

COUNCIL MEETING AGENDA - 22 OCTOBER 2024

Vision:

Indigo Shire - leading sustainable growth, community and cultural diversity, and climate action.

TO BE HELD: Tuesday, 22 October 2024 at 6.30pm

LOCATION: Council Chambers, 2 Kurrajong Way, Beechworth, and livestreamed on Council's website

ATTENDEES:	NAME	TITLE
	Cr Sophie Price	Mayor
	Cr Bernard Gaffney	Deputy Mayor
	Cr Peter Croucher	Councillor
	Cr Sue Gold	Councillor
	Cr Roberta Horne	Councillor
	Cr Diane Shephard	Councillor
	Cr Emmerick Teissl	Councillor
	Trevor Ierino	Chief Executive Officer
	Ian Ellett	Director Infrastructure Services
	Greg Pinkerton	Director Planning & Corporate Services
	Sally Rice	Director Community & Economic Development
	Annabel Harding	Governance Coordinator

Council meetings are live streamed and recorded. The voices and images of those participating in the meeting, and in the gallery, may be captured as part of this recording.

Acknowledgement of Country

Indigo Shire Council acknowledges the original custodians of these lands. The people of the rivers and the hills have walked these lands for thousands of years as well as today, and we pay respect to the elders of the past and present.

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5.1 Annual Report 2023/2024

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- 1. WELCOME**
- 2. ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND**
- 3. APOLOGIES AND LEAVE OF ABSENCE**
- 4. DECLARATION OF CONFLICT OF INTEREST**

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5. EXECUTIVE MANAGEMENT

5.1 ANNUAL REPORT 2023/2024

File No: 2024/912

Melinda Collis - Executive Manager Customer Experience & Engagement Executive Management

For Decision

RECOMMENDATION

That Council receives the Indigo Shire Council Annual Report 2023/24.

PURPOSE OF REPORT

The report is to present to Council the Annual Report 2023/24 as required under Section 100 of the *Local Government Act 2020*.

BACKGROUND

Council is committed to transparent reporting and accountability to the community and the Annual Report is the primary means of advising our community about council's operations and performance during the previous financial year.

It should be noted that due to the reporting falling during caretaker period, there is no Mayoral message, Councillor images or details about which committees the councillors have been a member of during the 2023/24 year.

DISCUSSION

Indigo Shire's financial position at the end of 2023/24 is provided in the attached report with both a summary of the overall performance as well as detailed financial statements. The financial statements and performance statement has been prepared by Council's Finance team, reviewed by the external auditor, and approved by the Valuer General (VAGO). In addition, these statements have been reviewed by Council's Finance Committee as well as the Audit & Risk Committee.

Highlights of the year include:

- Completed \$1M Beechworth Courthouse Kelly Trials Exhibition
- Completed Kergunyah Hall upgrade
- Completed Chiltern Netball and Tennis Courts upgrade
- Completed Barnawartha Tennis Courts upgrade
- Completed construction of Indigo Shire's first Changing Places Facility in Yackandandah
- Completed Barnawartha Cricket Net upgrade
- Completed Bells Flat Road repairs following storm events in 2022
- Completed construction of 700m footpath on Traton Street, Wahgunyah
- Completed Baarmutha Park public toilet replacement
- Introduced 24/7 Cat Curfew

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- Adopted Public Art Policy
- Completed construction of pump tracks in Wahgunyah and Tangambalanga
- Developed masterplans for Barkly Park Rutherglen, Allans Flat Waterhole, Yackandandah Sports Park and Coulston Park in Tangambalanga
- Completed review of Council's Planning Scheme
- Commenced construction of \$5.1M Rutherglen Loops
- Installed seven EV chargers for Council's fleet of Electric Vehicles
- Planted 500 street and park trees
- Introduced online building platform to streamline building application process

Options

Under section 100 of the Local Government Act 2020, Council's Annual Report must be presented by the Mayor at a meeting of council open to the public by no later than Tuesday 31 October 2024. There is no provision for an extension or alteration of this deadline. Failure to comply with this deadline may result in a breach of the Act.

1. Council receives the Annual Report 2023/24 (recommended)
2. Council does not receive the Annual Report and seeks further changes (not recommended)

STRATEGIC CONTEXT

COUNCIL PLAN 2021 – 2025	
Theme	5. Accountability
Strategic Objective	5.1 Our financial management is sound, responsible and effective.
Strategic Action	5.1.4 Maintain sound financial practices by completing the Annual Financial Statements and receive audit clearance by the legislated timeframe each year

SOCIAL/COMMUNITY IMPLICATIONS

There are a wide range of social/community achievements identified in the Annual Report 2023/24.

ENVIRONMENTAL IMPLICATIONS

The Annual Report identifies a number of achievements in the Environment and Sustainability area including:

- Installation of energy efficiency projects, including solar PV and battery system at Kiewa Tangambalanga Lions Den, with funding support from Sustainability Victoria.
- Worked with private sector to install a further 3 public EV fast chargers in Beechworth, Chiltern and Rutherglen.
- Installation of 7 EV chargers for Council's electric vehicles, with funding support from the Victorian Government.
- Developed a Draft Urban Tree Canopy Strategy.
- Supported five community initiatives via Council's Community Sustainability Grant Program.
- Planted 500 street and park trees in our towns, with funding support from Emergency Management Victoria under the Naturally Cooler Indigo Project.
- Completed transition to a new kerbside waste recycling waste collection contract.

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- Completed our annual program of noxious weed and pest control on Council's roadsides and reserves, with funding support from the Victorian Government.
- Cat curfew introduced.

FINANCIAL IMPLICATIONS

Operating Position

Indigo Shire Council's operating position at the end of 2023/24 was a deficit of \$5.138 million. This result was a combination of a \$6.460 million reduction in operating grant receipts compared to the previous year (due to the later payment of the Financial Assistance Grant), an increase in staffing cost of \$1.573 million (due to a reduction in staff vacancies), and an increase of \$1.901 million in material and services (mostly due to flood recover works that will be recouped in the 2024/25 financial year).

Liquidity

The total cash and cash equivalents of \$2.526 million is a reduction of \$6.217 million from the balance at the end of the previous financial year. This is mainly due to the delayed payment of the Financial Assistance Grant. This, in turn, reduced Council's liquidity ratio from 1.78 times at the end of 2022/23 to 0.93 times at the end of 2023/24. It is important to note that liquidity increased dramatically at the start of the 2024/25 financial year when the Financial Assistance Grant payment was received. This will be further bolstered by the reimbursement of the flood recovery expenditure that was spent in the 2023/24 year, but not reimbursed by the end of the financial year. Financial Summary Barnawartha Tennis and Netball Courts Obligations Council aims to ensure that it has the ability to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge this infrastructure gap, Council invested a total of \$11.5 million during the 2023/24 financial year. Council's assets renewal and upgrade ratio, which is a measure of Council's capacity to invest in asset renewal and investments has increased from 67.72% in the previous financial year to 96.13% in 2023/24, indicating Council's resolve achieve sustainable growth in this area. At the end of 2023/24 financial year, Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, increased from the previous year's 7.27% to 10.06% due to the completion of a new loan in 2023/24 to cover the past purchase of the Chiltern land, and the master-planning process.

Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants, and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, increased from 50.62% to 60.60% in 2023/24. This was caused by the changed payment timing for the Financial Assistance Grants, and therefore this ratio it is expected to return to the usual mid-50% range next year, and for the foreseeable future. Council's average rate per property assessment, which measures the sum of general rate and municipal charge revenue divided by number of property assessments was \$1,810.42 for the 2023/24 financial year, slightly up from the previous year's \$1,676.97.

The annual financial statements are an important part of Council's planning and reporting cycle and provide a closure to the 2023/24 financial year. They will also provide a basis for the 2024/25 financial year as well as a starting point for the upcoming 2025/26 budget build.

LEGISLATIVE IMPLICATIONS

Section 100 of the *Local Government Act 2020* requires Council to meet to consider the Annual Report and this report and the attached designed document fulfil our legislative requirements.

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RISK & OPPORTUNITY MANAGEMENT

The Annual Report 2023/24 provides a full account of Council's progress against a range of required measures and forms part of the Council's annual governance framework. Council has achieved good results against these measures. These results and transparent reporting mitigate any reputational risk.

COMMUNITY ENGAGEMENT

Engagement undertaken

Nil

Engagement outcomes

Nil

Engagement proposed

To keep the public informed by placing the Annual Report on Council's website.

CONCLUSION

The financial results were impacted by some delayed income (for the Financial Assistance Grants as well as project funding and natural disaster reimbursements), and this resulted in a reduced operating result compared to the previous year. These variances will be resolved in the new financial year as the income is received.

Council's asset base increased in 2023/24, due in a large part to the increased valuation of land under roads. Whilst important from an accounting perspective, the resulting surplus should not be confused with the underlying operating result.

Council successfully provided a range of services, initiatives and infrastructure in the financial year 2023/24, and the Local Government Performance Reporting Framework indicators continue to show solid performance for the Indigo Shire community.

DECLARATION OF CONFLICT OF INTEREST

Under section 130(2) of the *Local Government Act 2020* and Governance Rule 24, the following officers declare that they have no interests to disclose in providing this report:

- Trevor Ierino – Chief Executive Officer
- Greg Pinkerton – Director Planning and Corporate Services
- Melinda Collis – Executive Manager Customer Experience and Engagement
- Melissah Watson – Engagement and Communications Advisor

Attachments

1. [Indigo Shire Annual Report 2023/2024](#)

Next Meeting: **Tuesday, 19 November 2024 at 6.30pm (Statutory Meeting)**
 Tuesday, 10 December 2024 at 6.30pm (Scheduled Meeting)

5.1

ANNUAL REPORT 2023/2024

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Ned Kelly believed
that many of his
interactions with the law

Annual Report 2023/24

Delivering a healthy, sustainable
and progressive future



Beechworth Courthouse, Kelly Trials Exhibition



Tangambalanga Pump Track

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CEO message

On behalf of Indigo Shire Council, I am pleased to present the Annual Report for 2023/24.

Although this Annual Report relates to the 2023/24 Financial Year, its publication will fall within the Council election caretaker period and therefore will not include a message from the Mayor or images of any of the current seven Councillors.

While producing an Annual Report is a statutory requirement, it is also time for an organisation to reflect on the previous 12 months and to highlight its achievements and report on the progress of key projects and service delivery.

The 2023/24 Financial Year was another challenging one. While we didn't see significant storm events like the previous year, we continued to deal with their impact on our roads and assets, while managing inflationary pressures.

Throughout this Annual Report, you can read the many achievements that have taken place over the past 12 months. We've delivered a number of outstanding projects for our community that will drive positive cultural, health and wellbeing, tourism and economic outcomes for many years to come.

These include the completion of the \$1M Beechworth Courthouse Kelly Trials project and the \$7.1M Beechworth to Yackandandah Rail Trail, the upgraded Chiltern and Barnawartha tennis and netball courts, the completion of Indigo Shire's first Changing Places facility in Yackandandah and we greened our Shire with almost 500 new trees.

In November, we were thrilled to receive the news that the Federal Government would contribute more than \$1.24M towards the construction of a much-needed new bridge on Indigo Creek Road and again in May when it was announced we'd receive almost \$9.5M over the



CEO Trevor Ierino

next five years to support our road construction and maintenance program. As a small rural Shire in a rate-capped environment, we rely heavily on grant funding and we're grateful to the State and Federal Government for its ongoing support to help us deliver these important projects.

In May, we introduced a Shire-wide cat curfew following overwhelming community feedback and adopted our first ever Public Art Policy. We also developed masterplans to guide future development at a number of valued recreation reserves and facilities including Rutherglen's Barkly Park, the Allans Flat Waterhole, the Yackandandah Sports Park and Coulston Park.

Finally, on behalf of Council, I would like to thank all staff for their hard work throughout the year and acknowledge the many volunteers, businesses and community groups for their positive contribution to the wellbeing and prosperity of our Shire.

A handwritten signature in black ink, appearing to read 'Trevor Ierino'.

CEO Trevor Ierino



Beechworth to Yackandandah Rail Trail

OUR COUNCIL

Councillors

Seven Councillors were elected by members of the community on 24 October 2020 for a four-year term of office. Cr Jenny O'Connor resigned in February 2022 and Cr Emmerick Teissl was subsequently elected on a countback. Cr Larry Goldsworthy resigned in June 2023 and Cr Sue Gold was subsequently elected on a countback. Our seven elected Councillors are the representatives of all members of our Shire. They have responsibility for setting the strategic direction for the Shire, policy development, identifying service standards and monitoring performance across the organisation.

Cr Sophie Price
Mayor
Date elected
2016
e sophie.price@indigoshire.vic.gov.au **m** 0400 651 848
Meeting attendance
Scheduled Council meetings: **10**
Additional Council meetings: **1**

Cr Bernard Gaffney
Deputy Mayor
Date elected
2008
e bernard.gaffney@indigoshire.vic.gov.au **m** 0419 181 234
Meeting attendance
Scheduled Council meetings: **11**
Additional Council meetings: **1**

Cr Peter Croucher
Date elected
2008–2016, 2020
e peter.croucher@indigoshire.vic.gov.au **m** 0438 273 260
Meeting attendance
Scheduled Council Meetings: **11**
Additional Council Meetings: **1**

Cr Sue Gold
Date elected
2023
e sue.gold@indigoshire.vic.gov.au **m** 0487 717 084
Meeting attendance
Scheduled Council meetings: **10**
Additional Council meetings: **1**

Cr Roberta Horne
Date elected
2012–16, 2020
e roberta.horne@indigoshire.vic.gov.au **m** 0404 343 699
Meeting attendance
Scheduled Council Meetings: **11**
Additional Council Meetings: **1**

Cr Diane Shephard
Date elected
2016
e diane.shephard@indigoshire.vic.gov.au **m** 0428 115 213
Meeting attendance
Scheduled Council meetings: **10**
Additional Council meetings: **0**

Cr Emmerick Teissl
Date elected
2015–2016, 2022
e emmerick.teissl@indigoshire.vic.gov.au **m** 0438 010 251
Meeting attendance
Scheduled Council Meetings: **11**
Additional Council Meetings: **1**

Our Customer Experience Centres are located at

Beechworth 101 Ford Street	Yackandandah 34 High Street
Chiltern 3 Crawford Street	Rutherglen 153 High Street

Welcome to the Report of Operations 2023/24

Council is committed to transparent reporting and accountability to the community and the Annual Report 2023/24 is the primary means of advising the Indigo Shire community about Council's operations and performance during the financial year.

Snapshot of Indigo Shire Council

Indigo Shire is located in Victoria's picturesque North East, an easy three-hour drive north of Melbourne. The Shire is a rich blend of heritage architecture and pristine natural environment nestled between Murray River frontage in the north and the lush foothills of the Alps in the southeast.

In between are productive agricultural enterprises, including award-winning wineries and chestnut farms. A celebrated box ironbark national park in the centre, the green rolling hills of dairy farming in the east and rugged, granite outcrops with stark reminders of the once lucrative goldfields in the south. The Shire is home to a number of threatened species including Regent Honeyeaters, Barking Owls, Squirrel Gliders, Striped Legless Lizards, Swift Parrots, many spectacular endangered orchids and other native flora and fauna. Industry in Indigo is mainly rural in nature, including agriculture, viticulture and horticulture.

There are approximately 1983 separate businesses across the Shire.

Tourism plays a huge role in the economic, social and cultural life of the Shire, with thousands of visitors drawn to our region to sample our food and wine, learn more about our rich heritage, participate in our many well-known festivals and events and enjoy some of the best on and off-road cycling destinations in the country.

Indigo Shire Council was established in 1994 with the amalgamation of parts of the former Shires of Rutherglen, Chiltern, Yackandandah and Beechworth. The Shire covers an area of 2,040 sq km and includes the townships of Wahgunyah, Rutherglen, Chiltern, Barnawartha, Yackandandah, Kiewa- Tangambalanga, Stanley and Beechworth, all unique in their own right.

Community members are highly engaged with many actively involved in their communities.

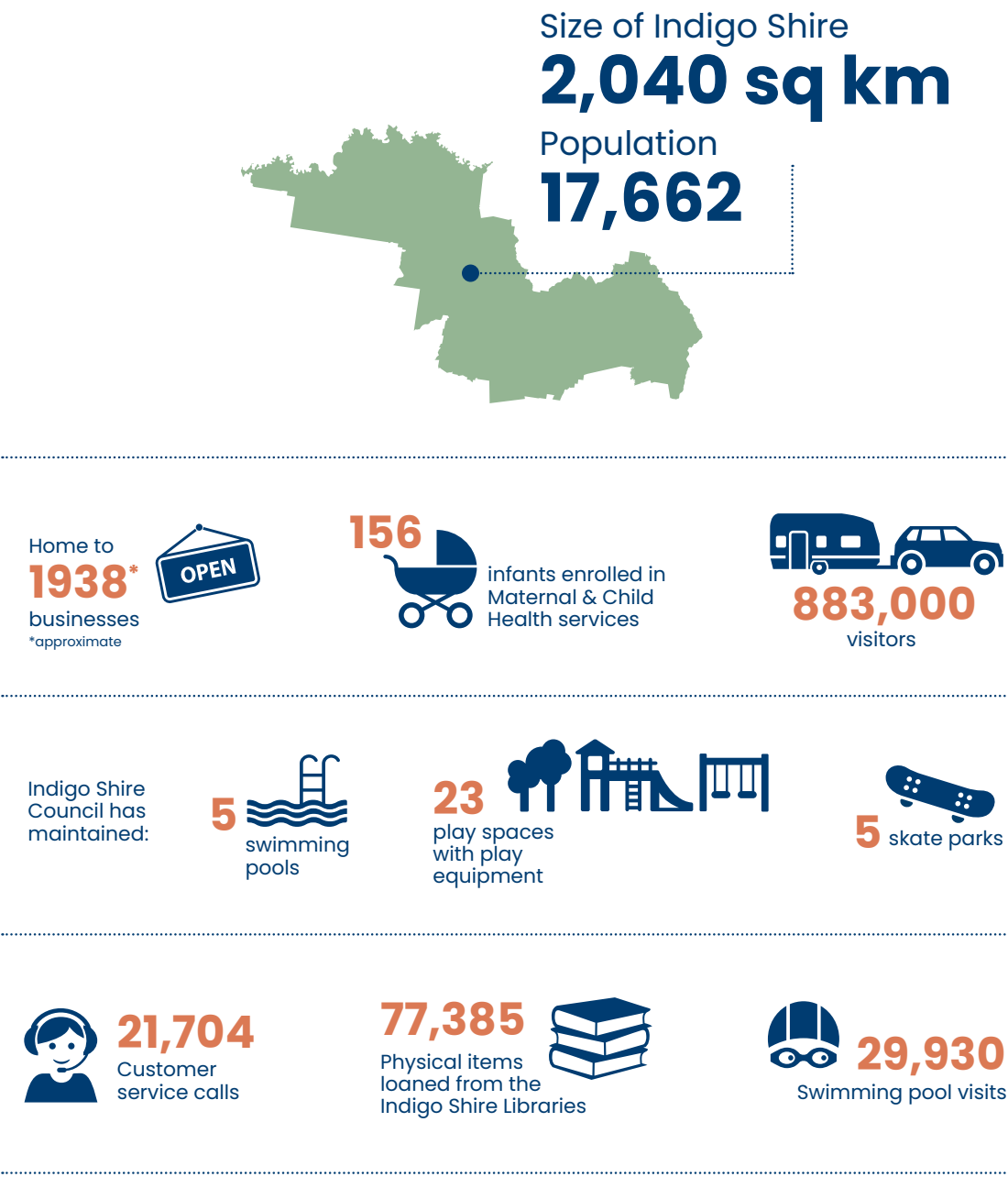
More than 300 residents volunteer with Council services such as our libraries and Visitor Information Centres, and there is strong and passionate representation on Committees of Management, Advisory Committees and other Council committees.



INTRODUCTION

Overview

Fast Facts 2023/24



Indigo Shire Council has maintained:

5



swimming pools

23



play spaces with play equipment

5



skate parks



21,704

Customer service calls

77,385



Physical items loaned from the Indigo Shire Libraries



29,930

Swimming pool visits

Our Vision

We will work with our communities to secure a healthy, sustainable and progressive future for all.

Our Purpose

We are a Council that helps our many communities to grow and prosper sustainably and healthily. We will service and support them by being aligned with their unique needs and vibrant characteristics, while providing that central point that unites them as one, connected Shire.

