



**LATROBE CITY
COUNCIL**

Annual Report

2023-2024

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.



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 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.

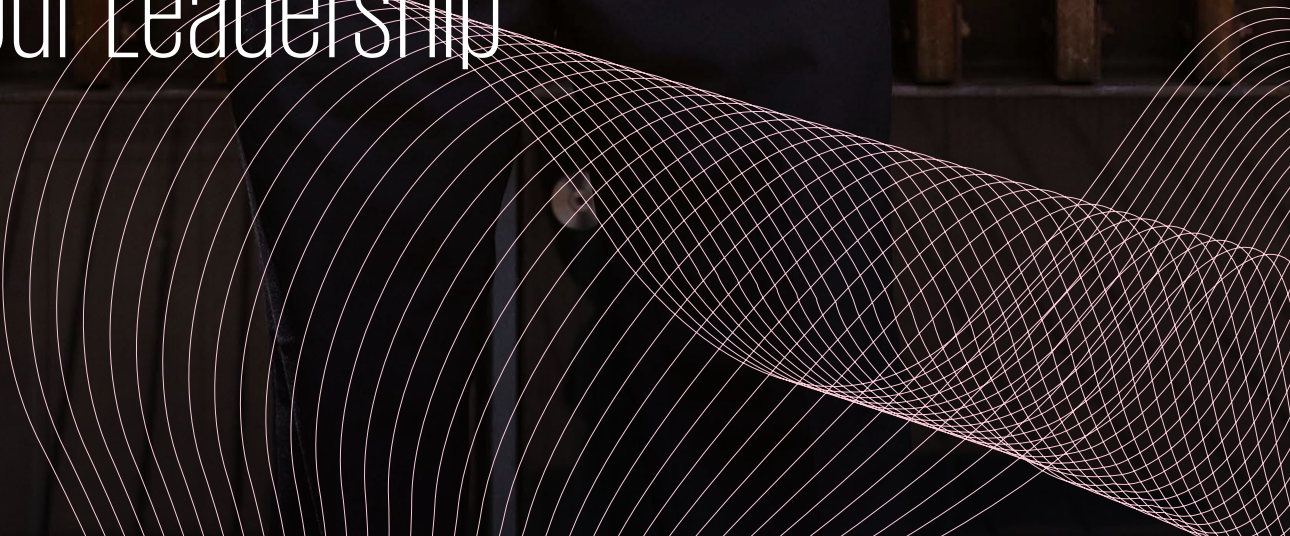
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01 Our Leadership



Message from the Mayor

Over the past year, Latrobe City has remained steady in our shift toward a more sustainable and diverse economy.

As Our Transition plan highlights, it's our priority to move towards a bigger and brighter future for Latrobe City. Together we have worked to accommodate the growth of our City through many projects, initiatives and engagement opportunities – both led by Council and by the community.

On behalf of Council, I'm grateful to those who make Latrobe City a great place to live, work, invest, and visit.

As Latrobe City moves away from traditional energy which once underpinned our economy, we remain committed to enabling new industry and innovation. Latrobe City is home to a regional airport where groundbreaking Advanced Air Mobility (AAM) partnerships and innovation have taken flight. In March 2023, Council entered a new partnership with Swinburne University, which has since seen us welcome Swinburne as our first Foundation Member of the Latrobe Aerospace Technology Precinct at the Latrobe Regional Airport in May 2024. The partnership is pioneering the future of AAM, fostering economic growth and underpinning sustainable innovation opportunities for Latrobe City, Victoria and Australia.

We also welcomed the establishment of the Dovetail Electric Aviation Development Centre in partnership with Dovetail and Invest Victoria in April 2024. The Development Centre is a key component of Council's transition, progressing the local clean energy aviation sector and driving future AAM activities that support economic growth in the region.

In the first half of 2024, Council announced the installation of AvPULP unleaded aviation fuel supplied by IOR Aviation at Latrobe Regional Airport, planting a significant step forward in Council's commitment to environmental sustainability.

Latrobe City continues to grow and transform, we recognise the need for more parking spaces in our major towns. Through the Victorian Government's Regional Car Park Fund, which aims to deliver 900 new car spaces across Traralgon, Morwell and Moe, four sites have been completed, increasing all-day car parks by 245 spaces. The Seymour Street multilevel car park is set to open in 2024, providing an additional 110 spaces to further ease parking demand.

In May 2024, we recognised the work of our community by celebrating the City's volunteers during National Volunteer Week and promoting volunteer opportunities at our Volunteering Connections Event.

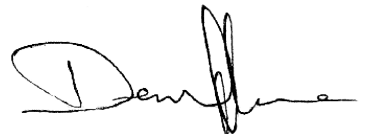
Volunteering is close to my heart, and as a volunteer myself, I am positive volunteering helps us connect to our community, give back, and move forward. Volunteering has many positive benefits such as increased wellbeing and a sense of purpose. In our efforts to recognise the work of our community, we welcomed enhancements to our Community Grants Program in late 2023, aimed at better addressing social, recreational and cultural community outcomes for the region. The enhancements included \$165,000 increase to the Grant Program budget, taking this to a total of \$779,000 annually. This adjustment meant new grant streams were added, which supported community participation and facilitated projects and events across Latrobe City.

This funding enables individuals and organisations to make significant improvements, and cover various project-related costs, such as equipment, venue hire, promotional materials, and professional services. We're proud to continually foster the vast range of community initiatives across our multiple categories on offer so community members can make impactful and meaningful change.

There is so much work that has been done this year, and so much more to come. As I contemplate my term as Mayor, I am only full of pride and awe.

We remain dedicated to fostering economic growth, improving infrastructure, and enhancing the quality of life for our community.

It's been a privilege to represent Latrobe City as your elected Mayor. As always, I am indebted to my fellow Councillors, particularly Deputy Mayor Councillor Tracie Lund for her ongoing work and term. Together, with my colleagues, our Chief Executive Officer Steven Piasente, and Council officers, we have made great strides for the community.



Cr Darren Howe

Mayor
Latrobe City Council

Message from the CEO

It is with great pride I present the Annual Report for 2023/2024 on behalf of Latrobe City Council. The past year has been marked by significant growth and achievements, setting the stage for continued service to our community and fostering positive change in Latrobe City as a great place to live, work, invest, and visit.

This year has been about our vision to enhance our community's way of life. This work is important, and one we take in our stride as we lead the way forward to continue creating a region that's innovative, healthy, sustainable and connected. Latrobe City is transitioning significantly; economically and industrially. We are a City with a long history of traditional industries and have experienced change. We must continue moving forward into a brighter, healthier and economically viable future.

Key accomplishments continued with Our Transition, to stand with the community to support the equitable transition of our regions landscape and economy. We remain responsive to a dynamic and ever-changing environment, while consciously and thoughtfully driving towards a more sustainable and economically diverse future that plants the seeds for generations to come.

With the upcoming closure of Yallourn Power station in 2028 and Loy Yang A Power Station in 2035, we've reached pivotal points in our transition journey. Significant investments made by both state and federal governments has been appreciated and we've sought key project funding to support our community's prosperity. I'm proud to say that we have and will continue to maximise the opportunities from these investments with the many events and programs that Council undertakes.

Federal delegations were conducted in Canberra, to rally support from government ministers and advisors to boost investment in projects across Latrobe City. From advocating for a clean energy future which focuses on fair transition with Net Zero Authority, to discussing storm recovery, we worked to ensure Latrobe City can thrive well into the future. Education and healthcare initiatives were also championed.

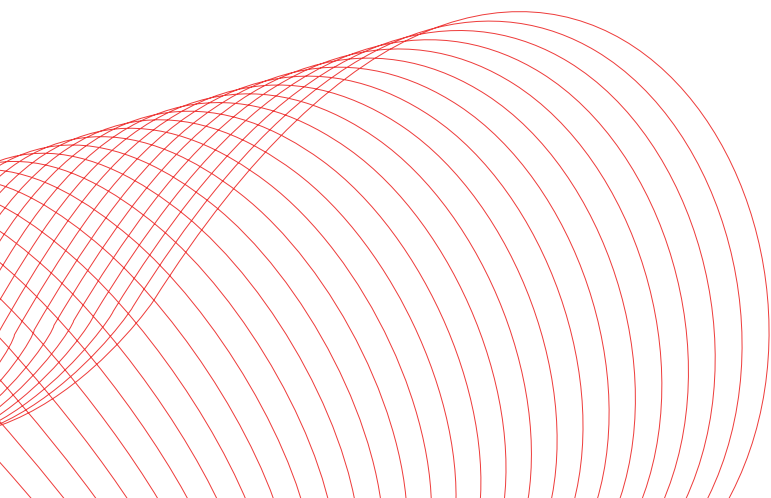
Many members of our community experienced the full force of nature during the storm that swept through Latrobe City and the wider region on Tuesday 13 February 2024. I'm proud of Council staff who worked tirelessly in responding to the emergency; particularly the teams clearing roads, assessing impacts of storm damage, and providing support such as meals, power, Wi-Fi, shower facilities, and free green waste and spoiled food disposal.

Council has maintained a strong financial position characterised to by low debt levels and maintained all of our existing services. The past year saw a significant range of major capital works undertaken and this will continue over the next few years. There are however some financial challenges ahead and the team are working hard to ensure we can continue to maintain operating surpluses into the future.

A strong, progressive, and fast-growing regional City has been at the forefront of our key projects accomplished this year.

Stage 2 of the Moe Revitalisation Project was successfully completed in September 2023, establishing a new skate park and a vibrant shared youth precinct and community open space on George Street, Moe. This project focused on enhancing both built and natural environments while promoting healthy communities, and we were proud that the project received a Regional Achievement Award at the 2024 AILA Landscape Architecture Awards in recognition of this work!

The Kernot Hall Redevelopment, Stage 1, was also completed and unveiled in October 2023. The redevelopment was vital to ensure the venue is accessible to all and can continue to host major events in the future.



Throughout the year, we celebrated and recognised the diversity of Latrobe City on various occasions, such as International Women's Day, IDAHOBIT Day, and National Reconciliation Week. And proudly, members of the Family Services team were honoured with a Maggolee Award from Reconciliation Australia for their work on the First 1000 Days Project, collaboration with the Healing the Past by Nurturing the Future Project, and ongoing support of families in our Preschools and Maternal and Child Health Services.

We remain committed to supporting the prosperity and growth of our existing businesses by hosting the Small Business Festival, celebrating their important role not only in our local economy but in our community and showcasing talent and entrepreneurship across many facets of business.

Latrobe City hosted many sporting events that helped our region continue to be a hub for elite sporting events. Council was honoured to receive the Bunnings Trade Local Government Initiative of the Year Award at the 2023 Victorian Sport Awards, recognising our eight-year partnership agreement with Table Tennis Victoria and Destination Gippsland to host the Victorian Country Championships and the Victorian Open Championships until the end of 2030.

This Annual Report highlights another year of achievement by everyone at Latrobe City Council. I would like to thank and acknowledge everyone for their achievements – from our Mayor, Councillor Darren Howe, to our Councillors and staff, for their dedication and commitment to ensuring the community has remained at the forefront of our projects and initiatives.

As we reflect on the year that's been, we're also full of enthusiasm for the challenges and new growths that lay ahead. We stand committed and strong for our community to continue shaping our shared future, while remaining accountable for decision making. We continue to reflect the values and aspirations of the people we serve, and we will endure, together.



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
Darren Howe

East Ward

P: 0429 113 015
E: darren.howe@latrobe.vic.gov.au

Cr Darren Howe was first elected in November 2016
Cr Howe was Mayor in 2024.

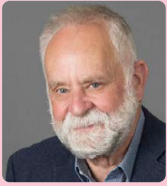


Deputy Mayor
Tracie Lund

Central Ward

P: 0437 977 130
E: tracie.lund@latrobe.vic.gov.au

Cr Tracie Lund was first elected in November 2020.



Councillor
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
was Mayor in 2003 and 2019.



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
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 was Mayor in 2010, 2017, 2022 and 2023.



Councillor
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
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: 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.

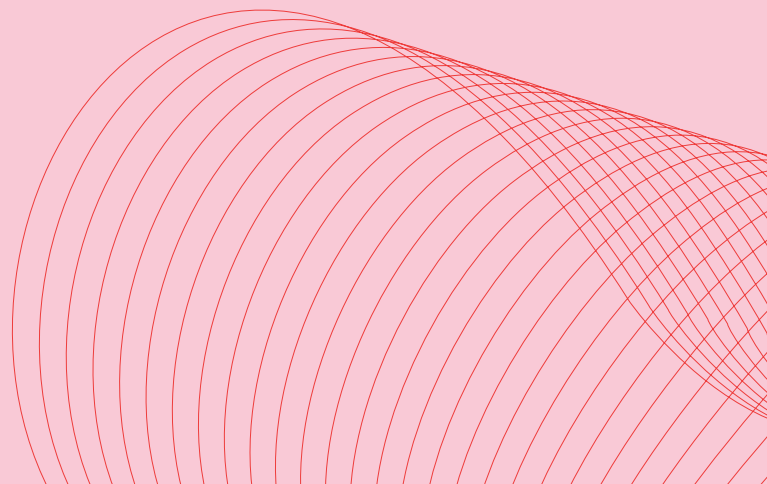


Councillor
Melissa Ferguson

South Ward

P: 0437 744 491
E: melissa.ferguson@latrobe.vic.gov.au

Cr Melissa Ferguson was first elected in November 2020.

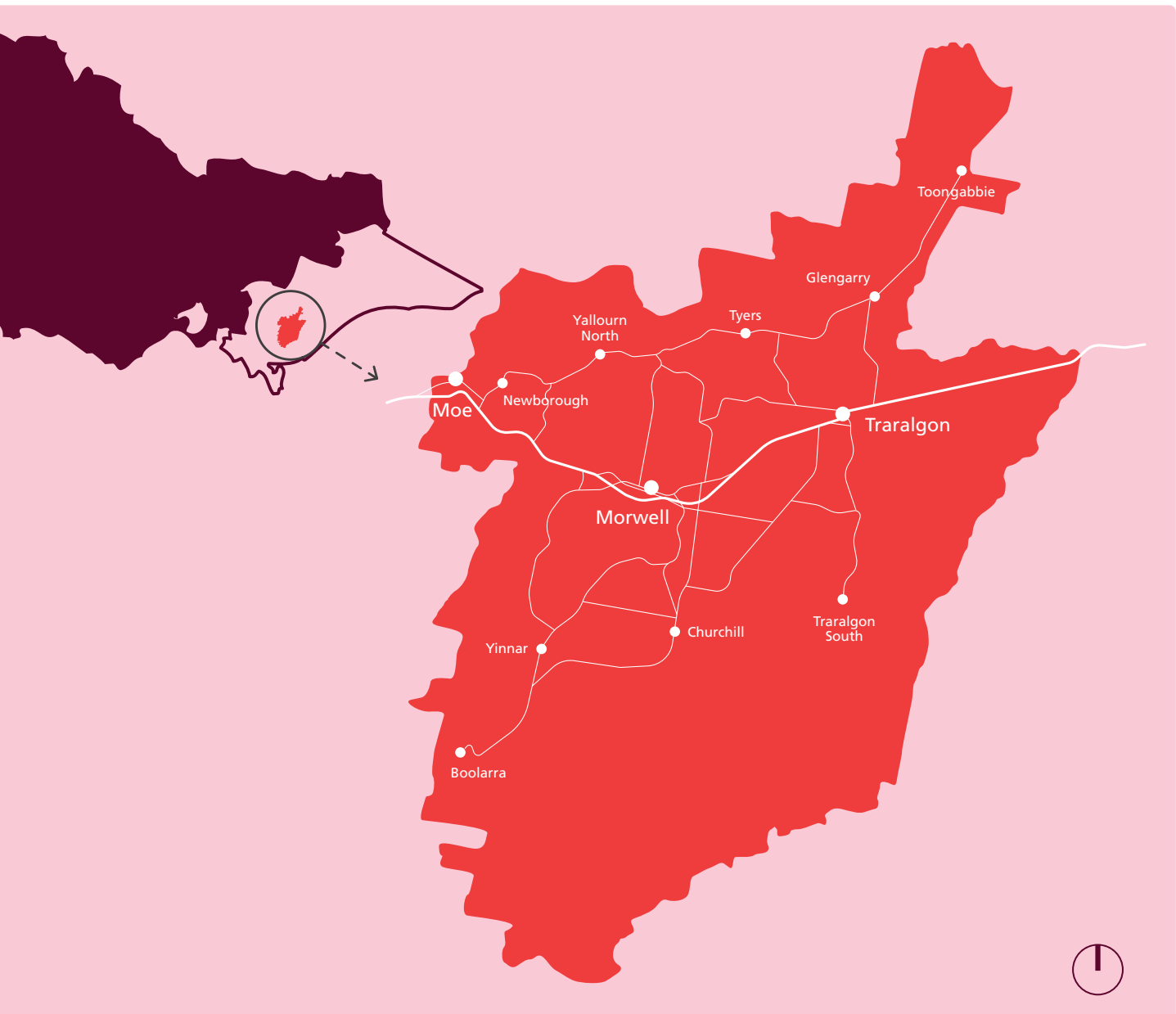


Latrobe City Snapshot & Profile

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.





28 Primary Schools



9 Secondary Schools



3 Specialist Schools



3 TAFE Campuses



1 University



1 Monash University School of Rural Health

Occupied Private Dwellings

37.4% Owned Outright
33.7% Owned with a Mortgage
25.4% Rented (ABS 2021)



90 min drive to Melbourne



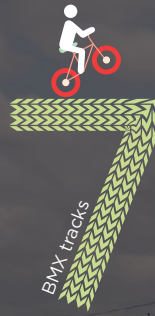
≈ 2 hrs travel by train to Melbourne
3 major stations

\$249.9m TOURISM OUTPUT

2 Council run outdoor pools



3 Council run indoor pools



78,154

POPULATION TOTAL



48.94% MALE

51.5% FEMALE

POPULATION BY AGE



17.9% 0-14yrs

55.3% 15-64yrs

20.9% 65+yrs

32,139



EMPLOYED LABOUR FORCE

25

early education centres

132

playgrounds Council is responsible for maintaining

5

maternal and child health centres

8

skate parks

6

senior citizen centres

4

libraries

758 180

small-scale solar panel system installations on council assets

solar water heater installations on council assets



Year in Review

2,906,636

bin lifts as part of Council's kerbside waste collection



1,548km

length of sealed and un-sealed roads (that Council inspects and maintains)



201,063sq/m

local roads resealed



760ha+

of open space area maintained annually; inclusive of trees, grassed areas, gardens and sporting fields



\$28,110,219

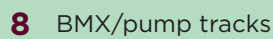
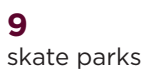
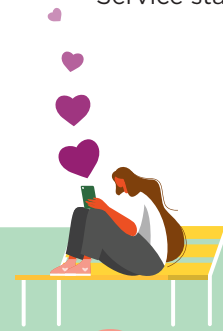
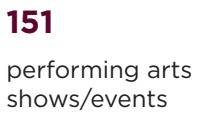
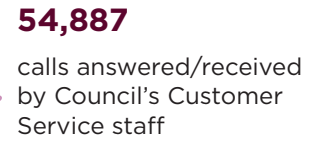
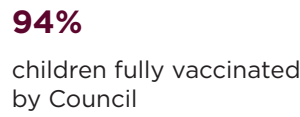
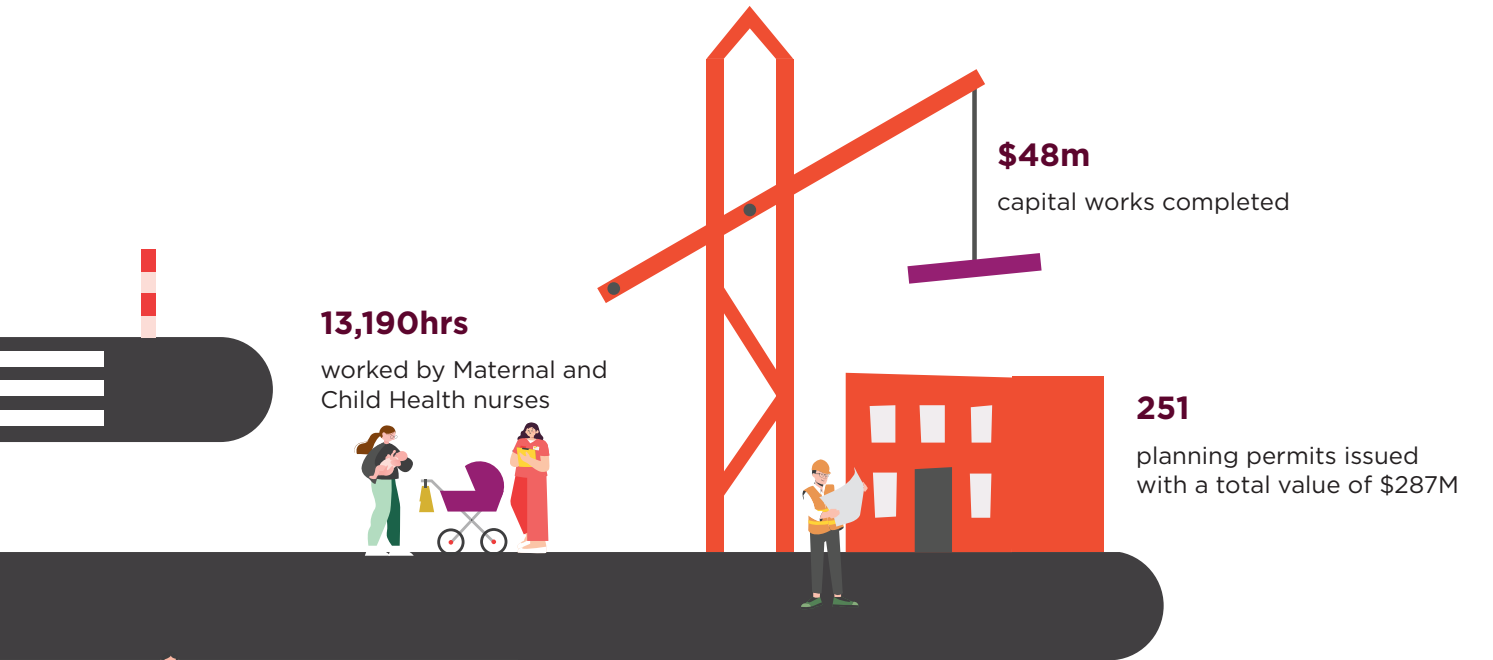
economic Impact of Major Events



444,203

aquatic facility visits







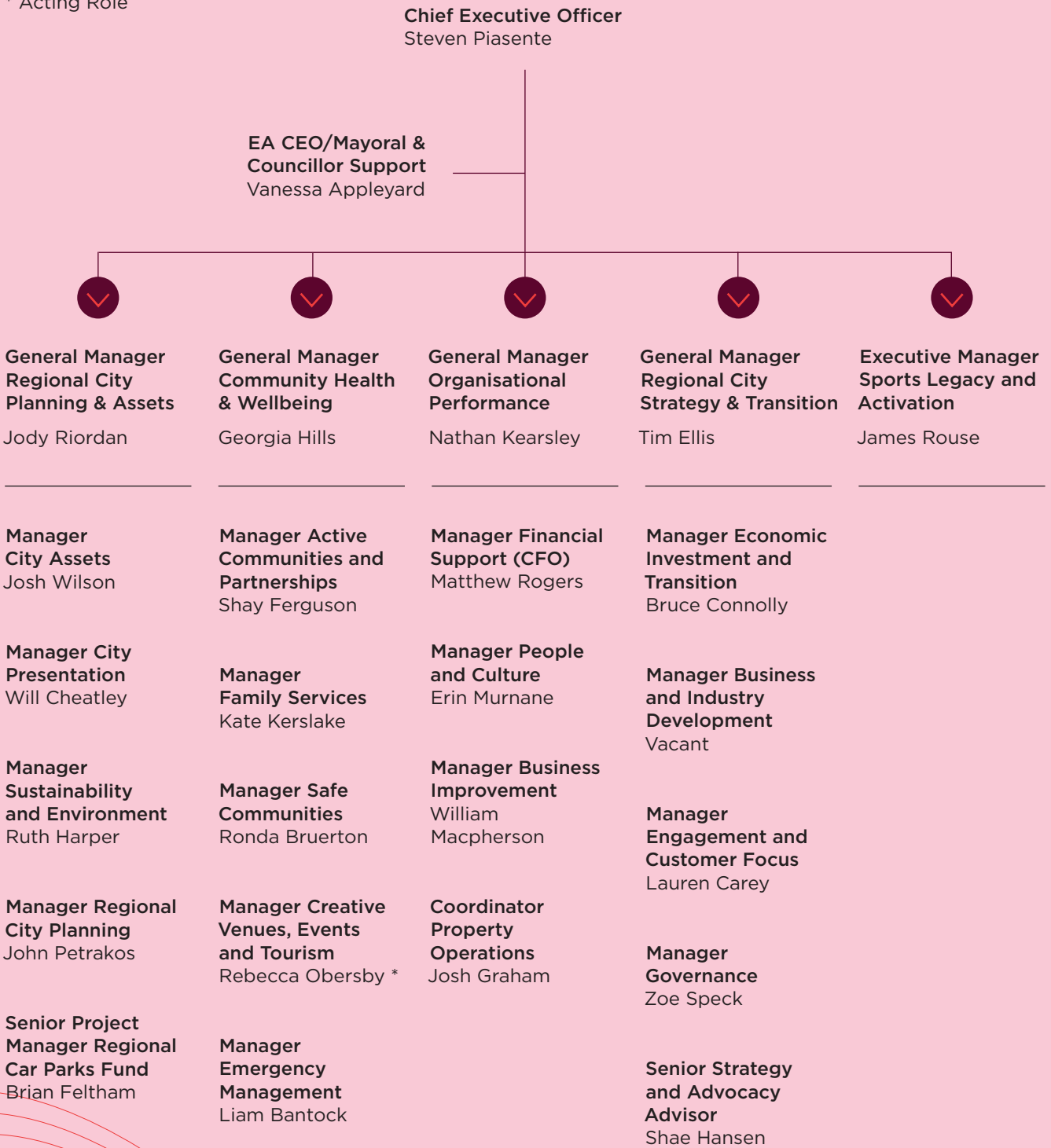
02 Our Organisation



Organisational Structure

Structure as at 30 June 2024.

