

YARRIAMBIACK SHIRE COUNCIL

PERFORMANCE

Statement

For the year ended 30 June 2024





TABLE OF CONTENTS

	<i>Page</i>
Certification of the performance statement	34
Victorian Auditor-General's Office audit report	35
1 SECTION ONE. Description of municipality	37
2 SECTION TWO. Service performance indicators	38
3 SECTION THREE. Financial performance indicators	40
4 SECTION FOUR. Sustainable capacity indicators	43
5 SECTION FIVE. Notes to the accounts	44
5.1. Basis of preparation	
5.2. Definitions	
5.3. Other matters	

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.

ANITA J MCFARLANE

Principal Accounting Officer

Date: ?? March 2025

In our opinion, the accompanying performance statement of the Yarriambiack 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.

KYLIE ZANKER

Councillor

?? March 2025

KARLY KIRK

Councillor

?? March 2025

TAMMY SMITH

Chief Executive Officer

?? March 2025

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SECTION ONE: Description of the municipality

For the year ended 30 June 2024

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

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

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

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

Performance Statement

SECTION TWO: Service Performance Indicators

For the year ended 30 June 2024

Indicator/ measure	2021	2022	2023	2024	2024	Material Variations
	Actual	Actual	Actual	Target as per budget	Actual	
AQUATIC FACILITIES						
Utilisation	0.49	0.48	0.63	N/A	0.57	A decrease in patronage is a result of seasonal/cooler weather conditions this summer period which would have resulted in fewer visitors to the pool. Harvest finishing on time this year would have also resulted in local families travelling/holidaying, instead of remaining in town and utilising the pool facility compared to last year.
Utilisation of aquatic facilities Number of visits to aquatic facilities / Municipal population						
ANIMAL MANAGEMENT						
Health and safety	100%	0%	100%	N/A	100%	6 successful animal prosecutions occurred during the 2023/24 financial year.
Animal management prosecutions Number of successful animal management prosecutions / Number of animal management prosecutions x 100						
FOOD SAFETY						
Health and safety	100%	0%	0%	N/A	0%	No non-compliance notifications issued in 2023/24.
Critical and major non-compliance outcome notifications Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises x100						
GOVERNANCE						
Satisfaction	62	57	58	62	58	
Satisfaction with community consultation and engagement (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)						
LIBRARIES						
Participation	N/A	N/A	N/A	N/A	16%	New measure for 2023-24, no target set.
Library membership Percentage of the population that are registered library members x100						

SECTION TWO: Service Performance Indicators

For the year ended 30 June 2024

Indicator/ measure	2021	2022	2023	2024	2024	Material Variations
	Actual	Actual	Actual	Target as per budget	Actual	
MATERNAL & CHILD HEALTH						
Participation	86.12%	80.25%	82.95%	N/A	84.36%	
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						
Participation	90%	72.73%	75%	N/A	100%	Our nurses see clients at 2 years, then not again till 3.5 years. If a child is not seen for 18-24 months, the child is deemed not to have participated in the MCH service in the financial year.
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						
ROADS						
Condition	100%	99.41%	87.62%	100%	97.38%	This is reflective of the prioritisation of this metric by the infrastructure and operations department and significant capital works program undertaken over the last twelve months.
Sealed local roads below the intervention level						
Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal						
STATUTORY PLANNING						
Service standard	97.56%	89.09%	97.96%	91%	71.70%	This year we received numerous applications for limestone extraction and gypsum mining which took longer to assess due to referral requirements to government agencies. In addition to this, some VicSmart applications were determined over the 10 day requirement due to timing of staff leave and public holidays. Council has also experienced an increase in the number of applications that have received objections, which are required to be determined by Council.
Planning applications decided within the relevant required time						
Percentage of planning application decisions made within the relevant required time						
WASTE MANAGEMENT						
Waste diversion	21.54%	16.30%	16.71%	18%	17.13%	
Kerbside collection waste diverted from landfill						
Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins x100						

Performance Statement

SECTION THREE: Financial Performance Indicators

For the year ended 30 June 2024

Dimension/ indicator/ measure	2021	2022	2023	2024	2025	2026	2027	2028	Material Variations
	Actual	Actual	Actual	Target as per budget	Forecast	Forecast	Forecast	Forecast	
EFFICIENCY									
Expenditure level	\$3,621.43	\$3,838.43	\$4,184.57	\$4,413.00	\$4,322.43	\$4,366.29	\$4,497.43	\$4,632.14	
Expenses per property assessment									
Total expenses / Number of property assessments									
Revenue level	\$1,835.43	\$1,876.14	\$1,705.00	N/A	\$1,813.14	\$1,949.86	\$2,010.86	\$2,074.00	
Average rate per property assessment									
Sum of all general rates and municipal charges / Number of property assessments									
LIQUIDITY									
Working capital	193.36%	242.62%	193.62%	74%	210.51%	232.34%	195.45%	160.30%	Council liquidity in recent years has been high due to holding unexpended grant money and flood response advances. Liquidity will decline in future years as Council meets its spending commitments
Current assets compared to current liabilities									
Current assets / Current liabilities x100									
Unrestricted cash	131.90%	203.37%	123.21%	N/A	151.07%	159.31%	122.44%	87.27%	The trend in percentage of unrestricted cash has seen a decrease in 2023/24 from the previous year due to more cash being required for carried forward capital works from the prior year. The cash reserves are anticipated to decrease as the spend on maintenance and renewal of assets increases to improve the condition of Council's assets.
Unrestricted cash compared to current liabilities									
Unrestricted cash / Current liabilities x100									