We will lead the Shire in climate action, ensuring that policy setting and decision making are guided by the principles of sustainable development, which reduces our impact on the environment and improves our social and economic outcomes.

We will facilitate cultural diversity, connection and expression, beginning with a commitment to working closely with, and for, our Indigenous partners and populations. As a heritage Shire, we will continue to preserve our rich and unique history and ensure that our stories continue to be told. We will look to the learnings and challenges of the past, using them to inform our decision-making for a bright and sustainable future for all.

Our Guiding Principles

We champion sustainable action – we lead our community in sustainability, thorough planning, policy-setting and development that balances environmental, economic and social impact. We have declared a climate emergency, and we undertake all our activities through this lens.

We are community-centred – we exist to service our communities and support them to achieve their vision. We are active listeners who purposefully and thoughtfully engage with all of our diverse communities to deliver the infrastructure, services and facilities that will help them grow and prosper, as well as take care of the environment and each other.

We are strategic and proactive – we are responsive and adaptable, with a strong foundation of strategic planning and objective-setting, and proactive management and improvement of our region. We foster a culture of action and innovation, encouraging progressive ideas, collaborative approaches and new ways of working.

We are responsible and accountable – we act with integrity and intention, are customer focused and we do what we say we will do. We plan with an innovation mindset, and act with prudent responsibility. We are strong financial managers, using our budget to maintain, improve and enhance our region to the standards expected by our communities.

We are future-fit – we use our past to inform our future. We consider how our actions will impact our region today, tomorrow and In the years to come. We use our Council and Community Vision as the benchmark for all our activities – ensuring we are always striving towards our future state ambitions.

Highlights of the Year

The Council Plan 2021-2025 guides the work of Council in providing strategic direction and projects for the community. The plan is set out in five strategic focus areas and what follows is a summary of achievements under those five key areas.



Strategic Theme 1: Communities

Our communities are strong, resilient, diverse, and inclusive and our people feel safe, valued and connected, both physically and socially.

2023/24 achievements:

- Received funding through Helen Haines' Stronger Communities Grants Programs to install shade sails at the Tangambalanga Active Park and Wahgunyah Railway Reserve.
- Completed construction of pump tracks in Tangambalanga and Wahgunyah.
- Delivered 'The First 72 Hours' workshop in communities across the Shire through funding received from Emergency Recovery Victoria. The free initiative is designed to educate the community about emergency preparedness and the role of individuals, communities and Council in emergencies.
- Launched the 'Youth Only Library After Dark Sessions' held at the Beechworth Library for young people aged 12 – 18 years. The program is supervised by Library staff and young people have a range of free activities available to them including: study and social spaces, exploring the digital library, browsing the book collection or simply taking advantage of the WiFi and snacks.

- Recruited new members to the Future Proof Project 'Youth Advisory Group' (YAG). The YAG meets fortnightly to provide advice and participate in meetings and events that promote resilience-building in bushfire affected communities.
- Organised engaging library programming events including author talks, school holiday programming, star gazing workshops, guest presentations and themed weeks i.e. Children's Week, Book Week and Science Week.
- Delivered actions in the Creative Indigo Strategy including: development of Public Art Policy, Lore screening as part of NAIDOC Week, commissioning of Traditional Owner artists and delivery of the Tiny Art Show.



Strategic Theme 2: Liveability

Our townships and places are connected, inviting and attractive and we adopt a balanced multi- generational approach to growth across the Shire, supported by infrastructure, planning and development that is sensitive to our unique character, natural environmental values and changing climate.

2023/24 achievements:

- Finalised master plans at the following Recreation Reserves: Barkly Park Rutherglen, Coulston Park Tangambalanga, Yackandandah Sports Park and Allans Flat Waterhole.
- Developed draft community resilience plans for Stanley and Barnawartha through funding received from Emergency Recovery Victoria. The plans aim to provide a framework for achievable and place based action that will enable the communities to meet its existing and future needs.
- Adopted the Fair Access Policy which improves access to sport and recreation facilities and timeslots for women and girls.
- Developed a draft of Indigo Shire Council's first Diversity Equity and Inclusion Policy that articulates and standardises Council's approach to ensure all Indigo Shire residents can fully engage, contribute and thrive in our communities.

- Received funding through Sport and Recreation Victoria's Local Sports Infrastructure Fund Planning Stream to develop a new Swimming Pools Strategy.
- Completed the Beechworth to Yackandandah Rail Trail.
- Progressed the Rutherglen Loops shared trail, approximately 18kms of new and upgraded trails are now complete.
- Progressed development of Transportation Plans to guide safe and efficient pedestrian and traffic movement in key towns.
- Completed new footpath projects across 3 townships to improve pedestrian connectivity to schools and public recreation spaces.
- Expanded the sealed road network in urban and rural areas via delivery of 6 projects across the Shire.
- Completed Kergunyah Hall upgrade project.
- Completed review of Council's Planning Scheme.



**Strategic Theme 3:
Prosperity**

Our economy is strong and diverse, attracting new investment and job opportunities. Renowned as a must-visit destination offering a range of experiences that showcase our rich history and culture and breathtaking natural landscapes, the Shire is also a much sought-after location for new residents.

2023/24 achievements:

- Implemented the Indigo Destination Game Changer Tourism Strategy 2023 (year 5 of 5).
- Rutherglen Wine Walk Cycle Trail commenced construction (fully funded \$5.1M).
- Completed the Rutherglen Silo Arts Precinct Detailed Design and Due Diligence to shovel-ready status.
- Commenced implementation of the Indigo Caravan Park Masterplans with Rutherglen Caravan Park lease renewal completed.
- Delivered the Indigo Events Grant program.
- Delivered the Cultural Heritage Cross-Shire Support program.
- Delivered the Museum collection digitisation program Year 3 and tertiary education digitisation partnership program.
- Delivered key actions from the Rutherglen Destination Management Plan in consultation with stakeholders.

- Completed the Beechworth Courthouse Kelly Trials exhibition and opened to the public.
- Progressed Museum Voluntary Repatriation of First Nations’ artefacts.
- Implemented the Economic Development Strategy.
- Delivered new education programs across the Beechworth Historic Precinct.
- Completed 3 new Gravel Cycle Hubs in Beechworth, Chiltern and Rutherglen.
- Beechworth Historic Precinct National Heritage Listing progressed and under consideration.
- Murray to Mountains Rail Trail Enhancement project sites confirmed in Beechworth and Rutherglen and design/artist procurement progressing.
- Participated in the Indi Telecommunications Advisory Group and advocated for improved telecommunications across the Shire.
- Commenced development of a new Economic Development Strategy.
- Expanded subscriber base and business outreach program through the monthly Indigo Business Connect e-newsletter.



**Strategic Theme 4:
Environment**

Our climate emergency declaration reflects a strong commitment to protecting, maintaining and enhancing our natural and built environment and to promoting sustainable living. Our communities are well prepared to adapt to and mitigate against the impacts of climate change.

2023/24 achievements:

- Installation of energy efficiency projects at Tangambalanga Lions Den after securing funding via Sustainability Victoria grants.
- Worked with private sector to install a further 3 public EV fast chargers in Beechworth, Chiltern & Rutherglen.
- Installation of 7 EV chargers for Council’s Fleet vehicles.
- Developed a Draft Urban Tree Canopy Strategy.
- Administered and allocated funding under Community Sustainability Grants program to support community initiatives.
- Planted approximately 500 new trees in towns across the Shire.
- Completed transition to a new kerbside waste recycling waste collection contract.
- Completed an annual program of noxious weed and pest animal control on Council roadsides and reserves.
- Cat curfew introduced.



**Strategic Theme 5:
Accountability**

We are committed to the highest level of governance, transparent decision making, sound financial management and keeping the community engaged and well informed. We have a high-performing workforce committed to customer service excellence and continuous improvement.

2023/24 achievements:

- Maintained financial low/medium risk status as assessed by the Victorian Auditor General’s Office.
- Adopted revised risk management framework and strategy and risk appetite statement.
- Continued development of corporate risk register.
- Commenced implementation of the risk management strategy.
- Continued implementation of Governance Schedule.
- Continued delivery of internal Integrity Program.
- Updated Advocacy Action Plan.
- Achievement of KPIs for Council’s digital and social platforms.
- Online building platform “Greenlight” introduced.

Financial Summary

A summary of our performance is outlined below. Detailed information relating to Council’s financial performance is included within the Financial Statement and Performance Statement sections of this report.

Operating Position

Indigo Shire Council’s operating position at the end of 2023/24 was a deficit of \$5.138 million. This result was a combination of a \$6.460 million reduction in operating grant receipts compared to the previous year (due to the later payment of the Financial Assistance Grant), an increase in staffing cost of \$1.573 million (due to a reduction in staff vacancies), and an increase of \$1.901 million in material and services (mostly due to flood recovery works that will be recouped in the 2024/25 financial year).

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Obligations

Council aims to ensure that it has the ability to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge this infrastructure gap, Council invested a total of \$11.5 million during the 2023/24 financial year. Council’s assets renewal and upgrade ratio, which is a measure of Council’s capacity to invest in asset renewal and investments has increased from 67.72% in the previous financial year to 96.13% in 2023/24, indicating Council’s resolve achieve sustainable growth in this area. At the end of 2023/24 financial year, Council’s debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, increased from the previous year’s 7.27% to 10.06% due to the completion of a new loan in 2023/24 to cover the past purchase of the Chiltern land, and the master-planning process.

Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants, and contributions. Council’s rates concentration, which compares rate revenue to adjusted underlying revenue, increased from 50.62% to 60.60% in 2023/24. This was caused by the changed payment timing for the Financial Assistance Grants, and therefore this ratio it is expected to return to the usual mid-50% range next year, and for the foreseeable future. Council’s average rate per property assessment, which measures the sum of general rate and municipal charge revenue divided by number of property assessments was \$1,810.42 for the 2023/24 financial year, slightly up from the previous year’s \$1,676.97.



Barnawartha Tennis and Netball Courts



Boorhaman Bridge

Description of Operations

Indigo Shire Council is responsible for services ranging from advocacy, roads, family and children’s services, recreation facilities, open space, waste management, and community development, to matters concerning economic development, planning for appropriate development and ensuring accountability for Council’s budget.

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 June 2021-2025 and the associated Budget 2023/24 and reported on in this document.

The delivery of services, facilities, support and advocacy to achieve the Council Plan Strategic Objectives is measured by a set of service performance indicators and measures. Refer to the section in Our Performance for more information about Council services.

Major capital works

The 2023/24 capital works year delivered another large capital works with capital expenditure totaling over \$13 million.

The major capital works included the following:

Buildings

- Completed the Beechworth Court House Kelly Trails Project.
- Commenced facility accessibility upgrades for 2 community spaces – Rutherglen Maternal and Child Health Centre and Chiltern Senior Citizens Clubrooms.
- Further progressed the Chiltern Athenaeum Restoration Project.

Roads, bridges and pathways

- Completed the Shire’s largest ever patching program following weather events in 2022/23.
- Completed a large program of resealing and gravel resheeting on a number of roads Shire-wide.
- Constructed new footpath projects in towns across the Shire.
- Completed construction of the Beechworth to Yackandandah Rail Trail.
- Connected a further 18km of new and upgraded trails as part of the Rutherglen Loops shared Trail project.
- Secured grant funding and commenced construction of the Indigo Creek Road Bridge.

Parks and Recreation

- Redeveloped the Barnawartha Netball and Tennis Courts. Project involved significant drainage upgrades, installation of 2 new multi-use courts, energy efficient led lighting and fencing.
- Completed the Chiltern Tennis Court project with new surfaces on 2 courts, installation of new energy efficient led lighting, fencing and significant drainage upgrades.
- Significantly progressed with construction of Tangambalanga & Wahgunyah Pump Tracks as well as the Rutherglen Skate Park extension to ensure our young residents have improved accessibility to outdoor activities.
- Baarmutha Park Lighting Project.
- Completed the upgrade of the Barnawartha cricket nets.


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. Three Directors, two Executive Managers and the CEO form the Executive Management Team (EMT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out in the following diagram.



Trevor Ierino
Chief Executive Officer


Senior Officers reporting directly to the Chief Executive Officer



Sally Rice
Director Community & Economic Development

Areas of responsibility


- Community Development
- Recreation
- Young People
- Ageing Well
- Early Years
- Community Facility Development
- Libraries
- Tourism
- Economic Development
- Emergency Management



Greg Pinkerton
Director Planning & Corporate Services

Areas of responsibility


- Planning
- Building Control
- Environmental Health
- Finance
- Information Technology
- Rates & Property
- Enforcement



Ian Ellett
Director Infrastructure Services

Areas of responsibility


- Asset Management
- Capital Works Planning and Delivery
- Infrastructure Maintenance
- Buildings and Property
- Parks and Trees
- Environmental Management
- Waste and Recycling
- Quarry Management
- Buller Gas



Carla Hanlon
Executive Manager People & Governance

Areas of responsibility

- Employee and Industrial Relations
- Health, Safety and Wellbeing
- Workforce Planning
- Organisational Development
- Governance and Integrity
- Information Management
- Risk and Assurance



Melinda Collis
Executive Manager Customer Experience & Engagement

Areas of responsibility

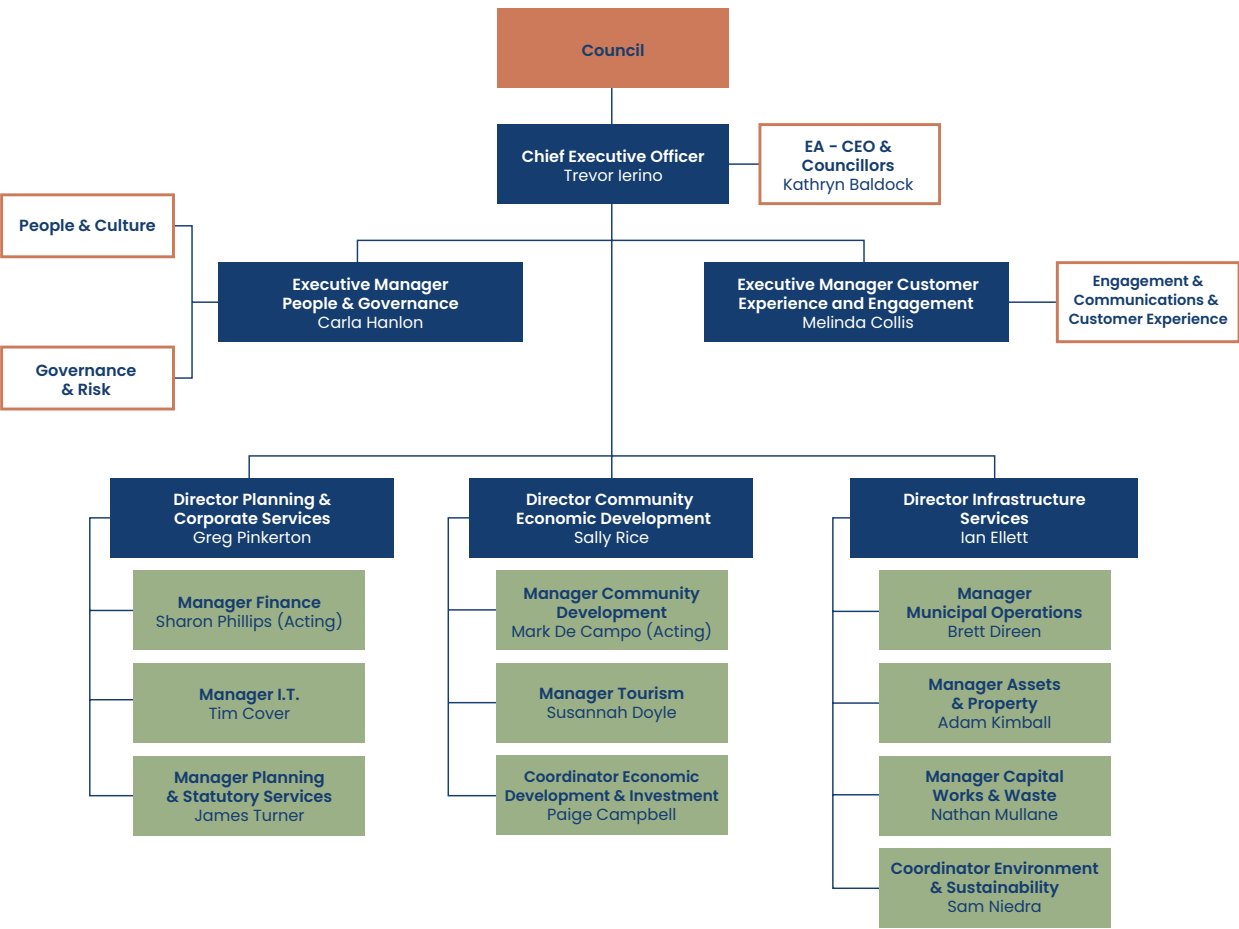
- Customer Experience
- Strategic communications
- Media management
- Community Engagement
- Project support
- Publications
- Brand management
- Social and digital media management

OUR PEOPLE



Organisational Structure as of June 2024

A chart setting out the organisational structure of Council is shown below:

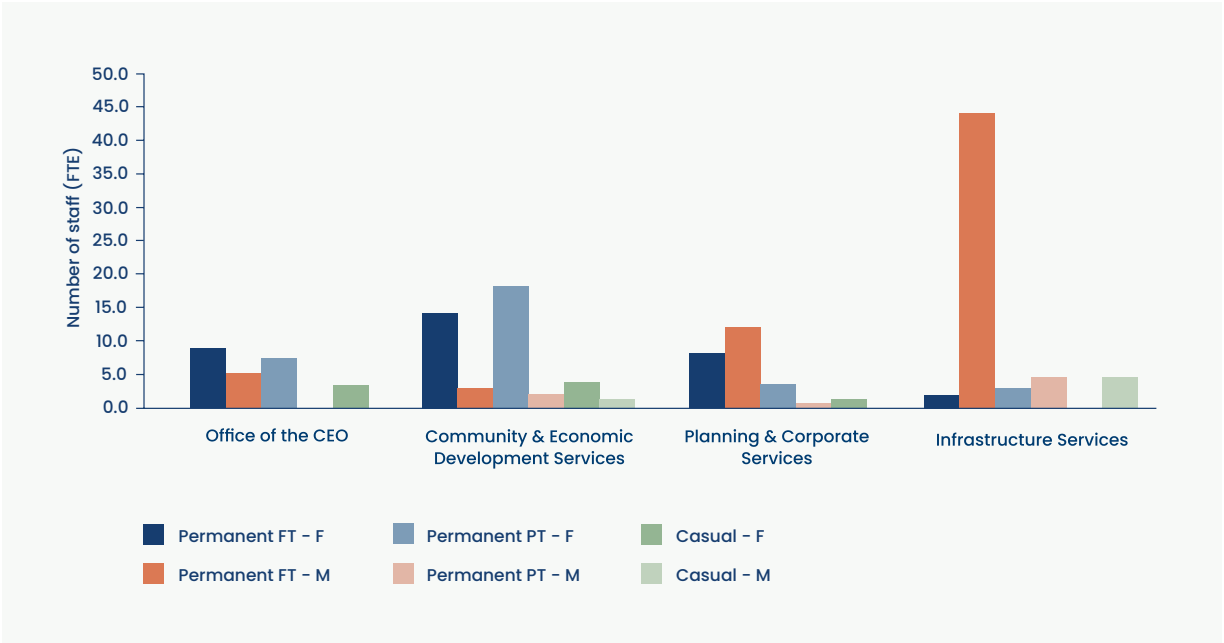


Council Staff

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

Council Staff 2023/24 (FTE)

Employment Gender Type	Office of the CEO	Community & Economic Development Services	Planning & Corporate Services	Infrastructure Services	Total FTE
Permanent FT - F	9.0	14	8.0	2.0	33.0
Permanent FT - M	5.0	3.0	12.0	44.0	64.0
Permanent PT - F	7.3	18.0	3.4	2.7	31.5
Permanent PT - M	0.0	2.2	0.6	4.6	7.4
Casual - F	3.2	3.7	1.1	0.0	8.1
Casual - M	0.0	1.2	0.0	4.4	5.7
Total	24.6	42.1	25.2	57.7	149.6



Council Staff

Employment	Male	Female	Total
Band 1	0	0.53	0.53
Band 2	1.02	0	1.02
Band 3	18.55	15.59	34.14
Band 4	9.13	6.96	16.09
Band 5	12.32	21.30	33.62
Band 6	12.62	15.68	28.30
Band 7	13.80	4.58	18.38
Band 8	2.00	1.89	3.89
Band N/A	7.63	6.00	13.63
Total	77.07	72.53	149.60

Other Staff Matters

Our team of staff and volunteers is a cornerstone of the Council, playing a crucial role in our ongoing achievements. We deeply appreciate their steadfast dedication and commitment to both the community and each other, embodying our collective pursuit of excellence.