* Acting Role



Service Snapshot

Business and Economic 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 and Manufacturing Precinct
- Concierge system to support people seeking permits and licences
- Focus on transitioning workforce
- Net Zero future
- Main street revitalisation
- Advanced Air Mobility ecosystem developments
- New Energy opportunities – hydrogen, off shore wind, batteries and solar
- Advance Sister City relationship with Japan

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

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 open space parks and garden beds
- Maintain wetlands and rain gardens
- Maintain playgrounds
- Kerbside spraying and tree planting
- Recreation planning
- Open space planning

Emergency Management

- Work with communities and agencies to prepare for, and mitigate the impacts of, emergency events
- Work with property owners and land managers to reduce the risk of fire
- Provide recovery support to communities impacted by emergency events

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

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

Waste, Recycling and Energy

- Council emissions reporting (water, electricity, gas and fuel)
- 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)

Service Snapshot (cont.)

Libraries

- Operation of four public libraries
- Program of social and learning opportunities for adults and seniors
- 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
- 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

Creative Venues, Events and Tourism

- Develop, attract and promote events
- Operate Council's creative venues including the Gippsland Performing Arts Centre and Latrobe Regional Gallery
- Facilitate educational and public programming at Council's creative venues
- 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
- Latrobe Regional Gallery
- Gippsland Performing Arts Centre
- Provide halls and minor venues for community hire

Running Council

- Audit and Risk Committee
- Customer Service
- Advocacy
- 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 the 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





Environment

- Approximately 1800km of rural roadside weed management
- Planting of native plants
- Vegetation removal permit assessments
- 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
- Development and implementation of fire management plans

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
- Unsightly/unsafe property inspections
- Road safety education and awareness
- Legal proceedings
- Building permit services for internal projects
- Pool barriers audit program
- Ensure adherence to the Building Act 1993
- Building audits and education

Infrastructure

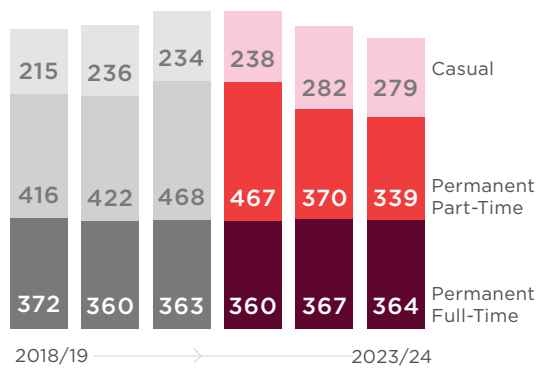
- Design and deliver Council's capital works programs
- Engineering investigation and support
- Planning for Latrobe City's current and future civil infrastructure needs
- Ensure existing infrastructure is maintained and protected
- Asset management planning and traffic management
- After hours emergency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

Our Employees

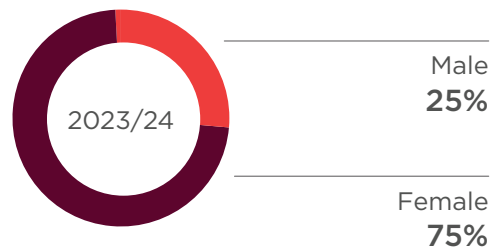
Latrobe City Council is committed to attracting, developing and retaining employees with a diverse range of qualifications, abilities and a passion for delivering quality services to the community.

Council values and celebrates the contribution of its people, working together in the spirit of honesty, teamwork and trust. As of 30 June 2024, Latrobe City Council employed 982 people, comprising full-time, part-time and casual employees. The number of equivalent full-time positions (FTE) is 836.

Staffing Levels



Gender Profile

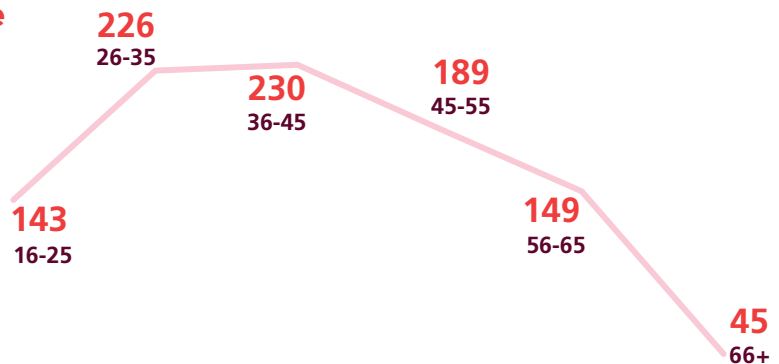


Year	Male	Female
2023/24	25%	75%
2022/23	28%	72%
2021/22	25%	75%
2020/21	25%	75%
2019/20	26%	74%

982
staff overall



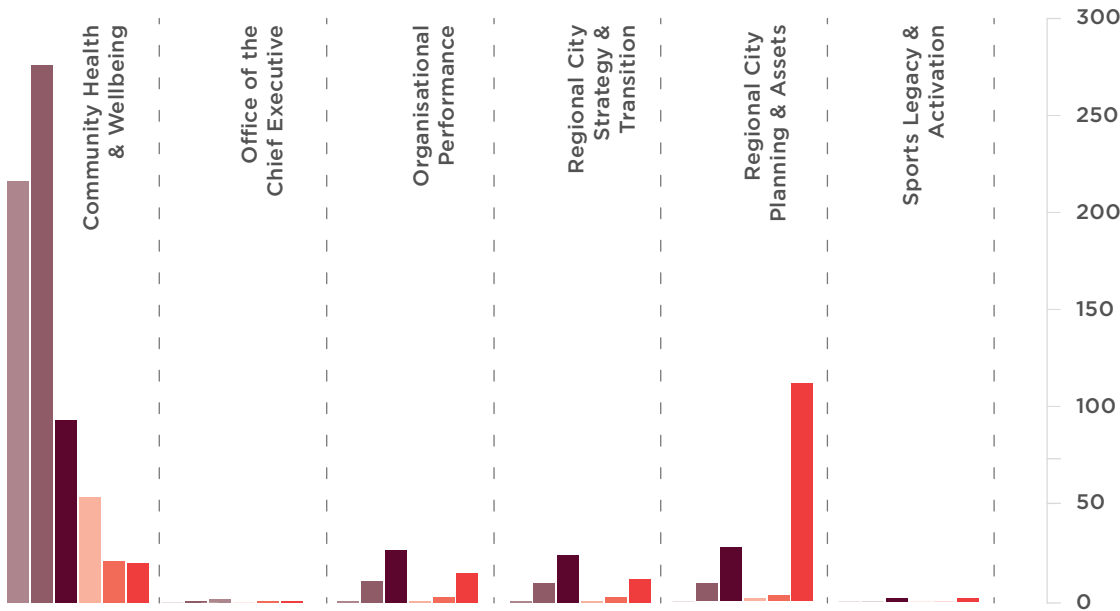
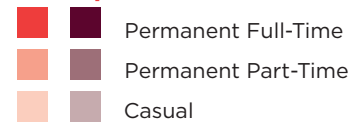
Workforce by Age



Council Staff

A summary of the number of Council staff by organisational structure, employment type and gender.

Male | Female



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

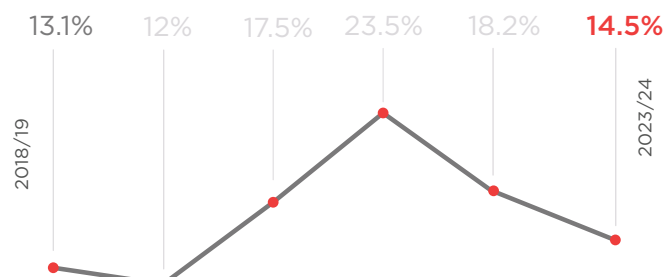
Male	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	1	36	14	36	33	19	16	19
Permanent Part-Time	7	3	7	4	2	2	2	0	0
Casual	1	4	33	19	2	0	0	0	1
Female	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	6	44	37	41	23	12	22
Permanent Part-Time	22	19	13	67	22	27	4	1	137
Casual	9	26	77	35	1	0	0	0	68

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.

3.7%

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.

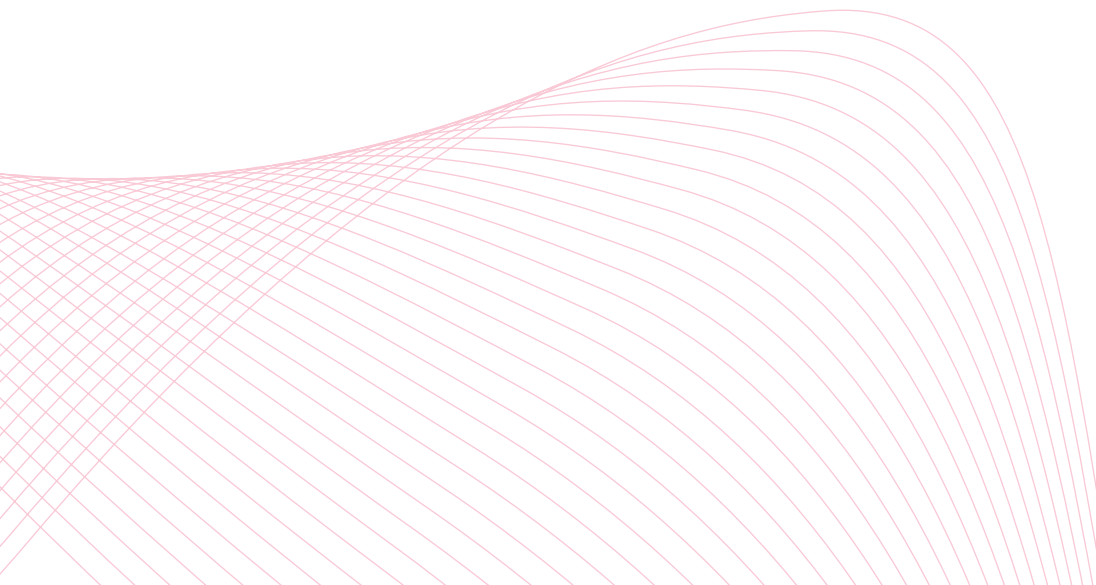
We are known as a community that is equitable, liveable and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

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

Smart

Council has a focus on promoting economic development and sustainability in the region. Initiatives include delivering the small business festival, promoting the Latrobe Regional Airport as a hub for Advanced Air Mobility (AAM), developing the Gippsland Logistics and Manufacturing Precinct, establishing the Latrobe City Industry Alliance and the Latrobe City Business Chamber of Commerce to support new industries like Offshore wind.

The Latrobe Aerospace Precinct, established over the past year, launched in April 2024 with a strategy to promote Advanced Air Mobility (AAM). Networking events attracted 62 industry and government attendees. The precinct continues to attract investment and interest, with more tenants expected to join in the coming year

The Gippsland Logistics and Manufacturing Precinct (GLaMP) has developed over the past twelve months, with the first two lots ready for sale or lease.

The small business program has delivered 15 workshops supporting a total of 160 attendees. The Business Festival included a further 12 events with a total of 217 attendees. Council's Shop Local Cards initiative has proven effective, with significant financial transactions supporting local business.

Council's Business Concierge is also involved in business liaison functions, which included 385 finalised business approvals for the year.

The third Jobs Expo was run in March where there were 44 businesses exhibiting and nearly 200 live vacancies listed.

Council successfully secured events like the 2024 Gippsland New Energy Conference (GNEC), advocated for projects such as the Hydrogen Energy Supply Chain (HESC), and coordinated trials of the Regional Air Mobility Surrogate Trial (RAST) to showcase the region's readiness for renewables and innovative technologies.

Throughout the year, Council also continued to develop partnerships with local education providers to promote career opportunities at Latrobe City. Some examples of this include Latrobe Leisure staff attending Federation University open days and local jobs expos to promote Latrobe City as an employer of choice, along with Council officers commencing discussions about creating an Education Alliance with Federation University and TAFE Gippsland to provide courses that will add value to the Latrobe City economy.



Strategic Indicators

Indicator	2022/23	2023/24
Number of new business registrations within Latrobe City	1769	1654
Vacancy rate of retail and commercial premises*	4.3%	4.2%
Amount of state and federal funding received for projects supporting economic diversification and skill development	\$785,000	\$730,000
Public Wi-Fi offerings throughout the municipality	155	155

*Does not include dormant premises

Services

Business Area	Description
Building Services	Provides building advice, statutory services, registration of swimming pools and enforcement action in accordance with relevant legislation including the Building Act 1993, including approval and monitoring processes, community engagement and education to deliver appropriate and safe building outcomes
Business Development	Provides business development advice, services and programs to improve the overall prosperity of the municipality. Measures to indicate growth include improvements in education attainment, household income, career advancement and job opportunities.
Early Childhood Health & Development	Service provides information, advice, support and health monitoring to parents of children aged 0 to 6 years to ensure the promotion of health and development to optimise the child's wellbeing, learning, development and safety. Responsible for coordinating and delivering the National Immunisation program through providing a schedule of free vaccines to eligible members of the community through community, school and workplace sessions. Support Best Start Partnership which aims to improve the health, development, learning and wellbeing of all Victorian children from infancy through to transition to school (0- 8 years) by managing a formal partnership of local agencies and community members.
Early Learning & Care	Early learning centres and preschools are located at: Boolarra, Churchill Central (Hub), Glendonald Park- Churchill, Glengarry, Moe Early Learning Centre, Moe Heights, Moore Street Moe, Carinya Early Learning Centre, Elizabeth Wilmot Morwell, Maryvale Crescent Morwell, Parklands Morwell, East Newborough, Murray Road Newborough, Cameron Street Traralgon, Cumberland Park Traralgon, Kay Street Traralgon, Park Lane Traralgon, Pax Hill Traralgon, Sara Court Traralgon, Traralgon Early Learning Centre, Traralgon South, Tyers, Yallourn North and Yinnar
Employment Development	Promote, coordinate and providing training and employment opportunities for aboriginal people.
International Relations	Supports the establishment of formal relationships between cities throughout the world, under the auspices of the Sister Cities movement

Business Area	Description
Latrobe Regional Airport	Maintain, develop and operate Latrobe Regional Airport in accordance with Civil Aviation Safety Authority regulations and the Latrobe Regional Airport Masterplan.
Library Services	Operation of four libraries (Moe, Morwell, Traralgon and Churchill) across the municipality that provides access to resources, programs and services that encourages lifelong learning and literacy and numeracy development.
Regional Partnerships	Provide regional leadership and facilitate a successful transition for Latrobe City to a low carbon future.
Statutory Planning	Provide statutory planning services, advice and enforcement action in accordance with the Latrobe Planning Scheme and Planning and Environment Act.
Strategic Planning	Responsible for undertaking research, policy development and implementing policies and strategies through Planning Scheme Amendments dealing with land-use planning matters.



REPORT OF OPERATIONS

Creative

STRATEGIC DIRECTIONS

This year, Council has made significant progress in enhancing public spaces and establishing the municipality as a premier destination for major events. These efforts have transformed local environments, created vibrant community spaces, and boosted economic activity.

A major achievement was the completion of the Moe Revitalisation Project (Stage 2), which revitalised George Street in Moe by converting the former car park and old skate park into a dynamic youth precinct and community open space. The official opening of this area in September 2023 marked a key milestone in Council's commitment to improving local amenities and fostering community engagement.

In October 2023, Council unveiled the revamped Kernot Hall, which underwent major upgrades including enhanced accessibility, new connections between the kitchen and foyer, a general foyer refurbishment, and the addition of three new meeting rooms. These improvements ensure that Kernot Hall remains a versatile and welcoming venue for community activities.

Council's focus on public space also led to the development of the Public Toilet Plan (2023-2033), endorsed in September 2023. This Plan outlines a strategic approach to creating public toilet facilities that are equitable, safe, accessible, well-maintained, and sustainable, guiding future planning and decision-making to ensure inclusivity and social participation for all community members.

In its efforts to attract major sports and community events, Council successfully hosted 29 significant events this year, drawing over 50,000 participants and spectators. Highlights included three international tennis tournaments at the Traralgon Tennis Centre, the Lawn Bowls Victorian Open, the Victorian Teachers Games, and the International Rose Garden Festival Morwell. These events generated over \$28 million in economic impact, setting a new record for Council and surpassing the previous record of \$24 million.

Additionally, Council hosted 151 performing arts shows throughout the year, featuring a diverse range of classical theatre performances and concerts, including artists such as Missy Higgins, Jessica Mauboy, Kate Miller Heidke, Tom Gleeson, Cosentino, and The Whitlams.

These achievements underscore Council's ongoing commitment to enhancing public spaces, boosting economic vitality, and enriching community life through strategic planning and event management.

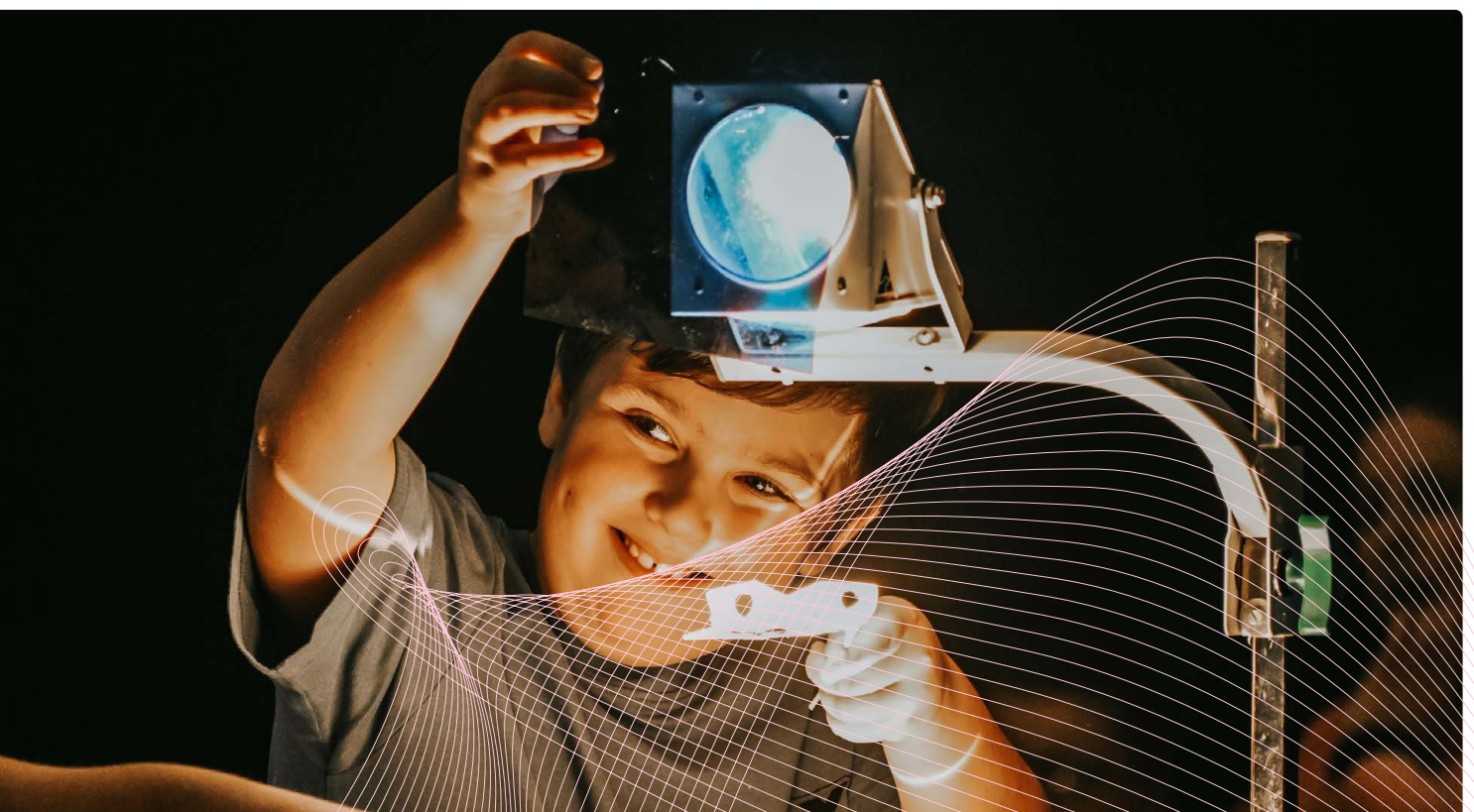
Strategic Indicators

Indicator	2022/23	2023/24
Community satisfaction with appearance of public areas.	64%	64%
Total economic impact of major events	\$17,900,000	\$28,110,219
Total gallery attendance	9881	10297
Loans per head of population*	-	3.35
Library membership (percentage of municipal population that are members)	-	23.76
Library visits per head of population* (percentage of population)	-	2.56

*Denotes new LGPRF Indicator for 2023/24

Services

Business Area	Description
Arts	Deliver the Annual Latrobe Regional Gallery Exhibitions program and deliver Education and Public Participation programs across all arts facilities. Deliver the Annual Performing Arts Performances program. Manage and maintain Halls and Venues across the City.



