

# Performance Statement

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For the year ended  
30 June 2021



# **Strathbogie Shire Council**

## **Performance Statement**

For the year ended 30 June 2021

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## Description of municipality

Strathbogie Shire is a rural municipality located approximately two hours from the Melbourne CBD and covers 330,326 hectares. We have diverse and picturesque communities served by townships such as Euroa, Nagambie, Violet Town, Avenel, Longwood, Ruffy and Strathbogie with a population of over 10,000 and growing. The Shire has an ageing population with 38% of residents aged 60 years and over. Approximately eight out of ten residents were born in Australia and about 5% of people came from countries where English was not their first language.

The Strathbogie Shire has a rural economic base of wool, grain, sheep and cattle production, extensive vineyards, world class wineries and a wide range of intensive cool climate horticultural enterprises. The region is also known as the Horse Capital of Victoria due to its ever expanding horse industry. Thoroughbred breeding studs are the cornerstone of this important industry, with many prestigious Melbourne Cup winners bred and trained in the shire. Nagambie is also the birthplace of Black Caviar, the world champion horse, and now has a life-size bronze statue sitting pride of place at Jacobson's Outlook.

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## Sustainable Capacity Indicators

For the year ended 30 June 2021

Indicator / measure [formula]	Results 2018	Results 2019	Results 2020	Results 2021	Comments
<b>Population</b>					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$3,031.18	\$2,691.78	\$2,647.81	\$2,816.59	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$24,569.20	\$24,376.51	\$23,056.21	\$25,715.25	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	4.41	4.49	4.89	4.98	
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,972.55	\$1,991.64	\$1,991.84	\$2,015.06	
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$747.68	\$671.58	\$766.72	\$780.29	
<b>Disadvantage</b>					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	4.00	4.00	4.00	4.00	

<p><b>Workforce turnover</b>  <i>Percentage of staff turnover</i></p> <p>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</p>	8.5%	17.4%	20.6%	10.9%	
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**Definitions**

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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## Service Performance Indicators

For the year ended 30 June 2021

Service/indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments
<b>Aquatic Facilities</b> <b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.44	2.90	1.82	1.08	Shutdowns due to Covid 19
<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	0%	0%	
<b>Food Safety</b> <b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i> [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	0.00%	100.00%	86.67%	100.00%	Improvement to 100% follow up

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<p><b>Governance</b></p> <p><b>Satisfaction</b></p> <p><i>Satisfaction with council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	48	55	49	52	
<p><b>Libraries</b></p> <p><b>Participation</b></p> <p><i>Active library borrowers in municipality</i></p> <p>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</p>	22.30%	23.32%	24.17%	24.99%	
<p><b>Maternal and Child Health (MCH)</b></p> <p><b>Participation</b></p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p> <p><b>Participation</b></p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[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</p>	77.87%	73.96%	73.94%	77.63%	
<p><b>Roads</b></p> <p><b>Satisfaction</b></p> <p><i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	47	51	51	51	



<p><b>Statutory Planning</b> <b>Decision making</b> <i>Council planning decisions upheld at VCAT</i></p> <p>[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</p>	0.00%	0.00%	50.00%	0.00%	
<p><b>Waste Collection</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	69.75%	69.41%	70.27%	71.01%	

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## Definitions

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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## Financial Performance Indicators

For the year ended 30 June 2021

Dimension/indicator/measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2018	2019	2020	2021	2022	2023	2024	2025	
<b>Efficiency</b>									
<b>Expenditure level</b>									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,961.38	\$3,581.75	\$3,568.25	\$3,991.75	\$3,969.22	\$3,970.49	\$4,042.30	\$4,107.81	
<b>Revenue level</b>									
<i>Average rate per property assessment</i> [Total rate revenue (general rates and municipal charges) / Number of property assessments]	New in 2020	New in 2020	\$2,141.75	\$2,226.26	\$2,298.66	\$2,338.11	\$2,378.25	\$2,419.08	
<b>Liquidity</b>									
<b>Working capital</b>									
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	281.00%	215.08%	264.74%	216.46%	138.13%	126.02%	120.64%	108.59%	
<b>Unrestricted cash</b>									
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	138.10%	91.96%	-14.86%	14.68%	81.09%	74.98%	71.70%	59.07%	
<b>Obligations</b>									

<b>Loans and borrowings</b>									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	3.73%	2.65%	1.86%	1.41%	23.83%	21.49%	19.21%	17.42%	Reducing debt levels
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.05%	1.17%	0.82%	0.53%	2.70%	2.30%	2.25%	1.77%	Reducing debt levels
<b>Indebtedness</b>									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	30.38%	24.74%	26.79%	25.06%	35.30%	33.01%	30.48%	28.33%	
<b>Asset renewal and upgrade</b>									
<i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	107.16%	128.19%	293.75%	153.11%	119.61%	121.41%	
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-6.33%	1.03%	9.07%	3.32%	-2.18%	-0.87%	-1.27%	-2.03%	
<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	62.16%	65.73%	63.15%	62.72%	68.08%	68.33%	68.53%	69.11%	

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<b>Rates effort</b> <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.64%	0.58%	0.56%	0.49%	0.49%	0.50%	0.51%	0.51%		
<b>Retired indicators</b> <b>Service / indicator / measure</b>	<b>Results</b> 2018	<b>Results</b> 2019	<b>Results</b> 2020							<b>Comments</b>
<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	0	Retired in 2020	Retired in 2020						This measure was replaced by AM7 from 1 July 2019.
<b>Efficiency</b> <b>Revenue level</b> <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,998.20	\$2,035.00	Retired in 2020	Retired in 2020	\$0.00	\$0.00	\$0.00	\$0.00	This measure was replaced by E4 from 1 July 2019.	
<b>Obligations</b> <b>Asset renewal</b> <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	147.87%	147.17%	Retired in 2020	Retired in 2020	0.00%	0.00%	0.00%	0.00%	This measure was replaced by O5 in 1 July 2019.	

## Other Information

For the year ended 30 June 2021

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### 1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 28 June 20X4 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

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## Certification of the Performance Statement

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In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).

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Upul Sathurusinghe CPA

**Principal Accounting Officer**

**Dated:**

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2021 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 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 2014* to certify this performance statement in its final form.

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Chris Raeburn

**Councillor**

**Dated:**

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Paul Murray

**Councillor**

**Dated:**

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Julie Salomon

**Chief Executive Officer**

**Dated:**

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