



**Latrobe City**  
Annual Report  
2022–2023







Latrobe City Council acknowledges that it operates on the traditional land of the Brayakaulung people of the Gunaikurnai nation and pays respect to their Elders past and present.



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## Why do we have an Annual Report?

Under the *Local Government Act 2020*, Councils are required to report to the community on a variety of topics covering Council operations, performance and finances.

## How to obtain a copy of this report

A copy of this report can be found on the Latrobe City Council website [www.latrobe.vic.gov.au/annualreport](http://www.latrobe.vic.gov.au/annualreport) or a printed version can be viewed at any one of our libraries or service centres.

To obtain this information in languages other than English, or in other formats, phone Latrobe City Council on 1300 367 700.

## Morwell

**Council Offices**  
Morwell Corporate Headquarters  
141 Commercial Road

**Morwell Library**  
63-65 Elgin Street

## Moe

**Moe Service Centre and Frank Bartlett Memorial Library**  
1-29 George Street

## Traralgon

**Traralgon Service Centre and Library**  
34/38 Kay Street

## Churchill

**Churchill and District Community Hub**  
9/11 Philip Parade

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# 01 Our Leadership







## Message from the Mayor

**Over the past year, Latrobe City has faced a range of challenges – however, together we have shown our unwavering determination to overcome them. I remain grateful to those who have generously informed our work, supported and encouraged our team and provided clear and constructive pathways for accessible and inclusive participation in all that we do.**

As Latrobe City continues to experience a significant economic transition, we have renewed our commitment to leadership that will provide a solid foundation for our community as we shift toward a more sustainable and diverse economy. We strive to build on our strengths that will further support the region's economic transition and transformation.

Our region has long been known for its traditional industries, having served as the centre of power generation in Victoria for more than 100 years. The global transition to new sources of energy has seen the operators of the region's coal fired power stations confirm their closure dates which provides a clear timeframe to support the shift of our community and economy.

The impacts of transition are not limited to the power generation as the Victorian Government's announcement of the early transition from native timber logging by 1 January 2024 will also undoubtedly impact our community. Council recognises the significant contributions the timber industry

has made to our local economy and the fabric of our community, including the Maryvale Mill which has been a cornerstone for Latrobe City's economic landscape for over 85 years.

We remain committed to an equitable diversification of Latrobe City's economic base as we transition towards a low emission future ensuring our community is at the heart of all that we do.

While the power generation, mining and timber industries have contributed significantly to our community's growth, we are now at a pivotal juncture where we must navigate a transition toward a more sustainable and resilient future.

The transition away from industry is not a straightforward process. As Victoria's most heavily impacted and transitioning region, we stand with our community to support the equitable transition of our region's industry landscape and economy and have sought opportunities to highlight *Our Transition* plan.

In April 2023, I launched our community informed *Our Transition*, a comprehensive roadmap that outlines our community's collective journey towards a brighter and more sustainable future. The plan includes key actions focused on attracting investment, upskilling to meet needs, skilled workforce promotion, understanding future job opportunities, providing business support, promoting Latrobe City and more.

Our advocacy work continues to ensure our community's voices are heard, and for the creation of a sustainable and prosperous future for our city.

Over the past year I have had the opportunity to advocate for both public and private investment to support community aspirations. Our participation in Federal and State delegations

and attendance at the annual National General Assembly and Australian Council of Local Government meeting created an even broader platform for our advocacy, and ensured our calls for support of the region's community led transition were always at the fore.

All of our engagements with government provided an opportunity to raise Latrobe City's transition needs with Ministers and Members of Parliament from both sides of government. At the invitation of the government, I met with Prime Minister Anthony Albanese which provided a platform to highlight the challenges of the region's changing economic landscape, the strengths of the Latrobe community and opportunities for all levels of government to partner and work together on our region's transition.

Latrobe City is committed to fostering economic diversification by attracting new industries, supporting local entrepreneurship, and promoting innovation. *Our Transition* plan highlights opportunities in emerging sectors such as renewable energy, advanced manufacturing, tourism and creative industries, where we aim to generate new employment opportunities and stimulate economic growth.

In March this year, Council and Swinburne University of Technology signed a partnership agreement to collaboratively co-design the future of Advanced Air Mobility (AAM). The announcement was made at the Avalon Air Show with the partnership set to explore how advanced air mobility can be established at the Latrobe Aerospace Technology Precinct, driving economic growth in the region.

Council and Swinburne have a shared vision to position and develop Victoria as a national and global leader of advanced air mobility, creating innovative new economic, social and environmental opportunities for Australia. The diversification of Latrobe Regional Airport will create new industry and enable investment and employment opportunities.

Council welcomed the Victorian Government's commitment to re-establish the State Electricity Commission (SEC) in Morwell as noted in the Victorian Budget 2023/24. As an election commitment, the re-establishment of the SEC in Morwell will generate long-term employment opportunities for Latrobe City and support the community through a significant period of change now and into the future.

The commitment aligns with Council's own goals to harness opportunities in renewable energy and attract cutting-edge industry to our region.

The financial year 2022-2023 was marked by remarkable progress against the Council Plan 2022-2025. This Annual Report encapsulates our journey through a year which saw our ongoing commitment to sustainable practices in environmental stewardship, with initiatives focused on reducing our carbon footprint and creating a more sustainable future for generations to come.

We prioritised infrastructure development to enhance the quality of life for our community. From road improvements to community facilities, such as the ongoing works at Stage 2 of the Moe Revitalisation Project and Stage 1 of Kernot Hall refurbishment, these investments lay the foundation for a more connected and prosperous Latrobe City.

Cultural enrichment remains a central focus of our efforts. Our commitment to the arts and culture has resulted in vibrant events, exhibitions and initiatives that celebrate our diversity and foster a sense of belonging. The Morwell Rose Garden was once again the focus of another wonderful celebration of all things roses as this year's Festival provided an opportunity for community to connect and gather. The AGL Night Light Installation was appreciated by many who took the time to smell the roses while exploring the garden.

We celebrated the work of our city's volunteers with our first Volunteer Expo, which provided not only a platform to acknowledge the efforts of our wonderful volunteers but also connected individuals looking to volunteer with community groups.

Our businesses, organisations and individual community members have shown remarkable adaptability and innovation, reaffirming our status as a dynamic and forward-thinking community. Council continues to support small business, with a focus on supporting their growth and development. In August 2022, we hosted the very successful Small Business Festival providing attendees with the opportunity to hear from expert speakers whilst networking and sharing experiences with other local business owners and operators.

As we look ahead to the future, Latrobe City Council remains dedicated to supporting our community. We are committed to fostering economic growth, improving infrastructure, enhancing the quality of life for our community and ensuring that Latrobe City continues to be a place where opportunities flourish.

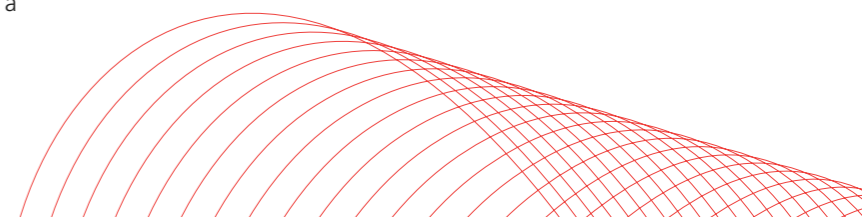
I extend my appreciation to our dedicated staff, led by Chief Executive Officer Steven Piasente, and to my fellow councillors who have tirelessly worked to make Latrobe City a better place for all. Your dedication is the driving force behind our accomplishments.

It is an enormous honour and privilege to be able to represent Latrobe City, and I thank everyone for their generous support. I continue to be in awe of our community's commitment to the betterment of Latrobe City.

This report is a testament to the collective efforts of our community, and I invite you to explore the milestones and achievements we've reached together. As we move forward, let us continue to build on our successes and face the future with optimism, determination and the knowledge that together there is no challenge too great.

**Cr Kellie O'Callaghan**

**Mayor  
Latrobe City Council**









## Message from the CEO

**I am pleased to present the Annual Report for 2022/2023 on behalf of Latrobe City Council. It is with immense pride that we reflect on the progress and accomplishments of the past year, highlighting our commitment to serving our community and driving positive change.**

In a year marked by challenges, with confirmation of closure dates for our region's power stations and the early cessation of the native timber industry, we have remained steadfast in our vision to enhance our community's quality of life and create an environment where everyone can prosper. Our goal remains to be known as the most liveable regional city at the forefront of innovation that is smart, creative, healthy, sustainable and connected.

We have persevered, despite these challenges, by adapting and innovating to meet the evolving needs of our community... Our dedicated team, in collaboration with community members, have worked tirelessly to deliver services and support, address the actions in our Council Plan 2021-2025, and ensured the voice of our community is continually heard by all levels of government through strong and effective advocacy efforts.

Our key accomplishments include the launch of *Our Transition*, a comprehensive road map to support our region's transition and transformation. Our approach to transition reflects the key actions and performance measures of the Council Plan, while remaining responsive to a dynamic and ever-changing environment.

As Gippsland's Regional City, Council plays a pivotal leadership role in advocating for both public and private investment to support our community's aspirations. Central to our efforts has been the diligent pursuit of Council's investment roadmap, aimed at attracting investments that will catalyse our region's growth and development.

A significant milestone on this journey included the signing of a partnership agreement with Swinburne University of Technology in March 2023. This partnership marks a substantial step towards positioning Latrobe City at the forefront of Advanced Air Mobility (AAM) technology. It underscores our commitment to innovation and the exploration of emerging technologies that have the potential to transform our region's economy and create new opportunities. Through collaborations like these, we are actively shaping the future of our City, fostering a culture of innovation and actively pursuing investments that will bring about positive change and long-term prosperity.

We remain committed to supporting the prosperity and growth of our existing businesses. Throughout the past year, we continued to demonstrate our dedication through initiatives such as the Small Business Festival. This event served as a platform to empower and celebrate the entrepreneurial spirit of our local businesses, providing them with valuable insights and resources to thrive in a dynamic market.

Additionally, we supported the formation of the Latrobe City Business Chamber, a significant milestone in our efforts to foster a thriving business community. Our commitment to this endeavour is exemplified by our funding contribution, supporting the Chamber's inaugural year of operation. We believe that a strong and united business community is essential for the overall economic wellbeing of Latrobe City. This partnership is a testament to our shared vision for growth and prosperity.

We have remained steadfast in our commitment to enhance our community's infrastructure, both through improvements to existing facilities and the development of new ones. Throughout the past year, we have made substantial progress.

As part of the 2022/2023 Black Spot Program, we successfully delivered a series of road safety improvements. Our major projects have been advancing steadily, with works progressing on

both the Stage Two Moe Relativisation Project and the Stage One Kernot Hall Redevelopment. These projects are pivotal in enhancing our region's infrastructure and ensuring that we provide first-class facilities for our community.

In line with our commitment to improving the quality of life for all residents and enhancing overall wellbeing, we introduced the Stroll and Roll program to local primary schools as part of the VicHealth Local Government Partnership project. This initiative encourages physical activity and healthy habits among our youngest community members, setting the foundation for a healthier future.

In October 2022, Council endorsed the Ageing Well Latrobe Action Plan 2022 – 2026. This strategic plan is a testament to our dedication to shaping a healthy, safe, and resilient community for older people to live. We are committed to ensuring that our senior residents enjoy a high quality of life, with access to the resources and support they need to thrive.

These initiatives, alongside our ongoing infrastructure developments, are essential components of our vision to create a vibrant, inclusive and prosperous Latrobe City. We remain committed to working hand in hand with our community to ensure that Latrobe City continues to evolve and improve, making it an even better place to live, work and play.

We remain dedicated to creating a more inclusive Latrobe City. Throughout the year, we celebrated and recognised the diverse tapestry of our staff and community members on various occasions, such as International Women's Day, IDAHOBIT Day, International Day of People with Disability and Reconciliation Week. These celebrations demonstrate our unwavering commitment to promoting equity, diversity and inclusion in all aspects of our work.

Council continued to deliver on its promise of active engagement with community. In April 2023, we launched the online *Have Your Say Latrobe* engagement platform, providing an

accessible and inclusive avenue for community members to share their thoughts and ideas with us.

This Annual Report is a record of another year of achievement by everyone at Latrobe City Council. We are proud of what our staff and Councillors have been able to achieve. I would like to acknowledge and thank everyone – from our Mayor, Councillor Kellie O'Callaghan, Councillors to our staff for their dedication and commitment to ensuring that the community has remained front of mind — despite the challenges presented.

I would also like to pass on my thanks to business and industry partners and community for the successes we have achieved in the last 12 months. It has been an incredible privilege to work with you all in delivering for Latrobe City. I look forward to carrying the momentum for many years to come as we continue to transform our vibrant City and deliver for our community as we seek a 'Life Transformed'.

As we move forward into the coming year, we are excited about the opportunities and challenges that lie ahead. We are committed to actively engaging with our community to shape our shared future, ensuring that our decisions reflect the values and aspirations of the people we serve.



**Steven Piasente**

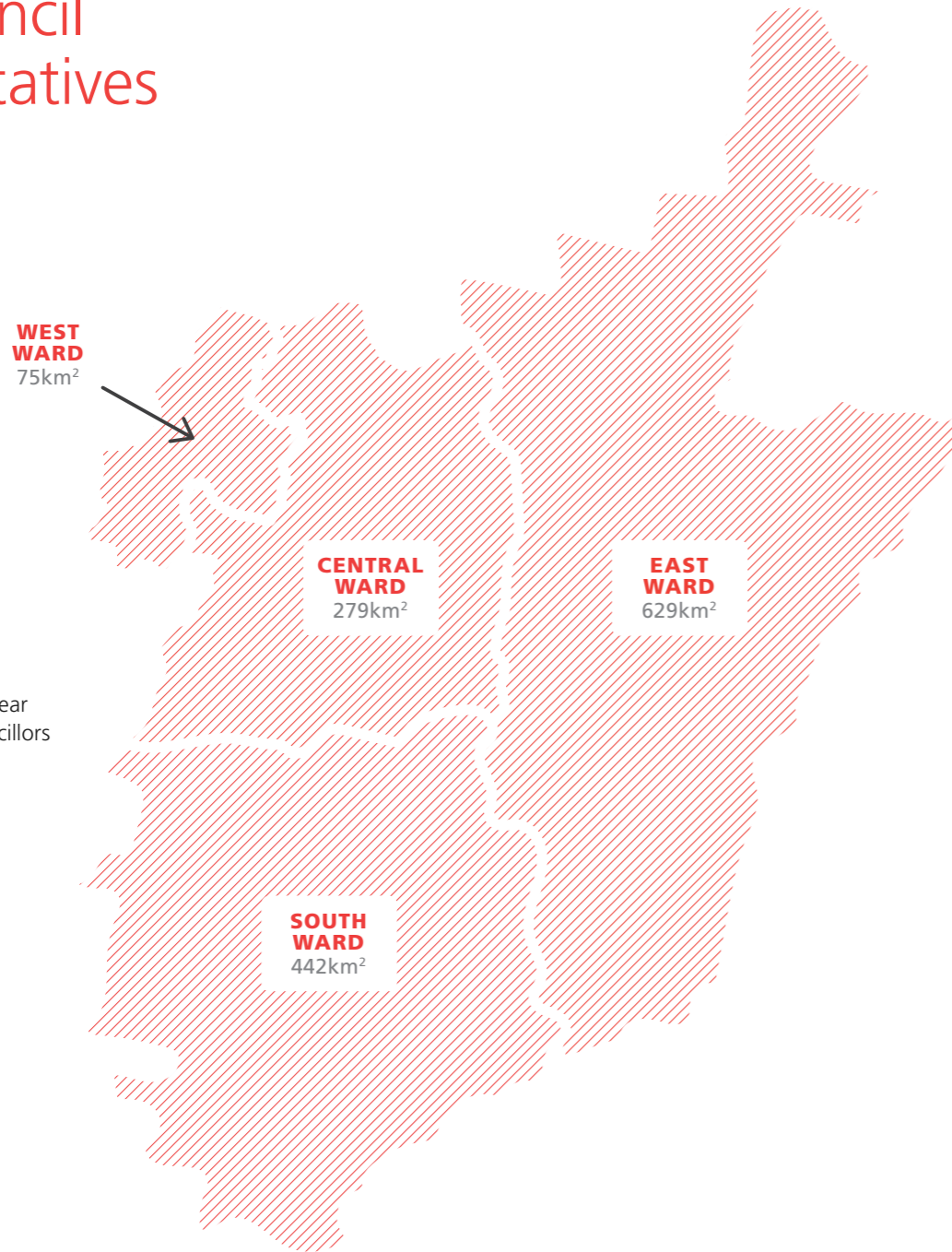
Chief Executive Officer  
Latrobe City Council





# Your Council Representatives

Latrobe City’s Council was elected in 2020 for a four year term comprising nine Councillors representing four wards.



**Mayor**  
**Kellie O'Callaghan**  
**East Ward**  
 P: 5128 6185  
 E: kellie.o'callaghan@latrobe.vic.gov.au

Cr Kellie O'Callaghan was first elected in 2008. Cr O'Callaghan is the current Mayor and was previously Mayor in 2010, 2017 and 2022.



**Deputy Mayor**  
**Dan Clancey**  
**East Ward**  
 P: 0428 664 968  
 E: dan.clancey@latrobe.vic.gov.au

Cr Dan Clancey was first elected in November 2016. Cr Clancey was Mayor in 2020.



**Councillor**  
**Darren Howe**  
**East Ward**  
 P: 0429 113 015  
 E: darren.howe@latrobe.vic.gov.au

Cr Darren Howe was first elected in November 2016.



**Councillor**  
**Dale Harriman**  
**East Ward**  
 P: 0419 399 093  
 E: dale.harriman@latrobe.vic.gov.au

Cr Dale Harriman was first elected in 2011. Cr Harriman was Mayor in 2014.



**Councillor**  
**Graeme Middlemiss**  
**Central Ward**  
 P: 0417 379 059  
 E: graeme.middlemiss@latrobe.vic.gov.au

Cr Graeme Middlemiss was first elected in 1997 during the first Latrobe Shire Council elections. Cr Middlemiss has been on Council for over 20 years and was Mayor in 2003 and 2019.



**Councillor**  
**Tracie Lund**  
**Central Ward**  
 P: 0437 977 130  
 E: tracie.lund@latrobe.vic.gov.au

Cr Tracie Lund was first elected in November 2020.



**Councillor**  
**Bradley Law**  
**West Ward**  
 P: 0428 560 501  
 E: bradley.law@latrobe.vic.gov.au

Cr Bradley Law was first elected in November 2016.



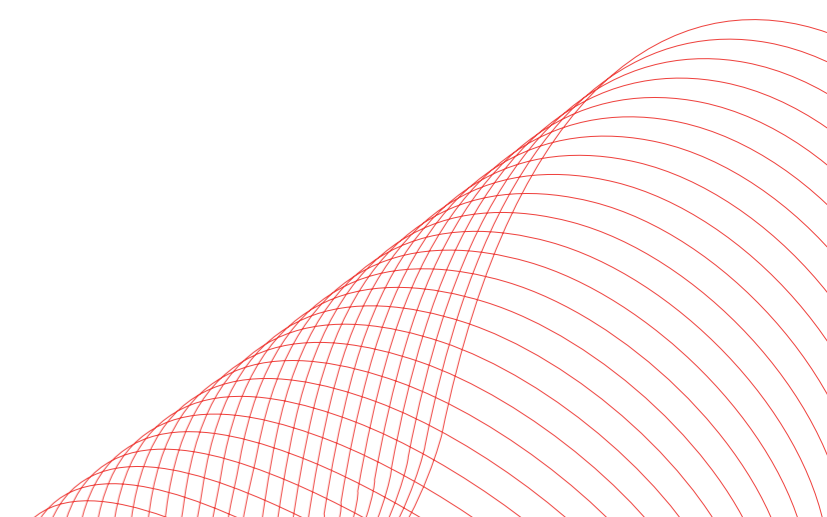
**Councillor**  
**Sharon Gibson**  
**West Ward**  
 P: P: 0429 338 762  
 E: sharon.gibson@latrobe.vic.gov.au

Cr Sharon Gibson was first elected in 2008. Cr Gibson was Mayor in 2013 and 2021.



**Councillor**  
**Melissa Ferguson**  
**South Ward**  
 P: 0437 744 491  
 E: melissa.ferguson@latrobe.vic.gov.au

Cr Melissa Ferguson was first elected in November 2020.





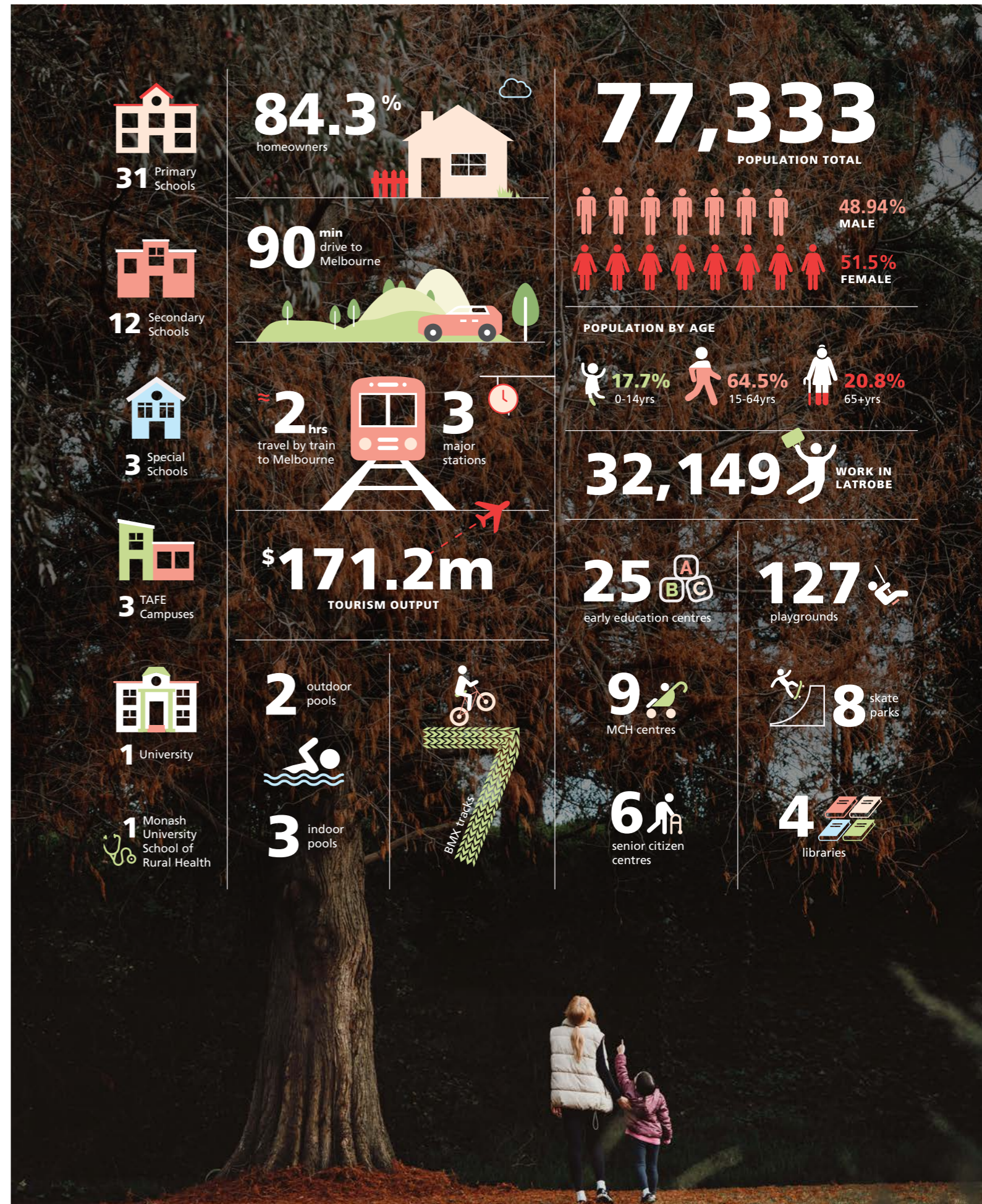
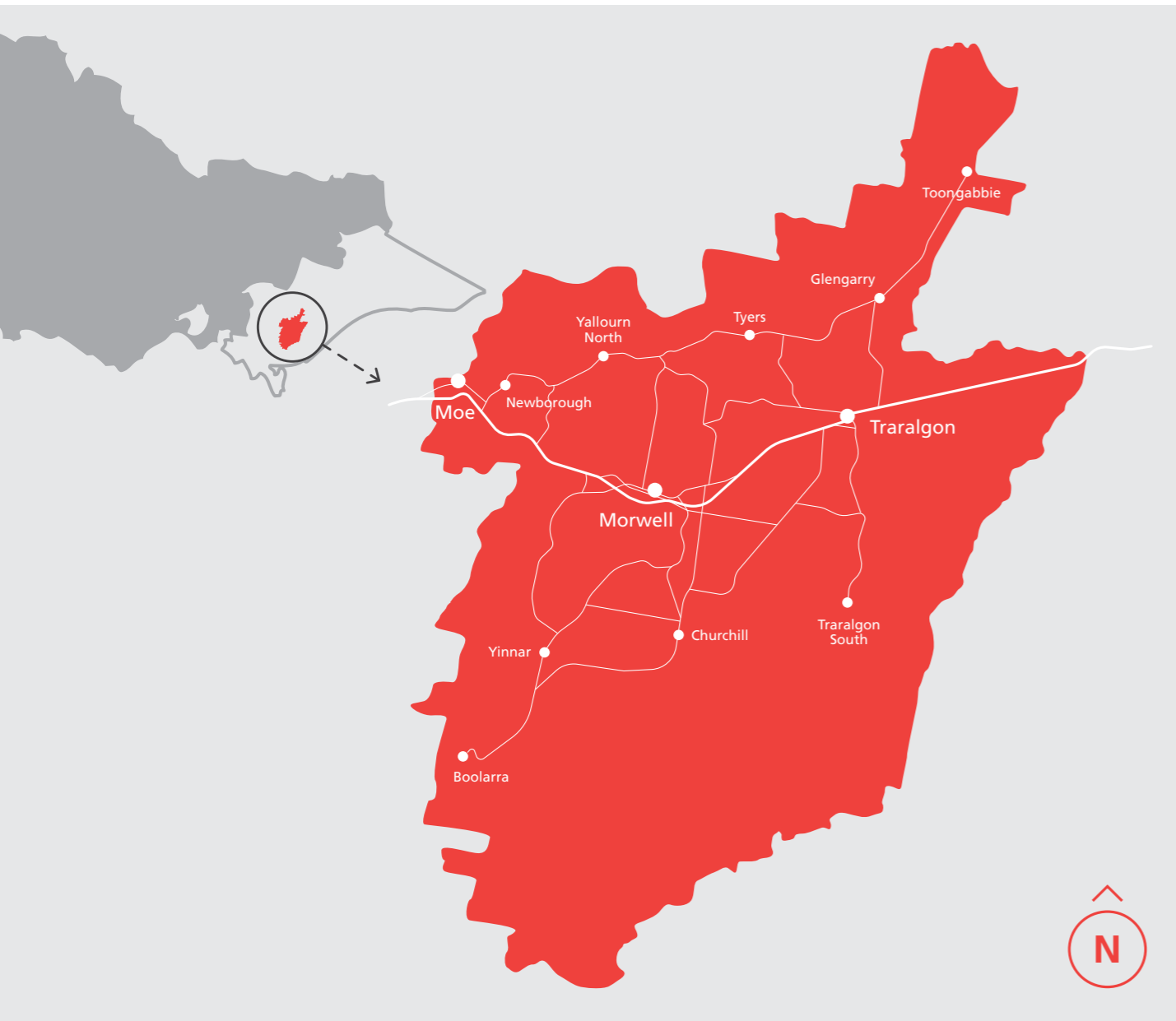
# Latrobe City Snapshot & Profile

Latrobe City is Victoria's eastern Regional City and Gippsland's primary service centre and employment hub, providing retail, entertainment, education, government and health services to the region.

Latrobe City is located an hour and half drive east of Melbourne covering an area of 1,425 square kilometres situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north.

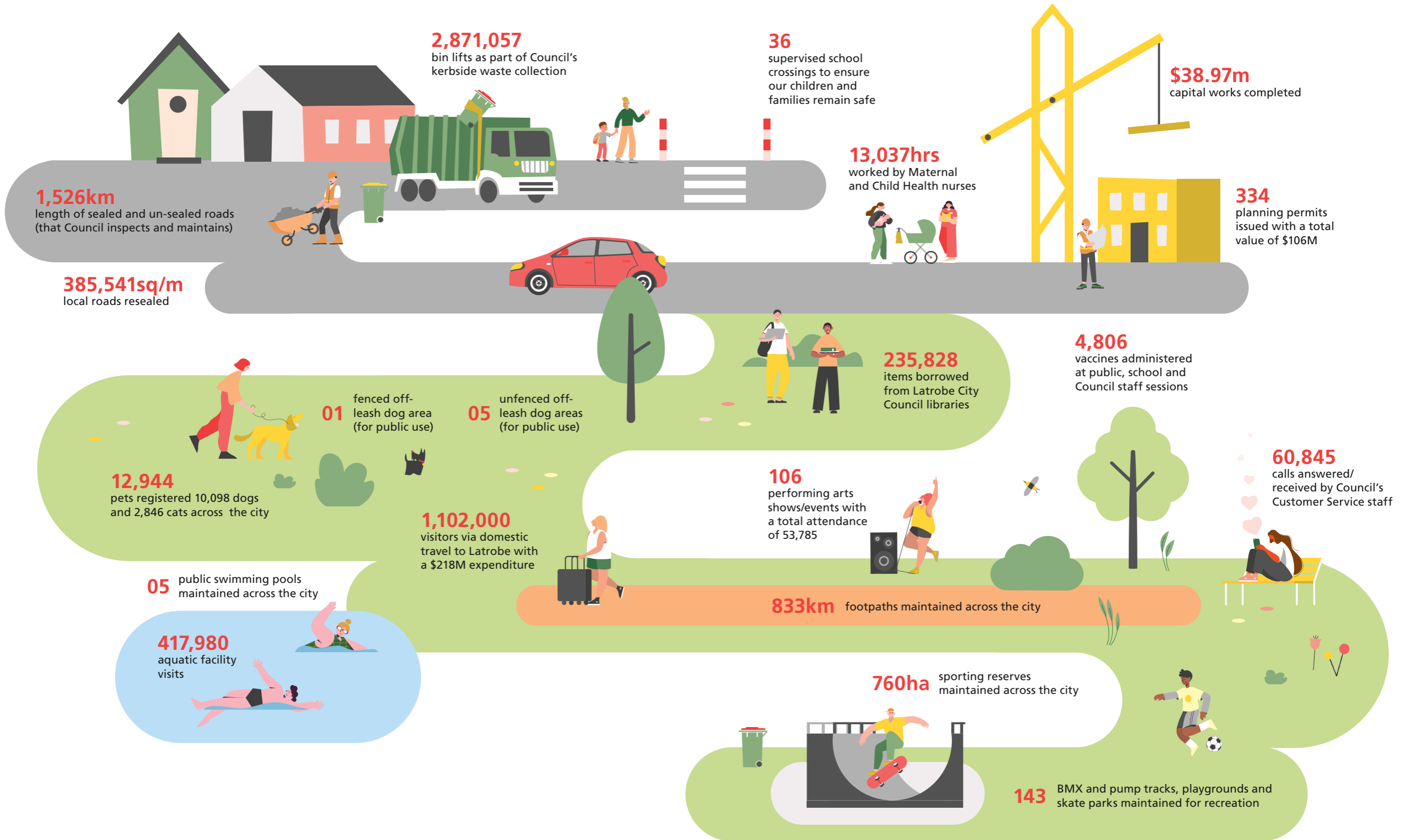
The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar.

The rural landscape in between townships houses a large population of hard working farmers and residents who enjoy the peace and tranquillity that comes with country life.





