitate</i>
		<p>Masterplanning for the Goldfields Recreation Reserve and the proposed Beaufort Linear Reserve is in progress and will be delivered in 2023/24.</p> <p>Council reserved an interest in purchasing the open land component of the old primary school in Beaufort for future development as public open space.</p> <p>Council continually engages with Indigenous Land Councils regarding land use activity agreements and project development to ensure ongoing compliance.</p> <p>Community funding programs include an emphasis on community management / support of public open space.</p>

Council Priorities		Role	What we have achieved so far
8	Support community-led biodiversity projects	<i>Support</i>	<p>Ongoing activity with support provided through combined funding programs.</p> <p>Council supports an organisation called "Friends of Forgotten Woodlands" which is re-establishing original woodlands across the Victorian Volcanic Plains. The species involved include drooping sheoaks, silver banksia and sweet bursaria. This is a very important project as there are very few original remnants to collect seed from or propagate cuttings from.</p> <p>Increasing the genetic diversity of the gene pool is critical to obtaining a thriving and healthy population.</p>
9	Ensure that the implementation of Roadside Management Strategy considers and enhances biodiversity regeneration	<i>Deliver</i>	A review of the Roadside Management Strategy is planned for 2023/24 which will incorporate enhanced biodiversity regeneration.
d Improve waste management to reduce landfill and reduce harm to the environment			
10	Support a regional waste management community education campaign	<i>Support</i>	<p>Council was an active participant in the regional waste management forum which ceased on 30 June 2022. However, Council officers remain committed to working with Grampians councils on regional waste and recycling issues.</p> <p>Council aligns waste education with State policy.</p>
11	Strengthen partnerships with regional and state agencies to develop innovation in services and technology	<i>Partner</i>	Council is involved in a multi-council project to facilitate interest in regional waste management and recycling.
12	Work with local partners to encourage practical waste and recycling opportunities	<i>Support</i>	<p>A range of operational initiatives have been identified to support delivery of this priority:</p> <ul style="list-style-type: none"> • To support local businesses in improvement of waste recycling – e.g., steel, concrete, paper, cardboard. • Where feasible, to use locally recycled products in Council's construction work. <p>Greater access to glass recycling has been provided and some recycled product has been installed including recycled bollards and seating products.</p>
13	Provide quality and efficient waste management and recycling services for our residents	<i>Deliver</i>	<p>A new Waste Management Plan was adopted by Council in 2022.</p> <p>Information is provided to residents on what can be recycled as part of annual waste calendar provision.</p>

Council Plan Priority 3 – Environment – Strategic Measures				
Measure	Target	Source	Status Report	
3.1	Number of climate change or environmental projects involved in or supported	At least three significant actions delivered and reported on annually	Council Meeting Agenda	 2 x Integrated water projects. EV charging stations in Avoca and Beaufort. Council involvement with CVGA.
3.2	Community satisfaction with waste management and recycling	Maintain to at least 66%	Community Satisfaction Survey	 69%
3.3	Percentage kerbside collection waste diverted from landfill	Increase to at least 50%	LGPR	 43.59% Aim to achieve over multiple years.
3.4	Cost of kerbside garbage bin collection service per bin	Maintain below average for small rural Councils	LFPR	 \$171.89 Average for small rural councils not available until October.
3.5	Number of trees planted	500 per year		 530

Council Plan Priority 3 – Environment – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Waste collection						
WC1	Satisfaction <i>Average number of kerbside bin collection requests</i>	32.99	20.71	35.07	155.03	2022 flood event significantly impacted Council's ability to access rural customers, resulting in increased bin collection requests.
WC2	Service standard <i>Average number of missed kerbside collections</i>	5.07	5.54	25.69	9.09	The contractor has become more familiar with the collection routes in the second year of the expanded contract.
WC3	Service cost <i>Cost of kerbside garbage bin collection service</i>	\$101.81	\$112.39	\$126.69	\$171.89	Costs increased due to factors outside of Council's control relating to fuel and CPI component increases and increases in disposal and processing cost.
WC4	Service cost <i>Cost of kerbside recyclables bin collection service</i>	\$51.86	\$68.64	\$33.24	\$47.05	
WC5	Waste diversion <i>% kerbside collection waste diverted from landfill</i>	19.64%	29.56%	24.30%	37.14%	The increase in waste diversion is due to a combination of increased glass and co-mingled recycling.

Council Plan Priority 3 – Environment – Services Budget				
Service	Description	Budget \$'000's	Actual \$'000's	Variance \$'000's
Waste Management	Cost of waste management provision	2039	1732	307






COUNCIL PLAN PRIORITY 4 – ECONOMY

Our Community Panel said by 2031 in the Pyrenees Shire, Council will have supported significant economic development.

Council Priorities	Role	What we have achieved so far
a Support our local businesses and help to strengthen key industries		
1	Preserve and promote our built heritage and ecotourism opportunities and support tourism through promotion, marketing, and sponsorship	<p><i>Advocate Support</i></p> <p>Work continues with regional tourism partners on industry development and support programs.</p> <p>Council has contributed to the Visitor Economy Partnership, incorporated under the name of 'Tourism Mid-West Victoria', which commenced operations in July 2023.</p> <p>The first priority of this organisation will be to develop:</p> <ul style="list-style-type: none"> • A region-wide Destination Management Plan to inform the high priority areas for investment by both public and private sectors, and • Local Area Action Plan for each LGA within the Partnership. <p>Pyrenees Shire Council is one of 13 LGA partners to the Goldfields World Heritage Bid Project which secured funding of \$500,000 in late 2022 to progress the project.</p> <p>A successful façade improvement program was conducted in 2022/23 which will see improvements to Pyrenees streetscapes.</p> <p>An Investment Attraction Strategy was completed in 2022.</p> <p>Plans to conduct a Heritage Study for the Pyrenees Shire did not commence due to a lack of funding opportunities.</p> <p>Funding opportunities continue to be sought to facilitate ongoing development of the Avoca to Moonambel cycle track.</p>
2	Facilitate networks for industry knowledge-sharing and innovation across tourism, agriculture, and commerce	<p><i>Facilitate</i></p> <p>Council continues to work closely with regional partners, continuing activities to support recovery from the impacts of the COVID-19 pandemic and floods experienced in October / November 2022.</p>
3	Build relationships with investors to unlock opportunities for development and innovation and investment that supports employment	<p><i>Partner</i></p> <p>An Investment Attraction Strategy was adopted in 2022.</p> <p>Contact was maintained with local businesses to provide support for growth and development of entities within the Shire.</p>

Council Priorities	Role	What we have achieved so far
a Support our local businesses and help to strengthen key industries		
4	Promote and protect agricultural sustainability through land use planning and community education	<i>Deliver</i> Ongoing long-term multi-year projects support the delivery of this priority: <ul style="list-style-type: none"> Rural land review, and The Future Landscapes Project will be reviewed to identify appropriate actions to promote and protect agricultural sustainability.
5	Collaborate with business associations to facilitate localised economic development	<i>Partner</i> Work is underway to reactivate the Business Taskforce with local associations. Work is underway to provide recovery support to Pyrenees business and community, and to rehabilitate critical infrastructure, impacted by the October / November 2022 floods.
b Invest in road infrastructure to improve connectivity for commerce and community		
6	Maintain and improve our roads and associated assets to ensure safe and efficient connectivity	<i>Deliver</i> A 10-year asset management plan was adopted by Council in June 2022. Delivery of a four-year capital works program for re-sheeting, re-sealing, road and bridge / culvert upgrades is underway. Normal annual program delivery was impacted by the October / November 2022 floods and a dedicated flood recovery team has been recruited to oversee the rehabilitation of impacted critical infrastructure.
7	Identify infrastructure constraints and facilitate solutions, including investing in access for high-productivity vehicles to support the agricultural sector and access to markets	<i>Deliver</i> 10-year Asset Plan was developed and adopted, including priorities for bridge replacement and improvement. Bridge projects have been identified and priority projects started that will enable greater access to heavy vehicles. Council continues to consult with key industry stakeholders on road improvement priorities. Funding obtained to commence development of Beaufort Lake Caravan Park.
c Encourage and invest in assets and infrastructure for commerce and community		
8	Work with water authorities to facilitate opportunities for secure water sources for rural areas to support agriculture, viticulture, and other economic opportunities	<i>Advocate</i> Advocacy continues for water projects including the Moonambel town potable water supply and the NE water pipeline. Funding was secured for a feasibility study and business case for Southern Wimmera and Northeast Pyrenees Water Supply Feasibility Study. The project aims to secure reliable water for industry and urban localities including Moonambel, Redbank, Landsborough, Amphitheatre and Avoca. The feasibility study has been completed and the project is progressing to a business case.

Council Priorities	Role	What we have achieved so far
9 Work with partners to advocate for improved telecommunications service outcomes	<i>Advocate Support</i>	<p>The Avoca Digital Hub at the Avoca Information Centre was completed, providing increased Wi-Fi connectivity following negotiations with Telstra.</p> <p>The STAND project was completed at 20 facilities in 2022, providing booster hubs within facilities (3 Council-owned, 23 community) to enhance internet connectivity as needed during emergency events.</p> <p>Subsequent to the STAND project completion, Telstra agreed to implement enhanced internet connectivity continuously (within approximately 50 metres of the installations) as a community service.</p>
10 Establish relationships and advocate for commitment to continued investment and growth to improve access to water / sewer / internet access / phone connectivity / transport / housing / power upgrades etc	<i>Advocate</i>	<p>Advocacy is underway regarding power upgrades Advocacy continues regarding power upgrades for recreational facilities.</p> <p>Successful funding applications for Beaufort power upgrades and lighting installation, with further funding required for four other townships.</p> <p>A Southern Wimmera and Northeast Pyrenees Water Supply Feasibility Study was successfully concluded, in which the Pyrenees Shire Council is the lead agency. The project has been proven feasible and is progressing to a business case.</p>
11 Develop a strategic plan for asset service improvement	<i>Deliver</i>	<p>A 10-year asset management plan was adopted by Council in June 2022.</p>
12 Utilise innovation for better outcomes in asset delivery	<i>Deliver</i>	<p>Asset conditions audit was completed in 2022.</p> <p>An internal audit review of contract management was completed in mid-2022 to support Council's improvement efforts. A project to revitalise Council's contract management framework is underway.</p> <p>Following the widespread floods in late 2022, a Recovery Team is in place to coordinate rehabilitation of critical infrastructure and support community in recovery activities.</p> <p>Drone technology has been used for some land surveying and land information purposes and has been considered for some visual property inspection related matters.</p>
13 Work with industry stakeholders to capitalise on renewable energy opportunities that will reduce consumption of fossil fuels, reduce greenhouse gas emissions, and provide competitively priced energy to local industries and communities	<i>Partner</i>	<p>Council has an ongoing partnership with CVGA.</p> <p>A project to identify Council's energy outputs to facilitate future reduction projects is planned for 2023/24.</p> <p>Council maintains networks with local groups with interests in progressing renewable energy projects.</p>

Council Plan Priority 4 – Economy – Strategic Measures				
Measure	Target	Source	Status Report	
4.1	Kilometres of roads gazetted for high-productivity vehicle accessibility	At least an additional 50km of roads per year	Government Gazette / LGPR	 Increase of 43.65km through bridge construction.
4.2	Number of new dwellings in the municipality per year	50 new dwellings per year	Victorian Building Authority	 47 dwelling building permits issued.
4.3	Rate of unemployment	Maintain at 5% or lower	ABS	 National – 3.5% Victoria – 3.7%
4.4	Sealed local roads maintained to condition standards	Maintain to at least 95%	LGPR	 99.93%
4.5	Asset renewal and upgrade as a percentage of depreciation	At least 80%	LGPR	 149.51%

