



# Performance Statement

For the year ended 30 June 2023

• • • •

# 06

## Description of the municipality

Yarriambiack Shire Council is situated in the Grampians and Mildura & Murray Outback Regions and provides a link between Horsham in the south and Mildura in the northern end of that region. The Yarriambiack Creek is the main natural feature traversing the Shire. The area is also linked by road and rail systems that run in a north-south direction. The area has an almost ideal climate with a short winter and delightful autumn and spring. Summer temperatures can be hot, particularly in the north.

Yarriambiack Shire has an estimated residential population of 6,658 people. Warracknabeal is the main service centre of the area, with a catchment pattern that extends from the northern Wimmera to the Southern Mallee. It is complemented by Hopetoun in the north and Minyip, Murtoa and Rupanyup in the south, with 13 small towns spread throughout the Municipality.

The Shire is the heartland of grain production and handling in the Wimmera and Mallee. The dry-land farming area produces one quarter of Victoria's total production of wheat and barley and is noted for the production of lambs and wool.

Of the population, almost half the workforce is employed in agriculture. Many other residents depend indirectly on farming as they are employed in services used by the farming population. The population trends are remarkably similar to other areas across most of the Wimmera/Mallee.

## Overview of 2023

During the financial year council experienced a number of achievements. Our IT transformation to upgrade hardware and software has met with state-wide success as Council won the 2021 MAV Digital Leadership Achievement of the Year.

We have continued our pursuit of Federal and State funding to finance projects in many of our towns. We are extremely proud of our joint advocacy with the community in relation to the lack of childcare options available in the southern end of our Shire. The State Government election promise commitment to fully fund an integrated early years centre, including childcare, kindergarten and maternal child health services was warmly welcomed. As was the election promise commitment for skatepark funding at Rabl Park Murtoa.

Grants were obtained to construct three cabins at Warracknabeal and two cabins at Hopetoun located in Shire Caravan Parks, commencement of construction of four of the seven affordable housing units being built across the shire, Woomelang Bowling Green upgrade and Masterplans for ANZAC Park Warracknabeal and Murtoa Recreation Reserve.

We have successfully delivered refurbishment of the Tourist Information Centre Warracknabeal, upgrade of the fire design at the Warracknabeal livestock exchange and investment in the development of an Economic Development Strategy, along with a separate Tourism Strategy.

In October 2022 we experienced an extreme rain event where a significant number of our roads were impacted. We were proactive in applying for the Disaster Recovery Funding Agreement with \$2.048 million in works being completed in 2022-23 financial year, and further works planned for 2023-24.

All our achievements are elaborated on in more detail throughout the Annual Report.

**Sustainable Capacity Indicators**

For the year ended 30 June 2023

Indicator/measure	2019/20	2020/21	2021/22	2022/23	Material Variations
<b>POPULATION</b>					
<b>Expenses per head of municipal population</b>	\$3,661.46	\$3,847.91	\$4,165.09	<b>\$4,551.98</b>	
<i>Total expenses / Municipal population</i>					Council has undertaken a full review and revaluation of infrastructure, land and building assets. Increasing unit costs has resulted in an increase in asset valuations.
<b>Infrastructure per head of municipal population</b>	\$21,125.26	\$21,505.92	\$21,461.32	<b>\$26,370.86</b>	
<i>Value of infrastructure / Municipal population</i>					
<b>Population density per length of road</b>	1.41	1.39	1.34	1.33	
<i>Municipal population / kilometres of local roads</i>					
<b>OWN-SOURCE REVENUE</b>					
<b>Own-source revenue per head of municipal population</b>	\$2,017.72	\$2,246.21	\$2,232.13	<b>\$2,224.55</b>	
<i>Own-source revenue / Municipal population</i>					
<b>RECURRENT GRANTS</b>					
<b>Recurrent grants per head of municipal population</b>	\$1,477.77	\$2,289.77	\$1,864.21	<b>\$1,937.37</b>	
<i>Recurrent grants / Municipal population</i>					
<b>DISADVANTAGE</b>					
<b>Relative socio-economic disadvantage</b>	1	1	1	2	This is provided by SEIFA index.
<i>Index of Relative Socio-economic Disadvantage by decile</i>					
<b>WORKFORCE TURNOVER</b>					
<b>Percentage of staff turnover</b>					
<i>Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year x10</i>	10.9%	16.84%	18.49%	<b>14.75%</b>	Council had a number of staff have retire during 2022/23. Council also elected to exit the provision of aged care services on 30 June 2023 which resulted in a subsequent number of staff being made redundant.