REPORT OF OPERATIONS

Healthy

STRATEGIC DIRECTIONS

Over the past year, Council has made significant strides in promoting health and wellbeing within the community, with a focus on engaging individuals who face barriers to participation. The initiatives undertaken have aimed to make health and fitness more accessible to everyone, reflecting a strong commitment to inclusivity and community support. Latrobe Leisure has been instrumental in this effort, providing a range of tailored outreach fitness classes. Notable programs included exercise sessions specifically designed for the Filipino Seniors and Carers Group, as well as Gentle Moves and Dance/Zumba classes for the Morwell Senior Citizens. These programs have not only offered valuable fitness opportunities but also fostered a greater sense of community and support among participants.

Across the organisation, embedding access and inclusion principles into core Council services has become a top priority, guided by the Municipal Public Health and Wellbeing Plan. The Hidden Disabilities Sunflower Initiative has been implemented across various Council services, including Libraries, Leisure, Customer Focus, Gippsland Performing Arts Centre, Latrobe Regional Gallery, and Gippsland Regional Aquatic Centre. This initiative includes ongoing staff training and the provision of merchandise for community members, helping staff recognize and provide additional support for those with hidden disabilities.

Addressing gender equity and family violence has also been a key focus across the organisation, aligning with the Municipal Public Health and Wellbeing Plan and the Gender Equality Act. This has led to increased training on recognising and responding to gender-based violence, and creating safety for all people. As a result, teams such as Local Laws and staff at Emergency Relief Centres are now better equipped to assist individuals during vulnerable times.

Record numbers of community members have come together for events such as the Candlelight Vigil, This Girl Can, and the 16 Days of Activism Against Gender-Based Violence campaigns. Collaborations with local businesses have further supported these efforts, including inviting thought-leader Dr. Emma Fulu to speak with Gippsland Women in Business and launching the

'Respect Is' education campaign in local coffee shops during the 16 Days of Activism Against Gender-Based Violence.

In addition to its focus on community health, Council has worked diligently to enhance its capacity to host major sporting events in the future. Funding has been secured for substantial infrastructure upgrades at both the Gippsland Regional Indoor Sports Stadium (GRISS) and Ted Summerton Reserve. These upgrades are anticipated to significantly improve the facilities and enhance the experience for athletes and spectators.

Furthermore, Council has established a Memorandum of Understanding with the Victorian State Government to support a major redevelopment of the Gippsland Sports and Entertainment Park (GSEP). This agreement represents a significant milestone in Council's ongoing efforts to deliver high-quality infrastructure that supports and enriches the lives of all residents.

These achievements underscore Council's commitment to enhancing community health, wellbeing, and sporting facilities.

Strategic Indicators

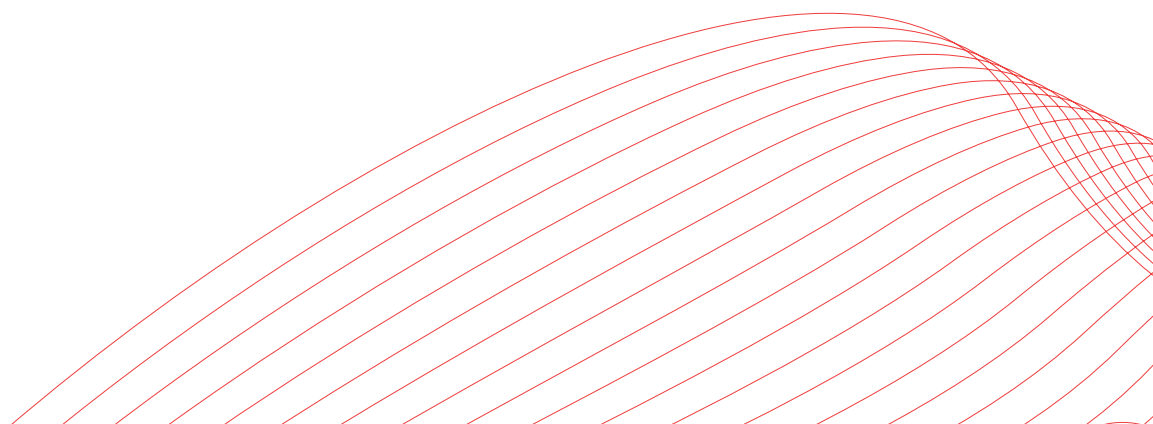
Indicator	2022/23	2023/24
Total visits to Latrobe City leisure facilities	417980	444203
Health inspections of aquatic facilities	2.2 per facility	1.6 per facility
Time taken to action animal management requests	2.08 Days	2.15 Days
Animals reclaimed	36.36%	38.70%
Animals rehomed	28.48%	46.74%
Time taken to action food complaints	1.86 days	1.85 days
Food safety samples*	-	168.75%

* Denotes new LGPRF Indicator for 2023/24

Services

Business Area	Description
Emergency Management	Undertake risk based, strategic planning and actions that promote community safety whilst building community resilience from the threat of bushfire, flood and other emergency impacts in collaboration with emergency management agencies and the community.
Health Services	Provision of public & environmental health services which covers the areas of wastewater management, infectious disease; monitoring and inspection of food, accommodation, beauty therapies, tobacco etc. to minimise the risk to public and environmental health.
Leisure Facilities	Leisure Centres: Provide access for the community to engage in health, fitness and recreation pursuits through the provision of: four indoor leisure facilities (Morwell, Churchill, Moe/ Newborough and Traralgon), indoor swimming pools, learn to swim programs, gymnasium facilities, group fitness and stadium/court space. Pools: Provision of 2 outdoor pools (Moe and Yallourn North) providing local water based recreation activities for residents and visitors in the summer months. Gippsland Regional Indoor Sports Stadium: Provision of high quality indoor recreation facilities to the community for personal recreation or public sporting events through the maintenance and management of five indoor courts for basketball, netball and badminton. Gippsland Regional Cricket Centre: A state of the art indoor cricket training centre, incorporating cutting edge technology to facilitate high-level coaching and player education. The centre is multi purpose, catering to a diverse cross-section of community groups and sporting clubs

Business Area	Description
Parks, Gardens and Playgrounds	Open Space: To improve visual attractiveness, community wellbeing and tourism appeal of the municipality through the creation and maintenance of green public spaces, including parks, gardens and trails, playgrounds, street furniture and streets. Maintaining non-organised sporting recreation spaces and town-centre streetscapes to facilitate play, commerce and functional public spaces for the community, including public furniture, BMX and skateboard parks and playgrounds, in keeping with Australian standards, Council Horticulture Standards and community expectations.
Recreation and Open Space Planning	To develop and maintain recreation and open space policies and provide strategic advice and planning service that enables Latrobe City to meet the open space and recreation needs of the community now and into the future.
Recreation Liaison	Providing stakeholders with a consistent mode of engagement with Council through the provision of a liaison service while also providing timely and accurate advice. Provision of outdoor sporting reserves including maintenance of sporting surfaces and associated facilities and amenities (pavilions, waste, etc.), to provide the community – particularly sporting clubs – with spaces for outdoor sporting and recreation pursuits.
Positive Ageing (Social Support)	Positive Ageing team work directly with Senior Citizens groups by managing facilities, and providing information about relevant services and programs to the ageing cohort such as Awareness and Prevention sessions at Latrobe City Libraries or Positive Ageing Festival Activities. Latrobe City Council owns, maintains and administers 6 Senior Citizens venues across the municipality. These include Traralgon East, Monomeath, Morwell East, Morwell, Newborough and Moe Senior Citizens venues. Positive Ageing team supports the following 10 Senior Citizens Clubs and 2 Community Groups: Traralgon East Senior Citizens Club, Monomeath Senior Citizens Club, Morwell East Senior Citizens Club, Morwell Senior Citizens Club, Newborough Senior Citizens Club, Moe Senior Citizens Club, Yallourn North Senior Citizens Club, Morwell Combined Pensioners & Superannuation Incorporated (Community group), Filipino Seniors and Carers Support Group of Gippsland Inc (Club), Moe Combined Pensioners incorporated (Community group), Filipino Spags (Club) and Italian Seniors (Club).



REPORT OF OPERATIONS

Sustainable

STRATEGIC DIRECTIONS

Council endorsed its Sustainability Action Plan in December 2023. The Plan provides an innovative goal-driven framework that is focused on maintaining and building a healthy and eco-friendly environment across the municipality, whilst ensuring that Council's processes and operations continue in a manner that balances economic growth, environmental conservation, and the social wellbeing of the community.

Council continued its progress towards its net zero energy emissions throughout the year, delivering a range of new energy initiatives, efficiencies, and offsets. These have included the development of the Latrobe Regional Gallery solar system, Waterhole Creek lighting upgrades, Latrobe City Council Headquarters building management system upgrade and lighting control upgrade, along with a range of streetlighting upgrades and various LED projects.

Significant progress has been achieved on several projects that will enhance sustainability measures across the municipality, including the extension of the Hyland Highway gas well (to enhance Council's ability to capture landfill gas), and the installation of a landfill gas collection system at Morwell Landfill to reduce greenhouse gas emissions. Both projects are on-track to be formally completed by the end of 2024.

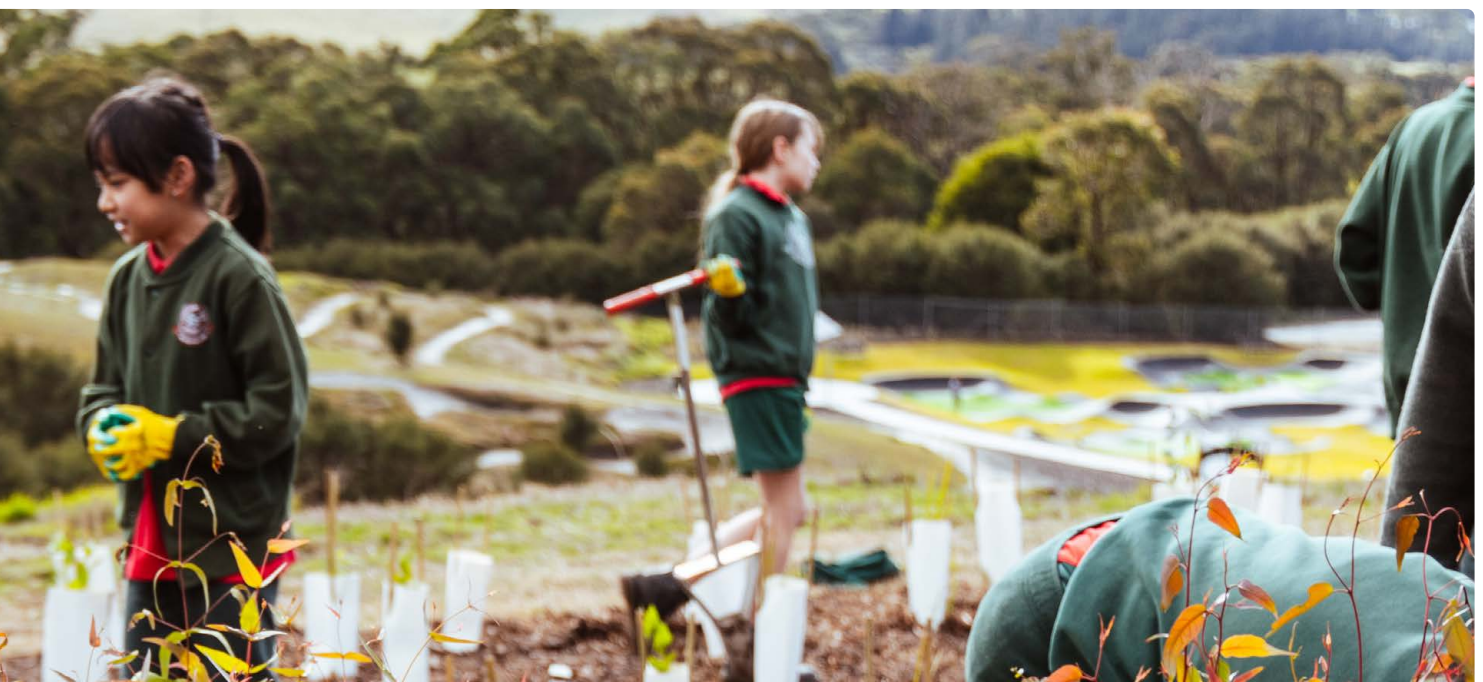


Strategic Indicators

Indicator	2022/23	2023/24
Kerbside collection waste diverted from landfill	49.33%	60.68%
Kerbside collection bins missed (per 10,000 scheduled bin lifts)	2.84	2.68

Services

Business Area	Description
Environmental Sustainability	Planning for the current and future needs of the community through the protection of the natural environment (including: resource use and energy efficiency; biodiversity and native vegetation management; control of declared weeds; waterway protection, etc.), and the administration of environment and sustainability compliance activities to meet related regulatory and statutory requirements.
Landfill Services	Operate and maintain the Latrobe City Hyland Highway Municipal Landfill facility in accordance with Environment Protection Authority licence conditions.
Waste Services	Provision of waste and recycling services that encourage the appropriate disposal of waste materials in a sustainable manner, including through the operation of 4 transfer stations (located at Yinnar, Traralgon, Moe & Morwell), provision of kerbside waste, recyclables and green waste collection services, a hard waste collection service, organic resource processing, and waste education services.



REPORT OF OPERATIONS

Connected

STRATEGIC DIRECTIONS

This year, Council advanced urban growth, industry diversification, liveability, and connectivity through several key projects.

The Ashworth Drive Implementation involved an addendum to the Ashworth Drive Development Plan, which assessed the development potential of residential lots. This plan proposed a detailed lot layout to ensure the viability of development while fostering a connected and liveable community.

Additionally, Council established a series of residential lots in key growth areas to maintain a sufficient supply of residential land within the municipality. This included the development of 160 lots in Traralgon, 107 lots in Moe/Newborough, 34 lots in Churchill, 27 lots in Morwell, and 23 lots in Glengarry

In parallel, the Traralgon West Issues, Opportunities, and Options Report evaluated the Traralgon West precinct, designated for future residential development in the Traralgon Structure Plan. The Report analysed the viability of residential land development and provided insights into issues, opportunities, and recommendations for guiding the future growth of this area.

These initiatives emphasise Council's commitment to facilitating appropriate urban expansion and enhancing community connectivity and liveability throughout the municipality.

Council continued to focus on enhancing public transport services to improve community access to employment and education opportunities. A key initiative was the Traralgon Car Parking Review, which assessed the movement of cars, pedestrians, and public transport within the Traralgon CBD. The review resulted in recommendations advocating for expanded public transport services in the area.

This initiative is part of a broader effort to advocate for enhanced transport options, including better passenger and rail freight connections, as well as improved bus services. These efforts aim to create a more connected and accessible community, supporting both economic and educational advancement.

Strategic Indicators

Indicator	2022/23	2023/24
Community satisfaction with streets and footpaths.	53%	54%
Community satisfaction with sealed local roads.	54%	53%
Successful calls received by Community Information Officers on 1300 367 700.	60845	54887
Sealed local roads maintained to condition standards	99.87%	98.45%
Time taken to decide planning applications	81 Days	100 Days

Services

Business Area	Description
Building Maintenance	Provide reactive and planned maintenance/renewal to Council buildings and supporting infrastructure including street lighting, aquatic facilities, pedestrian bridges, bus shelters, shelters and gazebos.
Capital Works Projects	Delivery of the civil capital works program incorporating road reseal, footpath replacement, road rehabilitation, lights replacement etc. to ensure assets are in a working condition, in accordance with relevant legislation and guidelines.
Community Engagement	Provide community engagement support services to Latrobe City Council.
Community Grants	The Community Grant Program provides funding to local not-for-profit community groups across capital works, community wellbeing, events and quick response streams, in line with the priorities set out in the Council Plan and Municipal Public Health and Wellbeing Plan.
Community Information	Deliver professional customer service at all Latrobe City Council service centres and libraries.
Community Strengthening	Working with community advisory groups: Positive Ageing Community Engagement Group, Disability Access and Inclusion Community Engagement Group, Cultural Diversity Advisory Group, and Youth Council. Also run events and programs to improve community health and wellbeing such as the Volunteering Connections event or Stroll and Roll program. The Social Policy and Inclusion team manages the Municipal Public Health and Wellbeing Plan.
Events	Attracting visitors to the region through both tourism initiatives and delivery of major events provides economic benefit to a wide range of local businesses. Providing event services to both community and commercial event operators seeks to improve the connectedness and amenity of life in the municipality
Engineering Services	Supports the design and delivery of high-quality civil works projects delivered by Council and developers (road and drainage design, landscape design, and technical advice on streetscapes) within the built environment to enhance the liveability and sustainability of our community and support job creation.

Business Area	Description
Infrastructure Maintenance	Maintenance of key infrastructure including all sealed and unsealed roads and roadsides, drains, signage, unsealed footpaths and some small sections of sealed footpaths
Asset Planning	Planning for the provision and renewal of Council assets that underpin the delivery of Council Services. Compliance to planning regulation to ensure effective and efficient provision of infrastructure that supports development.
Local Laws	Deliver customer focussed Local Law services across the municipality in accordance with Local Law No. 2 and other relevant legislation.
Building Projects	Deliver major infrastructure projects from the Annual Capital Works Program.
Property Operations	Administer property management, advice and services of Latrobe City Council.
Tourism	Proactively and strategically provide a quality visitor service, support the delivery of events, maintain the tourism website and promote a positive image of Latrobe City.
Urban Growth	Manage urban growth planning including ongoing management of planning permits, assessment of development plans and to help facilitate development outcomes by understanding growth and development trends.





STORIES

Latrobe City and Victorian Government drive the advancement of Advanced Air Mobility technologies



Latrobe City accelerates the advancement of Advanced Air Mobility sector technologies

Throughout 2023-24, Latrobe City Council made significant strides in the Advanced Air Mobility (AAM) space. With a focus on innovation and collaboration, our City is working to support growth and development in the industry.

Key initiatives in this effort are the establishment of partnerships with local businesses and research institutions to foster the space of innovative technologies. By leveraging the expertise and resources of these partners, Latrobe City has accelerated the adoptions of new AAM technologies, driving economic growth in the region.

In April 2024, Latrobe City Council welcomed the establishment of the Dovetail Electric Aviation

Development Centre, in partnership with Dovetail and Invest Victoria. The Development Centre is located in the Latrobe Aerospace Technology Precinct at the Latrobe Regional Airport. The aim of the Centre is to fit regional aircraft with batteries and hydrogen propulsion, to enable zero-emission flights.

The Latrobe Aerospace Technology Precinct is a flexible use AAM space that enables AAM companies to develop technology in our region. Council has been developing the Precinct for the past two years, with support and guidance from Invest Victoria.

Labor Member for Eastern Victoria, Harriet Shing attended the opening to announce the Victorian Government's support for Dovetail. The Victorian Government supports the local aviation and clean energy sectors to create highly skilled jobs and decarbonise aviation.

STORIES

Australia Day Awards

Outstanding Latrobe City citizens celebrated during 2024 Australia Day Awards

In January 2024, Latrobe City Council was proud to announce the recipients for the Australia Day awards, highlighting outstanding citizens, community events and community services in the region.

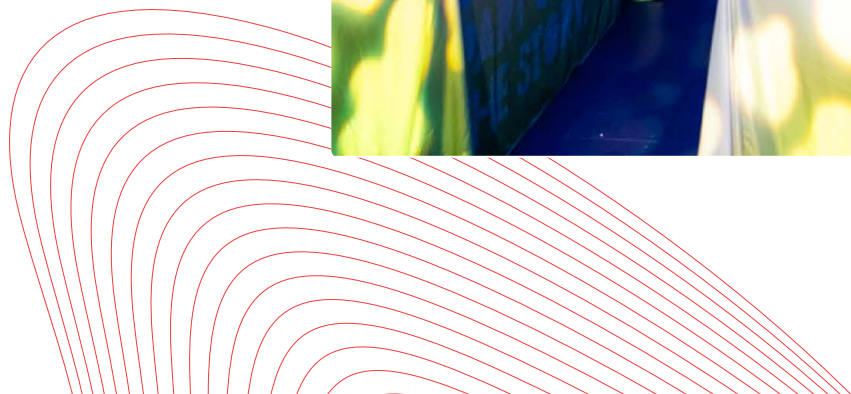
The awards ceremony was held at the Gippsland Performing Arts Centre in Traralgon, with a livestream available for the community to participate. Winners, nominees, Councillors and family members gathered to mark the occasion and celebrate the achievements of the Latrobe City community.

Long standing volunteers of the Gippsland Motorcyclists Toy Run campaign, Alf and Stella Vella, were awarded the 2024 Citizen of the Year Award. As avid motorcycle enthusiasts, Alf and Stella initiated the Toy Run 23 years ago, evolving into an annual event. Their efforts generate substantial donations that benefit numerous families and children. The Gippsland Motorcyclists Toy Run also took out the 2024 Community Event of the Year Award.

Knitted Knockers Australia, Traralgon Branch, a community group dedicated to hand-knitting prosthesis for women who have had a mastectomy due to breast cancer, received the 2024 Community Service of the Year Award. The group have distributed 63 hospital packs of hand-knitted prosthesis to women in need since opening in August 2022.

Harlequin Goodes, an outspoken and passionate advocate for youth equality, received the 2024 Young Citizen of the Year Award. Through Gippsland Youth Spaces, Harley advocates for youth equality, access and equality. Harley was also recognised for addressing crucial matters for regional youth, especially for new energy in Latrobe City.

Morwell Fire Brigade member, John O'Bryan, received the 2024 Senior Citizen of the Year Award, recognising dedication to the CFA spanning over 55 years. John has held numerous leadership positions in the brigade, including mentoring junior members, and received the Emergency Services Award for response during the 2009 Black Saturday Fires.



STORIES

Hidden Disabilities Sunflower Initiative

Hidden Disabilities Sunflower Initiative raising awareness for all

In December 2023, Latrobe City Council proudly joined the Hidden Disability Sunflower Initiative, a globally recognised effort aimed at supporting and raising awareness for individuals living with hidden (non-visual) disabilities.

By donning sunflower merchandise, individuals can discreetly signify their hidden disabilities, signalling a potential need for extra time, support or assistance. Hidden disabilities, also known as non-visible disabilities, can encompass a wide range of conditions, including but not limited to:

- Autism Spectrum Disorder
- Anxiety Disorders
- Chronic Fatigue Syndrome
- Dyslexia
- Hearing Impairments
- Mental health Conditions
- PTSD
- Epilepsy

As part of the mission to raise awareness, encourage support and promote inclusivity, Council has provided free Hidden Disability Sunflower Merchandise across the region. This is accessible at various Latrobe City Council venues, like the Visitor Information Centre, ensuring widespread availability for those who can benefit from this discreet yet powerful symbol of support and understanding.

The official launch coincided with the International Day of People with Disability, held in December each year.