Council Plan Priority 4 – Economy – Relevant Service Performance Indicators						
Service Performance Indicator	2020	2021	2022	2023	Comments	
Roads						
R1	Satisfaction of use <i>Sealed local road requests</i> <i>[Number of sealed local road requests / km of sealed local roads] x 100</i>	7.72	9.89	10.70	15.65	2022 flood event had a significant increase in road damage and subsequent road requests.
R2	Condition <i>Sealed local roads maintained to condition standards</i> <i>[Number of km of sealed local roads below the renewal intervention level set by Council / km of sealed local roads] x 100</i>	99.13%	99.13%	99.92%	99.93%	
R3	Service cost <i>Cost of sealed local road reconstruction</i> <i>[Direct cost of sealed local road reconstruction / sq m of sealed local roads reconstructed]</i>	\$84.04	\$88.35	\$64.83	\$64.92	

Council Plan Priority 4 – Economy – Relevant Service Performance Indicators

Service Performance Indicator	2020	2021	2022	2023	Comments
R4 Service cost <i>Cost of sealed local road resealing</i> <i>[Direct cost of sealed local road resealing / sq m of sealed local roads resealed]</i>	\$4.92	\$6.21	\$6.26	\$4.74	Efficiencies are gained by doing longer sections of road resealing which occurred in this reporting period.
R5 Satisfaction <i>Satisfaction with sealed local roads</i> <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	51	57	50	44	2022 flood event had a significant increase in road damage and a significant impact on community satisfaction.

Council Plan Priority 4 – Economy – Services Budget

Service	Description	Budget \$'000's	Actual \$'000's	Variance \$'000's
Roads	Maintenance and renewal of the shire's critical public assets.	7042	5334	1708
Bridges		3133	2195	938
Footpaths & cycleways		137	90	47
Drainage		848	103	745
Plant, machinery & equipment	Plant, machinery and equipment needed to maintain and upgrade the Shire's critical public assets.	634	770	(136)



COMMUNITY SATISFACTION SURVEY OUTCOMES 2023

The Victorian Community Satisfaction Survey is commissioned annually and asks the opinions of local people about the place they live, work and play. Community satisfaction scores represent the community's perception of Council's performance over the previous 12 months. The survey is undertaken by JWS Research.

Comparisons are made with similar Victorian councils (small rural) and the State-wide average.

Overall Council performance:

Perceptions of Council's overall performance are at their lowest level recorded in the last decade, after a significant decline was recorded last year and backed by a small drop this year. However, Council performs in line with the small rural and the state-wide average for councils. Otherwise, performance is in line with last year on most of the service areas evaluated, except for elderly support services and sealed local roads, where performance is significantly lower than last year.

Council performs in line with or significantly lower than the small rural group and the state-wide average for councils across core measures and almost all service areas evaluated. The exception is waste management, where Council performs significantly higher than both the small rural and the state-wide average for councils.







Pyrenees 55



Small Rural 55



State-wide 56

<p>Council's top three performing areas when compared to group average:</p>	<ul style="list-style-type: none">  Art centres & libraries ▼ lower  Waste management ▲ higher  Recreational facilities = on par
<p>Council's lowest three performing areas when compared to group average:</p>	<ul style="list-style-type: none">  Unsealed roads ▼ lower  Sealed local roads = on par  Consultation & engagement ▼ lower

Customer service:

Perceptions of customer service have been on a steady decline, from a peak index score of 74 in 2017 to 62 in 2023. While Council performs in line with the Small Rural group average on this core measure, it is clear that past performance suggests that Council can do better here.

Council roads:

Council's lowest performing service areas are those that relate to the condition of roads. Both unsealed and sealed local roads recorded all time lows in performance ratings in the last 12 months, with sealed local roads declining significantly for the second year in a row. 26% of residents volunteer sealed road maintenance as a top area for improvement for Council. These have always been Council's lowest performing service areas, although past performance has been higher.

The road damage impacts seen from widespread floods in October and November 2022 greatly, and the time needed to repair the defects across the Shire – both for the Pyrenees Shire Council and Regional Roads Victoria – will have greatly influenced the satisfaction ratings seen in 2023.

Elderly support services:

In past years, elderly support services consistently scored higher than that of the small rural and state-wide average for councils. The Council decision, in December 2022, to exit direct delivery of home-based aged care services will have had a detrimental impact on community satisfaction in this regard.

Waste services:






Community satisfaction for waste services remained higher than the small rural group and the state-wide average for the second year, increasing in line with a significant increase in service provision when Shire-wide universal kerbside bin collections were introduced in 2021/22.

Summary of Pyrenees Shire Council performance scores:

The following provides an overview of Council's performance scores in 2023.

Services	Pyrenees 2023	Pyrenees 2022	Small Rural 2023	State-wide 2023	Highest score	Lowest score
 Overall performance	55	57	55	56	Aged 35-49 years	Aged 50-64 years
 Value for money	48	51	49	49	Avoca, DeCameron residents, Aged 18-34 years, Women	Aged 50-64 years
 Overall council direction	43	49	47	46	Aged 18-34 years	Aged 50-64 years
 Customer service	62	63	65	67	Mt Emu residents	Beaufort, Ercildoune residents
 Art centres & Libraries	70	68	73	73	Aged 18-34 years	Mt Emu residents
 Waste management	69	69	66	66	Aged 65+ years	Aged 18-34 years
 Recreational facilities	65	68	67	68	Avoca, DeCameron residents	Beaufort, Ercildoune residents, Aged 35-49 years
 Appearance of public areas	65	68	71	67	Aged 35-49 years	Mt Emu residents
 Family support services	63	64	62	63	Mt Emu residents, Aged 35-49 years	Aged 50-64 years
 Emergency & disaster management	62	65	66	65	Avoca, DeCameron residents	Aged 18-34 years, Beaufort, Ercildoune residents
 Enforcement of local laws	61	59	61	61	Aged 35-49 years, Aged 18-34 years, Women	Aged 65+ years
 Elderly support services	60	68	66	63	Aged 18-34 years	Aged 50-64 years



Services	Pyrenees 2023	Pyrenees 2022	Small Rural 2023	State-wide 2023	Highest score	Lowest score
 Bus/community dev./tourism	57	60	61	59	Aged 35-49 years	Aged 50-64 years
 Community decisions	50	53	52	51	Mt Emu residents, Aged 18-34 years	Aged 50-64 years, Avoca, DeCameron residents, Men
 Consultation & engagement	50	51	53	52	Aged 18-34 years	Men
 Sealed local roads	44	50	44	48	Avoca, DeCameron residents	Aged 50-64 years, Beaufort, Ercildoune residents
 Unsealed roads	35	39	38	37	Aged 35-49 years, Avoca, DeCameron residents	Aged 18-34 years

Significantly higher / lower than Pyrenees Shire Council 2023 result at the 95% confidence interval

Section 7: GOVERNANCE AND MANAGEMENT





GOVERNANCE, MANAGEMENT AND OTHER INFORMATION

Governance

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

- Considering 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, and the ability to make submissions to Council.

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

Council Meetings

Council conducts open public meetings at 6pm on the third Tuesday of each month (with the exception of December, which may be on the second Tuesday and January, where a meeting may not be held). Details of Council meeting dates and times are published in the Pyrenees Advocate one week prior to the meeting.

Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the Council or make a submission.

Minutes of Council Meetings are available for inspection at the Beaufort Shire Office, downloaded from Council's website, requested through any of our front offices, or by telephone 1300 797 363. Viewing of online copies can be arranged at Council's resource centres in Avoca and Beaufort.

The open non-confidential section of Council Meetings is generally open to the public. Where impacted by COVID-19 restrictions, this was limited to viewing of the live stream through Council's website or on YouTube. In 2022/23 87.31% of Council decisions were made in open Council meetings.

The majority of Ordinary Council Meetings are held at the Council Chambers, Council Offices in Beaufort. During the year, meetings were also held in Avoca and the Statutory Meeting, which included election of the Mayor, was held in Lexton on 8 November 2022.

In the 2022/23 financial year, the Council held 12 Ordinary Council Meetings and one Statutory Meeting. The following table provides a summary of Councillor attendance at Council meetings for the 2022/23 financial year. Councillor attendance at Council Meetings was at 100% for the year.

Councillor Attendance at Council Meetings

Date	Meeting type	Cr Eason	Cr Kehoe	Cr Clark	Cr Ferrari	Cr Vance
19 July 2022	Council Meeting	Y	Y	Y	Y	Y
16 August 2022	Council Meeting	Y	Y	Y	Y	N
20 September 2022	Council Meeting	Y	Y	Y	Y	Y
27 September 2022	Special Council Meeting	Y	Y	Y	Y	Y
18 October 2022	Council Meeting	Y	Y	Y	Y	Y
8 November 2022	Statutory Council Meeting	Y	Y	Y	Y	Y
15 November 2022	Council Meeting	Y	Y	Y	Y	Y
13 December 2022	Council Meeting	Y	Y	Y	Y	Y
17 January 2023	Council Meeting	Y	Y	Y	Y	Y
21 February 2023	Council Meeting	Y	Y	Y	Y	Y
21 March 2023	Council Meeting	Y	Y	Y	Y	Y
18 April 2023	Council Meeting	Y	Y	Y	Y	Y
16 May 2023	Council Meeting	Y	Y	Y	Y	Y
20 June 2023	Council Meeting	Y	Y	Y	Y	Y

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 Pyrenees Shire Council has no Delegated Committees operating at this time.

Code of Conduct

The Act requires councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. In February 2021, Council adopted a revised Councillor Code of Conduct which is designed to:

- Assist councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter.
- Attract the highest level of confidence from Council's stakeholders.

- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

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 conflicts of interest.
- Roles and responsibilities.
- 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 2022/23, three conflicts of interest were declared at Council meetings.

Councillor allowances

In accordance with section 39 of the *Local Government Act 2020*, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is entitled to receive a higher allowance to reflect the level of commitment and time required to fulfil the required duties.

The Victorian Government sets the upper and lower levels for allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. Pyrenees Shire Council is recognised as a Category 1 Council. As a Category 1 Council, the Pyrenees Shire Council has a range of permitted allowances:

- Councillors: up to \$25,650
- Mayor: up to \$79,492

During the year, Cr Ron Eason was elected Mayor for all of the time.

The following table contains a summary of the allowances paid to each Councillor during the year.

Councillor	Allowance \$
Cr Ron Eason – Mayor / Councillor	\$74,706.00
Cr Damian Ferrari	\$22,783.98
Cr David Clark	\$17,499.40
Cr Robert Vance	\$22,903.94
Cr Tanya Kehoe	\$23,229.62

Councillor expenses

In accordance with section 40 of the Act, a council must reimburse Councillors 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 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 the 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 2022/23 year are set out in the following table.

Councillor	TR \$	CM \$	CC \$	IC \$	CT \$	Total \$
Cr Ron Eason	0	0	0	0	0	0
Cr Damian Ferrari	0	4,099.86	0	0	0	4,099.86
Cr David Clark	0	0	1,175.00	0	0	1,175.00
Cr Robert Vance	0	7,852.08	0	0	0	7,852.08
Cr Tanya Kehoe	0	6,047.36	1,600.00	0	0	7,647.36

Legend: TR - Travel; CM - Car mileage; CC - Child care; IC - Information and communication; CT - Conferences and training

Note: No expenses were paid by Council including reimbursements to members of Council Delegated Committees during the year.