# Year in Review





# 02 Our Organisation

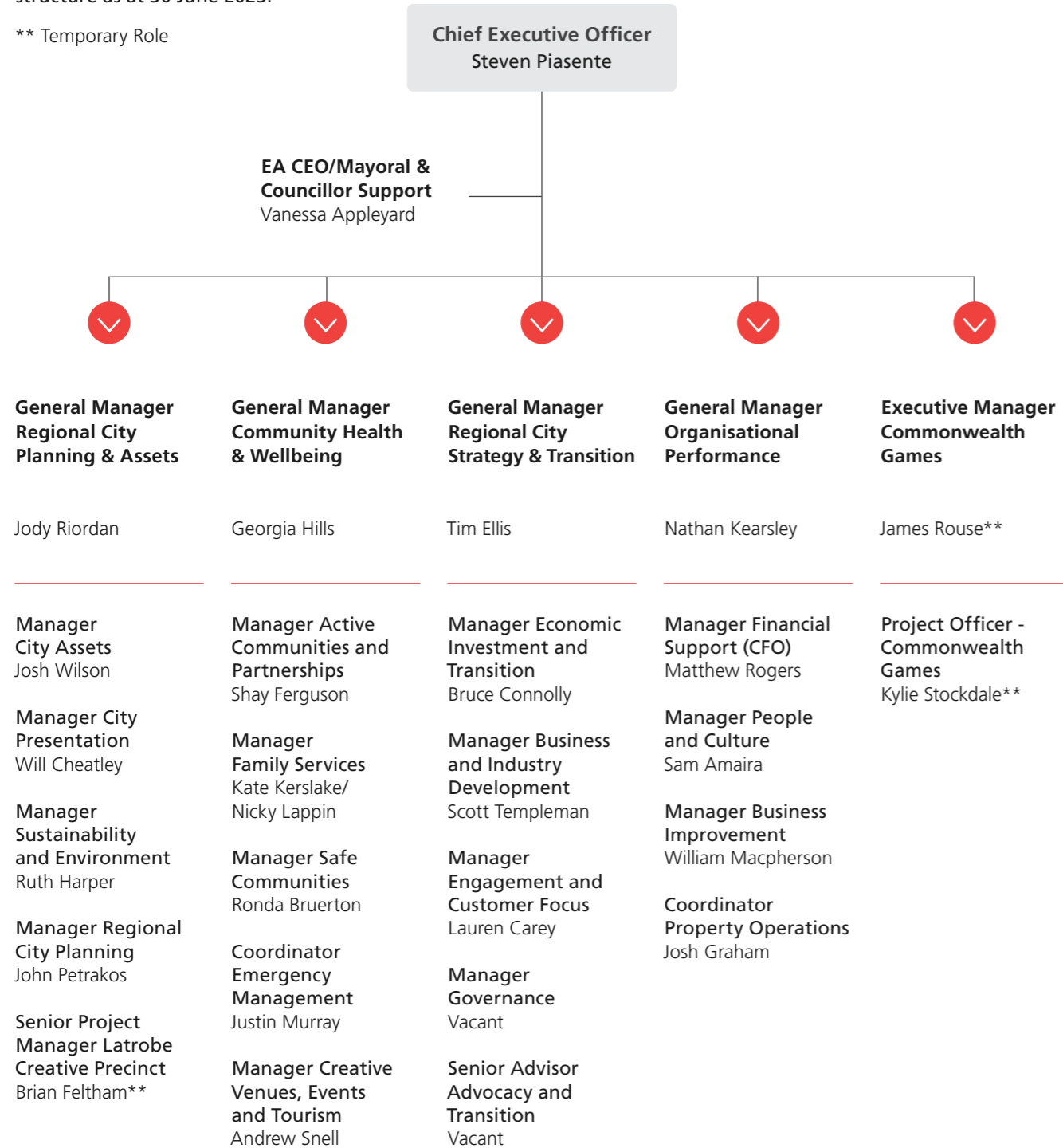




# Organisational Structure

We implemented this structure as at 30 June 2023.

\*\* Temporary Role



# Service Snapshot

## BUSINESS DEVELOPMENT

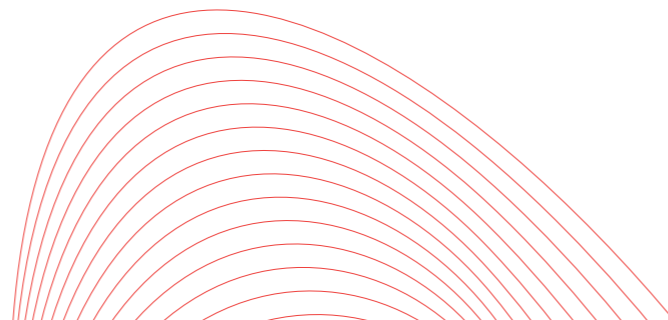
- Investment attraction
- Manage, maintain and develop the Latrobe Regional Airport
- Support aviation-related employment at Latrobe Regional Airport
- Business development, support and training services
- Economic modelling and impact analysis
- New business support
- Startup ecosystem
- Pursue new business investment and employment growth
- Develop the Gippsland Logistics Precinct
- Concierge system to support people seeking permits and licences
- Focus on transitioning workforce
- Net Zero future and what does this mean
- Main street revitalisation
- Advanced Air Mobility developments
- New Energy opportunities – hydrogen, off shore wind, batteries and solar

## CULTURE, LEISURE AND RECREATION

- Four indoor leisure centres and three outdoor pools
- 18 indoor stadiums/courts across four facilities
- Traffic School
- Support community committees
- 60 sporting reserves, BMX tracks and skate parks
- Maintain 626ha of open space parks and 14ha of garden beds
- Maintain 15.6ha of wetlands and rain gardens
- Maintain 127 playgrounds
- Support the Airlie Bank Nursery development
- Kerbside spraying and tree planting
- Garden competition
- Recreation planning
- Open space planning
- Latrobe Regional Gallery
- Gippsland Performing Arts Centre
- Provide halls and minor venues for community hire

## COMMUNITY INFORMATION AND DEVELOPMENT

- Provide information about Council services
- Recording and processing customer requests
- Support the delivery of Council strategies, projects and programs to deliver improved health and wellbeing within our community
- Advocate on behalf of our community for better health and wellbeing outcomes
- Improve liveability for people with a disability within the community
- Support a more connected and engaged community across all ages
- Creation of training and employment opportunities for Indigenous people
- Promote Reconciliation





## Service Snapshot (cont.)

### ENVIRONMENT

- Council emissions reporting (water, electricity, gas and fuel)
- Approximately 400km of rural roadside weed management
- Vegetation removal permit assessments
- Vehicle emissions offsets (tree planting)
- Participate in industry and community environment committees and networks
- Bushland reserve management
- Forestry coup compliance reviews
- Initiate Carbon Offsets
- Environmental education services
- Trust for Nature property rate rebates
- Biodiversity protection incentive program grants
- Community tree planting
- Waterway management services

### PLANNING

- Ensure adherence to the Planning and Environment Act 1987 and Subdivision Act 1988
- Provide statutory planning permit application and post-permit compliance services
- Undertake strategic planning research and land use policy development
- Manage Council and community initiated planning scheme amendments and development plans
- Manage development infrastructure contributions
- Facilitate infrastructure delivery planning and coordination

### EVENTS AND TOURISM

- Develop, attract and promote events
- Support the facilitation of community events
- Deliver Council civic events and festivals
- Support Latrobe City and broader Gippsland's tourism industry
- Operate an accredited Visitor Information Centre
- Produce tourism brochures to promote region, including maps and scenic drives

### LIBRARIES

- Operation of four public libraries
- Program of social and learning opportunities for adults and seniors including Tech Savvy, Social Seniors, Good Old Days, Movie Club and more
- Resourcing the community, including fiction and non-fiction books, CDs and DVDs, audio books, and hard copy newspapers and magazines
- Digital library resources including eBooks, eMagazines, eAudiobooks, eMovies, eNewspapers, family history databases, research and learning tools for leisure, skills updates and employment prospects
- Community access to meeting rooms, learning spaces, public computers and free WiFi
- Author talks and guest speakers/presentations, including an annual literary festival
- Community outreach program
- Preschool Storytime, Baby Bounce, Wiggle and Jiggle, school holiday program and other children's activities
- Work experience placements
- Podcast studio and electronic games for community use at the Moe Library

### FAMILY AND CHILDREN

- 3 and 4 year old kindergarten programs delivered across 25 preschools
- Maternal and Child Health services provided throughout the municipality
- Enhanced Maternal and Child Health program
- Best Start program
- Early Years participation
- Preschool Field Officer program
- Long Day Care offered in three locations
- Supported Playgroups
- Parent education and new Parent groups
- Immunisation program
- Regional Assessment Service

### INFRASTRUCTURE

- Design and deliver Council's capital works programs
- Engineering investigation and support
- Planning for Latrobe City's current and future civil infrastructure needs
- Ensure existing infrastructure is maintained and protected
- Asset management planning and traffic management
- After hours emergency works for buildings
- Fixed plant and equipment maintenance and upgrades
- Maintenance of buildings, roads and drainage
- Vegetation and other Council owned assets
- Planning and supervision of development works
- 833km of paths maintained annually
- 1,499km of roads maintained annually
- 760ha of open space area maintained annually; inclusive of trees, grassed areas, gardens and sports-fields
- 187 formalised playgrounds maintained annually



### RUNNING COUNCIL

- Communications and community engagement
- Organisational business planning and performance reporting
- Facilitate Council meetings
- Office of the CEO
- Mayoral and Councillor support
- Facilitate Council elections
- Develop Latrobe City Council Plan and Annual Report
- Financial management and preparation of the Budget
- Information and technology solutions
- Corporate information management
- Facilitate compliance requirements including registers, policies and reporting
- Human resources services
- Risk management and insurance
- Legal services
- Occupational health and safety
- Facilitate internal audits
- Freedom of information requests
- Property services
- Recruitment
- Payroll

### SAFE COMMUNITIES

- Implementing Council local laws, environmental health and building standards, and relevant legislation
- Registration and monitoring of food and beauty premises
- Wastewater management
- School crossing supervision
- Animal management services, including:
  - Pet registrations, collection of stray pets and managing pound operations
  - Cat cage hire, animal adoptions and microchipping
  - Pet care education and promotion
- Unsanitary/unsafe property inspections
- Road safety education and awareness
- Legal proceedings
- Building permit services
- Pool barriers audit program
- Ensure adherence to the Building Act 1993
- Building audits and education

### EMERGENCY MANAGEMENT

- Fire risk preparedness and prevention property notices
- Plan and prepare communities for disasters
- Provide emergency support to disaster-affected communities

### WASTE AND RECYCLING

- Management of kerbside garbage collections, processing of recyclables and organics, and transfer stations
- Hard Waste kerbside collection service
- Manage and monitor illegally dumped rubbish
- Manage and monitor landfill facilities
- Rehabilitation and after care of closed landfills
- Development of new landfill cells
- Lead initiatives to divert waste from landfill
- Implement biogas energy generation technology
- Management of Australian Carbon Credit Units (ACCU's) and Large-Scale Generation Certificates (LGC's)

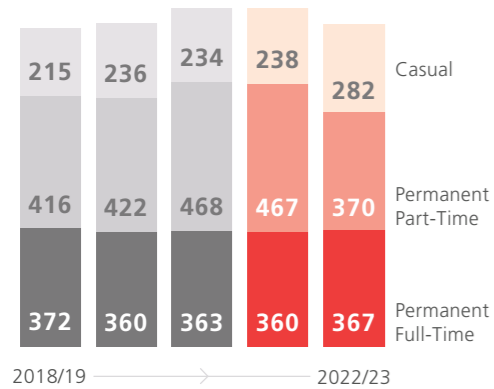


# Our Employees

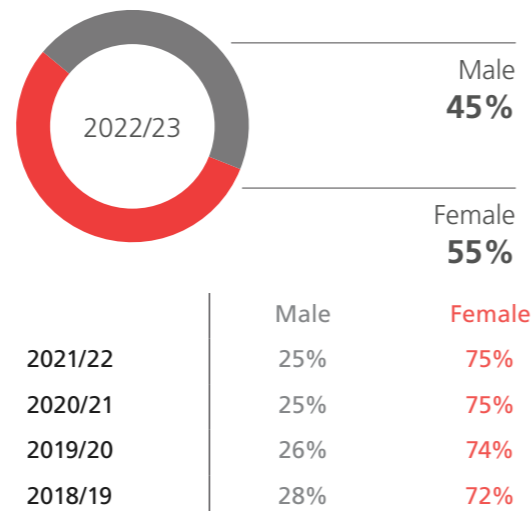
Latrobe City Council is committed to attracting, developing and retaining employees with a diverse range of qualifications, abilities and a passion for delivering quality services to the community.

Council values and celebrates the contribution of its people, working together in the spirit of honesty, teamwork and trust. As of 30 June 2023, Latrobe City Council employed 1019 people, comprising full-time, part-time and casual employees. The number of equivalent full-time positions (FTE) is 568.

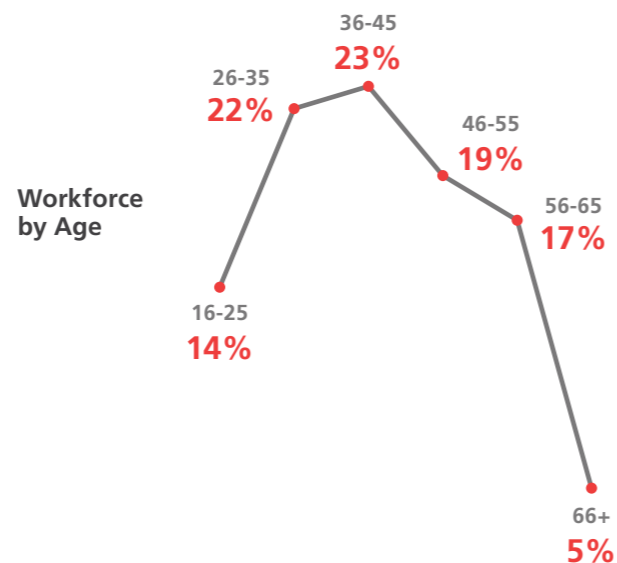
### Staffing Levels



### Gender Profile



The change in gender profile over the past year can be attributed to the Aged Care transition that occurred in the 2021/22 year.

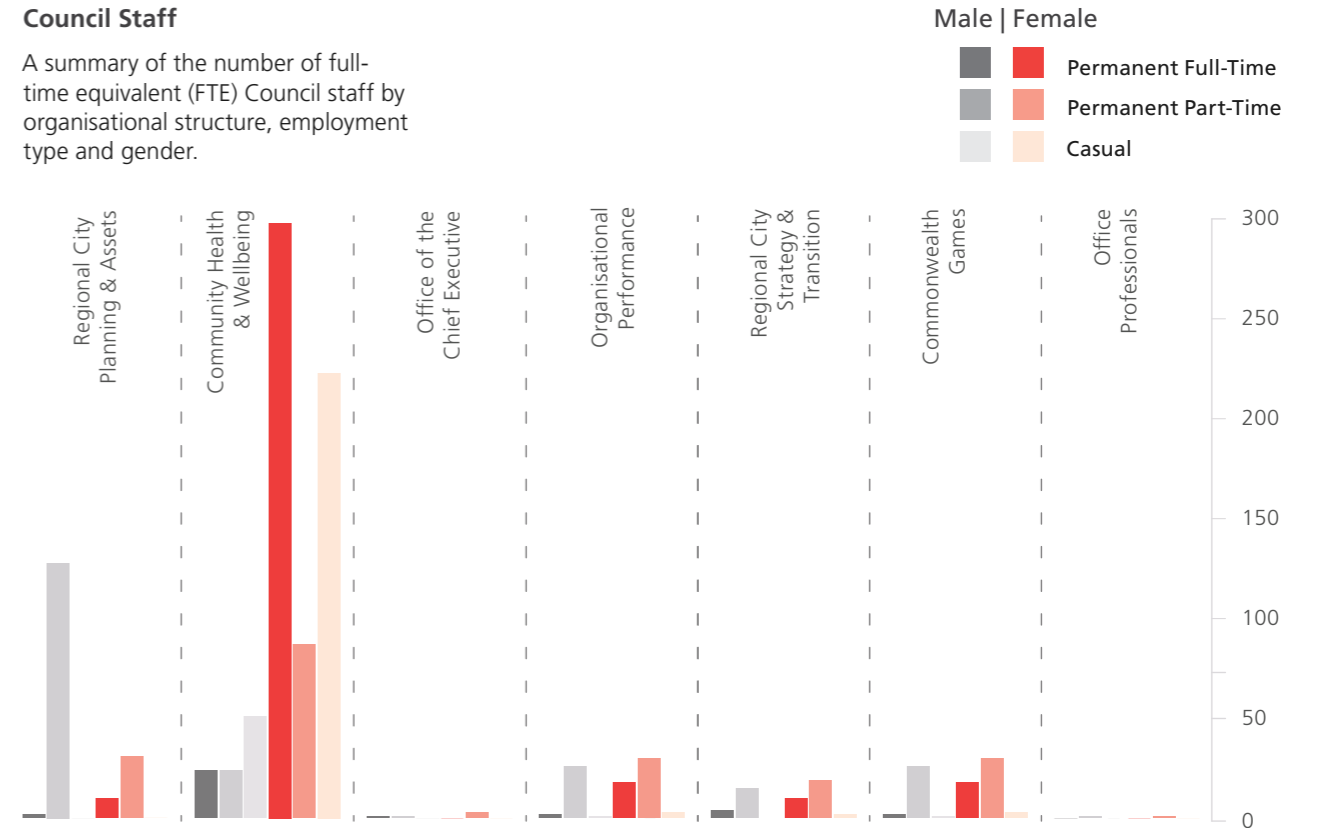


**1019**  
staff overall



### Council Staff

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



Four employees across the organisation have been identified as self described or prefer not to say. They have not been included in the above due to potential privacy concerns.

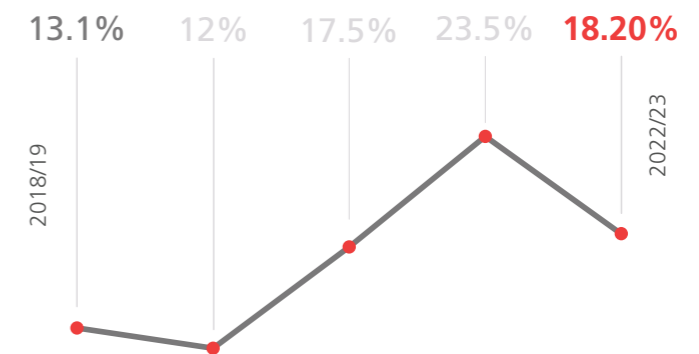
### Salary Banding

Male	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	1	54	15	34	34	25	16	16
Permanent Part-Time	9	2	9	4	4	4	1	0	0
Casual	2	2	32	16	0	0	0	0	0
Female	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	9	34	35	44	16	10	19
Permanent Part-Time	28	11	19	82	30	25	4	1	136
Casual	11	25	75	48	2	2	0	0	65

Four employees across the organisation have been identified as self described or prefer not to say. They have not been included in the above due to potential privacy concerns.

**5.3%**  
decrease in  
staff turnover

Council carefully reviews feedback from exiting employees to identify any issues that led to their departure. These results include seasonal and casual staff.





# 03 Our Direction





# Council Plan Objectives 2021-2025

## OUR VISION

In 2031 Latrobe City will be known for being smart, creative, healthy, sustainable and connected. It will be the most liveable regional city and at the forefront of innovation.

Working together we are a diverse, connected and resilient community, supporting the equitable diversification of our economic base and transition towards a low emissions future.

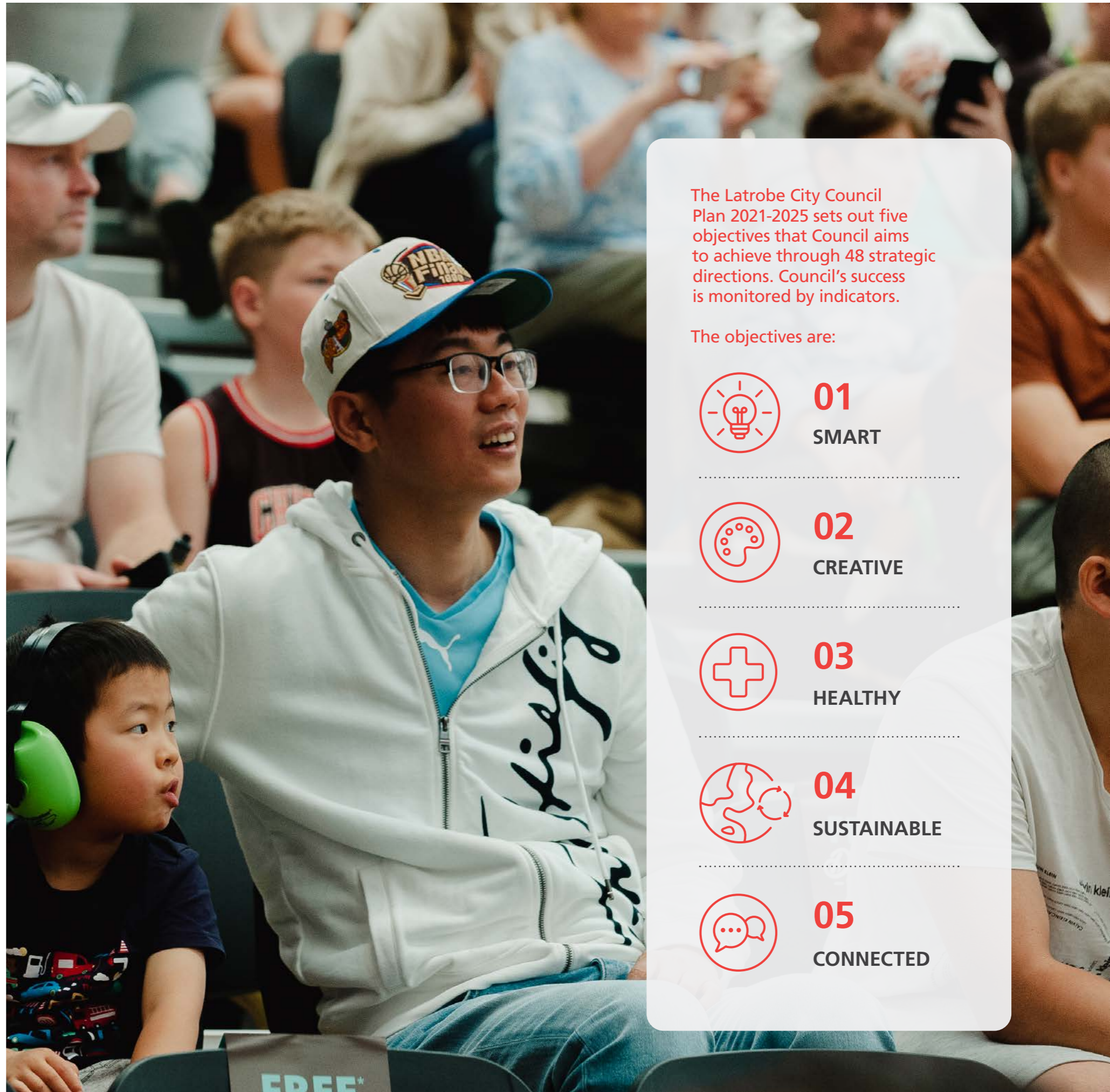
We are known as a community that is equitable, liveable and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

## OUR VISION AND COUNCIL PLAN 2021–2025

In early 2021, over 1,500 people across all ages put forward their ideas for Latrobe City’s future. The Community Vision seeks to capture what our community values most. It draws upon the interests and broad identities of our diverse community and their sense of what Latrobe City means now and into the future. Everyone counts in Latrobe City and we continually endeavour to tap into the voices of people from a variety of backgrounds to develop our plans.

The Community Vision sets out the challenge for the Council Plan and Municipal Public Health and Wellbeing Plan. Council has considered community input and survey results in settling on the final form of the Community Vision and Council Plan.

The strategic directions in this plan were drawn heavily from the work of the Community Panel and are drafted with reference to statements developed in the course of the Panel’s work.



The Latrobe City Council Plan 2021-2025 sets out five objectives that Council aims to achieve through 48 strategic directions. Council’s success is monitored by indicators.

The objectives are:



**01**  
**SMART**



**02**  
**CREATIVE**



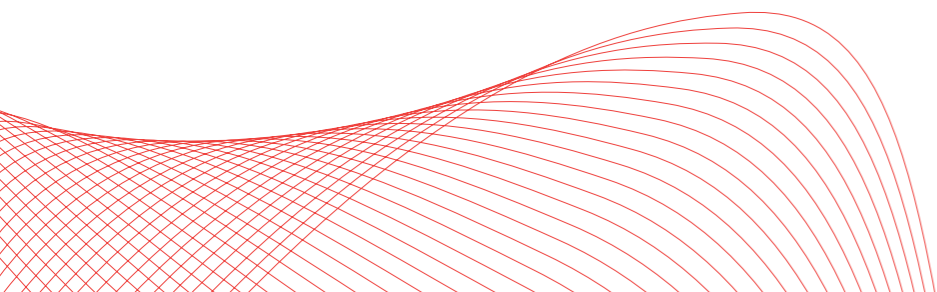
**03**  
**HEALTHY**



**04**  
**SUSTAINABLE**



**05**  
**CONNECTED**





**REPORT OF OPERATIONS**

The report of operations is Council's statement of progress on the implementation of the Council Plan. The Council Plan is a four year plan with associated strategies and actions. This report reflects actions that have either been completed or progressed in the second year of the Council Plan and does not include a statement of progress on every action.

**Smart**

**STRATEGIC DIRECTIONS**

Latrobe City has a highly skilled workforce, access to education and training and we are invested in growing the capacity of our community, supporting innovation and invention.

We are focused on creating opportunities and exploring health innovation, digital industries, alternative energy and value-added advanced technology and manufacturing. We support diversification of our industrial base and the development of opportunities for highly skilled employment into the future.

**Support COVID-19 recovery priorities for the benefit of local businesses and community**

Action	Comment
Continue to implement the Business and Community Recovery Support Package	The final projects of the COVID Safe Outdoor Activation Fund, the Café Umbrella and Barrier project and Business Support events/workshops were completed throughout the financial year.

**Attract investment in key industries including working towards net zero emissions energy generation, food and fibre, engineering, manufacturing, hydrogen, education and health services through the delivery of Council's investment roadmap**

Action	Comment
Continue to implement the Investment Roadmap 2030 and beyond, and report to Council on outcomes as requested	Investment activities undertaken include the Advanced Air Mobility project, Advanced Manufacturing at the Gippsland Logistics Precinct and liaison with Invest Victoria.
Develop and implement Investment Attraction strategies for identified focus areas	An abstract for Advanced Air Mobility was submitted and accepted for the upcoming Australian Association for Uncrewed Systems Melbourne summit. Letters have been provided to several businesses/organisations in support of their establishment at the Latrobe Regional Airport, a further meeting is scheduled with Invest Victoria. Meetings with recycling companies to establish at the Gippsland Logistics Precinct have taken place. Engagement has been conducted with Invest Victoria regarding further information relating to the Gippsland Logistics Precinct provided. Discussions continue the geo-thermal loop.
Formation of a new business trader group that is representative of all business and community groups in Latrobe City	Latrobe City Council is supporting the Latrobe City Business Chamber (LCBC) by providing a funding contribution to the Chamber's first year of operation. The LCBC aims to become the premier business networking, support and representation organisation representing the interests of all of Latrobe City.

**Support reactivation of the local economy and deliver support to the start-up ecosystem through delivery of Council's economic development program**

Action	Comment
Work with the Startup Gippsland Program	The LaunchVic 'Startups Start Here' campaign was launched in February 2023 to support the Ecosystem Building Program and an Ideation Bootcamp was held in April 2023.



**Attract skilled business migrants to establish businesses in Latrobe City**

Action	Comment
Develop and implement a Skilled Business Migration Strategy	The Skilled Migration Strategy has been incorporated into the reactivated International Engagement Committee.

**Support innovative and sustainable uses of our diverse natural resources**

Action	Comment
Coordinate the delivery of the annual roadside weed management and Forestry Coupe audit programs	The annual roadside weed control program for 2022/23 has been delivered.
Coordinate the implementation of changes to waste and resource recovery services in accordance with current legislation and the Victorian Government's Recycling Victoria Policy	All tenders have been assessed and accepted as the final terms and conditions are created. The contractual agreements, final scope of works for each Council and pricing mechanisms are being produced for Council endorsement.
Develop and deliver a utilities audit program to identify efficiencies and cost savings across Latrobe City Council facilities and services	A review of bills and tariffs was conducted, resulting in a saving of approximately \$50,000. Additionally, modifications were made to ensure new sites set up would be on the correct tariff and bill verification processes have been implemented.

**Deliver a digitally connected city and support innovation**

Action	Comment
No actions identified for this Strategy in 2022/23	



Continue to support our existing business community so they can prosper and grow

Action	Comment
Continue to deliver services to the business community	Small business workshops were held throughout the financial year including the Latrobe City Council Networking event and Start-Up Gippsland Activation program. The 2022/23 financial year saw 300 attendees and 76 businesses participate across all workshops, events and campaigns.
Deliver the Latrobe City Small Business Festival	In August the team hosted the Latrobe City Small Business Festival, a week-long celebration of small business with over 300 people in attendance across numerous events aimed at business and the broader community.

Support the development of our education and training institutions through partnerships promoting skills development within our local workforce including support for the Morwell Innovation Centre and Teaching Space at the Gippsland Performing Arts Centre

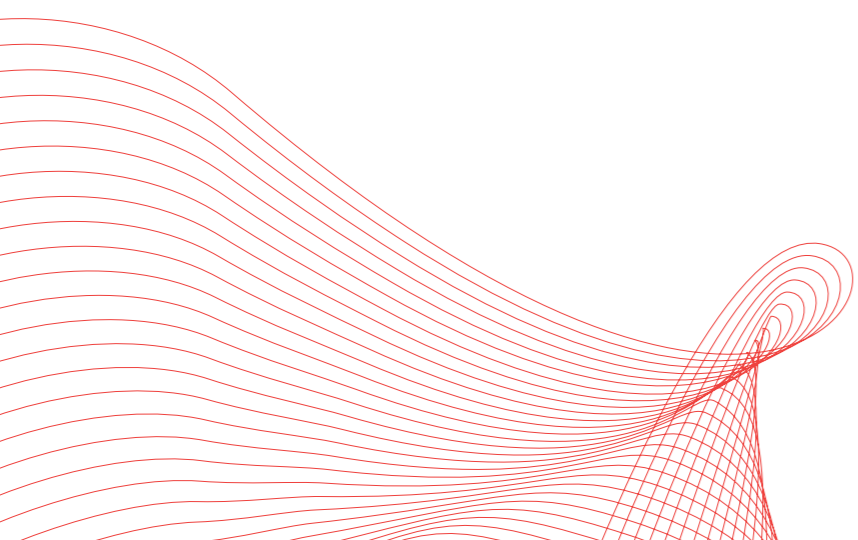
Action	Comment
Creative Industries Training Centre (CITC)	The final stages of the CITC fitout are about to commence, which includes construction of the classroom space; however, this is subject to the building permit process completion.

Continue to support excellence in early childhood services delivering exceptional early learning experiences and positive maternal and children's health outcomes

Action	Comment
First 1000 days project	Welcome Boorai to Country was a success, held at GPAC in September 2022. Evaluation of the program has been undertaken with recommendations made to improve the program.

Activate the Gippsland Logistics Precinct with infrastructure and services to attract inward investment by industry and businesses

Action	Comment
Activate investment in the Gippsland Logistics Precinct	Ongoing work continues to be undertaken to follow up potential tenants, marketing collateral will be finalised when timeframes for the new infrastructure development are completed.
Delivery of Gippsland Logistics Precinct infrastructure works	Pre-construction requirements for the planning permit have been met with sewer pump, wastewater and water supply works underway. Funding agreement variations and government funding applications for subsequent stages are in progress.



REPORT OF OPERATIONS

Creative

STRATEGIC DIRECTIONS

We have a vibrant and diverse community where there are various opportunities for arts, culture and tourism. Our City has a range of arts and creative opportunities for community to engage in creative expression and develop social connectedness.