Learning and Professional Development

The evolving challenges in talent attraction to regional areas underscore the importance of leveraging our employees' existing skills while actively pursuing strategies for retention. We recognize that investing in staff learning and development not only enhances job satisfaction but also bolsters employee retention rates. Addressing the scarcity of specific skills requires prioritizing the growth of our internal talent pool within the region. By harnessing the potential of our current workforce, we aim to mitigate workload pressures faced by our teams. Concurrently, our steadfast commitment to compliance training and maintaining annual licenses and qualifications ensures we uphold Council's primary goal: the continuous professional development and success of our staff.

Health, Safety and Wellbeing

Prioritising workplace health and safety is paramount and demands continuous focus. Council is fully committed to fostering a safe and healthy work environment for all employees. Recently, our OH&S Committee underwent a comprehensive restructuring, now featuring robust representation across the organisation. The committee's primary objective is to proactively identify and mitigate risks, emphasising prevention.

A key focus of our efforts is acknowledging the psychosocial impacts on our staff. To address this, we have developed a robust wellbeing strategy that places employee wellbeing at the forefront of all decision-making processes. By prioritising their welfare, we aim to cultivate an environment that supports both their physical and mental health, fostering overall wellbeing.

Equal Employment Opportunity

Council is steadfast in its commitment to equality, diversity, and inclusion, recognising their significant impact on organisational and community outcomes. To actively promote these principles, we will continue to raise awareness and cultivate shared responsibility through the following HR initiatives:

- Implementation and engagement with Council's Gender Equity Action Plan, Strategic Workforce Plan, and Reconciliation Action Plan to fulfill our commitments and address barriers.
- Prioritisation of comprehensive learning and development programs that embed equality and inclusion into our organisational culture.

- Ensuring robust, transparent, and unbiased recruitment processes that promote equal opportunities and diverse representation.
- Diligent recording and reporting of workforce data and trends to identify areas for improvement, track progress, and promote accountability in our culture.

Volunteers

Volunteers are essential to our organization, and Council is committed to recognizing their outstanding contributions to community service. Throughout 2023/24, our dedicated volunteers have significantly enhanced community relationships and experiences. They are integral to our community cohesion. Council is dedicated to attracting, onboarding, and training volunteers effectively. By supporting these individuals, we ensure the ongoing success of our collaborative community service efforts.



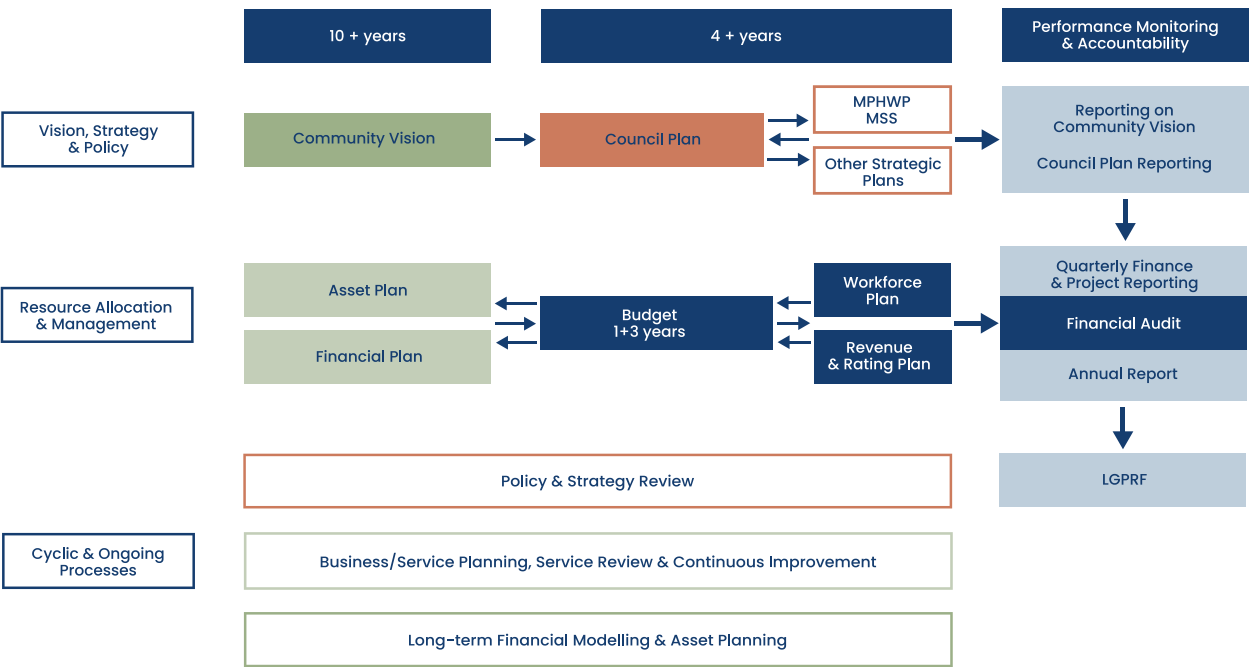
OUR

PERFORMANCE

Planning and Accountability Framework

The Local Government Act 2020 requires Council to prepare the following planning and reporting documents:

- A Community Vision
- A Council Plan within six months after each general election or by 30 June, whichever is later
- A Financial Plan looking at 10 years
- A budget for each financial year
- An Annual Report in respect of each financial year
- A Revenue and Rating Plan
- An Asset Plan



Council Plan

The Council Plan 2021–2025 includes strategic objectives, strategies for achieving these over the four-year period and strategic indicators for monitoring achievement of the objectives. The following are the five strategic focus areas as detailed in the Council Plan.

Strategic Focus Areas



Performance

Council's performance for the 2023/24 year has been reported in a number of ways:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the Budget.
- Services funded in the Budget and the people or sections of the community who are provided those services.
- Results against the prescribed service performance indicators and measures.



IDAHOBIT Celebrations

Strategic Theme 1



Communities

Our communities are strong, resilient, diverse, and inclusive and our people feel safe, valued and connected, both physically and socially.

Strategic Indicators

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

Strategic Indicator/Measure	Result	Comments
Libraries Percentage of the population who are active library members.	22.59%	This increase relates to the expansion of library services which includes additional opening hours at the new Chiltern Community Hub Library, upon the completion of the new building, as well as expanding the opening hours at the Rutherglen Library. This reflects Council's commitment to providing equitable services across the Shire.
Maternal and Child Health Participation of infants in the 4-week Key Age and Stage visit.	86.27%	Infants born in the last few weeks of the financial year may not necessarily be seen for their 4-week KAS by end of FY. Premature infants may have a delay in their KAS visits as actual age may be used instead of adjusted age.
Aquatic Facilities Utilisation of aquatic facilities per head of population.	1.69	

Initiatives

The following statement reviews the progress of Council in relation initiatives identified in the 2023/24 Budget.

Initiatives	Progress
Continue to implement the Reconciliation Plan.	The Reconciliation Action Plan, adopted in April 2022, has been successfully completed. However, Council continues to implement several ongoing initiatives, including cultural awareness training, NAIDOC Week events, National Reconciliation Week activities, engagement with local Traditional Custodians, and various art projects.
Complete Stanley Wastewater review.	Successfully completed and fully acquitted June 2024.



Services

The following statement provides information in relation to the services funded in the 2023/24 Budget and the persons or sections of the community who are provided the service.

Services	Description	Net Cost Actual Budget Variance \$000
Ageing Well	The purpose of this service is for: <ul style="list-style-type: none">Council to maintain an Ageing Well function to facilitate service planning and co-ordination, and to implement actions from the Ageing Well Strategy and advocate for enhanced infrastructure and access for older people.	(77) (105) <hr/> 28
Carlyle Cemetery	The purpose of this service is to: <ul style="list-style-type: none">Manage all functions associated with cemetery services.Strategically plan for and implement actions to meet the needs of contemporary cemetery services.Perform all tasks in accordance with requirements of the Cemeteries Act	(12) (1) <hr/> (11)
Community Development	The purpose of this service is to: <ul style="list-style-type: none">Strategically assess and facilitate planning and service delivery across the Shire for all aged cohorts.Plan and provide opportunities for community activities and to identify and respond to issues.Support the community to become more self-sufficient and sustainable by giving them the tools and resilience to investigate and address local issues.	(313) (316) <hr/> 3
Creative Communities	The purpose of this service is to <ul style="list-style-type: none">Provides public library services with four permanent libraries as Beechworth, Chiltern, Rutherglen and Yackandandah.Provides a variety of out-reach programs and services to all other communities and towns.Provides access to other collections available through the Swift Consortium.Meets informational, educational and recreational needs of all members of the community.Provide the community and community groups with opportunities to be involved in art and cultural activities, events and programs.	(1,029) (956) <hr/> (73)
Early Years	The purpose of this service is to: <ul style="list-style-type: none">Support groups and agencies to provide early years' services to the Indigo Shire community.Provide Maternal and Child Health and Immunisation services to the Indigo Shire community.	(129) (233) <hr/> (104)

Services	Description	Net Cost Actual Budget Variance \$000
Environmental Health Services	The purpose of this service is to: <ul style="list-style-type: none">Ensure that the necessary standards are maintained for the Health and Wellbeing of the residents of the shire and the visitors using our accommodation and food premises.Protecting our waterways and preventing communicable diseases.Food and Accommodation inspectionsCommunicable disease investigationsTobacco and Smoking area monitoringSharps DisposalBlue-Green Algae testingSeptic and Wastewater approvals and inspections to ensure the standard of living in this area is maintained.	79 (20) <hr/> 99
Recreation	The purpose of this service is to: <ul style="list-style-type: none">Plan for the future recreational needs of the community.Support the community in the provision of recreation facilities and services, identification of funding opportunities, preparation and submission of funding applications, working with committees of management in the development of master plans.This service provides outdoor swimming pool facilities to five communities and provides the community with access to aquatic facilities, services and programs.	(801) (673) <hr/> (128)
Young People	The purpose of this service is to: <ul style="list-style-type: none">Provide and extend the range and quality of services available to young people aged between 12-25 years in the Indigo Shire by working with service providers, schools and community groups. In particular:FReeZa events;Engage programsL2P program	(24) (46) <hr/> 22

Service performance indicators

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

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Maternal and Child Health (MCH) Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100.	92.26%	99.33%	93.90%	99.49%	86.27%	Infants born in the last few weeks of the financial year may not necessarily be seen for their 4-week KAS by end of FY. Premature infants may have a delay in their KAS visits as actual age may be used instead of adjusted age.
Service Standard Infant enrolments in the MCH Service. [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100.	100.65%	101.34%	100.00%	98.97%	101.96%	
Service cost Cost of the MCH service. [Cost of the MCH service / Hours worked by MCH nurses].	\$75.28	\$78.53	\$80.70	\$81.17	\$81.03	
Participation Participation in the MCH service. [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100.	89.4%1	92.35%	88.25%	87.42%	85.69%	
Participation in the MCH service by Aboriginal children [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100.	94.29%	100.00%	89.47%	94.87%	85.29%	With a MCH Service that operates on the border of Victoria & NSW, & an Aboriginal Specific Health Service in Albury, some families choose to use this service.

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Food Safety Timeliness Time taken to action food complaints. [Number of days between receipt and first response action for all food complaints / Number of food complaints].	1.00	1.00	1.00	1.00	1.00	
Service standard Food safety assessments. [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100.	100.00%	88.38%	99.46%	100%	100%	
Service standard Food safety samples. [Number of food samples obtained / Required number of food samples] x 100	New	New	New	New	100%	
Service cost Cost of food safety service. [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984].	\$682.35	\$650.42	\$808.32	\$690.53	\$686.75	
Health and safety Critical and major non-compliance outcome notifications. [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/ Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100.	95.65%	100.00%	100.00%	100.00%	100.00%	



Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Libraries Utilisation Library collection items. [Number of library collection item loans/ Number of library collection items] x100.	2.57	2.65	2.75	3.18	4.38	
Resource currency Recently purchased library collection. [Number of library collection items purchased in the last 5 years/ Number of library collection items] x100.	57.95%	54.40%	50.35%	56.17%	56.94%	
Cost of library service per population [Direct cost of library service/ population].	\$37.72	\$36.02	\$38.62	\$40.52	\$48.20	This increase relates to the expansion of library services which includes additional opening hours at the new Chiltern Community Hub Library, upon the completion of the new building, as well as expanding the opening hours at the Rutherglen Library. This reflects Council's commitment to providing equitable services across the Shire.
Participation Library Membership. [Number of registered library members/ population] x100.	New	New	New	New	22.59%	
Participation Library visits per head of population. [Number of library visits/ population].	New	New	New	New	4.6	

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2021	2023	2024	
Aquatic Facilities Service standard Health inspections of aquatic facilities. [Number of authorized officer inspections of Council aquatic facilities/Number of Council aquatic facilities].	1.00	1.00	2.00	1.00	1.00	
Service Cost Cost of aquatic facilities. [Direct cost of outdoor aquatic facilities less income received/ Number of visits to outdoor aquatic facilities].	\$13.38	\$10.60	\$21.10	\$16.62	\$18.09	
Utilisation Utilisation of outdoor aquatic facilities. [Number of visits to aquatic facilities/ Municipal population].	1.41	1.84	1.32	1.57	1.69	

Strategic Theme 2



Liveability

Our townships and places are connected, inviting and attractive and we adopt a balanced multi-generational approach to growth across the Shire, supported by infrastructure, planning and development that is sensitive to our unique character, natural environmental values and changing climate.

Strategic Indicators

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

Strategic Indicator/Measure	Result	Comments
Statutory Planning Planning Applications decided within required time frames.	35.76%	
Roads Satisfaction with sealed local roads.	36.00	

Initiatives

The following statement reviews the progress of Council in relation initiatives identified in the 2023/24 Budget.

Initiatives	Progress
Maintenance and operations management of the Epic Trail.	The Epic Trail is operational and getting lots of use. The Trail is being inspected and maintained in partnership with the local mountain bike clubs, Beechworth Chain Gang and Yack Tracks.
Finalise building service review.	Due to be presented to the Executive Management Team on 12 August 2024 for approval.
Project Pinnacle (Greenlight) to improve user experience within the Planning and Building environment.	Greenlight went live for Building Services in May 2024, and for Planning Services early in the 2024/25 Financial Year.
Progress the Chiltern Land Project Masterplan.	Ongoing – we continue to seek funding to further progress this initiative.
Consideration of a Cat Curfew.	100% complete. Curfew approved in October 2023 and introduced 1 May 2024.



Services

The following statement provides information in relation to the services funded in the 2023/24 Budget and the persons or sections of the community who are provided the service.

Services	Description	Net Cost Actual Budget Variance \$000
Asset Depreciation	This is a centralised cost centre that collates the organisation’s depreciation expense.	(6,873) (7,086) 213
Asset Management	The purpose of this service is to: <ul style="list-style-type: none">• Provide asset management services for Council-owned infrastructure.• Review and manage Council’s Road Management Plan.• Provide GIS and associated services, including mapping and road and street numbering.	(311) (279) (32)
Building Control Services	The purpose of this service is to fulfil the obligations required by Local Councils within the Building Act (1993) and the Building Regulations 2018 and the Building Amendment (Swimming Pool and Spa) Regulations 2019: <ul style="list-style-type: none">• By issuing building permits which promote safe and sustainable development.• Monitoring Places of Public Entertainment.• Inspecting, monitoring and controlling unsafe structures after accidents or acts of nature.• Maintaining Databases on pools and spas and monitoring ongoing compliance for barriers.	(264) (43) (221)
Buildings and Property	The purpose of this service is to: <ul style="list-style-type: none">• Provide maintenance services to Council-owned and Council-managed buildings.• Manage Council’s property portfolio including leases, sales and the management of arrangements with caravan park operators at Beechworth, Chiltern, Rutherglen and Yackandandah.	(1,157) (1,035) (122)
Buller Gas	The purpose of this service is to manage the Buller Gas contract which provides a reticulated LP gas service on Mount Buller. Bulk LPG is delivered to large tanks on site and is distributed throughout the village via a pipe reticulation system and sold to commercial and residential customers.	596 688 92
Capital Works Management	This service covers the planning and implementation of the annual Capital Works program.	(343) (338) (5)

Services	Description	Net Cost Actual Budget Variance \$000
Development Engineering	The purpose of this service is to: <ul style="list-style-type: none">• Provide engineering support to developers and community members looking to develop or subdivide land.• Fulfil the role of Engineering referral authority for Indigo Shire Council’s Planning Scheme – providing conditions and ensuring compliance with standards for planning permits.• Provide internal engineering and standards support for Infrastructure Services staff.	(65) (82) 17
Drainage	The purpose of this service is to: <ul style="list-style-type: none">• Investigate stormwater drainage issues.• Maintain drainage infrastructure.	(113) (35) (78)
Local Laws & animals	The purpose of this service is to: <ul style="list-style-type: none">• Provide a safe and orderly environment for residents, visitors and the public.• To provide amenity and minimise risks to both the community and to Council, as a business, alike.• To achieve this through the unit using both State Legislation and Local Laws to guide the public, these Laws have enforcement provisions that are applied when other methods fail, the Legislation/Regulations/ - - Local Laws used include:<ul style="list-style-type: none">- Local Laws 1, 2, 4 and 5- Domestic Animal Act 1994 to support animal management- Prevention of Cruelty to Animals Act 1986- Impounding of Livestock Act 1994- Road Safety Act 1986- CFA Act 1958- Summary Offences Act 1966- Graffiti Prevention Act 2007.	(77) (48) (29)



Services	Description	Net Cost Actual Budget Variance \$000
Parks & Gardens	The purpose of this service is to preserve and maintain all Council managed parks and gardens throughout the Shire. This includes: <ul style="list-style-type: none">Over 30 different parks and gardens.Inspection and maintenance of playgrounds.Cleaning and maintenance of BBQs and park furniture.	(1,004) (847) <hr/> (157)
Pathways	The purpose of this service is to manage the maintenance of Council's footpaths and shared paths to ensure they are safe and suitable for the community's needs.	(220) (357) <hr/> 137
Planning	The purpose of the statutory planning service is to: <ul style="list-style-type: none">Process all planning applications.Act as the Planning Authority and Responsible Authority for the administration of the Indigo Planning Scheme as required of Council by State Government.Undertake the development and provision of land use policy in keeping with the Municipal Strategic Statement and Indigo Planning Scheme.	(982) (985) <hr/> 3
Plant, Equipment & Fleet	The purpose of this service is to ensure that: <ul style="list-style-type: none">Plant and equipment, suitable for Council's maintenance and civil operations.A suitable motor vehicle fleet, necessary for the conduct of Council business, are maintained in a safe and serviceable condition. This area of the Budget includes the operating and depreciation costs of all of Council's heavy and small plant, fleet and equipment.	(1,537) (1,472) <hr/> (65)
Quarries	The purpose of this service is to produce crushed rock suitable for use in maintaining Council's gravel road network. Horseshoe Quarry is owned by Council and in addition to using the crushed rock on its own roads, some material is also sold to other users at a market rate.	(23) (86) <hr/> 63

Services	Description	Net Cost Actual Budget Variance \$000
Roads & Bridge Maintenance	The purpose of this service is to preserve and maintain Indigo Shire Council's roads and associated infrastructure including: <ul style="list-style-type: none">Sealed and unsealed road pavements.Bridges and major culverts.Bus shelters.Traffic signs and road furniture.Lighting.	(1,605) 217 <hr/> (1,822)
Tree Services	The purpose of this service is to: <ul style="list-style-type: none">Preserve and maintain Indigo Shire Council's many significant street and park trees.Plan for and implement an annual replacement planting program.	(713) (592) <hr/> (121)



Service performance indicators

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

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Timelines Time taken to decide planning applications. [The median number of days between receipt of a Planning application and a decision on the application].	34.00	61.00	77.00	111.00	104.00	
Service Standard The percentage of regular and VicSmart planning application decisions made within legislated time frames. [Number of regular planning application decisions made within 60 days]+[Number of VicSmart planning application decisions made within 10 days/Number of planning application decision made] x100.	91.87%	21.10%	18.81%	33.92%	35.76%	
Service Cost The direct cost of the statutory planning service per planning application received. [Direct cost of the statutory planning service / Number of planning applications received].	\$2,036.43	\$1,926.47	\$2,350.87	\$2,570.89	\$3,246.65	Increase due to additional planning resources engaged.
Decision making Council Planning decisions upheld at VCAT. [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100.	75%	0.00%	66.67%	0.00%	100%	
Satisfaction of use Sealed local road requests. [Number of sealed local road requests / Kilometres of sealed local roads] x100.	17.95	18.08	28.43	27.11	33.16	Flood recovery work from the two 2022 flood events commenced at the start of 2024, due to the time it has taken to process claims for works packages. The increase in requests has largely been due to flood affected roads still requiring repairs.