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 & Risk Committee

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

The Audit & Risk Committee consists of three independent members: Ms Wendy Honeyman (Chair), Mr Rod Poxon, and Mr Brian Keane, and two Councillors. Independent members are appointed for a three-year term, with a maximum of three terms. The chair is elected from amongst the independent members. Councillor members are appointed at the annual Statutory Meeting for the following 12 months.

The Audit & Risk Committee meets three times a year. The Internal Auditor, Chief Executive Officer, Director Corporate & Community Services, Director Assets & Development Services, Manager Finance, and Manager Governance Risk & Compliance attend all Committee meetings. Other management representatives attend as required to present reports. The external auditors attend in May and September each year to present the audit plan and independent audit report.

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

Quality assurance is measured through the annual Audit & Risk Committee self-assessment and completion of the internal audit plan and Committee annual work plan.

Internal Audit

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

Auditors are AFS & Associates, Chartered Accountants and Auditors from Bendigo.

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

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

Recommendations are assigned to the responsible manager or officer and tracked in Council's performance management system. Managers provide quarterly status updates that are reviewed by the Executive Leadership Team and reported to the Audit & Risk Committee. Status updates are reviewed on an annual basis by the Internal Auditor.

Quality assurance is measured through client satisfaction surveys for each review, the annual Audit & Risk Committee self-assessment, and completion of the internal audit plan.

During the year, internal audit reviews were conducted in the following performance areas:

- Asset Management
- Community Asset Committees
- Contract Management
- Statutory Planning
- Completion of past audit recommendations

AFS & Associates also periodically conduct probity audits on high risk / high value procurement activities.

External audit

Council is externally audited by the Victorian Auditor-General. For the 2022/23 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative – Johnsons MME. The external auditors attend the May and September Audit & Risk 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 & Risk Committee.

Risk management

In 2020/21, Council reviewed and updated its Risk Management Framework and Policy in line with current AS/NZS 31000 guidelines. The Risk Management Framework and Policy addresses items such as:

- Risk management culture and branding
- Communication and training
- Workplace risk management practice
- Risk registers

Community Asset Committees

Council could not operate effectively without the assistance of the many volunteers who make up Council's Community Asset Committees.

Community Asset Committees are established, in accordance with section 65 of the Local Government Act 2020, to manage a community asset on behalf of Council. Powers and duties

are delegated to members of Community Asset Committees through formal Instrument of Delegation from the Chief Executive Officer.

During the year, five Community Asset Committees operated facilities –

- Beaufort Community Bank Complex
- Brewster Hall
- Landsborough Community Precinct
- Snake Valley Hall
- Waubra Community Hub

Towards the end of the financial year, a new committee was appointed to manage the Lexton Community Hub when it opened.

Meetings of these committees are open to the public and minutes of the meetings are available for public inspection.

Governance and management checklist

Council maintains strong frameworks to provide guidance in good governance and management practice.

As part of its mandatory performance reporting, Council provides an assessment against the governance and management checklist below. 'Act' relates to the *Local Government Act 2020*.


Governance & 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 Adopted 16 February 2021 Reviewed and re-adopted 17 July 2022
2. Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines out of date – new development underway
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 91 of the Act Adopted 19 October 2021 Reviewed and re-adopted annually - 20 June 2023
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 Adopted 14 June 2022

Governance & Management items	Assessment
<p>5. Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)</p>	<p>Adopted in accordance with section 93 of the Act Adopted 15 June 2021 Reviewed and re-adopted annually – 20 June 2023</p>
<p>6. Annual Budget (plan under section 94 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)</p>	<p>Adopted in accordance with section 94 of the Act Adopted 20 June 2023</p>
<p>7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)</p>	<p>Current policy in operation Adopted 30 September 2020</p>
<p>8. Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)</p>	<p>Current policy in operation Adopted 20 July 2021</p>
<p>9. Municipal Emergency Management Plan (plan under section 60ADB of the <i>Emergency Management Act 2013</i> for emergency mitigation, response, and recovery)</p>	<p>Prepared and maintained in accordance with section 60ADB of the <i>Emergency Management Act 2013</i> Adopted 19 May 2020 Audited June 2020</p>
<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 1.8 of the Act Adopted 27 April 2022</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>Current plan in operation BCM Policy adopted September 2019 BC Plan adopted 14 December 2021 COVID-Safe Plan updated May 2022</p>
<p>12. Disaster Recovery Plan (plan setting out the actions that will be undertaken to recovery and restore business capability in the event of a disaster)</p>	<p>Current plan in operation Adopted 20 January 2015 Under review 2023</p>
<p>13. Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)</p>	<p>Current framework in operation Framework & Plan 2021-2024 adopted 18 May 2021</p>
<p>14. Audit and Risk Committee (advisory committee of Council in accordance with sections 53 and 54 of the Act)</p>	<p>Established in accordance with section 53 of the Act Re-established 16 June 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>Internal auditor engaged New Contract engaged 30 June 2023</p>

Governance & Management items	Assessment
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 Act)	Current framework in operation Procedure adopted 2020 Updated framework 16 June 2020
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)	Current reporting done 3 reports done during the financial year: 20 September 2022 13 December 2022 18 April 2023
18. Financial Reporting (quarterly statements to the Council under section 98=7(1) of the Act, comparing actual and budgeted results and an explanation of any material variations)	Reports presented to the Council in accordance with section 97(1) of the Act Reports presented in: 18 October 2022 15 November 2022 21 February 2023 16 May 2023
19. Risk Reporting (6-monthly reports of strategic risks to Council's operations, their likelihood, and consequences of occurring and risk minimisation strategies)	Reports presented to Council: 16 August 2022 21 February 2023
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 Act)	Reports presented: EOFY report August 2022
21. Annual Report (annual report under sections 98, 99, and 100 of the Act containing a report of operations and audited financial and performance statements)	Presented at a meeting of the Council in accordance with section 100 of the Act Presented 18 October 2022
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)	Reviewed and adopted in accordance with section 139 of the Act Adopted 16 February 2021
23. Delegations (documents setting out the powers, duties, and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Reviewed and adopted 21 February 2023
24. Meeting Procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Adopted 18 August 2020 Reviewed and re-adopted 21 March 2023

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


 Jim Nolan, Chief Executive Officer
 Dated: 26 September 2023


 Cr Ron Eason, Mayor
 Dated: 26 September 2023



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 4 Lawrence Street, Beaufort:

- 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(1) of the Act of authorised officers appointed under that section.

- A register 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

During the year Council did not enter into any contracts valued above the thresholds detailed within Council's Procurement Policy, without engaging in a competitive process.

Council issued 17 tenders in 2022/23, covering the following service categories:

- Internal Audit
- Construction
- Plant & Equipment
- Services Provision

Disability action plan

Council has not prepared a separate Disability Action Plan but relevant actions are included within the Council Plan 2021-2025.

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's Domestic Animal Management Plan 2022-2025 was prepared in mid-2022 for adoption in August 2022 and is published on Council's website. The Plan's purpose is to provide Council with a strategic framework that delivers policy direction and action plans for animal management.

- Registration of dogs and cats
- Control of dogs and cats
- Control of dangerous, menacing and restricted breed dogs
- Control of commercial domestic animal businesses.

The Plan sets out the methods for evaluating whether the normal control services provided by Council are adequate to give effect to the requirements of the Act and the regulations and a range of programs, services and strategies which Council intends to pursue in its municipal district.

The majority of actions are scheduled for years 2 to 4 so minimal progress has been made against this plan year to date.

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:

- requests should be made in writing
- requests should identify as clearly as possible which document is being requested
- requests should be accompanied by the appropriate application fee (as detailed on the website).

Application fees may be waived in certain circumstances (e.g., financial hardship) upon request to the Freedom of Information Officer. However, a request does not become valid for processing until either payment of the application fee is made or written acceptance of a fee waiver is received.

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

Applications for access to documents should be made addressed to Council's Freedom of Information Officer –

- By mail to Pyrenees Shire Council,
5 Lawrence Street BEAUFORT VIC 3373
- By email to pyrenees@pyrenees.vic.gov.au (however a request does not become valid until the application fee has been paid)
- In person at any of Council's front counters.

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au

Requests for information made under the Freedom of Information Act

Council received seven non-personal requests for information during the 2022/23 financial year and nil personal requests.

Of these requests, three requests were processed by the end of the year and four were carried over for finalisation in the following year. Of the three completed requests, two were determined that no documents existed and the other was provided information outside of the Act.

A total of fees and charges collected by Council with regard to these requests are detailed as follows:

- \$61.20 was collected as application fees
- \$Nil was collected as charges (e.g. photocopying charges or search times)
- \$153.00 in application fees was waived

A significant increase in the number of requests was received in the latter part of the financial year, increasing from an annual average of two requests, to seven being received in 2023.

Public Interest Disclosure procedures

The *Public Interest 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 on Council's website.

During the 2022/23 year no disclosures were notified to council officers appointed to receive disclosures, or to IBAC (Independent Broad-based Anti-corruption Commission).

Road Management Act Ministerial Directions

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 sections 46GM and 46 QD 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 2022/23 year no infrastructure and development contributions were received.

GLOSSARY

Act	means the <i>Local Government Act 2020</i>
Annual Report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Appropriateness	means indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal, or outcome
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators, and resources reflecting vision and aspirations of the community for the next four years
Finance performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability, and efficiency
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards, and other applicable standards as they apply to the general-purpose financial reports and a statement of capital works and included in the annual report
Financial year	means the period of 12 months ending on 30 June each year
Governance and management checklist	means a prescribed checklist of policies, plans, and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting, and decision making
Indicator	means what will be measured to assess performance
Initiatives	means actions that are one-off in nature and/or lead to improvements in services
Major initiative	means significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget



Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	means the Minister for Local Government
Performance Statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Integrated strategic planning and reporting framework	means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	means the Local Government (Planning & Reporting) Regulations 2020
Relevance	means indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved
Report of operations	means a report containing a description of the operations of the council during the financial year and included in the annual report
Services	means assistance, support, advice, and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost, and service outcomes
Strategic objectives	means the outcomes a council is seeking to achieve over the next four years and included in the Council Plan
Financial plan	means a plan of the financial and non-financial resources for at least the next ten years required to achieve the strategic objectives in the Council Plan. It is also referred to as a long-term financial plan
Strategies	means high level actions directed at achieving the strategic objectives in the Council Plan
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity, and governance and management

Section 8: OUR FINANCIALS



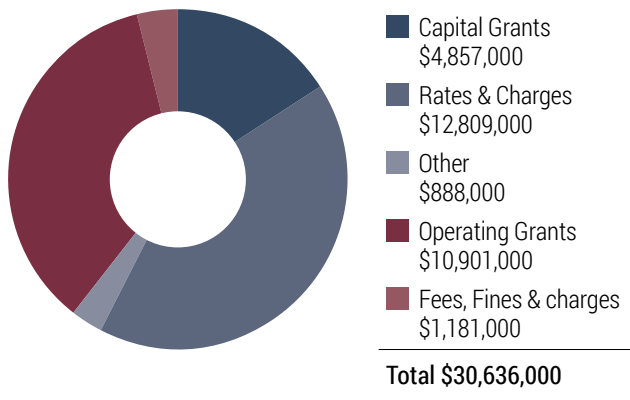
ABOUT COUNCIL REVENUE AND EXPENSES

How Council brings in money

Council activities are funded through a limited number of sources:

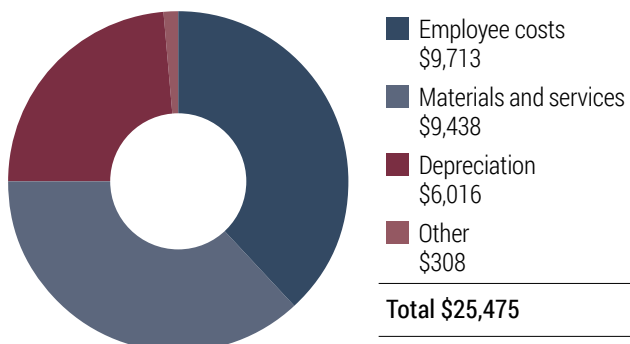
- Rates – there is an expectation that rates income collected from property owners is spent fairly and efficiently (for Pyrenees Shire, rates represent around 42% of total income).
- Operating and Capital Grants – funding from other levels of government have requirements for acquittal and delivery of required outcomes or service outputs (operating grants 36% and capital grants 16%).
- User charges – Council operates a range of services that charge user fees (less than 3%).
- Statutory fees and fines – are fees for applications and permits (less than 1%).