We are invested in the exceptional presentation of our City through public works across our interconnected townships and enhancement of our distinctive landscape features.



Prioritise a range of public space improvements across the municipality

Action	Comment
Advocate, plan and deliver the Traralgon Flood Recovery Project	Project Reference Groups have been established, to progress towards the delivery of the project.
Kingsford Reserve master plan	The Kingsford Street Master Plan was endorsed at the June 2023 Council Meeting.
Kernot Hall upgrade	Construction works are progressing including walling and ceiling framing, roofing repair and electrical maintenance.
Site selection of Youth Precinct	Potential sites have been investigated resulting in the recommendation to develop a master-plan for the preferred site of the Traralgon Youth Activity Precinct.

Develop a program of innovative, publicly accessible projects aimed at celebration of Latrobe City and its community

Action	Comment
Latrobe Public Art Program	Program development for the Latrobe Regional Gallery is underway and Council is currently delivering the Creative Latrobe Program, which includes a large public art component.



**Support job creation and industry diversification including in creative industries to enable new directions for economic growth across Latrobe City**

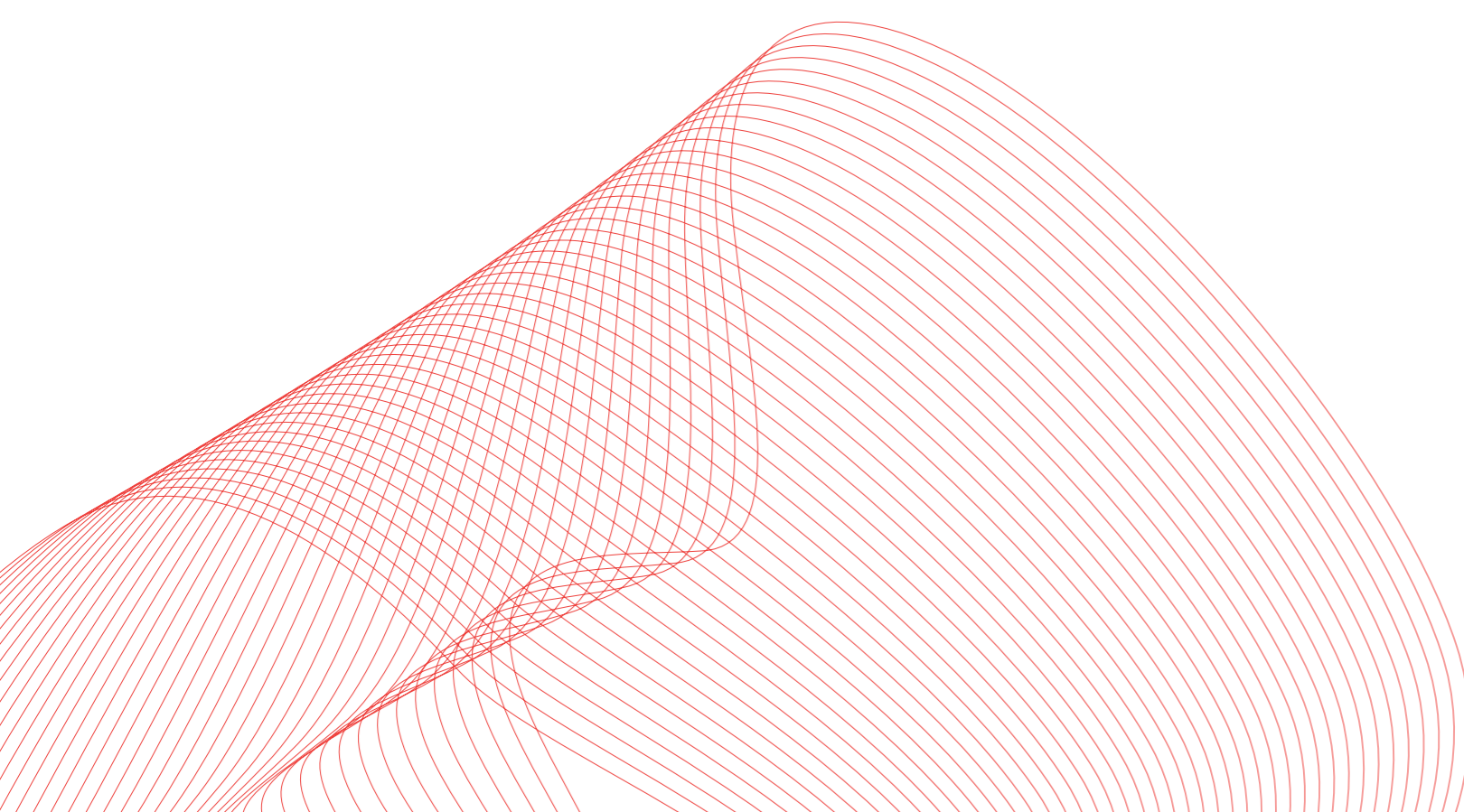
Action	Comment
Work with local businesses and industries to help them to create more jobs that suit their needs now and into the future	The Business Development Team continues to work with local businesses to match them with opportunities that will help business to grow and employ more people.

**Improve the amenity and presentation of Latrobe City’s town entrances, activity centres and public spaces through signage, art and plantings and greening of the City**

Action	Comment
Moe Revitalisation Project - Stage 2	The skate park related infrastructure has now been completed. The construction of the garden beds has progressed to 95% completion with play equipment, switchboard upgrades and lighting being installed on the site.

**Support job creation and industry diversification - including creative industries - to stimulate economic growth in Latrobe City**

Action	Comment
No actions identified for this Strategy in 2022/23	



**REPORT OF OPERATIONS**

**Healthy**

**STRATEGIC DIRECTIONS**

Our vision is that Latrobe has a culture and environment that promotes and supports health and wellbeing for all. We will work together to significantly improve health and wellbeing outcomes and reduce inequalities.

We will celebrate the places, people and cultures that make this a distinctive, vibrant and creative community. We continue to build on our community’s recognised and proven capacity for connection, social participation, volunteerism and care for one another.

Our community’s health, wellbeing and safety will be assured with abundant green spaces that are accessible, inclusive and safe. We maintain our focus on preventative measures to promote positive health outcomes for all generations by ensuring Latrobe is a healthy place to live, learn and work.

We continue to prioritise opportunities to overcome shared barriers we face as we focus on achieving improved health outcomes for our community.



**Delivery of the objectives in Living Well Latrobe, our community’s Municipal Public Health and Wellbeing Plan by promoting community safety, mental and physical health and activity, incorporating active design principles in open space, neighbourhood design and supporting community resilience**

Action	Comment
Commence a Planning Scheme Amendment to introduce recommendations Major Gas Pipelines Project	Amendment was lodged with the Minister for Planning for approval on 9 July 2022. Awaiting approval and gazettal from the Minister for Planning. No further action required by Latrobe City Council.
Commence a Planning Scheme Amendment to introduce the changes to the Land Subject to Inundation Overlay (LSIO) and Flood Overlay (FO) to the Latrobe Planning Scheme	The Amendment has experienced delays due to further work required in the consideration of submissions. Background review of documents to commence.
Prepare and adopt a revised Reconciliation Action Plan (RAP)	Progress on the new Reconciliation Action Plan (RAP) has been delayed in order to conduct a review of the Brayakaulung Advisory Committee Terms of Reference.



### Provide spaces and services that support the community's physical health and mental wellbeing for the benefit of all

Action	Comment
Complete long term landfill liability and future land use assessment for open and closed landfill locations	Preliminary works, landfill liability and aftercare costs have been completed. A report of findings has been drafted.
Complete the construction of New Leachate Pond at Hyland Highway Landfill	There have been delays experienced with external design approval due to a requirement to amend the landfill boundary. The final design has been completed and submitted to the EPA as a result of auditor verification and Council approval of the tender. Once approval is granted, construction will commence.
Complete the rehabilitation of Landfill Cells 4 and 5 at Hyland Highway Landfill	The design work has been completed and submitted to the auditor for approval. The budget for this action has been carried forward to the 2023/24 FY.
Deliver the 2022/23 Black Spot Program	Quarry Road and Vary Street Projects are complete. Working with the Department of Transport for a variation to increase the scope of works at the Maryvale Road project, the initial works have been completed. Monash Road project is progressing with survey and design for the raised pedestrian crossing points.
Improve the condition and presentation of reserves outside of the playing surfaces, to encourage more casual and informal use by the community	Regular maintenance practices engaged and continued through winter months. This work will continue through the engagement of contractors to assist maintenance staff in the removal or tidy up of reserve outers; including tidying up of trees around reserve perimeters, removal/control of non native or invasive vegetation, mowing of hard to reach areas such as drains, cleaning/reinstating spoon drains etc.

### Ensure health and wellbeing planning to the centre of Council planning in promoting safe communities, positive mental and physical health programs, resilience and connection to natural and built environments

Action	Comment
Commence a Planning Scheme Amendment to implement the recommendations and findings of the Industrial Interface Assessment	This project is expected to commence in the 2023/24 financial year.
Commence an Industrial Interface Assessment	Work on background reports is commencing and the Final Noise Assessments and the Environment Assessment will be submitted in the 2023/24 financial year.
Finalise a Planning Scheme Amendment to introduce the recommendations from the Bushfire Assessment and Rural Rezonings (BARR) to Council for their consideration	A Council Report was presented to the 1 May 2023 Council Meeting for recommendation of next steps. A funding application was sought and granted for the further work required.
Prepare and adopt a revised Building Over Easements policy	This policy is designed to protect Latrobe City assets in easements vested in Council and the interest of the subject property owner. It describes how Council's delegated officer will decide applications to building over an easement and is available on the Latrobe City Council website.
Prepare and adopt a revised Demolition Works Policy	The policy has been established to protect buildings and structures that may offer historical value and is available on the Latrobe City Council website.

### Increase accessibility to utilise our green spaces and facilities to connect community and achieve positive health and wellbeing outcomes

Action	Comment
Improve user experience for sports clubs, community groups and the public when looking to utilise sporting reserves and open green space	User experience has been improved throughout this financial year via projects including enabling the use of facilities for football and soccer grand finals, facilitation of more ground sharing by user groups and workshops and preliminary work for a new booking system.

### Develop programs which provides increased access to Council's extensive arts and recreation facilities and other Council services, for our community that face barriers to participation

Action	Comment
No actions identified for this Strategy in 2022/23	

### Demonstrate and promote gender equity practices

Action	Comment
No actions identified for this Strategy in 2022/23	

### Ensure a wholistic approach to community safety in the planning and development of infrastructure, and the delivery of service to our community

Action	Comment
Coordinate Statutory and Strategic Planning advice and assessment in accordance Council obligations for the preservation of native vegetation and biodiversity	The environment team has continued to supply statutory and strategic planning advice as required throughout the year.
Gippsland Performing Arts Centre	There are works still to be completed in the Creative Industries Training Centre which will be guided by the intended use of the building.
Prepare and adopt a revised Asset Management Strategy 2014-2018	The purpose of the Asset Management Strategy is to define and document the necessary approaches that need to be undertaken to achieve the requirements of the Local Government Act 2020 and the adopted Latrobe City Asset Management Policy 2021-2025. This Strategy was adopted at the June 2023 Council Meeting.

### Support community preparedness aligned to growing responsibilities for Local Government in emergency management systems, response and recovery

Action	Comment
Review and develop an Emergency Management Strategy and policies/procedures to support the response	A suite of identified policies and procedures are currently in development, working towards an Emergency Management Strategy.

### Prioritise social planning and infrastructure for young people and their families, which provides additional programs and opportunities for young people to engage with health, wellbeing and connection to natural and built environments within the municipality

Action	Comment
Deliver the VicHealth Local Government Partnership project	The Stroll & Roll travel to school program was delivered in three primary schools during 2023. Partnering with Latrobe Leisure a workshop was delivered with 110 grade 5/6 students to hear thoughts and ideas on Latrobe Leisure school holiday programming and the upcoming Latrobe Sport and Recreation Expo. Worked with GippSport to deliver a workshop to local women and girls to hear thoughts on what they would like to see in local sporting clubs to make a more welcoming environment. Moving forward the Latrobe Sport and Recreation Expo will be held in September 2023; funding received to install an 18-hole disc golf course in Latrobe as a way of activating an underused space; and continued support to Food For All Latrobe Valley by attending meetings, working towards actions and supporting the Food Share Latrobe initiative.



**Remain focused on ensuring a community where our elders and seniors are respected, valued and supported to age well in place**

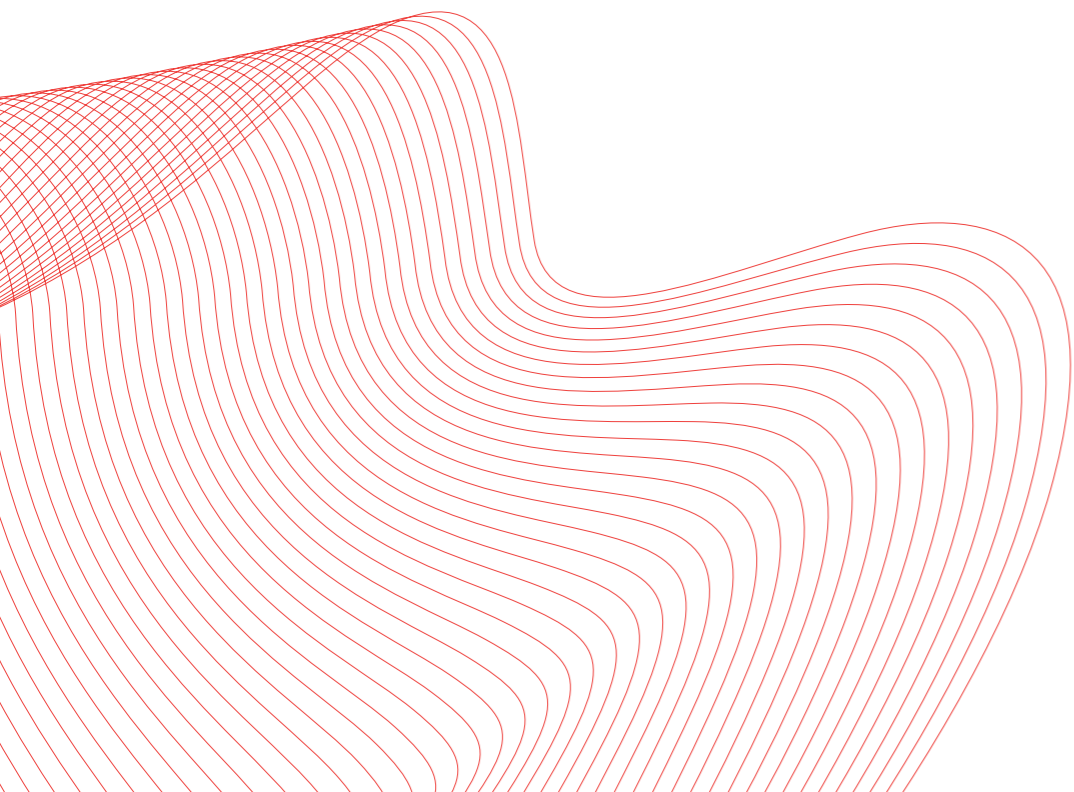
Action	Comment
Prepare and adopt the Ageing Well Latrobe Action Plan 2022 - 2026	Ageing Well Latrobe is our community's plan to help shape a healthy, safe and resilient community for older people to live. The Action Plan was completed and presented at the October 2022 Councillor Briefing and has been promoted to the community.

**Recognise the importance and support for, community recovery programs in response to the COVID-19 pandemic**

Action	Comment
No actions identified for this Strategy in 2022/23	

**Continue to position Latrobe City for major sporting events that are accessible and inclusive for all of our community**

Action	Comment
No actions identified for this Strategy in 2022/23	



**REPORT OF OPERATIONS**

**Sustainable**

**STRATEGIC DIRECTIONS**

Our City has natural features and liveable areas that are easy to access and our beautiful environment is our heart and pride. We have provided a healthy environment for our community and for future generations while supporting meaningful employment and lifelong opportunities.



**Work towards net zero energy emissions across Latrobe City Council operations through the delivery of new energy initiatives, efficiencies and offsets**

Action	Comment
Assist the development of Latrobe City Council's Net Zero energy emissions target and coordinate the delivery of projects and programs to reduce energy demand and increase generation across facilities and services	1.5 - 2 MW of solar projects scheduled for delivery over the next 18 months. The project tender has been completed for the solar project with the contract currently being finalised.
Coordinate the delivery of public lighting upgrades	The tender has been finalised and the installation and material contracts have been completed. The works are scheduled for completion between November 2023 and March 2024.
Coordinate the extension of landfill gas well field at Hyland Highway Landfill to maximise the landfill gas capture	The vertical gas well and the flow lines and well stations have been installed. No further work is to be done until the installation of horizontal wells in 2023/24 financial year.
Coordinate the operation and function of the Hyland Highway Biogas Generator to maximise reliability and energy generation	The 13,000-hour service was completed with no issues present. Gas collection is being balanced monthly to ensure maximum performance of the generator. Biogas is steady with generation capacity approx 821 kW/h.

**Efficiently utilise the assets that we have for the economic stimulus and benefit of our community while protecting the environment**

Action	Comment
No actions identified for this Strategy in 2022/23	



### Work in partnership with indigenous custodians in sustainable land management and preservation and regeneration of our natural environment

Action	Comment
Supporting the GLaWAC natural resource management program from the Airlie Bank nursery	A number of buildings were required to be removed by Latrobe City Council following a building assessment. Latrobe City Council has supported the establishment of the nursery and GLaWAC Natural Resource Management works crew through building upgrades, training and development across various locations including Waterhole, Narracan and Traralgon Creeks, bushland reserves and rail trails.
Prepare urban waterway management plans for selected rivers and streams	Development of Waterway Management Plans are well under way. Initial stakeholder consultation has been conducted and the values and risks are being prepared.

### Invest in increased urban greening initiatives and increasing the City's tree canopy in appropriate sites using appropriate species in built up areas for improved amenity and reduced heat stress

Action	Comment
Support urban greening initiatives including the propagation of trees from the Airlie Bank Nursery and delivery of revegetation projects across Latrobe City Council Bushland Reserves, waterways and parklands	Further site development is required to increase propagation activities and is awaiting completion.

### Restore waterways and bushland areas to improve health and wellbeing of community and presentation of Latrobe City as well as our important biodiversity values

Action	Comment
Complete a review and update of the Crinigan Bushland Reserve Management Plan	Preliminary activities required for the review have now been completed and the review and update of the plan is progressing.
Develop fuel management plans for Latrobe City Council managed bushland reserves	Fuel management plans for Latrobe City Council managed bushland reserves have been drafted and reviewed.

### In partnership with community and business, deliver sustainability initiatives and take actions to adapt to a changing climate

Action	Comment
Develop and deliver the annual sustainability education, communications and events program	Awaiting on finalisation of transition of Sustainability Victoria to Recycling Victoria and the signing of regional contracts on Kerbside Collection, Organics and Co-mingled recycling. Recycling Victoria will drive a new regional approach to education and communications. The process for the creation of a new education program is currently being explored.
Prepare a Sustainability Strategy 2022-2026 for consideration and adoption by Council	Following input from Federation University and other key stakeholders and a review by the Communications Team, this Strategy is now complete in draft form and will be presented to Council in 2023/24 for endorsement to go to public exhibition.
Review and update content included on the Sustainability and Environment team webpages	Draft content for new web-pages has been completed and is undergoing review.

## REPORT OF OPERATIONS

# Connected

### STRATEGIC DIRECTIONS

A regional City which recognises the connectedness between our goals and towns and efficiently utilises the assets that we have for the benefit of our whole community while protecting the environment.



### Facilitate appropriate urban growth, industry diversification, liveability and connectivity throughout Latrobe City

Action	Comment
MI 18/19 - Morwell to Traralgon Shared Pathway (C0698 CF)	Project complete. This project delivered a shared path from Morwell to Traralgon, the last item of the project has now been completed which involved a pedestrian rail crossing at Alexanders Road Morwell.
Prepare small town structure plans for Yallourn North	Extensive background reporting has been completed and the development of the Small Town Structure Plan is scheduled to commence in the 2023/24 financial year.
Progress the proponent led request to update the Philip Parade Development Plan	The external application to amend the Philip Parade Development Plan was accepted by Council in April 2022, subject to the applicant responding to Councils request for further information.
Review of the Traralgon Parking Framework Plan and Parking Overlay	Currently awaiting draft report.
Support the relocation of the Latrobe Valley Aero Club	Officers are currently reviewing the potential for a relocation site. Project is reliant on agreement with a third party.



### Facilitate appropriate urban growth, industry diversification, liveability and connectivity throughout Latrobe City

Action	Comment
Commence a Planning Scheme Amendment to implement the recommendations and findings of the Morwell Activity Centre Plan	The amendment was formally gazetted on 2 June 2023.
Commence a Planning Scheme Amendment to introduce the recommendation from the South East Traralgon Precinct Structure Plan	Further geotechnical work to confirm the suitability of the existing mine buffer is currently being undertaken by the Department of Jobs, Precincts and Regions and is required to be completed prior to consideration of authorisation by State Government.
Implement Ashworth Drive Implementation Plan	The final Bushfire Hazard Assessment for the precinct has been completed and is undergoing review. The waterway management plan will be out for tender in the 2023/24 financial year.
Commence a Planning Scheme Amendment to introduce the recommendations of the Toongabbie Structure Plan	Amendment Completed. Amendment was submitted to the Minister for Planning for approval on 7 March 2023. The Amendment was approved by the Minister for Planning on 22 June 2023. The Amendment was published in the Government Gazette on 28 June 2023. The Amendment now forms part of the Latrobe Planning Scheme.
Undertake a review of the Lake Narracan Precinct Structure Plan and Development Contribution Plan	Project is currently on hold and will be recommenced in the 2023/24 financial year.
Undertake Investigations into the potential of the Development of the Traralgon West Area for residential purposes	Inception Meeting held on 4 May 2023. Background report received for review. Awaiting draft Issues, Opportunities and Options Report to be submitted. Landowner feedback has been collated and provided to the consultant.
Prepare and adopt an Active Transport Plan 2022-2032	Preparation of the Active Transport Plan is underway. This action will carry forward to the 23/24 FY.

### Connect communities by completing the Traralgon to Morwell Shared Path with the Gippsland Plains Rail Trail to where the Energy Australia Trail starts and advocate for connection of Yallourn North and Moe/ Newborough by linking to the Grand Ridge Rail Trail

Action	Comment
Plan, advocate for and deliver the connection between Traralgon to Morwell Shared Path and the Gippsland Plains Rail Trail	This will form part of the Active Transport Plan. Concept planning is complete and advocacy efforts continue through state budget submission.

### Develop the plan for staged development of dog parks across the towns of Latrobe City

Action	Comment
Develop a prioritised implementation plan for delivery of dog parks as funding permits	The consultation period has closed, officers are currently reviewing feedback before making changes and presenting to Council for endorsement by the end of 2023.

### Promote ongoing community engagement activities and work in partnership with our community focusing on promoting leadership, resilience, creative and forward-thinking initiatives

Action	Comment
Develop and implement a Community Engagement Plan and associated tool kit and embed across the organisation	Finalisation of the Engagement Framework is underway. Discussion has been had with the external engagement consultant who will be conducting engagement training for identified Council officers in the coming month. The current draft is being updated to include online engagement tool platform Engagement HQ ahead of a broader review and update by the consultant. This work will carry over into the 2023/24 financial year.

### Pursue improvements to public transport services to increase community access to employment and education

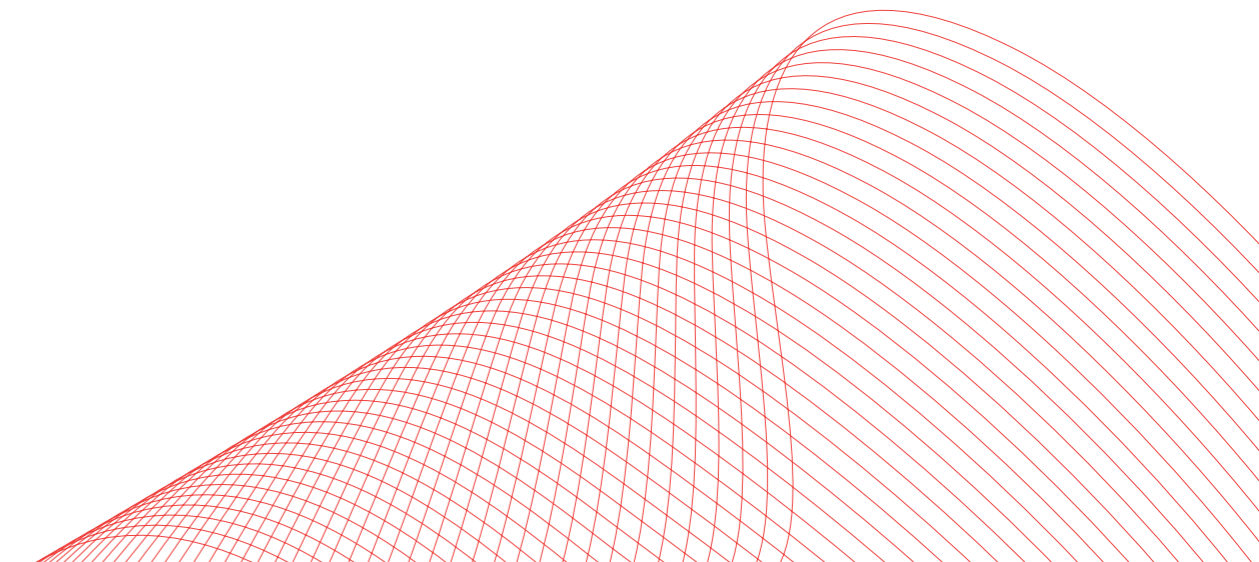
Action	Comment
No actions identified for this Strategy in 2022/23	

### Promote our role as Gippsland's Regional City to support economic growth and events programming, cultural events and recreation and sporting attractions

Action	Comment
Prepare and adopt a revised Economic Development Strategy for 2023-2028	The Economic Development Strategy will support the transition plan to ensure that Council is helping to support existing and new businesses to make the most of the structural changes in the economy.

### Connect people facing barriers to opportunities in education, recreation, sport, culture and the community

Action	Comment
Build the capacity of the Indigenous community in jobs creation and employment	Project complete and targets met. Currently renegotiating additional numbers with Federal Government.
Deliver 100% of agreed targets through the Tailored Assistance Employment Grants Program	Project complete and contract has been fulfilled. Total placements exceed target for this period.







## Latrobe City Council and Swinburne University of Technology collaborate on future of clean, green air mobility

**Working collaboratively to co-design the future of advanced air mobility (AAM) was the focus of a partnership between Latrobe City Council and Swinburne University of Technology.**

The partnership will explore how advanced air mobility can be established at the Latrobe Aerospace Technology Precinct to drive economic growth in the region.

Researchers from Swinburne's Aerostructures Innovation Research Hub (AIR Hub) will work with Latrobe City Council, local research and industry partners, and certification organisations such as CASA, to pioneer new technologies in AAM for the region and develop green aviation solutions to address real-world problems.

Latrobe City Council and Swinburne have a shared vision to position and develop Victoria as a national and global leader of advanced air mobility, creating innovative new economic, social and environmental opportunities for Australia.

The partnership supports future economic growth through the creation of new industry as the local economy transitions from a reliance on energy and manufacturing industries.

The Latrobe Aerospace Technology Precinct is located at Latrobe Regional Airport in Morwell. The partnership will re-energise the established capabilities, facilities, and space to enable advanced air mobility technologies and craft.

Swinburne's AIR Hub is one of Australia's largest and most active industry-research collaborations, driving the future of air mobility and developing the next generation of aerostructures in Australia.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan said advanced air mobility is at the forefront of innovation.

"Through this collaborative arrangement, with one of Australia's leading education and research institutions in Swinburne University of Technology, we can create a pathway to design the new technologies of the future in the Latrobe City region," said the Mayor.

"As our region transitions from the traditional industries that have underpinned our economy, we need to look towards new industry and be innovative in our thinking of what the jobs of the future look like.

"The Latrobe Aerospace Technology Precinct presents an opportunity to position Latrobe Regional Airport at the forefront of the emerging aviation sector."

**OBJECTIVE MET: 01**

## Ageing Well in the Spotlight

**Latrobe City Council was proud to welcome Commissioner for Senior Victorians Gerard Mansour to the region as he hosted an Ageing Well consultation to understand the perspectives of local seniors and elders.**

The session was held as part of a state-wide consultation for the Commissioner to hear about what matters most to older Victorians including enhancing respect and addressing ageism, digital inclusion, social connection and health.

During the session, the Commissioner together with the Mayor of Latrobe City Councillor Kellie O'Callaghan officially launched Latrobe City's Positive Ageing Festival.

Mayor of Latrobe City, Councillor Kellie O'Callaghan thanked Commissioner Mansour for visiting Latrobe City and taking the time to engage with our valued seniors and elders.

"It has been an honour to host Commissioner for Senior Victorians Gerard Mansour and the Ageing Well consultations in Latrobe City. We thank the Commissioner for his visit and for providing our community with an opportunity to provide their feedback and ideas," said the Mayor.

"The session aligns with our work in this space, acknowledging the importance of supporting positive ageing in our community and the broader Statewide approach to prioritising ageing well.

"It was also wonderful to officially launch our first ever expanded month long Positive Ageing Festival. It forms part of the broader Victorian Seniors Festival, which has been a much-loved part of our social calendar for many years. We hope to see many of our local people involved in the events including our Country Concert with Lonnie Lee, story time featuring Latrobe Orchestra Chamber and gentle moves classes."







## Rewarding Partnership established with GLaWAC at Airlie Bank Nursery

The Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) and Latrobe City Council have formalised a partnership that has created employment opportunities for the local Aboriginal community, and healed Country through on-ground environmental works.

Both organisations signed a memorandum (MoU) of understanding to deliver a natural resource management works program based at Latrobe City's Airlie Bank Nursery in Morwell.

The program has focused on creating employment opportunities for Aboriginal community members to reconnect with Country and develop and share their skills and knowledge.

GLaWAC and Council have worked closely together over the past 12 months to deliver the program, which has included revegetation works, waterway restoration, pest management, bushfire fuel reduction, seed collection and plant propagation.

The MoU aligns with the Gunaikurnai Whole of Country Plan and supports the achievement of the Council's Reconciliation Action Plan 2020-2022 (RAP).

Mayor of Latrobe City Cr Kellie O'Callaghan said the partnership acknowledged a shared commitment to respect and was an opportunity for Council to broaden its cross-cultural understanding.

"We have been very proud to work together with GLaWAC to achieve the goals of this MoU, creating genuine employment outcomes for Aboriginal community members and protecting and enhancing waterways and bushland reserves within the Gunaikurnai Native Title area," said the Mayor.

Daniel Miller, CEO, GLaWAC said, "GLaWAC is committed to providing employment opportunities for the Traditional Owner and Aboriginal community right across our RAP area, and we are excited to work with LCC to grow this side of our business. Caring for Country and culture provides opportunities for community and personal healing."



## Latrobe City receives vital Black Spot Program funding

OBJECTIVE MET: 03

Latrobe City Council were fortunate enough to receive vital funding under the Australian Government's Black Spot Program. This program was implemented to substantially improve 47 dangerous crash sites on Victorian roads in 2022-23.

The Black Spot Program funds safety measures such as traffic signals and roundabouts at locations where serious crashes are known to have occurred or are at risk of occurring.

The funding for Gippsland represented 41% of the total funding provided across Regional Victoria. Latrobe City had a total of four project sites nominated and approved with a funding value of just over \$1.59 million.

The four sites that received upgrades were:

- Quarry Road, Yallourn North**  
 Install safety barriers at two bends. Improve delineation, including curve warning, road markings, raised pavement markers, advisory speed signs and install safety barriers.  
 Australian government contribution: \$265,000
- Monash Road and Shanahan Parade, Newborough**  
 Traffic calming, signage, wombat crossings and street lighting.  
 Australian government contribution: \$605,850
- Vary Street and Churchill Road, Morwell**  
 Reduce speed from 60 km/h to 50 km/h. Install speed cushions and delineation.  
 Australian government contribution: \$349,650
- Hannah Street and Old Melbourne Road, Morwell**  
 Upgrade Intersection at Old Melbourne Road and Hannah Street.  
 Australian government contribution: \$369,600

These projects have now all been completed except for Monash Road. This is currently in detailed design phase with construction due to begin next financial year.