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Timeliness Time taken to action animal management requests. [Number of days between receipt and first response action for all animal management requests / Number of animal management requests].	1.00	1.00	1.00	1.20	1.00	Return to normal staff levels.
Service Standard Animals reclaimed. [Number of animals reclaimed / Number of animals collected] x100.	60.61%	50.94%	54.90%	52.94%	56.67%	
Service Standard Animals rehomed (Number of unclaimed collected animals rehomed / Number of unclaimed collected animals] x 100	16.67%	37.74%	31.37%	19.61%	41.03%	Increase in the use of shelters, pounds, and rescue services. This is believed to be linked to cost-of-living pressures.
Service Cost Cost of animal management service per population. [Direct cost of the animal management service / Population].	\$14.76	\$12.42	\$13.44	\$10.74	\$13.44	Staffing vacancy reduced costs in 2022/23. Now back to normal levels.
Health and Safety Animal management prosecutions. [Number of successful animal management prosecutions / Number of animal management prosecutions] x100.	100%	0%	0%	0%	0%	Council had no animal management prosecutions during this year.



Reseal Works, Sandy Creek Rd

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Condition Sealed local roads maintained to condition standard. [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100.	99.37%	99.94%	99.96%	99.98%	99.96%	
Service cost Cost of sealed local road reconstruction. [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed].	\$31.00	\$37.93	\$40.23	\$59.44	\$42.48	
Service Cost Cost of sealed local road resealing. [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed].	\$5.42	\$5.07	\$5.53	\$5.83	\$5.70	
Satisfaction Satisfaction with sealed local roads. [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads].	56.00	57.00	48.00	36.00	36.00	

Strategic Theme 3



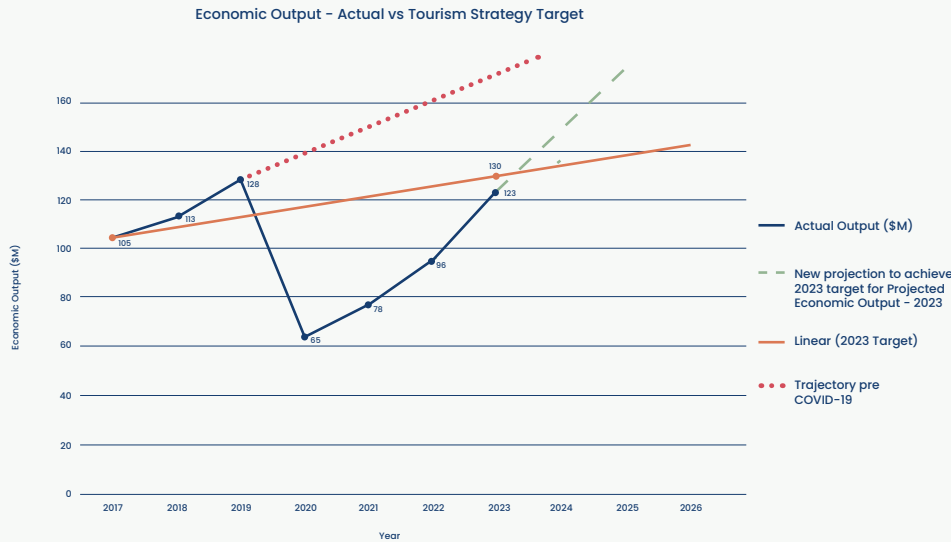
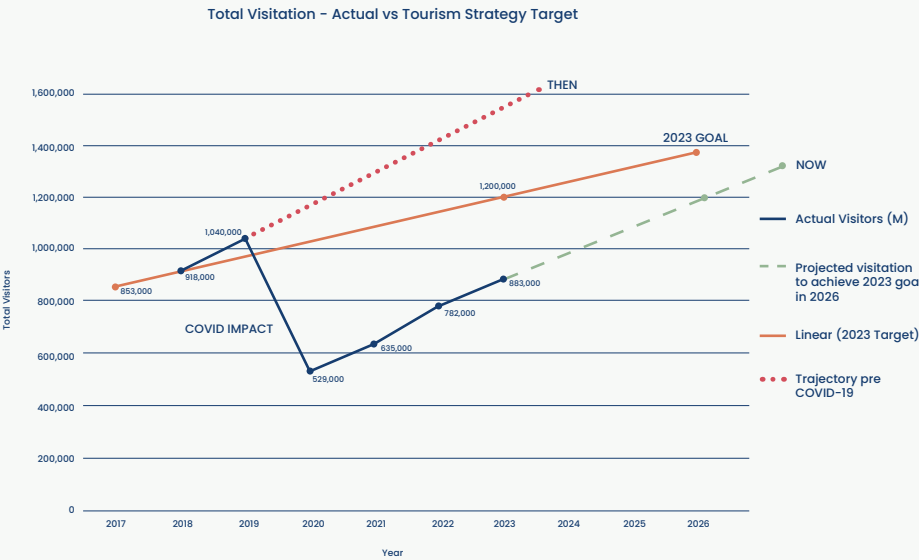
Prosperity

Our economy is strong and diverse, attracting new investment and job opportunities. Renowned as a must-visit destination offering a range of experiences that showcase our rich history and culture and breathtaking natural landscapes, the Shire is also a much sought-after location for new residents.

Strategic Indicators

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

Strategic Indicator/Measure	Result	Comments
Customer Service Level of satisfaction with the customer service.	64	Council's score is below the state-wide average of 67 and Small Rural Council's group score of 65 (2023 Community Satisfaction Survey Results).
Tourism Visitation numbers.	883,000 visitors in 2023 calendar year	Visitation numbers, economic output and tourism jobs show a steep recovery trajectory 2020-2022. The KPIs for 2023 (pre-pandemic forecast) will now be achieved for: - Economic Output – 2024 - Visitor Numbers – 2025 Assuming the recovery trajectory is not again impacted by external factors.



Initiatives

The following statement reviews the progress of Council in relation to initiatives identified in the 2023/24 Budget.

Initiatives	Progress
Develop Indigo’s new Tourism Strategy.	<ul style="list-style-type: none">Evaluation of the 2018–2023 strategy is completed.Foundation research for the 2025–2035 strategy has commenced.Significant momentum from 2023 will continue to drive projects and new initiative work during 2024/25.The evolution of sector imperatives; from a singular growth objective (visitor economy) to stewardship and sustainable destinations and regenerative tourism models are global best practice.Research, evaluation of global case studies and rapid knowledge acquisition from sector leading collaboration, is underway and will continue throughout 2024, ahead of 2025 strategy development.
Contribute to Tourism North East’s Visitor Information Project.	<ul style="list-style-type: none">Tourism North East completed the regional Visitor Information Project, research and directions phases.The High Country Visitor App launched in 2023.Council’s Blueprint Beechworth New Initiative has been delivered, optimizing Beechworth’s presence and activation/take up of the new High Country Visitor App.Cross-shire information has launched with the App. Integration of App-based information with signage and website is underway.

Services

The following statements provide information in relation to the services funded in the 2023/24 Budget and the persons or sections of the community who are provided the service.

Services	Description	Net Cost Actual Budget Variance \$000
Economic Development	The economic development service assists the organisation to: <ul style="list-style-type: none">Identify areas/opportunities for growth.Strengthen small town retail precincts.Assess Council’s impact on economic development.Encourage and support agriculture and viticulture activity.Inform strategic Council purchasing.Deliver place-making initiatives.Completion of the Economic Development Strategy.	(294) (259) <hr/> (35)
Information Technology	The purpose of this service is to: <ul style="list-style-type: none">Ensure all of Council’s Information and Communications Technology (ICT) systems and infrastructure is running efficiently, effectively, and is fit-for-purpose, supporting staff to deliver Council services, now and moving forward.Provide a high level of user support to staff and Councillors.Support Council’s objectives as described in the Council Plan via strategic implementation of ICT.	(1,448) (1,848) <hr/> 400
Tourism Development	The purpose of this service is to provide tourism development leadership and services including: <ul style="list-style-type: none">Strategic planningDestination marketing (including digital)Product and industry development (including strategic event development)Visitor servicingCultural heritage tourism (Burke Museum and Historic Precinct)Cultural heritage cross-shire support	(653) (640) <hr/> (13)

Services	Description	Net Cost Actual Budget Variance \$000
Visitor Experience and Museums	<p>The purpose of this service is to:</p> <ul style="list-style-type: none">• Deliver growth of the visitor economy through extending length of visitor stay, maximising visitor spend and driving dispersal around the Historic Precinct and across the shire.• Manage and interpret nationally significant museum collections and a heritage collection of buildings of state significance.• Manage major cultural heritage and tourism projects.• Provide cultural heritage exhibitions and educational tours and programs.• Provide research materials, tools and expertise to community members and the general public.• Act as the Public Records Office of Victoria’s North-East Place of Deposit for local public records.• Deliver Visitor Information Centre operations in Beechworth, Yackandandah and Rutherglen and support Visitor Information Centre operation in Chiltern.• Deliver quality customer service, information, retail sales and advice on accommodation, activities, experiences and attractions to enhance the visitor experience (Stay, Eat, Do) through onsite and off-site information provision initiatives.• Support local tourism operators to provide quality visitor information.• Provide information, plan itineraries and coordinate group booking activities in Beechworth for the Burke Historic Precinct & other local operators.• Operate a customer service facility to assist tourism operators through information provision, mentoring and workshops to grow their businesses digital and professional skills.• Operate a customer service facility to engage tourism operators and facilitate collaborative marketing, industry and product development.• Support destination marketing campaigns and digital excellence initiatives.• Display and direct visitors to key emergency services information in a crisis.	<div>(1,250)</div> <div>(1,176)</div> <div>(73)</div>



Beechworth Courthouse, Kelly Trials Exhibition

Strategic Theme 4



Environment

Our climate emergency declaration reflects a strong commitment to protecting, maintaining and enhancing our natural and built environment and to promoting sustainable living. Our communities are well prepared to adapt to and mitigate against the impacts of climate change.

Strategic Indicators

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

Strategic Indicator/Measure	Result	Comments
Waste Collection Kerbside Collection Waste diverted away from landfill.	66.45%	

Initiatives

The following statement reviews the progress of Council in relation initiatives identified in the 2023/24 Budget.

Initiatives	Progress
Implement the actions contained in Council's Climate Emergency Strategic Action Plan 2020.	In 2023/24, we installed seven fleet EV chargers at offices and depots, and supported installation of three more public EV chargers by third parties. We implemented more renewable energy projects including a new solar PV & battery system at Kiewa Tangambalanga Lions Den. Council's Sustainable Procurement Working Group continued to develop tools to facilitate improved sustainability outcomes in Council's procurement.
Progress the key priorities and actions from the Emissions Reduction Plan	Council's Emissions Reduction Plan (ERP) continues to be executed. Council also continued to capture, track and communicate its climate actions via the 'Our climate action' (Kausal) platform. The platform, which is embedded within Council's website, provides a high level of visibility of Council's Emissions Reduction Plan actions, as well as actions being undertaken in our community.
Progress the key priorities in the Environment Strategy 2019 Implementation Action Plan	<ul style="list-style-type: none">• ESD Policy currently being developed• Continued water quality monitoring of Lake Sambell (Beechworth) via DEECA's statewide program, since Feb 2023• Weed management and site maintenance at Council's stormwater treatment sites (e.g. Bells Flat wetland in Yackandandah, Elgin Rd treatment ponds in Beechworth).• Completed Council's 2023/24 Roadside Weed and Pest Animal Control Program, targeting rabbits and declared noxious weeds with co-funding from Victorian Government.• Supported community-driven initiatives through delivery of annual Community Sustainability Grants and National Tree Day Program

Services

The following statement provides information in relation to the services funded in the 2023/24 Budget and the people or sections of the community who are provided the service.

Services	Description	Net Cost Actual Budget Variance \$000
Emergency Management	The purpose of this service is to: <ul style="list-style-type: none">Plan for emergency events which may impact on our community.Assist in the response and recovery from emergency events.Maintain appropriate emergency management capabilities.	(1,438) (132) <hr/> (1,306)
Environment & Sustainability	The purpose of this service is to initiate and drive a range of environmental and sustainability programs to promote climate change mitigation and adaptation, improved natural resource management, and efficient resource use within Council operations and the community.	(324) (370) <hr/> 46
Waste Management	The purpose of this service is to manage the provision of a range of waste and recycling services including: <ul style="list-style-type: none">Kerbside waste, recycling and organics collection.services to reduce waste to landfill.Operation of Transfer Stations at Beechworth and Rutherglen.The provision of public place waste/recycle disposal facilities.Support for festival and event waste/recycle disposal facilities.	242 (55) <hr/> 297

Service performance indicators

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

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Service standard Kerbside collection bins missed. [Number of kerbside garbage and recycling collection bins missed / Number of kerbside garbage and recycling collection bin lifts] x10,000.	6.03	5.13	4.28	5.06	4.99	
Service Cost Cost of kerbside garbage bin collection service. [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins].	\$121.37	\$100.28	\$102.60	\$117.06	\$119.42	
Service Cost Cost of kerbside recyclables collection service. [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins].	\$69.47	\$73.51	\$78.81	\$85.99	\$79.08	
Waste diversion Kerbside collection waste diverted from landfill. [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100.	66.92%	67.60%	68.46%	66.41%	\$66.45	

Strategic Theme 5



Accountability

We are committed to the highest level of governance, transparent decision making, sound financial management and keeping the community engaged and well informed. We have a high-performing workforce committed to customer service excellence and continuous improvement.

Strategic Indicators

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

Strategic Indicator/Measure	Result	Comments
Overall performance of Council Level of satisfaction with the overall performance of Council.	52	Council's score is below the state-wide average of 54 and Small Rural Council's group score of 53 (2024 Community Satisfaction Survey Results).

Initiatives

The following statement reviews the progress of Council in relation initiatives identified in the 2023/24 Budget.

Initiatives	Progress
Fraud and Corruption Control Plan review and roll out.	Delayed due to changeover of the Finance Manager role and team vacancies. Work continues in 2024/25.
Install new Finance software system.	Delayed due to changeover of the Finance Manager role and team vacancies. Work continues in 2024/25.
Service review of Financial Services area.	Delayed due to changeover of the Finance Manager role and team vacancies. Work continues in 2024/25.
Human Resources Information System of People and Culture Services area.	To be launched early in 2024/25 Financial Year.

Services

The following statement provides information in relation to the services funded in the 2023/24 Budget and the persons or sections of the community who are provided the service.

Services	Description	Net Cost Actual Budget Variance \$000
Communications	The purpose of this service is to: <ul style="list-style-type: none">Provide a range of different communication methods between Council and the community.Provide strategic advice to Council staff and Councillors on communication and media-related issues.Community engagement.Media liaison.Various publications.	(326) (323) <hr/> (3)
Customer Service & Administration	The purpose of this service is to provide our residents and community with high quality and efficient customer service delivery from our offices in Beechworth, Chiltern, Rutherglen and Yackandandah.	(591) (501) <hr/> (90)
Executive Management	The purpose of this service is to: <ul style="list-style-type: none">Oversee and manage the day-to-day operations and affairs of Council.Implement the decisions and policies of Council in a timely manner.Advise and report to Council on any of the functions of Council prescribed in the Local Government Act 1989 (LGA).Monitor, manage and report on Council's performance.Prepare plans, policies, strategies, budgets and procedures for consideration by Council in accordance with the LGA and other legislation.	(1,613) (1,643) <hr/> 30
Financial Services	The purpose of this service is to: <ul style="list-style-type: none">Deliver all core accounting and finance functions.Management and compliance of all finance related statutory, legal and taxation obligations.Provide financial support to staff and Council.This area of the Budget also receipts rates and charges.	24 3,934 <hr/> 3,910

Services	Description	Net Cost Actual Budget Variance \$000
Governance	This service has the responsibility to provide governance support to Council by: <ul style="list-style-type: none">Provision of good governance to the community including making and implementing decisions with reference to community engagement, policy frameworks and agreed practice and in compliance with relevant legislation.Key performance indicators, including the State Government's Local Government Performance Reporting Framework.Oversight of Council's election process including the production and compliance of voter rolls.Support and advice to Council, Councillors, staff and Council committees in matters of governance and integrity.Management of Council Business including schedule and conduct of Meetings and provision of business papers.	(188) (185) <hr/> 3
People & Culture	The purpose of this service is to: <ul style="list-style-type: none">Oversee the full spectrum of employee / volunteer lifecycle events including attraction, recruitment, retention, training, performance management, professional development and employee health and wellbeing.Drive, influence and support cultural change across the organisation.Support and coach line managers and supervisors in supporting, engaging, developing and motivating their staff.Provide for the health, safety and wellbeing of our employees including continual monitoring and reporting of Council's incidents, accidents and near misses including investigations, corrective action, WorkCover management and supporting employees to return to work safely.	(842) (877) <hr/> 35
Rates & Property Services	The purpose of this service is to: <ul style="list-style-type: none">Manage the biannual property valuation process;Prepare all property rating requirements for the Shire including calculations, rate notices, collections etc.;Manage debt collection for outstanding rates Debtors;Manage the Voter role updates for election years; andPreparation and adoption of Rating Strategy.	15,819 15,945 <hr/> 126



Services	Description	Net Cost Actual Budget Variance \$000
Information Management	The purpose of this service is to: <ul style="list-style-type: none">Administer and support Council's electronic records management system (TRIM) including regular reviews and strategies to increase the levels of staff usage and effectiveness.Ensure document disposal and retention requirements are in accordance with the Public Records Office of Victoria.	(141) (167) <hr/> 26
Risk Management	This service provides a range of risk, insurance, statutory and corporate support services. A major function is the development and maintenance of the Risk Management Framework, and coordination of the Audit and Risk Committee.	(904) (720) <hr/> (184)

Service performance indicators

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

Services/Indicator/Measure	Results					Material Variations
	2020	2021	2022	2023	2024	
Transparency Council resolutions at meetings closed to the public. [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100.	5.29%	4.47%	4.66%	5.52%	5.30%	
Consultation and engagement Satisfaction with community consultation and engagement. [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement].	57.00	57.00	52.00	52.00	53.00	
Attendance Councillor attendance at Council meetings. [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election] x100.	97.40%	97.80%	84.62%	94.05%	96.43	
Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election].	\$35,592	\$32,704	\$36,967	\$41,426	\$44,107	
Satisfaction Satisfaction with Council decisions. [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community].	56.00	55.00	53.00	53.00	50.00	Satisfaction is in-line with the State- wide and small rural average score of 50.

Governance

Indigo Shire Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community.

The overarching governance principles under which Council operates are defined by the Local Government Act 2020. In giving effect to the overarching governance principles, a Council must take into account the following supporting principles:

(a) the community engagement principles;

(b) the public transparency principles;

(c) the strategic planning principles;

(d) the financial management principles;

(e) the service performance principles. Council implements these principles by:

• Taking into account the diverse needs of the local community in decision-making.

• Providing leadership by establishing strategic objectives and monitoring achievements.

• Ensuring that resources are managed in a responsible and accountable manner.

• Advocating the interests of the local community to other communities and governments.

• Fostering community cohesion and encouraging active participation in civic life.

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

The community has many opportunities to provide input into Council's decision-making processes including community consultation,public forums such as Community Forums, and online, as well as the ability to make submissions on various issues.

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

Meetings of Council

Council conducts open public meetings on the last Tuesday of each month from February to December*. Members of the community are welcome to attend these meetings and observe from the gallery.

Council meetings are also available to the community via Livestreaming. Council meetings provide the opportunity for community members to submit a question to the Council, make a submission or speak to an item.

*December meeting is held earlier in the month and the May meeting may be held earlier to allow for budget consultation.

For the 2023/24 year Council held the following meetings:

• 11 Scheduled Council meetings

• 1 Additional Council meetings.

The table below provides a summary of Councillor attendance at Council meetings and Additional Council meetings for the 2023/24 financial year.