Revenue



How Council spends money (2021-22 budget)

Expenditure



PERFORMANCE STATEMENT AND FINANCIAL REPORT

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

The Financial Report is a key report of the Pyrenees Shire Council. It shows how Council performed financially during the 2022/23 financial year and the overall position at the end (June 30, 2023) of the financial year. Council presents its Financial Report in accordance with the Australian Accounting Standards.

Particular terms required by the Standards may not be familiar to some readers. Further, Council is a 'not-for-profit' organisation and some of the generally recognised terms used in private sector company reports are not appropriate to Council's Reports.

The Performance Statement and Financial Report are available to download from Council's website www.pyrenees.vic.gov.au or you can contact the office to request a printed copy.

Pyrenees Shire Council

ANNUAL FINANCIAL REPORT

For the year ended 30 June 2023

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Certification of Financial Statement

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.



Glenn Kallio B.Bus CPA
Principal Accounting Officer
Date : 26 September 2023
Beaufort Shire Offices

In our opinion, the accompanying financial statements present fairly the financial transactions of the Pyrenees Shire Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

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

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



Cr Damian Ferrari
Councillor
Date 26 September 2023
Beaufort Shire Offices



Cr Robert Vance
Councillor
Date 26 September 2023
Beaufort Shire Offices



Jim Nolan
Chief Executive Officer
Date 26 September 2023
Beaufort Shire Offices

Independent Auditor's Report

To the Councillors of Pyrenees Shire Council

Opinion I have audited the financial report of Pyrenees Shire Council (the council) which comprises the:

- balance sheet as at 30 June 2023
- 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.

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Councillors' responsibilities for the financial report The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*, 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.

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.

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
10 October 2023



Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income / Revenue			
Rates and charges	3.1	12,809	12,429
Statutory fees and fines	3.2	264	192
User fees	3.3	917	884
Grants - operating	3.4	10,901	9,610
Grants - capital	3.4	4,857	4,215
Contributions - monetary	3.5	158	17
Net gain on disposal of property, infrastructure, plant and equipment	3.6	6	117
Other income	3.7	724	230
Total income / revenue		30,636	27,694
Expenses			
Employee costs	4.1	9,713	9,091
Materials and services	4.2	9,438	8,424
Depreciation	4.3	6,016	5,699
Amortisation - right of use assets	4.4	13	13
Bad and doubtful debts - allowances for impairment losses	4.5	6	13
Borrowing costs	4.6	25	-
Finance costs - leases	4.7	1	1
Other expenses	4.8	263	298
Total expenses		25,475	23,539
Surplus for the year		5,161	4,155
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.1	22,674	12,965
Total other comprehensive income		22,674	12,965
Total comprehensive result		27,835	17,120

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

Balance Sheet
As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	19,293	15,761
Trade and other receivables	5.1 (c)	1,838	1,106
Inventories	5.2 (a)	14	10
Prepayments	5.2 (b)	59	15
Other assets	5.2 (b)	100	90
Total current assets		21,304	16,982
Non-current assets			
Trade and other receivables	5.1 (c)	14	21
Property, infrastructure, plant and equipment	6.1	282,391	257,149
Right-of-use assets		2	15
Total non-current assets		282,407	257,185
Total assets		303,711	274,167
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	2,783	1,944
Trust funds and deposits	5.3 (b)	259	188
Unearned income/revenue	5.3 (c)	2,814	2,557
Provisions	5.4	2,321	2,382
Interest-bearing liabilities	5.5	121	-
Lease liabilities		3	15
Total current liabilities		8,301	7,086
Non-current liabilities			
Provisions	5.4	173	118
Interest-bearing liabilities	5.5	443	-
Lease liabilities		-	3
Total non-current liabilities		616	121
Total liabilities		8,917	7,207
Net assets		294,794	266,960
Equity			
Accumulated surplus		103,517	98,356
Reserves	9.1	191,277	168,604
Total Equity		294,794	266,960

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 Reserve \$'000	Other Reserves \$'000
2023					
Balance at beginning of the financial year		266,960	98,356	168,595	9
Surplus for the year		5,161	5,161	-	-
Net asset revaluation increment	9.1	22,674	-	22,674	-
Transfers from (to) other reserves	9.1	(1)	-	(1)	-
		294,794	103,517	191,268	9
Balance at end of the financial year		294,794	103,517	191,268	9
		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2022					
Balance at beginning of the financial year		249,840	94,201	155,630	9
Surplus for the year		4,155	4,155	-	-
Net asset revaluation increment	9.1	12,965	-	12,965	-
Transfers from (to) other reserves	9.1	-	-	-	-
		266,960	98,356	168,595	9
Balance at end of the financial year		266,960	98,356	168,595	9

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

	Note	2023 Inflows/ (Outflows) \$'000	2022 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		12,263	12,317
Statutory fees and fines		264	192
User fees		824	983
Grants - operating		11,158	9,577
Grants - capital		4,857	4,215
Contributions - monetary		158	17
Interest received		275	25
Other receipts		494	205
Net GST refund/payment		1,033	(100)
Employee costs		(9,719)	(9,181)
Materials and services		(9,875)	(8,852)
Net Trust funds and deposits received/(repaid)		71	(186)
Other payments		(289)	(298)
Net cash provided by/(used in) operating activities	9.2	11,513	8,914
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(8,544)	(9,303)
Proceeds from sale of property, infrastructure, plant and equipment		40	3,211
Net cash provided by/(used in) investing activities		(8,504)	(6,092)
Cash flows from financing activities			
Finance costs		(25)	-
Proceeds from borrowings		650	-
Repayment of borrowings		(86)	-
Interest paid - lease liability		(1)	(1)
Repayment of lease liabilities		(15)	(13)
Net cash provided by/(used in) financing activities		523	(14)
Net increase (decrease) in cash and cash equivalents		3,532	2,808
Cash and cash equivalents at the beginning of the financial year		15,761	12,953
Cash and cash equivalents at the end of the financial year		19,293	15,761
Financing arrangements	5.6		

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**

	Note	2023 \$'000	2022 \$'000
Property			
Land		24	654
Total land		<u>24</u>	<u>654</u>
Buildings		543	1,886
Total buildings		<u>543</u>	<u>1,886</u>
Total property		<u>567</u>	<u>2,540</u>
Plant and equipment			
Plant, machinery and equipment		387	911
Fixtures, fittings and furniture		9	140
Computers and telecommunications		175	173
Library books		17	41
Total plant and equipment		<u>588</u>	<u>1,265</u>
Infrastructure			
Roads		2,657	3,396
Bridges		2,276	769
Footpaths and cycleways		515	534
Drainage		652	292
Other infrastructure		1,360	507
Total infrastructure		<u>7,460</u>	<u>5,498</u>
Total capital works expenditure		<u>8,615</u>	<u>9,303</u>
Represented by:			
New asset expenditure		1,633	2,862
Asset renewal expenditure		5,550	5,875
Asset expansion expenditure		-	139
Asset upgrade expenditure		1,432	427
Total capital works expenditure		<u>8,615</u>	<u>9,303</u>

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

Note 1 Overview

Introduction

The Pyrenees Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate. The Council's main office is located at 5 Lawrence Street Beaufort.

Statement of Compliance

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

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.

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.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and 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)

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- the determination of employee provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgements.

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

b) Goods and Service Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

c) Rounding

Amounts in the Financial Report have been rounded to the nearest thousand dollars unless otherwise stated. Some figures in the financial statement may not equate due to rounding.

d) Impact of Covid-19

During 2022-23 the COVID-19 pandemic ceased to impact on Council's operations.

Note 2 Analysis of our results

Note 2.1 Performance against budget

The performance against budget notes compares 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 that an explanation is warranted only when both a +/- 10 percent and \$250,000 movement has occurred. 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*.

Note 2.1.1 Income / Revenue and expenditure

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	12,818	12,809	(9)	0%	
Statutory fees and fines	248	264	16	6%	
User fees	866	917	51	6%	
Grants - operating	7,321	10,901	3,580	49%	1
Grants - capital	3,805	4,857	1,052	28%	2
Contributions - monetary	-	158	158	100%	
Net gain on disposal of property, infrastructure, plant and equipment	-	6	6	100%	
Other income	120	724	604	503%	3
Total income / revenue	25,178	30,636	5,458	22%	
Expenses					
Employee costs	9,382	9,713	(331)	-4%	
Materials and services	8,111	9,438	(1,327)	-16%	4
Depreciation	6,697	6,016	681	10%	5
Amortisation - right of use assets	13	13	-	0%	
Bad and doubtful debts - allowances for impairment losses	31	6	25	81%	
Borrowing costs	16	25	(9)	-56%	
Finance costs - leases	6	1	5	83%	
Other expenses	268	263	5	2%	
Total expenses	24,524	25,475	(951)	-4%	
Surplus for the year	654	5,161	4,507	689%	

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(i) Explanation of material variations

1 Grants – operating

The significant increase in operating grants for 2022-23 is attributed to the receipt of the 2023-24 Federal Assistance grant in 2022-23.

2 Grants – capital

Council recognised \$1.298 million for flood recovery grants in relation to the October 2022 floods which were not budgeted for.

3 Other income

Council has received significant amounts in excess of budget for the following items:

- Interest on investments – Combination of higher interest rates and improved investment strategy has improved the level of income received.
- Higher levels of Workcover reimbursements received for the year.
- Funds received for insurance claims relating to the flood event in October 2022.

4 Materials and services

Council incurred additional costs associated with the following:

- Council approved funds to be carried over from the 2021-22 year to 2022-23 to complete unfinished projects.
- Additional costs were incurred in the waste collection service due to rising fuel costs.
- Southern Wimmera and Northeast Pyrenees Water Supply Feasibility Study was a project that was funded from capital works with the costs incurred in the operating statement.
- Significant costs were incurred in the recovery efforts of the October 2022 floods. The majority of these funds will be covered by grants from government.

5 Depreciation

The depreciation for the 2022-23 year has increased due to the revaluation of assets.

