



Latrobe
City
a new energy

ANNUAL REPORT

2013/14

1.0 OVERVIEW



1.1

HAZELWOOD MINE FIRE

Supporting our community in response and recovery

On 9 February 2014, bushfires impacted the municipality affecting rural properties, major roads and highways. Latrobe City Council worked with other agencies to operate two Relief Centres to ensure affected residents had access to information and accommodation if needed. Many of the people who used this service were not local to Latrobe City but were impacted due to road closures.

When fire broke out in the disused northern batter of the Hazelwood open cut coal mine, the resulting coal smoke impacted Morwell and surrounding towns. The following six weeks became a daily challenge for the community, businesses and the agencies and volunteers who were called to respond to what unfolded as an unprecedented event.

Latrobe City Council was tasked with supporting state government and other agencies in both relief and recovery operations. There were also many operational decisions that needed to be taken to ensure the continuation of council service delivery despite the challenges.

The health of our most vulnerable residents – including those who receive Home and Community Care – and children’s services were an immediate priority. Staff undertook daily visits to these residents and they received more frequent house cleaning during the 45 day period that smoke impacted the community.

Latrobe City Council continues to assist the community in recovery. We also await the findings and recommendations of the Mine Fire Inquiry which are due to be handed to State Parliament at the end of August. There are always learning opportunities from these events and we, as an organisation, continue to put those learnings into practice for the betterment of provision of services to the community.

This snapshot summarises our annual performance in relation to the implementation of the five themes of the Council Plan 2013-2017, providing highlights, challenges and a look at what's planned for 2014/15.



MAJOR ACHIEVEMENTS/HIGHLIGHTS

A 30% increase in employment at Latrobe Regional Airport.

Helped secure the retention of the newly merged entity Safetech Tieman Solutions (STS) headquarters in Moe.

Continued to advocate with state and federal governments for research and development of innovative uses of brown coal resources to be located in Latrobe City.

Assisted local wood and paper industries to expand by taking steps towards a Wood Encouragement Policy and seeking support from the Australian Minister for Agriculture for the establishment of research facilities in Latrobe City.

Received the Wurreker Award for recognition of Latrobe City Council's contribution to growing success in Aboriginal employment, education and training.

Collaborated with Gippsland municipalities to increase tourism to the region.

Provided 174 Community Grants to local community groups.

Completed a needs assessment for the Moe Tennis Centre to determine the future requirements for the facility.

Upgraded local playgrounds and equipment across nine sites.

Developed the Latrobe City Municipal Public Health and Wellbeing Plan.

Adopted the Traralgon Outdoor Recreation Plan.

Adopted the Morwell Recreation Reserve Municipal Plan.

Hosted the Taizhou, China student delegation to Latrobe City.

Opening of the award winning Australian garden in our sister city, Taizhou, China.

CHALLENGES

Due to the bush fires affecting the municipality, the 2014 Gippsland Major Projects and Opportunities Summit was cancelled.

Latrobe City experienced a 5.26% decline in the number of residents employed.

The review of the "Positive Ageing Plan 2009-2012" was delayed and will be completed in 2014/15.

Use of the Hazelwood Traffic School decreased as a result of the Hazelwood Mine Fire.

Visitor attendance at Latrobe Performing Arts and Venues was reduced from 150,000 in 2012/13 to just over 100,000 in 2013/14 due to the Hazelwood Mine Fire.

LOOKING TO THE FUTURE

Complete the review of the 2009 Latrobe Regional Airport Master Plan.

Complete the \$6.24 million Latrobe Regional Airport capital works program.

Continue to advocate for the creation of a local heavy industry park.

Host the Association of Tennis Professionals (ATP) Challenger tournaments in October.

Deliver the 2013-2017 Arts Strategy and Action Plan during 2014/15.

Progress Council's decision in respect to the delivery of the Gippsland Regional Aquatics Centre in Traralgon.

Deliver Year 4 actions of the Latrobe City Council Playground Improvement Implementation Plan.

Deliver the 2014/15 Capital Works program.

THEME
3

Efficient, Effective & Accountable Governance

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THEME
4

Advocacy for & Consultation with our Community

Page 90



THEME
5

Planning for the Future

Page 96



Reviewed Latrobe City Council's Procurement Policy to maximise the proportion of goods and services purchased locally.

Reviewed the Asset Management Strategy to ensure future year's asset management meets best practice.

Reviewed Latrobe City Council's 10 Year Financial Plan.

Completed the annual review of the Council Plan 2013-17.

Received ISO accreditation for Home and Community Care & Disability Services.

Undertook a program of councillor meetings with peak industry and community bodies to identify jobs growth opportunities for the region.

Continued to lobby state and federal government for transition needs of Latrobe City in accordance with 'Positioning Latrobe City for a Low Carbon Emission Future'.

Delivered the Sister Cities Festival in line with Latrobe City International Relations Plan 2011-2014.

Completed the review of the Community Engagement Plan, which demonstrated the positive foundations which have been established.

Commenced a trial of Public Presentation sessions designed to allow members of the community, organisations and other stakeholders to speak to Councillors on important issues.

Following a review of Council's statutory planning procedures and delegations, the number of land use and development planning permit applications processed under 60 statutory days increased from 33% to 70%.

Completed and adopted the Traralgon Growth Areas Review.

Planted 8330 native plants and trees to offset emissions from Council's fleet.

Completed and adopted the 2014-2019 Latrobe City Natural Environment Sustainability Strategy.

Approved five Development Plans creating 2,476 new residential lots across the municipality.

Installed solar hot water systems across four sites at Moe/Newborough Leisure Centre, Lake Narracan and Hazelwood caravan parks.

Contributed to the development of the Waterhole Creek Waterway Management Plan in partnership with the West Gippsland Catchment Management Authority.

To allow additional opportunities for engagement and contributions from key stakeholders, the review of Local Law No. 3 has been delayed and will be completed in 2014/15.

Three of Latrobe City Council's seven identified Key Strategic Activities were not achieved during the year.

Latrobe City Council was tasked with supporting state government and other agencies to support the relief and recovery operations in response to the Hazelwood mine fire event.

The review of Council's Municipal Strategic Statement and the Latrobe Planning Scheme was delayed due to staff vacancies and competing project priorities.

Implement changes to reporting and performance measures in line with the new Local Government Performance Reporting Framework.

Implement the organisational restructure to support greater efficiencies and service improvements.

Finalise the Cultural and Linguistic Diversity Action Plan review.

Work with the community to develop solutions for healthy living and physical activity.

Develop and implement Latrobe City Council's Community Engagement Strategy.

Continue to implement improvements to reduce timeframes for the assessment of land use and development planning permit applications.

Complete the review of Council's Municipal Strategic Statement and the Latrobe Planning Scheme.

The Hazelwood Mine Fire provided challenges for many services and projects we deliver to the community. The need to shift resources towards dealing with this event resulted in delays to some projects and initiatives.



Image credit: Traralgon Railway Reserve

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An electronic copy of this report can be downloaded online at: www.latrobe.vic.gov.au Hard copies can be viewed at Latrobe City Council's service centres and libraries. See back cover for locations. To obtain this information in languages other than English, or in other formats (including audio, electronic, Braille or large print) please contact Latrobe City Council on 1300 367 700.



1.3

WELCOME

Annual Report 2013/14

Latrobe City Council proudly presents our Annual Report for 2013/14. This report provides a comprehensive account of our achievements, challenges, aspirations for the future and commitments to the community. It details our performance against the strategic directions outlined in the Council Plan 2013-2017 and provides an overview of our financial performance. Most importantly, this report demonstrates the breadth and diversity of services delivered to the Latrobe City community.

Why We Have an Annual Report

The Annual Report is a key tool to keeping our community, state and federal governments and peak bodies informed about Council's performance. Along with this, there is a requirement in the *Local Government Act 1989* for all councils to present an Annual Report to the Minister for Local Government by September 30 each year.

Traditional Owners

Latrobe City Council acknowledges that prior to colonial settlement, the Braiakaulung people of the Gunnai / Kurnai clan were the occupiers and traditional owners of the land that is now known as Latrobe City.

Image credits (left to right): Central Moe, Residential street in Traralgon, inset - Latrobe City Council Early Learning Centre, Latrobe City Libraries employees, Latrobe City Council Early Learning Centre & Latrobe City Meals on Wheels Volunteers.



1.4

LATROBE CITY AT A GLANCE

Latrobe City is Victoria's eastern regional city covering 1,422 square kilometres, located 150 kilometres east of Melbourne. Our city is made up of four central towns; Churchill, Moe/ Newborough, Morwell and Traralgon; and seven smaller rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar.

Over the last five years, the population in Latrobe City and the broader Gippsland region has grown steadily. Latrobe City has become a significant service centre for the Gippsland region, particularly in provision of retail, entertainment, education and health services. During 2013/14, 553 (full time equivalent) Council staff provided a range of services and infrastructure to just under 74,000 residents.

The combination of major employers, the city's regional significance, and affordable housing makes Latrobe City a centre of opportunity for both business and residents.



VISION, MISSION & VALUES

Latrobe City Council is a public statutory body which operates under the legislative requirements of the *Local Government Act 1989*. This Act sets out the role of the Council as an elected body to provide leadership for the good governance of the municipal district and the local community.

The Latrobe 2026 Community Vision

“In 2026 the Latrobe Valley is a liveable and sustainable region with collaborative and inclusive community leadership.”