STORIES

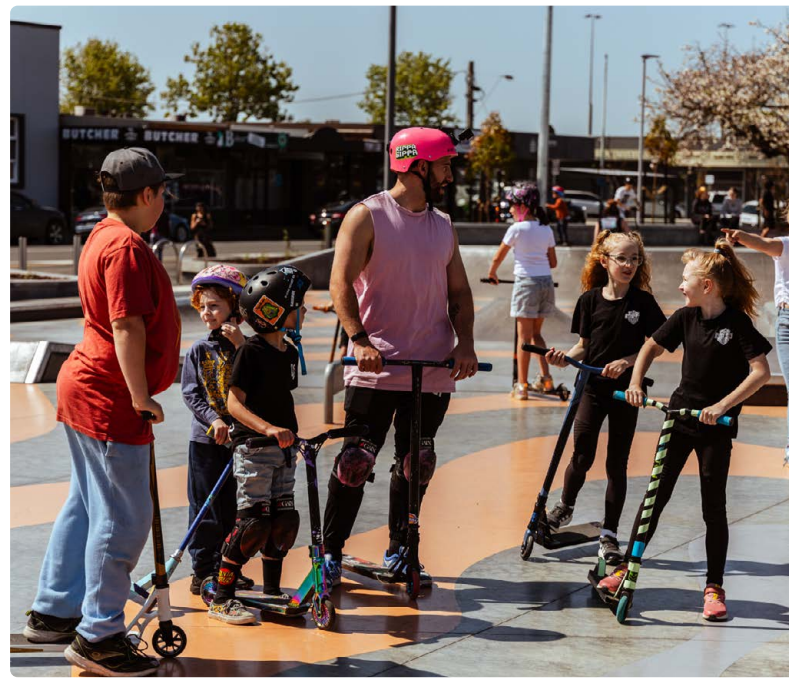
Moe Transformed by Showstopping Revitalisation Project

In September 2023, Latrobe City Council proudly unveiled Moe's newly upgraded state-of-the-art community hub, a dynamic space for all. This milestone marked the completion of the long-awaited Moe Revitalisation Project, with Stage 2 officially revealed to the community. The project, which transformed George Street, was the result of strong and consistent advocacy from the local community.

Stage 2 of the project saw the revitalisation of the old skate park, now a vibrant skating facility complete with a refurbished 100-space car park. The upgraded facility caters to skaters, BMX riders, scooter enthusiasts, and rollerbladers of all levels, featuring a large open bowl with lines, hips, and bright sports lighting.

The youth precinct offers more than just a skate park. It includes a playground for younger children, picnic and barbecue amenities, and a green lawn space, creating a safe and welcoming area for families to gather and enjoy. Adjacent to the precinct is the Frank Bartlett Memorial Library and Moe Service Centre, a state-of-the-art facility completed in 2016 as part of Stage 1 of the Moe Revitalisation Project. This three-story community hub includes a rooftop garden, library, and offices, providing essential services and spaces for the community.

Stage 2 of the Moe Revitalisation Project was successfully completed in September 2023, establishing a new skate park and a vibrant shared youth precinct and community open space on George Street, Moe. This project focused on enhancing both built and natural environments while promoting healthy communities, and we were proud that the project received a Regional Achievement Award at the 2024 AILA Landscape Architecture Awards in recognition of this work!



STORIES

Sister City Book Launch



International Connections makes debut for Council international relations

Latrobe City Council has a long and proud history of international relations, with established Sister City relationships between Takasago in Japan and Taizhou in China.

These Sister City relationships are detailed with the book release of 'International Connections'. The official launch of the book was held at Council Headquarters on 17 April 2024.

'International Connections' was written by Andrew Wrathall and explores the history of Council's sister city relationships in Takasago and Taizhou. The book celebrated the 20-year anniversary of their agreements. The stories presented in the book provide an insight into the many ways that Council's sister cities have brought people from diverse cultures together and benefitted from their experience.

Council's sister city relationships have helped provide education and training programs, teacher and student exchanges, trade agreements and business projects. 'International Connections' goes into detail about the sister cities, including the history of the municipality and the historical background leading up to the established relationships. The book also offers insight into some of the programs developed two decades after the agreements were formed and how each city has worked together to cultivate beneficial relationships.

STORIES

Small Business Festival

Local small businesses recognised and supported at Latrobe City's Small Business Festival

In September 2023, Latrobe City Council hosted a two-week long Small Business Festival to celebrate the essential role that small businesses play in both the local economy and broader community. The Festival, delivered by Council, was designed to support local businesses by providing them with the resources needed to grow and succeed.

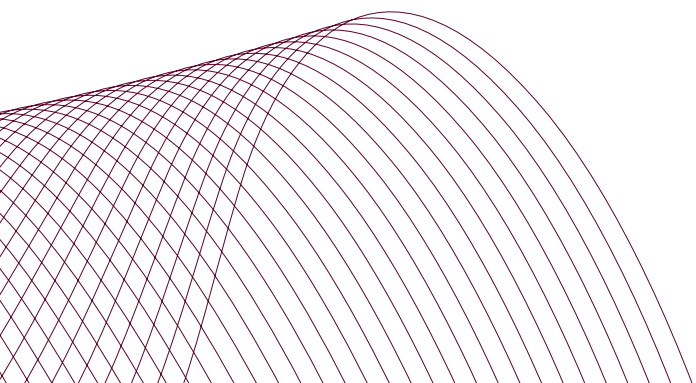
The event featured a series of workshops and presentations led by thought leaders from across Australia, aimed at encouraging upskilling, knowledge sharing and networking among business owners. Small businesses contribute a unique touch to the community and play a significant role in the economic and cultural fabric of Latrobe City.

Special guest, Victorian Small Business Commissioner Lynda McAlary-Smith, attended the festival's launch. Guest presenters included award-winning speaker and marketing expert Katrina McCarter, customer experience leader Amanda Stevens, and demographic and global trends specialist Simon Kuestenmacher.

With over 7,500 small businesses in the region, they are the backbone of Latrobe City's economy, contributing to its growth, strength, and stability. These businesses are deeply woven into the City's landscape and culture.

The Festival not only recognises and supports this hardworking community but also ensures they continue to thrive by creating valuable opportunities that positively impact their future. As part of the Council's Our Transition Plan, there is a strong commitment to working with local businesses, industries, and education providers to build a skill base that meets both current and future needs.

Small businesses are the heartbeat of the community, and the Festival celebrates their creativity, innovation, and hard work, underscoring their vital role in the local economy.





Setting Our Direction

Each year, Latrobe City Council reviews its 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





CLEANING
MELBOURNE
The M Group

powered
nbn

S.E. MELBOURNE
PHOENIX

OUR PERFORMANCE

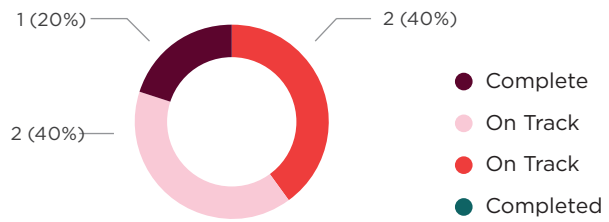
Council Report Card

Major Initiatives Progress Summary

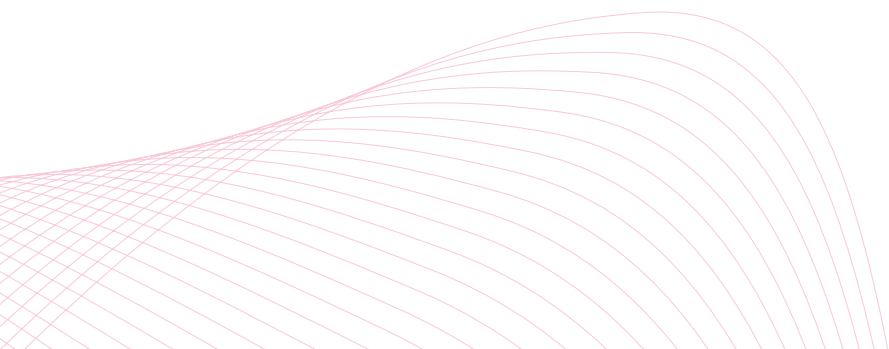
Overview of our major initiatives

This table provides a summary of Council's performance against its Major Initiatives, as identified in the annual budget.

Action Performance



Theme	Action Title	Division	Status	Performance	%
Smart	MI 01- Gippsland Logistics Precinct.	Regional City Planning and Assets	Off Track	●	98%
Connected	MI 02- Place Brand Campaign.	Regional City Strategy and Transition	On Track	●	91%
Sustainable	MI 03- Work in partnership with indigenous custodians in sustainable land management and preservation and regeneration of our natural environment.	Regional City Planning and Assets	On Track	●	85%
Smart	MI 04- Traralgon-Maffra Road Signalised Intersection.	Regional City Planning and Assets	Off Track	●	75%
Creative	MI 05 - Moe Revitalisation Project- Stage 2.	Regional City Planning and Assets	Completed	●	100%





OUR PERFORMANCE

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 2023/24 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

KPI	Measure	2023/24	2022/23	2021/22	2020/21
AF2	Health inspections of aquatic facilities	1.60	2.20	0.60	1.00
AF6	Utilisation of aquatic facilities	5.68	5.39	3.17	2.39
AF7	Cost of aquatic facilities	\$5.69	\$5.75	\$9.10	\$10.46
AM1	Time taken to action animal management requests	2.15	2.08	1.92	1.49
AM2	Animals reclaimed	38.70%	36.36%	40.05%	44.00%
AM5	Animals rehomed	46.74%	28.48%	28.25%	29.28%
AM6	Cost of animal management service per population	\$13.65	\$12.62	\$10.70	\$10.67
AM7	Animals management prosecutions	100%	100%	100%	100%
C1	Expenses per head of municipal population	\$2,129.14	\$2,003.71	\$2,018.54	\$1,844.30
C2	Infrastructure per head of municipal population	\$15,828.81	\$15,315.49	\$14,342.36	\$14,243.89
C3	Population density per length of road	50.50	50.86	52.53	52.46
C4	Own-source revenue per head of municipal population	\$1,498.68	\$1,447.70	\$1,349.74	\$1,279.87
C5	Recurrent grants per head of municipal population	\$220.05	\$444.32	\$445.60	\$361.42
C6	Relative Socio-Economic Disadvantage	1.00	1	1	1
C7	Staff turnover rate	17.99%	13.15%	26.60%	17.24%
E2	Expenses per property assessment	\$4,114.86	\$3,894.22	\$3,896.48	\$3,612.97
E4	Average rate per property assessment	\$1,681.40	\$1,613.23	\$1,600.58	\$1,556.02
FS1	Time taken to action food complaints	1.85	1.86	2.24	\$3.14
FS2	Food safety assessments	98.84%	151.13%	93.05%	118.67%
FS3	Cost of food safety service	\$596.41	\$566.76	\$488.02	\$403.48
FS4	Critical and major non-compliance outcome notifications	89.05%	60.41%	39.79%	75.33%
FS5	Food safety samples	169%	-	-	-
G1	Council decisions made at meetings closed to the public	13.97%	17.48%	13.38%	14.36%
G2	Satisfaction with community consultation and engagement	50.00	53.00	55.00	58.00
G3	Councillor attendance at Council meetings	94.02%	93.16%	93.16%	97.78%

KPI	Measure	2023/24	2022/23	2021/22	2020/21
G4	Cost of governance	\$50,938.76	\$45,508.76	\$41,213.89	\$36,960.36
G5	Satisfaction with Council decisions	49.00	55.00	52.00	56.00
L1	Current assets compared to current liabilities	229.08%	254.73%	259.47%	253.01%
L2	Unrestricted cash compared to current liabilities	-55.74%	-23.46%	7.62%	29.26%
LB2	Recently purchased library collection	49.13%	67.00%	34.92%	48.01%
LB5	Cost of library service per population	\$34.25	\$34.75	\$37.59	\$34.27
LB6	Loans per head of population	3.33	N/A	N/A	N/A
LB7	Library membership	23.76%	N/A	N/A	N/A
LB8	Library visits per head of population	2.56	N/A	N/A	N/A
MC2	Infant enrolments in the MCH service	100.24%	101.50%	101.11%	100.11%
MC3	Cost of the MCH service	\$98.87	\$101.11	\$98.52	\$79.39
MC4	Participation in the MCH service	72.99%	71.66%	71.51%	74.51%
MC5	Participation in the MCH service by Aboriginal children	90.58%	84.75%	82.45%	86.68%
MC6	Participation in first MCH home visit	94.53%	94.92%	95.46%	92.23%
O2	Loans and borrowings compared to rates	18.20%	17.16%	17.90%	20.39%
O3	Loans and borrowings repayments compared to rates	3.41%	2.06%	2.07%	1.24%
O4	Non-current liabilities compared to own source revenue	27.38%	27.08%	25.97%	32.34%
O5	Asset renewal and upgrade compared to depreciation	108.16%	104.03%	84.97%	82.71%
OP1	Adjusted underlying surplus (or deficit)	-23.16%	-3.73%	-4.02%	-5.00%
R1	Sealed local road requests	88.74	100.26	114.30	76.68
R2	Sealed local roads maintained to condition standards	98.45%	99.87%	99.69%	99.70%
R3	Cost of sealed local road reconstruction	\$106.65	\$226.24	\$79.13	\$132.18
R4	Cost of sealed local road resealing	\$28.57	\$15.68	\$14.98	\$13.00
R5	Satisfaction with sealed local roads	53.00	54.00	57.00	61.00
S1	Rates compared to adjusted underlying revenue	69.10%	59.44%	57.53%	61.32%
S2	Rates compared to property values	0.43%	0.48%	0.61%	0.66%
SP1	Time taken to decide planning applications	100.00	81.00	76.00	63.00
SP2	Planning applications decided within required time frames	81.58%	88.02%	91.92%	95.04%
SP3	Cost of statutory planning service	\$3,114.91	\$2,946.68	\$2,080.37	\$1,991.09
SP4	Council planning decisions upheld at VCAT	100.0%	100%	0%	0%
WC2	Kerbside collection bins missed	2.68	2.84	2.58	2.90
WC3	Cost of kerbside garbage bin collection service	\$138.02	\$133.29	\$121.07	\$108.84
WC4	Cost of kerbside recyclables collection service	\$30.13	\$30.07	\$27.69	\$26.06
WC5	Kerbside collection waste diverted from landfill	60.68%	49.33%	50.15%	49.17%

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 \$1585 per meeting for the Chair and \$1057 per meeting for the other independent members.

The Committee currently consists of the following as at 30 June 2024:

Independent Chair: Mr David Kortum

Appointed by Council as independent member in July 2022 until 11 August 2026. Appointed as Chair on 3 July 2023.

Independent Member: Mr John Purcell

Appointed by Council on 6 June 2022 (until 6 December 2024)

Independent Member: Ms Jane Watson

Appointed by Council on 3 July 2023 (until 1 February 2026)

Council Representative:

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 five meetings in the 2023/2024 financial year. All independent members attended each of the meetings in 2023/2024.

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 finalised and reported to the Audit and Risk Committee in the 2023/2024 financial year included:

- Child Safe Standards
- Review of Tendering Thresholds

Council Meetings and Decisions

Until December 2023, Council meetings were held at the Gippsland Performing Arts Centre (GPAC) in Traralgon. From February 2024, Council meetings have been held at Kernot Hall in Morwell. 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.

To provide open, accessible and transparent governance, Latrobe City Council open Council Meetings are livestreamed on YouTube.

Recordings of Council meetings can be found on the Latrobe City Council YouTube page under the Council Meeting tab.

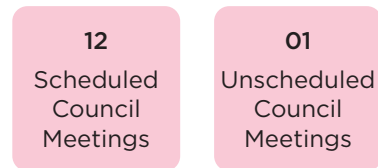
Councillors also meet for closed briefing meetings. At these meetings, Councillors have the opportunity to be briefed on strategic items in relation to Council business and on matters of interest within the community.

The Council Meeting schedule, agendas and minutes are available on the Latrobe City Council website www.latrobe.vic.gov.au

Council Meeting Attendance 2023/24

During 2023/24, there were 12 Scheduled Council Meetings and one Unscheduled Council Meeting held.

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



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

Statutory Information (cont.)

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

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.

On 30 June 2023, the Victorian Independent Remuneration Tribunal made the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2023. The Tribunal is required to make annual adjustments to the values of the allowances set in its Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022.

Annual Allowances including superannuation at 30 June 2024

Mayor - \$105,424;

Deputy Mayor - \$52,713;

Councillor - \$32,877.

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

Councillor Expenses

Councillor	Elected	Ward	Councillor Allowance	Travel Expenses	Professional Development	Expenses to support the role	Total
Cr Graeme Middlemiss	24/10/2020	Central	\$32,460.63	\$-	\$-	\$626.20	\$33,086.83
Cr Kellie O'Callaghan#	24/10/2020	East	\$58,578.42	\$14,701.72	\$-	\$5,031.40	\$78,311.54
Cr Sharon Gibson	24/10/2020	West	\$32,460.63	\$5,221.02	\$1,219.78	\$1,145.04	\$40,046.47
Cr Dale Harriman	24/10/2020	East	\$32,460.63	\$5,273.28	\$-	\$1,346.56	\$39,080.47
Cr Dan Clancey*	24/10/2020	East	\$39,625.09	\$1,123.50	\$-	\$616.10	\$41,364.69
Cr Darren Howe^	24/10/2020	East	\$78,103.22	\$5,238.02	\$2,500.00	\$1,573.88	\$87,415.12
Cr Brad Law	24/10/2020	West	\$32,460.63	\$-	\$-	\$384.56	\$32,845.19
Cr Tracie Lund>	24/10/2020	Central	\$44,956.48	\$-	\$3,859.18	\$1,275.79	\$50,091.45
Cr Melissa Ferguson	24/10/2020	South	\$29,724.90	\$-	\$-	\$689.46	\$30,414.36
			\$380,830.63	\$31,557.54	\$7,578.96	\$12,688.99	\$432,656.12

Cr Kellie O'Callaghan: Mayor 01/07/2023 to 13/11/2023

* Cr Dan Clancey: Deputy Mayor 01/07/2023 to 13/11/2023

^ Cr Darren Howe: Mayor 14/11/2023 to 30/06/2024

> Cr Tracie Lund: Deputy Mayor 14/11/2023 to 30/06/2024

Annual Allowances including superannuation at 30 June 2024

Mayor: \$105,424
 Deputy Mayor: \$52,713
 Councillors: \$32,877

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 2024, Latrobe City Council had 38 committees which Councillors are appointed to.

These are as follows:

- Community Asset Committees (12)
- Statutory Committees (3)
- Other Council Committees, Advisory Committees and User Groups (23)

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.

- Member
- Alternate
- ▲ Chair
- ▲▲ Co Chair
- M Member as Mayor
- DM Member as Deputy Mayor
- PM Member as Past Mayor

Statutory Information (cont.)

Council Membership as at 30 June 2024

	Cr Law	Cr Harriman	Cr Clancey	Cr Howe	Cr Middlemiss	Cr O'Callaghan	Cr Ferguson	Cr Gibson	Cr Lund
Committees									
Community Asset Committees*									
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							●		
Crinigan Bushland Reserve Community Asset Committee					▲				
Edward Hunter Heritage Bush Reserve Community Asset Committee	●							●	
Ollerton Avenue Bushland Reserve Committee	●							●	
Statutory Committees									
Audit and Risk Committee	●			●	○				
CEO Employment Matters Committee				M		PM		●	DM
Municipal Emergency Management Planning Committee								●	●
Other Council Committees and User Groups									
Australia Day Advisory Committee			▲▲	▲▲					
Animal Welfare Advisory Committee						▲		●	○
Early Years Reference Committee			●			▲			
Economic Development Advisory Committee				▲					DM
Gippsland Sports and Entertainment Park Redevelopment - Project Reference Group					▲	○			●
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			▲				●		●
Living Well Latrobe Governance Group			●			▲		●	●

- Member
- Alternate
- ▲ Chair
- ▲▲ Co Chair
- M Member as Mayor
- DM Member as Deputy Mayor
- PM Member as Past Mayor

Committees

Other Council Committees and User Groups

	Cr Law	Cr Harriman	Cr Clancey	Cr Howe	Cr Middlemiss	Cr O'Callaghan	Cr Ferguson	Cr Gibson	Cr Lund
Moe Rail Project (Stage 2) Project Reference Group	▲							●	
Moe Southside Community Precinct Advisory Committee	●							●	
Motorsports Complex Advisory Committee				●	●			●	
Rail Freight Working Group	●				●			●	
Regional Car Park Fund (Kay Street, Traralgon) Project Reference Group	●			▲					
Road and Place Name Advisory Committee		●	●			M			
Latrobe City Community Safety Committee	●			●					
Sporting Hall Of Fame Committee						▲		●	
Traralgon Flood Recovery Project Stage 1 Project Reference Group		●	●	▲					
Traralgon Recreation Reserve and Showgrounds Advisory Committee		○		●					
Victory Park Precinct Advisory Committee		●	●						

External Committees and Associations

Alliance of Councils for Rail Freight Development	●				●				
Gippsland Climate Change Network Board			○						●
Gippsland Local Government Waste Forum					●				○
Gippsdown Reserve Committee of Management Inc. (by Invitation)	●							○	
Latrobe City Trust			●	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					
Resource Recovery Gippsland					●				○
Roadsafe Gippsland Community Road Safety Council				●				●	
South East Australia Transport Strategy (SEATS)	○				●				
Timber Towns Victoria		●						●	
Victorian Farmers Federation Working Group		●		●			●		

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 48 requests to access information under the **Freedom of Information Act 1982**, in the 2023/2024 financial year. This was an increase of 26 compared to the previous year. Freedom of Information requests must be made in writing and accompanied with a \$31.80 application fee. A total of 6 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 30 days. Of the 48 requests received, 22 were deemed valid within the 2023/24 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 2023/24, Council identified 14 privacy breaches. Council notified the Office of the Victorian Information Commissioner (OVIC) of one of these, in relation a cyber incident effecting Council's afterhours call centre provider, OracleCMS. Council received one complaint via OVIC.

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..

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.

Information Management (cont)

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

During 2023/24, there were no disclosures that required notification to the Independent Broad-based Anti-Corruption Commission. One matter was otherwise identified and reported to IBAC regarding possible corruption by an employee. However, IBAC returned the matter to Council to investigate further as appropriate. Following a thorough internal review of the matter, no corruption or fraud was identified.

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 was reviewed and adopted in early 2024, and confirmed it remains appropriate, effective and aligned with 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.

In accordance with sections 57 of the **Local Government Act 2020** and Council's adopted 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. Agendas and minutes for Scheduled and Unscheduled Council Meetings except where such minutes relate to parts of meetings which have been closed to members of the public under section 89 of the **Local Government Act 1989** or section 66 of the **Local Government Act 2020**

Minutes of Delegated and Community Asset Committees established under sections 63 and 65 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 313 of the **Local Government Act 2020** 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

- Governance Rules
- The Councillor Reimbursement Policy (known as Councillor Support and Expenses Policy)
- Councillor Code of Conduct
- Summary of Personal Interest Returns
- Local Laws 1, 2 and 3
- The Council Plan
- Workforce Plan
- The Annual Budget
- The Annual Report including the Auditor's Report
- All adopted Council policies

A number of these documents are also available on Latrobe City Council's website.

A full list of information that can be made available to the public on request is detailed in Council's Public Transparency Policy.