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2.1.2 Capital works

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	24	24	100%	
Total land	-	24	24	100%	
Buildings	280	543	263	94%	1
Total buildings	280	543	263	94%	
Total property	280	567	287	103%	
Plant and equipment					
Plant, machinery and equipment	777	387	(390)	-50%	2
Fixtures, fittings and furniture	23	9	(14)	-61%	
Computers and telecommunications	152	175	23	15%	
Library books	24	17	(7)	-29%	
Total plant and equipment	976	588	(388)	-40%	
Infrastructure					
Roads	3,373	2,657	(716)	-21%	3
Bridges	646	2,276	1,630	252%	4
Footpaths and cycleways	878	515	(363)	-41%	5
Drainage	779	652	(127)	-16%	
Other infrastructure	795	1,360	565	71%	6
Total infrastructure	6,471	7,460	989	15%	
Total capital works expenditure	7,727	8,615	888	11%	
Represented by:					
New asset expenditure	956	1,633	677	71%	7
Asset renewal expenditure	5,305	5,550	245	5%	
Asset upgrade expenditure	1,466	1,432	(34)	-2%	
Total capital works expenditure	7,727	8,615	888	11%	

(i) Explanation of material variations

The majority of the material variations within capital works is a result of funds carried forward from 2021-22 to the 2022-23 financial year to complete projects that had not been completed in the 2021-22 financial year

1 Buildings

The variation is a result of carryover funds. In this category the carryover funds related to the completion of the Lexton Community Facility, funds totalling \$287k was spent on this project which were funded from surplus funds from 2021-22.

2 Plant, machinery and equipment

The reduction in expenditure in the purchase of plant directly relates to the downturn in the supply of plant. A number of orders have been issued however there is up to a two year delay in the receipt of plant from suppliers.

3 Roads

The reduction in expenditure related to three factors;

- Council reallocated resource to the cleanup resulting from the October 2022 flood event,
- Wetter than average weather conditions delayed the completion of a number of projects.
- Continued difficulties in obtaining contractors have delayed the completion of a number of projects.

4 Bridges

The additional funds relate to unfinished projects in 2021-22 being carried over to the 2022-23 financial year.

The projects impacted were:

- Bridge 139 Raglan Elmhurst Rd
- Bridge 32 Carngham-Streatham Rd
- Bridge 11- Beaufort Carngham Rd

5 Footpaths and cycleways

The reduction in expenditure relate to projects that remain works in progress as at June 30:

- Beaufort footpath construction
- Activate Avoca Streetscape

6 Other infrastructure

The increase in expenditure compared to budget has been impacted by funds carried forward from the 2021/22 financial year to complete a number of projects including:

- Waste Strategy Transfer Station Upgrades
- Beaufort Walkability Project - Stage 2 Exp

7 New asset

8 The increase in expenditure compared to budget has been impacted by funds carried forward from the 2021/22 financial year to complete a number of projects including:

- Lexton Community Hub
- Recreation projects

Note 2.2 Analysis of Council results by program.

Council delivers its functions and activities through the following programs:

2.2.1 People and Organisation Development

Prepare for emergencies and ensure community safety.

Support a vibrant community art, culture, and heritage environment.

Improve accessibility and inclusivity.

Promote health, wellbeing, engagement, and connection.

Improve social outcomes.

Place

Sustain and enhance unique character of our communities.

Support community sustainability.

Enhance liveability of our communities.

Promote responsible development.

Environment

Lead and promote environmental sustainability.

Foster a climate change resilient community.

Encourage community care of biodiversity and natural values.

Improve waste management to reduce landfill and reduce harm to the environment.

Economy

Support our local businesses and help to strengthen key industries.

Invest in road infrastructure to improve connectivity for commerce and community.

Advocate for and invest in assets and infrastructure to support industry sustainability.

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

	Income / Revenue	Expenses	Surplus	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
People and Organisation Development	3,210	3,303	(93)	2,886	-
Place	627	2,767	(2,140)	341	-
Environment	2,523	2,396	127	152	-
Economy	13,593	10,993	2,600	12,379	303,711
Unattributed					
Net Asset Sales	6	-	6	-	-
Rates Revenue	10,677	-	10,677	-	-
Depreciation	-	6,016	(6,016)	-	-
	30,636	25,475	5,161	15,758	303,711

	Income / Revenue	Expenses	Surplus	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2022					
People and Organisation Development	1,958	2,883	(925)	1,339	-
Place	726	2,830	(2,104)	508	-
Environment	2,300	2,902	(602)	112	-
Economy	12,181	9,225	2,956	11,866	274,167
Unattributed					
Net Asset Sales	117	-	117	-	-
Rates Revenue	10,412	-	10,412	-	-
Depreciation	-	5,699	(5,699)	-	-
	27,694	23,539	4,155	13,825	274,167

Note 3 Funding for the delivery of services

3.1 Rates and Charges

	2023	2022
	\$'000	\$'000

Council uses capital improved value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its market value (land and buildings).

The valuation base used to calculate general rates for 2022/23 was \$4,506 million (2021/22 \$3,110 million).

General rates	9,363	9,131
Supplementary rates and rate adjustments	14	33
Waste management charge	2,132	2,014
Interest on rates and charges	95	97
Revenue in lieu of rates	1,205	1,154
Total rates and charges	12,809	12,429

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2022, and the valuation will be first applied in the rating year commencing 1 July 2022.

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

3.2 Statutory fees and fines

Environmental health fees	31	3
Fines	54	24
Town planning fees	161	145
Land information certificates	18	20
Total statutory fees and fines	264	192

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.

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	2023	2022
	\$'000	\$'000
3.3 User fees		
Caravan park charges	260	235
Home care charges	225	260
Building charges	51	56
Animal registration charges	139	133
Rental and function charges	35	36
Delivered meals charges	30	32
Goldfields Recreation Reserve venue hire charges	19	25
Waste disposal charges	2	3
Resource and information centre charges	43	20
Community transport charges	6	5
Environmental Health	29	17
Road opening permits	14	13
Other charges	64	49
Total user fees	917	884
User fees by timing of revenue recognition		
User fees recognised over time	174	169
User fees recognised at a point in time	743	715
Total user fees	917	884

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

3.4 Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	12,542	12,442
State Government funded grants	3,216	1,383
Total grants received	15,758	13,825

(a) Operating Grants

Recurrent - Commonwealth Government

Financial Assistance Grants	8,523	7,322
General home care	582	661

Recurrent - State Government

Aged Care Services	179	249
Libraries	123	126
Family & Childrens Services	287	312
Other	183	34
Total recurrent operating grants	9,877	8,704

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	2023	2022
	\$'000	\$'000
<i>Non-recurrent - Commonwealth Government</i>		
Lexton Fire - 20th December 2019 Reimbursement	-	(95)
Drought Relief Funding	-	304
Bushfire Support Inc (Commonwealth)	-	217
Kick Starting Events in Pyrenees Grant	-	30
<i>Non-recurrent - State Government</i>		
Rural Roads	57	-
Elder Abuse Prevention Strategy	55	-
Rapid Antigen Test Program	90	-
Early years Workforce Development	30	-
Community Recovery Officer	36	
Avoca War Memorial	-	22
Stockyard Hill & Lake Goldsmith avenue of honour maintenance	-	11
Avoca Oval Playing Surface	-	4
Jobs Victoria Fund	4	18
Evaluating Transport Connections in the Pyrenees Project	-	12
Youth Engagement Project	47	23
Emergency Planning Process	120	13
Skipton Hospital Straw Heating Project	-	59
Business Concierge & Hospitality Program	41	78
Transition Plan Development	77	30
Roadside Weeds & Pest Management	61	61
Avoca Digital Hub	29	61
Beaufort New Practice Nets & Storage Shed	-	16
Community Activation & Social Isolation	56	-
Southern Wimmera and Northeast Pyrenees Water Supply Feasibility Study	300	-
Covid-19 Emergency Support	15	31
Premier Reading Challenge	6	-
Miscellaneous	-	11
Total non-recurrent operating grants	1,024	906
Total operating grants	10,901	9,610

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	2023	2022
	\$'000	\$'000
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,367	1,076
Total recurrent capital grants	1,367	1,076
<i>Non-recurrent - Commonwealth Government</i>		
Local Roads and Community Infrastructure Program	1,829	1,576
AgriLinks - Bridge 110 on the Moonambel Warrenmang Road	-	311
BRP - Bridge 139 Raglan Elmhurst Rd	-	198
Bridge 32 - Carngham Streatham road	241	161
Lexton Community Facility Federal Grant	-	681
<i>Non-recurrent - State Government</i>		
Lexton Community Facility	30	-
Pyrenees Mobile Library Bus Project State Grant3	-	11
Avoca Pool SV Pools Grant	-	12
Flood Event October 2022	1,298	-
Beaufort Lake Boating and Fishing Platforms	-	70
COVID Outdoor Eating & Dining Project	92	11
COVID Safe Outdoor Activation Project 2021	-	108
Total non-recurrent capital grants	3,490	3,139
Total capital grants	4,857	4,215

(c) Recognition of grant income

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 AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council:

- 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.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 Income of *Not-for-Profit Entities*.

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.

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	2023	2022
	\$'000	\$'000
Income recognised under AASB 1058 <i>Income for Not-for-Profit Entities</i>		
General Purpose	8,523	7,448
Specific purpose grants to acquire non-financial assets	4,857	4,215
Other specific purpose grants	270	-
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	2,108	2,162
	15,758	13,825

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

Operating

Balance at start of year	753	1,077
Received during the financial year and remained unspent at balance date	927	135
Received in prior years and spent during the financial year	(444)	(459)
Balance at year end	1,236	753

Capital

Balance at start of year	1,804	1,513
Received during the financial year and remained unspent at balance date	868	1,571
Received in prior years and spent during the financial year	(1,094)	(1,280)
Balance at year end	1,578	1,804

Unspent grants are determined and disclosed on a cash basis.

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	2023	2022
	\$'000	\$'000
3.5 Contributions - monetary		
Monetary	158	17
Total contributions	158	17

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

3.6 Net gain on disposal of property, infrastructure, plant and equipment

Proceeds of sale	36	3,211
Written down value of assets disposed	(30)	(3,094)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	6	117

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

3.7 Other income

Interest	298	26
Reimbursement - Workcover wages	71	6
Reimbursement - State Revenue Office	57	45
Private Works	121	151
Insurance Recovery	159	-
Other	18	2
Total other income	724	230

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.

Note 4 The cost of delivering services

	2023 \$'000	2022 \$'000
4.1 (a) Employee costs		
Wages and salaries	8,669	7,850
WorkCover	144	381
Superannuation	899	836
Fringe benefits tax	1	24
Total employee costs	9,713	9,091
(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	88	107
	88	107
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	517	499
Employer contributions - other funds	294	230
	811	729
Employer contributions payable at reporting date.	18	-

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

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4.2 Materials and services	2023 \$'000	2022 \$'000
Contractors	4,074	4,053
Consumables	2,013	1,764
Contracted Service Delivery	1,239	582
Insurance	444	420
Electricity and water	174	182
Plant expenses	396	170
Information technology	339	375
Telecommunications	146	213
Subscriptions and memberships	112	97
Advertising	111	130
Legal fees	(12)	127
Stationery, postage, photocopying and printing	64	46
Conferences and training	130	86
Contributions and donations	138	143
Valuations	57	18
Fire services levy	13	18
Total materials and services	9,438	8,424

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

4.3 Depreciation

Property	1,008	971
Plant and equipment	813	796
Infrastructure	4,195	3,932
Total depreciation	6,016	5,699

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

4.4 Amortisation - Right of use assets

Printers	13	13
Total Amortisation - Right of use assets	13	13

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4.5 Bad and doubtful debts - allowance for impairment losses	2023	2022
	\$'000	\$'000
General Debtors	6	13
Total bad and doubtful debts - allowance for impairment losses	6	13

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	(22)	(22)
Balance at end of year	(22)	(22)

An allowance for impairment losses in respect of debtors 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	25	-
Total borrowing costs	25	-

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	1	1
Total finance costs	1	1

4.8 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	42	40
Auditors' remuneration - Internal Audit	46	43
Councillors' allowances	166	202
Internal audit committee	4	5
Short term leases	5	8
Total other expenses	263	298

Note 5 Our financial position

	2023	2022
	\$'000	\$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	19,292	15,760
Total cash and cash equivalents	19,293	15,761

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.