Latrobe 2026 was developed in partnership with the community and outlines the community's vision for the future development of the region, building on its strength as one of Victoria's key regional economies and its position as the commercial centre of Gippsland with a focus on education, health and community services and facilities.

Latrobe City Council's Mission

To provide the best possible facilities, services, advocacy and leadership for Latrobe City, one of Victoria's four major regional cities.

Latrobe City Council's Values

Latrobe City Council's values describe how it is committed to achieving the Latrobe 2026 community vision through:

- Providing affordable people focused community services
- Planning strategically and acting responsibly, in the best interests of the whole community
- Accountability, transparency and honesty
- Listening to and working with the community
- Respect, fairness and equity
- Open to and embracing new opportunities



1.6

SETTING OUR DIRECTION



We use the Community Vision to help us plan



These key documents guide what Council will deliver



We report our progress to Council and the Community



Image credit: Commercial Road, Morwell.

COUNCIL PLAN 2013-2017

In response to the Latrobe 2026 Community Vision, the Council Plan identifies objectives and strategies that will shape the direction and priorities for our community over the next four years. In accordance with the requirements of the *Local Government Act 1989*, Council completed a review of the Council Plan 2013-2017 during May 2014.

Council is committed to strengthening our role as one of Victoria's four major regional cities and Gippsland's commercial centre, and has identified five themes to guide Council's future direction.

COUNCIL PLAN THEMES:

- 01 Job creation and economic sustainability
- 02 Appropriate, affordable and sustainable facilities, services and recreation
- 03 Efficient, effective and accountable governance
- 04 Advocacy for and consultation with our community
- 05 Planning for the future

The Council Plan is supported by the Strategic Resource Plan, which outlines the financial and non-financial resources required to achieve the Council Plan. It is also implemented through the Annual Budget and Action Plan, which outlines the Key Strategic Activities and actions to be undertaken each year to deliver the Council Plan.




For a copy of the Council Plan 2013-2017, current Strategic Resource Plan, 2014-15 Budget or Annual Action Plan go to: www.latrobe.vic.gov.au or call 1300 367 700.



RECEPTION

1.7

OUR FACTS & FIGURES


ESTIMATED
RESIDENTIAL
POPULATION
73,929

37,473
RATEABLE
PROPERTIES



IN
2013,
LATROBE
CITY HAD
39,681
RESIDENTS IN
THE WORKFORCE...

...AND AN
UNEMPLOYMENT RATE OF
6.4%
CONSISTENTLY LOWER THAN
ITS AVERAGE FOR THE LAST TEN
YEARS AND COMPARABLE TO
VICTORIA'S OTHER REGIONAL
CITIES.

LATROBE CITY
AREA:
1422
km²

LATROBE CITY
ACCOUNTS FOR

OF THE
STATE'S TOTAL
ECONOMIC
OUTPUT


OF VICTORIA'S
ELECTRICITY GENERATION

4501

REGISTERED
BUSINESSES


39
SPORTING
RESERVES & FACILITIES

PROPORTION
OF BUSINESSES
EMPLOYING MORE
THAN 5 PEOPLE
18.2%


MATERNAL & CHILD
HEALTH CENTRE LOCATIONS

ECONOMIC GROWTH IN
LATROBE CITY IS BEING DRIVEN
BY A DIVERSE MIX OF INDUSTRIES,
WITH MAJOR EMPLOYERS SPREAD
ACROSS A MIX OF SECTORS,
SUCH AS MANUFACTURING,
HEALTH CARE, EDUCATION,
ELECTRICITY GENERATION,
RETAIL & ADMINISTRATION.

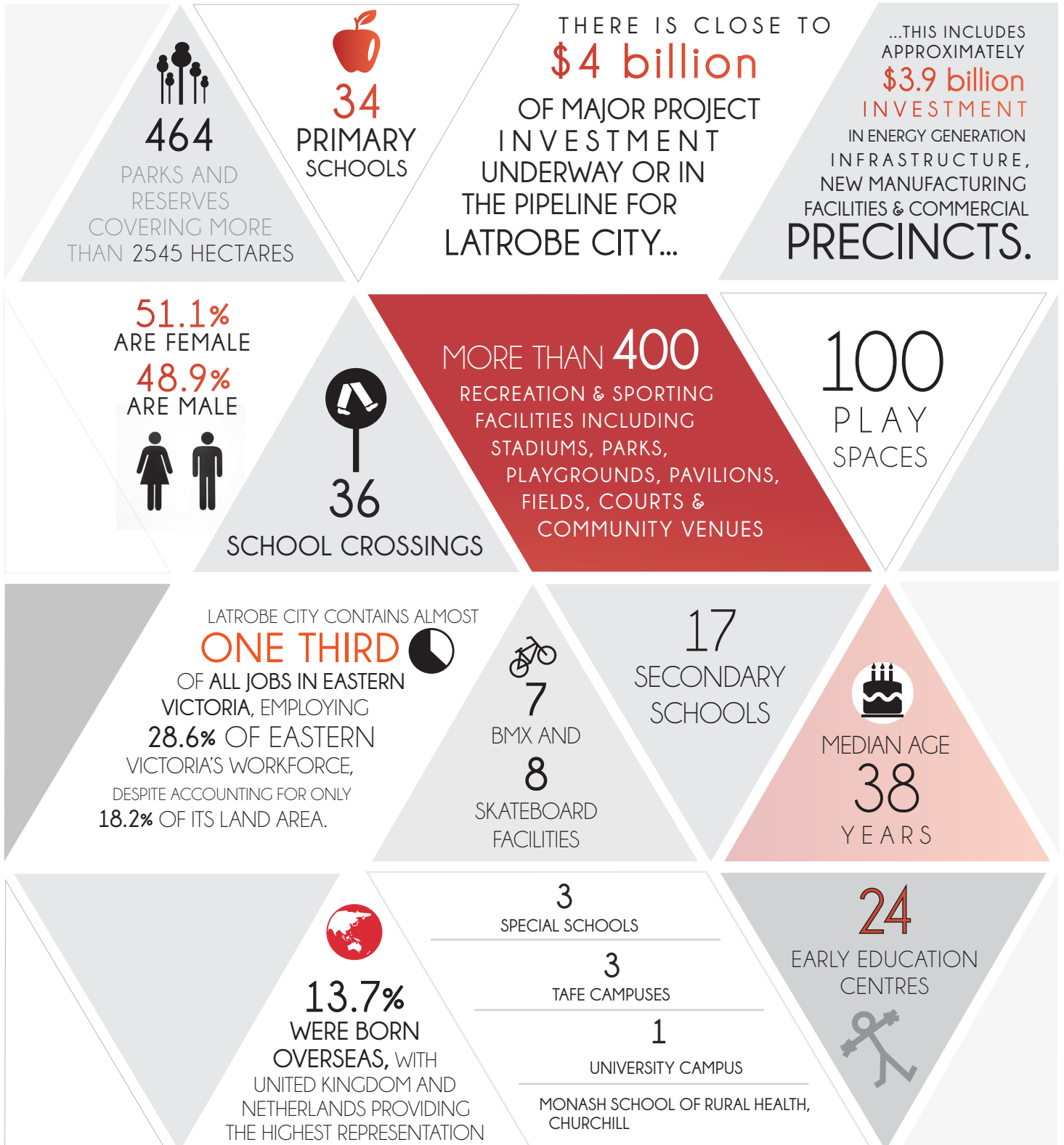
EXTENSIVE SHARED TRAIL
NETWORK CATERING
FOR WALKING,
JOGGING &
CYCLING



CHILDREN 0-14 YEARS
OF AGE MAKE UP
19.5%
OF THE POPULATION &
PEOPLE AGED 65
YEARS AND OVER
15.4%


104
MINUTES BY TRAIN
TO MELBOURNE

SHARE OF VICTORIA'S
REGIONAL CITIES
POPULATION (2012)
10.2%





1.8

CAPITAL WORKS HIGHLIGHTS

The Capital Works Program manages the ongoing refurbishment, replacement and upgrade of Latrobe City Council's physical assets (infrastructure and facilities) and the construction of new assets to meet the community's current and future service needs.

The Latrobe City Council Capital Works program delivered 73 completed projects, investing \$24.108m for the 2013/14 financial year.

Image credit (left to right, top to bottom): Moe Outdoor Pool children's pool, Moe Outdoor Pool, Latrobe City Council employees, Yallourn North Town Hall, Hourigan Road



Moe Olympic Pool Project

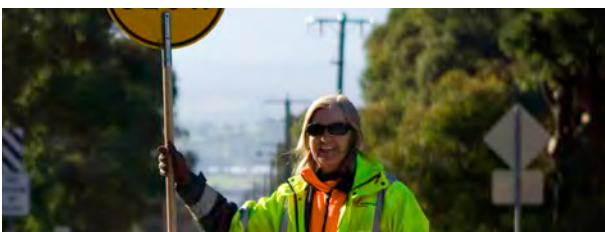
2013/14 EXPENDITURE \$ 2.1M
TOTAL PROJECT COST \$ 2.7M

The rejuvenated outdoor pool precinct will attract many visitors with its high quality facilities.

The major upgrade included:

- Upgrades to the existing 50 metre and diving pools including a new wet deck style concourse for ease of access and a new springboard for the diving pool.
- New beach entry shallow pool with access for all ages and abilities.
- Children's water play features at the shallow pool including a spin and splash pelican, toddler play turtle, bubblers and elephant water cannon.
- Construction of a new kiosk and entry building, including access for all abilities.
- Renovation of the change rooms to include two fully accessible family change rooms with new fittings and fixtures throughout.
- Construction of a new building to house all new plant and equipment.
- Landscaping of gardens, new furniture, shade sails and fencing.