Councillors	Council Meeting	Additional Council Meeting	Total
Cr Bernard Gaffney	11	1	12
Cr Peter Croucher	11	1	12
Cr Sue Gold	10	1	11
Cr Roberta Horne	11	1	12
Cr Sophie Price	10	1	11
Cr Diane Shephard	10	0	10
Cr Emmerick Teissl	11	1	12

Committees of Council

The Local Government Act 2020 allows Councils to establish different types of committees including delegated committees, community asset committees and an audit and risk committee. Indigo Shire currently has an Audit and Risk Committee, seven advisory committees, 13 community asset committees and no delegated committees.

Council committees consist of any combination of the following types of members:

- Councillors
- Council staff
- Other persons (including community members and organisational representatives as stated in the terms of reference).

The following tables contains a list of committees established by the Council that are in operation and the purpose for which each committee was established.

Council Committees	Membership			
	Councillors	Officers	Other	Overview
Audit & Risk Committee	2	3	4	To provide a structured, systematic oversight of Council's governance, risk management and internal control practices.

Advisory Committees	Councillors	Officers	Other	Overview
Finance Committee	7	3	0	To provide advice to Council on financial management matters.
Indigo Shire Community Grants & Awards Advisory Committee	2	2	8	To provide advice and recommendations to Council on applications submitted under the Community Grants Program. To assess nominations received for the Australia Day awards and Emma George Scholarship.
Indigo Community Access Committee	2	2	6	To provide advice to Council on matters relating to disability and community access within in the Indigo Shire.
Indigo Environment Advisory Committee	2	4	10	To provide advice to Council on the development of Council policy as it relates to environmental and sustainability matters.

Advisory Committees	Councillors	Officers	Other	Overview
IndiGrow	3	2	11	A forum for the provision of expert industry advice to inform and support Council's strategic efforts for sustainable economic growth in Indigo Shire.
Indigo Shire Cultural Heritage Advisory Committee	2	3	10	To provide advice and recommendations to Council on cultural heritage policy, strategy, collections and assets.
Wahgunyah Railway Land Development Committee	2	1	8	To provide advice and assistance to Council in the development of the Masterplan for the Wahgunyah Rail Land Reserve.

Community Asset Committees (s.65) ¹	Councillors	Officers	Other	Overview
Baarmutha Park Committee of Management	0	2	0	Manage and coordinate the use of Baarmutha Park. On 18 December 2018, Council resolved to suspend this committee's Instrument of Delegation and take direct control of the park until the future governance arrangements were investigated. A new instrument of delegation was established on 17 December 2019, however the recruitment of members was delayed due to COVID-19, and Council continues to manage the facility.
Beechworth Memorial Hall Committee of Management	0	0	7	Manage and coordinate the use of the Beechworth Memorial Hall.
Chiltern Athenaeum Trust Committee	0	0	30	Manage and coordinate the use of the Chiltern Athenaeum. This committee is under transition to an incorporated association and will be disbanded when a new agreement is in place.
Chiltern Courthouse Committee of Management	0	0	7	Manage and coordinate the use of the Chiltern Court House.

¹ Has delegated functions, duties, powers

Community Asset Committees (s.65) ¹	Councillors	Officers	Other	Overview
Chiltern Goods Shed Committee of Management	0	0	5	Manage and coordinate the use of the Chiltern Goods Shed.
Chiltern Memorial Hall Committee of Management	0	0	0	Manage and coordinate the use of the Chiltern Memorial Hall. Council is working with the community to form a new committee, however no members have been recruited to date. Council will continue to manage this facility until a committee is formed.
Coulston Park Committee of Management	0	0	10	Manage and coordinate the use of the Coulston Park facility.
Rutherglen Gold Battery Committee	0	0	8	Manage and coordinate the use of the Gold Battery.
Rutherglen Wine Bottle Committee of Management	0	0	7	Manage the Rutherglen Wine Bottle (water tower).
Stanley Solders Memorial Hall & Athenaeum Committee	0	0	11	Manage and coordinate the use of the Stanley Soldiers Memorial Hall and Athenaeum facilities.
Wooragee Community Centre Committee of Management	0	0	14	Manage and coordinate the use of the Wooragee Community Centre facilities.
Yackandandah Public Hall & Courthouse Committee of Management	0	0	8	Manage and coordinate the use of the Yackandandah Public Hall and Courthouse.
Yackandandah Sports Park Committee of Management	0	0	12	Manage and coordinate the use of the Yackandandah Sports Park facilities.

¹ Has delegated functions, duties, powers

The Act requires Councils to develop and approve a Code of Conduct.

The Act requires Councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. On 23 February 2021, Council adopted a revised Councillor Code of Conduct which is designed to:

- Foster good working relations between Councillors to enable Councillors to work constructively together in the best interests of the local community.
- Mandate Councillor conduct designed to build public confidence in the integrity of local government.
- 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 conflict of interest.
- Roles and relationships.
- Dispute resolution procedures.

Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise, or be perceived the 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 to identify and address conflicts of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings, and is a requirement for any officer undertaking any role as an officer of Council.

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 2023/24, zero conflicts of interest were declared at a Community Asset Committee meeting, one conflicts of interest were declared at Advisory Committee meetings, and three conflicts of interest were declared at Scheduled Council meetings.

As of December 2021	Councillors	Deputy Mayor	Mayor
Allowance per the determination of the Victorian Independent Remuneration Tribunal	25,469	39,428	78,857

Councillor allowances

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor and the Deputy Mayor are also entitled to receive a higher allowance, in recognition of the expectations of their roles.

In 2022, the Victorian Independent Remuneration Tribunal made a determination on Councillor allowances, in accordance with section 39 of the Act.

The Determination set a base allowance for each Council member, the value of which varies according to the role (Mayor, Deputy Mayor or Councillor) and the allowance category to which the Council has been assigned.

The Determination also provided for a remote area travel allowance, and set eligibility criteria for claiming it.

The Tribunal is required to make an annual adjustment to the values of allowances.

Table 1 contains a summary of the allowances paid to each Councillor during the year.

Councillor Expenses

In accordance with Section 40 of the Act, Council is required to reimburse a Councillor for bona fide expenses reasonably incurred in the performance of the role of Councillor.

Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council.

The details of the expenses including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council for the 2023/24 year are set out in Table 2.

Table 1

Councillors	Allowance \$
Sophie Price	80,644
Bernard Gaffney	40,318
Peter Croucher	26,033
Sue Gold	22,932
Roberta Horne	26,033
Diane Shepherd	26,033
Emmerick Teissl	26,033

Table 2

Councillors	TR \$	CM \$	CC \$	IC \$	CT \$	Total \$
Cr Sophie Price	1,187	5369		1,418	2,149	12,176
Cr Bernard Gaffney	1,277	2,326		1,813	750	6,166
Cr Peter Croucher	602	6827		1,257	695	9,381
Cr Sue Gold		211			100	311
Cr Roberta Horne		3,976		1,420	180	5,670
Cr Diane Shepherd				1,560	1,204	2,764
Cr Emmerick Teissl		1,895		254	72	2,221

Legend: **TR** Travel (includes pool car use, accommodation, meals, parking); **CM** Car Mileage (includes costs associated with running Mayor's vehicle); **CC** Child Care; **IC** Information and Communication expenses (includes phones, internet, materials); **CT** Conferences and Training expenses (includes training, memberships, conferences, subscriptions).

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 Local Government 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 four skills- based independent members, Abbas Khambati, Ross Kearney, Aaron Coutts, Peter Smith and two Councillors, Cr Bernard Gaffney and Cr Sophie Price.

The chair is elected from amongst the independent members. Independent members are appointed for up to three-year terms and Independent positions are externally advertised prior to the end of each term.

Existing members must reapply at the end of their term and may serve a maximum of three terms. In September 2023 Ross Kearney and Abbas Khambati accepted Council's offer to serve for a second term. The Audit & Risk Committee meets four times a year. The Chief Executive Officer, Director of Planning and Corporate Services, Executive

Manager People and Governance and Manager Finance and officers from People and Governance attend all Audit & Risk Committee meetings.

Other management representatives attend as required. The internal and external auditors attend regularly to present their audit plans and brief the Committee on the findings and

recommendations from their independent audit reports.

The Audit and risk Committee reports biannually to the Council, and reviews its charter and its performance against the charter annually.

Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. An internal Audit Plan is revised annually to ensure the audit resources remain focused on the appropriate areas of risk. The progress of the annual audit plan is reviewed regularly by the Audit and Risk Committee.

The review process considers Council's Risk Framework, Risk Register, the Council Plan, the impact of any change on operations, systems or the business environment, and prior audit

outcomes. The Audit and Risk Committee receive briefings on each area audited and the responsible Director and can be called to attend the Audit and Risk Committee meeting to respond to questions in relation any audit issues identified and related risk controls and ratings.

Internal Audit recommendations are assigned to the responsible Manager and tracked in Council's performance management system. Risk status updates are reported to the Audit Committee and Executive Management Team quarterly. For 2023/24 Financial year, the internal auditor conducted the following reviews:

- Purchasing Cards
- Procurement and Contract Management
- Progress Review of Past Audit recommendations
- Occupational Health and Safety
- Planning Services

External Audit

Council is externally audited by the Victorian Auditor- General as part of meeting the requirements for the Local Government Performance Reporting Framework. For the 2024/24 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attended Audit and Risk Committee meetings to present the Annual Audit Plan and Independent Audit Report. The external audit management letter and responses were also provided to the Audit and Risk Committee.

Risk Management

The Risk Management Framework review was completed during 2023/24 year and it now aligns with the AS/NZS-ISO 31000:2018 Guidelines and Principles in Risk Management which is the best practice approach which aids in the management of business enterprise risks.

To support the Risk Management Framework the Risk Appetite Statement was revised and approved by Council during 2023/24.

Additionally the Risk Management Strategy was revised to provides a comprehensive six year plan for risk management practices to address the Principles of AS/NZS-ISO 31000:2018 which are:

- Structured and comprehensive
- Customised
- Inclusive
- Integrated
- Dynamic
- Human and cultural factors
- Best available information
- Continual Improvement

Risk Assessments for a broad range of activities have been conducted across the organization which continue to inform decision making and enhance the profile of risk management.

Our Corporate Risks have been consolidated into 18 Corporate Risks through EMT workshops and they provide the basis of our risk reporting into the future.

Governance & Management Checklist

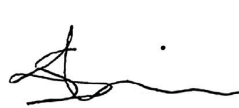
The following are the results in the prescribed form of Council’s assessment against the prescribed governance and management checklist.

Governance and Management Items		Assessment
1	Community engagement policy (policy under section 55 of the Act outlining Council’s commitment to engaging with the community on matters of public interest).	Adopted in accordance with section 55 of the Act. Date of adoption: 23 February 2021.
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community).	Guidelines approved in September 2021.
3	Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years).	Adopted in accordance with section 91 of the Act. First date of adoption: 29 June 2021. Reviewed and adopted: 25 June 2024.
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. Date of Adoption: 28 June 2022.
5	Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges).	Adopted in accordance with section 93 of the Act First Date of adoption: 29 June 2021. Reviewed and adopted: 27 June 2023.
6	Annual budget (plan under section 130(2) of the 1989 Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required).	Adopted in accordance with section 130(2) of the Act. Date of adoption: 25 June 2024.
7	Risk policy (policy outlining council’s commitment and approach to minimising the risks to council’s operations).	Date of commencement of current policy: 28 February 2023.
8	Fraud policy (policy outlining Council’s commitment and approach to minimising the risk of fraud).	Policy. Date of commencement of current policy: 28 February 2023.
9	Municipal emergency management plan (plan under Section 60ADB (1) of the Emergency Management Act 2013).	Prepared and maintained in accordance with Section 60ADB (1) of the Emergency Management Act 2013. Date of preparation: 28 July 2020.

Governance and Management Items		Assessment
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).	Adopted in accordance with section 108 of the Act. First date of adoption: 29 June 2021. Reviewed and adopted: 14 December 2021.
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).	Date of Plan: 11 April 2014.
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster).	Date of Plan: 7 October 2021.
13	Risk management framework (framework outlining council’s approach to managing risks to the council’s operations).	Framework. Date of commencement of current framework: 20 February 2024.
14	Audit and Risk Committee (see sections 53 and 54 of the Act).	Established in accordance with section 53 of the Act. Date of establishment under section 53 and Charter adopted under section 54: 25 August 2020. Charter reviewed and adopted: 9 March 2023.
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).	Engaged. Date of engagement of current provider: 29 June 2021.
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989).	Framework. Date of adoption of current framework: 24 August 2015.
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).	Report presented to Council meeting on 27 February 2024.
18	Financial reporting (quarterly statements to the Council under section 138(1) of the Local Government Act 1989, comparing actual and budgeted results and an explanation of any material variations).	Reports presented to the Council in accordance with section 138(1) of the Local Government Act 1989. Date reports presented: 30 August 2023 27 February 2024 25 October 2022 26 March 2024 28 February 2023 23 April 2024 18 April 2022 25 June 2024

Governance and Management Items		Assessment
19	Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports. Date of reports: 17 July 2023, 11 December 2023 and 18 March 2024.
20	Performance reporting Under Local Government Act 1989 (to 30 September 2020) Under Local Government Act 2020 (6-monthly reports of indicators measuring financial performance, under section 97 of the Local Government Act 2020)	Reports. Date of financial reports under section 97: 31 October 2023 27 February 2024 23 April 2024
21	Annual report (annual report under section 100 of the Local Government Act 2020 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. Date statements presented: 28 November 2023.
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. Date reviewed and adopted: 23 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. Date of review under section 11: 27 April 2021. Updated and adopted: 25 June 2024. Date of review under section 47: 29 April 2021 Updated and adopted: 25 June 2024.
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. Date Governance Rules adopted: 25 August 2020. Updated and adopted: 30 August 2022.

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



Sophie Price
Mayor
Dated: 31 October 2024



Trevor Ierino
Chief Executive Officer
Dated: 31 October 2024

Statutory Information

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

Council Information Available for Public Inspection

Under section 57 of the Act, Council must adopt and maintain a Public Transparency Policy which gives effect to the public transparency principles. The Public Transparency Policy must describe the ways that information is be made available, specify the kinds of information that is available, and detail information that may not be publically available, such as confidential information as defined under the Act, and information that is contrary to the public interest to release as assessed by the CEO.

Information under the policy may be accessed via Council’s website (indigoshire.vic.gov. au), at the Council offices in Beechworth and Yackandandah. Some information is available on request, including the following:

- Gift Registers for Councillors and Council Staff
- Travel Registers for Councillors and Council Staff
- Registers of Conflict of Interest declared by Councillors and Council Staff
- Registers of leases entered into by Council
- Register of Delegations
- Registers of Authorised Officers
- Any other Register required to be maintained The full list of information may be viewed in the Public Transparency Policy on Council’s website

Governance Principles

Section 9 of the Local Government Act 2020 contains overarching governance principles and supporting principles which must be used by all councils to guide them in performance of their role. The overarching governance principles are:

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

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- Register of Delegations
- Registers of Authorised Officers
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Contracts

During the year Council did not enter into any contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

Disability Action Plan

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

- Council has prepared action plans and implemented the following actions:
- Successfully applied for Universal Design funding for Rutherglen and Chiltern Senior Citizens facilities and Rutherglen Maternal and Child Health Centre.
 - Successfully applied for Changing Places funding for Chiltern Martins Park.
 - Reviewed several infrastructure plans to ensure universal design principles are applied for updated and new Council facilities.

Domestic Animal Management Plan

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

Council adopted its most recent ‘Domestic Animal Management Plan 2022–2025’ on 14 December 2021. The new plan was developed through consultation with Council’s Animal Management Team with input from other Council departments, the plan is reviewed by Council and submitted to the State Government for comment.

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.

The Freedom of Information Statement on Council’s website at indigoshire.vic.gov.au provides a summary of Council’s operations and the types of information available. Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the Freedom of Information Act 1982 and in summary as follows:

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

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

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

Further information regarding FOI can be found at www.foi.vic.gov.au and on the Indigo Shire Council website.

In line with its Public Transparency Policy, Council endeavours to release information informally whenever it is appropriate and lawful to do so.

Public Interest Disclosure Procedures

Council supports the Public Interest Disclosures Act 2012 and encourages employees, contractors and members of the public to report known or suspected instances of corrupt or improper conduct.

This Act facilitates disclosures of improper conduct by the Council or its employees and provides protection for people who make disclosures. Council encourages the disclosure of wrongdoing within the organisation and where a potential disclosure under the Act is identified, ensures effective action is taken, including investigation by the appropriate entities.

The procedures adopted by Council establish a system for reporting disclosures of improper conduct or detrimental action by Council, its employees or councillors. These procedures enable disclosure relating to Council, or its employees, may be made to either Council’s Protected Disclosure Coordinator or directly to the Independent Broad-based Anti- Corruption Commission (IBAC) or the Victorian Ombudsman. A disclosure about a Councillor must be made to IBAC or the Victorian Ombudsman.

Disclosures may be made by Council employees, Councillors, councils or the public.

For 23/24, no public interest disclosures were received.

Glossary

Act	means the Local Government Act 2020.
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 year.
Financial 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 service.
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 and Reporting) Regulations 2014.
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.
Services	means assistance, support, advice and other actions undertaken by a Council for the benefit of the local community.
Council for the benefit of the local community	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.
Strategic resource plan	means a plan of the financial and non-financial resources for at least the next four 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.

PERFORMANCE STATEMENTS

For the year ended 30 June 2024

Description of municipality

Indigo Shire is located in Victoria's picturesque North East and borders the Murray River and the Australian Alps. Indigo is renowned for its natural beauty and historic towns. Thousands of tourists visit the area each year to sample our food and wine and visit our many well-known festivals and events.

Townships and Areas

- Allans Flat
 - Barnawartha
 - Barnawartha North
 - Beechworth
 - Brimin
 - Browns Plains
 - Bruarong
 - Carlyle
 - Charleroi
 - Chiltern
 - Chiltern Valley
 - Cornishtown
 - Gundowring
 - Huon
 - Indigo Valley
- Kergunyah
 - Kiewa/Tangambalanga
 - Lilliput
 - Norong
 - Osbornes Flat
 - Rutherglen
 - Sandy Creek
 - Silver Creek
 - Staghorn Flat
 - Stanley
 - Upper Sandy Creek
 - Wahgunyah
 - Wooragee
 - Yackandandah

Services we provide:

- Asset management
 - Ageing well
 - Capital works delivery
 - Buildings & property management
 - Development engineering
 - Plant and fleet management
 - Drainage
 - Tree management
 - Parks and gardens
 - Buller Gas
 - Quarry management
 - Natural resource management
 - Emergency management
 - Foot path and road maintenance (& construction)
 - Waste Management
 - Economic Development
 - Placemaking
 - Swimming Pools
- Burke Museum and Historical Precinct
 - Community Development
 - Carlyle Cemetery
 - Customer Service
 - Environmental and sustainable initiatives
 - Festivals and events support
 - Heritage matters
 - Building Control
 - Immunisations
 - Libraries
 - Local Law enforcement
 - Maternal and Child Health
 - Tourism
 - Public Health
 - Recreation Services
 - Land use and Town planning
 - Youth Services ... and much more.

Borders

Indigo Shire shares borders with the municipalities of:

- Wodonga
- Wangaratta
- Towong
- Alpine
- Moira Shire Council



Snapshot

Location	270km north east of Melbourne
Region	North East Victoria
Area	2,040 sq. km
Length of roads	1,522 km
Est. population	17,662
Voters	13,333 (VEC)
Number of Councillors	7
Number of businesses	1,983
Budget Revenue Total	\$39.244 mil
Budget Rate & Charges Revenue	\$19.675 mil
Employees	149.6 FTE

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, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. 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 or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the council's financial 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.



SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2024

Results

	2021	2022	2023	2024	Comment
<i>Indicator / Measure</i> [Formula]	Actual	Actual	Actual	Actual	
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$3,146.40	\$2,193.52	\$2,125.29	\$2,360.38	Increase due to grant funded projects such as flood recovery.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$12,680.48	\$13,223.11	\$14,770.72	\$16,396.05	Increase in valuations including a significant increase in the unit rate for land under roads.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	11.26	11.24	11.52	11.60	
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,333.43	\$1,467.49	\$1,493.88	\$1,496.38	
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$393.04	\$489.60	\$537.08	\$162.84	Change in the payment timing for the Financial Assistance Grants.