(b) Trade and other receivables

Current

Statutory receivables

Rates debtors	882	337
Special rate assessment	6	8
Net GST receivable	194	120

Non statutory receivables

Other debtors	778	663
Provision for doubtful debts - other debtors	(22)	(22)

Total current trade and other receivables	1,838	1,106
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Non-current

Statutory receivables

Special rate scheme	14	21
Total non-current trade and other receivables	14	21

Total trade and other receivables	1,852	1,127
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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.

**Pyrenees Shire Council
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(c) Ageing of Receivables

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

	2023	2022
	\$'000	\$'000
Current (not yet due)	284	263
Past due by up to 30 days	15	5
Past due between 31 and 180 days	420	24
Past due between 181 and 365 days	1	361
Past due by more than 1 year	58	10
Total trade and other receivables	778	663

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5.2 Non-financial assets	2023	2022
(a) Inventories	\$'000	\$'000
Inventories held for distribution	14	10
Total inventories	14	10

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

Prepayments	59	15
Accrued income	100	90
Total other assets	159	105

5.3 Payables, trust funds and deposits and unearned income/revenue

(a) Trade and other payables

Current

Non-statutory payables

Trade payables	2,258	932
Accrued expenses	525	1,012
Total current trade and other payables	2,783	1,944

(b) Trust funds and deposits

Current

Refundable deposits	140	84
Fire services levy	-	5
Retention amounts	119	99
Total current trust funds and deposits	259	188

(c) Unearned income/revenue

Grants received in advance - operating	1,236	845
Grants received in advance - capital	1,578	1,712
Total unearned income/revenue	2,814	2,557

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Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of the delivery of specific services and/or the delivery of specific capital works. Unearned income/revenue 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. Refer to Note 3.

Purpose and nature of items

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.

5.4 Provisions	2023	2022
	\$'000	\$'000
Balance at beginning of the financial year	2,500	2,589
Additional provisions	996	1,238
Amounts used	(956)	(1,033)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(46)	(294)
Balance at the end of the financial year	2,494	2,500
Provisions - current	2,321	2,382
Provisions - non-current	173	118

**Pyrenees Shire Council
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	2023	2022
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	541	464
Long service leave	146	300
	687	764
Current provisions expected to be wholly settled after 12 months		
Annual leave	121	199
Long service leave	1,513	1,419
	1,634	1,618
Total current employee provisions	2,321	2,382
Non-current		
Long service leave	173	118
Total non-current employee provisions	173	118
Aggregate carrying amount of employee provisions:		
Current	2,321	2,382
Non-current	173	118
Total aggregate carrying amount of employee provisions	2,494	2,500

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:

- discount rate	4.350%	3.850%
- index rate	4.063%	3.696%

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5.5 Interest-bearing liabilities	2023	2022
	\$'000	\$'000
Current		
Other borrowings - secured	121	-
	121	-
Non-current		
Other borrowings - secured	443	-
	443	-
Total	564	-

Borrowings are secured by all accounts and other rights, remedies and entitlements (whether arising under statute or otherwise) in respect of general rates and/or council rates (however described) which exist at any time (including the right to charge and collect any such rates)

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

Not later than one year	121	-
Later than one year and not later than five years	443	-
	564	-

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

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

5.6 Financing arrangements	2023	2022
	\$'000	\$'000
The Council has the following funding arrangements in place as at 30 June 2023		
Credit card facilities	75	75
Other facilities	-	-
Total facilities	75	75
Used facilities	-	75
Unused facilities	75	-

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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

2023	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste services	1,141	1,175	1,210	-	3,526
Beaufort Water Monitoring	10	-	-	-	10
Mobile Waste bins	26	27	84	-	137
Transfer station management	499	516	1,660	-	2,675
Cleaning services	96	-	-	-	96
Internal audit	33	25	25	-	83
Swimmng Pools	352	-	-	-	352
Municipal building surveyor	98	-	-	-	98
Environmental health	199	-	-	-	199
Beaufort Linear Master Plan	77	-	-	-	77
Total	2,531	1,743	2,979	-	7,253

**Pyrenees Shire Council
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	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
Capital					
Roads	850	850	1,700	-	3,400
Bridges	80	-	-	-	80
Concrete service Area	16	-	-	-	16
Beaufort Lake Shelter	126	-	-	-	126
Total	1,072	850	1,700	-	3,622

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2022	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not	years and not	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste services	1,108	1,141	2,385	-	4,634
Beaufort Water Monitoring	11	10	-	-	21
Mobile Waste bins	25	26	82	29	162
Transfer station management	379	499	1,604	573	3,055
Cleaning services	96	96	-	-	192
Internal audit	18	-	-	-	18
Swimming Pools	352	352	-	-	704
Municipal building surveyor	95	98	-	-	193
Environmental health	199	199	-	-	398
Total	2,283	2,421	4,071	602	9,377
Capital					
Roads	524	-	-	-	524
Bridges	2,281	80	-	-	2,361
Total	2,805	80	-	-	2,885

Prior year commitments have been amended due to errors found in the figures.

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(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of less than 1 year.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2023	2022
	\$'000	\$'000
Not later than one year	3	25
	<hr/>	<hr/>
	3	25

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2022 \$'000	Additions \$'000	Revaluation \$'000	Impairment \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Carrying amount 30 June 2023 \$'000
Property	47,152	418	6,487	-	(1,009)	-	-	3,643	56,691
Plant and equipment	5,179	587	-	-	(813)	(31)	-	86	5,008
Infrastructure	199,799	5,027	22,303	(6,116)	(4,194)	-	-	585	217,404
Work in progress	5,019	2,583	-	-	-	-	-	(4,314)	3,288
	257,149	8,615	28,790	(6,116)	(6,016)	(31)	-	-	282,391

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Infrastructure	1,071	2,433	-	(585)	2,919
Plant and equipment	86	1	-	(86)	1
Property	3,862	149	-	(3,643)	368
Total	5,019	2,583	-	(4,314)	3,288

**Pyrenees Shire Council
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(a) Property

	Land - specialised	Land improvements	Total Land & Land Improvements	Buildings - specialised	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	10,922	3,496	14,418	33,114	3,862	51,394
Accumulated depreciation at 1 July 2022	-	(46)	(46)	(334)	-	(380)
	10,922	3,450	14,372	32,780	3,862	51,014
Movements in fair value						
Additions	13	-	13	405	149	567
Revaluation	1,748	92	1,840	3,258	-	5,098
Transfers	-	-	-	3,643	(3,643)	-
	1,761	92	1,853	7,306	(3,494)	5,665
Movements in accumulated depreciation						
Depreciation and amortisation	-	(213)	(213)	(796)	-	(1,009)
Revaluation increments/decrements	-	259	259	1,130	-	1,389
	-	46	46	334	-	380
At fair value 30 June 2023	12,683	3,588	16,271	40,420	368	57,059
Accumulated depreciation at 30 June 2023	-	-	-	-	-	-
Carrying amount	12,683	3,588	16,271	40,420	368	57,059

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(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	7,416	563	646	501	86	9,212
Accumulated depreciation at 1 July 2022	(2,942)	(336)	(331)	(338)	-	(3,947)
	4,474	227	315	163	86	5,265
Movements in fair value						
Additions	388	7	175	17	1	588
Disposal	(51)	-	(8)	-	-	(59)
Transfers	-	25	61	-	(86)	-
	337	32	228	17	(85)	529
Movements in accumulated depreciation						
Depreciation and amortisation	(637)	(28)	(121)	(27)	-	(813)
Accumulated depreciation of disposals	21	-	7	-	-	28
	(616)	(28)	(114)	(27)	-	(785)
At fair value 30 June 2023	7,753	595	874	518	1	9,741
Accumulated depreciation at 30 June 2023	(3,558)	(364)	(445)	(365)	-	(4,732)
Carrying amount	4,195	231	429	153	1	5,009

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(c) Infrastructure

	Bridges	Culverts; Pipes & Pits	Footpaths and Cycleways	Kerb and Channel	Roads	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	28,521	21,441	2,094	4,019	150,955	2,865	1,071	210,966
Accumulated depreciation at 1 July 2022	(125)	(7,920)	(12)	(28)	(1,231)	(780)	-	(10,096)
	28,396	13,521	2,082	3,991	149,724	2,085	1,071	200,870
Movements in fair value								
Additions	864	601	504	8	2,644	406	2,433	7,460
Revaluation	2,572	(5,566)	56	321	11,560	(773)	-	8,170
Transfers	99	15	19	-	-	452	(585)	-
Impairment losses recognised in asset revaluation reserve	(592)	(1,410)	-	-	(4,114)	-	-	(6,116)
	2,943	(6,360)	579	329	10,090	85	1,848	9,514
Movements in accumulated depreciation								
Depreciation and amortisation	(373)	(204)	(73)	(86)	(3,236)	(222)	-	(4,194)
Revaluation increments/decrements	498	8,119	76	114	4,390	936	-	14,133
	125	7,915	3	28	1,154	714	-	9,939
At fair value 30 June 2023	31,464	15,081	2,673	4,348	161,045	2,950	2,919	220,480
Accumulated depreciation at 30 June 2023	-	(5)	(9)	-	(77)	(66)	-	(157)
Carrying amount	31,464	15,076	2,664	4,348	160,968	2,884	2,919	220,323

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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.

	Depreciation Period	Threshold Limit
		<u>\$'000</u>
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
land	-	-
land improvements	15 - 60 years	10
Buildings		
buildings	20 - 150 years	10
Plant and Equipment		
plant, machinery and equipment	5 -20 years	5
computers & Telecommunications	3 - 10 years	5
fixtures, fittings, and furniture	3 - 20 years	5
library Collection	10 years	
Infrastructure		
sealed roads formation	100 years	10
unsealed roads formation	100 years	10
sealed roads pavement	20 - 110 years	10
unsealed roads pavement	30 years	10
footpaths and cycleways	53 years	5
kerb and channel	15 - 85 years	5
drainage	100 years	5
bridges	128 - 130 years	10
other structure	10 - 25 years	5

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Land under roads

Council has not recognised land under roads in 2022/23.

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.

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Mr Chris Barrett BSc, MBA, AAPI Certified Practising Valuer API Member No. 63083. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions as at 1 January 2022. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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The date and type of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on:

- Specialised land The percentage increase of land valuation of the Council for non rateable land provided by the Council’s valuer to the Valuer General.
- Specialised buildings Australian Bureau of Statistics, Producer Price Indexes, Australia June 2023 for building construction.

A full revaluation of these assets will be conducted in 2025/26.