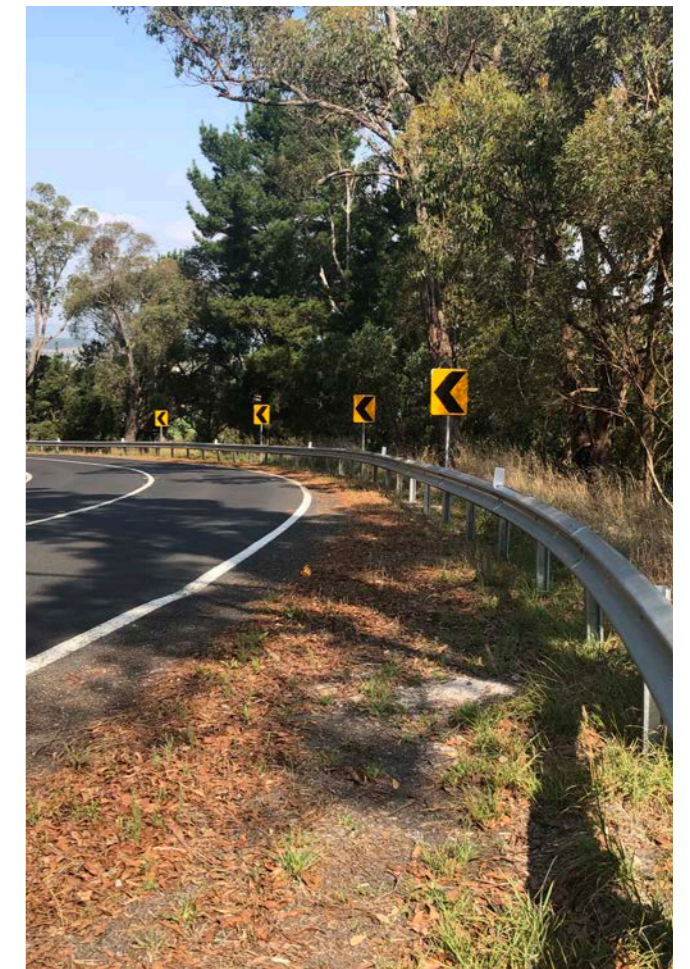
Mayor of Latrobe City Cr Kellie O'Callaghan said that the funding has played an important contribution towards reducing serious injuries and deaths on local roads.

"Road safety is a responsibility we take seriously at Council. It is our priority to create a road network that mitigates risk and aims to provide residents and visitors with a safe experience while driving in our region."

"The safety measures that have been added to these dangerous sites will make a positive difference in that were of a high concern."

Black Spot Consultative Panels provide the opportunity for stakeholders to have a say in the project selection process to ensure that nominations of the highest priority and importance to the local community.

With funding available annually and a commitment to community road safety, Council will apply again in the next financial year.







## Council continues to support Business Chamber

**Latrobe City Council has shown support for the Latrobe City Business Chamber by providing a funding contribution to the Chamber's first year of operation.**

As part of Council's COVID support and recovery package, \$69,000 was allocated for the establishment and first year of funding for the combined chamber.

Council assisted representatives from the three major towns business associations Traralgon Chamber, Advance Morwell and Moe Traders Group to develop the Latrobe City Business Chamber.

The Latrobe City Business Chamber aims to become the premier business networking, support and representation organisation representing the interests of all of Latrobe City.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan, said Council is proud to support the Latrobe City Business Chamber.

"The Latrobe City Business Chamber is one voice representing all businesses within Latrobe City, leading a collaborative effort to develop the region," said the Mayor.

"The aim of the Latrobe City Business Chamber is to provide positive leadership and marketing of the Latrobe City as a regional hub supporting business in the region.

"Facilitating the establishment of the Latrobe City Business Chamber helps to support the delivery of actions noted in Our Transition Plan to support the attraction of new industries and business, to support the transition of our economy."

The Chamber aims to establish a strong membership base, along with well-established networks across all sectors and will boast a fresh new brand and website to support promotion and marketing.

The funding provided by Council will be used to focus on attracting new members, providing member benefits and the delivery of business events.

The Latrobe City Business Chamber plan states the Chamber will work with larger organisations, including the Victorian Chamber of Commerce and Industry (VECCI), Regional Development Victoria (RDV), the Latrobe Valley Authority (LVA) and importantly Council to connect businesses, offer targeted support and help showcase what Latrobe City has to offer.

OBJECTIVE MET: 01

## Greater Gliders find new homes

OBJECTIVE MET: 04

**A research project aiming to strengthen the population of Greater Gliders, the largest gliding mammal in Australia, has been completed in Latrobe City.**

The project was a collaboration between Latrobe City Council, Latrobe Catchment Landcare Network, Federation University and Greening Australia.

Until early 2018, numbers of Gliders recorded in the Victorian Biodiversity Atlas were low, with the 2019/20 bushfires also impacting previously recorded populations in East Gippsland.

In 2022, Federation University PhD student, Cassey Briggs, documented the presence of the federally listed Greater Glider to better understand the population size, their range and estimated family groups.

Greening Australia has since added 118 Greater Glider records within the southern portion of Latrobe City and adjoining South Gippsland Shire, due to the increased surveying effort. These records now represent some of the highest densities of Greater Gliders known in Victoria.

The project was supported by a \$50,000 Community-Volunteer Action Grant from the Department of Energy, Environment and Climate Action.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan, said the discovery of Greater Gliders on the outskirts of Boolarra highlighted the richness of biodiversity to be found in Latrobe City.

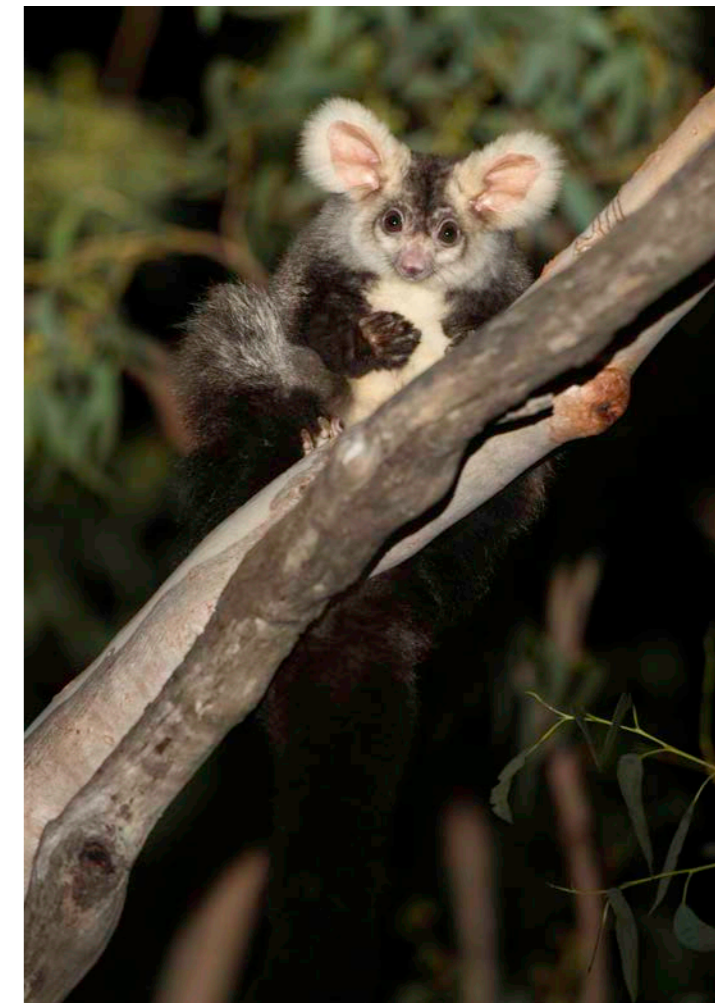
"Council's 2021-2025 Community Vision highlights the importance of nurturing and respecting Latrobe City's natural environment, supported by key actions to improve and protect biodiversity, waterways and bushland reserves," said the Mayor.

"As part of this commitment, Council partnered in the exciting initiative to install 25 custom-designed nest boxes in a section of bushland south of Boolarra. The nest boxes were monitored using digital cameras to determine how the animals used them. These boxes are fire-retardant, heat resistant and make a safer home for all wildlife.

"One of the reasons the Greater Glider is threatened is because there aren't enough large, old hollow-bearing trees remaining, so adding these nest boxes will provide more homes in Boolarra for the species."

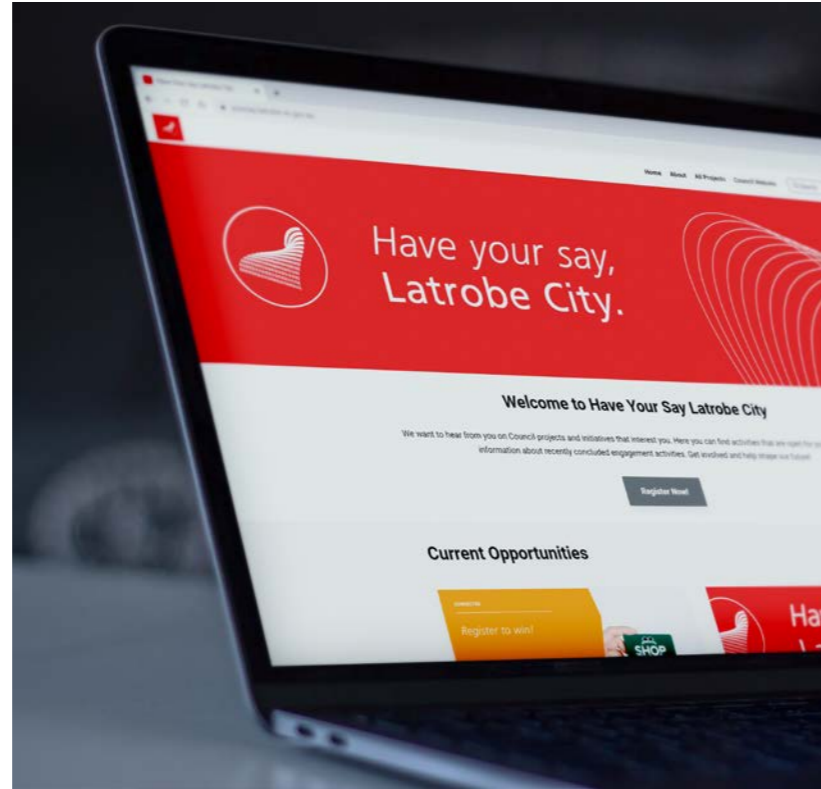
The project also brought together local schools and community members to participate in surveys, educational activities and spotlight tours.

The research project included creating awareness, engaging the community and educating about Greater Gliders and how we can help the species in the future.



TO VIEW THE PROJECT VIDEO SCAN THE QR CODE





# New Have Your Say Latrobe City Website Launched



Latrobe City Council encouraged all community members to register for the new Have Your Say Latrobe City engagement platform as more opportunities to share feedback become available.

The website is a central place where community members can be kept up-to-date and provide feedback on Council projects and services. It is one way that Council is increasing engagement efforts with the community and residents can shape the future of Latrobe City.

Community members can register for the website where they will be notified of future projects or services that are of interest to them. This will ensure they don't miss any engagement opportunities to share their views and ideas.

Mayor of Latrobe City, Councillor Kellie O'Callaghan, encouraged all community members to get involved with Have Your Say Latrobe City platform.

"Council would like to encourage all Latrobe City residents and visitors to register for Have Your Say Latrobe City. The engagement platform has been designed to make giving feedback easy for our community," said the Mayor.

"Have Your Say Latrobe City is a central location where community members can be notified of engagement opportunities and share their thoughts. It will complement other ways we engage with our community such as face-to-face sessions and community workshops.

"The new engagement platform will provide us with new ways to engage with our community including forums, online mapping tools and more, along with similar methods we have used before such as surveys and submissions. We look forward to working alongside our community as we shape the future of our City."

OBJECTIVE MET: 05



# Hyland Highway Gas Project Reduces Council Emissions

Last year, Latrobe City Council completed an extension of the Hyland Highway Landfill Gas Project.

The Gas Project extension increases power generation of the biogas generator from enough electricity to power an average of 1134 households to 1482 households.

The Sustainability and Environment team are focused on reducing emissions, and with utility costs rising, they have been looking into increasing generation of Council's own power.

Increasing power generation will save Council \$252,000 a year in retail costs. Council will also receive further revenue from carbon credits, secured through the Clean Energy Regulator.

In 2022, the Loy Yang Landfill Gas Generator and small solar exports saved Council \$746,000 in retail electricity costs, not including the savings of electricity used at the landfill. This reduced Council's emissions by an estimated 13,000 tonnes of CO2e a year.

This ties in with the sustainable aspect of the Council Plan. Council is working towards net zero energy emissions through the delivery of new energy initiatives, efficiencies and offsets.

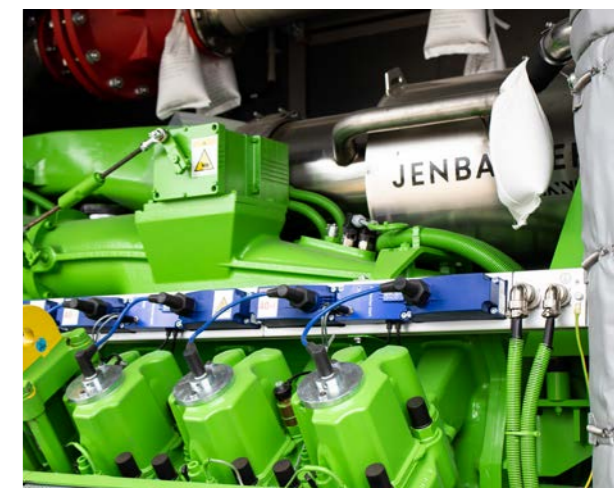
Mayor of Latrobe City Council, Councillor Kellie O'Callaghan said she is proud that Council is a leader in the space of renewable energy.

"We have received requests from private consultancies, State departments and other Councils to visit our Hyland Highway Landfill Gas Project, to witness what can be achieved and learned from the project," said the Mayor.

"The Gas Project has generated clean, low emission energy though utilising captured landfill gas, offsetting over 80 percent of Council's electricity needs.

"Harnessing gas and converting it to energy has the added benefit of providing a new localised energy source that can be placed back into the electricity grid."

OBJECTIVE MET: 04







## Indigenous Employment Program

OBJECTIVE MET: 05



Latrobe City Council is committed to providing employment and training opportunities in the Gippsland region.

In partnership with Department of Prime Minister and Cabinet, the 'Steps to the Future' Program was developed to improve indigenous employment opportunities in Gippsland.

The program is not limited to any industry or region in Gippsland and both private and public sector employers participate.

The program offers: pre-employment training, wage assistance, cross-cultural training and mentor and support.

The program has achieved and exceeded employment and training outcomes continues to meet the overall program milestones.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan said the program has also strengthened partnerships.

"Some participants of the program were involved with major infrastructure projects for the Gippsland Line Upgrade Line upgrade and were provided with pre-employment packages and relevant training," said the Mayor.

"The program continues to provide extensive support to a vast range of business across the region, including health organisations, local indigenous businesses and Gippsland environmental agencies.

"Participants of the program also work closely with workforce providers and the local Gippsland Tafe and other training providers in the region. This project plays an integral role in providing pathways for participants and has led to many success stories."

For more information about the Steps to the Future Program, visit Council's website: [latrobe.vic.gov.au/Community/Indigenous\\_Services/Indigenous\\_Employment](http://latrobe.vic.gov.au/Community/Indigenous_Services/Indigenous_Employment)



## Net Zero energy emissions target

The reviewed October 2022/23 Federal Budget outlined close to \$25 billion committed by the Federal Government towards renewables and clean energy spending.

This commitment is vital for Latrobe's transition to new energy – which is necessary for the development of new jobs and business opportunities for the future as our region undergoes significant transition.

Investment has been earmarked for a Powering the Regions Fund with \$1.9 billion to assist regional communities transition to net zero emissions and \$250 million for the Local Roads and Community Infrastructure Fund.

Mayor of Latrobe City, Councillor Kellie O'Callaghan was pleased to see the commitment to renewables and clean energy alongside core programs that service the local community.

"Council is grateful to the Federal Government for their commitment to renewables and clean energy. This type of funding is crucial to the ongoing prosperity of our region as we transition to new industry and job opportunities," said the Mayor.

"Council has held a position on climate change for over a decade, with its first statement underlining the need to address climate change back in 2010. We have been preparing for anticipated closures of traditional energy and mining industries, with support for the adoption of alternative energy solutions and low emission technologies."

Council's position was further refined in 2020, where community shared their voice through the Community Vision, Council Plan and Living Well Latrobe.

"As a result of community feedback, we developed actions within the Council Plan, such as working towards zero energy emissions across Council operations; delivering sustainability initiatives and actions to adapt to a changing climate; along with investing in urban greening initiatives and the City's tree canopy."

OBJECTIVE MET: 04



# Small Business Festival inspires

**In August 2022, Latrobe City Council held the week-long Small Business Festival to celebrate the important role that small businesses play in our local economy and our broader community.**

The festival provided a range of events to prospective and current business owners within Latrobe City. Over 300 people took the opportunity to hear from experts in their fields, while also enjoying the opportunity to network with other small business owners.

Mayor of Latrobe City, Councillor Kellie O’Callaghan, said these types of events can be a valuable source of ideas to aid business owners in enhancing and growing their businesses.

“Our City has more than 4,500 small businesses, from the traditional bricks and mortar shop front, to Ecommerce and those run from individuals’ homes. These businesses play an important role in the fabric of our broader community, and are the engine room of our economy” Cr O’Callaghan said.

“Small business is an important contributor to our local economy and provides significant employment.”

The festival hosted special guest speakers such as Matt Jones, Four Pillars Gin Co-Founder and Brand Director, who served up a tantalising gin taster before encouraging those in attendance to build a brand story. There was also an event with the leader of Business Chicks (Australia’s largest networking organisation for women) and author of two books, Emma Isaacs, who provided an insight as to how small businesses can grow and improve their customer base and service.

The Festival also saw the launch of the Latrobe City Business Chamber at a networking breakfast with Dr Keith Suter, one of Australia’s most influential global futurists and media commentators in national and foreign affairs.

The Small Business Festival was organised and delivered by Latrobe City Council Business Development Team and was made possible through the support of the Victorian Government’s COVIDSafe Outdoor Activation Fund.

**OBJECTIVE MET: 01**





# Stage Two Close to Completion for Moe Revitalisation Project

OBJECTIVE MET: 02



Latrobe City Council is close to completing Stage Two of the Moe Revitalisation Project. The project includes a new youth precinct that is currently under construction and due to be finalised and ready for public use later this year.

The new space will include a skate park catered for beginners to intermediate skaters, play space, barbeque and picnic areas along with green spaces and associated amenities.

The project is being constructed by Multipro Civil.

Mayor of Latrobe City, Councillor Kellie O'Callaghan has been very excited to see this long-awaited project for the local community making progress.

"Stage Two of the Moe Revitalisation Project will reinvigorate Moe's Central Business District and bring to life the considerable input provided by our community," said the Mayor.

"We appreciate the patience shown by the community during construction and want to reassure our residents that it will be well worth the wait."

"With only the final touches to go, this is a very exciting time for our community and we look forward to opening the space for them very soon."

# Startup Gippsland Ideation Bootcamp

OBJECTIVE MET: 01

Startup Gippsland ran an Ideation Bootcamp in April designed to quickly test business ideas, discover which ideas are likely to succeed and develop a strategy for the next step to launch a new business or product.

Over the two days, the Bootcamp covered discovering how to come up with business ideas, testing a business idea using customer interviews, problem-solution fit - does your idea really solve the customer's problem? Developing a one-page business model using Lean Canvas Prototype and rapid testing - how to avoid wasting time on ideas that won't work out and next steps and further supports available.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan said the Bootcamp provided businesses the opportunity to make the most of the expertise and resources available to them.

"The Ideation Bootcamp was just one of the events hosted by Startup Gippsland throughout the year and was followed by the Scale Up Bootcamp in May and the Pitch Showcase in June," said the Mayor.

"Startup Gippsland is an excellent program for local businesses and entrepreneurs, providing them the tools they need to grow a successful business."

Startup Gippsland is fortunate to have the support of LaunchVic via funding through the Support for Regional Victoria Entrepreneurs Program, that provides the opportunity to deliver programs designed to build our local startup ecosystem.

Startup Gippsland's main purpose is to support entrepreneurs to develop, launch or grow their business through a 12-week schedule of masterclasses, mentoring and meetups.

The Startup Gippsland ecosystem program focuses on building the capacity of the local community, this approach is one thing that sets Startup Gippsland apart. Startup Gippsland aims to grow businesses and business leaders, both among participants and the broader community.

In 2019 Latrobe City Council, along with the five other Gippsland Council's, formed Startup Gippsland.







# Stroll and Roll program



OBJECTIVE MET: 03

**In Latrobe City, we want children and young people to feel safe and confident to walk, ride, skate or scoot in their local neighbourhood.**

That is why Council started the Stroll & Roll Active Travel to School program, which was co-designed with the community and aims to increase the number of children and young people actively travelling to school.

Mayor of Latrobe City Council, Councillor Kellie O'Callaghan said after its first year, the program reached over 800 children and families across Latrobe City.

"Council saw an increase in active travel rates of the participating schools by 44% which also resulted in 120 less cars dropping children off at the front gate," said the Mayor.

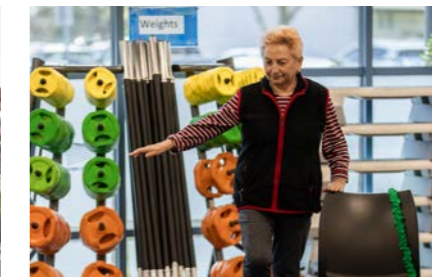
"The program also looks at creating individual behaviour change, using incentives, to get more students walking, riding, scooting or skating to and from school."

The program was designed to address the barriers reported by students, parents and teachers that currently prevent students from actively travelling to school.

Schools that join the Stroll & Roll program are supported by Council over a school year to implement sustainable changes.

The program included road safety education, access to free bike ed facilitator training and the use of 'My Active Travel Passports' to offer some extra encouragement to stay consistent.

The program is funded by Latrobe City Council and VicHealth.



*Latrobe City Council remains steadfast in our dedication to enhancing the health and wellbeing of our community. Together, we can create a brighter future for all.*

## Advancing Community Health and Wellbeing: Latrobe City Council's Municipal Public Health and Wellbeing Plan

Our municipality is a diverse and dynamic region with a unique blend of urban and rural areas, Latrobe City offers a range of opportunities and challenges in the realm of public health and wellbeing. Our Municipal Public Health and Wellbeing Plan serves as a roadmap to address these challenges and capitalise on our strengths.

In our pursuit of a healthier, happier and more vibrant community, *Living Well Latrobe: Municipal Health and Wellbeing Plan 2022-2025* guides the strategic work of Council in prevention, health promotion and community engagement activities.

The Plan provides direction for addressing key health issues under the priority areas of:

- Safe
- Healthy and Active
- Resilient and Supported
- Natural and Built Environments

Over the past year, Latrobe City Council has made significant strides in achieving the objectives outlined in our Municipal Public Health and Wellbeing Plan. Notable achievements include:

- Increased participation in community fitness programs, resulting in improved physical health. Support for disability access building projects, at nine locations, at sporting club

and community facilities and lighting upgrade projects to increase both perceived and genuine safety of outdoor public spaces.

- Sustainable practices leading to a cleaner environment and reduced carbon footprint. Ensuring that natural spaces are included in the planning stages of new developments, continued support of the Gunaikurnai Land and Waters Aboriginal Cooperation partnership.
- Strengthened community bonds through cultural events and initiatives including support of Welcome to Boorai 1000 Days program, LGBTQIA+ provide events, Positive Ageing Festival, Small Business Festival, Candlelight Vigil Event, Walk for Gender Equity Event, 16 Days of Activism Against Gender Based Violence.

Council is required to review its Municipal Health and Wellbeing Plan on a yearly basis, an implementation plan was developed for Year One to aid in informing the evaluation. The reporting process confirmed a satisfactory level of achievement and positive outcomes for our community. Of the 106 identified actions, 92 were completed and 10 are in progress, equating to an 87% completion rate (actions fully completed) and a 96% progression rate (actions completed or progressed).

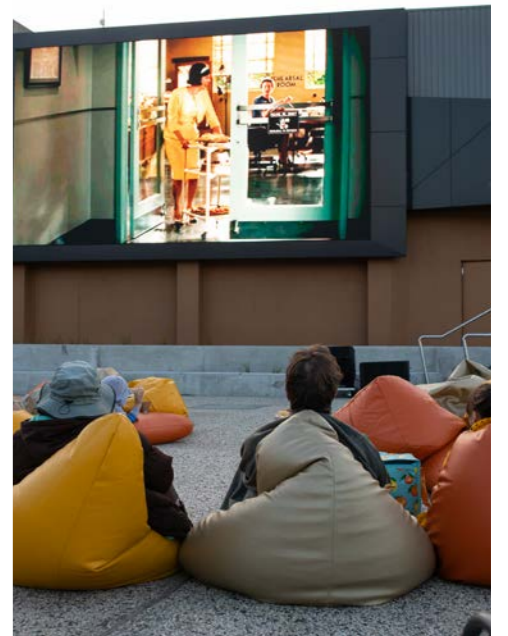
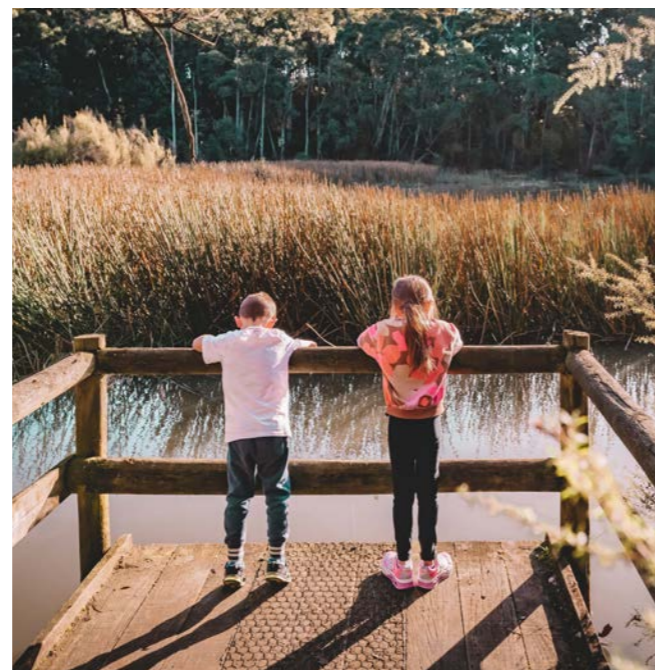




# Capturing Community Moments









# Setting Our Direction

Each year, Latrobe City Council reviews its four-year business plans, setting out activities and objectives that align with the strategic directions of the Council Plan.

Delivering on the objectives of the Council Plan is measured against the achievement of identified actions and a number of performance indicators that form part of the performance reporting process.

This process is outlined in the following Planning and Reporting Framework.



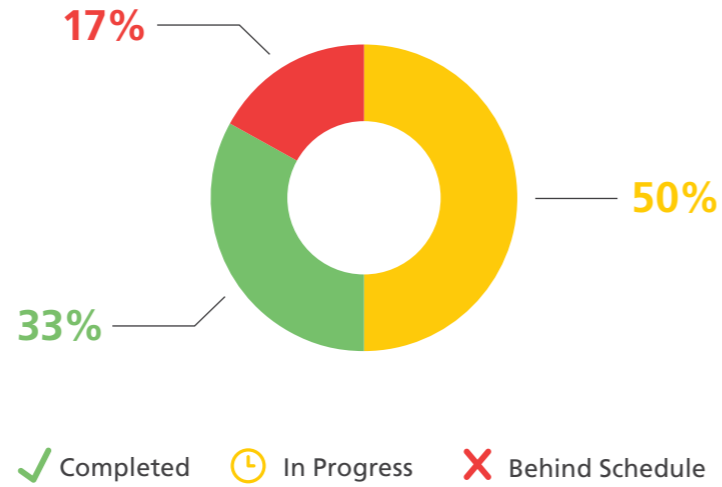
# 04 Our Performance



# Council Report Card

## MAJOR INITIATIVES

Most significant annual actions included within the Latrobe City Council Annual Budget 2022/23. Measured by the delivery of listed projects.



### OF THE 6 MAJOR INITIATIVES THE FOLLOWING SUMMARY IS PROVIDED:

Action	2022/23 Result
MI 01 Gippsland Logistics Precinct	🕒
MI 02 Kernot Hall upgrade	✗
MI 03 Performing Arts and Culture activities implementation	🕒
MI 04 Community Health & Wellbeing Plan	✓
MI 05 Supporting the GLaWAC natural resource management program from the Airlie Bank nursery	✓
MI 06 Moe Revitalisation Project – Stage 2	🕒





# Local Government Performance Reporting Framework Indicators

The Local Government Performance Reporting Framework provides the foundation for standardising and strengthening performance measuring and reporting across the local government sector.

As a tool, the framework enables local communities to compare how their council has performed during the year against others.

Our Report of Operations and audited Performance Statement provide comparative performance data for 2022/23 and data trends for the last four years.