Contracts

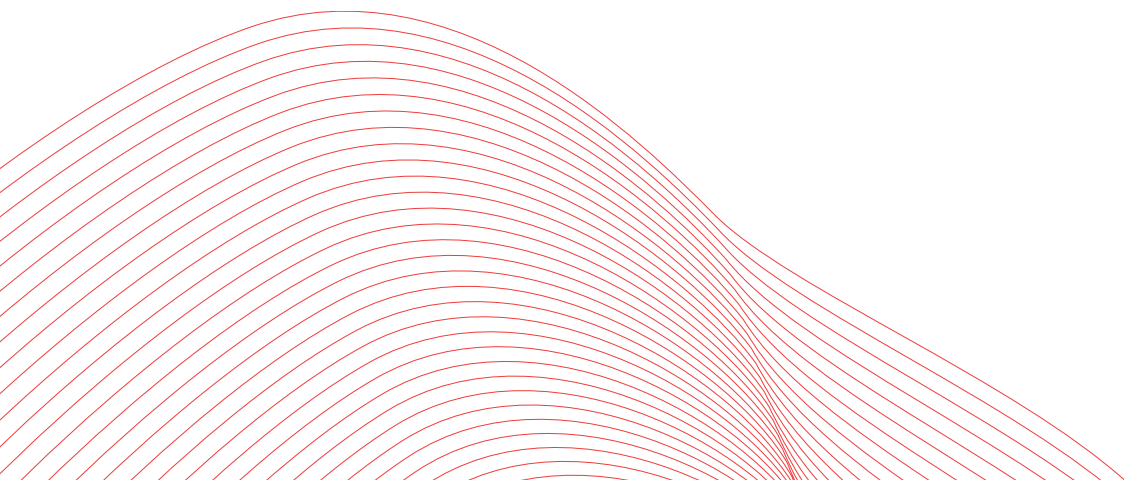
Contracts entered into above the threshold where a public process did not occur – Nil

Contracts entered into above the threshold where a public process occurred:

- Provision of Architectural Design for Traralgon Flood Recovery Project Stage 1 (Project 1 - Traralgon Recreation Reserve Multi-Use Pavilion)
- Provision of Architectural Design for Traralgon Flood Recovery Project Stage 1 (Project 2 - Glenview Park Multi-Sports Hall)
- Provision of Hygienist Services
- Construction of Cricket Nets - Duncan Cameron Memorial Park, Traralgon

Information Management (cont)

- Provision of Plumbing and Gasfitting Services (Panel of 3)
- Provision of Electrical Services (Panel of 3)
- Traralgon Courthouse - Toilet, Ramp and Heritage Works
- Provision of Line Marking and Surface Retexturing Services
- Provision of Corporate Uniforms, Workwear and Personal Protective Equipment
- Latrobe Leisure - Pool Chemicals (Panel of 2)
- Lead Design Consultant - Multi-Level Car Park Development Morwell
- Solar Projects, First Stage
- Provision of Safe Roof Access-Maintenance and Compliance
- Reconstruction of the Retaining Wall at Lake Narracan Reserve, Newborough
- Lead Design Consultant - Multi-Level Car Park Development Traralgon
- Provision of Litter Services
- Provision of Veterinary Services
- Gippsland Logistics Precinct Industrial Estate Development
- Construction of signalised intersection at Traralgon Maffra Road and Marshalls Road, Traralgon
- Ronald Reserve, Morwell Changeroom and Amenities Refurbishment
- Provision of Mechanical Heating and Cooling Maintenance (Panel of 2)
- Supply and Installation of Geographic Information System (GIS) Solution
- Construction of Sports Lighting at Yinnar, Boolarra, Glengarry and Harold Preston Recreation Reserves
- Hyland Highway Landfill - Construction of Landfill Cap - Cells 4 and 5 (Stage 3)
- Cleaning of Public Conveniences
- Reconstruction of Old Melbourne Road, Morwell
- Gaskin Park Drainage and Irrigation Installation
- Gippsland Logistics Precinct Subdivision and Roundabout Design Development
- Provision of Plant Hire (Panel of 18)
- Traralgon Railway Reservoir Upgrade
- Moe, Joe Tabuteau Pavilion-Amenities Upgrade
- Provision of Maintenance of Aquatic Plant and Equipment (Panel of 2)
- Provision of Carpentry Services (Panel of 3)
- Latrobe City Council Cleaning Services (Panel of 2)
- Provision of Footpath Grinding Services



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 2023/24 financial year

DCP name and year approved	Levies received in 2023/24 financial year (\$)
Lake Narracan DCP - 2015	\$0.00
Total	\$0.00

DCP Land, Works, Services or Facilities Accepted as Works-in-kind in 2023/24 financial year

DCP name and year approved	Project ID	Project description	Item purpose	Project value (\$)
Lake Narracan DCP - 2015	N/A	N/A	N/A	N/A
Total	\$0.00	\$0.00	\$0.00	\$0.00

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
Total	\$0.00	\$0.00	\$0.00	\$0.00

Land, Works, Services or Facilities Delivered in 2023/24 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
Total			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

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.

Checklist Item	Definitions	Yes/no	Date of Operation and expiry date
Community engagement policy	(policy outlining Council's commitment to engaging with the community on matters of public interest)	Yes	Community Engagement Policy Date of Operation: 12 April 2021 Due for review in April 2025
Community engagement guidelines	(guidelines to assist staff to determine when and how to engage with the community)	No	
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 2022-2031 Date of Operation: 25 October 2021
Asset Plan	(plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Yes	Asset Management Strategy 2023-2032 Date of Operation: 05 June 2023
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
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 2024/2025 Date of Operation: 03 June 2024
Risk policy	(policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Yes	Risk Management Policy Date of Commencement: 08 April 2024
Fraud policy	(policy outlining Council's commitment and approach to minimising the risk of fraud)	Yes	Fraud and Corruption Control Policy Date of Commencement: 08 April 2024

Local Government Performance Reporting Framework (cont.)

Checklist Item	Definitions	Yes/no	Date of Operation and expiry date
Municipal emergency management planning	(Participation in meetings of the Municipal Emergency Management Planning Committee.)	Yes	A delegated Council Officer chairs the committee and two Councillors are members of the community. The multi-agency committee the Councillors are considered "community members" for the purpose of the MEMPC membership. Dates of the attended meetings were: - 5/09/2023 - 5/12/2023 - 6/03/2024 - 5/06/2024
Procurement policy	(policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Yes	Procurement Policy - Version 22 5/06/2024 Date of Operation: 07 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	Business Continuity Policy Date of Operation: August 2023
Disaster recovery plan	(plan setting out the actions that will be undertaken to recover and restore business Complaint policy (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints.)	Yes	Disaster recovery plans are incorporated with our Business Continuity Policy Date of Operation: August 2023 Complaints Handling Policy Date of Operation: 06 December 2021
Workforce plan	(Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation.)	Yes	Workforce Plan 2021 - 2025 Date of Commencement: 22 December 2021
Payment of rates and charges hardship policy	(Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates.)	Yes	Financial Hardship Policy Date of Commencement: 07 October 2020

Local Government Performance Reporting Framework (cont.)

Checklist Item	Definitions	Yes/no	Date of Operation and expiry date
Risk management framework	(framework outlining Council's approach to managing risks to the Council's operations)	Yes	Risk Management Plan 2024-2026 Date of Commencement: 07 March 2024 Endorsement Received by Audit and Risk Committee
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 Local Government Act 2020. Audit and Risk Committee Charter Updated and Adopted 06 March 2023 (Next review scheduled between November 2024 and February 2025)
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	The Audit and Risk Committee Endorsed the Internal Audit Program for 2024/25 on 06 June 2024
Performance reporting framework	(a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Yes	Integrated Planning Framework Date of operation: December 2016 Integrated Planning and Reporting Framework is currently under review and a new document is in progress.
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	Quarterly Organisation Report- includes Strategic Indicators. Quarterly Performance Report- includes Council Plan Action progress reporting Both reports are provided for September, December, March and August every year.
Quarterly budget reports	(quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Yes	Statements presented to Council in accordance with section 138(1) of the Act. Finance Report presented to Council as follows: Quarter 1- November Quarter 2- February Quarter 3- May Quarter 4 included in the Annual Report scheduled for presentation in October.

Local Government Performance Reporting Framework (cont.)

Checklist Item	Definitions	Yes/no	Date of Operation and expiry date
Risk reporting	(six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Yes	<p>Risk reports are provided to Audit and Risk Committee and Executive Risk Management Committee (ERMC) on a quarterly basis.</p> <p>Dates of reports:</p> <ul style="list-style-type: none"> - 24/08/23 - 21/09/23 (Special) - 23/10/23 - 7/03/24 - 6/06/24 <p>Executive Risk Management Committee (ERMC):</p> <ul style="list-style-type: none"> - 3/08/23 - 2/10/23 - 1/02/24 - 2/05/24
Performance reporting	(six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Yes	<p>Quarterly Performance Report- includes Council Plan Action progress reporting</p> <p>Both reports are provided for September, December, March and June every year.</p>
Annual report	(annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Yes	<p>Considered at meeting of the Council in accordance with section 134 of the Act.</p> <p>Date of consideration: 06 November 2023</p>
Councillor Code of Conduct	(Code setting out the standards of conduct to be followed by Councillors and other matters.)	Yes	<p>Reviewed in accordance with section 139 of the Act.</p> <p>Date of operation: 08/02/2021</p> <p>Councillor Code of Conduct to be reviewed following Council Elections, noting that State Government may introduce standard Code of Conduct for Councillors across the State.</p>
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	<p>S6 Delegations - 7/5/2024 signed & 6/5/24 Council resolution</p> <p>S7 Delegations - 24/4/24 signed</p> <p>S13 Delegations - 24/4/24 signed</p> <p>S14 Delegations - 3/4/24 signed</p> <p>S16 Delegations - 3/4/24 signed</p> <p>S5 Delegations - 4/5/2023 signed</p>
Meeting procedures	(Governance Rules governing the conduct of meetings of Council and delegated committees)		<p>Council has adopted Governance Rules in accordance with section 60 of the Act on 02 October 2023.</p>

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.

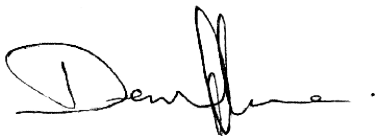


Matthew Rogers CPA
Principal Accounting Officer
Dated: 07/10/2024
Morwell

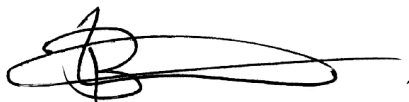
In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2024 and the financial position of the Council as at the date.

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.



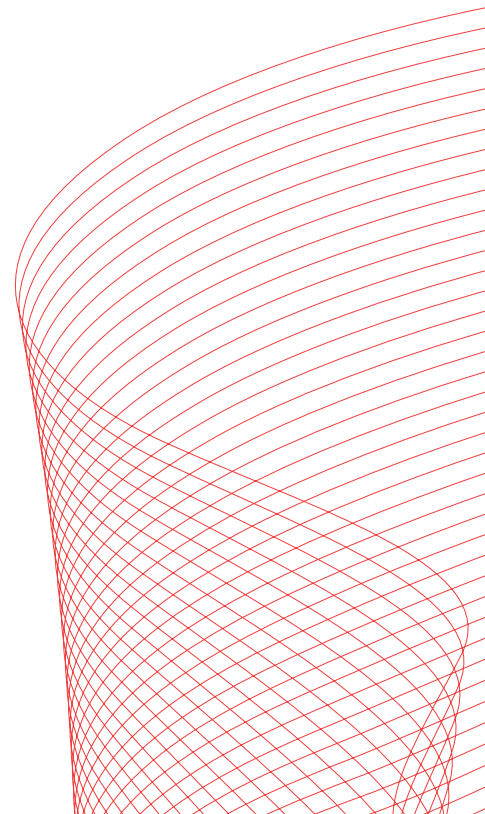
Cr Darren Howe
Councillor
Dated: 07/10/2024
Morwell



Cr Bradley Law
Councillor
Dated: 07/10/2024
Morwell



Steven Piasente
Chief Executive Officer
Dated: 07/10/2024
Morwell



Auditor-General's Report on Financial Report



Independent Auditor's Report

To the Councillors of Latrobe City Council

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

Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
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Auditor-General's Report on Financial Report

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 2024

	Note	2024 \$'000	2023 \$'000
Income / Revenue			
Rates and charges	3.1	93,358	89,109
Statutory fees and fines		2,891	2,741
User fees	3.2	11,676	12,307
Grants - operating	3.3	16,285	35,860
Grants - capital	3.3	17,856	8,735
Contributions - monetary	3.4	599	1,237
Contributions - non monetary	3.4	21,705	16,707
Other income	3.5	9,203	8,193
Total income / revenue		173,573	174,889
Expenses			
Employee costs	4.1	(63,370)	(61,039)
Materials and services	4.2	(53,712)	(46,385)
Depreciation	4.3	(34,711)	(30,213)
Amortisation - intangible assets		(944)	(497)
Depreciation - right of use assets		(160)	(77)
Allowance for impairment losses		(11)	(9)
Borrowing costs		(374)	(285)
Finance costs - leases		(50)	(36)
Net loss on disposal of property, infrastructure, plant and equipment	4.4	(5,438)	(8,408)
Other expenses	4.5	(7,631)	(8,551)
Total expenses		(166,401)	(155,500)
Surplus/ (deficit) for the year		7,172	19,389
Other Comprehensive Income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.1	2,376	83,301
Total other comprehensive result		2,376	83,301
Total comprehensive result		9,548	102,690

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

Balance Sheet

AS AT 30 JUNE 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current Assets			
Cash and cash equivalents	5.1	5,339	24,181
Trade and other receivables	5.1	4,884	4,613
Other financial assets	5.1	95,000	95,000
Prepayments		865	1,443
Contract Assets		3,875	3,418
Total current assets		109,963	128,655
Non-Current Assets			
Trade and other receivables	5.1	1	4
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.1	1,503,179	1,474,776
Right-of-use assets		1,149	1,221
Intangible assets		1,391	2,335
Total non-current assets		1,505,722	1,478,338
Total assets		1,615,685	1,606,993
Liabilities			
Current Liabilities			
Trade and other payables	5.2	12,592	14,835
Trust funds and deposits	5.2	6,308	5,447
Contract and other liabilities	5.2	11,101	10,720
Provisions	5.4	15,652	16,240
Interest-bearing liabilities	5.3	2,217	3,127
Lease liabilities		132	137
Total current liabilities		48,002	50,506
Non-Current Liabilities			
Provisions	5.4	16,213	17,124
Interest-bearing liabilities	5.3	14,771	12,163
Lease liabilities		1,083	1,132
Total non-current liabilities		32,067	30,419
Total liabilities		80,069	80,925
Net assets		1,535,616	1,526,068
Equity			
Accumulated surplus		882,908	876,495
Reserves	9.1	652,708	649,573
Total equity		1,535,616	1,526,068

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

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2024					
Balance at beginning of the financial year		1,526,068	876,495	642,294	7,279
Surplus for the year		7,172	7,172	-	-
Net asset revaluation gain/(loss)	6.2	2,376	-	2,376	-
Transfers to other reserves	9.1	-	(1,085)	-	1,085
Transfers from other reserves	9.1	-	326	-	(326)
Balance at end of the financial year		1,535,616	882,908	644,670	8,038
2023					
Balance at beginning of the financial year		1,396,042	831,565	558,993	5,484
Prior year correction of errors					
Found Assets		27,336	27,336	-	-
Restated balance at the beginning of the year		1,423,378	858,901	558,993	5,484
Surplus for the year		19,389	19,389	-	-
Net asset revaluation gain/(loss)	6.1	83,301	-	83,301	-
Transfers to other reserves	6.1	-	(1,909)	-	1,909
Transfers from other reserves	9.1	-	114	-	(114)
Restated Balance at end of the financial year		1,526,068	876,495	642,294	7,279

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 2024

	Note	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Rates and charges		93,536	90,578
Statutory fees and fines		2,886	2,743
User fees		12,271	12,918
Grants - operating		16,615	32,235
Grants - capital		18,198	13,429
Contributions - monetary		607	1,243
Interest received		5,947	2,909
Trust funds and deposits taken		14,809	13,818
Other receipts		2,115	4,169
Net GST refund/ (payment)		5,138	4,151
Employee costs		(63,321)	(63,373)
Materials and services		(59,335)	(50,070)
Short-term, low value and variable lease payments		(86)	(152)
Trust funds and deposits repaid		(13,948)	(13,553)
Other payments		(4,574)	(5,472)
Net cash provided by operating activities	9.2	30,858	45,573
Cash Flows from Investing Activities			
Payments for property, infrastructure, plant and equipment		(51,801)	(34,474)
Proceeds from sale of property, infrastructure, plant and equipment		973	555
Payments for investments		(135,000)	(145,000)
Proceeds from sale of investments		135,000	130,000
Payments of loans and advances		5	5
Net cash used in investing activities		(50,823)	(48,914)
Cash Flows from Financing Activities			
Finance costs		(382)	(281)
Proceeds from borrowings		4,500	1,635
Repayment of borrowings		(2,803)	(1,559)
Interest paid - lease liability		(50)	(36)
Repayment of lease liabilities		(142)	(62)
Net cash used in financing activities		1,123	(303)
Net increase/ (decrease) in cash and cash equivalents		(18,842)	(3,644)
Cash and cash equivalents at the beginning of the financial year		24,181	27,825
Cash and cash equivalents at the end of the financial year		5,339	24,181
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 2024

	Note	2024 \$'000	2023 \$'000
Property			
Buildings		9,836	6,857
Total buildings		9,836	6,857
Total property		9,836	6,857
Plant and Equipment			
Plant, machinery and equipment		3,063	3,049
Fixtures, fittings and furniture		53	131
Computers and telecommunications		462	1,058
Art collection		18	13
Total plant and equipment		3,596	4,251
Infrastructure			
Roads		18,087	19,273
Bridges		151	581
Footpaths and cycleways		1,754	1,223
Drainage		894	313
Recreational, leisure and community facilities		1,713	10
Waste management		415	430
Parks, open space and streetscapes		5,162	3,470
Off street car parks		3,037	1,318
Other infrastructure		3,376	1,252
Total infrastructure		34,589	27,870
Total capital works expenditure		48,021	38,978
Represented by:			
New asset expenditure		8,771	7,340
Asset renewal expenditure		26,113	28,317
Asset expansion expenditure		1,706	207
Asset upgrade expenditure		11,431	3,114
Total capital works expenditure	2.1.2	48,021	38,978

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

Notes to the Financial Statement

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. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid. The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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)
- 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.

Statutory fees and fines

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

Contract Assets

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration

Intangible Assets

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.

Right of Use Assets and Lease

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

Note 1: Overview **(cont.)**

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.

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.

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.

PRIOR YEAR ADJUSTMENTS - FOUND INFRASTRUCTURE ASSETS

During the reporting period a number of recreational infrastructure assets under Council's control which had not been previously recognised in the balance sheet were identified as being incorrectly omitted. The assets identified fall under the Recreation, leisure and community facilities and Parks, open space and streetscapes asset classes. These assets have been recognised as an adjustment to opening accumulated surplus and the 2022/23 comparative figures for Property, infrastructure, plant and equipment.

A third balance sheet has not been presented to disclose the prior year errors as they were considered not material to the comparative amounts included in the Balance Sheet. The net changes to the balance sheet and statement of changes in equity are displayed in the following table;

Note 1: Overview **(cont.)**

SUMMARY OF PRIOR YEAR ADJUSTMENTS	June 2023 as previously presented \$'000	Prior period adjustments \$'000	June 2023 as restated \$'000
Balance Sheet			
Non-current assets:			
<i>Found Assets</i>			
Recreational, leisure and community facilities		16,551	
Parks open space and streetscapes		10,785	
Total Found assets		27,336	
Property, infrastructure, plant and equipment as restated	1,447,440	27,336	1,474,776
Total non-current assets	1,451,002	27,336	1,478,338
TOTAL ASSETS	1,579,657	27,336	1,606,993
NET ASSETS	1,498,732	27,336	1,526,068
Equity:			
Accumulated Surplus	849,159	27,336	876,495
TOTAL EQUITY	1,498,732	27,336	1,526,068
Statement of Changes in Equity:			
Accumulated surplus balance at beginning of the financial year	831,565	27,336	858,901
Accumulated surplus balance at end of the financial year	849,159	27,336	876,495
Total equity at beginning of the financial year	1,396,042	27,336	1,423,378
Total equity at end of the financial year	1,498,732	27,336	1,526,068

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 5 June 2023. 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 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	93,445	93,358	(87)	(0%)	
Statutory fees and fines	2,871	2,891	20	1%	
User fees	10,477	11,676	1,199	11%	1
Grants - operating	26,349	16,285	(10,064)	(38%)	2
Grants - capital	10,040	17,856	7,816	78%	3
Contributions - monetary	90	599	509	566%	4
Contributions - non monetary	4,151	21,705	17,554	423%	5
Other income	4,792	9,203	4,411	92%	6
Total income / revenue	152,215	173,573	21,358	14%	
Expenses					
Employee costs	62,123	63,370	(1,247)	(2%)	7
Materials and services	42,174	53,712	(11,538)	(27%)	8
Allowance for impairment losses	4	11	(7)	(175%)	
Depreciation	33,700	34,711	(1,011)	(3%)	9
Amortisation - Intangible assets	733	944	(211)	(29%)	10
Depreciation - rights of use assets	182	160	22	12%	11
Borrowing costs	541	374	167	31%	12
Finance Costs - Leases	42	50	(8)	(19%)	13
Net loss on disposal of property, infrastructure, plant and equipment	-	5,438	(5,438)	(100%)	14
Other expenses	3,955	7,631	(3,676)	(93%)	15
Total expenses	143,454	166,401	(22,947)	(16%)	
Surplus/ (deficit) for the year	8,761	7,172	(1,589)	(18%)	

Note 2: Analysis of Our Results **(cont.)****(i) Explanation of material variations - Income and Expenditure**

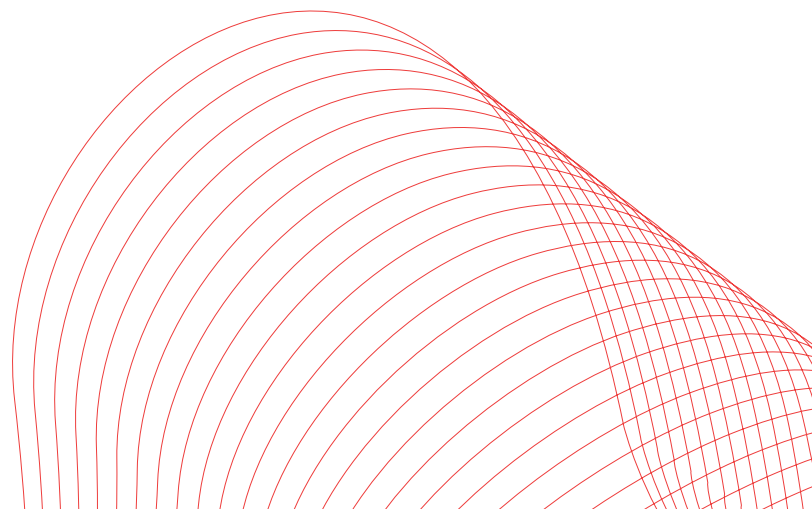
Ref	Item	Explanation		
1	User fees	Outcome: Favourable	\$1,199K	11%
		The favourable variance is mainly due to higher than anticipated utilisation across Council's three child care centres particularly in before and after Kinder care compounded by fee increases in the 2023/24 fees & charges schedule \$984K. Subdivision supervision fees were also higher than expected in the budget \$192K.		
2	Grants - operating	Outcome: Unfavourable	\$10,064K	38%
		The unfavourable variance is mainly due to the Federal government decision to advance 100% of the 2023/24 Victorian Grants Commission Financial Assistance Grants (FAGS) (\$13,905K) in the previous financial year, there was no corresponding advance received in the 2023/24 year. This was partially offset by favourable variances for unbudgeted and higher than expected Preschool Program funding \$3,129K.		
3	Grants - capital	Outcome: Favourable	\$7,816K	78%
		The favourable variance is largely due to grants received for Natural Disaster Recovery works (\$7,701K) not included in the budget, together with earlier than expected timing of grants recognition for multi - year projects e.g. Regional Car Park Fund works \$1,401K and Gippsland Logistics Precinct project funding \$774K. Partially offsetting these variances is less than anticipated grants recognised for Traralgon Flood Recovery projects \$4,700K which were fully budgeted in 2023/24 but will be delivered over multiple financial years.		
4	Contributions - monetary	Outcome: Favourable	\$509K	566%
		The favourable variance is mainly due to the higher than expected receipt of contributions for developer contribution plans (DCPs) \$108K, public open space \$187K, other works associated with new property subdivision development \$104K, together with unbudgeted contributions to Capital works projects \$109K.		
5	Contributions - non monetary	Outcome: Favourable	\$17,554K	423%
		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.		
6	Other income	Outcome: Favourable	\$4,411K	92%
		Increasing interest rates and higher than expected funds available for investment led to a favourable variance of 2,664K in investment income. Other favourable variances were received for interest on outstanding rates & charges \$440K, various other reimbursements and refunds received \$404K and electricity rebates received in relation to Streetlighting upgrades \$394K.		
7	Employee costs	Outcome: Unfavourable	\$1,247K	2%
		The unfavourable variance is mainly due to increased costs of additional positions and hours that were funded by unbudgeted government grants and initiatives e.g. Emergency Management \$401K, Pre - School programs \$1,114K together with redundancy costs of Council's transition out of the Regional Assessment Service \$407K. These items have been partially offset by savings related to positions that were vacant for part of the year.		