	2021	2022	2023	2024	Comment
Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	8.00	8.00	8.00	8.00	
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	16.5%	24.8%	26.4%	15.8%	This is a very pleasing result due to targeting key areas across the organisation and focusing on workplace cultural initiatives identified through our Employee Alignment and Engagement survey. This includes leadership development, workplace flexibility, investment in training, improving our manual processes.

Section 2 - Service Performance Indicators

For the year ended 30 June 2024

Results						
	2021	2022	2023	2024		Comment
Service / <i>Indicator / Measure</i> [Formula]	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic Facilities						
<i>Utilisation</i>						
<i>Utilisation of aquatic facilities</i>	1.84	1.32	1.57	N/A	1.69	
[Number of visits to aquatic facilities / Municipal population]						
Animal Management						
<i>Health and safety</i>						
<i>Animal management prosecutions</i>	0%	0%	0%	N/A	0%	Council had no animal management prosecutions during this year.
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100						
Food Safety						
<i>Health and safety</i>						
<i>Critical and major non-compliance outcome notifications</i>	100.00%	100.00%	100.00%	N/A	100.00%	
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100						
Governance						
<i>Consultation and engagement</i>						
<i>Satisfaction with community consultation and engagement</i>	57	52	52	57	53	
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]						



Results						
	2021	2022	2023	2024		Comment
Service / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	
Libraries						
Participation						
Library membership [Number of registered library members / Population] x100	#N/A	#N/A	#N/A	N/A	22.59%	This is new indicator for the current year, hence there being no comparatives
Maternal and Child Health (MCH)						
Participation						
Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	92.35%	88.25%	87.42%	N/A	85.69%	
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	100.00%	89.47%	94.87%	N/A	85.29%	With a MCH Service that operates on the border of Victoria & NSW, & an Aboriginal Specific Health Service in Albury, some families choose to use this service.
Roads						
Condition						
Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.94%	99.96%	99.98%	99.00%	99.96%	This KPI has changed to being an audited KPI in 2023/24 and past results are not able to be retrospectively audited due to an upgrade to Council's asset system.
Statutory Planning						
Service standard						
Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	21.10%	18.81%	33.92%	80.00%	35.76%	Working towards the long-term target. This KPI has changed to being an audited KPI in 2023/24 and past results are not able to be retrospectively audited.



Results						
	2021	2022	2023	2024		Comment
Service / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	
Waste Management						
Waste diversion						
Kerbside collection waste diverted from landfill	67.60%	68.46%	66.41%	70.00%	66.45%	
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100						

Section 3 - Financial Performance Indicators

For the year ended 30 June 2024

	Results					Forecasts				
	2021	2022	2023	2024		2025	2026	2027	2028	Material Variations and Comments
Dimension / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	Forecasts	Forecasts	Forecasts	Forecasts	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$5,809.40	\$4,033.77	\$4,025.13	\$4,350.00	\$4,505.94	\$4,829.63	\$4,232.20	\$3,968.82	\$3,939.58	Slightly higher due to funded projects such as flood recovery work.
Revenue level <i>Average rate per property assessment</i> [Sum of all general rates and municipal charges / Number of property assessments]	\$1,586.19	\$1,622.21	\$1,676.97	N/A	\$1,810.42	\$1,774.03	\$1,861.72	\$1,865.59	\$1,869.42	
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	175.34%	216.02%	178.28%	93.00%	97.10%	186.15%	208.75%	206.77%	204.78%	Reduction in cash due to later payment of the Financial Assistance Grant as well as some other delayed reimbursements.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	22.24%	81.68%	-45.57%	N/A	-131.78%	-192.05%	-192.64%	-185.86%	-193.09%	Reduction in cash due to later payment of the financial Assistance Grant as well as some other delayed reimbursements.
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	7.54%	10.14%	7.27%	N/A	10.06%	8.55%	11.99%	10.51%	9.03%	New loan as per Council resolution to fund the purchase and planning of Chiltern land.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.43%	2.91%	2.90%	N/A	0.64%	2.46%	2.31%	2.08%	1.39%	Lower repayments in 2023/24 – will increase in 2024/25 with the new loan.



	Results					Forecasts				
	2021	2022	2023	2024		2025	2026	2027	2028	Material Variations and Comments
Dimension / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	Forecasts	Forecasts	Forecasts	Forecasts	
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	26.01%	34.49%	23.69%	N/A	26.47%	24.50%	27.76%	26.53%	25.10%	Return to more normal level.
Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	86.74%	84.62%	67.72%	100.00%	96.13%	60.76%	70.33%	70.26%	73.24%	Increase on average due to grant funded projects such as flood recovery.
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-66.50%	-4.33%	0.43%	N/A	-29.14%	-14.97%	-0.43%	3.03%	5.25%	Change of Financial Assistance Grant timing.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	55.31%	51.15%	50.62%	55.00%	60.95%	49.81%	51.77%	53.44%	52.73%	Change of Financial Assistance Grant timing.
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.46%	0.41%	0.34%	N/A	0.28%	0.27%	0.28%	0.28%	0.28%	Property value increases outpacing rates increases.



SUSTAINABLE CAPACITY DEFINITIONS

- "adjusted underlying revenue" means total income other than:
- a) Non-recurrent grants used to fund capital expenditure; and
 - b) Non-monetary asset contributions; and
 - c) contributions to fund capital expenditure from sources other than those referred to above.
- "infrastructure" means non-current property, plant and equipment excluding land
- "local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
- "population" means the resident population estimated by council
- "own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
- "Relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.0001) of SEIFA.
- "SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website
- "unrestricted cash" means all cash and cash equivalents other than restricted cash.



Service Performance 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 authorized officer under the 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 a council by an authorized officer under the 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 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 in paragraphs (a) and (b)

"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 grants" means a grant other than a non-recurrent grant.

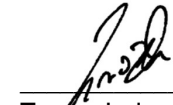
"residential rate" means revenue from residential and residential vacant property up to and including 8 hectares. service rates and service charges.

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

"restricted cash" means all cash and cash equivalents not freely available and held for a specific purpose.

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.



Trevor Ierino - Fellow Certified Practising Accountant (FCPA)
Principal Accounting Officer
Dated: 14-October-2024

In our opinion, the accompanying performance statement of the *Indigo Shire Council* for the year ended 30 June 2024 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.

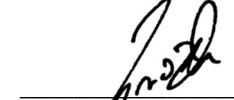
At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate. We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



Mayor Sophie Price
Councillor
Dated: 14-October-2024



Deputy Mayor Bernard Gaffney
Councillor
Dated: 14-October-2024



Trevor Ierino
Chief Executive Officer
Dated: 14-October-2024

Independent Auditor’s Report

VAGO

Victorian Auditor-General’s Office

To the Councillors of Indigo Shire Council

Opinion	<p>I have audited the accompanying performance statement of Indigo Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none">description of municipality for the year ended 30 June 2024basis of preparationsustainable capacity indicators for the year ended 30 June 2024service performance indicators for the year ended 30 June 2024financial performance indicators for the year ended 30 June 2024sustainable capacity definitions, service performance definitions and financial performance definitionscertification of the performance statement. <p>In my opinion, the performance statement of Indigo Shire Council in respect of the year ended 30 June 2024 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and 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.</p>


Auditor’s responsibilities for the audit of the performance statement

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

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

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

MELBOURNE
16 October 2024



Travis Derricott
as delegate for the Auditor-General of Victoria

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Certification of the Financial Statements

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

Trevor Ierino (FCPA) Fellow Certified Practicing Accountant
Principal Accounting Officer

Dated : 14-October-2024
Beechworth

In our opinion, the accompanying financial statements present fairly the financial transactions of Indigo Shire Council for the year ended 30 June 2024 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.

Sophie Price
Mayor/Councillor
Dated :
Beechworth

14-October-2024

Bernard Gaffney
Councillor
Dated :
Beechworth

14-October-2024

Trevor Ierino
Chief Executive Officer
Dated :
Beechworth

14-October-2024

Indigo Shire Council
2023/2024 Financial Report

Comprehensive Income Statement
For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income / Revenue			
Rates and charges	3.1	19,675	18,808
Statutory fees and fines	3.2	1,227	1,064
User fees	3.3	3,486	4,331
Grants - operating	3.4	3,400	9,860
Grants - capital	3.4	5,566	3,077
Contributions - monetary	3.5	474	193
Contributions - non monetary	3.5	682	191
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	125	77
Other income	3.7	1,916	1,724
Total income / revenue		36,552	39,326
Expenses			
Employee costs	4.1	15,042	13,469
Materials and services	4.2	16,565	14,664
Depreciation	4.3	7,359	8,384
Amortisation - right of use assets	4.5	30	32
Allowance for impairment losses	4.6	18	7
Borrowing costs	4.7	54	61
Finance costs - leases	4.8	1	1
Other expenses	4.9	2,620	377
Total expenses		41,689	36,996
Surplus/(deficit) for the year		(5,138)	2,330
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.1	55,611	8,458
Total other comprehensive income		55,611	8,458
Total comprehensive result		50,473	10,789

Balance Sheet
As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	2,526	8,743
Trade and other receivables	5.1	4,779	3,588
Other financial assets	5.1	1,486	5,702
Inventories	5.2	383	325
Prepayments	5.2	178	803
Other assets	5.2	1,140	1,127
Total current assets		10,492	20,288
Non-current assets			
Trade and other receivables	5.1	7	-
Property, infrastructure, plant and equipment	6.1	373,422	312,908
Right-of-use assets	5.8	19	11
Total non-current assets		373,448	312,919
Total assets		383,940	333,207
Liabilities			
Current liabilities			
Trade and other payables	5.3	4,802	3,772
Trust funds and deposits	5.3	277	204
Unearned income/revenue	5.3	2,105	4,046
Provisions	5.5	3,290	2,963
Interest-bearing liabilities	5.4	312	383
Lease liabilities	5.8	18	12
Total current liabilities		10,804	11,380
Non-current liabilities			
Provisions	5.5	4,994	4,855
Interest-bearing liabilities	5.4	1,667	985
Trust funds and deposits	5.3	335	321
Lease liabilities	5.8	1	0
Total non-current liabilities		6,997	6,161
Total liabilities		17,801	17,542
Net assets		366,138	315,666
Equity			
Accumulated surplus		154,169	159,412
Reserves	9.1	211,969	156,254
Total Equity		366,138	315,666

Indigo Shire Council
2023/2024 Financial Report

Statement of Changes in Equity
For the Year Ended 30 June 2024

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2024					
Balance at beginning of the financial year		315,666	159,412	155,556	698
Surplus/(deficit) for the year		(5,138)	(5,138)	-	-
Net asset revaluation gain/(loss)	6.1	55,611	-	55,611	-
Transfers to other reserves	9.1	-	(105)	-	105
		366,139	154,169	211,167	803
Balance at end of the financial year		366,139	154,169	211,167	803
2023					
Balance at beginning of the financial year		304,877	157,169	147,097	611
Surplus/(deficit) for the year		2,330	2,330	-	-
Net asset revaluation gain/(loss)	6.1	8,458	-	8,458	-
Transfers to other reserves	9.1	-	(88)	-	88
		315,666	159,412	155,556	698
Balance at end of the financial year		315,666	159,412	155,556	698

Statement of Cash Flows
For the Year Ended 30 June 2024

	Note	2024 Inflows/ (Outflows) \$'000	2023 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		19,056	18,067
Statutory fees and fines		1,227	1,064
User fees		3,689	4,357
Grants - operating		2,234	11,888
Grants - capital		4,790	1,770
Contributions - monetary		474	193
Interest received		632	526
Trust funds and deposits taken		87	(4)
Other receipts		1,271	1,346
Net GST refund/(payment)		(243)	154
Employee costs		(14,809)	(13,508)
Materials and services		(17,702)	(17,095)
Other payments		(346)	(447)
Net cash provided by/(used in) operating activities		360	8,312
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(11,482)	(11,520)
Proceeds from sale of property, infrastructure, plant and equipment		125	77
Receipts/(payments) from investments		4,217	(2,500)
Net cash provided by/(used in) investing activities		(7,141)	(13,943)
Cash flows from financing activities			
Finance costs		(54)	(61)
Proceeds from borrowings		682	-
Repayment of borrowings		(71)	(485)
Interest paid - lease liability		-	(1)
Repayment of lease liabilities		7	81
Net cash provided by/(used in) financing activities		564	(466)
Net increase (decrease) in cash and cash equivalents		(6,216)	(6,097)
Cash and cash equivalents at the beginning of the financial year		8,743	14,840
Cash and cash equivalents at the end of the financial year	5.1	2,526	8,743

Indigo Shire Council
2023/2024 Financial Report

Statement of Capital Works
For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Property			
Land		-	1
Land improvements		5	-
Total land		5	1
Buildings		712	4,078
Heritage buildings		835	591
Total buildings		1,547	4,669
Total property		1,552	4,671
Plant and equipment			
Plant, machinery and equipment		1,100	49
Fixtures, fittings and furniture		62	31
Computers and telecommunications		288	200
Library books		82	92
Total plant and equipment		1,532	372
Infrastructure			
Roads		2,537	3,212
Bridges		227	365
Footpaths and cycleways		2,666	1,992
Drainage		414	449
Recreational, leisure and community facilities		46	62
Waste management		2,622	-
Parks, open space and streetscapes		-	397
Total infrastructure		8,512	6,476
Total capital works expenditure		11,597	11,520
Represented by:			
New asset expenditure		4,523	5,841
Asset renewal expenditure		4,946	3,661
Asset upgrade expenditure		2,128	2,017
Total capital works expenditure		11,597	11,520

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 1 OVERVIEW

Introduction

The Indigo Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at 2 Kurrajong Way, Beechworth Victoria.

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.

Accounting policy information

1.1 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. Specific 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 also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

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

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

Goods and Services 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.

Indigo Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 2 ANALYSIS OF OUR RESULTS

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income / Revenue and expenditure

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	19,710	19,675	(36)	0%	
Statutory fees and fines	1,257	1,227	(30)	-2%	
User fees	4,545	3,486	(1,059)	-23%	1
Grants - operating	7,317	3,400	(3,917)	-54%	2
Grants - capital	7,936	5,566	(2,370)	-30%	3
Contributions - monetary	68	474	406	595%	4
Contributions - non monetary	-	682	682	100%	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	202	125	(77)	-38%	6
Other income	1,558	1,916	359	23%	7
Total income / revenue	42,595	36,553	(6,042)	-14%	
Expenses					
Employee costs	14,603	15,042	439	3%	8
Materials and services	13,315	16,565	3,250	24%	9
Depreciation	7,567	7,359	(208)	-3%	10
Depreciation - right of use assets	13	30	17	137%	11
Bad and doubtful debts - allowance for impairment losses	-	18	-		
Borrowing costs	31	54	23	75%	12
Finance costs - leases	-	1	-		
Other expenses	2,772	2,620	(152)	-5%	13
Total expenses	38,301	41,690	3,370	9%	
Surplus/(deficit) for the year	4,293	(5,138)	(9,412)	(2)	

Notes to the Financial Report
For the Year Ended 30 June 2024

(i) Explanation of material variations

1	User fees	Lower Buller Gas and service charges due to slow snow season.
2	Operating Grants	Advance payment of Financial Assistance Grants for 23/24 received in prior year.
3	Capital Grants	Delay in works of capital works projects resulting in grant funded projects yet to be received.
4	Contributions	This favourable variance is due to a combination of unbudgeted Openspace and Emergency Management contributions.
5	Contributions - Non monetary	End of year recognition of assets resulting from the Asset Revaluation Review.
6	Net gain/(loss) on disposal of property, infrastructure, Plant and equipment	Delay in purchase of vehicles and plant items resulted in reduction in trade-in values being recognised as budgeted.
7	Other income	Higher than budgeted interest on Rates and increase on investment shares combined with service delivery /recovery on Building Control Services.
8	Employee costs	Lower than budgeted due to staff vacancies throughout the 23/24 year
9	Materials and services	Variations, including \$1.38m of unbudgeted emergency management natural disaster recovery works to be claimed when works finalised \$416k of Temporary Employment services, \$170k of increased software maintenance costs, \$370k unbudgeted project work, \$155k of Plant & Fleet higher than originally estimated. Multiple other variances across the organisation.
10	Depreciation	Due to an increased level of WIP transfer of \$6.6m and a revaluation year of major assets.
11	Depreciation - right of use assets	Vehicle lease depreciation increase to original budget.
12	Borrowing costs	New borrowings taken up in May resulting in payments not included in original budget.
13	Other expenses	Mostly related to higher than budgeted external plant hire on Emergency Management - natural disaster works with an increase in Legal Expenses and completion of Internal audits originally planned in previous years budget.

Notes to the Financial Report
For the Year Ended 30 June 2024

2.1.2 Capital works

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Property					
Land improvements	70	5	(65)	-93%	1
Total land	70	5	(65)	-93%	
Buildings	974	712	(262)	-27%	2
Heritage buildings	620	835	215	35%	2
Total buildings	1,594	1,547	(47)	-3%	
Total property	1,664	1,552	(112)	-7%	
Plant and equipment					
Plant, machinery and equipment	2,003	1,100	(903)	-45%	3
Fixtures, fittings and furniture	114	62	(52)	-46%	4
Computers and telecommunications	1,085	288	(797)	-73%	5
Library books	87	82	(5)	-6%	
Total plant and equipment	3,289	1,532	(1,757)	-53%	
Infrastructure					
Roads	2,305	2,537	232	10%	6
Bridges	1,929	227	(1,702)	-88%	7
Footpaths and cycleways	5,108	2,666	(2,442)	-48%	8
Drainage	724	414	(310)	-43%	9
Recreational, leisure and community facilities	1,769	46	(1,723)	-97%	10
Parks, open space and streetscapes	845	2,622	1,777	210%	11
Total infrastructure	12,680	8,512	(4,168)	-33%	
Total capital works expenditure	17,633	11,597	(6,036)	-34%	
Represented by:					
New asset expenditure	7,865	4,523	(3,342)	-42%	
Asset renewal expenditure	6,509	4,946	(1,563)	-24%	
Asset upgrade expenditure	3,259	2,128	(1,131)	-35%	
Total capital works expenditure	17,633	11,597	(6,036)	-34%	

Notes to the Financial Report
For the Year Ended 30 June 2024

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land Improvements	The budget was reduced at Quarter 2 Forecast to \$5k. Delay in receipt of Certification of planning conditions.
2	Buildings - Heritage and Other	Whilst all works were not completed, projects in WIP transferred in of \$1.27m. Works on significant heritage buildings, encountered unexpected issues requiring additional heritage approvals and changes to work practices, resulting in delays to progress.
3	Plant, machinery & equipment	Delay in the purchase of plant deferred to 2024/25 due to greater than expected delivery times. Delays in plant manufacture schedules, and vehicle delivery schedules from suppliers, still exist in supply chains from Covid related issues.
4	Fixtures, fittings and furniture	Not all works completed - deferred to 2024/25. Procurement processes indicated cost increases for the supply and install of equipment, greater than available budgets. Resulted in some works being deferred, until additional budget is available.
5	Computers and telecommunications	Not all works completed - deferred to 2024/25. Changes in staffing prompted a review of project scope and timing, to ensure correct project outcomes are able to be achieved.
6	Roads	Natural Disaster works unbudgeted and revised at mid-year with incomplete works carried forward to 2024/25. Disaster events had a significant impact on the scheduling and completion of planned works, and require a reallocation of already limited resources.
7	Bridges	Delay in the approval of anticipated Federal funds, resulted in a significant bridge project being carried forward to 2024/25.
8	Footpaths and cycleways	A single large Federally funded cycleway project, was budgeted for full completion, on the assumption of receiving rapid approvals and consent from authorities. This was overly ambitious, and works re-forecast at mid-year and carried forward to 2024/25.
9	Drainage	Budgeted projects required greater hydraulic design effort than anticipated, prior to commencement, resulting in incomplete works being deferred to 2024/25.
10	Recreational, leisure and community facilities	Most of the works originally budgeted were revised at mid-year and identified to carry forward. Obtaining a state government funding agreement for a significant sporting redevelopment required the completion of a site masterplan, and further investigations, before approval could be given.
11	Parks, open space and streetscapes	Five projects were carried forward from prior year, and completed, but not included in original budget.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Office of the CEO

- Oversee and manage the day-to-day operations and affairs of the Council;
- Provide quality general management, governance and financial leadership to Council and the Community;
 - Timely implementation of decisions and policies of the Council;
 - Advise and report to Council on any of the functions of Council prescribed in the Local Government Act;
 - Monitor, manage and report to Council on Council's performance;
 - Prepare plans, policies, strategies, budgets and procedures for consideration by Council in accordance with the LGA and other legislation;
 - Provide information and gain input from the community regarding the Council and its policies, programs, goals, and achievements;
 - Supports the capacity of the organisation and Councillors to effectively engage with a range of stakeholders including community, organisations, other levels of government and the media; and,
 - Support, enable and develop the workforce, culture and practices of the organisation to best achieve the objectives of the Council Plan.
- Risk Management and Governance



Indigo Shire Council
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For the Year Ended 30 June 2024

Community and Economic Development Services

Oversee and manage the day-to-day operations and affairs of the Council for the following services;

- Ageing Well;
- Burke Museum & Cultural Heritage;
- Community Development; now including Emergency Management Co-Ordination
- Early Years;
- Economic Development;
- Library Services;
- Recreation;
- Tourism Development;
- Visitor Services; and,
- Young People.