Ratepayers, residents and other stakeholders can compare our performance results against other large rural Victorian councils via the Know Your Council website [www.knowyourcouncil.vic.gov.au](http://www.knowyourcouncil.vic.gov.au)

KPI	Measure	2022/23	2021/22	2020/21	2019/20	2018/19
AF2	Health inspections of aquatic facilities	2.20	0.60	1.00	1.00	2.00
AF6	Utilisation of aquatic facilities	5.39	3.17	2.39	3.59	4.92
AF7	Cost of aquatic facilities	\$5.75	\$9.10	\$10.46	\$7.19	–
AM1	Time taken to action animal management requests	2.08	1.92	1.49	2.27	2.69
AM2	Animals reclaimed	36.36%	40.05%	44.00%	42%	40%
AM5	Animals rehomed	28.48%	28.25%	29.28%	10.72%	–
AM6	Cost of animal management service per population	\$12.62	\$10.70	\$10.67	\$9.65	\$7.54
AM7	Animals management prosecutions	100%	100%	100%	100%	–
C1	Expenses per head of municipal population	\$2,003.71	\$2,018.54	\$1,844.30	\$1,804.54	\$1,812.98
C2	Infrastructure per head of municipal population	\$15,315.49	\$14,342.36	\$14,243.89	\$13,865.12	\$13,210.02
C3	Population density per length of road	50.86	52.53	52.46	45.66	45.92
C4	Own-source revenue per head of municipal population	\$1,447.70	\$1,349.74	\$1,279.87	\$1,356.27	\$1,325.92
C5	Recurrent grants per head of municipal population	\$444.32	\$445.60	\$361.42	\$375.31	\$352.82
C6	Relative Socio-Economic Disadvantage	1	1	1	1.00	1.00
C7	Staff turnover rate	13.15%	26.60%	17.24%	10.70%	12.46%
E2	Expenses per property assessment	\$3,894.22	\$3,896.48	\$3,612.97	\$3,518.91	\$3,534.00
E4	Average rate per property assessment	\$1,613.23	\$1,600.58	\$1,556.02	\$1,541.57	–
FS1	Time taken to action food complaints	1.86	2.24	\$3.14	2.18	1.64
FS2	Food safety assessments	151.13%	93.05%	118.67%	75.38%	130%
FS3	Cost of food safety service	\$566.76	\$488.02	\$403.48	\$383.59	\$343.00
FS4	Critical and major non-compliance outcome notifications	60.41%	39.79%	75.33%	63.12%	88.54%
G1	Council decisions made at meetings closed to the public	17.48%	13.38%	14.36%	20.09%	21.90%
G2	Satisfaction with community consultation and engagement	53.00	55.00	58.00	55.00	57.00
G3	Councillor attendance at Council meetings	93.16%	93.16%	97.78%	97.04%	94.15%
G4	Cost of governance	\$45,508.76	\$41,213.89	\$36,960.36	\$41,516.42	\$39,306.84
G5	Satisfaction with Council decisions	55.00	52.00	56.00	53.00	54.00
L1	Current assets compared to current liabilities	254.73%	259.47%	253.01%	267.49%	324.70%
L2	Unrestricted cash compared to current liabilities	-23.46%	7.62%	29.26%	25.13%	-71.18%

KPI	Measure	2022/23	2021/22	2020/21	2019/20	2018/19
LB1	Library collection usage	2.19	1.87	1.62	2.54	2.36
LB2	Standard of library collection	67.00%	34.92%	48.01%	49.94%	45.56%
LB4	Active library members	8.36%	9.06%	9.76%	10.31%	10.34%
LB5	Cost of library service per population	\$34.75	\$37.59	\$34.27	\$36.32	\$36.72
MC2	Infant enrolments in the MCH service	101.50%	101.11%	100.11%	101.15%	100.98%
MC3	Cost of the MCH service	\$101.11	\$98.52	\$79.39	\$80.56	\$80.39
MC4	Participation in the MCH service	71.66%	71.51%	74.51%	72.59%	70.48%
MC5	Participation in the MCH service by Aboriginal children	84.75%	82.45%	86.68%	76.04%	69.14%
MC6	Participation in first MCH home visit	94.92%	95.46%	92.23%	93.67%	–
O2	Loans and borrowings compared to rates	17.16%	17.90%	20.39%	12.72%	19.31%
O3	Loans and borrowings repayments compared to rates	2.06%	2.07%	1.24%	11.98%	2.91%
O4	Non-current liabilities compared to own source revenue	27.08%	25.97%	32.34%	24.74%	26.91%
O5	Asset renewal and upgrade compared to depreciation	104.03%	84.97%	82.71%	152.23%	–
OP1	Adjusted underlying surplus (or deficit)	-3.73%	-4.02%	-5.00%	-1.47%	-5.01%
R1	Sealed local road requests	100.26	114.30	76.68	37.85	34.56
R2	Sealed local roads maintained to condition standards	99.87%	99.69%	99.70%	99.98%	99.71%
R3	Cost of sealed local road reconstruction	\$226.24	\$79.13	\$132.18	\$155.75	\$104.92
R4	Cost of sealed local road resealing	\$15.68	\$14.98	\$13.00	\$11.25	\$11.68
R5	Satisfaction with sealed local roads	54.00	57.00	61.00	57.00	60.00
S1	Rates compared to adjusted underlying revenue	59.44%	57.53%	61.32%	60.11%	60.08%
S2	Rates compared to property values	0.48%	0.61%	0.66%	0.69%	0.69%
SP1	Time taken to decide planning applications	81.00	76.00	63.00	52.00	56.00
SP2	Planning applications decided within required time frames	88.02%	91.92%	95.04%	96.30%	95.57%
SP3	Cost of statutory planning service	\$2,946.68	\$2,080.37	\$1,991.09	\$2,514.72	\$2,477.90
SP4	Council planning decisions upheld at VCAT	100%	0%	0%	40.00%	40.00%
WC1	Kerbside bin collection requests	139.09	142.41	146.11	148.12	126.63
WC2	Kerbside collection bins missed	2.84	2.58	2.90	3.16	2.80
WC3	Cost of kerbside garbage bin collection service	\$133.29	\$121.07	\$108.84	\$106.57	\$103.97
WC4	Cost of kerbside recyclables collection service	\$30.07	\$27.69	\$26.06	\$26.34	\$26.20
WC5	Kerbside collection waste diverted from landfill	49.33%	50.15%	49.17%	51.43%	52.08%



# 05 Financial Report





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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*, Australian Accounting Standards and other mandatory professional reporting requirements.



Matthew Rogers CPA  
Principal Accounting Officer  
Dated: 02/10/2023  
Morwell

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

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

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



Cr Darren Howe  
Councillor  
Dated: 02/10/2023  
Morwell



Cr Bradley Law  
Councillor  
Dated: 02/10/2023  
Morwell



Steven Piasente  
Chief Executive Officer  
Dated: 02/10/2023  
Morwell



# Auditor-General's Report on Financial Report



## Independent Auditor's Report

### To the Councillors of Latrobe City Council

<b>Opinion</b>	<p>I have audited the financial report of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2023</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cash flows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<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 <i>APES 110 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>
<b>Councillors' responsibilities for the financial report</b>	<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 <i>Local Government (Planning and Reporting) Regulations 2020</i>, 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

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



# Comprehensive Income Statement

For the year ended  
30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Income / Revenue</b>			
Rates and charges	3.1	89,109	85,023
Statutory fees and fines	3.2	2,741	2,872
User fees	3.3	12,307	11,257
Grants - operating	3.4	35,860	43,292
Grants - capital	3.4	8,735	13,101
Contributions - monetary	3.5	1,237	872
Contributions - non monetary	3.5	16,707	16,080
Other income	3.6	8,193	3,639
<b>Total income / revenue</b>		<b>174,889</b>	<b>176,136</b>
<b>Expenses</b>			
Employee costs	4.1	(61,039)	(62,516)
Materials and services	4.2	(46,385)	(46,196)
Depreciation	4.3	(30,213)	(29,087)
Amortisation - intangible assets	5.2	(497)	(93)
Amortisation - right-of-use assets	5.8	(77)	(40)
Bad and doubtful debts - allowance for impairment losses		(9)	(62)
Borrowing costs		(285)	(305)
Finance costs - leases		(36)	(29)
Net loss on disposal of property, infrastructure, plant and equipment	4.9	(8,408)	(9,645)
Landfill rehabilitation provision movement	5.5	(2,839)	(1,166)
Other expenses	4.10	(5,712)	(4,585)
<b>Total expenses</b>		<b>(155,500)</b>	<b>(153,724)</b>
<b>Surplus/ (deficit) for the year</b>		<b>19,389</b>	<b>22,412</b>
<b>Other Comprehensive Income</b>			
ITEMS THAT WILL NOT BE RECLASSIFIED TO SURPLUS OR DEFICIT IN FUTURE PERIODS			
Net asset revaluation increment/(decrement)	6.1	83,301	54,147
<b>Total other comprehensive result</b>		<b>83,301</b>	<b>54,147</b>
<b>Total comprehensive result</b>		<b>102,690</b>	<b>76,559</b>

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

# Balance Sheet

As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5.1	24,181	27,825
Trade and other receivables	5.1	4,613	5,913
Other financial assets	5.1	95,000	80,000
Prepayments	5.2	1,443	1,154
Accrued income	5.2	3,418	5,650
<b>Total current assets</b>		<b>128,655</b>	<b>120,542</b>
<b>Non-Current Assets</b>			
Trade and other receivables	5.1	4	10
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.1	1,447,440	1,347,937
Right-of-use assets	5.8	1,221	700
Intangible assets	5.2	2,335	-
<b>Total non-current assets</b>		<b>1,451,002</b>	<b>1,348,649</b>
<b>Total assets</b>		<b>1,579,657</b>	<b>1,469,191</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5.3	14,835	10,436
Trust funds and deposits	5.3	5,447	5,182
Unearned income/revenue	5.3	10,720	13,174
Provisions	5.5	16,240	16,076
Interest-bearing liabilities	5.4	3,127	1,570
Lease liabilities	5.8	137	19
<b>Total current liabilities</b>		<b>50,506</b>	<b>46,457</b>
<b>Non-Current Liabilities</b>			
Provisions	5.5	17,124	12,334
Interest-bearing liabilities	5.4	12,163	13,645
Lease liabilities	5.8	1,132	713
<b>Total non-current liabilities</b>		<b>30,419</b>	<b>26,692</b>
<b>Total liabilities</b>		<b>80,925</b>	<b>73,149</b>
<b>Net assets</b>		<b>1,498,732</b>	<b>1,396,042</b>
<b>Equity</b>			
Accumulated surplus		849,159	831,565
Reserves	9.1	649,573	564,477
<b>Total equity</b>		<b>1,498,732</b>	<b>1,396,042</b>

The above balance sheet should be read in conjunction with the accompanying notes.



# Statement of Changes in Equity

For the year ended  
30 June 2023

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2023</b>					
Balance at beginning of the financial year		1,396,042	831,565	558,993	5,484
Surplus for the year		19,389	19,389	-	-
Net asset revaluation increment	6.2	83,301	-	83,301	-
Transfers to other reserves	9.1	-	(1,909)	-	1,909
Transfers from other reserves	9.1	-	114	-	(114)
Balance at end of the financial year		1,498,732	849,159	642,294	7,279
<b>2022</b>					
Balance at beginning of the financial year		1,319,483	810,012	504,846	4,625
Surplus for the year		22,412	22,412	-	-
Net asset revaluation decrement	6.1	54,147	-	54,147	-
Transfers to other reserves	9.1	-	(871)	-	871
Transfers from other reserves	9.1	-	12	-	(12)
Balance at end of the financial year		1,396,042	831,565	558,993	5,484

The above statement of changes in equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

For the year ended  
30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Cash Flows from Operating Activities</b>			
Rates and charges		90,578	83,503
Statutory fees and fines		2,743	2,896
User fees		12,918	12,276
Grants - operating		32,235	41,227
Grants - capital		13,429	14,975
Contributions - monetary		1,243	872
Interest received		2,909	1,001
Trust funds and deposits taken		13,818	14,147
Other receipts		4,169	2,841
Net GST refund/ (payment)		4,151	3,697
Employee costs		(63,373)	(61,617)
Materials and services		(50,070)	(55,857)
Short-term, low value and variable lease payments		(152)	(97)
Trust funds and deposits repaid		(13,553)	(12,744)
Other payments		(5,472)	(3,830)
Net cash provided by operating activities	9.2	45,573	43,290
<b>Cash Flows from Investing Activities</b>			
Payments for property, infrastructure, plant and equipment		(34,474)	(44,681)
Proceeds from sale of property, infrastructure, plant and equipment		555	336
Payments for investments		(145,000)	(165,000)
Proceeds from sale of investments		130,000	155,800
Loans and advances made		-	(11)
Payments of loans and advances		5	5
Net cash used in investing activities		(48,914)	(53,551)
<b>Cash Flows from Financing Activities</b>			
Finance costs		(281)	(303)
Proceeds from borrowings		1,635	-
Repayment of borrowings		(1,559)	(1,459)
Interest paid - lease liability		(36)	(29)
Repayment of lease liabilities		(62)	(28)
Net cash used in financing activities		(303)	(1,819)
Net increase/ (decrease) in cash and cash equivalents		(3,644)	(12,080)
Cash and cash equivalents at the beginning of the financial year		27,825	39,905
Cash and cash equivalents at the end of the financial year		24,181	27,825
Financing arrangements	5.6		

The above statement of cash flows should be read in conjunction with the accompanying notes.



# Statement of Capital Works

For the year ended  
30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Property</b>			
Land		-	234
<b>Total land</b>		-	234
Buildings		6,857	16,990
Heritage buildings		-	-
<b>Total buildings</b>		<b>6,857</b>	<b>16,990</b>
<b>Total property</b>		<b>6,857</b>	<b>17,224</b>
<b>Plant and Equipment</b>			
Plant, machinery and equipment		3,049	1,584
Fixtures, fittings and furniture		131	358
Computers and telecommunications		1,058	305
Art collection		13	24
<b>Total plant and equipment</b>		<b>4,251</b>	<b>2,271</b>
<b>Infrastructure</b>			
Roads		19,273	13,219
Bridges		581	857
Footpaths and cycleways		1,223	1,617
Drainage		313	615
Recreational, leisure and community facilities		10	30
Waste management		430	3,457
Parks, open space and streetscapes		3,470	866
Off street car parks		1,318	180
Other infrastructure		1,252	1,325
<b>Total infrastructure</b>		<b>27,870</b>	<b>22,166</b>
<b>Total capital works expenditure</b>		<b>38,978</b>	<b>41,661</b>
Represented by:			
New asset expenditure		7,340	16,945
Asset renewal expenditure		28,317	22,272
Asset expansion expenditure		207	-
Asset upgrade expenditure		3,114	2,444
<b>Total capital works expenditure</b>	2.1.2	<b>38,978</b>	<b>41,661</b>

The above Statement of Capital Works should be read in conjunction with the accompanying notes.

# Notes to the Financial Statement

For the year ended  
30 June 2023

## Note 1: Overview

The Latrobe City Council was established by an Order of the Governor in Council on 2 December 1994 and is a body corporate. The Council's main office is located at 141 Commercial Road Morwell 3840.

## 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 Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

## Significant Accounting Policies

### Basis of Accounting

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

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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.

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.

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 substance shot-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.



## 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 \$250,000 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.

The budget figures detailed below are those adopted by Council on 6 June 2022. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
<b>Income / Revenue</b>					
Rates and charges	88,619	89,109	490	1%	1
Statutory fees and fines	2,710	2,741	31	1%	
User fees	10,712	12,307	1,595	15%	2
Grants - operating	24,462	35,860	11,398	47%	3
Grants - capital	5,300	8,735	3,435	65%	4
Contributions - monetary	90	1,237	1,147	1274%	5
Contributions - non monetary	4,070	16,707	12,637	310%	6
Other income	3,350	8,193	4,843	145%	7
<b>Total income / revenue</b>	<b>139,313</b>	<b>174,889</b>	<b>35,576</b>	<b>26%</b>	
<b>Expenses</b>					
Employee costs	59,303	61,039	(1,736)	(3%)	8
Materials and services	39,708	46,385	(6,677)	(17%)	9
Bad and doubtful debts - allowance for impairment losses	4	9	(5)	(125%)	
Depreciation	31,782	30,213	1,569	5%	10
Amortisation - Intangible assets	733	497	236	32%	11
Amortisation - Right-of-use assets	38	77	(39)	(103%)	12
Borrowing costs	421	285	136	32%	13
Finance Costs - Leases	27	36	(9)	(33%)	
Net loss on disposal of property, infrastructure, plant and equipment	-	8,408	(8,408)	100%	14
Other expenses	4,090	5,712	(1,622)	(40%)	15
Landfill provision movement	-	2,839	(2,839)	100%	16
<b>Total expenses</b>	<b>136,106</b>	<b>155,500</b>	<b>(19,394)</b>	<b>(14%)</b>	
<b>Surplus/ (deficit) for the year</b>	<b>3,207</b>	<b>19,389</b>	<b>16,182</b>	<b>505%</b>	

#### (i) Explanation of material variations - Income and Expenditure

Ref	Item	Explanation		
<b>1</b>	RATES AND CHARGES	<b>Outcome: Favourable</b>	<b>\$490K</b>	<b>1%</b>
		Higher than expected growth in Council's rates revenue is primarily a result of additional revenue from supplementary valuations associated with new subdivisions, property improvements and additional waste services.		
<b>2</b>	USER FEES	<b>Outcome: Favourable</b>	<b>\$1,595K</b>	<b>15%</b>
		Favourable landfill gate fees \$709K largely due to a temporary increase in waste due to another landfill temporarily restricting their commercial waste intake, increased rates debt collection fee cost recovery \$291K, higher than anticipated subdivision supervision fees \$277K, Leisure Facility fees \$89K and Performing Arts income \$88K as a result of increased activity.		
<b>3</b>	GRANTS - OPERATING	<b>Outcome: Favourable</b>	<b>\$11,398K</b>	<b>47%</b>
		The favourable variance is mainly due to the Federal government decision to advance 100% of the 2023/24 Victorian Grants Commission Financial Assistance Grants (FAGS) which is \$4,147K more than budget, additionally FAGS grants received were \$1,316K higher than expected. In addition a number of unbudgeted/increased grants were received e.g. emergency management and recovery \$1,875K and pre school programs \$1,762K.		
<b>4</b>	GRANTS - CAPITAL	<b>Outcome: Favourable</b>	<b>\$3,435K</b>	<b>65%</b>
		The favourable variance is largely due to unbudgeted grants received for Local Roads and Community Infrastructure (LRCI) program projects \$2,489K, Regional Carpark fund \$1,254K, Federal Blackspot funding \$439K, Parklands Pre School refurbishment \$0.376K, Agrilinks funding for Flynn Creek Road \$350K, Public Wifi \$348K. These variances have been partially offset by timing variances in the recognition of grants for the Gippsland Logistic Precinct \$2,473K with the funding now expected to be recognised in future financial years.		
<b>5</b>	CONTRIBUTIONS - MONETARY	<b>Outcome: Favourable</b>	<b>\$1,147K</b>	<b>1274%</b>
		The favourable variance is mainly due to the higher than expected receipt of contributions for developer contribution plans (DCPs) \$638K, public open space \$256K, future infrastructure \$213K and other works associated with new property subdivision development.		
<b>6</b>	CONTRIBUTIONS - NON MONETARY	<b>Outcome: Favourable</b>	<b>\$12,637K</b>	<b>310%</b>
		Council receives non-monetary contributions of land and infrastructure from property developers. It is difficult to predict the annual level of contributions as they are realised at the time the subdivision statement of compliance is received. This year saw a higher than expected level of development activity which resulted in higher contributions.		
<b>7</b>	OTHER INCOME	<b>Outcome: Favourable</b>	<b>\$4,843K</b>	<b>145%</b>
		Increasing interest rates and higher than expected funds available for investment led to a favourable variance of \$3,479K in investment income. Other favourable variances were received for unbudgeted insurance proceeds \$628K and various other reimbursements received \$658K.		
<b>8</b>	EMPLOYEE COSTS	<b>Outcome: Unfavourable</b>	<b>\$1,736K</b>	<b>3%</b>
		The unfavourable variance is mainly due to increased long service leave accrued expenditure as a result of increasing indexation rates associated with higher wage inflation across the industry which impacts the liability provision \$1,231K. Other factors include increased costs of additional positions that were funded by unbudgeted government grants and initiatives e.g. Emergency Management \$808K, Family Services \$743K and Creative Arts & Venues \$412K. These items have been partially offset by a lower than expected workcover premium \$777K and other savings related to positions that were vacant for part of the year.		
<b>9</b>	MATERIALS AND SERVICES	<b>Outcome: Unfavourable</b>	<b>\$6,677K</b>	<b>17%</b>
		The variance is predominantly a result of expenditure funded from unbudgeted government grants and income received in previous financial years e.g. LRCI program projects \$1,858K (including the McNairn Road pedestrian railway crossing \$773K). Other factors include higher than expected costs/demand for Transfer Stations \$703K, Hard Waste Collection \$462K, Kerbside waste collection \$463K, Debt Collections costs \$327K, fuel \$254K and gas \$151K.		



## Note 2: Analysis of Our Results (cont.)

### (i) Explanation of material variations - Income and Expenditure (cont.)

Ref	Item	Explanation		
<b>10</b>	DEPRECIATION	Outcome: Favourable	\$1,569K	5%
		The favourable variance is mainly in the Buildings category (\$2,255K) due to an overestimation of the impact of recent large capital projects on depreciation together with the later than expected opening of cell 6 at the Hyland Highway landfill facility \$512K. Partially offsetting this are higher levels of infrastructure depreciation largely as a result of unbudgeted gifted assets and new and upgraded infrastructure funded from government grants increasing the depreciable value of assets over the past two years.		
<b>11</b>	AMORTISATION - INTANGIBLE ASSETS	Outcome: Favourable	\$236K	32%
		Variance mainly due to the later than expected opening of Landfill cell 6 as a result of cell 5 still having unused capacity.		
<b>12</b>	AMORTISATION - RIGHT-OF-USE ASSETS	Outcome: Unfavourable	\$39K	103%
		New lease entered for Leisure fitness equipment which was not factored in to the adopted budget calculations.		
<b>13</b>	BORROWING COSTS	Outcome: Favourable	\$136K	32%
		Lower loan repayments due to a lower than expected interest rate received and the delay in drawdown of loan funds for the Moe Revitalisation Project Stage 2 and Kernot Hall Refurbishment works.		
<b>14</b>	NET LOSS ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	Outcome: Unfavourable	\$8,408K	100%
		The variation is associated with the write down of the residual value of assets renewed as part of the capital works program. This process was not allowed for in to the 2022/23 budget due to the uncertainty in identifying the values and relates mainly to asset classes of infrastructure (\$4,376K) and buildings (\$4,205K).		
<b>15</b>	OTHER EXPENSES	Outcome: Unfavourable	\$1,622K	40%
		The unfavourable variance is mainly due to higher than expected State Government landfill levies associated with increased levels of waste to landfill during the year (\$787K), together with grant funds paid out for the externally funded Cleanup and Storm Resilience in Gippsland program \$599K and the expensing of items from opening Capital Works in Progress (\$306K) due to them not meeting Council's capitalisation criteria.		
<b>16</b>	LANDFILL PROVISION MOVEMENT	Outcome: Unfavourable	\$2,839K	100%
		An internal annual review of the expected costs to rehabilitate Council's existing and legacy landfill sites has resulted in an increase in the required provision. The main factors are increasing costs and additional works required as a result of EPA notices and audits undertaken. At the time the 2022/23 budget was formulated it was not anticipated that there would be a movement in this provision.		

### 2.1.2 Capital Works

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Buildings	5,563	6,857	(1,294)	(23%)	1
<b>Total buildings</b>	<b>5,563</b>	<b>6,857</b>	<b>(1,294)</b>	<b>(23%)</b>	
<b>Total property</b>	<b>5,563</b>	<b>6,857</b>	<b>(1,294)</b>	<b>(23%)</b>	
<b>Plant and Equipment</b>					
Plant, machinery and equipment	2,391	3,049	(658)	(28%)	2
Fixtures, fittings and furniture	70	131	(61)	(87%)	3
Computers and telecommunications	600	1,058	(458)	(76%)	4
Art collection	15	13	2	13%	
<b>Total plant and equipment</b>	<b>3,076</b>	<b>4,251</b>	<b>(1,175)</b>	<b>(38%)</b>	
<b>Infrastructure</b>					
Roads	15,440	19,273	(3,833)	(25%)	5
Bridges	415	581	(166)	(40%)	6
Footpaths and cycleways	1,155	1,223	(68)	(6%)	
Drainage	1,784	313	1,471	82%	7
Recreational, leisure and community facilities	73	10	63	86%	8
Waste management	550	430	120	22%	9
Parks, open space and streetscapes	7,930	3,470	4,460	56%	10
Off street car parks	455	1,318	(863)	(190%)	11
Other infrastructure	3,600	1,252	2,348	65%	12
<b>Total infrastructure</b>	<b>31,402</b>	<b>27,870</b>	<b>3,532</b>	<b>11%</b>	
<b>Total capital works expenditure</b>	<b>40,041</b>	<b>38,978</b>	<b>1,063</b>	<b>3%</b>	
Represented by:					
New asset expenditure	12,020	7,340	4,680	39%	13
Asset renewal expenditure	20,098	28,317	(8,219)	(41%)	14
Asset expansion expenditure	-	207	(207)	100%	15
Asset upgrade expenditure	7,923	3,114	4,809	61%	16
<b>Total capital works expenditure</b>	<b>40,041</b>	<b>38,978</b>	<b>1,063</b>	<b>3%</b>	

### (i) Explanation of material variations - Capital Works

Ref	Item	Explanation		
<b>1</b>	BUILDINGS	Outcome: Overspend	(\$1,294K)	23%
		<ul style="list-style-type: none"> <li>TwinCity Archery Club Extension - jointly funded project carried forward from prior year (overspend \$610K)</li> <li>Refurbishment of Parklands Preschool - unbudgeted part grant funded project (overspend \$0.44M)</li> <li>Building renewal program carried forward from prior year (overspend \$436K)</li> <li>Gippsland Performing Arts centre funded from carry forward (overspend \$527K)</li> <li>Hazelwood South Reserve Change Pavillion funded from carry forwards and grants (overspend \$200K)</li> <li>Kernot Hall Refurbishment to be carried over to the next financial year (underspend \$1,194K)</li> </ul>		
<b>2</b>	PLANT, MACHINERY AND EQUIPMENT	Outcome: Overspend	(\$658K)	28%
		<ul style="list-style-type: none"> <li>Acquisition of Landfill Compactor funded from carry forwards from previous years due to delivery delays (\$536K)</li> </ul>		
<b>3</b>	FIXTURES, FITTINGS AND FURNITURE	Outcome: Overspend	(\$61K)	87%
		<ul style="list-style-type: none"> <li>Office chair and desk replacement funded from carry forwards and budget reallocations (\$61K)</li> </ul>		



## Note 2: Analysis of Our Results (cont.)

### (i) Explanation of material variations - Capital Works (cont.)

Ref	Item	Explanation
4	COMPUTERS AND TELECOMMUNICATIONS	<p><b>Outcome: Overspend (\$458K) 76%</b></p> <ul style="list-style-type: none"> <li>Free Public WiFi Services. A grant funded project delivered across multiple years (\$347K)</li> <li>Photocopier replacement funded from carry forwards (\$111K)</li> </ul>
5	ROADS	<p><b>Outcome: Overspend (\$3,833K) 25%</b></p> <ul style="list-style-type: none"> <li>Landslip Reconstruction. Unbudgeted works largely funded from Disaster Recovery grants (overspend \$8,397K)</li> <li>Nation Building Blackspot Program - unbudgeted government funded projects (overspend \$452K)</li> <li>Flynns Creek Road Stage 3 - unbudgeted government funded project (overspend \$414K)</li> <li>Signalised Intersection - Maffra/Marshalls Rd. Delay in commencement (underspend \$4,925K)</li> <li>Road Rehabilitation Program - Scrubby Lane works carried over to 2023/24 (underspend \$1,055K)</li> </ul>
6	BRIDGES	<p><b>Outcome: Overspend (\$166K) 40%</b></p> <ul style="list-style-type: none"> <li>Mathison Park Boardwalk renewal. Fully funded grant project (\$94K)</li> </ul>
7	DRAINAGE	<p><b>Outcome: Underspend \$1,471K 82%</b></p> <ul style="list-style-type: none"> <li>Minor Drainage - Upgrade and New Program partly carried forward to future years (\$992K)</li> </ul>
8	RECREATIONAL, LEISURE AND COMMUNITY FACILITIES	<p><b>Outcome: Underspend \$63K 86%</b></p> <ul style="list-style-type: none"> <li>Cricket Nets Duncan Cameron Memorial Park project carried over to 2023/24 (\$74K)</li> </ul>
9	WASTE MANAGEMENT	<p><b>Outcome: Underspend \$120K 22%</b></p> <ul style="list-style-type: none"> <li>Leachate Pond Construction Hyland Highway carried over to 2023/24 (\$345K)</li> </ul>
10	PARKS, OPEN SPACE AND STREETSCAPES	<p><b>Outcome: Underspend \$4,460K 56%</b></p> <ul style="list-style-type: none"> <li>Moe Revitalisation Project Stage 2 (\$4,694K). Project will carry over to the next financial year.</li> </ul>
11	OFF STREET CAR PARKS	<p><b>Outcome: Overspend (\$863K) 190%</b></p> <ul style="list-style-type: none"> <li>Regional Car Parks grant funded program (\$1,254K)</li> </ul>
12	OTHER INFRASTRUCTURE	<p><b>Outcome: Underspend \$2,348K 65%</b></p> <ul style="list-style-type: none"> <li>Gippsland Logistics Precinct and Intermodal Freight Terminal (\$2,427K). Grant funded multiple year project that will carry over to 2023/24.</li> </ul>
13	NEW ASSET EXPENDITURE	<p><b>Outcome: Underspend \$4,680K 39%</b></p> <ul style="list-style-type: none"> <li>Moe Revitalisation Project Stage 2 (underspend \$4,694K). Project will carry over to the next financial year.</li> <li>Gippsland Logistics Precinct and Intermodal Freight Terminal (underspend \$2,427K). Grant funded multiple year project that will carry forward to 2023/24.</li> <li>Regional Car Parks unbudgeted grant funded program (overspend \$1,254K)</li> </ul>
14	ASSET RENEWAL EXPENDITURE	<p><b>Outcome: Overspend (\$8,219K) 41%</b></p> <ul style="list-style-type: none"> <li>Unbudgeted Landslip Reconstruction largely funded from Disaster Recovery grants (overspend \$8,397K)</li> <li>Road Rehabilitation Program - Scrubby Lane rehabilitation works carried over to 2023/24 (underspend \$1,055K)</li> </ul>
15	ASSET EXPANSION EXPENDITURE	<p><b>Outcome: Overspend (\$207K) 100%</b></p> <ul style="list-style-type: none"> <li>Hazelwood South Reserve Change Pavilion (\$200K). A jointly funded project carried forward from prior year.</li> </ul>
16	ASSET UPGRADE EXPENDITURE	<p><b>Outcome: Underspend \$4,809K 61%</b></p> <ul style="list-style-type: none"> <li>Signalised Intersection - Maffra/Marshalls Rd. Delay in commencement (underspend \$4,925K)</li> <li>Kernot Hall Refurbishment (underspend \$1,194K) to be carried over to the next financial year</li> <li>TwinCity Archery Club Extension - jointly funded project carried forward from prior year (overspend \$610K)</li> </ul>

## 2.2 Analysis of Council Results by Program

Council delivers its functions and activities through the following programs.

### 2.2.1

#### OFFICE OF THE CHIEF EXECUTIVE

- Office of the Chief Executive
- Mayoral and Council Support and Operations

#### CAPITAL WORKS PROGRAM

- Capital Works Program (includes items not capitalised, excludes Latrobe Valley Sports and Community Initiative and Waste and Landfill capital works)

#### REGIONAL CITY PLANNING AND ASSETS

- City Assets (Engineering Services, Asset Planning, Capital Works, Building Projects and Maintenance and Recreation and Open Space Planning)
- City Presentation (Infrastructure Maintenance, Open Space Maintenance and Recreation Liaison and Reserve Maintenance)
- Environment
- Regional City Planning

#### REGIONAL CITY STRATEGY AND TRANSITION

- Engagement and Customer Focus
- Economic Investment and Transition
- Business and Industry Development
- Governance
- Advocacy and Transition

#### COMMUNITY HEALTH AND WELLBEING

- Active Communities and Partnerships (Active and Liveable Communities, Libraries and Leisure Facilities)
- Creative Venues, Events and Tourism
- Safe Communities (Building Services, Health Services, Local Laws and Legal Proceedings)
- Family Services (Regional Assessment Service, Pre Schools and Childcare, Family Health and Development)
- Emergency Management

#### ORGANISATIONAL PERFORMANCE

- Financial Support
- People and Culture
- Business Improvement
- Property Operations

#### SUSTAINABILITY

- Landfill Services
- Waste and Recycling
- Litter Bins
- Sustainability Rates and Charges

#### OTHER OPERATING

- Other unattributable items e.g. Loan interest, unattributable cash and investments and sundry receivables. A surplus is expected to be generated to fund repayment of loan principal

### 2.2.2 Summary of Income / Revenue, Expenses, Assets and Capital Expenses by Program

	Income / Revenue \$'000	Expenses \$'000	Surplus/ (deficit) \$'000	Grants incl. in income / revenue \$'000	Total Assets \$'000
<b>2023</b>					
Office of the Chief Executive	1,635	(1,744)	(109)	236	31
Regional City Strategy and Transition	10,290	(10,054)	236	1,600	31,452
Organisational Performance	15,407	(14,854)	553	2,629	8,954
Regional City Planning and Assets	67,786	(53,188)	14,598	11,553	1,139,693
Community Health and Wellbeing	50,596	(51,874)	(1,278)	19,575	241,356
Sustainability	19,593	(19,257)	336	143	36,092
Other Operating	127	264	391	-	68,428
Capital Works Program	9,455	(4,793)	4,662	8,859	53,651
	<b>174,889</b>	<b>(155,500)</b>	<b>19,389</b>	<b>44,595</b>	<b>1,579,657</b>
<b>2022</b>					
Office of the Chief Executive	1,591	(1,986)	(395)	256	38
Regional City Strategy and Transition	10,529	(11,328)	(799)	2,318	28,674
Organisational Performance	14,522	(16,403)	(1,881)	3,058	6,039
Regional City Planning and Assets	65,700	(56,210)	9,490	13,019	1,053,032
Community Health and Wellbeing	49,793	(49,077)	716	20,918	241,415
Sustainability	17,042	(13,534)	3,508	179	31,459
Major Recreation Projects	169	3	172	-	118
Other Operating	(17)	205	188	-	74,502
Capital Works Program	16,807	(5,394)	11,413	16,645	33,914
	<b>176,136</b>	<b>(153,724)</b>	<b>22,412</b>	<b>56,393</b>	<b>1,469,191</b>



## Note 3: Funding for the Delivery of Our Services

### 3.1 Rates and Charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of its land and all its improvements.

This valuation base was used to calculate general rates, excluding those who contribute under a Payment in lieu of Rates scheme (power generators) or where a rating agreement is in place (Opal).