This project was made possible from funding contributions of \$1.843m through the 'Local Government Infrastructure Program 2011-2015' and the 'Community Facility Funding Program - Better Pools - 2013/14' by the Victorian Government in partnership with Latrobe City Council who contributed \$884k.



Road Reseal Program \$3.7m

Latrobe City Council's road reseal program had a total budget of \$4.5 million. The program took seven months to complete and resulted in the resealing of 168 roads including:

- 315,528 square metres sealed with new spray seal surfacing, and
- 15,135 square metres of asphalt overlays.



Yallourn North Town Hall Redevelopment

2013/14 EXPENDITURE \$ 288K
TOTAL PROJECT COST \$ 680K

The delivery of this project has created a modern, multi-use facility to meet the growing needs of the local sporting clubs and broader community.

The redevelopment has delivered:

- A multipurpose change room.
- Umpires facilities.
- A dedicated female change area.
- A new commercial kitchen and servery.
- Undercover spectator area.
- Improved general building access.
- Meeting room.
- Solar power and rainwater tanks have also improved the sustainability of the facility.

These improvements will encourage greater rates of sports and community group participation.

This project was made possible by the \$340,000 contribution from the Victorian Government through the Regional Growth Fund, in partnership with Latrobe City Council, who also contributed \$340,000.



Hourigan Road

2013/14 EXPENDITURE \$ 698K
TOTAL PROJECT COST \$ 829K

Hourigan Road, Morwell underwent a complete reconstruction to ensure long term serviceability. The works were completed in two stages, with the second stage delivered during the 2013/14 financial year. The alignment of the road was improved and the road widened to include a dedicated bicycle lane.

Victorian Government funding of \$681,100 was received for the 2013/14 portion of this project under the 'Roads to Recovery Program'.



Morwell Skate Park

2013/14 EXPENDITURE \$407K
TOTAL PROJECT COST \$492K

The Morwell Skate Park was completed in late 2013 following an extensive planning and community engagement process, providing a vibrant and well used facility for the skate and BMX community of Morwell and the wider community.

The project included:

- Concrete half pipe, ramps and street course.
- The installation of shelters.
- A barbecue.
- A shared path extending from the skate park, east to the Commercial Road bridge.

The skate park was funded by Latrobe City Council, with a \$70,000 contribution provided by the Victorian Government under the 'Putting Locals First Program'.



Flood Recovery Works

2013/14 EXPENDITURE \$3.1M
TOTAL PROJECT COST \$3.9M

During March 2011 and June 2012 Latrobe City Council experienced flood events resulting in 18 landslips on 12 different roads across the municipality. The 2013/14 financial year saw the completion of the remediation works using various treatments including:

- The installation of post and panel retaining walls,
- Gabion walls,
- Reinforced earth embankments and slope stabilization, and
- Extensive tree planting.

This project was fully funded through 'Natural Disaster Funding Assistance'.



Latrobe City Small Towns Minor Capital Works Program

The Latrobe City Small Towns Minor Capital Works Program represents an important contribution by Latrobe City Council to infrastructure improvements within the seven small towns of Boolarra, Glengarry, Toongabbie, Traralgon South, Tyers, Yallourn North and Yinnar.

The Program delivers positive outcomes for communities as they identify and deliver on local priority projects.

Projects completed in 2013/14 included:

- Contribution to the purchase of a ride-on mower for Boolarra Memorial Park.
- Contribution towards new safety flooring for the female toilets at the Boolarra Memorial Hall.
- Upgrade to lighting and signage for Boolarra Scout Hall.
- Replacement of fencing for Boolarra Historical Society.
- Crushed rock for track at the Boolarra Old Mill Site.
- Purchase and installation of playground at Toongabbie.
- Yallourn North tennis court resurfacing.
- Installation of seats, benches and amenities for Yinnar Skate Park.

Image credit: Latrobe Says Thanks' event at the Morwell Skate Bowl, Water image, Boolarra Park, Morwell Skate Bowl

Additional Capital Works projects completed in 2013/14 included:

| | |
|--|-------------|
| Footpath Replacement Program | \$1,119,763 |
| Growing Aerospace Manufacturing at Latrobe Regional Airport | \$991,275 |
| Gravel Road Resheets Program | \$895,806 |
| Churchill Activity Centre Plan Pedestrian Plaza/Access Rd | \$749,466 |
| Landfill Rehabilitation Program | \$737,663 |
| Kerb and Channel Replacement Program | \$490,656 |
| Rural Gravel Road Sealing Program | \$485,572 |
| Hyland Highway Landfill Plant Replacement - Traxcavator | \$428,000 |
| Resurfacing Bituminous Surfaces-Recreation Reserve | \$420,360 |
| Coalville Rd Moe, Moe-Moe South Pedestrian Link Stage 5 | \$411,822 |
| Safety Improvement Black Spot - Old Sale Road - Haigh Street Newborough | \$403,456 |
| Transfer Station Upgrades | \$400,597 |
| Moe Rail Precinct Revitalisation - Underground Power Lines | \$396,435 |
| Wright Street Footbridge Design - Traralgon | \$353,288 |
| Community Minor Capital Grants Program | \$351,811 |
| Energy Efficiency Lighting Upgrade - Lighting Latrobe | \$303,939 |
| Latrobe Leisure Maintenance and Upgrade Program | \$399,346 |
| Latrobe Regional Airport Facilities Expansion (Civil Works) | \$211,581 |
| Gaskin Park, Churchill Lighting Upgrade | \$200,095 |
| Latrobe City Sports and Entertainment Stadium - Irrigation System | \$136,000 |
| Traralgon Recreation Reserve & Showgrounds Oval Re-Surfacing | \$130,575 |
| Toongabbie Tennis Resurfacing | \$119,302 |
| Yallourn North Bowling Club Synthetic Green | \$92,544 |

These figures represent the 2013/14 financial year expenditure only.

1.9

EVENTS HIGHLIGHTS

Latrobe City Council takes a proactive approach to fostering local events and staging significant state, national and international events. Events attract visitors to Latrobe City, build economic and social connections, and have the potential to market the City to people outside the municipality, thus strengthening the City's image as a highly desirable place to live, work and play.

EVENTS HELD



ECONOMIC IMPACTS TOTAL *

| | | |
|---|-----------------------|-------------|
|  | Direct | \$4,387,377 |
|  | Indirect | \$2,193,668 |
|  | Total Economic Impact | \$6,581,006 |

**The economic impact is calculated based on Tourism Victoria methodology.*






MAJOR EVENTS HIGHLIGHTS

ATP Tennis Challenger

26 OCTOBER - 3 NOVEMBER 2013

- Event attracted 32 of the top Australian and International tennis players competing for a US\$50,000 prize.
- The event presented a strong field including nine Australians ranked inside the country's top 20.

ECONOMIC IMPACT*




| | | |
|---|---|---|
|  |  |  |
| Direct | Indirect | Total Economic Impact |
| \$273,807 | \$136,903 | \$410,711 |

Trans Tasman Bowls

15 - 20 MARCH 2014

- Traralgon Bowls Club hosted the Trans Tasman Test Bowls Series in March this year.
- The world's top two bowls nations, Australia and New Zealand battled it out in a three day clash.
- Over 1200 people attended the three day event.

ECONOMIC IMPACT*




| | | |
|---|---|---|
|  |  |  |
| Direct | Indirect | Total Economic Impact |
| \$245,418 | \$122,709 | \$368,127 |

Basketball Country Victoria under 12 Championships

11 - 13 APRIL 2014

- Latrobe City played host to under 12's basketball teams.
- Boys' and girls' teams played three days of competition against teams from all over the state with games hosted at the Churchill and Traralgon Leisure Centres.
- An estimated 2400 people attended the three day event.

ECONOMIC IMPACT*




| | | |
|---|---|---|
|  |  |  |
| Direct | Indirect | Total Economic Impact |
| \$1,290,878 | \$645,439 | \$1,936,317 |

Victorian Masters Softball Championships

7 - 9 JUNE 2014

- Largest event in 10 years with 860 competitors competing over three days.
- Games were hosted at the Traralgon West Sports Complex and Apex Park in Traralgon.

ECONOMIC IMPACT*

| | | |
|---|---|---|
|  |  |  |
| Direct | Indirect | Total Economic Impact |
| \$700,598 | \$350,299 | \$1,050,897 |

*The economic impact is calculated based on Tourism Victoria methodology.

Image credit: 'Latrobe Says Thanks' event.