## Sustainable Capacity Definitions

For the year ended 30 June 2023

### Definitions

**“adjusted underlying revenue”** means total income other than:

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

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

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

**“population”** means the resident population estimated by council

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

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

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

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

**Service Performance Indicators**

For the year ended 30 June 2023

Indicator/measure	2019/20	2020/21	2021/22	2022/23	Material Variations
<b>AQUATIC FACILITIES</b>					
<b>Utilisation</b>					
<b>Utilisation of aquatic facilities</b>					
<i>Number of visits to aquatic facilities / Municipal population</i>	0.35	0.49	0.48	<b>0.63</b>	Increased patronage was a result of seasonal conditions that delayed the onset and completion of harvest. This resulted in many local farming families, that would otherwise have been holidaying, remaining in town and utilising the pool facility for longer than usual. The region has also seen a significant increase in the number of tourists. Both of these factors are the result of the increased patronage at the Hopetoun Pool.
<b>ANIMAL MANAGEMENT</b>					
<b>Health and safety</b>					
<b>Animal management prosecutions</b>					
<i>Number of successful animal management prosecutions / Number of animal management prosecutions x 100</i>	0%	100%	0%	<b>100%</b>	
<b>FOOD SAFETY</b>					
<b>Health and safety</b>					
<b>Critical and major non-compliance notifications</b>					
<i>Number of critical non-compliance notifications and major noncompliance notifications about a food premises followed up / Number of critical non-compliance notifications and major noncompliance notifications about a food premises x100</i>	100%	100%	0%	<b>0%</b>	
<b>GOVERNANCE</b>					
<b>Satisfaction</b>					
<b>Satisfaction with Council decisions</b>					
<i>Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community</i>	59	62	57	<b>58</b>	
<b>LIBRARIES</b>					
<b>Participation</b>					
<b>Active library borrowers in municipality</b>					
<i>Number of active library borrowers in the last three years / The sum of the population for the last three years x100</i>	9.61%	8.13%	5.37%	<b>5.47%</b>	

**Service Performance Indicators**

For the year ended 30 June 2023

Indicator/measurement	2019/20	2020/21	2021/22	2022/23	Material Variations
<b>MATERNAL AND CHILD HEALTH</b>					
<b>Participation</b>					
<b>Participation in the MCH service</b>	90.08%	86.12%	80.25%	<b>82.95%</b>	
Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service x100					
<b>Participation in the MCH service by Aboriginal children</b>	93.75%	90%	72.73%	<b>75%</b>	
Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service x100					
<b>ROADS</b>					
<b>Satisfaction</b>					
<b>Satisfaction with sealed local roads</b>	40	39	38	<b>35</b>	
Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads					
<b>STATUTORY PLANNING</b>					
<b>Decision making</b>					
<b>Council planning decisions upheld at VCAT</b>	0%	0%	0%	<b>0%</b>	
Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications x100					
<b>WASTE COLLECTION</b>					
<b>Waste diversion</b>					
<b>Kerbside collection waste diverted from landfill</b>	2.18%	21.54%	16.30%	<b>16.71%</b>	
Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins x100					

## Service Performance Definitions

For the year ended 30 June 2023

### 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 section 98 of the Act.

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

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

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

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

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

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

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

## Performance Statement

## Financial Performance Indicators

For the year ended 30 June 2023

	Dimension/Indicator/measure					2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Material Variations
EFFICIENCY														
<b>Expenditure level</b>														
<b>Expenses per property assessment</b>														
Total expenses / Number of property assessments	\$3,502.59	\$3,621.43	\$3,838.43	\$4,184.57	\$4,413	\$3,963	\$3,964	\$4,096						
<b>Revenue level</b>														
<b>Average rate per property assessment</b>														
General rates and Municipal charges / Number of property assessments	\$1,634.34	\$1,835.43	\$1,876.14	\$1,705.00	\$2,051	\$2,102	\$2,155	\$2,029						
<b>LIQUIDITY</b>														
<b>Working capital</b>														
Current assets compared to current liabilities	223.14%	193.36%	242.62%	193.62%	74%	58%	49%	40%						
Current assets / Current liabilities x 100														
<b>Unrestricted cash</b>														
<b>Unrestricted cash compared to current liabilities</b>														
Unrestricted cash / Current liabilities x 100	154.69%	131.90%	203.37%	123.21%	49%	33%	22%	10%						

Liquidity in actual results includes carryovers which distorts the true results. The forecast results assumes that there will be no carryovers and all works will be completed each year.