The valuation base used to calculate general rates for 2022/23 was \$18.504 billion (2021/22 was \$13.836 billion).

	2023 \$'000	2022 \$'000
General rates	58,617	56,104
Municipal charge	5,723	5,515
Garbage charge	14,089	12,865
EPA Victoria landfill levy	1,150	890
Supplementary rates and rates adjustments	1,087	1,527
Cultural and recreational	78	80
Revenue in lieu of rates	8,365	8,042
<b>Total rates and charges</b>	<b>89,109</b>	<b>85,023</b>

The date of the latest general revaluation for rating purposes within the municipal district was 1 January 2023, and the valuation will be first applied in the rating year commencing 1 July 2023.

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

### 3.2 Statutory Fees and Fines

	2023 \$'000	2022 \$'000
Infringement and costs	495	486
Land information certificates	93	89
Permits	882	1,031
Health registrations	480	411
Animal registrations	581	592
Other	210	263
<b>Total Statutory fees and fines</b>	<b>2,741</b>	<b>2,872</b>

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

### 3.3 User Fees

	2023 \$'000	2022 \$'000
Aged and health services	9	1,833
Leisure centre and recreation	2,936	1,927
Child care/children's programs	4,151	3,759
Waste management services	3,345	2,552
Subdivision Supervision	477	479
Creative Arts and Venues	397	178
Other fees and charges	992	529
<b>Total user fees</b>	<b>12,307</b>	<b>11,257</b>
User fees by timing of revenue recognition		
User fees recognised over time	-	-
User fees recognised at a point in time	12,307	11,257
<b>Total user fees</b>	<b>12,307</b>	<b>11,257</b>

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

## 3.4 Funding from Other Levels of Government

Grants were received in respect of the following:

Summary of Grants	2023 \$'000	2022 \$'000
Commonwealth funded grants	23,365	31,091
State funded grants	21,230	25,302
<b>Total grants received</b>	<b>44,595</b>	<b>56,393</b>
<b>(a) Operating Grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Financial assistance grant	18,608	18,719
Aged and disability programs	87	2,283
Employment facilitation	284	486
Family and children programs	68	56
<b>Recurrent – State Government</b>		
Preschools	7,046	5,286
Family and children programs	2,478	2,131
Maternal and child health	799	830
Aged and disability programs	2,095	1,507
Libraries	560	552
School crossing supervision	236	194
Arts programs	175	155
Environment sustainability	36	36
Community support and development programs	310	-
<b>Total recurrent operating grants</b>	<b>32,782</b>	<b>32,235</b>
<b>Non-Recurrent – Commonwealth Government</b>		
Recreational, Leisure and Community Facilities	-	1,769
Economic development	-	40
Events And International Relations	18	66
Employment Facilitation Programs	50	-
Other	-	23
<b>Non-Recurrent – State Government</b>		
Working for Victoria COVID19 Response	-	289
Recreational, Leisure and Community Facilities	124	1,577
Pre Schools	367	651
Economic development	107	846
Community support and development programs	129	119
Natural disaster recovery	-	5,009
Employment Facilitation Programs	-	75
Infrastructure Planning	-	35
Family and children programs	1	245
Events and International Relations	30	5
Aged and Disability	6	-
Emergency Management	1,683	-
Environment sustainability	197	-
Libraries	68	-
Maternal and child health	50	-
Strategic Planning	104	-
Other	144	308
<b>Total non-recurrent operating grants</b>	<b>3,078</b>	<b>11,057</b>
<b>Total operating grants</b>	<b>35,860</b>	<b>43,292</b>



## Note 3: Funding for the Delivery of Our Services (cont.)

	2023 \$'000	2022 \$'000
<b>(b) Capital Grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Roads to recovery program	1,700	1,700
<b>Total recurrent capital grants</b>	<b>1,700</b>	<b>1,700</b>
<b>Non-Recurrent – Commonwealth Government</b>		
Buildings	2,492	5,029
Roads	-	586
Recreation, leisure and community facilities	-	101
Parks, Open Spaces and Streetscapes	-	23
Bridges	-	210
Footpath and Cycleways	58	-
<b>Non-Recurrent – State Government</b>		
Buildings	1,996	2,453
Recreation, leisure and community facilities	-	19
Parks, Open Spaces and Streetscapes	-	724
Roads	789	1,536
Footpath and Cycleways	28	16
Offstreet Carparks	-	170
Other Infrastructure	1,672	534
<b>Total non-recurrent capital grants</b>	<b>7,035</b>	<b>11,401</b>
<b>Total capital grants</b>	<b>8,735</b>	<b>13,101</b>
<b>Total grants</b>	<b>44,595</b>	<b>56,393</b>

### (c) Recognition of Grant Income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered

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

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

	2023 \$'000	2022 \$'000
<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	18,608	18,719
Specific purpose grants to acquire non-financial assets	8,735	13,101
Other specific purpose grants	13,191	15,486
<b>Revenue Recognised Under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	4,061	9,087
	<b>44,595</b>	<b>56,393</b>

(d) Unspent Grants Received on Condition That They be Spent in a Specific Manner	2023 \$'000	2022 \$'000
<b>Operating</b>		
Balance at start of year	6,526	3,948
Received during the financial year and remained unspent at balance date	6,800	6,037
Received in prior years and spent during the financial year	(4,215)	(3,459)
<b>Balance at year end</b>	<b>9,111</b>	<b>6,526</b>

Unspent grants are determined and disclosed on a cash basis.

### 3.5 Contributions

	2023 \$'000	2022 \$'000
Monetary	1,237	872
Non-monetary	16,707	16,080
<b>Total contributions</b>	<b>17,944</b>	<b>16,952</b>

Contributions of non-monetary assets were received in relation to the following asset classes

Roads	4,033	3,012
Drainage	8,765	2,065
Land	3,187	7,985
Buildings	-	1,967
Footpaths	677	1,038
Other	45	13
<b>Total non-monetary contributions</b>	<b>16,707</b>	<b>16,080</b>

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

### 3.6 Other Income

	2023 \$'000	2022 \$'000
Interest	4,229	1,170
Contributions other	1,100	1,315
Sales	1,019	322
Other Rent	741	683
Insurance Claim Refunds	628	30
Rebates	332	96
Other	144	23
<b>Total other income</b>	<b>8,193</b>	<b>3,639</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

## Note 4: The Cost of Delivering Services

4.1	2023 \$'000	2022 \$'000
<b>(a) Employee Costs</b>		
Salaries and wages	52,399	53,781
Workcover	587	1,054
Superannuation	5,367	5,210
Fringe benefits tax	253	250
Other	2,433	2,221
<b>Total employee costs</b>	<b>61,039</b>	<b>62,516</b>



## Note 4: The Cost of Delivering Services (cont.)

### (b) Superannuation

Council made contributions to the following funds:

	2023 \$'000	2022 \$'000
<b>Defined Benefit Fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	245	263
Employer contributions payable at reporting date	-	-
	<b>245</b>	<b>263</b>
<b>Accumulation Funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,541	4,352
Employer contributions payable at reporting date	581	595
	<b>5,122</b>	<b>4,947</b>
<b>Total Superannuation</b>	<b>5,367</b>	<b>5,210</b>

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

### 4.2 Materials and Services

	2023 \$'000	2022 \$'000
General maintenance	5,312	5,678
Domestic Rubbish Collection	3,983	3,636
Utilities	3,935	3,466
Other Contracts	3,807	5,017
Information technology	3,040	2,716
Office administration	2,694	2,356
Consultants	2,012	3,105
Hard Waste Collection	1,926	417
Transfer Stations	1,845	1,202
Insurance	1,412	1,285
Sporting Grounds and Facilities	1,396	765
Materials Recovery Facility	1,316	1,400
Finance and Legal Costs	1,224	571
Vehicle Expenses	1,219	1,046
Building maintenance	1,156	1,642
Cleaning	1,038	993
Management and Operation of Gippsland Regional Aquatic Centre	866	1,384
Green Waste Processing	797	796
Non-Council Asset works	773	-
Street Sweeping	742	557
Parks and Reserves	592	557
Litter Bins	454	443
Natural Disaster Recovery works	-	2,470
Other	4,846	4,694
<b>Total materials and services</b>	<b>46,385</b>	<b>46,196</b>

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

### 4.3 Depreciation

	2023 \$'000	2022 \$'000
Property	6,961	6,692
Plant, furniture and equipment	2,716	2,581
Infrastructure	20,536	19,814
<b>Total depreciation and amortisation</b>	<b>30,213</b>	<b>29,087</b>

Refer to note 5.2(b) and 6.2 for a more detailed breakdown of depreciation and amortisation charges.

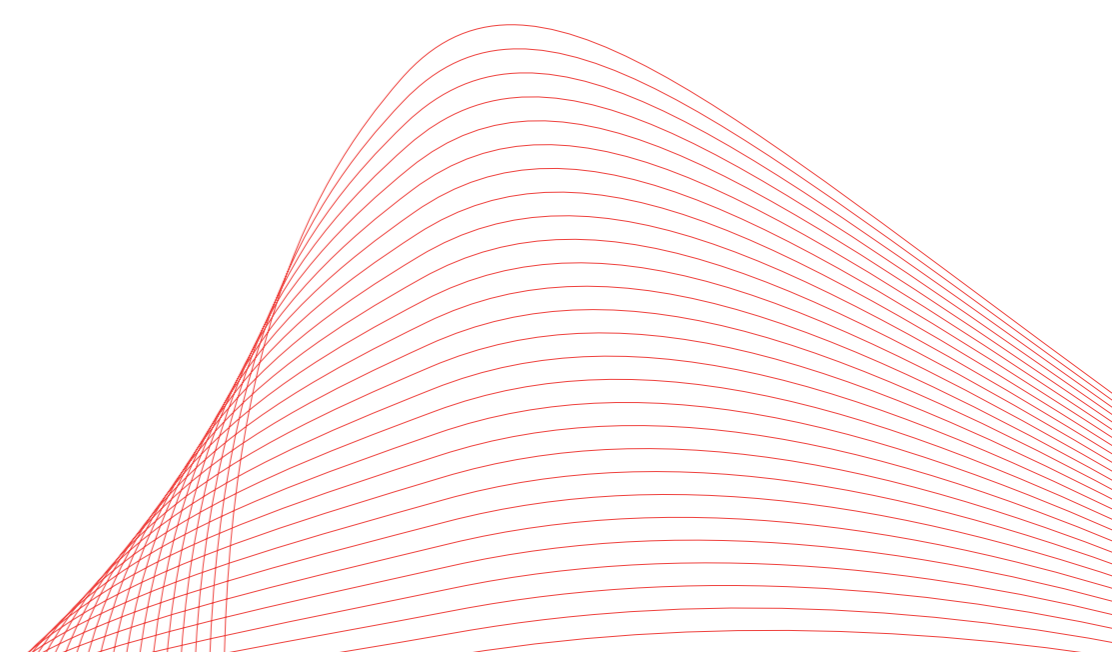
### 4.4 Net Gain/(Loss) on Disposal of Property, Infrastructure, Plant and Equipment

	2023 \$'000	2022 \$'000
Proceeds of sale	555	336
Write down value of assets disposed (sold/written off)	(4,150)	(1,428)
Write down value of assets disposed (asset renewal)	(4,813)	(8,553)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(8,408)</b>	<b>(9,645)</b>

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

### 4.5 Other Expenses

	2023 \$'000	2022 \$'000
Auditors' remuneration - VAGO	92	85
Auditors' remuneration - Internal Audit	138	87
Audit other	19	78
Councillors' allowances	354	339
Operating lease rentals	138	88
Grants	1,790	1,156
Levies	2,875	1,944
Assets written-off / impaired	306	808
<b>Total other expenses</b>	<b>5,712</b>	<b>4,585</b>





## Note 5: Our Financial Position

### 5.1 Financial Assets

	2023 \$'000	2022 \$'000
<b>(a) Cash and Cash Equivalents</b>		
Cash on hand	11	11
Cash at bank	24,170	27,814
<b>Total cash and cash equivalents</b>	<b>24,181</b>	<b>27,825</b>
<b>(b) Other Financial Assets</b>		
<b>Current</b>		
Term Deposits - current (>90days)	95,000	80,000
<b>Total current other financial assets</b>	<b>95,000</b>	<b>80,000</b>
<b>Non-Current</b>		
Shares - non-current	2	2
<b>Total non-current other financial assets</b>	<b>2</b>	<b>2</b>
<b>Total other financial assets</b>	<b>95,002</b>	<b>80,002</b>
<b>Total financial assets</b>	<b>119,183</b>	<b>107,827</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised 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.

	2023 \$'000	2022 \$'000
<b>(d) Trade and Other Receivables</b>		
<b>Current</b>		
<b>STATUTORY RECEIVABLES</b>		
Rates debtors*	2,736	4,108
Health Registrations	-	1
Net GST receivable	897	1,167
<b>NON-STATUTORY RECEIVABLES</b>		
Loans and advances to community organisations	5	5
Other debtors	988	684
Provision for doubtful debts - other debtors	(13)	(52)
<b>Total current trade and other receivables</b>	<b>4,613</b>	<b>5,913</b>

\*Rates are payable by four instalments during the year or by lump sum in February. Arrears attract interest, currently at the rate of 10.0% per annum.

	2023 \$'000	2022 \$'000
<b>Non-Current</b>		
<b>NON-STATUTORY RECEIVABLES</b>		
Loans and advances to community organisations	4	10
<b>Total non-current trade and other receivables</b>	<b>4</b>	<b>10</b>
<b>Total trade and other receivables</b>	<b>4,617</b>	<b>5,923</b>

Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

### (e) Ageing of Receivables

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

	2023 \$'000	2022 \$'000
Current (not yet due)	560	350
Past due by up to 30 days	308	163
Past due between 31 and 60 days	30	53
Past due between 61 and 90 days	12	55
Past due by more than 90 days	74	26
<b>Total trade and other receivables</b>	<b>984</b>	<b>647</b>

### (f) Ageing of Individually Impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$13K (2022 \$52K) were impaired. The amount of the provision raised against these debtors was \$13K (2022 \$52K). 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.

	2023 \$'000	2022 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	-	-
Past due by more than 90 days	13	52
<b>Total trade and other receivables</b>	<b>13</b>	<b>52</b>

### 5.2 Non-Financial Assets

	2023 \$'000	2022 \$'000
<b>(a) Other Assets</b>		
Prepayments	1,443	1,154
Accrued income	3,418	5,650
<b>Total other assets</b>	<b>4,861</b>	<b>6,804</b>
<b>(b) Intangible Assets</b>		
Landfill Air Space	2,335	-
<b>Total intangible assets</b>	<b>2,335</b>	<b>-</b>



## Note 5: Our Financial Position (cont.)

	Software \$'000	Landfill Air Space \$'000	Total \$'000
<b>Gross Carrying Amount</b>			
Balance at 1 July 2022	1,147	18,422	19,569
Additions from internal developments	-	2,832	2,832
Other additions	-	-	-
<b>Balance at 30 June 2023</b>	<b>1,147</b>	<b>21,254</b>	<b>22,401</b>
<b>Accumulated Amortisation and Impairment</b>			
Balance at 1 July 2022	(1,147)	(18,422)	(19,569)
Amortisation Expense	-	(497)	(497)
<b>Balance at 30 June 2023</b>	<b>(1,147)</b>	<b>(18,919)</b>	<b>(20,066)</b>
Net Book Value at 30 June 2022	-	-	-
<b>Net book value at 30 June 2023</b>	<b>-</b>	<b>2,335</b>	<b>2,335</b>

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

### 5.3 Payables, Trust Funds and Deposits and Unearned Income / Revenue

	2023 \$'000	2022 \$'000
<b>(a) Trade and Other Payables</b>		
<b>Current</b>		
NON-STATUTORY PAYABLES		
Trade Payables	12,500	5,927
Accrued Expenses	2,335	4,509
<b>Total current trade and other payables</b>	<b>14,835</b>	<b>10,436</b>
<b>(b) Trust Funds and Deposits</b>		
<b>Current</b>		
Refundable deposits	4,279	3,729
Fire Service Levy	627	811
Retention amounts	95	95
Other refundable deposits	446	547
<b>Total current trust funds and deposits</b>	<b>5,447</b>	<b>5,182</b>

	2023 \$'000	2022 \$'000
<b>(c) Unearned income / revenue</b>		
<b>Current</b>		
Grants received in advance - operating	-	3,819
Grants received in advance - capital	10,720	9,355
<b>Total unearned income / revenue</b>	<b>10,720</b>	<b>13,174</b>

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of government grants. 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 the forfeit.

#### Purpose and Nature of Items

**Refundable deposits** – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to contracts, asset protection, planning permit works and the use of civic facilities.

**Fire Service Levy** – Council is the collection agent for the fire services property levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

**Retention amounts** - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

### 5.4 Interest-Bearing Liabilities

	2023 \$'000	2022 \$'000
<b>Current</b>		
Treasury Corporation of Victoria Borrowings – Secured	2,613	967
Borrowings – Secured	514	603
<b>Total current</b>	<b>3,127</b>	<b>1,570</b>
<b>Non-Current</b>		
Treasury Corporation of Victoria Borrowings – Secured	6,104	7,082
Borrowings – Secured	6,059	6,563
<b>Total non-current</b>	<b>12,163</b>	<b>13,645</b>
<b>Total interest-bearing loans and borrowings</b>	<b>15,290</b>	<b>15,215</b>
All borrowings are secured over Council's Rate Revenue.		
The maturity profile for Council's borrowings is:		
Not later than one year	3,127	1,570
Later than one year and not later than five years	9,503	9,405
Later than five years	2,660	4,240
	<b>15,290</b>	<b>15,215</b>

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

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



## Note 5: Our Financial Position (cont.)

	Employee \$'000	Landfill Restoration \$'000	Total \$'000
<b>5.5 Provisions</b>			
<b>2023</b>			
Balance at Beginning of the Financial Year	12,745	15,665	28,410
Additional/(Reduced) Provisions	2,813	6,306	9,119
Amounts Used	(3,599)	(860)	(4,459)
Increase/ (Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	929	(635)	294
<b>Balance at the end of the financial year</b>	<b>12,888</b>	<b>20,476</b>	<b>33,364</b>
PROVISIONS - CURRENT	11,518	4,722	16,240
PROVISIONS - NON-CURRENT	1,370	15,754	17,124
<b>2022</b>			
Balance at Beginning of the Financial Year	14,318	16,853	31,171
Additional/(Reduced) Provisions	4,987	1,563	6,550
Amounts Used	(5,861)	(2,354)	(8,215)
Increase/ (Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	(699)	(397)	(1,096)
<b>Balance at the end of the financial year</b>	<b>12,745</b>	<b>15,665</b>	<b>28,410</b>
PROVISIONS - CURRENT	11,886	4,190	16,076
PROVISIONS - NON-CURRENT	859	11,475	12,334
		<b>2023 \$'000</b>	<b>2022 \$'000</b>
<b>(a) Employee Provisions</b>			
<b>Current Provisions Expected to be Wholly Settled Within 12 months</b>			
Annual leave		4,023	4,848
Long service leave		2,295	2,219
		<b>6,318</b>	<b>7,067</b>
<b>Current Provisions Expected to be Wholly settled After 12 months</b>			
Annual leave		304	366
Long service leave		4,897	4,453
		<b>5,201</b>	<b>4,819</b>
<b>Total current employee provisions</b>		<b>11,518</b>	<b>11,886</b>
<b>Non-Current</b>			
Long service leave		1,370	859
<b>Total non-current employee provisions</b>		<b>1,370</b>	<b>859</b>
<b>Aggregate Carrying Amount of Employee Provisions</b>			
Current		11,518	11,886
Non-Current		1,370	859
		<b>12,888</b>	<b>12,745</b>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

### Annual Leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

### Long Service Leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

	2023 \$'000	2022 \$'000
<b>Key assumptions:</b>		
• discount rate	4.06%	2.38%
• inflation rate	4.35%	2.70%
<b>(b) Landfill restoration</b>		
Current	4,722	4,190
Non-Current	15,754	11,475
	<b>20,476</b>	<b>15,665</b>

Council is obligated to restore the current Highland Highway landfill site and legacy sites at Moe, Morwell, Traralgon and Yinnar to a particular standard. The forecast life of the Highland Highway landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill rehabilitation has been 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 restore the sites 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.

	2023 \$'000	2022 \$'000
<b>Key assumptions:</b>		
• discount rate	3.64%	3.05%
• inflation rate	4.00%	4.00%

### 5.6 Financing Arrangements

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

	2023 \$'000	2022 \$'000
Bank overdraft	1,000	1,000
Credit card facilities	500	500
Treasury Corporation of Victoria facilities	17,082	18,048
Other facilities	6,574	7,167
<b>Total facilities</b>	<b>25,156</b>	<b>26,715</b>
<b>Used facilities</b>	<b>15,401</b>	<b>15,290</b>
<b>Unused facilities</b>	<b>9,755</b>	<b>11,425</b>



## Note 5: Our Financial Position (cont.)

### 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.

	Not later than 1yr \$'000	Later than 1yr and not later than 2yrs \$'000	Later than 2yrs and not later than 5yrs \$'000	Later than 5yrs \$'000	Total \$'000
<b>(a) Commitments for Expenditure</b>					
<b>2023</b>					
<b>OPERATING</b>					
Garbage Collection	2,051	-	-	-	2,051
Collection of Hard Waste	1,650	1,650	1,650	-	4,950
Recycling	1,555	-	-	-	1,555
Processing of Organic Waste	1,210	-	-	-	1,210
Cleaning contracts for Council buildings	1,161	-	-	-	1,161
Cleaning contracts for Council amenities/streets	1,158	704	1,848	-	3,710
Management and Operation of GRAC	820	820	-	-	1,640
Landfill	723	353	-	-	1,076
Software	326	-	-	-	326
Secretarial Support and Advocacy Services	136	-	-	-	136
Building Assets Condition Assessment	87	-	-	-	87
<b>Total</b>	<b>10,877</b>	<b>3,527</b>	<b>3,498</b>	<b>-</b>	<b>17,902</b>
<b>CAPITAL CONSTRUCTION</b>					
Streetscape	3,806	-	-	-	3,806
Buildings	3,570	-	-	-	3,570
Logistics Precinct and Intermodel Freight Terminal	3,215	-	-	-	3,215
Roads	1,627	-	-	-	1,627
Landfill	1,141	-	-	-	1,141
Off Street Carparks	740	-	-	-	740
Bridges	94	-	-	-	94
<b>Total</b>	<b>14,193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,193</b>
<b>2022</b>					
<b>OPERATING</b>					
Recycling	2,754	-	-	-	2,754
Garbage collection	3,868	1,934	-	-	5,802
Processing of Organic Waste	957	-	-	-	957
Cleaning contracts for Council amenities/streets	1,147	139	-	-	1,286
Cleaning contracts for Council buildings	990	-	-	-	990
Landfill	677	550	-	-	1,227
Software	10	-	-	-	10
Management and Operation of GRAC	1,166	-	-	-	1,166
Building Assets Condition Assessment	72	-	-	-	72
<b>Total</b>	<b>11,641</b>	<b>2,623</b>	<b>-</b>	<b>-</b>	<b>14,264</b>

	Not later than 1yr \$'000	Later than 1yr and not later than 2yrs \$'000	Later than 2yrs and not later than 5yrs \$'000	Later than 5yrs \$'000	Total \$'000
<b>CAPITAL CONSTRUCTION</b>					
Buildings	796	-	-	-	796
Landfill	186	-	-	-	186
Other Infrastructure	21	-	-	-	21
Logistics Precinct and Intermodel Freight Terminal	3,787	-	-	-	3,787
Car Parks	1,156	-	-	-	1,156
Roads	733	-	-	-	733
<b>Total</b>	<b>6,679</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,679</b>

### 5.8 Leases

At inception of a contract, all entities would assess 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;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer 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.



## Note 5: Our Financial Position (cont.)

	Property \$'000	Vehicles \$'000	Other, etc. \$'000	Total \$'000
<b>Right-of-Use Assets</b>				
Balance at 1 July 2022	700	-	-	700
Additions	43	57	498	598
Amortisation charge	(28)	(20)	(29)	(77)
<b>Balance at 30 June 2023</b>	<b>715</b>	<b>37</b>	<b>469</b>	<b>1,221</b>
Balance at 1 July 2021	670	14	-	684
Additions	56	-	-	56
Amortisation charge	(26)	(14)	-	(40)
<b>Balance at 30 June 2022</b>	<b>700</b>	<b>-</b>	<b>-</b>	<b>700</b>

	2023 \$'000	2022 \$'000
<b>Lease Liabilities</b>		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	159	22
One to five years	516	112
More than five years	1,164	1,118
<b>Total undiscounted lease liabilities as at 30 June</b>	<b>1,839</b>	<b>1,252</b>

	2023 \$'000	2022 \$'000
<b>Lease liabilities included in the Balance Sheet at 30 June</b>		
Current	137	19
Non-Current	1,132	713
<b>Total lease liabilities</b>	<b>1,269</b>	<b>732</b>

### Short-Term and Low Value Leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of \$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2023 \$'000	2022 \$'000
<b>Expenses relating to:</b>		
Short-term leases	138	88
Leases of low value assets	-	-
<b>Total</b>	<b>138</b>	<b>88</b>
Variable lease payments (not included in measurement of lease liabilities)		

### Non-cancellable lease commitments - Short-term and low-value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

	2023 \$'000	2022 \$'000
<b>Payable:</b>		
Within one year	-	3
Later than one year but not later than five years	1	1
Later than 5 years	3	4
<b>Total lease commitments</b>	<b>4</b>	<b>8</b>

## Note 6: Assets We Manage

### 6.1 Property, Infrastructure, Plant and Equipment

	Carrying amount 30 June 2022 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	Carrying amount 30 June 2023 \$'000
<b>Summary of Property, Infrastructure, Plant and Equipment</b>								
Land	255,680	-	3,187	-	-	-	-	258,867
Buildings	293,791	2,644	-	4,389	(6,961)	(4,206)	3,448	293,105
Plant and equipment	14,298	4,251	45	-	(2,716)	(381)	614	16,111
Infrastructure	765,192	10,636	13,475	78,912	(20,536)	(4,376)	11,400	854,703
Work in progress	18,976	21,447	-	-	-	(306)	(15,462)	24,655
	<b>1,347,937</b>	<b>38,978</b>	<b>16,707</b>	<b>83,301</b>	<b>(30,213)</b>	<b>(9,269)</b>	<b>0</b>	<b>1,447,440</b>

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write offs \$'000	Closing WIP \$'000
<b>Summary of Works in Progress</b>					
Buildings	4,133	4,213	(3,891)	(33)	4,422
Infrastructure	14,843	17,234	(11,571)	(273)	20,233
<b>Total</b>	<b>18,976</b>	<b>21,447</b>	<b>(15,462)</b>	<b>(306)</b>	<b>24,655</b>

	Land specialised (incl. land under roads) \$'000	Land non- specialised \$'000	Total land \$'000	Buildings specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
<b>(a) Property</b>							
At fair value 1 July 2022	172,683	82,998	255,681	379,871	379,871	4,133	639,684
Accumulated depreciation at 1 July 2022	-	-	-	(86,080)	(86,080)	-	(86,080)
	<b>172,683</b>	<b>82,998</b>	<b>255,681</b>	<b>293,791</b>	<b>293,791</b>	<b>4,133</b>	<b>553,604</b>

<b>Movements in Fair Value</b>							
Additions	-	-	-	2,645	2,645	4,213	6,858
Contributions	3,187	-	3,187	-	-	-	3,187
Revaluation	-	-	-	25,048	25,048	-	25,048
Disposal	-	-	-	(5,751)	(5,751)	-	(5,751)
Write-off	-	-	-	-	-	(33)	(33)
Transfers	-	-	-	3,448	3,448	(3,891)	(443)
	<b>3,187</b>	<b>-</b>	<b>3,187</b>	<b>25,390</b>	<b>25,390</b>	<b>289</b>	<b>28,866</b>

<b>Movements in Accumulated Depreciation</b>							
Depreciation and amortisation	-	-	-	(6,961)	(6,961)	-	(6,961)
Revaluation	-	-	-	(20,659)	(20,659)	-	(20,659)
Accumulated depreciation of disposals	-	-	-	1,545	1,545	-	1,545
	<b>-</b>	<b>-</b>	<b>-</b>	<b>(26,075)</b>	<b>(26,075)</b>	<b>-</b>	<b>(26,075)</b>
At fair value 30 June 2023	175,870	82,998	258,868	405,261	405,261	4,422	668,550
Accumulated depreciation at 30 June 2023	-	-	-	(112,155)	(112,155)	-	(112,155)
<b>Carrying amount</b>	<b>175,870</b>	<b>82,998</b>	<b>258,868</b>	<b>293,106</b>	<b>293,106</b>	<b>4,422</b>	<b>556,395</b>



## Note 6: Assets We Manage (cont.)

	Plant machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Computers and telecomms \$'000	Art collection \$'000	Total plant and equipment \$'000
<b>(b) Plant and Equipment</b>					
At fair value 1 July 2022	20,104	2,196	7,442	3,938	33,680
Accumulated depreciation at 1 July 2022	(11,373)	(1,587)	(6,422)	-	(19,382)
	<b>8,731</b>	<b>609</b>	<b>1,020</b>	<b>3,938</b>	<b>14,298</b>
<b>Movements in Fair Value</b>					
Additions	2,962	202	1,073	13	4,250
Contributions	-	-	-	45	45
Revaluations	-	-	-	-	-
Disposal	(1,880)	-	-	-	(1,880)
Transfers	-	-	614	-	614
	<b>1,082</b>	<b>202</b>	<b>1,687</b>	<b>58</b>	<b>3,029</b>
<b>Movements in Accumulated Depreciation</b>					
Depreciation and amortisation	(1,982)	(114)	(619)	-	(2,715)
Accumulated depreciation of disposals	1,499	-	-	-	1,499
Contributions	-	-	-	-	-
	<b>(483)</b>	<b>(114)</b>	<b>(619)</b>	<b>-</b>	<b>(1,216)</b>
At fair value 30 June 2023	21,186	2,398	9,129	3,996	36,709
Accumulated depreciation at 30 June 2023	(11,856)	(1,701)	(7,041)	-	(20,598)
<b>Carrying amount</b>	<b>9,330</b>	<b>697</b>	<b>2,088</b>	<b>3,996</b>	<b>16,111</b>

	Roads \$'000	Bridges \$'000	Footpaths and cycleways \$'000	Drainage \$'000	Waste management \$'000	Parks open spaces and streetscapes \$'000	Aerodromes \$'000	Off street car parks \$'000	Recreation, leisure and community facilities \$'000	Work in progress \$'000	Total infrastructure \$'000
<b>(c) Infrastructure</b>											
At fair value 1 July 2022	743,053	52,539	100,261	237,401	10,251	10,436	4,928	10,674	23,362	14,843	1,207,748
Accumulated depreciation at 1 July 2022	(247,654)	(18,796)	(41,287)	(98,925)	(10,251)	(3,977)	(1,595)	(3,313)	(1,915)	-	(427,713)
	<b>495,399</b>	<b>33,743</b>	<b>58,974</b>	<b>138,476</b>	<b>-</b>	<b>6,459</b>	<b>3,333</b>	<b>7,361</b>	<b>21,447</b>	<b>14,843</b>	<b>780,035</b>
<b>Movements in Fair value</b>											
Additions	9,114	211	489	13	425	311	-	63	10	17,233	27,869
Contributions	4,033	-	677	8,765	-	-	-	-	-	-	13,475
Revaluations	78,376	6,712	10,737	25,581	-	1,724	-	1,088	-	-	124,218
Disposal	(6,680)	(95)	(342)	(42)	-	(153)	-	(743)	(127)	(273)	(8,455)
Transfers	5,544	277	686	68	3,532	362	-	488	443	(11,571)	(171)
	<b>90,387</b>	<b>7,105</b>	<b>12,247</b>	<b>34,385</b>	<b>3,957</b>	<b>2,244</b>	<b>-</b>	<b>896</b>	<b>326</b>	<b>5,389</b>	<b>156,936</b>
<b>Movement in Accumulated Depreciation</b>											
Depreciation and amortisation	(13,349)	(604)	(1,836)	(2,461)	(688)	(485)	(226)	(226)	(661)	-	(20,536)
Revaluations	(26,749)	(2,459)	(4,531)	(10,534)	-	(689)	-	(344)	-	-	(45,306)
Accumulated depreciation of disposals	3,307	11	173	2	-	84	-	223	6	-	3,806
	<b>(36,791)</b>	<b>(3,052)</b>	<b>(6,194)</b>	<b>(12,993)</b>	<b>(688)</b>	<b>(1,090)</b>	<b>(226)</b>	<b>(347)</b>	<b>(655)</b>	<b>-</b>	<b>(62,036)</b>
At fair value 30 June 2023	833,440	59,644	112,508	271,786	14,208	12,680	4,928	11,570	23,688	20,232	1,364,684
Accumulated depreciation at 30 June 2023	(284,445)	(21,848)	(47,481)	(111,918)	(10,939)	(5,067)	(1,821)	(3,660)	(2,570)	-	(489,749)
<b>Carrying amount</b>	<b>548,995</b>	<b>37,796</b>	<b>65,027</b>	<b>159,868</b>	<b>3,269</b>	<b>7,613</b>	<b>3,107</b>	<b>7,910</b>	<b>21,118</b>	<b>20,232</b>	<b>874,935</b>

### Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.