SECTION THREE: Financial Performance Indicators

For the year ended 30 June 2024

Dimension/ indicator/ measure	2021	2022	2023	2024	2025	2026	2027	2028	Material Variations
	Actual	Actual	Actual	Target as per budget	Forecast	Forecast	Forecast	Forecast	
OBLIGATIONS									
Loans and borrowings	0.45%	0%	0%	N/A	2.91%	2.56%	2.23%	1.92%	In the 2023/24 financial year, Council drew down a new loan for the construction of two units.
Loans and borrowings compared to rates									
<i>[Interest bearing loans and borrowings / Rate revenue] x100</i>									
Loans and borrowings repayments compared to rates	0	0.44%	0.13%	N/A	0.38%	0.37%	0.36%	0.36%	
<i>Interest and principal repayments on interest bearing loans and borrowings / Rate revenue x100</i>									
Indebtedness	6.13%	5.06%	4.92%	N/A	6.88%	5.34%	5.03%	4.73%	Council has drawn down a new loan and increased our lease liabilities, while decreasing our capacity to generate own source revenue especially with the loss of the CHSP services.
Non-current liabilities compared to own source revenue									
<i>Non-current liabilities / Own source revenue] x100</i>									
Asset renewal and upgrade	128.97	137.23	198.98	163%	78.98%	66.71%	66.56%	66.42%	The forecast declines in future years due to a decrease in the overall capital works program. Prior years have seen significant grant funding available to undertake a larger capital works program.
<i>Asset renewal and asset upgrade expense / Asset depreciation] x100</i>									

Performance Statement

SECTION THREE: Financial Performance Indicators

For the year ended 30 June 2024

Dimension/ indicator/ measure	2021	2022	2023	2024	2024	2025	2026	2027	2028	Material Variations
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	
OPERATING POSITION										
Adjusted underlying result	15.17	14.50	(5.69%)	N/A	(33.72%)	(8.62%)	(11.88%)	(11.55%)	(11.54%)	Council's revenue is not increasing sufficiently to cover increases in operating costs associated with delivering the current level of services. Council's Long Term Financial Plan projects that its financial challenges will continue. The 2023/24 Financial Assistance Grant (FAG) of \$6.669 million was paid in 2022/23.
Adjusted underlying surplus (or deficit)										
Adjusted underlying surplus (deficit)/ Adjusted underlying revenue x100										
STABILITY										
Rates concentration	42.99	41.79	48.33	58%	67.46%	53.95%	56.66%	56.49%	56.49%	Council is heavily reliant on rate revenue with limited ability to identify new sources of revenue. There is an increase in 2023/24 due to an increase in the rate cap as well as a reduction in own source revenue.
Rates compared to adjusted underlying revenue										
Rate revenue / Adjusted underlying revenue x100										
Rates effort	0.47%	0.42%	0.30%	N/A	0.26%	0.23%	0.23%	0.23%	0.23%	This indicator shows rate revenue as a percentage or property values in the municipality. Its capacity to increase at the same rate as property values is limited due to rate increase caps set which results in a reduction over recent years.
Rates compared to property values										
Rate revenue / Capital improved value of rateable properties in the municipality x100										

SECTION FOUR: Sustainable Capacity Indicators

For the year ended 30 June 2024

Indicator / measure	2021	2022	2023	2024	Material Variations
	Actual	Actual	Actual	Actual	
POPULATION					
Expenses per head of municipal population	\$3,847.91	\$4,165.09	\$4,551.98	\$4,594.46	The increase in this measure is primarily due to the substantial capital works program delivered in 2024/25. This growth is largely driven by the availability of more grant funding for the upgrade and renewal of infrastructure assets and housing.
Infrastructure per head of municipal population	\$21,505.92	\$21,461.32	\$26,370.86	\$32,406.64	
Value of infrastructure / Municipal population					
Population density per length of road	1.39	1.34	1.33	1.32	
Municipal population / Kilometres of local roads					
OWN-SOURCE REVENUE					
Own-source revenue per head of municipal population	\$2,246.21	\$2,232.13	\$2,224.55	\$2,590.55	Council received the 2022/23 payment in lieu of rates (PiLOR) payment (\$300,727) in 2023/24, therefore inflating Councils own source revenue indicator 2023/24.
Own-source revenue / Municipal population					
RECURRENT GRANTS					
Recurrent grants per head of municipal population	\$2,289.77	\$1,864.21	\$1,937.37	\$687.28	At the end of the 2022/23 financial year, Council made the decision to withdraw from the provision of CHSP services which has resulted in a reduction of our recurrent grants.
Recurrent grants / Municipal population					
DISADVANTAGE					
Relative Socio-Economic Disadvantage	1	1	2	2	
Index of Relative Socio-Economic Disadvantage by decile					
WORKFORCE TURNOVER					
Percentage of staff turnover	16.84%	18.49%	14.75%	23%	Council had an increase in the number of employees who retired or resigned during 2023/24.
Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year x100					