Details of the Council’s land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Specialised land	-	-	12,683	1/2023	Indexed
Land improvements	-	-	3,588	6/2023	Indexed
Specialised buildings	-	-	40,420	6/2023	Indexed
Total	-	-	56,691		

Valuation of infrastructure

Valuation of bridge, footpath and cycleway, kerb and channel, road pavement, road formation and sealed surface assets has been determined in accordance with an independent valuation undertaken by Mr Peter Moloney, Dip. C.E., MIE Australia as at 31 December 2021.

An index based revaluation was conducted in the current year, this valuation was based on Australian Bureau of Statistics, Producer Price Indexes, Australia June 2023. The following table provides details of the indexes:

	Index
Roads	11.13%
Bridges	11.13%
Footpaths and cycleways	8.18%
Culverts; Pipes & Pits	20.05%
Kerb & Channel	11.13%
Other infrastructure	11.13%

A full revaluation of these assets will be conducted in 2025/26.

Valuation of major drainage assets has been determined in accordance with a valuation undertaken by Council's Manager of Assets as at December 2018.

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

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

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Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Roads	-	-	160,968	6/2023	Indexed
Bridges	-	-	31,464	6/2023	Indexed
Footpaths and cycleways	-	-	2,664	6/2023	Indexed
Culverts; Pipes & Pits	-	-	15,076	6/2023	Indexed
Kerb & Channel	-	-	4,348	6/2023	Indexed
Other infrastructure	-	-	2,884	6/2023	Indexed
Total	-	-	217,404		

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 0% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$309 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 are calculated on a square metre basis and ranges from \$160 to \$5,203 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 28 years to 30 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 1 years to 128 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.

	2023	2022
	\$'000	\$'000
Reconciliation of specialised land		
Recreation	6,817	5,876
Industry	2,550	2,187
Tourism	322	278
Waste Management	974	840
Children's services	215	185
Roads	1,623	1,399
Administration	182	157
Total specialised land	12,683	10,922

6.2 Investments in associates, joint arrangements, and subsidiaries

Council does not have any investments in associates, joint arrangements, or subsidiaries.

Committees of management

All entities controlled by Council that have material revenues, expenses, assets, or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Pyrenees Shire Council is the parent entity.

Subsidiaries and Associates

As at 30 June 2023 Council does not have any interests in any subsidiaries and/or associates.

(b) Key Management Personnel

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

Councillors

Councillor Ron Eason (Mayor)
 Councillor David Clark
 Councillor Robert Vance
 Councillor Tanya Kehoe
 Councillor Damien Ferrari
 Jim Nolan – Chief Executive Officer
 Kathy Bramwell – Director – Corporate and Community Services
 Douglas Gowans – Director – Assets and Development

	2023	2022
	No.	No.
Total Number of Councillors	5	5
Total of Chief Executive Officer and other Key Management Personnel	3	3
Total Number of Key Management Personnel	<u>8</u>	<u>8</u>

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

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	2023	2022
	\$	\$
Total remuneration of key management personnel was as follows:		
Short-term benefits	751	755
Other long-term benefits	41	37
Post employment benefits	55	53
Total	847	845

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

	2023	2022
	No.	No.
\$10,000 - \$18,998	1	-
\$20,000 - \$29,999	3	-
\$30,000 - \$39,999	-	2
\$40,000 - \$49,999	-	2
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	1	-
\$180,000 - \$189,999	-	1
\$200,000 - \$209,999	1	-
\$210,000 - \$219,999	-	1
\$230,000 - \$239,999	1	1
\$250,000 - \$259,999	1	-
	8	8

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(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 and who report directly to a member of the KMP.

Pyrenees Shire Council have no other senior staff as defined above.

	2023	2022
	\$'000	\$'000
7.2 Related party disclosure		
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
Employee remuneration under normal employment terms	<u>79</u>	<u>-</u>
	<u>79</u>	<u>-</u>

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.

At balance date the Council are not aware of any contingent assets.

(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 Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 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 Bendigo Bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements.

Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls, and risk minimisation.

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from borrowings from the Bendigo Bank at a fixed rate 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:

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

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.5.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 2.0% and -2.0% in market interest rates (AUD) from year-end rates of 4.10% as at 7 July 2023.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, 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 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Asset class	Revaluation frequency
Land	3 to 5 years
Land Improvements	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	3 to 5 years
Kerb and Channel	3 to 5 years
Other infrastructure	3 to 5 years

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Council experienced significant damage to infrastructure due to the flood event which occurred in October 2022. This flood event resulted in the reduction in the carrying value of infrastructure assets amounting to \$6.116 million.

8.5 Events occurring after balance date

No matters have occurred after balance date that requires disclosures in the financial report.

Note 9 Other matters

9.1 Reserves	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2023			
Property			
Land	9,662	2,099	11,761
Buildings	27,730	4,388	32,118
	37,392	6,487	43,879
Infrastructure			
Roads	100,048	11,835	111,883
Bridges	17,902	2,478	20,380
Footpaths and cycleways	983	132	1,115
Kerb and Channel	-	435	435
Culverts; Pipes & Pits	11,929	1,143	13,072
Other Infrastructure	341	163	504
	131,203	16,186	147,389
Total asset revaluation reserves	168,595	22,673	191,268
2022			
Property			
Land and land improvements	2,455	7,207	9,662
Buildings	20,700	7,030	27,730
	23,155	14,237	37,392
Infrastructure			
Roads	101,327	(1,279)	100,048
Bridges	18,238	(336)	17,902
Footpaths and cycleways	1,111	(128)	983
Drainage	11,458	471	11,929
Other Infrastructure	341	-	341
	132,475	(1,272)	131,203
Total asset revaluation reserves	155,630	12,965	168,595

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

**Pyrenees Shire Council
Financial Report**

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

	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				
2023				
Recreational Land	9	-	-	9
Total Other reserves	9	-	-	9
2022				
Recreational Land	9	-	-	9
Total Other reserves	9	-	-	9

9.2 Reconciliation of cash flows from operating activities to surplus	2023 \$'000	2022 \$'000
Surplus for the year	5,161	4,155
Depreciation	6,016	5,699
Amortisation - Right of use assets	13	13
Net gain on disposal of property, infrastructure, plan and equipment	(6)	(117)
Finance costs - Borrowings	25	-
Finance Cost - Leases	1	1
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(800)	(100)
(Increase)/decrease in inventories	(4)	(6)
(Increase)/decrease in prepayments	(44)	55
Increase/(decrease) in accrued income	(10)	6
(Decrease)/increase in unearned income /revenue	257	(33)
Increase/(decrease) in trade and other payables	839	(484)
(Decrease)/increase in provisions	(6)	(89)
(Decrease)/increase in trust funds and deposits	71	(186)
Net cash provided by/(used in) operating activities	11,513	8,914

Pyrenees Shire Council Financial Report

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 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10.0%).

Defined Benefit

Pyrenees Shire 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 Pyrenees Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets, and costs between employers for the purposes of AASB 119.

Funding arrangements

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

A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Pyrenees Shire Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa

Salary information 3.5% pa

Price inflation (CPI) 2.8% pa

As at 30 June 2022, 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 Pyrenees Shire Council is a contributing employer was 102.2%. The financial assumptions used to calculate the 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

Pyrenees Shire Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). Vision Super has advised that the estimated VBI at 3rd quarter end was 104.1%

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 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 2022 interim actuarial investigation conducted by the Fund Actuary, Pyrenees Shire 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 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). 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 2022 interim valuation.

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

(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 Pyrenees Shire 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 2022 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 2022 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Pyrenees Shire Council is a contributing employer:

	2022	2021
	(Interim)	(Interim)
	\$m	\$m
- A VBI Surplus	44.6	214.7
- A total service liability surplus	105.8	270.3
- A discounted accrued benefits surplus	11.9	285.2

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 2022.

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 2022.

The discounted accrued benefits 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 2022.

The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 Triennial investigation	2022 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.50% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

**Pyrenees Shire Council
Financial Report**

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$'000	2022 \$'000
Vision super	Defined benefits	10.5% (2022:10.0%)	88	107
Vision super	Accumulation	10.5% (2022:10.0%)	517	499
Other Schemes	Accumulation	10.5% (2022:10.0%)	284	230

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling (Nil) during the 2022/23 year, (2021/22 Nil).

There were \$18,000 contributions outstanding and nil loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$112,000.

Note 10 Change in accounting policy

There have been no changes to accounting policies in the 2022/23 year.

Pyrenees Shire Council

Performance Statement

For the year ended 30 June 2023

Performance Statement

For the year ended 30 June 2023

<p>R17(1)</p> <p>BP</p>	<p>Description of municipality</p> <p>The Pyrenees Shire is in the Central West of Victoria, about 130 kilometers Northwest of Melbourne. It is heavily dependent on primary industry and is renowned for its wool, viticulture, and forestry activity. Thirty percent of the workforce is involved in agriculture. Key areas of production are wool, cereal, hay crops and meat. Grape and wine production have expanded significantly in recent times. Gold, along with sand, gravel and slate all contribute to the economy.</p> <p>The Pyrenees Shire comprises an area of nearly 3,500 square kilometres and a population of 7622 residents. The Shire takes its name from the ranges in the north that hold similarity to the Pyrenees Ranges in Europe.</p> <p>Council administration is based in the township of Beaufort, and several Council services also operate from the township of Avoca. These services include health and aged care, roads and infrastructure maintenance, library and information centres.</p> <p>Excellent educational facilities are available in the Pyrenees Shire, including integrated children's centres, primary schools, a secondary college and Community Resource and Information Centres incorporating adult education and library services.</p> <p>Recreational activities are available in abundance in the region, giving community members and visitors wonderful opportunities to experience new pastimes. Most townships in the Shire have their own sporting facilities, such as sports ovals and netball courts. Avoca, Beaufort and Snake Valley also have skate parks.</p> <p>Tourism is ever growing throughout the region. Hang-gliding from Mount Cole, croquet in Beaufort, the French game of Petanque in Avoca and the long-running Lake Goldsmith Steam Rally, attract large numbers of visitors year-round. In recent years, the action sport of mountain bike riding has risen in popularity.</p> <p>In addition to the sporting opportunities, the Pyrenees is known for its wineries and culinary delights. Community markets are a popular attraction, as are the region's antique fairs, picnic horse races and music festivals.</p> <p>Overview of 2022/23</p> <p>During the financial year Council experienced moderate growth in residents and demand for services. Contributing to the growth in the shire was the proximity of some areas to growth seen in surrounding regional centres.</p> <p>Council operations were impacted by the extreme weather / flooding events occurring over October and November 2022, with widespread impacts seen across the shire and community. Significant damage was seen across the local roads network and a dedicated flood recovery team has been set up to coordinate both infrastructure rehabilitation and community recovery.</p>
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The COVID-19 global pandemic continued to impact in 2022/23, with a spike in staff contracting the virus in early 2023 which, at the end of the financial year, had plateaued. There is evidence, however, of a longer-term impact on morale and optimism arising which needs to be addressed from a mental health and wellbeing perspective over the next year.

The impact of global financial pressures continued in 2022/23, seen in rising costs relating to both the delivery of services and in the delivery of Council's capital works and project program. This, combined with the difficulty in obtaining contractors to undertake works in a timely manner, increases financial sustainability risks and the importance of good fiscal management and control.