## Note 6: Assets We Manage (cont.)

Asset Category	Depreciation period	Threshold limit \$'000
<b>PROPERTY</b>		
land	na	Nil
buildings	10-100 years	10.0
<b>PLANT AND EQUIPMENT</b>		
plant, machinery and equipment	3 - 12 years	1.0
fixtures, fittings and furniture	5 - 10 years	1.0
computers and telecommunications	3 - 7 years	1.0
art works collection	na	0.5
<b>INFRASTRUCTURE</b>		
road pavements and seals	14 - 87 years	10.0
road formation and earthworks	na	10.0
road kerb and channel	77 years	10.0
bridges deck	100 years	10.0
bridges substructure	100 years	10.0
footpaths and cycleways	15 - 60 years	10.0
drainage	100 years	10.0
waste management	2 - 20 years	10.0
parks, open space and streetscapes	20-40 years	5.0
recreation, leisure and community facilities	40 years	10.0
off street car parks	14 - 87 years	10.0
<b>INTANGIBLE ASSETS</b>		
software	5 years	5.0
landfill air space	2 years	10.0

### 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 below and are consistent with the prior year unless otherwise stated.

### Repairs and Maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

### Valuation of Land and Buildings

Valuation of land and buildings were undertaken by qualified independent valuers Gippsland Property Valuations (Registration number: 71139) for land and Assetic Pty Ltd for buildings. 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.

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 2023 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of valuation
Land – Non specialised	-	82,998	-	Jun-2022	Full
Land – Specialised	-	-	175,870	Jun-2022	Full
Buildings – Specialised	-	-	293,106	Jun-2023	Full
<b>Total</b>	<b>-</b>	<b>82,998</b>	<b>468,976</b>		

### Valuation of Infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Assetic Pty Ltd MIE(Aust) CPEng, NPER : Membership 1102199.

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

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation. An indexed revaluation was conducted in the current year on most infrastructure classes, this revaluation was based on Rawlinson's Australian Construction Handbook. Full revaluations of these assets are scheduled to be conducted over the 2023/24 and 2024/25 financial years.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of valuation
Roads	-	-	548,995	Jun-2023	Index
Bridges	-	-	37,796	Jun-2023	Index
Footpaths and cycleways	-	-	65,027	Jun-2023	Index
Drainage	-	-	159,868	Jun-2023	Index
Recreational, Leisure and community facilities	-	-	21,118	Jun-2019	Full
Waste management	-	-	3,269	n/a	n/a
Parks, open space and streetscapes	-	-	7,613	Jun-2023	Index
Aerodromes	-	-	3,107	n/a	n/a
Off street car parks	-	-	7,910	Jun-2023	Index
<b>Total</b>	<b>-</b>	<b>-</b>	<b>854,703</b>		

### 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 \$0 and \$951 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 \$170 to \$7,595 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from

10 years to 100 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 0 to 100 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.



## Note 6: Assets we manage (cont.)

	2023 \$'000	2022 \$'000
<b>Reconciliation of Specialised Land</b>		
Land under roads	31,245	31,143
Parks, reserves and other specialised land	144,625	141,540
<b>Total specialised land</b>	<b>175,870</b>	<b>172,683</b>

### 6.2 Investments in Associates, Joint Arrangements and Subsidiaries

#### (a) Associates and Joint Arrangements

Council had no investments in associates or joint arrangements in 2022/23 (2021/22 nil).

#### (b) Subsidiaries

Council had no subsidiaries in the 2022/23 financial year (2021/22 nil).

#### (c) Community Asset Committee

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

## Note 7: People and Relationships

### 7.1 Council and Key Management Remuneration

#### (a) Related Parties

PARENT ENTITY  
Latrobe City Council

#### (b) Key Management Personnel

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

Details of KMP at any time during the year are:

\* Note: During the 2022/23 year, some KMP positions had multiple incumbents due to vacancies. These include General Manager Community Health and Wellbeing (4 incumbents), General Manager Organisational Performance (3 incumbents) and Executive Manager - Commonwealth Games (2 incumbents).

\*\*The position of Executive Manager Office of the CEO was discontinued from 11 December 2022 and the new role of Executive Manager Commonwealth Games was created from 12 December 2022.

	2023 No.	2022 No.
<b>Councillors</b>		
Councillor K O'Callaghan (Mayor)	1	1
Councillor D Clancey (Deputy Mayor)	1	1
Councillor S Gibson	1	1
Councillor D Harriman	1	1
Councillor D Howe	1	1
Councillor B Law	1	1
Councillor T Lund	1	1
Councillor G Middlemiss	1	1
Councillor M Ferguson	1	1
<b>Total Number of Councillors</b>	<b>9</b>	<b>9</b>
<b>Other KMP</b>		
Chief Executive Officer	1	1
General Manager Regional City Planning & Assets	1	1
General Manager Community Health and Wellbeing*	4	2
General Manager Regional City Strategy & Transition	1	1
General Manager Organisational Performance*	3	1
Executive Manager Office of the CEO**	1	1
Executive Manager Commonwealth Games*	2	-
<b>Total Number of Chief Executive Officer and other KMP</b>	<b>13</b>	<b>7</b>
<b>Total Key Management Personnel</b>	<b>22</b>	<b>16</b>

#### (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 and unused Long Service Leave and Annual Leave entitlements.

Total remuneration of key management personnel was as follows:

	2023 \$'000	2022 \$'000
Short-term benefits	1,766	1,474
Other long-term benefits	44	32
Post employment benefits	144	108
Termination benefits	74	14
<b>Total</b>	<b>2,029</b>	<b>1,628</b>

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

	2023 No.	2022 No.
\$0 - \$9,999	1	-
\$10,000 - \$19,999	1	-
\$20,000 - \$29,999	2	6
\$30,000 - \$39,999	5	2
\$40,000 - \$49,999	3	-
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	2	-
\$70,000 - \$79,999	-	1
\$90,000 - \$99,999	2	2
\$120,000 - \$129,999	1	-
\$170,000 - \$179,999	2	-
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	-	3
\$260,000 - \$269,999	1	-
\$340,000 - \$349,999	-	1
\$370,000 - \$379,999	1	-
<b>Total</b>	<b>22</b>	<b>16</b>

#### (d) Remuneration of other senior staff

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

Total remuneration of other senior staff was as follows:

	2023 \$'000	2022 \$'000
Short-term benefits	2,306	2,663
Other long-term benefits	25	39
Post employment benefits	229	255
Termination benefits	-	-
<b>Total</b>	<b>2,560</b>	<b>2,956</b>



## Note 7: People and Relationships (cont.)

The number of other senior staff are shown below in their relevant income bands:

Income Range	2023 No.	2022 No.
\$151,000 - \$159,999	-	8
\$160,000 - \$169,999	9	6
\$170,000 - \$179,999	2	4
\$180,000 - \$189,999	4	-
<b>Total</b>	<b>15</b>	<b>18</b>
<b>Total remuneration for the reporting year for other senior staff included above, amounted to: (\$,000)</b>	<b>\$2,560</b>	<b>\$2,956</b>

\* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the Local Government Act 1989.

There were 3 fewer Senior Officers in 2023 than 2022, this was due to one role being discontinued and two other roles now falling below the threshold limits.

### 7.2 Related Party Disclosure

#### (a) Transactions with Related Parties

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

	2023 \$'000	2022 \$'000
Purchase of materials and services from related parties of key management personnel	61	33
<b>Total</b>	<b>61</b>	<b>33</b>

#### (b) Outstanding Balances with Related Parties

Council has no outstanding balances to/from any related parties.

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

#### (c) Loans To/From Related Parties

No loans have been made, guaranteed or secured by the Council to a key management person, or a related party of a key management person during the reporting period.

#### (d) Commitments To/From Related Parties

The following commitments were in place at the end of the reporting period in relation to related parties.

## 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.

Construction of infrastructure assets by developers in the course of creating new subdivisions results in the infrastructure assets being vested in Council when Council issues a Statement of Compliance. These assets are brought to account as revenue and capitalised.

At reporting date, developers had commenced construction of assets that will eventually be transferred to Council contingent upon Council issuing a Statement of Compliance. Due to the nature of the arrangements in place and the assets involved, a contingent asset cannot be reliably measured prior to completion.

#### (b) Contingent Liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

#### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

#### FUTURE SUPERANNUATION CONTRIBUTIONS

In addition to the disclosed contribution, there were no contributions outstanding at the 30 June 2023.

Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2021/22 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2023. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 are \$0.3 million.

#### Landfill

Council has set aside a provision for the rehabilitation of landfill sites. The amounts provisioned are management's best estimates of the cost to rehabilitate these sites however until the rehabilitation plans have been designed and approved by the Environment Protection Authority Victoria (EPA) there is a possibility that Council's obligations could further increase in respect to these sites.

In addition Council has provided bank guarantees to the value of \$2.9 million (2021/22 \$2.9 million) to Environment Protection Authority Victoria (EPA) for performance obligations in relation to the rehabilitation of these landfill sites.

#### Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

#### Gippsland Regional Aquatic Centre site

Latrobe City Council has been issued with a clean-up notice from the Environmental Protection Authority (EPA) in relation to the site located at the corner of Breed Street and Kay Street Traralgon. The location is the former site of the Traralgon Gasworks and the current site of the Gippsland Regional Aquatic Centre. Extensive clean up and remediation of the site has been undertaken by Latrobe City Council and Council is working with an EPA approved Environmental Consultant to ensure that the contamination on site has been cleaned up to the satisfaction of the EPA.

On 4 November 2022 the EPA issued a notice to the CEO that they have revoked the Environmental Action Notice (EAN). The EPA appointed auditor provided an Environmental Audit Statement to the EPA prior to the revocation on their findings and recommendations. While the clean-up works associated with the EAN has been completed and resulted in the revocation, the recommendations by the auditor in their statement are to be adhered to. Among the recommendations is the implementation of the Groundwater

Quality Management Plan (GQMP) to be in force until March 2025. The GQMP requires Council to undertake ground water monitoring each year in March to determine if the residual contamination is changing in its risk profile. At the completion of monitoring the appointed auditor will determine if the GQMP needs to be updated or no longer required. It is important to note that if there is unexpected activity with the contamination where the auditor determines that the risk profile has increased, it could result in further clean up works or further monitoring.

#### (c) Guarantees for Loans to Other Entities

Council has not provided any guarantees for loans to other entities as at the balance date.

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.

### 8.2 Change in Accounting Standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

### 8.3 Financial Instruments

#### (a) Objectives and Policies

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

#### (b) Market Risk

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

#### Interest Rate Risk

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



## Note 8: Managing Uncertainties (cont.)

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. 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 made an favourable impact on the Council's year end result with an additional \$3.1M earned on cash and investments compared to the 2022 financial year.

### (c) Credit Risk

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

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

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

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

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

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

### (d) Liquidity Risk

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;

- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and 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% and -1% in market interest rates (AUD) from year-end rates of 4.10%.

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

## 8.4 Fair Value Measurement

### Fair Value Hierarchy

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

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

AASB 13 defines fair value as 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. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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.

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

Asset class	Revaluation Frequency
Land	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	3 to 5 years
Recreational, leisure and community facilities	3 to 5 years
Waste management	na
Parks, open space and streetscapes	3 to 5 years
Aerodromes	na

### 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 other matters have occurred after balance date that requires disclosure in the financial report.



## Note 9: Other Matters

### 9.1 Reserves

#### (a) Asset Revaluation Reserves

	Balance at beginning of reporting period \$'000	Increment/ (Decrement) \$'000	Balance at end of reporting period \$'000
<b>2023</b>			
<b>PROPERTY</b>			
Land	189,364	-	189,364
Buildings	110,489	4,389	114,878
	<b>299,853</b>	<b>4,389</b>	<b>304,242</b>
<b>INFRASTRUCTURE</b>			
Roads	117,377	51,627	169,004
Bridges	30,575	4,253	34,828
Footpaths and cycleways	18,205	6,206	24,411
Off street carparks	8,282	744	9,026
Drainage	79,047	15,047	94,094
Recreation, leisure and community facilities	1,159	-	1,159
Parks, open space and streetscapes	3,387	1,035	4,422
	<b>258,032</b>	<b>78,912</b>	<b>336,944</b>
<b>OTHER</b>			
Artworks	1,095	-	1,095
Other	13	-	13
	<b>1,108</b>	<b>-</b>	<b>1,108</b>
<b>Total asset revaluation reserves</b>	<b>558,993</b>	<b>83,301</b>	<b>642,294</b>
<b>2022</b>			
<b>PROPERTY</b>			
Land	135,217	54,147	189,364
Buildings	110,489	-	110,489
	<b>245,706</b>	<b>54,147</b>	<b>299,853</b>
<b>INFRASTRUCTURE</b>			
Roads	117,377	-	117,377
Bridges	30,575	-	30,575
Footpaths and cycleways	18,205	-	18,205
Off street carparks	8,282	-	8,282
Drainage	79,047	-	79,047
Recreation, leisure and community facilities	1,159	-	1,159
Parks, open space and streetscapes	3,387	-	3,387
	<b>258,032</b>	<b>-</b>	<b>258,032</b>
<b>OTHER</b>			
Artworks	1,095	-	1,095
Other	13	-	13
	<b>1,108</b>	<b>-</b>	<b>1,108</b>
<b>Total asset revaluation reserves</b>	<b>504,846</b>	<b>54,147</b>	<b>558,993</b>

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

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other Reserves</b>				
<b>2023</b>				
Developer Contributions	5,484	(114)	1,909	7,279
<b>Total other reserves</b>	<b>5,484</b>	<b>(114)</b>	<b>1,909</b>	<b>7,279</b>
<b>2022</b>				
Developer Contributions	4,625	871	(12)	5,484
<b>Total other reserves</b>	<b>4,625</b>	<b>871</b>	<b>(12)</b>	<b>5,484</b>

#### PURPOSE AND NATURE OF OTHER RESERVES

**Developer Contributions** – The development contribution reserve is maintained to account for funds held by the Council for specific development purposes include off street parking, drainage, playgrounds and public open spaces and tree planting development.

### 9.2 Reconciliation of Cash Flows from Operating Activities to Surplus (Deficit)

	2023 \$'000	2022 \$'000
<b>Surplus/(Deficit) for the Year</b>	<b>19,389</b>	<b>22,412</b>
Depreciation and amortisation	30,787	29,220
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	8,408	9,645
Contributions non-monetary assets	(16,707)	(16,080)
Finance costs	321	334
Impairment losses/ Work in progress written off	306	808
<b>Changes in Assets and Liabilities</b>		
(Increase) / decrease in trade and other receivables	1,304	(380)
(Increase) / decrease in prepayments	(290)	(12)
(Increase) / decrease in accrued income	2,229	(336)
(Increase) / decrease in landfill intangible asset	(2,832)	-
Increase / (decrease) in trade and other payables	(107)	106
Increase / (decrease) in unearned income/revenue	(2,454)	(1,071)
Increase / (decrease) in trust funds and deposits	265	1,403
Increase / (decrease) in provisions	4,954	(2,759)
<b>Net cash provided by operating activities</b>	<b>45,573</b>	<b>43,290</b>

### 9.3 Superannuation

Latrobe City Council (Council) makes some 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 Comprehensive Operating Statement when they are made or due.

#### Accumulation

The Fund's accumulation categories, Vision MySuper/ Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee legislation (2022: 10.0%)).

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



## Note 9: Other Matters (cont.)

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

- Net investment returns 5.7% pa
- Salary information 3.5% pa
- Price inflation (CPI) 2.8% pa

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

- Net investment returns 5.5% pa
- Salary inflation 2.5% pa to 30 June 2023, and 3.5% pa thereafter
- Price inflation (CPI) 3.0% pa

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

### Employer Contributions

#### (A) REGULAR CONTRIBUTIONS

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

In addition, 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 Latrobe City Council are required to make an employer contribution to cover the shortfall.

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

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

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### The 2022 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. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

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

	2022 (interim)	2021 (triennial)
	\$m	\$m
A VBI surplus	44.6	214.7
A total service liability surplus	105.8	270.3
A discounted accrued benefits surplus	111.9	285.2

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued 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 2022.

### The 2023 Interim Actuarial Investigation

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

	2023 Triennial Investigation \$m	2022 Triennial Investigation \$m
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.5% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

### Superannuation Contributions

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

Scheme	Type of Scheme	Rate	2023 \$'000	2022 \$'000
Vision Super	Defined Benefits	"10.5% (2022:10.0%)"	245	263
Various	Accumulation	"10.5% (2022:10.0%)"	4,541	4,352

In addition to the above contributions, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2021/22 \$nil).

There were \$581K contributions outstanding (2021/22 \$595K) and \$nil loans issued (2021/22 \$nil) from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$200K.

## Note 10: Change in Accounting Policy

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





# 06 Performance Statement

FOR THE YEAR ENDED  
30 JUNE 2023





## Description of Municipality

Latrobe City is Victoria’s eastern Regional City and Gippsland’s primary service centre and employment hub, providing retail, entertainment, education, government and health services to the region with a population of 76,1561.

Latrobe City is located an hour and half drive east of Melbourne covering an area of 1,425 square kilometres situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north. The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar. The rural landscape in between townships houses a large population of hard working farmers and residents who enjoy the peace and tranquillity that comes with country life.

1 Australian Bureau of Statistics Regional Population, 2020-21 Australia, 29 March 2022 ERP 2021

## Overview of 2023

During the financial year Council experienced growth in residents and demand for services. Extensive works were undertaken to improve infrastructure.

# 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*.

Matthew Rogers CPA  
Principal Accounting Officer  
Dated: 02/10/2023

In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2023 presents fairly the results of Council’s performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

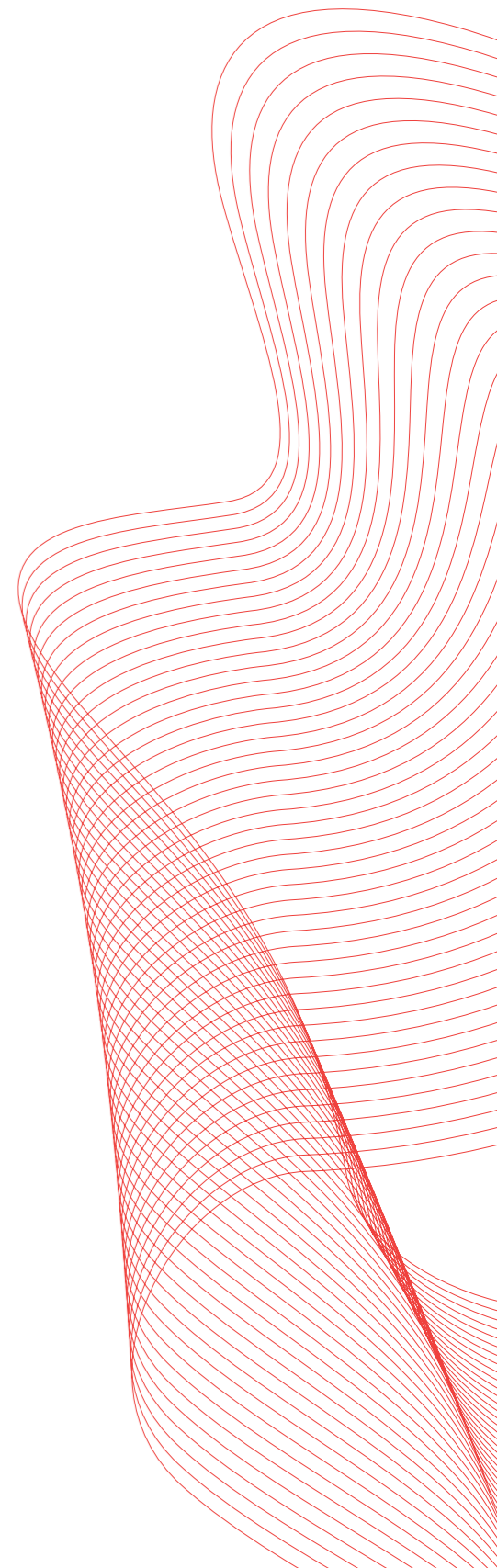
At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.

Cr Darren Howe  
Councillor  
Dated: 02/10/2023

Cr Bradley Law  
Councillor  
Dated: 02/10/2023

Steven Piasente  
Chief Executive Officer  
Dated: 02/10/2023





# Auditor-General's Report on Performance Statement



## Independent Auditor's Report

### To the Councillors of Latrobe City Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2023</li> <li>• overview of 2023</li> <li>• sustainable capacity indicators for the year ended 30 June 2023</li> <li>• service performance indicators for the year ended 30 June 2023</li> <li>• financial performance indicators for the year ended 30 June 2023</li> <li>• other information</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Latrobe City Council in respect of the year ended 30 June 2023 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p>
<b>Basis for Opinion</b>	<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 APES 110 <i>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>
<b>Councillors' responsibilities for the performance statement</b>	<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 the <i>Local Government (Planning and Reporting) Regulations 2020</i> 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>

<b>Auditor's responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, 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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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</li> <li>• 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.</li> </ul> <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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## Sustainable Capacity Indicators

Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Comments
<b>Population</b> Expenses per head of municipal population [Total expenses / Municipal population]	\$1,805	\$1,844	\$2,019	\$2,004	The result for this measure has remained consistent with the previous year, cost increases resulting from high inflation have been largely offset by reduced expenditure as a result of the transition of the Commonwealth Home Support Program and Community Care Program for Young People (HACC PYP) services, to other service providers within the community, at the end of the 2021-22 financial year.
<b>Infrastructure per head of municipal population</b> [Value of infrastructure / Municipal population]	\$13,865	\$14,244	\$14,342	\$15,315	The result for this measure increased by \$973 per capita in 2023 largely due to increased valuations due to increasing replacement costs for infrastructure assets.
<b>Population density per length of road</b> [Municipal population / Kilometres of local roads]	46	52	53	51	The result for this measure has remained stable over the 3 year period.
<b>Own-source Revenue</b> Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,356	\$1,280	\$1,350	\$1,448	Minor increase in 2023 as a result of rates growth and increased income from user fees post pandemic (COVID) restrictions.
<b>Recurrent Grants</b> Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$375	\$361	\$446	\$444	Recurrent grants reduced slightly in the 2022- 2023 year due to Council's transition out of direct provision of Aged and Disability services to the Commonwealth and State Governments. This was mostly offset by increased grants received for three and four year old preschool programs due to the State Government introducing fee free preschools in 2023.
<b>Disadvantage</b> Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	1	1	1	1	The result for this measure has remained unchanged over the four year period.
<b>Workforce Turnover</b> Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	10.7%	17.2%	26.5%	13.2%	The decrease in turnover rate over the past year can be attributed to the Aged Care transition that occurred in the 2021-22 year. The 2022-23 year result brings Council back to a 'normal' range in relation to the years prior to 2021-22.

## Definitions

### Adjusted Underlying Revenue

Total income other than:

- 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.

### Infrastructure

Non-current property, plant and equipment excluding land.

### Local Road

A sealed or unsealed road for which the Council is the responsible road authority under the *Road Management Act 2004*.

### Population

The resident population estimated by Council.

### Own-source Revenue

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

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

### Unrestricted Cash

All cash and cash equivalents other than restricted cash.

## Service Performance Indicators

Service/Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Comments
<b>Aquatic Facilities</b> UTILISATION Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.6	2.4	3.2	5.4	Utilisation of aquatic centres has increased due to a combination of additional programs and events being delivered across centre sites. Council has seen an increase in participation of sport and social activities along with group fitness classes. Learn to Swim enrolments and participation has seen a steady increase during the financial year.
<b>Animal Management</b> HEALTH AND SAFETY Animal management prosecutions [Number of successful animal management prosecutions/ Number of animal management prosecutions]x100	100%	100%	100%	100%	Council has recorded 100% successful prosecutions for the 2022-2023 year, with an increase of four lodgements in comparison to last year.
<b>Food Safety</b> HEALTH AND SAFETY Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about a food premises] x 100	63.1%	75.3%	39.8%	60.5%	Follow ups of non-compliant items resulted in an increase in the categories of critical and major. The team increased the number of premises which had at least one inspection for routine food safety assessments. In doing so, the team proactively looked at community groups that hold less frequent events in an attempt to complete their inspections for the year.
<b>Governance</b> 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]	53	56	52	55	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. As the survey is undertaken by a random sample of 400 participants annually, the reason for variation from year to year is difficult to ascertain as the survey sample is not the same individuals each year.



## Service Performance Indicators (cont.)

Service/Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Comments
<b>Libraries</b> PARTICIPATION <b>Active library members</b> [Number of active library borrowers in the last 3 years / The sum of the population for the last three years] x100	10.3%	9.8%	9.1%	8.4%	Active library member count has held steady this year, with no membership drive during this period and more focus on Library Programs and Events.
<b>Maternal and Child Health (MCH)</b> PARTICIPATION <b>Participation in the MCH service</b> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	72.6%	74.5%	71.5%	71.7%	During the year, 3642 children were enrolled in the Maternal and Child Health (MCH) service with 2610 of those children having attended the service at least once during the year. This has stayed consistent with last year's results.
<b>Participation in the MCH service by Aboriginal children</b> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	76.0%	86.7%	82.5%	84.8%	During the year, 223 Aboriginal children were enrolled in the Maternal and Child Health (MCH) service, and of those, 189 children attended the service at least once during the year. This is a slight increase from the previous year due to a focus of the 'Best Start' partnership.
<b>Roads</b> SATISFACTION <b>Satisfaction with sealed local roads</b> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	57	61	57	54	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. Satisfaction with sealed local roads has decreased to a rating of 54%. Council's understanding of the sealed local road network, gained through customer service requests and ongoing inspection program, indicates the network is generally in good condition. There may be instances of confusion between roads maintained by Council and those maintained by the Department of Transport.
<b>Statutory Planning</b> DECISION MAKING <b>Council planning decisions upheld at VCAT</b> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	40.0%	0.0%	0.0%	100%	In the 2022-2023 financial year one application was reviewed at VCAT, with VCAT upholding Council's decision.
<b>Waste Collection</b> WASTE DIVERSION <b>Kerbside collection waste diverted from landfill</b> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	51.4%	49.2%	50.2%	49.3%	A lack of community understanding regarding contamination of kerbside collection bins continues to impact this result.

## Definitions

### Aboriginal Child

A child who is an Aboriginal person.

### Aboriginal Person

Has the same meaning as in the *Aboriginal Heritage Act 2006*.

### Active Library Member

A member of a library who has borrowed a book from the library.

### Annual Report

An annual report prepared by a Council under sections 98 of the Act.

### Class 1 Food Premises

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

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

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

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

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

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

The resident population estimated by Council.

## Financial Performance Indicators

Dimension/ Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Forecasts 2024	Forecasts 2025	Forecasts 2026	Forecasts 2027	Material Variations
<b>Efficiency</b>									
<b>EXPENDITURE LEVEL</b> <b>Expenses per property assessment</b> [Total expenses / Number of property assessments]	\$3,519	\$3,613	\$3,896	\$3,894	\$3,547	\$3,636	\$3,726	\$3,815	The result for this measure has remained consistent with the previous year, cost increases resulting from high inflation have been largely offset by reduced expenditure as a result of the transition of the Commonwealth Home Support Program and Community Care Program for Young People (HACC PYP) services, to other service providers within the community, at the end of the 2021-22 financial year.
<b>REVENUE LEVEL</b> <b>Average rate per property assessment</b> [Total General rates and Municipal charges / Number of property assessments]	\$1,542	\$1,556	\$1,601	\$1,613	\$1,681	\$1,736	\$1,793	\$1,852	The average rate per property assessment is expected to increase in line with the expected Rate Cap amount of 3.5% in 2024, and is currently estimated at 4% per annum from 2024 to 2026.
<b>Liquidity</b>									
<b>WORKING CAPITAL</b> <b>Current assets compared to current liabilities</b> [Current assets / Current liabilities] x100	267.5%	253.0%	259.5%	254.7%	225.6%	211.9%	226.6%	239.9%	The result for this measure has had a minor decrease in 2023, it is expected to fall in 2024 as Council expends carry forward capital works and unspent grants reducing the levels of cash and investments.



## Financial Performance Indicators (cont.)

Dimension/ Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Forecasts 2024	Forecasts 2025	Forecasts 2026	Forecasts 2027	Material Variations
<b>Liquidity</b>									
<b>UNRESTRICTED CASH</b> Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	25.1%	29.3%	7.6%	(23.5%)	(20.5%)	(18.3%)	(20.0%)	(20.5%)	The ratio has decreased in 2023 due to higher levels of restricted cash (\$11.7M increase) mainly due to higher capital works commitments, statutory reserves and unspent conditional grants as at the end of the year. Unrestricted cash is expected to remain fairly stable between negative 18% and 25% over the projected period. This ratio is in a negative as Council invests most of its surplus cash in other financial assets with a maturity of greater than 90 days and thereby maintains a relatively small cash balance compared to the size of restricted amounts such as unspent grants, trust funds and statutory reserves. These investments are timed to mature when the cash will be required.
<b>Obligations</b>									
<b>LOANS AND BORROWINGS</b> Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	12.7%	20.4%	17.9%	17.2%	19.3%	16.0%	9.7%	6.9%	The result for this measure has decreased to 17.2% in 2023 due to the repayment of borrowings during the year. The ratio is forecasted to increase to 19.3% in 2024 as Council further draws down on existing loan facilities for the Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment projects. The ratio is then forecast to decrease with no further borrowings currently planned across the remaining three year period.
<b>Loans and borrowings repayments compared to rates</b> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	12.0%	1.2%	2.1%	2.1%	3.1%	3.0%	6.1%	2.6%	The result for this measure remained stable in 2023. The measure is forecasted to increase to 3.1% in 2024, as Council further draws down on existing loan facilities for the Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment projects. The 6.1% ratio forecasted in 2026 is due to the principal repayment of an interest only loan falling due in that year.
<b>INDEBTEDNESS</b> Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	24.7%	32.3%	26.0%	27.1%	27.5%	20.0%	18.0%	15.1%	The ratio is forecasted to remain relatively steady before a large decrease in 2025 as an interest only loan moves into current liabilities for repayment in 2026.
<b>ASSET RENEWAL AND UPGRADE</b> Asset renewal and upgrade compared to depreciation [Asset renewal and upgrade expense / Asset depreciation] x100	152.2%	82.7%	85.0%	104.0%	91.1%	75.5%	74.3%	76.2%	The ratio has had a 22.4% increase in 2023 largely supported from external grant funding. The reduction in the ratio in future years is symbolic of conservative estimates of government grants. Council's largest asset class, roads, is expected to be maintained around 100%, however other classes such as drainage, which is renewed only on a reactive basis, and buildings which are often reliant on government funding for major renewal and upgrade works are forecasted to remain below 100%.