SECTION FIVE: Notes to the accounts*For the year ended 30 June 2024***5.1. 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 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.

5.2. Definitions

KEY TERM	DEFINITION
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
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
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
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
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the Food Act 1984
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
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
non-current liabilities	means all liabilities other than current liabilities
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
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

5.3. Other Matters

Overview of 2024

Our Council participates annually in the Local Government Community Satisfaction Survey. The survey is conducted by the Department of Government Services on behalf of participating Councils. A minimum of 400 local residents and ratepayers in each municipality over 18 years of age are selected at random. Council moved to a quarterly data capture process, opposed to an annual process for the 2023 year, and continued this into 2024.

Sealed local roads continue to score poorly at 33, two points less than 2023 and less than the small rural average of 41 and state average of 45. Our poor score reflects the state of our surrounding Victorian Government owned, maintained and managed roads, which was identified with the addition of an added question in the 2023/24 year.

In 2024 Council introduced an additional question to the survey, requesting residents identify the roads they were most concerned about.

When analysing the verbatim detailed comments in relation to the roads, it identified that 35% of the complaints related to VicRoads roads, 47% to local roads, 17% to roads in general and 1% to non-sealed roads.

A majority of the concerns were in relation to Warracknabeal and surrounds, with 39% of responses identifying Warracknabeal as their township. This was followed by Hopetoun 10%, Murtoa 10% and Rupanyup 8%.

Whilst we recognise our roads require increased investment and we continue to lobby both Commonwealth and State Government for further funding to address our renewal gap.

Our own source revenue continues to sit at 52%, which further extenuates how heavily reliant we are on Grant funding to undertake our operational, maintenance and capital works program.

Our workforce turnover has increased in 2024, from 14.75% to 23%. This is due to a number of retirements, the conclusion of the regional assessment service and employees pursuing alternative career options.

The 2021 SEIFA (Socio-Economic Indexes for Areas) data reveals a stark reality for the Yarriambiack region in Victoria. With a SEIFA Index for Disadvantage of 946, Yarriambiack finds itself ranked 72 out of 81 local government areas in the state (includes G20 and Unincorporated Vic in the stats). These numbers paint a picture of economic hardship and vulnerability within the community.

Volunteers are a large fabric of our rural community. Without volunteers we would be unable to operate and/or support our halls, recreation reserves and swimming pools across our Shire. Council has a high rate of volunteerism, with 28.7% of the residents undertaking voluntary work through an organisation or group in the last 12 months. Significantly higher than the Victorian state average of 13.3%.

According to the 2021 Census, the population in the Shire had a significantly higher proportion of adults aged 60 to 85 years old (38.3%) compared to the Victorian state average (22.4%).

Since the COVID pandemic, and with an ageing population, we are experiencing a decline in volunteerism, which in turn has seen a shift in community expectations and higher demands on YSC. We are facing the very real possibility, due to funding constraints on not being able to meet the service level demands.

Waste and recycling continue to be a cost burden for Council and our residents. The cost breakdown is eye-opening. Presently, it costs Council \$389.39 per ton to send waste to landfill. In stark contrast, disposing of recycling sets us back a whopping \$1,302.72 per ton—more than three times the cost of landfill disposal. These expenses directly affect our ratepayers, who bear the financial burden through their waste charges.

The State Government's mandate for Local Governments to adopt glass bins, despite funding support, failed to consider the container deposit scheme's (CDS) impact on local glass and recycling collection or the environmental effects of kerbside collection in large areas like our Council's 7,500 square kilometres. Since the CDS's inception, glass collection rates have dropped significantly. Rural Councils need better planning and consultation to ensure future strategies are cost-effective, reduce emissions, and benefit the community.

Currently, our residents pay for an unwanted glass bin service, with low collection and presentation rates.

As a Council we are committed to exploring alternative options for our community, to stabilise the high costs incurred for both Council and Community.

With the reduction in grant funding, the low rate cap that does not reflect wage growth, as a Council we must continue to focus on our service level planning and continue that focus into the 2024/25 financial year.