Infrastructure Services

Oversee and manage the day-to-day operations and affairs of the Council for the following services;

- Asset Management;
- Buildings & Property;
- Buller Gas;
- Capital Works & Management;
- Development Engineering;
- Drainage;
- Emergency Management;
- Environment & Sustainability;
- Parks & Gardens;
- Pathways;
- Plant, Fleet & Equipment;
- Quarries;
- Roads & Bridge Maintenance;
- Tree Services; and,
- Waste Management.

Planning and Corporate Services

Oversee and manage the day-to-day operations and affairs of the Council for the following services;

- Asset Depreciation;
- Buildings Control Services;
- Environmental Health Services;
- Financial Services;
- Information Technology;
- Local Laws & Animals;
- Planning;
- Rates & Property Services.

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

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Office of the CEO	76	4,695	(4,619)	41	56
Community and Economic Development Services	2,082	6,799	(4,717)	1,582	276
Infrastructure Services	15,253	17,333	(2,080)	6,469	383,297
Planning and Corporate Services	19,140	12,862	6,278	875	311
	36,551	41,689	(5,138)	8,966	383,940
	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
Office of the CEO	49	4,210	(4,161)	-	-
Community and Economic Development Services	1,561	5,728	(4,168)	1,122	5,246
Infrastructure Services	15,136	14,576	560	6,722	327,535
Planning and Corporate Services	22,580	12,481	10,099	5,094	427
	39,326	36,995	2,330	12,937	333,208

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 Rates and charges

2024	2023
\$'000	\$'000

Council uses Capital Improved Valuation (CIV) as the basis of valuation of all properties within the municipal district. The capital improved value of a property is the value of the land plus any improvements.

The valuation base used to calculate general rates for 2023/24 was \$6,954 million (2022/23 \$5,456 million).

General rates	12,993	12,519
Municipal charge	2,958	2,851
Service rates and charges	2,925	2,707
Special rates and charges	748	688
Supplementary rates and rate adjustments	51	43
Total rates and charges	19,675	18,808

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

Annual rates and charges are recognised as income 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

Infringements and costs	58	35
Registratons	516	409
Carlyle Cemetery*	18	49
Land information certificates	25	24
Permits	554	538
Other fees	55	10
Total statutory fees and fines	1,227	1,064

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

*Council is the Trustee for Carlyle Cemetery

3.3 User fees

Buller Gas Sales*	3,034	3,781
Rental	202	180
Heritage Precinct and Burke Museum	134	135
Waste management services	111	222
Other fees and charges	5	13
Total user fees	3,486	4,331

User fees by timing of revenue recognition

User fees recognised over time	3	3
User fees recognised at a point in time	3,484	4,328
Total user fees	3,486	4,331

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.

* Buller Gas is a service run by Council that provides reticulated gas to buildings on Mt Buller. Refer Note 4.2 for related costs.

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Notes to the Financial Report For the Year Ended 30 June 2024		
	2024 \$'000	2023 \$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	3,224	8,697
State funded grants	5,743	4,240
Total grants received	8,967	12,937
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - Local Roads	95	2,715
Financial Assistance Grants - Unallocated	176	4,951
Recurrent - State Government		
Dept of Health & Human Services	439	359
Dept of Health & Human Services - Freeza Events	31	18
Immunisation	-	37
Department of Environment, Land, Water and Planning - Library Operations	126	116
Municipal Association of Victoria - Tobacco Activity Funding	-	8
Vic Roads - School Crossing Supervisor	-	13
Vic. Roads - L2P Young People	30	34
Total recurrent operating grants	897	8,252
Non-recurrent - Commonwealth Government		
Department of Treasury and Finance - Natural Disaster Financial Assistance	348	-
Non-recurrent - State Government		
Department of Education and Training	6	29
Department of Environment, Land, Water and Planning - Roadside Weed & Landscape Grants	47	46
Department of Environment, Land, Water and Planning - Emergency Management	182	68
Department of Environment, Land, Water and Planning - Other	-	22
Department of Justice & Community Safety - National Disaster	-	463
Department of Justice & Community Safety - Other	-	35
Department of Jobs, Precinct & Regions - Other	777	420
Sport and RecreationVictoria	226	139
Other Grants	917	387
Total non-recurrent operating grants	2,503	1,608
Total operating grants	3,400	9,860
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,907	230
Recurrent - State Government		
Library Book Stock	72	67
Total recurrent capital grants	1,979	296
Nonrecurrent - Commonwealth Government		
Local Community Roads Infrastructure	698	801
Non-recurrent - State Government		
Buildings	164	1,769
Plant, machinery and equipment	28	4
Roads	1,892	192
Open Space	804	15
Total non-recurrent capital grants	3,587	2,781
Total capital grants	5,566	3,077

Notes to the Financial Report For the Year Ended 30 June 2024		
(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 <i>AASB 15 Revenue from Contracts with Customers</i> . 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 point in 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 <i>AASB 1058 Income of Not-for-Profit Entities</i> .		
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.		
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	1,735	9,994
Specific purpose grants to acquire non-financial assets	741	2,617
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	6,490	326
	8,966	12,937
	2024	2023
	\$'000	\$'000
(d) Unspent grants received on condition that they be spent in a specific manner		
Operating		
Balance at start of year	3,439	1,404
Received during the financial year and remained unspent at balance date	1,672	2,773
Received in prior years and spent during the financial year	(1,237)	(738)
Balance at year end	3,874	3,439
Capital		
Balance at start of year	1,208	2,077
Received during the financial year and remained unspent at balance date	432	1,208
Received in prior years and spent during the financial year	(769)	(2,077)
Balance at year end	871	1,208
Unspent grants are determined and disclosed on a cash basis.		
3.5 Contributions	2024	2023
	\$'000	\$'000
Monetary	474	193
Non-monetary	682	191
Total contributions	1,156	384
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Buildings	147	-
Roads	334	-
Recreation Reserves	201	-
Bridges	-	191
Total non-monetary contributions	682	191
Monetary and non monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.		

Indigo Shire Council
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Notes to the Financial Report
For the Year Ended 30 June 2024

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	143	128
Written down value of assets disposed	(18)	(51)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	125	77

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	387	321
Interest on rates and charges	245	205
Sale of quarry material	84	136
Merchandise sales	200	237
Sale of recyclables	104	-
Advertising	17	25
Building services - private	214	165
Commission	-	1
Environmental Health - private	138	180
Planning services - private	-	40
Fire Service Levy	48	47
Fair value gain on investments	33	14
Other	58	45
<i>Reimbursements</i>		
Fuel Rebate	43	48
Hazardous eradication works reimbursement	-	143
Other	345	116
Total other income	1,916	1,724

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.

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 4 THE COST OF DELIVERING SERVICES

4.1 (a) Employee costs

	2024 \$'000	2023 \$'000
Wages and salaries	11,385	10,189
WorkCover	468	444
Annual leave and long service leave	1,220	1,124
Superannuation	1,227	1,052
Fringe benefits tax	18	18
Other	724	642
Total employee costs	15,042	13,469

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	37	34
Employer contributions - other funds	-	-
	37	34
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	549	465
Employer contributions - other funds	881	743
	1,430	1,208
Employer contributions payable at reporting date.	135	143

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Contract Payments	7,158	5,231
Building maintenance	186	133
General maintenance	798	792
Utilities	607	580
Office administration	61	76
Information technology	857	718
Insurance	735	631
Waste collection	3,152	2,978
Gas purchases – Mt Buller*	2,081	2,680
Other	931	843
Total materials and services	16,565	14,664

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

* Buller Gas is a service run by Council that provides reticulated gas to buildings on Mt Buller . Refer Note 3.3 for related income.

4.3 Depreciation

Property	1,254	1,028
Plant and equipment	852	1,047
Infrastructure	5,253	6,308
Total depreciation	7,359	8,384

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

Indigo Shire Council
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Notes to the Financial Report
For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
4.5 Amortisation - Right of use assets		
Vehicles	30	32
Total Depreciation - Right of use assets	30	32
4.6 Bad and doubtful debts - allowance for impairment losses		
Rates debtors	2	2
Other debtors	16	5
Total allowance for impairment losses	18	7
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	47	46
New allowances recognised during the year	5	2
Amounts already allowed for and written off as uncollectible	-	(1)
Amounts allowed for but recovered during the year	(1)	(1)
Balance at end of year	51	47
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.		
4.7 Borrowing costs		
Interest - Borrowings	54	61
Total borrowing costs	54	61
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.		
4.8 Finance Costs - Leases		
Interest - Lease Liabilities	1	1
Total finance costs	1	1
4.9 Other expenses		
Contributions to community bodies and committees	221	274
Contributions to tourism bodies	115	90
Contributions to others	4	31
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	64	50
Auditors' remuneration - Internal Audit	69	37
Councillors' allowances	248	237
External rental / hire	302	297
Plant and fleet repairs	107	444
Advertising	249	196
Legal costs	128	55
Operating lease rentals	6	0
Bank charges	83	62
Subscriptions and licencing	452	246
Vehicle maintenance	59	103
Landfill rehabilitation provision	225	(2,063)
Quarry restoration provision	8	17
Others	281	302
Total other expenses	2,620	377

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS	2024	2023
5.1 Financial assets	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	2	2
Cash at bank	1,624	7,741
Term deposits	900	1,000
Total cash and cash equivalents	2,526	8,743
(b) Other financial assets		
Current		
MAPS shares at fair value	236	202
Term deposits - current	1,250	5,500
Total current other financial assets	1,486	5,702
Total other financial assets	1,486	5,702
Total cash and cash equivalents and other financial assets	4,012	14,445

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

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

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

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Notes to the Financial Report
For the Year Ended 30 June 2024

	2024	2023
	\$'000	\$'000
(c) Trade and other receivables		
Current		
Statutory receivables		
Rates debtors	3,556	2,937
Provision for doubtful debts - rates debtors	(36)	(33)
Net GST receivable	529	286
Non statutory receivables		
Loans and advances to community organisations	745	412
Other debtors	(15)	(13)
Total current trade and other receivables	4,779	3,588
Non-current		
Non statutory receivables		
Loans and advances to community organisations	7	-
Total non-current trade and other receivables	7	-
Total trade and other receivables	4,786	3,588

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of Receivables

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

Current (not yet due)	326	259
Past due by up to 30 days	223	11
Past due between 31 and 180 days	72	8
Past due between 181 and 365 days	16	8
Past due by more than 1 year	99	112
Total trade and other receivables	736	398

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$14,819 (2023: \$13,319) were impaired. The amount of the allowance raised against these debtors was \$14,889 (2023: \$13,319). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	15	13
Total trade & other receivables	15	13

Notes to the Financial Report
For the Year Ended 30 June 2024

5.2 Non-financial assets	2024	2023
(a) Inventories	\$'000	\$'000
Inventories held for distribution	5	3
Inventories held for sale - Gas	160	138
Everton Quarry - Gravel	215	181
Carlisle Cemetery	3	2
Total inventories	383	325

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	178	803
Accrued income	1,140	1,127
Total other assets	1,318	1,930

5.3 Payables, trust funds and deposits and contract and other liabilities

(a) Trade and other payables	2024	2023
Current	\$'000	\$'000
Non-statutory payables		
Trade payables	3,125	2,450
Overpayments - Rates	416	380
Fire Services Levy	532	479
Accrued expenses	673	416
Net GST payable	56	46
Total current trade and other payables	4,802	3,772

(b) Trust funds and deposits

Current		
Refundable deposits	33	32
Carlisle cemetery trust	62	74
Other refundable deposits	182	98
Total current trust funds and deposits	277	204
Non-current		
Total non-current trust funds and deposits	335	321
Total trust funds and deposits	612	525

(c) Unearned income/revenue

Current		
Grants received in advance - operating	1,672	2,838
Grants received in advance - capital	432	1,208
Total contract liabilities	2,105	4,046
Total current unearned income/revenue	2,105	4,046

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Notes to the Financial Report
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Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers. 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.

Other liabilities
Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of the asset. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

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.

Carlyle cemetery trust - Fees received by Council for the purchase of burial and cremation places. Council is the Trustee for Carlyle Cemetery.

Infrastructure contribution - Contributions received by Council for developments. Council is to maintain the contribution until a call for construction works is made, which may be several years away.

5.4 Interest-bearing liabilities	2024	2023
	\$'000	\$'000
Current		
Bank overdraft	-	-
Other borrowings - secured	312	383
Total current interest-bearing liabilities	312	383
Non-current		
Other borrowings - secured	1,667	985
Total non-current interest-bearing liabilities	1,667	985
Total	1,979	1,368

Borrowings are secured by a lien on Council rate revenue.

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

Not later than one year	312	383
Later than one year and not later than five years	-	148
Later than five years	1,667	837
	1,979	1,368

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 based on contractual repayment terms at every balance date.

Indigo Shire Council
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Notes to the Financial Report
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5.5 Provisions

	Employee	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
2024				
Balance at beginning of the financial year	3,317	4,237	264	7,818
Additional provisions	2,546	225	8	2,779
Amounts used	(2,314)	-	-	(2,314)
Balance at the end of the financial year	3,549	4,462	272	8,283
Provisions - current	3,290	-	-	3,290
Provisions - non-current	260	4,462	272	4,994
2023				
Balance at beginning of the financial year	3,356	6,300	247	9,902
Additional provisions	2,161	126	8	2,295
Provision adjustment	-	(2,189)	-	(2,189)
Amounts used	(2,200)	-	9	(2,190)
Balance at the end of the financial year	3,317	4,237	264	7,818
Provisions - current	2,963	-	-	2,963
Provisions - non-current	354	4,237	264	4,855

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Notes to the Financial Report
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	2024	2023
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	841	767
Long service leave	378	212
Accumulated time*	241	209
Purchased leave	10	11
	<u>1,470</u>	<u>1,199</u>

*Accumulated time - Accumulation of additional hours worked over the employees' standard working hours

Current provisions expected to be wholly settled after 12 months

Annual leave	407	408
Long service leave	1,414	1,356
	<u>1,821</u>	<u>1,764</u>
Total current employee provisions	<u>3,291</u>	<u>2,963</u>

Non-current

Long service leave	260	354
Total non-current employee provisions	<u>260</u>	<u>354</u>
Aggregate carrying amount of employee provisions:		
Current	3,291	2,963
Non-current	260	354
Total aggregate carrying amount of employee provisions	<u>3,550</u>	<u>3,317</u>

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.

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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.

	2024	2023
	\$'000	\$'000
Key assumptions:		
- discount rate	4.348%	4.06%
- index rate	4.450%	4.35%

	2024	2023
	\$'000	\$'000
(b) Landfill restoration		
Current	-	-
Non-current	4,462	4,237
	<u>4,462</u>	<u>4,237</u>

Council is obligated to rehabilitate four former landfill sites to a particular standard. All four sites were closed a number of years ago. The provision for landfill rehabilitation was reviewed by WAC Consulting Pty Ltd for the 4 unlicensed landfill sites, Beechworth, Chiltern, Rutherglen and Wahgunyah in the prior year. The calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:		
- discount rate	3.20%	4.36%
- index rate	3.80%	3.80%

(c) Other provisions *

Current	-	-
Non-current	272	264
	<u>272</u>	<u>264</u>

Key assumptions:		
- index rate	3.20%	7.00%

*Quarry Restoration

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2024

Bank overdraft	4,000	1,500
Credit card facilities	74	74
Treasury Corporation of Victoria facilities	-	-
Loan facilities	1,979	1,368
Total facilities	<u>6,053</u>	<u>2,942</u>
Used facilities	1,979	1,368
Unused facilities	<u>4,074</u>	<u>1,574</u>

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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

2024	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Domestic Recycling	844	869	1,713	3,426	6,852
Domestic Garbage Collection	1,035	1,066	2,101	4,203	8,405
Domestic Organic Waste Collection	1,076	1,108	2,185	4,369	8,738
Street and Park Bins	109	112	221	443	885
Landfill Disposal contract	401	413	813	1,626	3,253
Other	69	-	-	-	69
Total	3,534	3,568	7,033	14,067	28,202
Capital					
Buildings	109	-	-	-	109
Footpaths/Cycleways	170	-	-	-	170
Bridges	1,285	-	-	-	1,285
Roads (includes car parks)	1,318	-	-	-	1,318
Total	2,882	-	-	-	2,882
2023	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Domestic Recycling	680	-	-	-	680
Domestic Garbage collection	580	-	-	-	580
Domestic Organic Waste Collection	1,202	-	-	-	1,202
Street and Park Bins	130	-	-	-	130
Other waste services	217	-	-	-	217
Landfill Disposal contract	357	375	-	-	732
Cleaning contracts for council buildings	280	310	336	-	926
Other	42	-	-	-	42
Total	3,488	685	336	-	4,509
Capital					
Buildings	270	-	-	-	270
Footpaths/Cycleways	1,164	-	-	-	1,164
Museums and Historic Sites	120	-	-	-	120
Bridges	30	-	-	-	30
Information Technology	50	51	138	90	329
Roads (includes car parks)	41	-	-	-	41
Parks and gardens and openspace	26	-	-	-	26
Total	1,701	51	138	90	1,980

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5.8 Leases

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

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

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

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

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

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

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

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

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

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

Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.