EVENTS CALENDAR JULY 2013 – JUNE 2014

| | | |
|--------------------------|--|--|
| July 2013 | 5 – 7 July | Latrobe Valley Mixed Triples Bocce Championships |
| | 12 July | Reactivate Latrobe Valley Markets |
| | 20 – 21 July | National Indoor Archery Championships |
| | 20 – 21 July | Gymnastics Victoria Junior Gippsland Championships / State Pennant Regional East Wildcard Event |
| Aug 2013 | 1 August | Cycling Australia Lakes Oil Tour of Gippsland - Stage 3 |
| | 3 – 4 August | Australasian C & D Sprint Go Kart Championships |
| | 24 – 25 August | Craft Bonanza |
| | 22 August – 28 September | Latrobe Valley Eisteddfod |
| Sept 2013 | 2 September – 24 October | Jamie's Ministry of Food |
| | 6 September | Baringa Special School Friendship Games' Soccer Tournament |
| | 7 – 8 September | Traralgon Bridge Club Congress |
| | 15 September | Special Olympics Gippsland Basketball Tournament |
| | 25 September | Leukaemia Foundation Light the Night |
| | 29 September | Relay for Life Community Fun Day |
| | 29 September | Twin City Archery Field Grand Prix |
| Oct 2013 | 5 October | Annual Stamp and Coin Fair |
| | 12 – 13 October | Victorian Open Water Swimming Championships |
| | 17 October | Barry Sheene Ride to the Grand Prix |
| | 24 October | Children's Expo |
| | 26 October – 3 November | Traralgon Pro Tour - ATP Challenger |
| | 26 October | Junior Fishing Competition, Churchill |
| | 27 October | Hazelwood Car and Bike Show |
| Nov 2013 | 2 November | 2013 Junior State Speedway Titles |
| | 8 – 10 November | GDF SUEZ Australian Energy 34th Tyers Art Festival |
| | 8 – 10 November | Traralgon Fire Brigade 125th Anniversary |
| | 9 November | Traralgon Apex Community Bonfire |
| | 9 – 10 November | The Austral-Asia Quest 2013 & Filipino Fiesta 2013 |
| | 30 November | Moe Community Bonfire |
| | 30 November – 1 December | Gippsland Antiques & Collectables Fair |
| 30 November – 1 December | Morwell/Traralgon Kennel Club Inc., All Breeds Championship Dog Show | |
| Dec 2013 | 7 December | Gippsland Motorcycle Toy Run |
| | 7 December | Premier Cricket Bush Bash |
| | 14 – 19 December | Volleyball Australia Training Camp |
| | 15 December | Traralgon Carols by Candlelight |
| | 21 – 22 December | Duncan's Run Hundred Marathon |
| | 23 December | Traralgon Twilight Christmas Farmers' Market |



| | | |
|---------------|-------------------------------------|---|
| Jan 2014 | 4 – 5 January | Central Gippsland Kennel Club Inc., Championship Shows |
| | 9 – 16 January | Loy Yang Power ITF Junior Tennis Championships |
| | 13 – 16 January | Latrobe City Classic Singles Bowls |
| | 20 January | Latrobe City Classic Pairs Bowls |
| | 26 January | Australia Day Breakfasts (10 locations) and Civic Function |
| Feb 2014 | 7 – 9 February | Gippsland Homexpo Leisurefest Roadshow |
| | 8 February | Glengarry and District Pro Rodeo |
| | 16 February | Latrobe City Triathlon Summer Series |
| Mar 2014 | 1 March | Boolarra Folk Festival |
| | 2 March | Clean Up Australia Day |
| | 8 – 11 March | Traralgon Amateur Basketball Association Basketball Championships |
| | 15 March | Fiddlehead Festival in Yinnar |
| | 15 – 16 March | Yamaha Off Road Championships |
| | 15 – 20 March | Trans Tasman Bowls Championships |
| | 16 March | Latrobe City Ladies Classic Pairs |
| | 23 March | Red Hot Summer Tour - Harvest 'n' Graze Festival |
| | 27 – 28 March | Latrobe City WIN Network Bank of Melbourne Pro Am Golf |
| | 29 – 30 March | Moe Music Festival |
| 30 March | Latrobe City Sister Cities Festival | |
| April 2014 | 4 – 9 April | Moe Yallourn Energy Dance Eisteddfod |
| | 11 – 13 April | Basketball Country Victoria Under 12 Basketball Championships |
| | 13 – 16 April | Victorian Country Regional Croquet Championships |
| | 18 April | REH Cork Club Good Friday Family Fun Day |
| | 18 – 21 April | Inline Hockey Australasian Club Championships |
| May 2014 | 1 – 18 May | Valley Arts Festival |
| | 24 May | Latrobe Valley Victorian Badminton Championships |
| June 2014 | 7 – 8 June | Darts Victoria Latrobe Classic |
| | 7 – 9 June | State Masters Softball Championships |
| | 15 June | 47th Traralgon Marathon Running Festival |
| | 20 June | Re-Activate Winter Festival |
| | 27 June – 5 July | Morwell Festival of Dance |
| | 28 June | VFL Collingwood vs Richmond Game |

Image credits: Jaime Oliver's Ministry of Food, Traralgon Pro Tour - ATP Challenger, 'Latrobe Says Thanks' event.

HOW \$100 OF YOUR RATES IS SPENT

This diagram outlines how Latrobe City Council allocates available resources for the provision of over 100 services and programs to the community (note: the figures include overheads but exclude depreciation).



CULTURE, LEISURE AND RECREATION
\$7.65



ECONOMIC DEVELOPMENT
\$1.18



ENVIRONMENT
\$1.78



LIBRARIES
\$1.04



BORROWINGS
\$4.13



PARKS AND GARDENS
\$4.68



PLANNING AND BUILDING
\$2.59



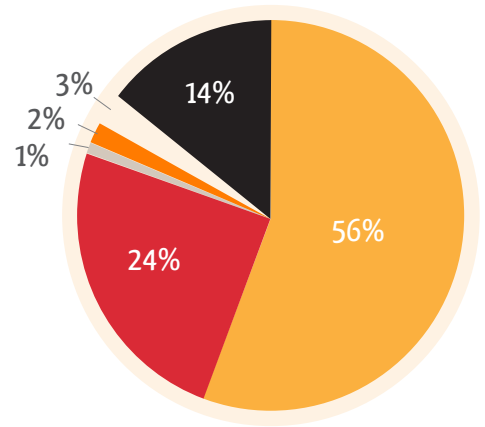
PUBLIC LIGHTING
\$1.14



ROADS AND TRANSPORT
\$6.97

WHERE DOES THE MONEY COME FROM?

- Rates 56%
- Government funding/grants 24%
- Fees and charges 14%
- Other income 3%
- Loan Proceeds 2%
- Interest 1%



1.10

FINANCIAL REPORT OVERVIEW

Overview of Financial Performance

Latrobe City concluded 2013/14 in a strong financial position. All the key financial indicators demonstrate that Council is being managed in a financially prudent and responsible manner. The financial statements have been audited by the Victorian Auditor-General and endorsed by Council's Audit Committee. Council continues to strive to deliver a high level of value for the community.

A key financial challenge for Latrobe City Council into the future is to continue to deliver community services and programs whilst balancing the need to invest in infrastructure to ensure Latrobe City remains a community with high levels of liveability and sustainability.

Please refer to pages 121-187 for the 2013/14 Financial and Standard Statements for further information.

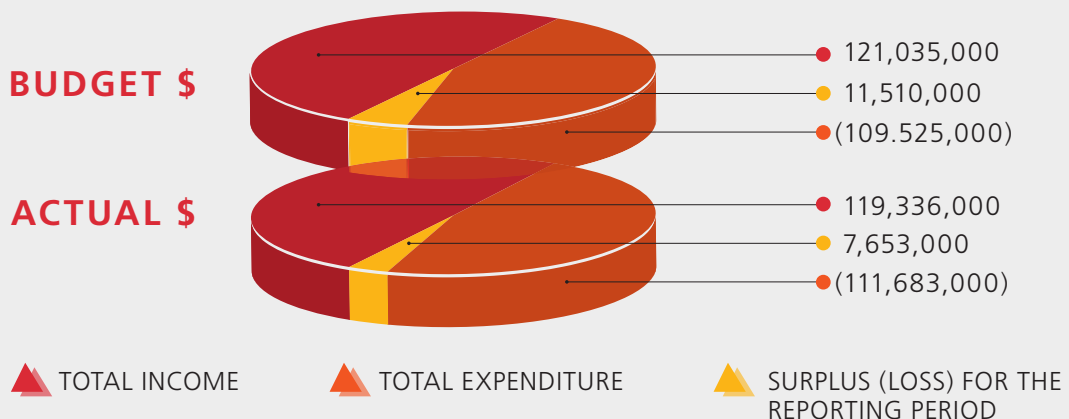
OPERATING RESULT

The operating surplus reported in the 2013/14 financial statements is \$7.653 million, which compares with a budgeted surplus of \$11.510 million. It should be noted that the operating budget surplus shown is a result of non cash income (i.e. developer contributed assets) and income generated to fund expenditure items that are not recognised in the Income Statement (i.e capital expenditure and the repayment of borrowings). This unfavourable variance to budget was mainly attributable to;

- Grant funding originally budgeted for the Moe Rail Precinct Revitalisation and other projects which are now expected to be received during the 2014/15 financial year.
- Victoria Grants Commission funding for the 2013/14 financial year that was advanced to Council in the previous financial year, no such advance was made in June 2014.
- Additional operating expenditure associated with the February fires and Mine Fire response which is expected to be recouped through Natural Disaster funding in 2014/15.