Sustainable Capacity Indicators

For the year ended 30 June 2023

	<i>Indicator/measure</i>	Results				Material variations
		2020	2021	2022	2023	
R15(3) Sch3 R16(1) R17(2)	<p>Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]</p> <p><i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]</p> <p><i>Population density per length of road</i> [Municipal population / kilometres of local roads]</p>	\$2,974.30	\$3,191.30	\$3,085.02	\$3,332.11	<p>Expenses increased due to the following factors:</p> <ul style="list-style-type: none"> • Redundancy costs associated with the closure of the aged services program. • Cost increase to waste services program • Delivery Southern Wimmera and Northeast Pyrenees Water Supply Feasibility Study not included in the budget. • Additional costs associated with the October 2022 flood event. <p>The increase is due to the revaluation of infrastructure assets in 2022/23.</p>
	\$30,936.03	\$31,352.35	\$31,852.27	\$35,540.61		
	3.64	3.72	3.88	\$3.79		
	<p>Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]</p>	\$1,651.23	\$1,695.04	\$1,817.37	\$1,925.44	<p>The increases are impacted by increases in:</p> <ul style="list-style-type: none"> • Rate Revenue • Revenue growth via supplementary valuations • Increase in revenue from waste charge • Increase in user fees following the recovery from COVID
	<p>Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]</p>	\$1,184.56	\$1,205.16	\$1,242.19	\$1,470.77	<p>Fluctuations caused by timing of grants' receipt, particularly the Financial Assistance Grants – Council received the full 2023/24 financial assistance grants in the 2022/23 financial year.</p>

	<i>Indicator/measure</i>	Results				Material variations
		2020	2021	2022	2023	
R15(3) Sch3 R16(1) R17(2)	Disadvantage <i>Relative socio-economic disadvantage of the municipality</i> [Index of Relative Socio-economic Disadvantage by decile]	3.00	3.00	3.00	3.00	
	Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	7.1%	12.4%	31.02%	15.9%	Staff turnover in 2022 was higher than normal. This has been put down to the effect of COVID resulting in the higher than usual staff turnover. Results in the industry show the results for Pyrenees are within the movements of the industry. Stability has been maintained in staff population within industry expectations, in the 2022/23 year.

BP	<p>Definitions</p> <p>"adjusted underlying revenue" means total income other than:</p> <ul style="list-style-type: none"> (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 <p>"infrastructure" means non-current property, plant and equipment excluding land</p> <p>"local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004</p> <p>"population" means the resident population estimated by council</p> <p>"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)</p> <p>"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</p> <p>"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website</p> <p>"unrestricted cash" means all cash and cash equivalents other than restricted cash.</p>
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Service Performance Indicators

For the year ended 30 June 2023

	<i>Service/Indicator/measure</i>	Results				Material variations
		2020	2021	2022	2023	
R15(1) Sch3 R16(1) R17(2)	Aquatic facilities utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.61	0.99	1.02	1.22	The increase in the utilisation due to less disruption to the operations of the facilities thus being able to maximise the opening times resulting in greater numbers.
	Animal management Health and Safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions] / [number of animal prosecutions] x 100	100.00%	100.00%	100.00%	100.00%	
	Food safety Health and Safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical and major non-compliance outcome notifications about a food premises followed up / Number of critical and major non-compliance outcome notifications about a food premises] x 100	100.00%	100.00%	100.00%	100.00%	
	Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)	54.00	54.00	53.00	50.00	

<i>Service/Indicator/measure</i>	Results				Material variations
	2020	2021	2022	2023	
<i>Libraries participation</i> <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / the sum of the population for the last three years] x 100	9.94%	8.43%	8.42%	7.38%	The reason behind the declining trend in active borrowers is largely unknown but is being investigated by Council.
<i>Maternal and child health Participation</i> <i>Participation in the MCH Service</i> [Number of children who attend MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	92.97%	78.46%	94.31%	92.95%	
<i>MCH Participation</i> <i>Participation in the MCH Service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	93.33%	100.00%	100.00%	100.00%	
<i>Roads Satisfaction</i> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	51.00	57.00	50.00	44.00	2022 flood event had a significant increase in road damage and a significant impact on community satisfaction.

	<i>Service/Indicator/measure</i>	Results				Material variations
		2020	2021	2022	2023	
	Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application /Number of VCAT decisions in relation to planning applications] x 100	0.00%	0.00%	0.00%	0.00%	
	Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	19.64%	29.56%	24.30%	37.14%	The increase in waste diversion is due to a combination of an increase in glass and commingled recycling as the implemented services is accepted by the community, thus driving the demand.

BP

Definitions

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

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

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

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

"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 2023

	<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
		2020	2021	2022	2023	2024	2025	2026	2027	
R15(2) Sch3 R16(1) R16(2) R17(2) R17(3)	Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,683.74	\$3,961.60	\$ 3,866.16	\$4,108.71	\$3,834.51	\$3,913.83	\$3,991.52	\$4,070.40	Expenses were greater in 2022-23 due to expenses relating to the flood event in October 2022, plus additional projects were carried out.
	Revenue level <i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	\$1,407.26	\$1,462.54	\$1,506.58	\$1,512.42	\$1,574.48	\$1,608.77	\$1,643.82	\$1,679.62	
	Liquidity Working Capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x 100	223.13%	179.56%	240.50%	256.64%	104.22%	104.99%	107.38%	110.36%	Increase is due to having more cash at the end of the financial year because of receiving payment of grants in advance and a number of major projects still underway as at June 30. This includes Financial Assistance Grants and advance payment for flood recovery works. Future years levels are reduced as it is budgeted that all works will be completed in the relevant financial year and grants will not be received in advance.

<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
	2020	2021	2022	2023	2024	2025	2026	2027	
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x 100	66.69%	-70.94%	-66.83%	168.04%	50.39%	51.62%	54.48%	57.44%	The increase in 2023 reflects the receipt of the 2024 Federal Assistance grants in 2023. Future years forecast results assume grants will not be received in advance.
Obligations (1) Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rates revenue] x 100	0.00%	0.00%	0.00%	4.40%	10.50%	8.58%	6.68%	7.94%	Council entered new loan arrangements in 2023. The future budgets is to reduce the level of borrowings.
Loans and borrowings (2) <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x 100	0.00%	0.00%	0.00%	0.87%	1.23%	2.15%	2.08%	2.02%	Council entered new loan arrangements in 2023. The future forecast reflect the repayment schedule and the planned reduction in debt over time.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x 100	1.78%	1.16%	0.87%	4.18%	8.83%	7.07%	5.33%	6.84%	The increase in 2023 is due to a loan being taken out. Future year variations are a direct result on the future borrowing strategy as per the 2023-24 budget.

Dimension/indicator/measure	Results				Forecasts				Material variations
	2020	2021	2022	2023	2024	2025	2026	2027	
Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and upgrade expense / Asset depreciation] x 100	128.67%	109.94%	110.58%	116.06%	108.77%	68%	68%	68%	The 2023 increase is due to the receipt of government grants providing more funds for asset renewal and upgrade. The forecast decrease is directly attributable to no future grants being budgeted to be received to fund asset renewal projects. Thus future forecasts reflect only Council funds being spent on asset renewal where past results reflect Council and grant funding spent on asset renewal.
Operating position (3) Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100	1.63%	1.45%	4.22%	6.16%	-1.90%	-2.05%	-2.14%	3.44%	The increase is a direct result of higher levels of grant income, especially the receipt of the total 2023/24 allocation of the financial assistance grants in 2022/23. Future years budget that the grant income will be received in the relevant year.

	<i>Dimension/indicator/measure</i>	Results				Forecasts				Material variations
		2020	2021	2022	2023	2024	2025	2026	2027	
	Stability (4) Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x 100	46.55%	46.57%	50.63%	47.19%	58.27%	58.42%	58.58%	55.49%	The reduction is due to high levels of underlying revenue, principally the increase in grant revenues as a result of the receipt of the total 2023/24 allocation of the financial assistance grants in 2022/23. The 2024 increase reflects the greater rate and charges increase due to the rate cap and increasing waste charges in 2024. The decrease represents the lower level of rate increase into the future.
	Rates effort (5) <i>Rates compared to Property values</i> [Rate revenue / Capital Improved Value of rateable properties in the municipality] x 100	0.45%	0.41%	0.40%	0.28%	0.29%	0.29%	0.29%	0.29%	Valuations are growing at a greater rate than the ability to raise rates due to rate capping limitations.

(1) Obligations

Loans and borrowings compared to rates

[Interest and principal repayments on interest bearing loans and borrowings / Rates revenue] x 100

The forecast numbers for this measure differ from those published in the 2023-24 budget . The budget data only included rate revenue where the performance data formula includes “rates and charges” from the operating statement.

(2) Loans and borrowings

Loans and borrowings

Loans and borrowings repayments compared to rates

[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x 100

The forecast numbers for this measure differ from those published in the 2023-24 budget. The budget data only included rate revenue where the performance data formula includes “rates and charges” from the operating statement.

(3) Operating position

Adjusted underlying result

Adjusted underlying surplus (or deficit)

[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100

The forecast numbers for this measure differ from those published in the 2023-24 budget. The budget data included an error in the formula.

(4) Stability

Rates Concentration

Rates compared to adjusted underlying revenue

[Rate revenue / Adjusted underlying revenue] x 100

The forecast numbers for this measure differ from those published in the 2023-24 budget. The budget data only included rate revenue where the performance data formula includes “rates and charges” from the operating statement.

(5) Rates effort

Rates compared to Property values

[Rate revenue / Capital Improved Value of rateable properties in the municipality] x 100

The forecast numbers for this measure differ from those published in the 2023-24 budget. The budget data only included rate revenue where the performance data formula includes “rates and charges” from the operating statement.

BP

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 2023

BP	<p>1. Basis of preparation</p> <p>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 <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p> <p>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).</p> <p>The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by Council's strategic resource plan. The <i>Local Government (Planning and Reporting) Regulations 2020</i> 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.</p> <p>The forecast figures included in the performance statement are those adopted by Council on 14 June 2023 in its Budget and Financial Plan; 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 budget and financial plan can be obtained by contacting Council.</p>
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Certification of the Performance Statement

R18(1)
R18(2)

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*.



Glenn Kallio
Principal Accounting Officer
Dated: 26 September 2023

In our opinion, the accompanying performance statement of the Pyrenees Shire Council for the year ended 30 June 2023 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 Robert Vance
Councillor / Member of Audit & Risk Committee
Dated: 26 September 2023



Cr Damian Ferrari
Councillor / Member of Audit & Risk Committee
Dated: 26 September 2023



Jim Nolan
Chief Executive Officer
Dated: 26 September 2023

Independent Auditor's Report

To the Councillors of Pyrenees Shire Council

Opinion I have audited the accompanying performance statement of Pyrenees Shire Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2023
- overview of 2022/23
- sustainable capacity indicators for the year ended 30 June 2023
- service performance indicators for the year ended 30 June 2023
- financial performance indicators for the year ended 30 June 2023
- other information and
- certification of the performance statement.

In my opinion, the performance statement of Pyrenees Shire Council in respect of the year ended 30 June 2023 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Councillors' responsibilities for the performance statement The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020* 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.

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
10 October 2023



Travis Derricott
as delegate for the Auditor-General of Victoria

ANNUAL *Report* 2022/23



Pyrenees
Shire Council

Beaufort Office
5 Lawrence Street,
Beaufort VIC 3373
T 1300 797 363

Avoca Office
122 High Street,
Avoca VIC 3467
T 03 5465 1000

E pyrenees@pyrenees.vic.gov.au

pyrenees.vic.gov.au