The trend in percentage of unrestricted cash has seen and decrease in 2022/23 from the previous year due to more cash being required for carried forward capital works from the prior year. The cash reserves are anticipated to decrease as the spend on maintenance and renewal of assets increases to improve the condition of Council's assets.

## Performance Statement

### Financial Performance Indicators

For the year ended 30 June 2023

Dimension/Indicator/measure	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Material Variations
<b>OBLIGATIONS</b>									
<b>Loans and borrowings</b>									
<b>Loans and borrowings compared to rates</b>	0.63%	0.45%	0%	0%	3.46%	3.04%	2.64%	2.25%	
<i>Interest and principal repayments on interest bearing loans and borrowings / Rate revenue x100</i>									
<b>Loans and borrowings repayments compared to rates</b>	0.17%	0.00%	0.44%	0.13%	0.49%	0.48%	0.47%	0.46%	Council had no loans or borrowings and was debt free at the end of the financial year.
<i>Interest and principal repayments on interest bearing loans and borrowings / Rate revenue x100</i>									
<b>Indebtedness</b>									
<b>Non-current liabilities compared to own source revenue</b>	9.61%	6.13%	5.06%	4.92%	7.76%	7.36%	6.96%	6.59%	
<i>Non-current liabilities / Own source revenue x100</i>									
<b>Asset renewal and upgrade</b>									
<b>Asset renewal and upgrade compared to depreciation</b>	165.82%	128.97%	137.23%	198.98%	163%	98%	95%	92%	Council continues to prioritise asset renewal and upgrade. Council has had to undertake a large amount of flood restoration works during 2022/23.
<i>Asset renewal and upgrade expense / Asset depreciation x100</i>									

## Performance Statement

Financial Performance Indicators  
For the year ended 30 June 2023

Dimension/Indicator/measure	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Material Variations
<b>OPERATING POSITION</b>									
<b>Adjusted underlying result</b>									
<b>Adjusted underlying surplus (or deficit)</b>	4.15%	15.17%	14.50%	(5.69%)	(19%)	(4%)	(5%)	(3%)	Council's revenue is not increasing sufficiently to cover increases in operating costs associated with delivering the current level of services. Council's Long Term Financial Plan projects that its financial challenges will continue.
<i>Adjusted underlying surplus (deficit)/ Adjusted underlying revenue x100</i>									
<b>STABILITY</b>									
<b>Rates concentration</b>									
<b>Rates compared to adjusted underlying revenue</b>	49.57%	42.99%	41.79%	48.33%	58%	58%	58%	58%	Council is heavily reliant on rate revenue with limited ability to identify new sources of revenue. There is an increase in 2022/23 due to an increase in the rate cap.
<i>Rates revenue / Adjusted underlying revenue x100</i>									
<b>Rates effort</b>									
<b>Rates compared to property values</b>									This indicator shows rate revenue as a percentage of property values in the municipality. Its capacity to increase at the same rate as property values is limited due to rate increase caps set which results in a reduction over recent years.
<i>Rate revenue / Capital improved value of rateable properties in the municipality x100</i>	0.49%	0.47%	0.42%	0.30%	0.25%	0.25%	0.25%	0.25%	

## Financial Performance Indicators

For the year ended 30 June 2023

### 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*

**1. Basis of Preparation**

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

Where applicable, the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (e.g. Australian Bureau of Statistics).

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 23 June 2021 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

# CERTIFICATION OF THE PERFORMANCE STATEMENT



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

**ANITA J MCFARLANE**

*Principal Accounting Officer*

Date:

In our opinion the accompanying performance statement of the Yarriambiack 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.

**KYLIE ZANKER**

*Mayor*

Date to be inserted

**GRAEME MASSEY**

*Councillor*

Date to be inserted

**TAMMY SMITH**

*Chief Executive Officer*

Date to be inserted

INSERT VAGO REPORT

INSERT VAGO REPORT