Note 2: Analysis of Our Results **(cont.)****(i) Explanation of material variations - Income and Expenditure (cont.)**

8	Materials and services	Outcome: Unfavourable	\$11,538K	27%	The variance is predominantly a result of expenditure funded from unbudgeted government grants and income received in previous financial years e.g. February 2024 Storm Emergency works \$1,582K, Pre-School program funding \$833K. Other factors include the expensing of costs budgeted as capital expenditure e.g Gippsland Logistics Precinct \$3,720K and higher than expected costs/demand for Materials Recovery Facility \$498K, Hard Waste Collection \$507K, Kerbside waste collection 522K, Debt Collections costs \$327K, fuel \$254K and gas \$151K.
9	Depreciation	Outcome: Unfavourable	\$1,011K	3%	The unfavourable variance is mainly a result of the initial recognition of previously unvalued Recreational, leisure and community facilities \$732K and associated Parks, Open Space & Streetscape assets \$690K, together with higher levels of infrastructure depreciation largely due to unbudgeted gifted assets and new and upgraded infrastructure funded from government grants increasing the depreciable value of assets over the past two years. This is partially offset by lower than expected Buildings depreciation (\$1,053K) due to an overestimation of the impact of recent revaluations on depreciation.
11	Amortisation - Intangible assets	Outcome: Unfavourable	\$211K	29%	The unfavourable variance is a result of a higher than expected valuation of rehabilitation costs of Landfill cell 6.
12	Depreciation - Right-of-use assets	Outcome: Favourable	\$22K	12%	Costs for Leisure fitness equipment leases were lower than expected when 2023/24 budget was developed.
13	Borrowing costs	Outcome: Favourable	\$167K	31%	Lower loan repayments due to a lower than expected interest rate received and delayed and reduced drawdown of loan funds for the Moe Revitalisation Project Stage 2 and Kernot Hall Refurbishment works.
14	Net loss on disposal of property, infrastructure, plant and equipment	Outcome: Unfavourable	\$5,438K	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 2023/24 budget due to the uncertainty in identifying the values and relates mainly to asset classes of infrastructure (\$3,211K) and buildings (\$3,028K). These variances were partially offset by gains realised on disposal of fleet and plant items.
15	Other expenses	Outcome: Unfavourable	\$3,676K	93%	The unfavourable variance is mainly due to the expensing of items from opening Capital Works in Progress (\$2,578K) due to them not meeting Council's capitalisation criteria, together with unbudgetd increased landfill provision expense \$598K and unbudgeted community grants funded from government grants and funds carrried forward from previous financial years e.g. Cleanup and Storm Resilience in Gippsland funded project \$215K and Kindergarten Inclusion Support program \$174K.

Note 2: Analysis of Our Results (cont.)

2.1.2 Capital Works	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref
Property					
Buildings	11,286	9,836	1,450	13%	1
Total buildings	11,286	9,836	1,450	13%	
Total property	11,286	9,836	1,450	13%	
Plant and Equipment					
Plant, machinery and equipment	2,095	3,063	(968)	(46%)	2
Fixtures, fittings and furniture	50	53	(3)	(6%)	
Computers and telecommunications	600	462	138	23%	3
Art collection	15	18	(3)	(20%)	4
Total plant and equipment	2,760	3,596	(836)	(30%)	
Infrastructure					
Roads	17,855	18,087	(232)	(1%)	5
Bridges	150	151	(1)	(1%)	6
Footpaths and cycleways	1,095	1,754	(659)	(60%)	
Drainage	1,223	894	329	27%	7
Recreational, leisure and community facilities	-	1,713	(1,713)	100%	8
Waste management	500	415	85	17%	9
Parks, open space and streetscapes	4,700	5,162	(462)	(10%)	10
Off street car parks	1,746	3,037	(1,291)	(74%)	11
Other infrastructure	2,441	3,376	(935)	(38%)	12
Total infrastructure	29,710	34,589	(4,879)	(16%)	
Total capital works expenditure	43,756	48,021	(4,265)	(10%)	
Represented by:					
New asset expenditure	13,044	8,771	4,273	33%	13
Asset renewal expenditure	21,632	26,113	(4,481)	(21%)	14
Asset expansion expenditure	-	1,706	(1,706)	100%	15
Asset upgrade expenditure	9,080	11,431	(2,351)	(26%)	16
Total capital works expenditure	43,756	48,021	(4,265)	(10%)	



Note 2: Analysis of Our Results **(cont.)****(i) Explanation of material variations - Capital Works (cont.)**

Ref	Item	Explanation		
1	Buildings	<p>Outcome: Underspend</p> <p>Delayed commencement of Multi Use Pavilion Traralgon Recreation Reserve (underspend \$1,720K) and Traralgon Indoor Multi Sports Hall (underspend \$2,640K).</p> <p>New Energy Projects Solar power generation installations (underspend \$813K) with completion due in 24/25 year.</p> <p>Projects carried forward for prior year: TwinCity Archery Club Extension (overspend \$1,100K), Refurbishment of Parklands Preschool (overspend \$756K), Traralgon Court House Upgrades (overspend \$631K), Kernot Hall Refurbishment (overspend \$508K).</p>	\$1,450K	13%
2	Plant, machinery and equipment	<p>Outcome: Overspend</p> <p>Additional funding allocated to essential equipment renewal for open space service delivery (\$170K) and Latrobe Regional Airport operations (\$143K).</p> <p>Acquisition of Landfill Water Truck funded from carry forward from prior year (\$287K).</p>	\$968K	46%
3	Computers and telecommunications	<p>Outcome: Underspend</p> <p>Items under the capitalisation threshold of Council that were expensed to the Income Statement.</p>	\$138K	23%
4	Art collection	<p>Outcome: Overspend</p> <p>Items under the capitalisation threshold of Council that were expensed to the Income Statement.</p>	\$3K	20%
5	Roads	<p>Outcome: Overspend</p> <p>Road Rehabilitation Program - Scrubby Lane rehabilitation works carried forward from previous year (overspend \$1,010K).</p> <p>The road component of Off Street Carpark sealing / resealing works capitalised to roads (overspend \$422K).</p> <p>Lake Narracan retaining wall works carried forward (overspend \$308K), Nation Building Blackspot Program grant funded works (overspend \$148K).</p> <p>Signalised Intersection-Maffra/Marshalls Rd - a multi year project that continues into the 24/25 year (underspend \$1,733K).</p>	\$232K	1%
6	Footpaths and cycleways	<p>Outcome: Overspend</p> <p>Increase funding allocated to address footpath defects (\$331K).</p> <p>Additional footpath works: Missing Links - grant funded (\$83K) and Traralgon West Linear Paths - funded from land sale (\$122K).</p>	\$659K	60%
7	Drainage	<p>Outcome: Underspend</p> <p>Delayed progress in Piped Systems Enhancements in Traralgon (underspend \$384K) and Glengarry (underspend \$238K).</p> <p>Unbudgeted grant funded projects: George Bates Reserve Drainage Upgrades (overspend \$188K), Roadside Drainage Improvements The Acreage, Tyers (overspend \$139K).</p>	\$329K	27%

Note 2: Analysis of Our Results **(cont.)****(i) Explanation of material variations - Capital Works (cont.)**

Ref	Item	Explanation		
8	Recreational, leisure and community facilities	Outcome: Overspend Additional funding allocated for replacement of Sports Lighting Towers (\$948K). Cricket Nets Duncan Cameron Memorial Park project carried forward from prior year (\$435K). Additional funding allocation for Tyers Soccer Club - Drainage and Irrigation Upgrades (\$106K) and Gaskin Park - Cricket Pitch Relocation/Construction (\$132K).	\$1,713K	100%
9	Waste management	Outcome: Underspend Hyland Hwy Landfill -Cell 7 Construction works multi year project delays in the design approval process funds carried forward to next year (underspend \$443K). Leachate Pond Construction Hyland Highway carried forward from prior year (overspend \$358K).	\$85K	17%
10	Parks, open space and streetscapes	Outcome: Overspend Street Lighting LED Upgrade carried forward from prior year (overspend \$1,800K). Moe Revitalisation Project Stage 2 savings (underspend \$1,342K).	\$462K	10%
11	Off street car parks	Outcome: Overspend Regional Car Parks Fund (\$1,585K) - additional grant funding for multi year funded program. Component of works budgeted to Off Street Carpark works capitalised to roads (underspend \$422K).	\$1,291K	74%
12	Other infrastructure	Outcome: Overspend Gippsland Logistics Precinct and Intermodal Freight Terminal (\$935K) - additional grant funding.	\$935K	38%
13	New asset expenditure	Outcome: Overspend Delayed commencement of Multi Use Pavilion Traralgon Recreation Reserve (underspend \$1,720K) and Traralgon Indoor Multi Sports Hall (underspend \$2,640K). Moe Revitalisation Project Stage 2 savings (underspend \$1,342K).	\$4,273K	33%
14	Asset renewal expenditure	Outcome: Overspend Road Rehabilitation Program - Scrubby Lane rehabilitation works carried forward from previous year (\$1,010K). Additional funding for replacement of Sports Lighting Towers (\$948K). Refurbishment of Parklands Preschool carried forward from prior year (\$756K).	\$4,481K	21%
15	Asset expansion expenditure	Outcome: Overspend TwinCity Archery Club Extension carried forward from prior year (\$1,100K). Regional Car Park Fund Site 8 Commercial Road, Morwell (\$413K) - design works on funded project.	\$1,706K	100%
16	Asset upgrade expenditure	Outcome: Overspend Carry forward from prior year: Street Lighting LED Upgrade (overspend \$1,800K), Traralgon Court House Upgrade (overspend \$631K), Kernot Hall Refurbishment (overspend \$508K). Signalised Intersection-Maffra/Marshalls Rd - a multi year project that continues into the 24/25 year (underspend \$1,733K).	\$2,351K	26%

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

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
- Sports Legacy & Activation

Regional City Strategy & Transition

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

Organisational Performance

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

Regional City Planning and Assets

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

Community Health & Wellbeing

- Active Communities & Partnerships (Active & Liveable Communities, Social Policy & Inclusion, Libraries and Leisure Facilities)

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

Other Operating

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

Capital Works Program

- Capital Works Program (includes items not capitalised)

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

	Income / Revenue	Expenses	Surplus/ (deficit)	Grants incl. in income / revenue	Total Assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Office of the Chief Executive	1,892	(2,147)	(255)	19	70
Regional City Strategy & Transition	9,198	(9,862)	(664)	183	31,166
Organisational Performance	13,631	(15,486)	(1,855)	403	9,049
Regional City Planning & Assets	81,108	(77,628)	3,480	735	1,229,985
Community Health & Wellbeing	48,924	(52,903)	(3,979)	14,846	238,287
Other Operating	231	216	447	17,955	51,435
Capital Works Program	18,589	(8,591)	9,998	-	55,693
	173,573	(166,401)	7,172	34,141	1,615,685
2023					
Office of the Chief Executive	1,607	(1,744)	(137)	232	31
Regional City Strategy & Transition	10,239	(10,054)	185	1,591	31,453
Organisational Performance	15,302	(14,853)	449	2,613	8,954
Regional City Planning & Assets	86,645	(72,444)	14,201	11,580	1,203,108
Community Health & Wellbeing	51,515	(51,874)	(359)	19,720	241,349
Other Operating	126	262	388	-	68,429
Capital Works Program	9,455	(4,793)	4,662	8,859	53,669
	174,889	(155,500)	19,389	44,595	1,606,993

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 2023/24 was \$21.432 billion (2022/23 was \$18.504 billion).

	2024 \$'000	2023 \$'000
General rates	61,992	58,617
Municipal charge	6,002	5,723
Service rates and charges	14,648	14,089
EPA Victoria landfill levy	1,217	1,150
Supplementary rates and rates adjustments	527	1,087
Cultural and recreational	79	78
Revenue in lieu of rates	8,893	8,365
Total rates and charges	93,358	89,109

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

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

2.3 User Fees

	2024 \$'000	2023 \$'000
Leisure centre and recreation	3,182	2,936
Child care/children's programs	4,681	4,151
Waste management services	2,101	3,345
Subdivision Supervision	477	477
Creative Arts & Venues	622	397
Other fees and charges	613	1,001
Total User fees	11,676	12,307
User fees by timing of revenue recognition		
User fees recognised at a point in time	11,676	12,307
Total user fees	11,676	12,307

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.

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

3.3 Funding from Other Levels of Government

Grants were received in respect of the following:

Summary of Grants	2024 \$'000	2023 \$'000
Commonwealth funded grants	4,370	23,365
State funded grants	29,771	21,230
Total grants received	34,141	44,595
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial assistance grant	690	18,608
Aged and disability programs	-	87
Employment facilitation	335	284
Family and children programs	99	68
Recurrent - State Government		
Preschools	7,772	7,046
Family and children programs	2,840	1,824
Maternal and child health	1,677	1,454
Aged and disability programs	834	2,095
Libraries	560	560
School crossing supervision	243	236
Arts programs	155	175
Environment sustainability	37	36
Community support and development programs	256	310
Total recurrent operating grants	15,498	32,783
Non-Recurrent - Commonwealth Government		
Events And International Relations	-	18
Employment Facilitation Programs	10	50
Non-Recurrent - State Government		
Recreational, Leisure & Community Facilities	-	124
Pre Schools	131	367
Economic Development	128	107
Community Support and Development Programs	192	129
Buildings	38	-
Family and Children Programs	6	1
Events & International Relations	30	30
Aged & Disability	-	6
Emergency Management	-	1,683
Environment Sustainability	97	197
Libraries	-	68
Maternal and Child Health	-	50
Strategic Planning	51	104
Other	104	143
Total non-recurrent operating grants	787	3,077
Total operating grants	16,285	35,860

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

3.3 Funding from Other Levels of Government (continued)

Summary of Grants	2024 \$'000	2023 \$'000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery program	1,700	1,700
Total recurrent capital grants	1,700	1,700
Non-Recurrent - Commonwealth Government		
Buildings	1,536	2,492
Footpath & Cycleways	-	58
Non-Recurrent - State Government		
Buildings	2,361	1,996
Recreation, Leisure and Community Facilities	289	-
Natural Disaster Recovery	7,701	-
Other Recreational Facilities	280	-
Roads	148	789
Footpath & Cycleways	-	28
Heritage Buildings	98	-
Offstreet Carparks	337	-
Other Infrastructure	3,406	1,672
Total non-recurrent capital grants	16,156	7,035
Total capital grants	17,856	8,735
Total grants	34,141	44,595

(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 point in time or over time when services are rendered

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 Income of 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.

	2024 \$'000	2023 \$'000
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	690	18,608
Specific purpose grants to acquire non-financial assets	17,856	8,735
Other specific purpose grants	15,557	13,191
Revenue Recognised Under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	38	4,061
	34,141	44,595

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

(d) Unspent Grants Received on Condition That They be Spent in a Specific Manner	2024 \$'000	2023 \$'000
Operating		
Balance at start of year	9,111	6,526
Received during the financial year and remained unspent at balance date	4,801	6,800
Received in prior years and spent during the financial year	(7,759)	(4,215)
Balance at year end	6,153	9,111

Unspent grants are determined and disclosed on a cash basis.

3.4 Contributions

	2024 \$'000	2023 \$'000
Monetary	599	1,237
Non-monetary	21,705	16,707
Total contributions	22,304	17,944
Contributions of non-monetary assets were received in relation to the following asset classes		
Roads	5,132	4,033
Drainage	6,218	8,765
Land	7,284	3,187
Footpaths	2,991	677
Other	80	45
Total non-monetary contributions	21,705	16,707

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

3.5 Other Income

	2024 \$'000	2023 \$'000
Interest	5,904	4,229
Contributions other	941	1,100
Sales	738	1,019
Other Rent	845	741
Insurance Claim Refunds	74	628
Rebates	519	332
Other	182	144
Total other income	9,203	8,193

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**

(a) Employee Costs	2024 \$'000	2023 \$'000
Salaries and wages	53,615	52,399
Workcover	1,091	587
Superannuation	5,951	5,367
Fringe benefits tax	261	253
Other	2,452	2,433
Total employee costs	63,370	61,039

Note 4: The Cost of Delivering Service **(cont.)****(b) Superannuation**

Council made contributions to the following funds:

	2024 \$'000	2023 \$'000
Defined Benefit Fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	205	245
	205	245
Employer contributions payable at reporting date	-	-
Accumulation Funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	5,023	4,541
	5,023	4,541
Total Superannuation	5,228	4,786
Employer contributions payable at reporting date	452	404

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

4.2 Materials and Services

	2024 \$'000	2023 \$'000
General maintenance	5,389	5,312
Domestic Rubbish Collection	4,250	3,983
Utilities	3,793	3,935
Other Contracts	3,875	3,807
Information technology	4,252	3,040
Office administration	2,641	2,694
Consultants	2,487	2,012
Hard Waste Collection	2,017	1,926
Transfer Stations	1,399	1,845
Insurance	1,590	1,412
Sporting Grounds and Facilities	863	1,396
Materials Recovery Facility	1,435	1,316
Finance and Legal Costs	847	1,224
Vehicle Expenses	1,322	1,219
Building maintenance	1,741	1,156
Cleaning	1,151	1,038
Management and Operation of Gippsland Regional Aquatic Centre	798	866
Green Waste Processing	1,041	797
Non-Council Asset works	-	773
Street Sweeping	845	742
Parks and Reserves	703	592
Litter Bins	599	454
Natural Disaster Recovery works	1,582	-
Logistics Precinct and Intermodal Freight Terminal	3,720	-
Other	5,372	4,846
Total materials and services	53,712	46,385

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

Note 4: Analysis of Our Results **(cont.)****4.3 Depreciation**

	2024 \$'000	2023 \$'000
Property	7,147	6,961
Plant, furniture and equipment	2,822	2,716
Infrastructure	24,742	20,536
Total depreciation and amortisation	34,711	30,213

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

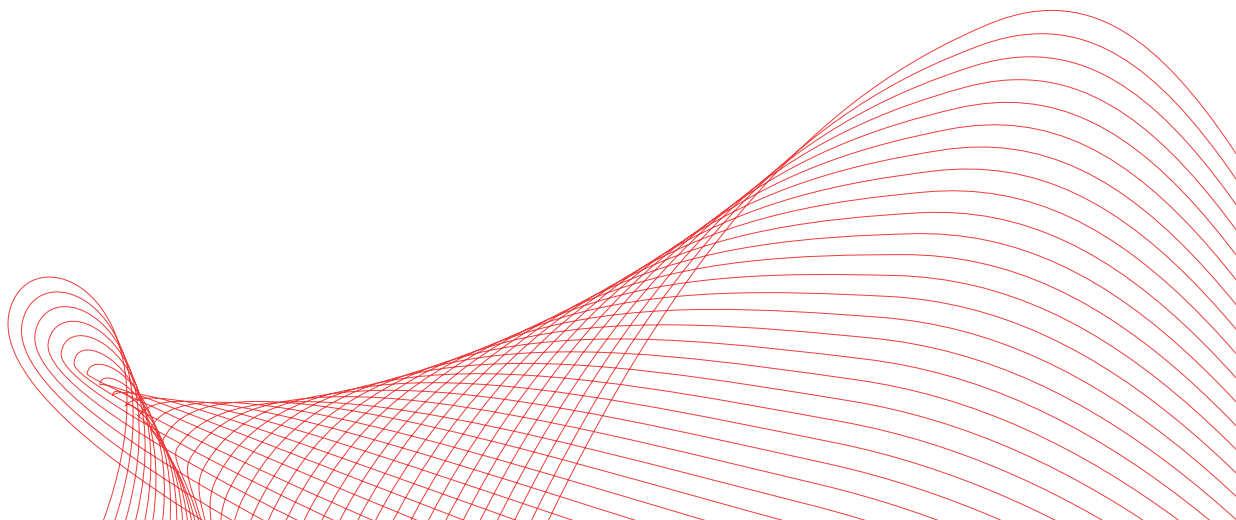
4.4 Net Gain/(Loss) on Disposal of Property, Infrastructure, Plant and Equipment

	2024 \$'000	2023 \$'000
Proceeds of sale	973	555
Write down value of assets disposed (sold/written off)	(430)	(4,150)
Write down value of assets disposed (asset renewal)	(5,981)	(4,813)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(5,438)	(8,408)

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

	2024 \$'000	2023 \$'000
Auditors' remuneration - VAGO	99	92
Auditors' remuneration - Internal Audit	34	138
Audit other	47	19
Councillors' allowances	381	354
Operating lease rentals	78	138
Grants	1,782	1,790
Levies	2,034	2,875
Assets written-off / impaired	2,578	306
Landfill Provision Movement	598	2,839
Total other expenses	7,631	8,551



Note 5: Our Financial Position

5.1 Financial Assets	2024 \$'000	2023 \$'000
(a) Cash and Cash Equivalents		
Cash on hand	11	11
Cash at bank	5,328	24,170
Total cash and cash equivalents	5,339	24,181
(b) Other Financial Assets		
Current		
Term Deposits	95,000	95,000
Total current other financial assets	95,000	95,000
Non-Current		
Shares	2	2
Total non-current other financial assets	2	2
Total other financial assets	95,002	95,002
Total financial assets	100,341	119,183

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.

	2024 \$'000	2023 \$'000
(c) Trade and Other Receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors*	2,541	2,736
Health Registrations	7	-
Net GST receivable	491	897
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	3	5
Other debtors	1,854	988
Allowance for expected credit loss - other debtors	(12)	(13)
Total current trade and other receivables	4,884	4,613

*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.