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<i>Right-of-Use Assets</i>	Vehicles	Total
	\$'000	\$'000
Balance at 1 July 2023	11	11
Additions	38	38
Depreciation charge	(30)	(30)
Balance at 30 June 2024	19	19
<i>Lease Liabilities</i>	2024	2023
Maturity analysis - contractual undiscounted cash flows		
	\$'000	\$'000
Less than one year	18	12
One to five years	1	-
More than five years	-	-
Total undiscounted lease liabilities as at 30 June:	19	12
Lease liabilities included in the Balance Sheet at 30 June:		
Current	18	12
Non-current	1	-
Total lease liabilities	19	12

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6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2023 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Carrying amount 30 June 2024 \$'000
Property	105,176	1,275	147	34,995	(1,254)	-	-	5,178	145,517
Plant and equipment	2,637	1,364	-	-	(852)	(18)	-	49	3,180
Infrastructure	197,968	6,300	535	20,616	(5,253)	-	-	1,360	221,526
Work in progress	7,127	2,659	-	-	-	-	-	(6,587)	3,199
Total	312,908	11,598	682	55,611	(7,359)	(18)	-	-	373,422

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	5,148	280	-	(5,178)	250
Plant and equipment	201	169	-	(134)	236
Infrastructure	1,778	2,210	-	(1,275)	2,713
Total	7,127	2,659	-	(6,587)	3,199

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land & Land Improvements \$'000	Heritage buildings \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Total Artwork & heritage collections \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2023	49,607	4,114	4,773	58,495	32,674	47,236	79,910	4,662	5,148	148,215
Accumulated depreciation at 1 July 2023	-	-	(2,701)	(2,701)	(15,631)	(19,559)	(35,189)	-	-	(37,890)
	49,607	4,114	2,072	55,794	17,043	27,677	44,721	4,662	5,148	110,324
Movements in fair value										
Additions	-	-	-	-	658	617	1,275	-	280	1,555
Contributions	-	-	-	-	-	147	147	-	-	147
Revaluation	27,850	81	240	28,171	4,715	11,905	16,620	(73)	-	44,718
Transfers	-	-	-	-	791	4,387	5,178	-	(5,178)	-
	27,850	81	240	28,171	6,163	17,056	23,220	(73)	(4,898)	46,420
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	(162)	(162)	(160)	(932)	(1,092)	-	-	(1,254)
Revaluation	-	-	32	32	(4,649)	(5,106)	(9,754)	-	-	(9,723)
	-	-	(130)	(130)	(4,808)	(6,038)	(10,846)	-	-	(10,976)
At fair value 30 June 2024	77,458	4,195	5,013	86,666	38,837	64,292	103,130	4,589	250	194,634
Accumulated depreciation at 30 June 2024	-	-	(2,831)	(2,831)	(20,439)	(25,596)	(46,035)	-	-	(48,866)
Carrying amount	77,458	4,195	2,182	83,835	18,399	38,696	57,094	4,589	250	145,768



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(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Total Plant and Equipment excluding WIP	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	6,522	1,533	3,083	903	12,042	201	12,243
Accumulated depreciation at 1 July 2023	(4,736)	(1,352)	(2,682)	(634)	(9,405)	-	(9,405)
	1,786	181	401	269	2,637	201	2,838
Movements in fair value							
Additions	1,100	62	119	82	1,364	169	1,532
Disposal	(463)	-	-	(1)	(464)	-	(464)
Transfers	49	-	-	-	49	(134)	(84)
	687	62	119	81	949	35	984
Movements in accumulated depreciation							
Depreciation and amortisation	(507)	(61)	(210)	(75)	(852)	-	(852)
Accumulated depreciation of disposals	445	-	-	1	446	-	446
	(62)	(61)	(210)	(74)	(406)	-	(406)
At fair value 30 June 2024	7,209	1,596	3,203	984	12,991	236	13,227
Accumulated depreciation at 30 June 2024	(4,798)	(1,413)	(2,892)	(708)	(9,811)	-	(9,811)
Carrying amount	2,411	183	311	276	3,181	236	3,416

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Parks open space and streetscapes	Total Infrastructure excluding WIP	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	217,554	36,429	16,657	25,232	1,124	15,712	312,710	1,778	314,488
Accumulated depreciation at 1 July 2023	(72,658)	(18,928)	(4,556)	(9,201)	(348)	(9,050)	(114,742)	-	(114,742)
	144,896	17,501	12,101	16,031	777	6,662	197,968	1,778	199,746
Movements in fair value									
Additions	2,519	138	1,053	414	43	2,132	6,300	2,210	8,510
Contributions	-	-	280	191	2	63	535	-	535
Revaluation	11,790	1,770	939	1,238	96	2,199	18,032	-	18,032
Transfers	52	292	463	417	84	50	1,360	(1,275)	84
	14,361	2,200	2,736	2,260	225	4,444	26,226	935	27,161
Movements in accumulated depreciation									
Depreciation and amortisation	(2,643)	(475)	(489)	(620)	(86)	(940)	(5,253)	-	(5,253)
Revaluation	(1,353)	3,912	(94)	617	59	(557)	2,584	-	2,584
	(3,996)	3,437	(583)	(3)	(26)	(1,497)	(2,669)	-	(2,669)
At fair value 30 June 2024	231,916	38,629	19,393	27,493	1,350	20,156	338,936	2,713	341,649
Accumulated depreciation at 30 June 2024	(76,655)	(15,491)	(5,139)	(9,205)	(374)	(10,547)	(117,411)	-	(117,411)
Carrying amount	155,261	23,137	14,254	18,288	975	9,609	221,525	2,713	224,238

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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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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
		\$'000
<i>Asset recognition thresholds and depreciation periods</i>		
Artwork & Heritage Collections	-	1,000
Land & land improvements		
land	-	1,000
land improvements	5-100 years	1,000
Buildings		
buildings	20-65 years	3,000
building heritage	100-300 years	3,000
Plant and Equipment		
heritage plant and equipment	3-20 years	1,000
plant, machinery and equipment	3-20 years	1,000
fixtures, fittings and furniture	3-10 years	1,000
computers and telecommunications	3-9 years	500
Library books	8 years	100
Infrastructure		
road pavements, formation and drainage	100 years	5,000
road pavements - sealed	75 years	5,000
road pavements - unsealed	15-100 years	5,000
road kerb, channel and minor culverts	25-100 years	5,000
Bridges		
timber and steel construction	80 years	5,000
reinforced concrete construction	130 years	5,000
full timber construction	80 years	5,000
Drainage and culverts	130 years	5,000
Footpaths and cycleways	40 years	5,000
Recreational, leisure & community		
Parks, open space and streetscape	30 years	1,000
Playground equipment	12 years	1,000
Street & park furniture	25 years	1,000

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Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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.

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, Indigo Shire Council has no leasehold improvements.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer in PP&E Valuations Pty Ltd. 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. 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 and land under roads will have a significant impact on the fair value of these assets.

Land improvement valuation was undertaken by Council's Asset Manager, Adam Kimball (Bachelor Engineering Science (Infrastructure Management)). The valuation is fair value based on replacement cost less accumulated depreciation. The date and type of the current valuation is detailed in the following table. Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows: a full revaluation of these assets was conducted in 2023/24.

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	2,720	1,475	30-June-2024	Full
Specialised land	-	-	77,458	30-June-2024	Full
Land Improvements	-	-	2,182	30-June-2024	Full
Heritage Buildings	-	-	18,399	30-June-2024	Full
Buildings	-	-	38,696	30-June-2024	Full
Total	-	2,720	138,209		

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Valuation of infrastructure

Valuation of infrastructure assets was undertaken by Council's Asset Manager, Adam Kimball (Bachelor Engineering Science (Infrastructure Management)).

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. This cost represents the replacement cost of the component after applying accumulated depreciation rates on a useful life basis. Replacement costs to replace the asset to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	155,261	30-June-2024	Desktop
Bridges	-	-	23,137	30-June-2024	Desktop
Footpaths and cycleways	-	-	14,254	30-June-2024	Desktop
Drainage	-	-	18,288	30-June-2024	Desktop
Parks, open space and streetscapes	-	-	9,609	30-June-2024	Desktop
Recreational leisure and community faciiliites	-	-	975	30-June-2024	Desktop
Total	-	-	221,524		

Valuation of Artwork & Heritage Collection

Valuation of Artwork & Heritage collection was performed by Warren Joel from Byjoel (Auction and valuation services). The effective date of a full valuation is 16th February 2024 for Burke Museum artworks.

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Artwork and Heritage Collection	-	-	4,589	30-June-2024	Full
Total	-	-	4,589		

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 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$200 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 \$250 to \$500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 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 15 years to 130 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.

	2024	2023
Reconciliation of specialised land	\$'000	\$'000
Land under roads	61,086	35,933
Specialised land	16,372	13,674
Total specialised land	77,458	49,607

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Note 7 PEOPLE AND RELATIONSHIPS
7.1 Council and key management remuneration

(a) Related Parties

Indigo Shire Council is the reporting entity, with no subsidiaries 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 Indigo Shire Council. The Councillors, Chief Executive Officer, Directors and Executive Managers are deemed KMP.

Details of KMP at any time during the year are:

		2024 No.	2023 No.
Councillors	Mayor Sophie Price (Mayor 22 November 2023 to 30 June 2024)		
	Councillor Bernard Gaffney - Deputy Mayor (Mayor 1 July 2023 to 30 June 2024)		
	Councillor Roberta Horne (1 July 2023 to 30 June 2024)		
	Councillor Peter Croucher (Deputy Mayor) (1 July 2023 to 30 June 2024)		
	Councillor Diane Shephard (1 July 2023 to 30 June 2024)		
	Councillor Sophie Price (1 July 2023 to 30 June 2024)		
	Councillor Larry Goldsworthy (resigned effective 30 June 2024)		
	Councillor Sue Gold (14 August 2023 to 30 June 2024)		
	Councillor Emerick Teissl (1 July 2023 to 30 June 2024)		
Total Number of Councillors		8	7
Other Senior Officers	Chief Executive Officer		
	Director - Community and Economic Development		
	Director - Infrastructure Services		
	Director - Planning and Corporate Services		
	Executive Manager Engagement and Communications		
	Executive Manager People and Governance		
Total of Chief Executive Officer and other Key Management Personnel		6	7
Total Number of Key Management Personnel		14	14

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(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.

	2024 \$	2023 \$
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,417	1,219
Other long-term employee benefits	25	25
Post-employment benefits	109	97
Termination benefits	-	-
Total	1,551	1,341

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

	2024 No.	2023 No.
\$10,000 - \$19,999	-	-
\$20,000 - \$29,999	4	4
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	1	3
\$100,000 - \$109,999	-	1
\$150,000 - \$159,999	2	2
\$160,000 - \$169,999	-	-
\$190,000 - \$199,999	3	2
\$160,000 - \$169,999	-	-
\$240,000 - \$249,999	1	1
	13*	14

*Larry Goldsworthy earned a total of \$476 during the year so does not fall into any category in the above table

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

There are no other senior staff whose remuneraton exceeds \$170,000 and report to KMP.

	2024 \$	2023 \$
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7.2 Related party disclosure
(a) Transactions with related parties

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

(i) Payment for Councillor Croucher to play music at " Seniors Week Beechworth "	-	350
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(b) Outstanding balances with related parties

No outstanding balances with related parties.

(c) Loans to/from related parties

No loans to/from related parties.

(d) Commitments to/from related parties

No commitments with related parties.

Notes to the Financial Report

For the Year Ended 30 June 2024

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.

Developer contributions to be received in respect of estates currently under development remain unquantifiable at balance date.

Natural Disaster Claim

\$1.38m will be claimed in the 24/25 financial year for Natural Disaster Claim Flood Event.

(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 there has been two calls made over the last 11 years that have ranged between \$285,528 to \$1,278,779. The risk of this contingent liability is monitored quarterly and current data on the health of this fund indicates that it is unlikely that a call will be made in the next 12 months.

Future Superannuation contributions

In addition to the disclosed contributions, Indigo Shire Council has paid unfunded liability payments to Vision Super totalling \$135,041.83 (2022-23 \$119,911.42). There were no contributions outstanding and no loans issue from or to the above schemes as at 30 June 2024. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 are \$37,370.86.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Liability Mutual Insurance

Council is (was) 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.

(c) Guarantees for loans to other entities

At balance date, Council has \$24,000 issued in bank guarantees as a form of deposit for the completion of various contracts undertaken by Indigo Shire Council.

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

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

Notes to the Financial Report

For the Year Ended 30 June 2024

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 *Fair Value Measurement*. AASB 2022-10 amends AASB 13 *Fair Value Measurement* for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
 - are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
 - are to be applied prospectively for annual periods beginning on or after 1 January 2024;
 - would not necessarily change practice for some not-for-profit public sector entities; and
 - do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.
- Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*. AASB 2022-6 amends AASB 101 *Presentation of Financial Statements* to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure 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.

Notes to the Financial Report
For the Year Ended 30 June 2024

(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 allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

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

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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 + 1.0% and -1.0% in market interest rates (AUD) from year-end rates of 4.5%.

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.

Notes to the Financial Report
For the Year Ended 30 June 2024

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. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). 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. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Artwork and Heritage Collection	3 to 5 years
Land	3 to 5 years
Land Improvements	3 to 5 years
Land Under Roads	3 to 5 years
Buildings	3 to 5 years
Plant and equipment	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
Recreational, leisure and community facilities	3 to 5 years
Waste management	3 to 5 years
Parks, open space and streetscapes	3 to 5 years
Street & Park Furniture	3 to 5 years
Playground Equipment	3 to 5 years

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

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Indigo Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 9 OTHER MATTERS

	Balance at beginning of reporting period \$'000	Increase (decrease) \$'000	Share of increase (decrease) on revaluation of Properties by an associate \$'000	Balance at end of reporting period \$'000
9.1 Reserves				
(a) Asset revaluation reserves				
2024				
Property				
Land and land improvements	15,576	28,203	-	43,779
Buildings	20,480	6,865	-	27,345
	36,056	35,068	-	71,124
Plant and Equipment				
Artwork & heritage collections	1,355	(73)	-	1,282
	1,355	(73)	-	1,282
Infrastructure				
Roads	103,440	10,437	-	113,877
Bridges	9,300	5,682	-	14,982
Footpaths and cycleways	(948)	845	-	(103)
Drainage	3,006	1,855	-	4,861
Recreational, leisure and community facilities	1,392	192	-	1,584
Parks, open space and streetscapes	1,686	1,605	-	3,292
Other infrastructure	267	-	-	267
	118,144	20,616	-	138,760
Total asset revaluation reserves	155,556	55,611	-	211,166
2023				
Property				
Land and land improvements	14,719	857	-	15,576
Buildings	20,480	-	-	20,480
	35,199	857	-	36,056
Plant and Equipment				
Artwork & heritage collections	1,355	-	-	1,355
	1,355	-	-	1,355
Infrastructure				
Roads	93,378	10,062	-	103,440
Bridges	10,451	(1,151)	-	9,300
Footpaths and cycleways	2,402	(3,350)	-	(948)
Drainage	1,884	1,123	-	3,006
Recreational, leisure and community facilities	1,392	-	-	1,392
Waste management	-	-	-	-
Parks, open space and streetscapes	1,037	650	-	1,686
Aerodromes	-	-	-	-
Offstreet car parks	-	-	-	-
Other infrastructure	-	267	-	267
	110,543	7,601	-	118,144
Total asset revaluation reserves	147,097	8,458	-	155,556

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

Notes to the Financial Report
For the Year Ended 30 June 2024

	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				
2024				
Resort and Recreation Reserve	698	105	-	803
Total Other reserves	698	105	-	803
2023				
Resort and Recreation Reserve	611	88	-	698
Total Other reserves	611	88	-	698

(1) Resort & Recreation Reserve: Developer contributions for future open space developments. Section 18, Subdivision Act 1988 requires developers to make open space contributions to councils. These funds can only be used by Councils for the development of open space assets.

Indigo Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

	2024	2023
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	\$'000	\$'000
Surplus/(deficit) for the year	(5,138)	2,330
Depreciation/amortisation	7,389	8,416
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(125)	(77)
Fair value adjustments for investment property	-	(14)
Contributions - Non-monetary assets	(682)	(191)
Other	28	-
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(1,202)	(561)
(Increase)/decrease in prepayments	625	(530)
Increase/(decrease) in contract assets	(13)	163
Increase/(decrease) in trade and other payables	1,029	247
(Decrease)/increase in contract and other liabilities	(2,046)	721
(Decrease)/increase in other liabilities	-	-
(Increase)/decrease in inventories	(58)	(102)
(Decrease)/increase in provisions	467	(2,085)
Increase/(decrease) in Trust Funds and Deposits	87	(4)
Net cash provided by/(used in) operating activities	360	8,312

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 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

Defined Benefit
Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of [Employer name] in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements
Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. 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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 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 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). 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 2023 triennial valuation.

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

(b) Funding calls
If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.
In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2023 triennial 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. A full investigation was conducted as at 30 June 2023.

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

	2023 (Triennial)	2022 (Interim)
	\$m	\$m
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9

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 2023.
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 2023.
The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.



The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.
The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa
Salary information 3.5% pa
Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.
Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2023 triennial investigation

The last full actual triennial actuarial investigation was conducted as at 30 June 2023. The financial assumptions for the purposes of that investigation was:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.50% pa
		for the first two years and 2.75% pa. Thereafter:
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$'000	2023 \$'000
Vision super	Defined benefits	11.0% (2023:10.5%)	37,371	34,413
Vision super	Accumulation	11.0% (2023:10.5%)	549,120	464,970

[In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$135,041.83 paid during the 2023/24 year (\$119,911 paid during the 2022/23 year).

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$37,905.35.

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2023-24 year.

Independent Auditor’s Report

To the Councillors of Indigo Shire Council


VAGO

Victorian Auditor-General’s Office

Opinion	<p>I have audited the financial report of Indigo Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none">balance sheet as at 30 June 2024comprehensive income statement for the year then endedstatement of changes in equity for the year then endedstatement of cash flows for the year then endedstatement of capital works for the year then endednotes to the financial statements, including material accounting policy informationcertification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the 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.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor’s responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none">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 controlevaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillorsconclude 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. <p>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.</p>
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MELBOURNE
16 October 2024



Travis Derricott
as delegate for the Auditor-General of Victoria

Contact us

T: 1300 365 003
E: info@indigoshire.vic.gov.au

PO Box 28 Beechworth
Victoria 3747



Consequences Likelihood Matrix

				CONSEQUENCE				
				INSIGNIFICANT (1)	MINOR (2)	MODERATE(3)	MAJOR (4)	CATASTROPHIC (5)
Guidance <ul style="list-style-type: none">• Use this matrix for all risk management (this includes decision-making at all levels, projects and planning activities)• For further guidance or assistance with your risk management activities, please contact Council's Risk & Governance Team <p>When considering risks, here are some idea's to get your started:</p> <ul style="list-style-type: none">• Financial losses• Breaches of legislation/regulations• Damage to the environment• Reduction in service quality or loss of a service• Damage to Council assets or private property• Inefficiencies and/or wasted resources• Litigation• Loss of reputation / Community dissatisfaction• Inability to attract/retain qualified staff/volunteer	Strategy & Service Delivery	Negligible effect on business processes and service delivery.		Some less critical strategic objectives will not be achieved in the period outlined in the Organisation Plan.	Some key strategic objectives will not be achieved in the period outlined in the Organisation Plan.	The majority of strategic objectives will not be achieved in the period outlined in the Organisation Plan.	No Organisation Plan strategic objectives will be achieved. Very high risk of State Government intervention	
		Some minor interruptions (< 3 days) to the operations or service delivery		Between \$10K and \$150K Or 2.5% of service expense budget	Between \$150K up to \$500K Or 5% of service expense budget	Interruptions occur to some critical functions of up to 5 days	Critical services and operations cannot be delivered for a period of greater than 1 week.	Widespread and long term degradation of critical operations and services
		Financial		Up to \$10k financial loss Or 1% of service expense budget	Between \$10K and \$150K Or 2.5% of service expense budget	Between \$150K up to \$500K Or 5% of service expense budget	Between \$500K and \$1M Or 10% of service expense budget	Greater than \$1M Or 25% of service expense budget
		People & Safety		Some isolated staff/volunteer dissatisfaction	General staff/volunteer morale problems and increase in turnover.	Widespread staff/volunteer morale problems and high turnover including key organisation roles.	High turnover of experienced/key staff/volunteer; Organisation not perceived as employer of choice.	Key positions unable to be filled.
				Short term reversible injury which requires no first aid.	Reversible injury or disability which requires first aid intervention.	Serious reversible injury or disability requiring ongoing medical treatment, hospitalisation or lost time.	Serious Injury or multiple irreversible disabilities.	Single fatality or multiple significant irreversible disabilities
		Reputation / Credibility		No impact to reputation or brand name, e.g. customer complaint, resolved in day-to-day management.	Minor local community concern manageable through good public relations.	Moderate customer sensitivity and damage to brand impacting noticeably on business activities and profitability.	State media and public concern / exposure with adverse attention and long-term loss of support from Indigo Shire residents.	Loss of State Government support with scathing criticism and removal of the Organisation.
		Environment		Negligible effect on biological or physical environment.	Minor short term environmental damage which does not result in long term impact to ecosystem.	Moderate impact on the environment; no long term or irreversible damage.	Severe, long term or widespread resulting in impairment of the ecosystem and requiring significant remedial action	Widespread and irreversible environmental damage
		Governance / Compliance		Negligible regulatory breaches that are detected early and rectified, does not require reporting. Insignificant legal issues or non-compliance.	Minor regulatory or contract breaches with potential minor fines which does not require reporting to regulators.	Regulatory or contract breaches causing investigation / report to authority and prosecution and moderate fines.	Major regulatory or contract breaches and litigation.	Regulatory or contract breaches causing very serious litigation, including major class action.
								Significant prosecution / fines for Organisation Board/ Managers
LIKELIHOOD	Timeframes & Corporate Memory			RISK RATING				
	Time frame	Has it happened at your organisation in the last 5 years?	Has it happened at other organisations in the last 5 years?					
ALMOST CERTAIN (5)	The event has occurred or is expected to occur multiple times per year	Regularly	Regularly or MULTIPLE times at other organisations	MEDIUM	HIGH	HIGH	EXTREME	EXTREME
LIKELY(4)	The event may probably occur once every year.	Several times	Once at MULTIPLE organisations	MEDIUM	MEDIUM	HIGH	HIGH	EXTREME
POSSIBLE(3)	The event may occur once every 3 years.	A few times	MULTIPLE times at ONE other organisation	LOW	MEDIUM	MEDIUM	HIGH	EXTREME
UNLIKELY(2)	The event may occur once in 10 years.	Once	ONCE at ONE other organisation	LOW	LOW	MEDIUM	HIGH	HIGH
RARE(1)	The event may only occur once in 10 years or greater	Never	Never	LOW	LOW	LOW	MEDIUM	HIGH