SUMMARY OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2014



OUR SOURCES OF INCOME

| | |
|----------------------------------|--------------|
| Rates | \$66,355,000 |
| Operating Grants & Contributions | \$20,965,000 |
| User Charges, Fees & Fines | \$16,203,000 |
| Capital Grants & Contributions | \$6,977,000 |
| Developer Contributions | \$4,614,000 |
| Other Income | \$2,655,000 |
| Interest | \$1,566,000 |

OUR SOURCES OF EXPENSES

| | |
|---|--------------|
| Employee Costs | \$50,153,000 |
| Materials & Services | \$32,686,000 |
| Depreciation | \$22,196,000 |
| Other Expenditure | \$5,151,000 |
| Finance Costs | \$1,211,000 |
| Net Loss on disposal of property, infrastructure, plant and equipment | \$533,000 |
| Bad & Doubtful Debts | \$8,000 |

CASH POSITION

Council had cash holdings of \$42.632 million at 30 June 2014. Total cash holdings included \$9.876 million of restricted assets which include government grants of \$5.336 million, developer contributions for specific development purposes \$2.325 million and trust funds and deposits of \$2.214 million. The remaining \$32.756 million is predominantly associated with carried forward projects, liabilities for employee provisions together with landfill reserves to assist in funding future landfill cell constructions.

\$27.9
MILLION
RECEIVED IN GRANTS
& CONTRIBUTIONS

SUMMARY OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2014

| | ACTUAL \$'000 | BUDGET \$'000 |
|--|---------------|-----------------|
| Cash Flows from Operating Activities | 18,263 | 22,460 |
| Cash Flows from Investing Activities | (7,348) | (40,595) |
| Cash Flows from Financing Activities | 4,054 | 4,150 |
| Net increase/ (decrease) in cash held | 14,970 | (13,985) |
| Cash at the beginning of the financial year | 27,663 | 31,011 |
| Cash at the end of the financial year | 42,632 | 17,026 |

\$3.7
MILLION
REPAYMENTS MADE TO
BORROWINGS WITHIN THE
FINANCING ACTIVITIES

The budget had assumed that capital works projects, including those carried over from the previous financial year, would be completed in 2013/14. At year end, there were a number of capital projects not completed (due to delays arising from natural disasters, planning and design issues) and multi-year projects that will be expended over future financial years. This resulted in higher cash balances than budgeted. The funding for these projects will be carried across to the 2014/15 financial year.

FINANCIAL POSITION

Council ended the financial year with net assets of \$1.031 million, an increase of \$8.519 million from the previous year.

SUMMARY OF FINANCIAL POSITION AS AT 30 JUNE 2014

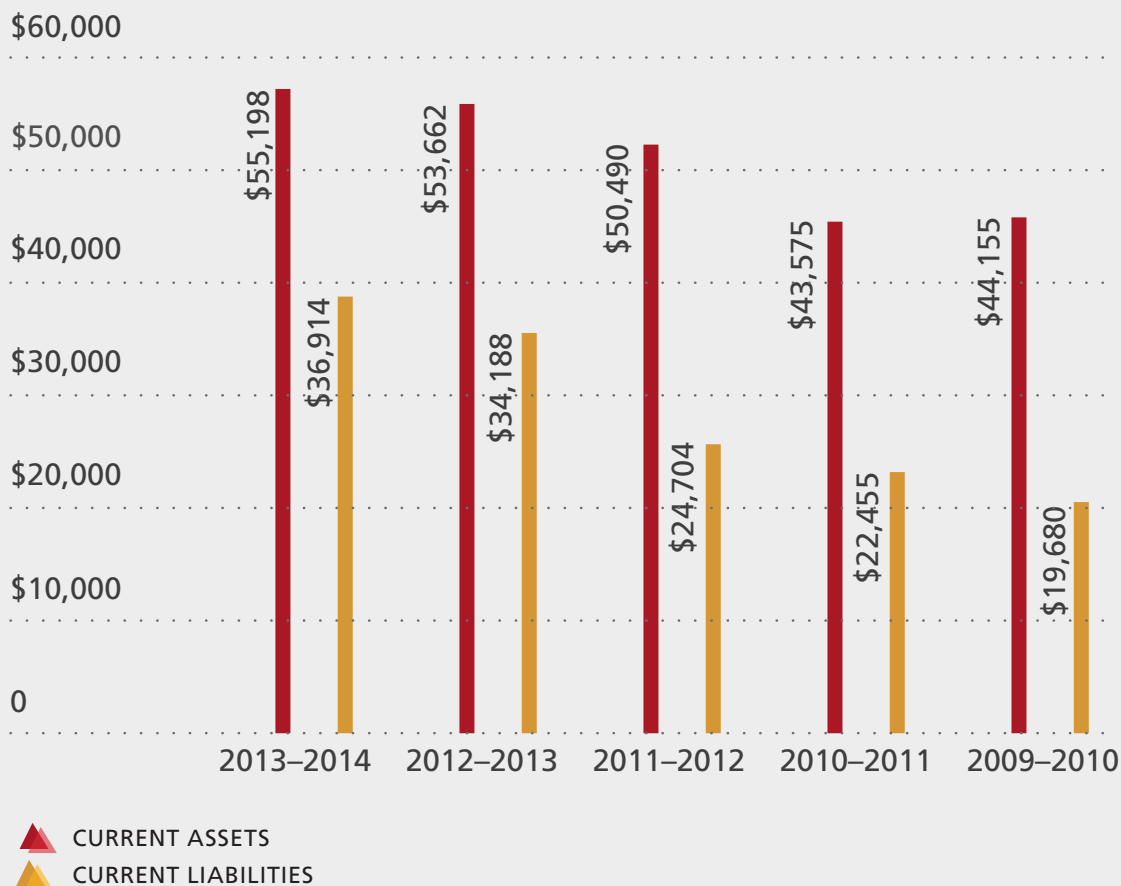
| | ACTUAL \$'000 | BUDGET \$'000 |
|-------------------|------------------|----------------|
| Total Assets | 1,091,492 | 1,022,550 |
| Total Liabilities | (60,740) | (54,300) |
| Net Assets | 1,030,751 | 968,250 |

Net assets at 30 June 2014 were higher than budgeted by \$62.501 million, total assets exceeded the budget by \$68.942 million, which resulted mainly from an increase in cash balances, and asset revaluation movements.

Total Liabilities exceeded the budget by \$6.440 million, as a result of higher than anticipated Trade Payable and delays in landfill rehabilitation works and asset revaluation movements.

FINANCIAL STRENGTH

The Working Capital Ratio assesses Council's ability to meet current commitments and is calculated by measuring current assets against current liabilities. Council's ratio of 1.50:1 is an indicator of a sound financial position, having \$1.50 of current assets for every \$1 of current liabilities. The level of working capital over the past five years shows that Council's ability to meet current commitments has remained strong.



CAPITAL SPENDING

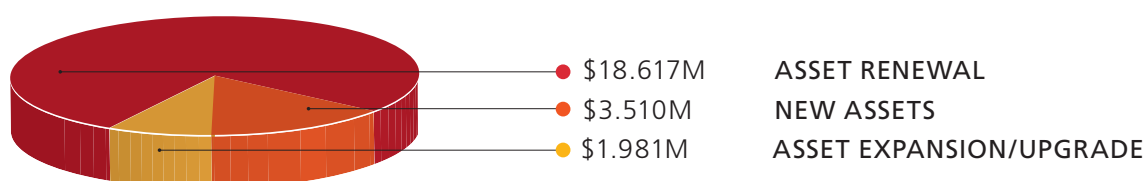
Latrobe City Council's continuing commitment to renewing existing infrastructure is highlighted in the graph below. Capital expenditure during 2013/14 was \$24.108M. A large proportion of this was spent on roads and associated works (69%) and land, buildings and improvements (17%).

\$16.6
MILLION
SPENT ON ROADS,
PATHS, BRIDGES & CARPARKS

SUMMARY OF CAPITAL WORKS FOR YEAR ENDED 30 JUNE 2014

| | ACTUAL \$'000 | BUDGET \$'000 |
|----------------------------------|---------------|---------------|
| Artworks | 15 | 15 |
| Land, Buildings & Improvements | 4,002 | 13,205 |
| Drainage | 263 | 1,361 |
| Plant & Equipment | 1,750 | 2,291 |
| Roads, Paths, Bridges & Carparks | 16,602 | 19,283 |
| Furniture & Equipment | 864 | 800 |
| Playgrounds | 584 | 761 |
| Landfill Cell Construction | 27 | 3,500 |
| Total Capital Works | 24,108 | 41,216 |

Capital expenditure was \$17.1 million lower than budget mainly due to a number of projects not being completed during the 2013/14 financial year as a result of delays arising from natural disasters and planning and design issues. These incomplete projects will carry forward to the 2014/15 year.



FUTURE IMPACT & CHALLENGES

The Council Plan 2013-2017, supported by the Strategic Resource Plan, is a four year strategic plan targeting allocation of resources to meet the strategic objectives set by Council. A key component of the Strategic Resource Plan is the Long Term Financial Strategy, which expresses the strategic objectives and strategies of the Council Plan in financial terms. The table below depicts key financial information as forecast in Council's Strategic Resource Plan. Latrobe City Council projects a surplus will continue to be achieved over the four years of the Plan which will provide a sustainable level of funding for the renewal and refurbishment of community assets.

| | 2011/12 | ACTUAL 2012/13 | 2013/14 | BUDGET 2014/15 | FORECAST | | |
|----------------------------------|---------------|-------------------|---------------|-------------------|------------|--------------|------------|
| | | | | | 2015/16 | 2016/17 | 2017/18 |
| Financial Performance | | | | | | | |
| Rate Income | 58,762 | 62,637 | 66,355 | 69,400 | 72,949 | 76,676 | 80,592 |
| Total Income | 113,545 | 115,113 | 119,336 | 128,400 | 124,425 | 138,187 | 135,986 |
| Total Expenditure | 107,322 | 105,590 | 111,683 | 116,520 | 117,233 | 120,117 | 124,109 |
| Net Results for the year | 6,223 | 9,523 | 7,653 | 11,880 | 7,192 | 18,070 | 11,877 |
| Cash Flows | | | | | | | |
| Surplus from operations | 35,479 | 31,824 | 18,263 | 33,263 | 29,996 | 40,875 | 36,936 |
| Capital Expenditure | 23,050 | 24,286 | 24,108 | 43,230 | 29,336 | 42,182 | 34,673 |
| Net cash inflow (outflow) | 12,423 | (60) | 14,970 | (9,452) | 665 | (260) | 765 |

2.1

MAYOR'S REPORT



On behalf of my fellow councillors, I am very pleased to present to you the Latrobe City Council Annual Report for 2013/14. The report provides a snapshot of the work Council has undertaken over the past year and highlights many of our achievements.