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

	2024 \$'000	2023 \$'000
Non-Current		
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	1	4
Total non-current trade and other receivables	1	4
Total trade and other receivables	4,885	4,617

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.

(d) Ageing of Receivables

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

	2024 \$'000	2023 \$'000
Current (not yet due)	1,355	560
Past due by up to 30 days	48	308
Past due between 31 and 60 days	18	30
Past due between 61 and 90 days	38	12
Past due by more than 90 days	387	74
Total trade and other receivables	1,846	984

(e) Ageing of Individually Impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$12K (2023 \$13K) were impaired. The amount of the provision raised against these debtors was \$12K (2023 \$13K). 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.

	2024 \$'000	2023 \$'000
Past due by more than 90 days	12	13
Total trade and other receivables	12	13

5.2 Payables, Trust Funds and Deposits and Unearned Income / Revenue

	2024 \$'000	2023 \$'000
(a) Trade and Other Payables		
Current		
<i>Non-statutory Payables</i>		
Trade Payables	10,147	12,500
Accrued Expenses	2,445	2,335
Total current trade and other payables	12,592	14,835
(b) Trust Funds and Deposits		
Current		
Refundable deposits	5,173	4,279
Fire Service Levy	574	627
Retention amounts	35	95
Other trust amounts	526	446
Total current trust funds and deposits	6,308	5,447

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

	2024 \$'000	2023 \$'000
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	100	-
Total contract liabilities	100	-
Other liabilities		
Current		
Deferred capital grants	11,001	10,720
Total other liabilities	11,001	10,720
Total contract and other liabilities	11,101	10,720

Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of operational government grants. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Other liabilities

Grant consideration was received from Commonwealth and State governments to support the renewal and construction of buildings and infrastructure assets. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of the asset. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and Nature of Items

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.

Other trust amounts - Council collects ticketing revenue on behalf of performing arts venue users, and forwards these monies to the user upon show performance and settlement.

5.3 Interest-Bearing Liabilities

	2024 \$'000	2023 \$'000
Current		
Treasury Corporation of Victoria Borrowings - Secured	1,709	2,613
Borrowings - Secured	508	514
Total current	2,217	3,127
Non-Current		
Treasury Corporation of Victoria Borrowings - Secured	9,220	6,104
Borrowings - Secured	5,551	6,059
Total non-current	14,771	12,163
Total interest-bearing loans and borrowings	16,988	15,290
All borrowings are secured over Council's Rate Revenue.		
The maturity profile for Council's borrowings is:		
Not later than one year	2,217	3,127
Later than one year and not later than five years	12,538	9,503
Later than five years	2,233	2,660
	16,988	15,290

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

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

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

	Employee \$'000	Landfill Restoration \$'000	Total \$'000
5.5 Provisions			
2024			
Balance at Beginning of the Financial Year	12,888	20,476	33,364
Additional/(Reduced) Provisions	5,723	1,055	6,778
Amounts Used	(5,651)	(2,339)	(7,990)
Change in the discounted amount arising because of time and effect of any change in the discount rate	169	(456)	(287)
Balance at the end of the financial year	13,129	18,736	31,865
<i>Provisions - current</i>	11,767	3,885	15,652
<i>Provisions - non-current</i>	1,362	14,851	16,213
2023			
Balance at Beginning of the Financial Year	12,745	15,665	28,410
Additional/(Reduced) Provisions	2,814	6,306	9,120
Amounts Used	(3,599)	(860)	(4,459)
Change in the discounted amount arising because of time and effect of any change in the discount rate	928	(635)	293
Balance at the End of the Financial Year	12,888	20,476	33,364
<i>Provisions - current</i>	11,518	4,722	16,240
<i>Provisions - non-current</i>	1,370	15,754	17,124
		2024 \$'000	2023 \$'000
(a) Employee Provisions			
Current Provisions Expected to be Wholly Settled Within 12 months			
Annual leave		4,435	4,023
Long service leave		2,200	2,295
		6,634	6,318
Current Provisions Expected to be Wholly settled After 12 months			
Annual leave		-	304
Long service leave		5,133	4,897
		5,133	5,201
Total current employee provisions		11,767	11,518
Non-Current			
Long service leave		1,362	1,370
Total non-current employee provisions		1,362	1,370
Aggregate Carrying Amount of Employee Provisions			
Current		11,767	11,518
Non-Current		1,362	1,370
		13,129	12,888

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

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

	2024 \$'000	2023 \$'000
Key assumptions:		
discount rate	4.40%	4.06%
inflation rate	4.45%	4.35%
 (b) Landfill restoration		
Current	3,885	4,722
Non-Current	14,851	15,754
	18,736	20,476

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.

Key assumptions:		
discount rate	3.90%	3.64%
inflation rate	4.00%	4.00%

5.6 Financing Arrangements

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

Bank overdraft	1,000	1,000
Credit card facilities	500	500
Treasury Corporation of Victoria facilities	10,929	17,082
Other facilities	6,059	6,574
Total facilities	18,488	25,156
 Used facilities	-	15,401
 Unused facilities	18,488	9,755

Note 5: Our Financial Position **(cont.)****5.6 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
(a) Commitments for Expenditure					
2024					
Operating					
Garbage Collection	5,640	5,640	16,920	25,380	53,580
Collection of Hard Waste	1,921	800	-	-	2,721
Recycling	2,454	-	-	-	2,454
Processing of Organic Waste	781	-	-	-	781
Cleaning contracts for council buildings	1,165	1,165	-	-	2,330
Cleaning contracts for council amenities/ streets	2,426	2,184	3,663	-	8,273
Management and Operation of GRAC	820	-	-	-	820
Landfill	353	-	-	-	353
Software	276	84	-	-	360
Secretarial Support and Advocacy Services	214	71	-	-	285
Total	16,050	9,944	20,583	25,380	71,957
Capital construction					
Buildings	1,355	-	-	-	1,355
Logistics Precinct and Intermodal Freight Terminal	1,658	-	-	-	1,658
Roads	4,310	-	-	-	4,310
Landfill	1,960	-	-	-	1,960
Off Street Carparks	4,627	167	-	-	4,794
Drainage	608	-	-	-	608
Recreational, leisure and community facilities	336	-	-	-	336
Total	14,854	167	-	-	15,021
2023					
Operating					
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
Total	10,877	3,527	3,498	-	17,902

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

	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
Capital construction					
Streetscape	3,806	-	-	-	3,806
Buildings	3,570	-	-	-	3,570
Logistics Precinct and Intermodal Freight Terminal	3,215	-	-	-	3,215
Roads	1,627	-	-	-	1,627
Landfill	1,141	-	-	-	1,141
Off Street Carparks	740	-	-	-	740
Bridges	94	-	-	-	94
Total	14,193	-	-	-	14,193

Note 6: Assets We Manage

6.1 Property, Infrastructure, Plant and Equipment

Summary of Property, Infrastructure, Plant and Equipment

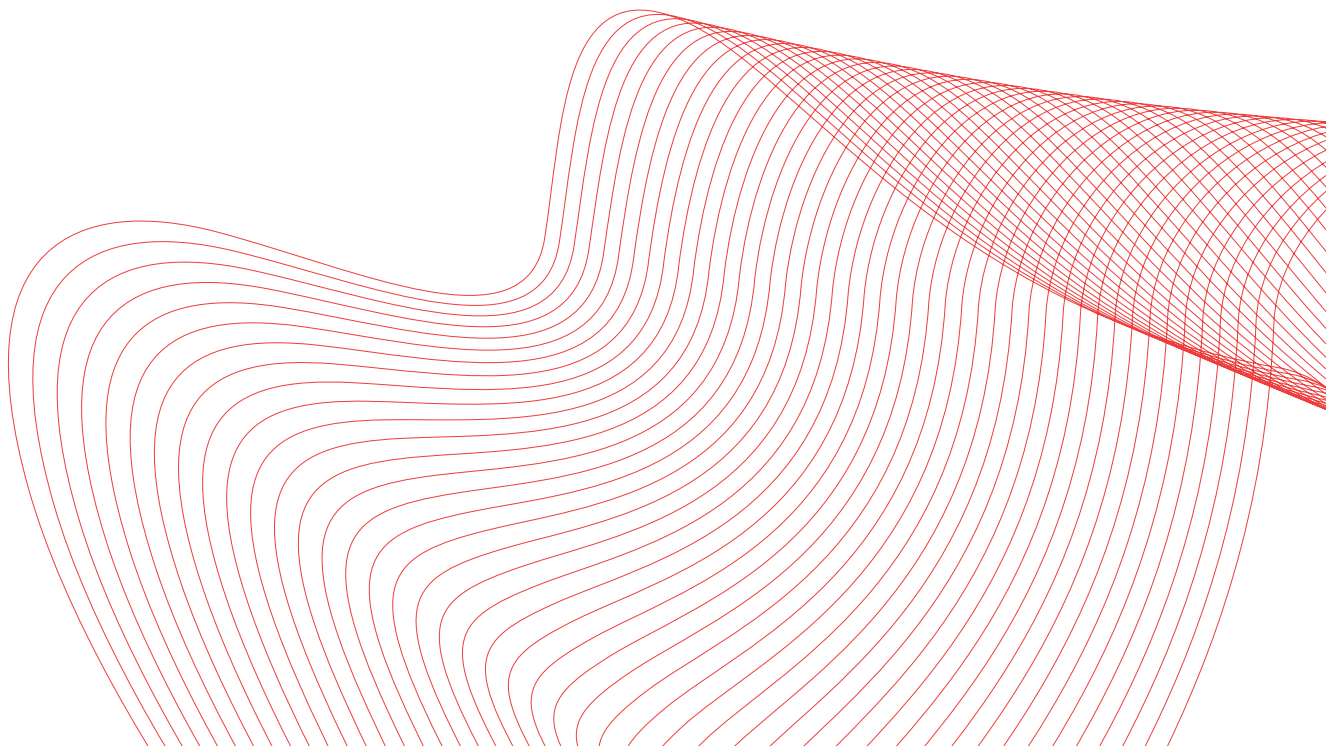
	Restated Carrying Amount 30 June 2023 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	Carrying amount 30 June 2024 \$'000
Land	258,866	-	7,283	-	-	(55)	-	266,094
Buildings	293,105	6,255	-	-	(7,147)	(3,028)	4,260	293,445
Plant and equipment	16,111	3,595	80	-	(2,822)	(118)	-	16,846
Infrastructure	882,039	10,825	14,342	2,376	(24,742)	(3,210)	16,692	898,322
Work in progress	24,655	27,346	-	-	-	(2,578)	(20,952)	28,471
	1,474,776	48,021	21,705	2,376	(34,711)	(8,989)	0	1,503,178

Summary of Works in Progress	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write offs \$'000	Closing WIP \$'000
Buildings	4,422	3,506	(4,181)	(153)	3,594
Infrastructure	20,233	23,839	(16,771)	(2,424)	24,877
Total	24,655	27,345	(20,952)	(2,577)	28,471

	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
(a) Property							
At fair value 1 July 2023	175,868	82,998	258,866	405,260	405,260	4,422	668,547
Accumulated depreciation at 1 July 2023	-	-	-	(112,155)	(112,155)	-	(112,155)
	175,868	82,998	258,866	293,105	293,105	4,422	556,392
Movements in Fair Value							
Additions	-	-	-	6,255	6,255	3,506	9,761
Contributions	7,283	-	7,283	-	-	-	7,283
Revaluation	-	-	-	-	-	-	-
Disposal	-	(55)	(55)	(4,869)	(4,869)	-	(4,924)
Write-off	-	-	-	-	-	(153)	(153)
Transfers	-	-	-	4,260	4,260	(4,181)	79
	7,283	(55)	7,228	5,646	5,646	(828)	12,046
Movements in Accumulated Depreciation							
Depreciation and amortisation	-	-	-	(7,147)	(7,147)	-	(7,147)
Revaluation	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	1,841	1,841	-	1,841
	-	-	-	(5,306)	(5,306)	-	(5,306)
At fair value 30 June 2024	183,151	82,943	266,094	410,906	410,906	3,594	680,593
Accumulated depreciation at 30 June 2024	-	-	-	(117,461)	(117,461)	-	(117,461)
Carrying amount	183,151	82,943	266,094	293,445	293,445	3,594	563,132

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) Plant and Equipment					
At fair value 1 July 2023	21,186	2,398	9,129	3,996	36,709
Accumulated depreciation at 1 July 2023	(11,856)	(1,701)	(7,041)	-	(20,598)
	9,330	697	2,088	3,996	16,111
Movements in Fair Value					
Additions	3,062	53	462	18	3,595
Contributions	-	-	-	80	80
Revaluations	-	-	-	-	-
Disposal	(2,114)	-	-	-	(2,114)
Transfers	-	-	-	-	-
	948	53	462	98	1,561
Movements in Accumulated Depreciation					
Depreciation and amortisation	(2,112)	(124)	(586)	-	(2,822)
Accumulated depreciation of disposals	1,996	-	-	-	1,996
Contributions	-	-	-	-	-
	(116)	(124)	(586)	-	(826)
At fair value 30 June 2024	22,134	2,451	9,591	4,094	38,270
Accumulated depreciation at 30 June 2024	(11,972)	(1,825)	(7,627)	-	(21,424)
Carrying amount	10,162	626	1,964	4,094	16,846



Note 6: Assets We Manage (cont.)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Recreation, leisure and community facilities	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(c) Infrastructure											
At fair value 1 July 2023 - Restated	833,440	59,644	112,508	271,786	14,208	28,614	4,928	11,570	45,619	20,233	1,402,550
Accumulated depreciation at 1 July 2023 - Restated	(284,445)	(21,848)	(47,481)	(111,918)	(10,939)	(10,216)	(1,821)	(3,660)	(7,950)	-	(500,278)
	548,995	37,796	65,027	159,868	3,269	18,398	3,107	7,910	37,669	20,233	902,272
Movements in Fair value											
Additions	6,758	116	683	221	-	2,171	-	442	435	23,839	34,665
Contributions	5,132	-	2,991	6,218	-	-	-	-	-	-	14,341
Revaluations	-	-	-	-	-	562	-	-	1,765	-	2,327
Disposal	(5,748)	(125)	(994)	-	-	(334)	-	(335)	-	(2,425)	(9,961)
Transfers	11,014	370	772	77	-	3,147	-	1,301	13	(16,771)	(77)
	17,156	361	3,452	6,516	-	5,546	-	1,408	2,213	4,643	41,295
Movement in Accumulated Depreciation											
Depreciation and amortisation	(14,740)	(686)	(2,033)	(2,726)	(1,319)	(1,240)	(226)	(270)	(1,502)	-	(24,742)
Revaluations	-	-	-	-	-	1,293	-	-	(1,244)	-	49
Accumulated depreciation of disposals	3,364	56	503	-	-	256	-	145	-	-	4,324
	(11,376)	(630)	(1,530)	(2,726)	(1,319)	309	(226)	(125)	(2,746)	-	(20,369)
At fair value 30 June 2024	850,596	60,005	115,960	278,302	14,208	34,160	4,928	12,978	47,832	24,876	1,443,845
Accumulated depreciation at 30 June 2024	(295,821)	(22,478)	(49,011)	(114,644)	(12,258)	(9,907)	(2,047)	(3,785)	(10,696)	-	(520,647)
Carrying amount	554,775	37,527	66,949	163,658	1,950	24,253	2,881	9,193	37,136	24,876	923,198

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
Property		
land	na	Nil
buildings	10 - 100 years	10.0
Plant and equipment		
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
Infrastructure		
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	10 - 100 years	5.0
recreation, leisure and community facilities	7 - 100 years	10.0
off street car parks	14 - 87 years	10.0
Intangible assets		
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 (June 2022) and Assetic Pty Ltd for buildings (June 2023). 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.

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

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. Desktop reviews of land by management and buildings valuations by Council's valuation bureau services provider Brightly Software P/L was conducted in the current year which indicated that the the movement in valuations was less than 10% which is below Council's current threshold for undertaking an index based revaluation. A full revaluation of Land will be conducted by 2026/27 and Buildings 2027/28.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of valuation
Land - Non specialised	-	82,943	-	Jun-2022	Full
Land - Specialised	-	-	183,151	Jun-2022	Full
Buildings - Specialised	-	-	293,445	Jun-2023	Full
Total	-	82,943	476,596		

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 and Know-Ledge Asset Management Pty Ltd (Recreational, Leisure and community Facilities and Parks, open space and streetscapes).

The date and type of the current valuation is detailed in the following table. A full revaluation of Recreational, Leisure and community facilities and Parks, open space and streetscapes was conducted in the current year. Desktop reviews valuations on indexed asset classes were undertaken by Council's valuation bureau services provider Brightly Software P/L in the current year which indicated that the the movement in valuations was less than 10% which is below Council's current threshold for undertaking a further index based revaluation. A full revaluation of the Roads, Bridges and Off Street car parks will be conducted in 2024/25 and for Footpaths and cycleways and Drainage in 2025/26.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation	Type of valuation
Roads	-	-	554,775	Jun-2023	Index
Bridges	-	-	37,527	Jun-2023	Index
Footpaths and cycleways	-	-	66,949	Jun-2023	Index
Drainage	-	-	163,658	Jun-2023	Index
Recreational, Leisure and community facilities	-	-	37,136	Jun-2024	Full
Waste management	-	-	1,950	n/a	n/a
Parks, open space and streetscapes	-	-	24,253	Jun-2024	Full
Aerodromes	-	-	2,881	n/a	n/a
Off street car parks	-	-	9,193	Jun-2023	Index
Total	-	-	898,322		

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.*)

	2024 \$'000	2023 \$'000
Reconciliation of Specialised Land		
Land under roads	31,372	31,245
Parks, reserves and other specialised land	151,779	144,623
Total specialised land	183,151	175,868

Note 7: People and Relationships

7.1 Council and Key Management Remuneration

(a) Related Parties

Parent entity

Latrobe City Council is the parent entity

(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:

		2024 No.	2023 No.
Councillors	Councillor K O'Callaghan (Mayor 01/07/23 to 13/11/23)	1	1
	Councillor D Howe (Mayor 14/11/23 - 30/06/24)	1	1
	Councillor D Clancey (Deputy Mayor 01/07/23 to 13/11/23)	1	1
	Councillor T Lund (Deputy Mayor 14/11/23 - 30/06/24)	1	1
	Councillor S Gibson	1	1
	Councillor D Harriman	1	1
	Councillor B Law	1	1
	Councillor G Middlemiss	1	1
	Councillor M Ferguson	1	1
Other KMP	Chief Executive Officer	1	1
	General Manager Regional City Planning & Assets	1	1
	General Manager Community Health and Wellbeing*	1	4
	General Manager Regional City Strategy & Transition	1	1
	General Manager Organisational Performance*	1	3
	Executive Manager Office of the CEO**	-	1
	Executive Manager Commonwealth Games*	1	2
	Executive Manager Sports Legacy & Activation***	1	-
	Total Number of Councillors	9	9
Chief Executive Officer and other Key Management Personnel	7	13	
Total Key Management Personnel	16	22	

* 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.

*** The position of Executive Manager Commonwealth Games was discontinued from 18 October 2023 and the new role of Executive Manager Sports Legacy & Activation was created from 19 October 2023.

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

	2024 \$'000	2023 \$'000
Short-term benefits	1,905	1,766
Other long-term benefits	70	44
Post employment benefits	158	144
Termination benefits	-	74
Total	2,134	2,029

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

	2024 \$'000	2023 \$'000
\$0 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	1	2
\$30,000 - \$39,999	5	5
\$40,000 - \$49,999	1	3
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	2
\$70,000 - \$79,999	2	-
\$90,000 - \$99,999	-	2
\$120,000 - \$129,999	-	1
\$170,000 - \$179,999	1	2
\$230,000 - \$239,999	-	1
\$250,000 - \$259,999	1	-
\$260,000 - \$269,999	1	1
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	1	-
\$370,000 - \$379,999	-	1
\$410,000 - \$419,999	1	-
Total	16	22

(d) Remuneration of other senior staff

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

Total remuneration of other senior staff was as follows:

	2024 \$'000	2023 \$'000
Short-term benefits	2,501	2,306
Other long-term benefits	37	25
Post employment benefits	257	229
Termination benefits	-	-
Total	2,795	2,560

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

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

Income Range	2024 No.	2023 No.
\$160,000 - \$169,999	-	9
\$170,000 - \$179,999	6	2
\$180,000 - \$189,999	1	4
\$190,000 - \$199,999	7	-
\$200,000 - \$209,999	1	-
Total	15	15
Total remuneration for the reporting year for other senior staff included above, amounted to: (\$,000)	\$2,795	\$2,560

7.2 Related Party Disclosure

(a) Transactions with Related Parties

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

	2024 \$'000	2023 \$'000
Purchase of materials and services from related parties of key management personnel	41	61
Total	41	61

(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.

Note 8: Managing Uncertainties *(cont.)*

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 2024.

Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2022/23 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2024. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 are \$0.2 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 (2022/23 \$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 was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

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.

The monitoring event in March 2024 as required by the GQMP resulted in an exceedance of contamination in 2 of the monitoring wells. As per the approved GQMP, this resulted in another round of additional monitoring in May 2024. The results of the May monitoring showed the elevated level of contaminants in the water subsided. The recommendation by the monitoring consultant to the auditor is that the May results show that it is acceptable to return to the GQMP without further additional monitoring or clean up. The next round of testing is scheduled for March 2025. If levels are within the tolerance set out in the GQMP, it is expected that the recommendation will be that no further monitoring will be required and the current site management order issued by the EPA will be amended to reflect the close out of the GQMP.

(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 2024 reporting period. Council assesses the impact of these new standards.

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

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

Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements

Note 8: Managing Uncertainties *(cont.)*

about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

8.3 Financial Instruments

(a) Objectives and Policies

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

(b) Market Risk

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

Interest Rate Risk

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 2020. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding

fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

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

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

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

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

(d) Liquidity Risk

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

To help reduce these risks Council:

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

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

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

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

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

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and

Note 8: Managing Uncertainties *(cont.)*

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 4.35%.

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.

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

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.

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

	Balance at beginning of reporting period	Increase/(Decrease)	Balance at end of reporting period
	\$'000	\$'000	\$'000
9.1 Reserves			
(a) Asset Revaluation Reserves			
2024			
Property			
Land	189,364	-	189,364
Buildings	114,878	-	114,878
	304,242	-	304,242
Infrastructure			
Roads	169,004	-	169,004
Bridges	34,828	-	34,828
Footpaths and cycleways	24,411	-	24,411
Off street carparks	9,026	-	9,026
Drainage	94,094	-	94,094
Recreation, leisure and community facilities	1,159	521	1,680
Parks, open space and streetscapes	4,422	1,855	6,277
	336,944	2,376	339,320
Other			
Artworks	1,095	-	1,095
Other	13	-	13
	1,108	-	1,108
Total asset revaluation reserves	642,294	2,376	644,670
2022			
Property			
Land	189,364	-	189,364
Buildings	110,489	4,389	114,878
	299,853	4,389	304,242
Infrastructure			
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
	258,032	78,912	336,944
Other			
Artworks	1,095	-	1,095
Other	13	-	13
	1,108	-	1,108
Total asset revaluation reserves	558,993	83,301	642,294

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

Note 9: Other Matters (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other Reserves				
2024				
Developer Contributions	7,279	(326)	1,085	8,038
Total other reserves	7,279	(326)	1,085	8,038
2023				
Developer Contributions	5,484	(114)	1,909	7,279
Total other reserves	5,484	(114)	1,909	7,279

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)

	2024 \$'000	2023 \$'000
Surplus/(Deficit) for the Year	7,172	19,389
<i>Non-cash adjustments:</i>		
Depreciation and amortisation	35,815	30,787
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	5,438	8,408
Contributions non-monetary assets	(21,705)	(16,707)
Finance costs	423	321
Impairment losses/ Work in progress written off	2,578	306
Changes in Assets and Liabilities		
(Increase) / decrease in trade and other receivables	(274)	1,304
(Increase) / decrease in prepayments	579	(290)
(Increase) / decrease in contract assets	(457)	2,229
(Increase) / decrease in landfill intangible asset	-	(2,832)
Increase / (decrease) in trade and other payables	1,546	(107)
Increase / (decrease) in contract and other liabilities	381	(2,454)
Increase / (decrease) in trust funds and deposits	861	265
Increase / (decrease) in provisions	(1,499)	4,954
Net cash provided by operating activities	30,858	45,573

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

Defined Benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of 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 for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa

Salary information 3.5% pa

Price inflation (CPI) 2.8% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

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

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98%.