Dimension/ Indicator/Measure	Results 2020	Results 2021	Results 2022	Results 2023	Forecasts 2024	Forecasts 2025	Forecasts 2026	Forecasts 2027	Material Variations
<b>Operating Position</b>									
<b>ADJUSTED UNDERLYING RESULT</b> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	(1.5%)	(5.0%)	(4.0%)	(3.7%)	(2.7%)	(2.0%)	(1.2%)	(0.5%)	Council's underlying deficit is trending towards a return to surplus in future years. The results are forecasted to remain in deficit mainly due to restrictions on Council's ability to increase revenue and uplifts in depreciation expenses resulting from the recent construction of major new infrastructure, e.g. Gippsland Regional Aquatic Facility and the Gippsland Performing Arts Centre.
<b>Stability</b>									
<b>RATES CONCENTRATION</b> Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	60.1%	61.3%	57.5%	59.4%	66.9%	67.2%	67.5%	67.8%	Minor increase to 59.4% in 2023. Council's reliance on rates revenue is expected to continue to rise into the future primarily based on moderate estimates of future levels of recurrent government funding and user fees and charges.
<b>RATES EFFORT</b> Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.7%	0.7%	0.6%	0.5%	0.4%	0.5%	0.5%	0.5%	The ratio has decreased in 2023 due to a 30% increase in property values compared to 4.8% growth in total rate revenue rate revenue.

### Definitions

#### Adjusted Underlying Revenue

Total income other than:

- 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)

Adjusted underlying revenue less total expenditure.

#### Asset Renewal Expenditure

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

The same meaning as in the AAS.

#### Current Liabilities

The same meaning as in the AAS.

#### Non-current Assets

All assets other than current assets.

#### Non-current Liabilities

All liabilities other than current liabilities.

#### Non-recurrent Grant

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

Adjusted underlying revenue other than revenue that is not under the control of Council (including government grants).

#### Population

The resident population estimated by Council.

#### Rate Revenue

Revenue from general rates, municipal charges, service rates and service charges.

#### Recurrent Grant

A grant other than a non-recurrent grant.

#### Residential Rates

Revenue from general rates, municipal charges, service rates and service charges levied on residential properties.

#### Restricted Cash

Cash and cash equivalents and financial assets, within the meaning of the AAS that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year.

#### Unrestricted Cash

All cash and cash equivalents other than restricted cash.



# Other Information

## 1. Basis of Preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the Council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and detailed 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 budget on 5 June 2023. The budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The budget can be obtained by contacting Council.







# 07 Governance, Management and Other Information

FOR THE YEAR ENDED  
30 JUNE 2023



# Statutory Information

## What Council Does and How Council Works

Councils are representative governments elected by the community to manage local issues and to establish and plan for the community's needs.

Latrobe City Council is a public statutory body which operates under the legislative requirements of the *Local Government Act 1989* and *Local Government Act 2020*.

These Acts set out the role of the elected Council that is responsible for the leadership and good governance of the municipal district and local community.

Council approves the annual budget, long-term financial plan, development and implementation of strategies and plans and establishes local policies in response to local needs and priorities.

Management of the day-to-day operational matters is the role of the Chief Executive Officer, under delegation of the Council and in accordance with the *Local Government Act 2020*.

## Audit and Risk Committee

The Audit and Risk Committee is appointed by Council under Section 53 of the *Local Government Act 2020*.

The Audit and Risk Committee Charter describes the authorities and scope of the Committee, which includes assisting Council in the discharge of its oversight of:

- Corporate reporting processes, including financial and performance reporting processes and internal control
- Risk management
- Fraud prevention systems and controls
- Business continuity
- External audit
- Internal audit
- Compliance with laws, regulations, internal policies and industry standards

The Audit and Risk Committee consists of two Councillors (and one alternate) and three independent external members as outlined below.

Remuneration is currently set at \$1554 per meeting for the Chair and \$1036 per meeting for the other independent members.

The Committee currently consists of the following as at 30 June 2023:

**INDEPENDENT CHAIR: MS BEVERLEY EXCELL**

Reappointed by Council as Chair on 2 March 2020 for an additional two year period (until 1 August 2023)

**INDEPENDENT MEMBER: MR DAVID KORTUM**

Appointed by Council on 6 June 2022 for a three-year period (until 6 June 2025)

**INDEPENDENT MEMBER: MR JOHN PURCELL**

Appointed by Council on 6 June 2022 for a two and a half year period (until 6 December 2024)

**COUNCIL REPRESENTATIVE:**

Cr Melissa Ferguson (resigned 16 March 2023)

Cr Bradley Law (commenced on 3 March 2022)

Cr Darren Howe (commenced 3 April 2023)

**ALTERNATE COUNCIL REPRESENTATIVE:**

Cr Graeme Middlemiss (appointed 3 April 2023)

The Audit and Risk Committee held four meetings in the 2022/2023 financial year. All independent members attended each of the meetings in 2022/2023.

Councillors not appointed to the Committee are also invited to attend to observe proceedings, and members of management are present to respond to questions from the Committee.

The Committee has regular reports relating to:

- External audit process and outcomes
- Internal audit planning, reports and action implementation
- Risk management
- Performance reporting
- Awareness of VAGO, IBAC and Ombudsman reports tabled in state parliament (relating to local and Victorian Government agencies)
- Key policies that have been reviewed that relate to internal controls.

These reports assist the Committee to provide the oversight and input as required under its Charter.

Internal audits that were reported to the Audit and Risk Committee in the 2022/2023 financial year included:

- Procurement and Contract Management
- Fraud and Corruption Control Framework (High Level)
- Review of Information Technology General Controls
- IT Disaster Recovery

## Council Meetings and Decisions

Following the COVID-19 pandemic, in person Council meetings resumed in November 2022 once a month commencing at 6.00pm. Initially held at Latrobe City Council Corporate Headquarters in Morwell, meetings were relocated to the Gippsland Performing Arts Centre (GPAC) in Traralgon from April 2023. Each Council meeting includes a public question time as a standard agenda item, designed to encourage community participation in the overall affairs of Council. Members of the public who have an interest in an open item on the advertised agenda are also able to register to speak.

A Council Meeting is where Councillors are able to make formal decisions on items presented to them. Council Meetings include scheduled meetings (the regular meetings scheduled for a full calendar year), unscheduled meetings (additional meetings arranged as needed throughout the year) and statutory meetings which are all open to the public (unless Council resolves to close the meeting in accordance with guidelines of the *Local Government Act 2020*).

All Council Meeting dates are advertised in the Latrobe Valley Express newspaper and detailed on the Latrobe City Council website, as well as on its corporate Facebook page.

In the spirit of open, accessible and transparent governance, Latrobe City Council live streams open Council Meetings on YouTube. Recordings of Council meetings can be found on the Latrobe City Council YouTube page under the Council Meeting tab.

Councillors also meet for closed briefing meetings. At these meetings, Councillors have the opportunity to be briefed on strategic items in relation to Council business and on matters of interest within the community.

The Council Meeting schedule, agendas and minutes are available on the Latrobe City Council website [www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)

## Council Meeting Attendance 2022/23

During 2022/2023, there were 12 Scheduled Council Meetings and one Unscheduled Council Meeting held.

Councillor attendance at these meetings is shown in the adjacent table.

<b>12</b>	<b>01</b>
Scheduled Council Meetings	Unscheduled Council Meetings

Councillor		Scheduled Council Meeting	Unscheduled Council Meeting
Cr Dan Clancey	East Ward	12	1
Cr Melissa Ferguson	South Ward	8	0
Cr Sharon Gibson	West Ward	9	0
Cr Dale Harriman	East Ward	10	1
Cr Darren Howe	East Ward	11	0
Cr Bradley Law	West Ward	12	1
Cr Tracie Lund	Central Ward	9	1
Cr Graeme Middlemiss	Central Ward	12	1
Cr Kellie O'Callaghan	East Ward	12	1

## Councillor Code of Conduct

After a Council election, every Victorian Council is required to undertake a process of reviewing and amending its Councillor Code of Conduct within four months. Latrobe City Council reviewed the Councillor Code and adopted an updated version on Monday 08 February 2021.

The Councillor Code of Conduct is designed to:

- Assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- Attract the highest level of confidence from Council's stakeholders
- Assist the mayor and Councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the Code also outlines:

- Other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest
- Roles and relationships
- Dispute resolution procedures.

Latrobe City Council's Councillor Code of Conduct is available at [www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)



## Statutory Information (cont.)

### Councillor Remuneration

The Mayor, Deputy Mayor and Councillors are entitled to receive from the Council an allowance as determined by the Victorian Independent Remuneration Tribunal.

Effective from the 18 December 2021 the Victorian Independent Remuneration Tribunal issued Determination No 01/2022 – Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) which set the level of annual allowances for a category 2 Council as follows: Mayor \$96,470, Deputy Mayor \$48,235 and Councillors \$30,024. The allowance is inclusive of any Superannuation Guarantee Contribution amount, or equivalent, that may be payable under Commonwealth law to the Council member with respect to their service.

In addition to the Mayor, Deputy Mayor and Councillor allowances, Councillors are also provided with a number of resources and support to assist them in undertaking their duties. This includes office administration and support, professional development support, and equipment such as mobile phones, computers, tablets and printers. Councillors are also entitled to seek reimbursement for expenses such as travel and childcare.

In addition to the above, the Mayor also receives use of a fully maintained motor vehicle, a dedicated office, and support from an assistant. These expenses and resources are specified in the Councillors and Delegated Committee Members Expenses, Resources and Support Policy, a copy of which is available from the Latrobe City Council website: [www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)

### Councillor Expenses

Councillor	Elected	Ward	Councillor Allowance	Travel Expenses	Professional Development	Expenses to support the role	Total
Cr Brad Law	24/10/2020	West	\$30,738.52	\$-	\$-	\$731.62	\$31,470.14
Cr Dale Harriman%	24/10/2020	East	\$28,599.81	\$9,330.57	\$-	\$3,689.93	\$41,620.31
Cr Dan Clancey*	24/10/2020	East	\$49,355.45	\$-	\$-	\$3,592.23	\$52,947.68
Cr Darren Howe	24/10/2020	East	\$30,738.52	\$2,502.22	\$6,165.66	\$2,400.46	\$41,806.86
Cr Graeme Middlemiss	24/10/2020	Central	\$30,738.52	\$-	\$-	\$1,131.36	\$31,869.88
Cr Kellie O'Callaghan#	24/10/2020	East	\$98,710.32	\$-	\$-	\$8,000.13	\$106,710.45
Cr Melissa Ferguson	24/10/2020	South	\$30,738.52	\$-	\$-	\$3,129.23	\$33,867.75
Cr Sharon Gibson	24/10/2020	West	\$30,738.52	\$3,460.24	\$-	\$4,346.00	\$38,544.76
Cr Tracie Lund^	24/10/2020	Central	\$23,911.13	\$-	\$-	\$699.37	\$24,610.50
			<b>\$354,269.31</b>	<b>\$15,293.03</b>	<b>\$6,165.66</b>	<b>\$27,720.33</b>	<b>\$403,448.33</b>

# Cr Kellie O'Callaghan: Mayor 01/07/2022 to 30/06/2023

\* Cr Dan Clancey: Deputy Mayor 01/07/2022 to 30/06/2023

^ Cr Tracie Lund elected not to receive her Councillor allowance for the period 6 September to 27 November 2022

% Cr Dale Harriman elected not to receive his Councillor Allowance for the period 2 November to 27 November 2022

### Councillor representation on Committees

To assist Council in the delivery of a range of complex tasks, committees are constituted to undertake specific delegated functions (delegated committees and community asset committees) or to provide expert advice on specific topics or projects (for example advisory committees or project reference groups).

These committees provide insight and information that Council may not otherwise receive either internally or externally. The role of a committee is to inform and enhance, not replace the role or responsibilities of Council and individual Councillors.

As at 30 June 2023, Latrobe City Council had 38 committees which Councillors are appointed to.

These are as follows:

- Community Asset Committees (12)
- Statutory Committees (2)
- Advisory Committees (24)

These committees are governed under the Establishment of Council Committee Policy, which defines the types of committees that Council currently has.

In addition to Latrobe City Council Committees, Councillors or Officers represent Council on 16 external committees and associations.



# Statutory Information (cont.)

## Council Membership as at 30 June

Committees	Cr Brad Law	Cr Dale Harriman	Cr Dan Clancey	Cr Darren Howe	Cr Graeme Middlemiss	Cr Kellie O'Callaghan	Cr Melissa Ferguson	Cr Sharon Gibson	Cr Tracie Lund
<b>COMMUNITY ASSET COMMITTEES</b>									
Latrobe Regional Airport Committee				○	●				
Yallourn North Community Housing Committee					●				○
Morwell Centenary Rose Garden Committee					○				●
Callignee and Traralgon South Sporting Facilities Committee				●					
Traralgon Railway Reservoir Conservation Reserve Committee		●	●	●					
George Bates Reserve Committee					●				●
Baillie Reserve Tyers Committee		○		●					
Mathison Park Committee							●		
Sporting Hall of Fame Committee						▲		●	
Crinigan Bushland Reserve Community Asset Committee					●				
Edward Hunter Heritage Bush Reserve Community Asset Committee	●							●	
Ollerton Avenue Bushland Reserve Committee	●							●	
<b>STATUTORY COMMITTEES</b>									
Audit and Risk Committee	●			●					
Municipal Emergency Management Planning Committee					○			●	●
<b>OTHER COUNCIL COMMITTEES AND USER GROUPS</b>									
Australia Day Advisory Committee			▲	▲					
Animal Welfare Advisory Committee						▲		●	○
CEO Recruitment, Performance and Remuneration Review Advisory Committee			DM		●	M		●	
Cultural Diversity Advisory Committee			▲	●					
Early Years Reference Committee			●			▲			
Economic Development Advisory Committee			DM			M			
Latrobe City Hyland Highway Municipal Landfill Consultative Committee		●		●					
Latrobe City International Relations Committee		●	▲					●	
Latrobe City Lake Narracan Advisory Committee	●							●	
Latrobe City Transition Taskforce			DM			M			
Latrobe City Tourism and Major Events Advisory Committee		●		▲				●	
Latrobe Creative Precinct PRG		●	●	●					
Latrobe Regional Gallery Advisory Committee			●				●		●

● Member ○ Alternate ▲ Chair  
**M** Member as Mayor **DM** Member as Deputy Mayor

Committees	Cr Brad Law	Cr Dale Harriman	Cr Dan Clancey	Cr Darren Howe	Cr Graeme Middlemiss	Cr Kellie O'Callaghan	Cr Melissa Ferguson	Cr Sharon Gibson	Cr Tracie Lund
<b>OTHER COUNCIL COMMITTEES AND USER GROUPS</b>									
Moe Rail Project (Stage 2) PRG	●							●	
Moe Southside Community Precinct Advisory Committee	●							●	
Motorsports Complex Advisory Committee				●	●			●	
Rail Freight Working Group	●				●			●	
Road and Place Name Advisory Committee		●	●			M			
Social Planning for Wellbeing Committee / Municipal Public Health and Wellbeing Reference Group			●			▲		●	●
South Ward Community Disaster Recovery Committee							●		
Latrobe City Community Safety Committee	●			●					
Traralgon Recreation Reserve and Showgrounds Advisory Committee		○		●					
Victorian Farmers Federation Working Group		●		●			▲		
Victory Park Precinct Advisory Committee		●	●						
War Memorials Advisory Committee						M			
<b>EXTERNAL COMMITTEES AND ASSOCIATIONS</b>									
Alliance of Councils for Rail Freight Development	●				●				
Gippsland Climate Change Network Board			○						●
Gippsland Local Government Waste Forum					●				○
Gippsland Reserve Committee of Management Inc. (by Invitation)	●							○	
Latrobe City Trust			DM			M	●	●	
Latrobe Valley Mine Rehabilitation Advisory Committee					●				
Moe Yallourn Rail Trail Committee Inc.	●							●	
Municipal Association of Victoria (MAV)		○						●	
National Timber Councils Association		●						○	
One Gippsland (formerly GLGN)						M			
Regional Cities Victoria						M			
Roadsafe Gippsland Community Road Safety Council				●				●	
South East Australia Transport Strategy (SEATS)	○				●				
Timber Towns Victoria		●						●	

● Member ○ Alternate ▲ Chair  
**M** Member as Mayor **DM** Member as Deputy Mayor



# Information Management

## Council Delegations

Many of the elected Council's powers under the *Local Government Act 1989*, the *Local Government Act 2020* or any other act may be delegated by an instrument of delegation to a Delegated Committee of Council, to the Chief Executive Officer or to an individual Council Officer. Council generally delegates powers, duties and functions to the Chief Executive Officer who is empowered to further delegate some or all of those powers to other officers and to Community Asset Committees. Delegation is a vital element in assisting Council administration to function effectively and efficiently.

Delegation facilitates the achievement of good governance for the community by empowering appropriate members of staff or committees to make decisions on behalf of Council. When enacting on a delegated power, the staff member or committee is acting on behalf of Council.

Council's delegation document also provides that only certain officers are allowed to make decisions of a financial nature, and the limit of their authority is carefully specified to ensure prudent financial management. Decisions under delegations are sometimes restricted by limitations imposed by Council or the Chief Executive Officer, including numerous requirements to report back on the decisions that have been made under that delegation. Decisions made under a delegation must always adhere to existing Council policy or directions.

Council delegations are reviewed and updated twice a year using the Maddocks Authorisation and Delegation service.

## Freedom of Information

Where documents are not available for public inspection or available on Latrobe City Council's website, then access to them may be sought pursuant to the *Freedom of Information Act 1982* (FOI Act). The FOI Act grants the public the right to seek access to all Latrobe City Council documents. This general right of access is limited by a number of exceptions and exemptions, which have been prescribed to protect public interests and the private and business affairs of people about whom Latrobe City Council holds information. Local governments are required to publish information about the documents they hold, particularly those which affect members of the public in their dealings with Council. Each person has a legally enforceable right to access information, limited only by exemptions necessary for the protection of the public interest and the private and business affairs of persons from whom information is collected by Latrobe City Council. People may request inaccurate, incomplete, out-of-date or misleading information in their personal records be amended. People may also appeal against a decision not to give access to information or not to amend a personal record.

Latrobe City Council received 22 requests to access information under the Freedom of Information Act 1982, in the 2022/2023 financial year. This was an increase of 7 compared to the previous year. Freedom of Information requests must be made in writing and accompanied with a \$30.60 application fee. A total of 2 requests were made under the hardship provisions of the Act and no fee was charged.

Requests for access to information should be addressed to:

Freedom of Information Officer  
Latrobe City Council  
PO Box 264  
MORWELL VIC 3840

In accordance with the *Freedom of Information Act 1982*, Latrobe City Council must decide if this information will be provided within 28 days. Of the 22 requests received, 12 were deemed valid within the 2022/23 financial year and all were processed within the statutory timeframe.

## Information Privacy

Latrobe City Council is obliged to ensure the personal privacy of all residents and ratepayers in accordance with the *Privacy & Data Protection Act 2014* and *Health Records Act 2001*.

Latrobe City Council will only collect, use or disclose personal information where it is necessary to perform Latrobe City Council functions or where required by law. Latrobe City Council has an adopted Privacy policy which can be viewed on Council's website.

In 2022/23, Council received eight privacy complaints or concerns, with one referred to the Office of the Victorian Information Commissioner.

## Public Interest Disclosures

The *Public Interest Disclosures Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. The *Public Interest Disclosures Act 2012* relates to behaviours and actions of Councillors and Council Officers.

Procedures on how to make a disclosure are available on Council's website.

Latrobe City Council supports the aims and objectives of the *Public Interest Disclosures Act 2012* and has implemented the Public Interest Disclosure Procedure in accordance with it.

During 2022/23 there were no disclosures that required notification to the Independent Broad-based Anti-Corruption Commission.

## Fraud and Corruption

There is a "zero tolerance" approach to fraud and corruption at Latrobe City Council. Council is committed to the elimination of all forms of fraud and corruption and to creating an ethical environment and culture that discourages and prevents fraud and corruption.

In order to achieve this, Latrobe City Council has in place a Fraud and Corruption Control framework. The framework is comprised of the Fraud and Corruption Control Policy, Fraud and Corruption Control Plan, and Fraud and Corruption Control Action Plan, and sets out fraud education, prevention, detection, response, reporting and monitoring requirements. This includes reporting options for staff, contractors and the

community to report suspected fraudulent or corrupt activity of Council staff, contractors or Councillors. The framework underwent significant review during 2021/22, to align with the updated Australian Standard AS8001:2021 Fraud and Corruption Control. The review involved endorsement by the Audit & Risk Committee, prior to Council's adoption of the Policy and CEO approval of the Plan and Action Plan. The Fraud and Corruption Control Policy is available on Council's website.

## Documents for Public Inspection

Under legislation, certain information held within Latrobe City Council is available for viewing by the public during normal office hours or by prior arrangement at Latrobe City Council's Corporate Headquarters, 141 Commercial Road, Morwell.

Summarised below is a list of documents that are available for public inspection in accordance with sections 57 and 58 of the *Local Government Act 2020* and Council's Public Transparency Policy.

Inspection of these documents can be arranged by phoning Latrobe City Council on 1300 367 700.

- Details of overseas or interstate travel taken in an official capacity by Councillors or Council officers in the previous 12 months (with the exception of interstate travel by land for less than three days)
- Agendas and minutes for Council Meetings held in the previous 12 months, kept under Council's Governance Rules, except where such minutes relate to parts of meetings which have been closed to members of the public section 66 of the *Local Government Act 2020*
- Minutes of Delegated Committees established under section 63 of the *Local Government Act 2020* and held in the previous 12 months, except if the minutes relate to parts of meetings which have been closed to members of the public under section 66 of the *Local Government Act 2020*
- A register of delegations made in accordance with the *Local Government Act 2020*
- Details of all leases involving land which were entered into by Council as lessor
- Register maintained under section 224 (1A) of the *Local Government Act 1989* of authorised officers appointed under that section
- A list of donations and grants made by Latrobe City Council during the financial year

## Other Information Available to the Public

- Council Support and Expenses Policy
- Councillor Code of Conduct
- All adopted Council policies
- Local Laws 1, 2 and 3
- The Council Plan
- The Financial Plan
- The Annual Budget
- The Annual Report including the Auditor's Report

In accordance with Council's Public Transparency Policy, a number of these documents are also available on Latrobe City Council's website.

## Contracts

Under Council's procurement policy, Council did not enter into any contracts valued above \$250,000 for goods services or works without engaging in a competitive process.

Contracts entered into in 2022/23 valued at \$250,000 or more, where a public process occurred are listed below:

- Footpath Replacement Program
- Intersection upgrade at Haunted Hills Road and Bill Schultz Drive, Newborough
- Gippsland Logistics Precinct Stage 1A - Water supply and wastewater construction
- Gippsland Logistics Precinct Stage 1A - Sewer pump station construction
- Supply and Delivery of Kiosk Products and Fresh Produce
- Mowing Open Space Areas Across Latrobe City
- Provision of an Asset Maintenance Management System and Associated Asset Management Services
- Provision of Security Services
- Essential Safety Measures - Compliance
- Extension of Parklands Preschool, Morwell
- Essential Safety Measures - Fire Extinguishers
- Toners Lane Reserve Archery Pavilion
- Provision of Urban Block Pruning
- Provision of Cardio Equipment for Latrobe Leisure
- Supply of Natural Gas for Small Buildings and Facilities
- Hyland Highway Landfill - Management of Landfill Gas Collection System and Flare
- Hyland Highway Landfill - Installation of Gas Wells - Stage 4
- Supply and Maintenance of Printer and Photocopier Hardware
- Morwell Landfill - Landfill Gas Management
- Provision of Secretarial Support and Advocacy Consultancy Services
- Moe Revitalisation Project - Stage 2
- Provision of Kerbside Collection of Hard Waste
- Kernot Hall Refurbishment - Stage 1
- Provision of Street Sweeping Services
- Supply of Natural Gas for Large Buildings and Facilities
- Provision of Shopfitting and Glazing Services
- Provision of Internal Audit Services
- Bridge Reconstruction at Lewis Road, Yinnar
- Provision of Servicing of Auto Doors
- Reconstruction of Gwalia Street, Traralgon
- Traralgon Multi-Level Car Park Project
- Bill Payment Services (Australia Post)
- Construction of Leachate Pond - Hyland Highway Landfill



## Information Management (cont.)

### Development Contributions Plan

Section 46QD of the *Planning and Environment Act 1987* require Councils to provide a report on development contributions.

#### Total DCP Levies received in 2022/23 financial year

DCP name and year approved	Levies received in 2022/23 financial year (\$)
Lake Narracan DCP - 2015	\$641,673.82
<b>Total</b>	<b>\$641,673.82</b>

#### DCP Land, Works, Services or Facilities Accepted as Works-in-kind in 2022/23 financial year

DCP name and year approved	Project ID	Project description	Item purpose	Project value (\$)
Lake Narracan DCP - 2015	CW_05	Construction of waterway (between Thompsons Road) and Centre Way) and associated landscaping	Drainage	\$1,312,250.80
Lake Narracan DCP - 2015	RD_02-L	Purchase of land from property 32 for widening of Thompsons Road and construction of 24m wide 2 lane arterial boulevard	Purchase of land for road	\$91,048.72
<b>Total</b>				<b>\$1,403,299.52</b>

#### Total DCP Contributions Received and Expended to Date (for DCPs approved after 1 June 2016)

DCP name and year approved	Total levies received (\$)	Total levies expended (\$)	Total works-in-kind accepted (\$)	Total DCP contributions received (levies and works-in-kind) (\$)
Lake Narracan DCP - 2015	N/A	N/A	N/A	N/A
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

#### Land, Works, Services or Facilities Delivered in 2022/23 financial year from DCP Levies Collected

Project description	Project ID	DCP name and year approved	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contribution (\$)	Other contributions (\$)	Total project expenditure (\$)	Percentage of item delivered
N/A	N/A	Lake Narracan DCP - 2015	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

## Local Government Performance Reporting Framework

### Governance and Management Checklist

The checklist provides an indication of Council's governance frameworks including community engagement, planning, monitoring and decision-making.

Theme	Checklist Item	Definitions	Yes/No	Date of operation and expiry date/strategy	If no policy/strategy - insert explanation
COMMUNITY ENGAGEMENT	Community Engagement Policy	Policy under section 55 of the <i>Local Government Act 2020</i> outlining Council's commitment to engaging with the community on matters of public interest	Yes	Community Engagement Policy Date of operation: 12 April 2021	
	Community Engagement Guidelines	Guidelines to assist staff to determine when and how to engage with the community	Yes	Community Engagement Strategy 2015-2019 Date of operation: 14 September 2015  Community Engagement Action Plan 2015-2019 Date of operation: 14 September 2015	
PLANNING	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	Yes	Financial Plan 2021-2031 Date of operation: 25 October 2021	
	Asset Plan	Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Asset Plan 2022-2032 Date of operation: 25 October 2021	
	Revenue and Rating Plan	Plan setting out the rating structure of Council to levy rates and charges	Yes	Revenue and Rating Plan 2021-2025 Adopted in accordance with Section 93 of the Act Adopted: 7 June 2021	
	Annual Budget	Plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Budget 2022/2023 Date of operation: 6 June 2022	



# Local Government Performance Reporting Framework (cont.)

PLANNING (CONTINUED)	Risk Policy	Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Yes	<b>Risk Management Policy</b> Updated and adopted: 2 August 2021
	Fraud Policy	Policy outlining Council's commitment and approach to minimising the risk of fraud	Yes	<b>Fraud and Corruption Control Policy</b> Updated and adopted: 7 February 2022
	Municipal Emergency Management Plan	Plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery	Yes	<b>Latrobe City Municipal Emergency Management Plan (LCMEMP)</b> Date of operation: 11 November 2021
	Procurement Policy	Policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council	Yes	<b>Procurement Policy Version 22-POL-14</b> Date of operation: 7 December 2021
	Business Continuity Plan	Plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster	Yes	<b>Latrobe City Council Business Continuity Plan</b> Date of operation: 2 March 2020 Review commenced in late 2022/23
	Disaster Recovery Plan	Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster	Yes	The disaster recovery plan is incorporated as part of our Business Continuity Plan
MONITORING	Risk Management Framework	Framework outlining Council's approach to managing risks to the Council's operations	Yes	<b>Risk Management Plan 2021-2023</b> Date of Operation: 11 August 2021
	Audit and Risk Committee	Advisory committee of Council under section 53 and 54 of the Act	Yes	Established in accordance with Section 53 of the <i>Local Government Act 2020</i>  <b>Audit and Risk Committee Charter</b> Adopted: 6 March 2023
	Internal Audit	Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Yes	It is anticipated that the Audit and Risk Committee will approve the 2023/24 Internal Audit Program on 24 August 2023
	Performance Reporting Framework	A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>	Yes	<b>Integrated Planning Framework</b> Date of operation: December 2016

REPORTING	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	Yes	<b>Quarterly Organisation Report</b> - includes Strategic Indicators  <b>Quarterly Performance Report</b> - includes Council Plan Action progress reporting. Both reports are provided for September, December, March and June every year.
	Financial Reporting	Quarterly statements to Council under section 138(1) of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure	Yes	Statements presented to Council in accordance with section 138(1) of the Act. Finance Report presented to Council quarterly.  Dates of reports: 08 November 2021 07 February 2022 02 May 2022
	Risk Reporting	Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Yes	Risk reports are provided to Audit and Risk Committee and Executive Risk Management Committee (ERMC) on a quarterly basis.  Dates of reports: <b>Audit and Risk Committee</b> 25 August 2022 24 November 2022 2 March 2023 25 May 2023  <b>Executive Risk Management Committee (ERMC)</b> 1 September 2022 10 November 2022 2 February 2023 4 May 2023
	Performance Reporting	Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the 1989 Act	Yes	<b>Quarterly Performance Report</b> - includes Council Plan Action progress reporting. Both reports are provided for September, December, March and June every year.
	Annual Report	Annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> containing a report of operations and audited financial performance statements	Yes	Considered at meeting of the Council in accordance with Section 134 of the Act Date of consideration: 18 October 2021
MONITORING	Councillor Code of Conduct	Code setting out the standards of conduct to be followed by Councillors and other matters	Yes	Reviewed in accordance with Section 139 of the Act. Date of operation: 08/02/2021 Future review: November 2024
	Delegations	Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff	Yes	Reviewed in accordance with relevant legislation S5 - Council to CEO - 4/5/2023 S6 - Council to Staff - 4/5/2023 S7 - CEO to Staff - 4/5/2023 S13 - of CEO Powers, duties, and functions - 4/5/2023
	Meeting Procedures	Governance Rules governing the conduct of meetings of Council and delegated committees	Yes	Council has adopted Governance Rules in accordance with section 60 of the Act on 2 August 2021.







## Latrobe City Council

**Phone** 1300 367 700

**Post** PO Box 264, Morwell, 3840

**Email** [latrobe@latrobe.vic.gov.au](mailto:latrobe@latrobe.vic.gov.au)

**Website** [www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)

## Service Centres & Libraries

### Morwell

**Corporate Headquarters**  
141 Commercial Road, Morwell

**Morwell Library**  
63-65 Elgin Street, Morwell

### Moe

**Moe Service Centre and Library**  
1-29 George Street, Moe

### Traralgon

**Traralgon Service Centre and Library**  
34-38 Kay Street, Traralgon

### Churchill

**Churchill Community Hub**  
9-11 Philip Parade, Churchill

*To obtain this information in languages other than English, or in other formats, please contact Latrobe City Council on 1300 367 700.*