Over the past year, there have been a number of challenges for Council and our community. One of the most notable has been the impact of bushfires and Hazelwood Mine Fire incident.

As Mayor, I was extremely proud of the way our community pulled together through this difficult period. I firmly believe that through uniting and working together, we not only recover, but create real momentum for how we want to move forward as a community and region.

I am pleased to report that throughout 2013/14, in spite of the challenges presented by the fires, Latrobe City Council once again delivered a wide range of services that touch people of all ages in our community. This array of services included maternal and child health care, early learning and care, aged and disability care, social support, business development, tourism and events, leisure and recreation facilities, library and arts programs, waste management, civil works, infrastructure development and maintenance and a number of significant capital works projects.

Another highlight of 2013/14 was the changes made to the Council Meeting cycle. In April, Council adopted the introduction of a special session for public presentations every three weeks. This dedicated time enables community members to address Council on the matters that interest them, providing another avenue for Council to really listen to and engage with our community. After a six month trial period, we will review the meeting schedule to evaluate the effectiveness of the three weekly cycle.

As I reflect on the past year, I would like to acknowledge the hard work and commitment of Council and of our organisation's many teams who support our strategic direction. I would also like to thank our community for making Latrobe City the place that I love to call home.

Cr Sharon Gibson

Image credits: Sharon Gibson, Mayor, Latrobe City Council ward boundaries

2.2

ABOUT COUNCIL

The Role of Council

Latrobe City is made up of four wards (Central, East, West, South). Elected on 27 October 2012 for a four year term, Council, consisting of nine councillors, is the formal decision-making body. Council is responsible for setting the organisation's direction and overseeing its performance on behalf of the Latrobe City community. This involves a strategic role in developing the Council Plan, annual budget, long term financial plan, strategies and plans and policy setting.

Management of the day to day operational matters is the role of the Chief Executive Officer, under delegation of the Council in accordance with the *Local Government Act 1989*.





2.3

OUR COUNCILLORS

Central Ward

MORWELL, YALLOURN NORTH & DISTRICT

Cr Graham Middlemiss

PHONE
0417 379 059

EMAIL
Graham.Middlemiss@latrobe.vic.gov.au

Cr Graeme Middlemiss is a Central Ward Councillor and was first elected in 1997 during the first La Trobe Shire Council elections. He has held a position in Council for 17 years and served a term as Mayor from March 2003 to March 2004.



Cr Christine Sindt

PHONE
0499 981 233

EMAIL
Christine.Sindt@latrobe.vic.gov.au

Cr Christine Sindt is a Central Ward Councillor and was first elected in October 2012.



Image credits: Kernot Lake, inset - Latrobe City Council Service Centre, Latrobe City Council Early Learning Centre, Victory Park Traralgon, Boolarra-Mirboo North Rail Trail, Boolarra.

East Ward

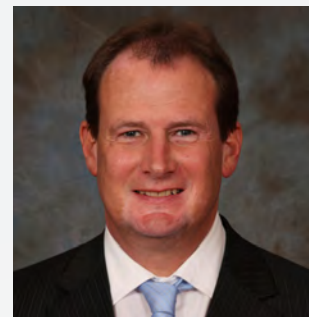
TRARALGON, TRARALGON SOUTH, TYERS, GLENGARRY & DISTRICT

Cr Dale Harriman DEPUTY MAYOR*

PHONE
0419 399 093

EMAIL
Dale.Harriman@latrobe.vic.gov.au

Cr Dale Harriman is an East Ward Councillor, currently serving a second term, and was first elected in August 2011 (following a resignation) and then again in October 2012.



Cr Sandy Kam

PHONE
0427 556 967

EMAIL
Sandy.Kam@latrobe.vic.gov.au

Cr Sandy Kam is an East Ward Councillor, and was first elected in 2007 (following a resignation) and then again in 2008 and 2012. Cr Kam held a term as Mayor from November 2012 to November 2013.



Cr Kellie O'Callaghan

PHONE
0400 696 324

EMAIL
Kellie.O'Callaghan@latrobe.vic.gov.au

Cr Kellie O'Callaghan is an East Ward Councillor, and was first elected in 2008, and then again in October 2012. Cr O'Callaghan held one term as Mayor from December 2009-December 2010.



Cr Michael Rossiter

PHONE
0499 981 242

EMAIL
Michael.Rossiter@latrobe.vic.gov.au

Cr Michael Rossiter is an East Ward Councillor and was first elected in October 2012.



OUR COUNCILLORS

South Ward

CHURCHILL, BOOLARRA, YINNAR & DISTRICT

Cr Darrell White

PHONE
0417 377 645

EMAIL
Darrell.White@latrobe.vic.gov.au

Cr Darrell White is a South Ward Councillor and was first elected in 1997 during the first La Trobe Shire Council elections. Cr White has held a position in Council for 17 years and has held the position of Mayor for three terms.



West Ward

MOE, NEWBOROUGH & DISTRICT

Cr Peter Gibbons

PHONE
0499 981 266

EMAIL
Peter.Gibbons@latrobe.vic.gov.au

Cr Peter Gibbons is a West Ward Councillor and was first elected in October 2012.



Cr Sharon Gibson MAYOR*

PHONE
0429 338 762

EMAIL
Sharon.Gibson@latrobe.vic.gov.au

Cr Sharon Gibson is a West Ward Councillor, and was first elected in December 2008 and then again in October 2012. Cr Gibson is currently Mayor after serving as Deputy Mayor three times consecutively.



* The Mayor and Deputy Mayor were elected at the Special Council Meeting held on 11 November 2013.





COUNCIL MEETINGS & DECISIONS

Council Meetings are held at the Latrobe City Council Corporate Headquarters in Morwell at 6.00pm every third week. Each Council Meeting includes a public question time as a standard agenda item, designed to encourage community participation in the overall affairs of Council.

Special Council Meetings are held as required and all Special Council Meeting dates are advertised in the Latrobe Valley Express newspaper and detailed on the Latrobe City Council website.

Councillors also meet for an Issues and Discussion Session. At these meetings, Councillors have the opportunity to discuss strategic items in relation to Council business.

Latrobe City Council is currently trialling Public Presentation sessions which are designed to allow members of the community, organisations and other stakeholders to speak to Councillors on important issues.

Council decisions are made by councillors either at an Ordinary Council Meeting or at an appropriately delegated Special Council Meeting. Meetings are open to the public, unless the Council resolves to close the meeting in accordance with guidelines of the *Local Government Act 1989*.

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

COUNCIL MEETING ATTENDANCE BY COUNCILLORS DURING 2013/14:

| <i>Councillor</i> | <i>Ordinary Council Meeting</i> | <i>Special Council Meeting</i> |
|-----------------------|-------------------------------------|------------------------------------|
| Cr Graeme Middlemiss | 20 | 5 |
| Cr Christine Sindt | 17 | 3 |
| Cr Dale Harriman | 20 | 5 |
| Cr Sandy Kam | 17 | 5 |
| Cr Kellie O'Callaghan | 20 | 4 |
| Cr Michael Rossiter | 21 | 4 |
| Cr Darrell White | 21 | 5 |
| Cr Peter Gibbons | 20 | 5 |
| Cr Sharon Gibson | 19 | 5 |

During 2013/14, there were 21 Ordinary Council Meetings and 5 Special Council Meetings held.

Councillor Representation on Committees

Councillors are appointed as Council representatives on a range of special interest committees. Latrobe City Council currently has three Special Committees formulated pursuant to Section 86 of the *Local Government Act 1989*. These committees must adhere to the same rules and principles governing the Council itself. Latrobe City Council also has a range of sub-committees pursuant to other legislation and a further range of advisory and community committees and working groups.

For a full list of official councillor appointments on these committees and working groups, as well as associations on which Latrobe City Council is represented, see page 40.

Code of Conduct

Under the *Local Government Act 1989*, all councils within Victoria must ensure that they adopt a Councillor Code of Conduct.

The Code establishes the rules of ethical behaviour, relationships between councillors and staff, and dispute resolution during their term of office. The review of the Code was undertaken during 2013 and the revised Code was adopted by Council on 16 September 2013.

The Code of Conduct provides guidelines on:

- Councillor behaviours
- conflict of interest procedures, and
- dispute resolution procedures.

The Code affirms principles of behaviour requiring that councillors:

- act honestly
- exercise reasonable care and diligence
- use their position properly, and
- not make improper use of information acquired because of their position.