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 2023 Triennial Actuarial Investigation Surplus Amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

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

	2023 (interim)	2022 (triennial)
	\$m	\$m
A VBI surplus	84.7	44.6
A total service liability surplus	123.6	105.8
A discounted accrued benefits surplus	141.9	111.9

- A VBI surplus
- A total service liability surplus
- A discounted accrued benefits surplus

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

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

The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa

Salary information 3.5% pa

Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

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

Note 9: Other Matters **(cont.)****The 2020 triennial investigation**

	2023 Triennial Investigation	2020 Triennial Investigation
	\$m	\$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 Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$'000	2023 \$'000
Vision Super	Defined Benefits	11.0% (2023: 10.5%)"	205	245
Various	Accumulation	11.0% (2023:10.5%)"	5,023	4,541

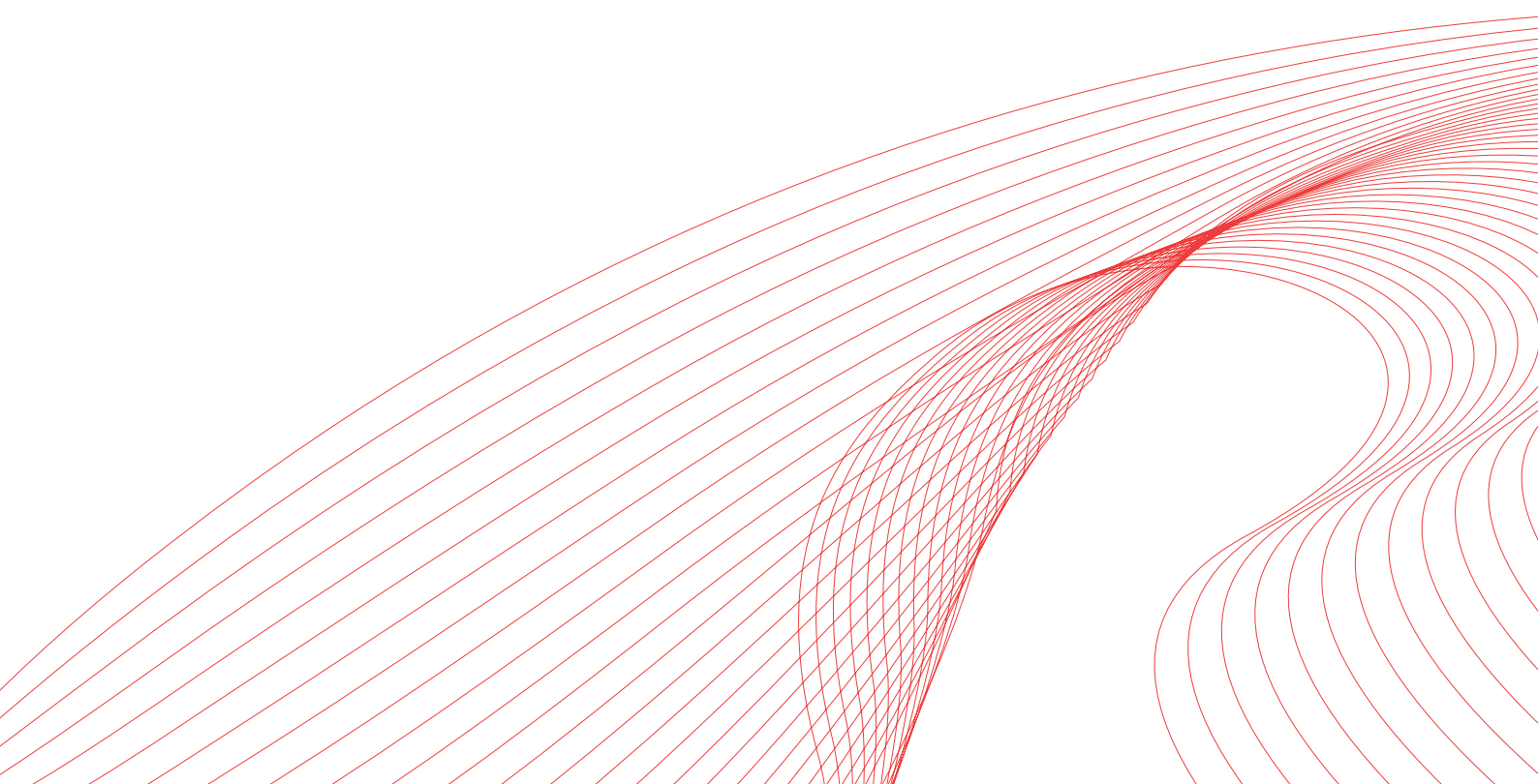
In addition to the above contributions, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2022/23 \$nil).

There were \$452K contributions outstanding (2022/23 \$404K) and \$nil loans issued (2022/23 \$nil) from or to the above schemes as at 30 June 2024.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$200K.

Note 10: Change in Accounting Policy

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



06 Performance Statement

FOR THE YEAR ENDED
30 JUNE 2024



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**.



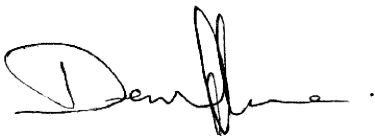
Matthew Rogers CPA
Principal Accounting Officer
Dated: 7 October 2024

In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2024 presents fairly the results of Council’s performance in accordance with the **Local Government Act 2020** and the **Local Government (Planning and Reporting) Regulations 2020**.

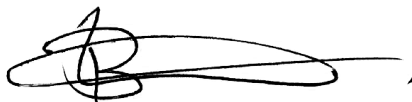
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

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



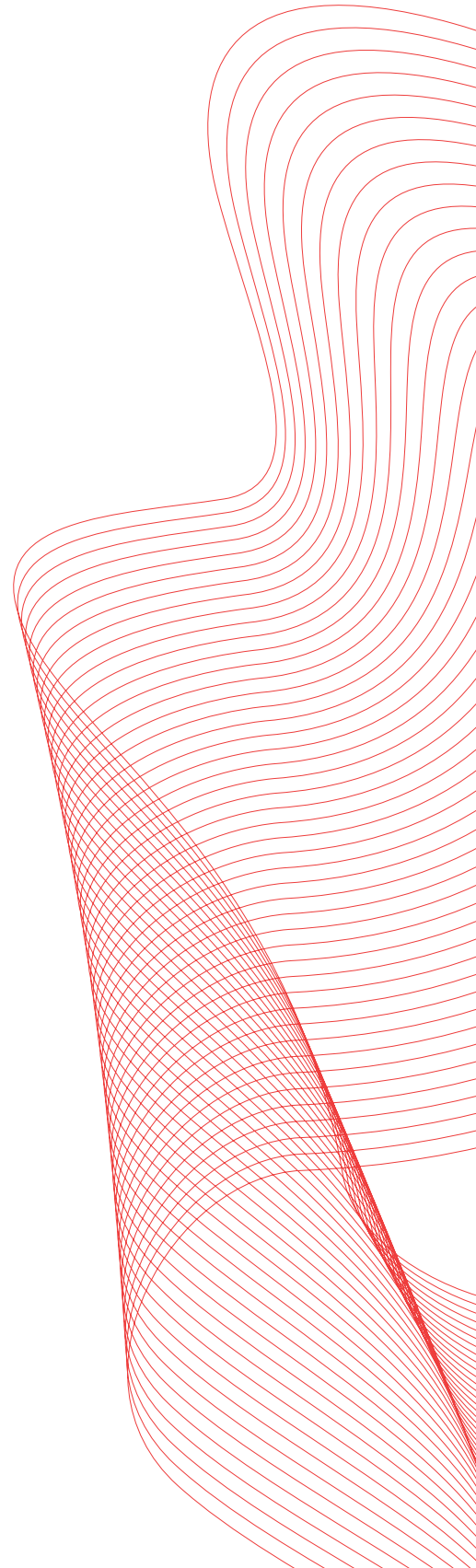
Cr Darren Howe
Councillor
Dated: 7 October 2024



Cr Bradley Law
Councillor
Dated: 7 October 2024



Steven Piasente
Chief Executive Officer
Dated: 7 October 2024





Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Latrobe City Council

Opinion	<p>I have audited the accompanying performance statement of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2024 • service performance indicators for the year ended 30 June 2024 • financial performance indicators for the year ended 30 June 2024 • sustainable capacity indicators for the year ended 30 June 2024 • notes to the accounts • certification of the performance statement. <p>In my opinion, the performance statement of Latrobe City Council in respect of the year ended 30 June 2024 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's 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>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

Auditor's responsibilities for the audit of the performance statement

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

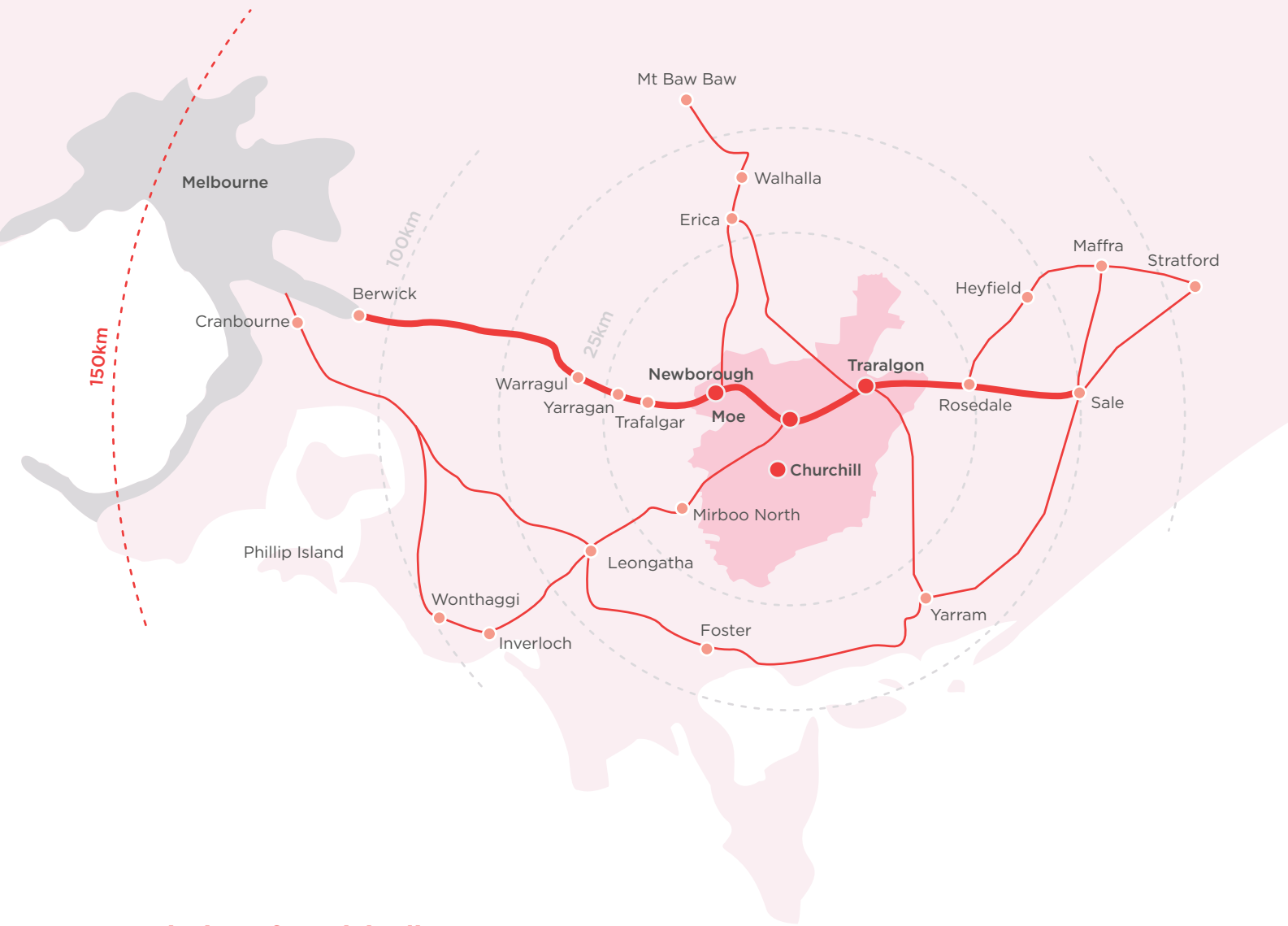
- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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

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

MELBOURNE
15 October 2024



Travis Derricott
as delegate for the Auditor-General of Victoria



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 78,1541.

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.

1 Australian Bureau of Statistics Regional Population, 2022-23 Australia, 26 March 2024 ERP 2023

Service Performance Indicators

Service/Indicator/Measure	Results 2021	Results 2023	Results 2023	Results 2024		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.39	3.17	5.39	N/A	5.68	Utilisation of Latrobe Leisure facilities has seen a consistent increase, driven by successful marketing campaigns that resulted in 220 new members for the year, the introduction of on-trend fitness classes, an increase in social sports participation and events being held across facilities.
Animal Management Health and Safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Number of animal management prosecutions]x100	100%	100%	100%	N/A	100%	Council has recorded 100% successful prosecutions for the 2023-2024 year, with an increase of 13 prosecutions in comparison to last year.
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	75.33%	39.79%	60.41%	N/A	89.05%	Regular reporting has been utilised for the 2023 calendar year, assisting Health Officers in scheduling inspections by identifying notifications that are due to be completed and ensuring follow-up inspections are subsequently undertaken.
Governance Satisfaction <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	58	55	53	56	50	Community satisfaction with consultation and engagement have remained steady with the previous year's data. Council is continuing to seek ways to engage with the community, most notably through the 'Have Your Say Platform'. There has also been increased efforts to facilitate engagement in the decision-making process at Council Meetings.
Libraries Participation <i>Active library members</i> [Number of active library borrowers in the last 3 years / The sum of the population for the last three years] x100	N/A	N/A	N/A	N/A	23.76%	Each year Latrobe Libraries run a "Join in July" campaign. Outreach programs to drive membership were targeted at Latrobe Leisure, community markets and community groups to help drive memberships. As a regional service, community members may face transport challenges inhibiting them from accessing physical libraries.

Service Performance Indicators (cont.)

Service/Indicator/Measure	Results 2021	Results 2023	Results 2023	Results 2024		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
<p>Maternal and Child Health (MCH) Participation</p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	74.51%	71.51%	71.66%	N/A	72.99%	During the year, 3582 children were enrolled in the Maternal and Child Health service with 2614 of those children having attended the service at least once. This attendance rate has remained consistent with last year's results.
<p>Participation</p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	86.68%	82.45%	84.75%	N/A	90.58%	There has been a focused effort through the Best Start program and the Early Years Participation Officer to increase the participation of Aboriginal families in Maternal and Child Health services. By reaching out to individual families and addressing barriers to attendance, this initiative has successfully led to an increase in participation.
<p>Roads Condition</p> <p><i>Sealed local roads maintained to condition standards</i></p> <p>(Number of kilometres of sealed local roads below the renewal intervention level set by Council/ Kilometres of sealed local roads) x100)</p>	99.70%	99.69%	99.87%	95.00%	98.45%	The quality of Council's sealed local road network continues to be at a high standard, with 98.45% of the sealed roads within the municipality above the standard condition required.
<p>Statutory Planning Service standard</p> <p><i>Planning applications decided within the relevant required time</i></p> <p>(percentage of planning application decisions made within the relevant required time)</p>	95.04%	91.92%	88.02%	92.00%	81.58%	Increased timeframes have primarily resulted from staff vacancies and the onboarding of new officers. Additionally, the complexity of several applications received in 2023-2024, along with a significant increase in referrals from the State for Ministerial planning permit applications, have contributed to this ratio not meeting target.
<p>Waste Management Waste diversion</p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	49.17%	50.15%	49.33%	53.00%	60.68%	The residual garbage tonnage is consistent with the 2022-2023 levels, indicating that the observed increase in diverted waste has been due to an increase of recyclables and organics. Council believes that ongoing education efforts, as part of the Sustainability Action plan, have contributed significantly to this positive shift.

Financial Performance Indicators (cont.)

	Results	Results	Results	2024		Forecasts	Forecasts	Forecasts	Forecasts	Comments
	2021	2022	2023	Target as per budget	Actual	2025	2026	2027	2028	
<p>Asset renewal and upgrade</p> <p><i>Asset renewal and upgrade compared to depreciation</i></p> <p>[Asset renewal and upgrade expense / Asset depreciation] x100</p>	82.71%	84.97%	104.03%	91.10%	108.16%	93.49%	86.83%	95.87%	100.58%	The ratio remained over 100% in the current year 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% with the exception of 2028 when a new landfill cell is scheduled to be built.
<p>Operating Position Adjusted underlying result</p> <p><i>Adjusted underlying surplus (or deficit)</i></p> <p>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</p>	(5.00%)	(4.02%)	(3.73%)	N/A	(23.16%)	(6.55%)	(6.27%)	(5.48%)	(4.80%)	Council's underlying deficit was largely due to a reduction in operating grants which primarily related to the timing of receipt of Financial Assistance Grants funding. The ratio is projected to trend towards reducing underlying deficits in future years. The forecast is to remain in deficit due to restrictions on Council's ability to increase revenue and increased depreciation expenses resulting from the recent construction of major new infrastructure.
<p>Stability Rates concentration</p> <p>Rates compared to adjusted underlying revenue</p> <p>[Rate revenue / Adjusted underlying revenue] x100</p>	61.32%	57.53%	59.44%	66.90%	69.10%	64.47%	64.54%	64.61%	64.67%	The increased ratio in 2024 was largely due to a reduction in operating grants associated with the timing of Financial Assistance Grants. 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.
<p>Rates effort</p> <p><i>Rates compared to property values</i></p> <p>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</p>	0.66%	0.61%	0.48%	N/A	0.43%	0.43%	0.44%	0.45%	0.46%	The ratio has remained relatively stable and is forecast to remain between 0.43 to 0.46% over the forecast period.

Sustainable Capacity Indicators

Indicator / measure [formula]	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Comments
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,844.30	\$2,018.54	\$2,003.71	\$2,129.14	The increase is largely attributed to cost increases, along with unbudgeted expenditure related to additional government grants received, and emergency clean-up works following the February 2024 storm event.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$14,243.89	\$14,342.36	\$15,315.49	\$15,828.81	The ratio has increased in line with the valuation movements from the Recreational, Leisure and Community Facilities and Parks Open Spaces and streetscapes resulting from the 2024 revaluation.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	52.46	52.53	50.86	50.50	The result for this measure has remained stable over the three year period.
Own-source Revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,279.87	\$1,349.74	\$1,447.70	\$1,498.68	Minor increase in 2024 as a result of rates growth and increased income from interest on investments.
Recurrent Grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$361.42	\$445.60	\$444.32	\$220.05	The 50.47% decrease to \$220.05 in 2024 was largely due to a reduction in operating grants mainly in relation to the timing of Financial Assistance Grants funding with the 2023-2024 allocation being advanced to Council in 2022-2023 and no equivalent advance received in 2023-2024.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio- economic Disadvantage by decile]	1.00	1.00	1.00	1.00	The result for this measure has remained unchanged over the four year period.
Workforce Turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	17.2%	26.5%	13.2%	18.0%	There is no specific event which has caused an increase in turnover. The current turnover rate is consistent with the range of annual turnover being experienced by other Gippsland Councils.

Other Information

1. Basis of Preparation

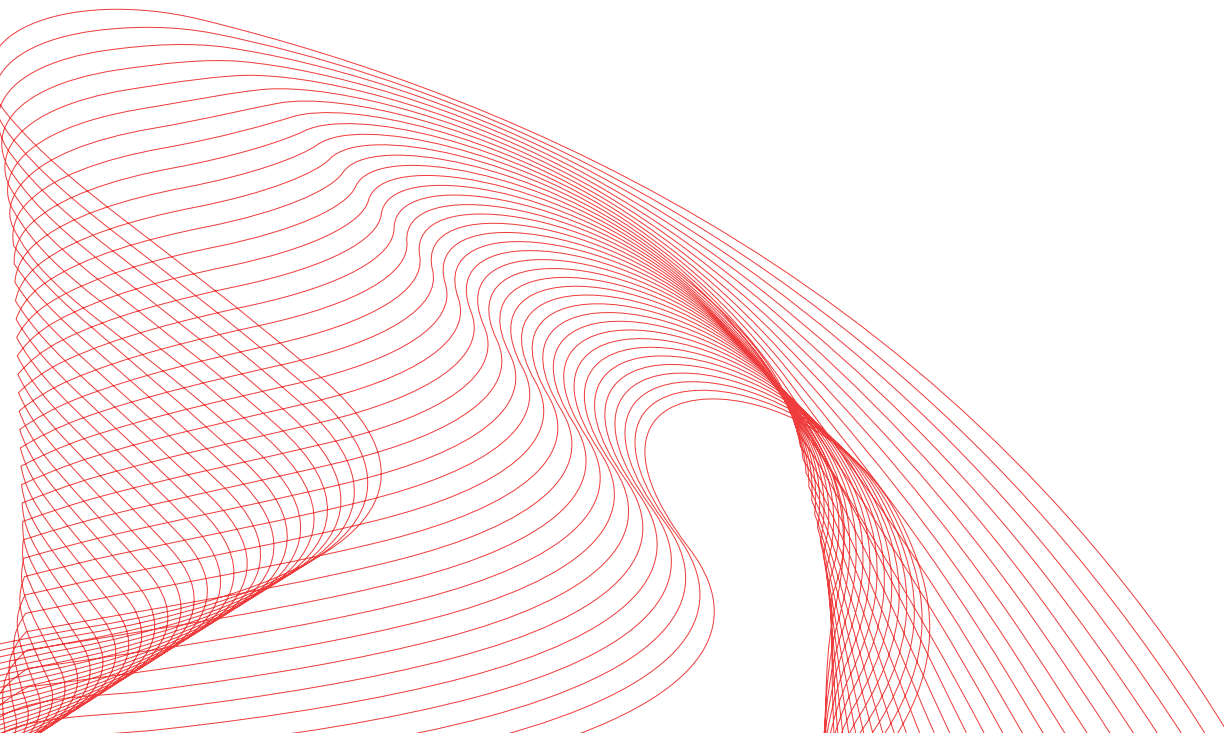
Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district,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

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

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

The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its budget on 3 June 2024. 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.



Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash



GIPPSLAND PERFORMING ARTS C



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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.