Latrobe City Council's Code of Conduct is available at: www.latrobe.vic.gov.au

Councillor Remuneration

From July 2013 to 23 December 2013 the Mayoral allowance was \$67,634 and the councillor allowance \$21,859 per annum, plus the equivalent of the superannuation guarantee contribution of 9.25%.

On 24 December 2013, the Department of Transport, Planning and Local Infrastructure (refer circular No.32/2013) advised all Councils that a notice was published in the Government Gazette G52 dated 24 December 2013, providing for a 2.5% adjustment to apply to all Mayoral and Councillor allowances taking effect from 24 December 2013. Under Section 73B (5) of the *Local Government Act 1989*, a Council must increase the Mayoral and councillor allowances by this 2.5% adjustment.

Consequently, from 24 December 2013 the Mayoral and councillor allowances were increased to \$69,324.85 and \$22,405.48 per annum respectively, plus the equivalent of the superannuation guarantee contribution of 9.25%.

In addition to councillor allowances, councillors also receive for Council use a mobile phone, laptop computer, iPad and printer/fax. Councillors may also claim expenses incurred while performing their duty as councillors and utilise office administration and support. The Mayor also receives a vehicle for the duration of his or her term, a dedicated office and support from an assistant.

Council Delegations

The Council's powers under the *Local Government Act 1989* or any other Act may be delegated by an instrument of delegation to a Special Committee of Council, to the Chief Executive Officer or to an individual Council Officer. The 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.

Delegation is a vital element in assisting Council administration to function effectively and efficiently. It is essential that the Council associated committees provide clear policy direction and Council Officers have the ability to make appropriate day-to-day decisions in accordance with that policy.

On 22 October 2013, Council delegated to the Chief Executive Officer a set of powers and duties by exception. This means the Chief Executive Officer is able to do all things on behalf of the Council, except for items listed by the Council. The purpose of this delegation is to allow the Chief Executive Officer the power and discretion to coordinate decisions of an operational nature.

The Chief Executive Officer has delegated many of those powers to individual council officers, to ensure the everyday operation of Latrobe City Council business.

The delegation document provides that only certain officers are allowed to make decisions of a financial nature and the limit of their authority is carefully dictated 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.

Assembly of Councillors

Any scheduled meeting between five or more councillors and one council staff member, or an Advisory Committee Meeting with one councillor present, is considered an 'Assembly of Councillors' under the *Local Government Act 1989*. A record of each 'Assembly of Councillors' is tabled at an Ordinary Council Meeting.



2.4

OUR COMMITTEES

Council (Special) Committees

| | |
|--|--|
| Latrobe Regional Airport Board | Cr Middlemiss, <i>Alternative: Cr Kam</i> |
| The Yallourn North Community Housing Committee | Cr Middlemiss |
| Mayoral Sponsorship Committee | Mayor, <i>Alternative: Deputy Mayor</i> |

Operational (Works) Committees of Council

| | |
|---|---|
| Callignee and Traralgon South Sporting and Facility User Group Committee | Cr Rossiter |
| Crinigan Bushland Reserve Committee of Management | Cr Middlemiss |
| Edward Hunter Heritage Bush Reserve Committee of Management | Cr Gibbons, Cr Gibson |
| Friends of the Traralgon Railway Reservoir Conservation Reserve Committee | Cr Harriman |
| Mathison Park Advisory Committee | Cr White |
| Morwell Centenary Rose Garden Advisory Committee | Cr Sindt <i>Alternative: Cr Middlemiss</i> |
| Ollerton Avenue Bushland Reserve Committee of Management | Cr Gibbons, Cr Gibson |

Advisory Committees

| | |
|--|--|
| Audit Committee <i>(Pursuant to s.139 of the Local Government Act 1989)</i> | Cr White, Cr Rossiter <i>Alternative: Cr O'Callaghan</i> <i>Attendance By Invitation: All Councillors</i> |
| Australia Day Advisory Committee | Cr Sindt, Cr White |
| Braiakaulung Advisory Committee | Cr O'Callaghan, Cr White |
| Chief Executive Officer Performance Review Committee | Mayor, Cr Gibson, Cr White, Cr Rossiter |
| Churchill & District Community Hub Advisory Committee | Cr White |
| City Image Strategy Project Reference Group | Cr Sindt <i>Attendance By Invitation: All Councillors</i> |
| Coal Land Use Planning Committee | Cr Gibbons, Cr Harriman, Cr Kam, Cr Gibson, Cr Middlemiss |
| Community Engagement Reference Group | Cr Gibbons, Cr Kam, Cr Rossiter |
| Disability Reference Committee | Cr O'Callaghan <i>Alternative: Cr Gibson</i> |
| Early Years Reference Committee | Cr O'Callaghan, Cr Sindt |

| | |
|---|---|
| Jumbuk and Yinnar South Timber Traffic Reference Group | Cr White, Cr Kam |
| Latrobe City Cultural Diversity Advisory Committee | Cr Gibbons, Cr Kam |
| Latrobe City Hyland Highway Municipal Landfill Consultative Committee | Cr Harriman, Cr Gibbons |
| Latrobe City International Relations Committee | Cr Sindt, Cr White, Cr Gibbons |
| Latrobe Regional Gallery Advisory Committee | Cr Gibbons, Cr White |
| Latrobe Tourism Advisory Board | Cr Sindt, Cr White |
| Link Editorial Committee | Mayor, Cr Gibson, Cr Middlemiss |
| Morwell CBD Safety Group | Cr Sindt, Cr Middlemiss, Cr Kam |
| Morwell Town Common Development Plan Project Control Group | Cr Sindt, Cr Middlemiss |
| Municipal Emergency Management Planning Committee <i>(Pursuant to sect. 21 of the Emergency Management Act 1986)</i> | Cr Harriman, Cr Gibson <i>Alternative: Cr Sindt</i> |
| Oldsmobile Management Committee | Mayor |
| Positive Ageing Reference Group | Cr O'Callaghan, Cr Kam |
| Procedural Breaches Advisory Committee | Cr Kam, Cr Gibson, Cr White |
| Rail Freight Working Group | Cr Middlemiss, Cr Gibbons |
| Sale of Goods from Council Properties Committee | Cr Kam, Cr Gibson |
| Social Planning for Wellbeing Committee | Cr Kam |
| Traralgon Aquatic Facility Working Party | Cr Harriman <i>Attendance By Invitation: All Councillors</i> |
| Traralgon CBD Safety Committee | Cr Kam, Cr Rossiter |
| Traralgon East Community Centre Advisory Committee | Cr Rossiter <i>Alternative: Cr O'Callaghan</i> |
| Traralgon Parking Precinct Plan Working Group | Cr Harriman <i>Attendance By Invitation: All Councillors</i> |
| Victory Park Precinct Advisory Committee | Cr Kam, Cr Harriman |
| War Memorials Advisory Committee | Mayor |
| Warren Terrace Hazelwood North Recreation Reserve Advisory Committee | Cr Kam <i>Alternative: Cr O'Callaghan</i> |

User Groups

| | |
|---|-------------------------------------|
| Latrobe City Lake Narracan User Group Committee | Cr Gibbons, Cr Gibson |
| Latrobe City Synthetic Sports Field User Group Committee | Cr White |
| Latrobe Leisure Churchill User Group | Cr White |
| Latrobe Leisure Moe Newborough User Group | Cr Gibbons, Cr Gibson |
| Latrobe Leisure Morwell User Group | Cr Sindt, Cr Middlemiss |
| Latrobe Leisure Traralgon Sports Stadium User Group | Cr Kam, Cr Harriman |
| Latrobe Regional Motorsport Complex User Group | Cr Gibson (Chair), Cr Middlemiss |
| Moe Southside Community Precinct User Group Committee | Cr Gibbons, Cr Gibson |
| Traralgon Recreation Reserve and Showgrounds User Group Committee | Cr Kam |
| Traralgon West Sporting Complex User Group Committee | Cr Kam |

External Committees

| | |
|--|---|
| Alliance of Councils for Rail Freight Development | Cr Middlemiss <i>Alternative: Cr Gibbons</i> |
| Apprenticeships Group Australia Board | Cr White <i>Alternative: Cr Gibson</i> |
| Australian Paper Community Environmental Consultative Committee | Cr Middlemiss |
| Baw Baw Latrobe Local Learning & Employment Network Board | Cr Sindt |
| Gippsland Local Government Network (GLGN) | Mayor |
| Gippsland Regional Waste Management Group (GRWMG) Board | Cr Middlemiss <i>Alternative: Cr Gibbons</i> |
| Gippsland Reserve Committee of Management Inc. | By Invitation: Cr Gibbons <i>Alternative: Cr Gibson</i> |
| International Power Hazelwood Environmental Review Committee | Cr White |
| Latrobe Settlement Committee | Cr O'Callaghan, Cr Gibbons |
| Loy Yang Power Environmental Review Committee | Cr Sindt |
| Moe Yallourn Rail Trail Committee Inc. | West Ward Councillors: Cr Gibson and Cr Gibbons |
| Morwell River Neighbourhood Improvement Plan Steering Committee | Cr White |
| Municipal Association of Victoria (MAV) | Cr Harriman <i>Alternative: Cr Kam</i> |
| Regional Aboriginal Justice Advisory Committee (RAJAC) | Cr Gibson |
| Regional Cities Victoria | Mayor |
| Roadsafe Gippsland Community Road Safety Council | Cr Kam, Cr Gibson |
| South East Australian Transport Strategy (SEATS) | Cr Middlemiss <i>Alternative: Cr Gibbons</i> |
| Timber Towns Victoria | Cr Kam |
| Traralgon Creek Neighbourhood Improvement Plan Steering Committee | Cr Kam |
| TRU Energy Yallourn Environmental Review Committee | Cr Sindt |
| Victorian Local Governance Association (VLGA) | Mayor <i>Alternative: Deputy Mayor</i> |
| West Gippsland Catchment Management Authority – Central Catchment Ecosystem Advisory Group (CCEAG) | Cr Kam <i>Alternative: Cr Gibson</i> |



Image credit: Moe Rail Precinct Revitalisation Project concept illustration

3.1

CHIEF EXECUTIVE OFFICER'S REPORT



Resilience and strength symbolised the 2013/14 year for Latrobe City Council and our community.

In a year notable for both challenges, such as the Morwell mine fire, and achievements, it was an honour to be appointed the acting Chief Executive Officer.

This report highlights the year past which has helped build our capabilities as an organisation and looks into the future to continually deliver quality service for the Latrobe City community.

In March this year, we undertook an organisation structure review which resulted in changes in the organisation structure. The previous five divisions have been restructured into four divisions – Community Liveability, Community Infrastructure and Recreation, Planning and Economic Sustainability and Corporate Services. This new structure will allow us to have further cost efficiencies, better synergies, improvement in Council and CEO support, through the provision of the Policy and Support team, plus have the capability to focus on emergent opportunities and maximise the technical competencies of our staff.

On that note, I am pleased to announce that Council has delivered on its 2013/14 budget and we have completed the 2014/15 budget process that aligns with the Council Plan.

This year, Latrobe City Council made notable achievements on local, state and federal levels. Strategies and plans were developed for the betterment of the community such as the Latrobe City Municipal Public Health and Wellbeing Plan and the 2014-2019 Latrobe City Natural Environment Sustainability Strategy.

Through the delivery of key projects and works via our capital works program, community facilities were assessed, managed, refurbished, replaced and upgraded accordingly to suit our community's needs. Notable projects this year included the Moe Olympic Pool projects, the Yallourn North Town Hall Redevelopment and the Morwell Skate Park.

On the economic front, we continued to advocate to state and federal governments for research and development of innovative uses of brown coal. We are pleased with the announcements of funding for the Advanced Lignite Demonstration Projects by the Victorian Government this year which we hope will contribute towards the establishment of employment and investment opportunities within Latrobe City and will make use of our abundant brown coal resources in a more sustainable way.

In February this year, Council and the community were faced with a major challenge of the bush and mine fires. The emergency incident, which was extended over a 45 day period, was a stressful event. I appreciate the adverse conditions our community and staff had to endure as we continued to live and work in the area. I am exceptionally proud of the service delivery level that the staff provided during that period. Being the only Council area affected by this incident, we greatly appreciated the support provided to us by the state government and its various state agencies who worked collaboratively with our staff in order to serve the community as a whole.

As a key regional city in Victoria, I am pleased with the successes we have achieved this year and look forward to further achievements in the upcoming year. I believe, as an organisation, we are positioned to commence 2014/15 with positive energy supported by the new organisation structure and continue to provide a balanced quality of life for those who choose to work, live and play right here in Latrobe City.



John Mitchell

Image credit: Mr John Mitchell, Acting CEO, Latrobe City Council headquarters



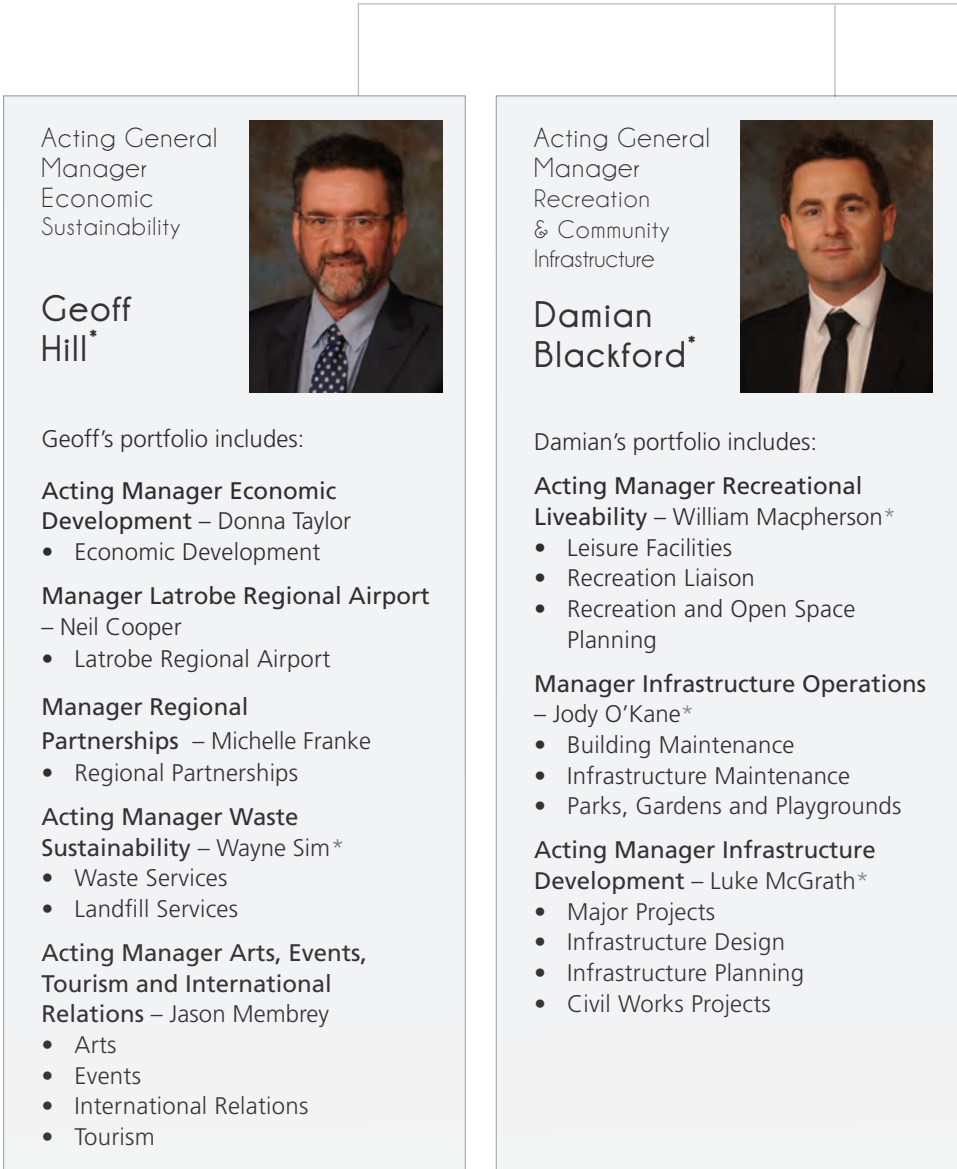


3.2

ORGANISATIONAL STR

Latrobe City Council continually strives to provide an efficient and effective organisational structure which will support the delivery of Latrobe 2026 and the Council Plan to strategically meet the challenges of the future as well as deliver good governance and quality services today. Each division is led by a General Manager, reporting to the Chief Executive Officer.

During the 2013/14 financial year, the Latrobe City Council Executive Team underwent significant changes. As at 30 June 2014 all General Manager's positions were held by acting arrangements.



* Senior Officer in accordance with the Local Government Act 1989

UCTURE

Acting Chief Executive Officer

John Mitchell*

John's role includes:

- Organisational Management
- Executive Office
- Mayoral and Council Support



Acting General
Manager
Organisational
Excellence

Jamey Mullen*



Jamey's portfolio includes:

Manager Corporate Strategy –
Nathan Misiurka

- Corporate Strategy

Manager People and Development
– Mary-Lou Dixon

- Human Resources
- Learning and Development

Manager Information Services –
Steve (Robert) McIlhatton*

- Information Management
- Information Services
- Geographic Information Systems

Manager Risk and Compliance –
Allison Down

- Strategic Risk and Compliance
- Occupational Health and Safety

Acting General
Manager
Community
Liveability

David Elder*



David's portfolio includes:

**Manager Community Information
Services** - Julie Kyriacou*

- Community Information
- Library Services
- Local Laws

Manager Bushfire and Recovery
(temporary appointment) - Jodie Pitkin*

**Acting Manager Child and Family
Services** – Ronda Bruerton*

- Early Learning and Care
- Early Childhood Health and
Development

Manager Community Development
– Steve Tong*

- Aboriginal Liaison
- Community Strengthening
- Disability Access and Inclusion
- Emergency Management

**Manager Community Health and
Wellbeing** – Helen Taylor*

- Health Services
- Aged and Disability Services
- Social Support

Manager Healthy Communities –
Regina Kalb

- Healthy Communities

As of 30 June 2014, Michael Edgar held the position of General Manager Community Liveability and was absent for a substantial proportion of the 2013/14 financial year due to long service leave.

Acting General
Manager
Planning &
Governance

Chris Wightman*



Chris's portfolio includes:

**Acting Manager Council
Operations, Legal Counsel** – Stacey
Greenwood*

- Council Operations – Legal Council
- Property and Statutory Services

Manager Finance - Matthew Rogers*

- Property and Rates
- Procurement
- Financial Services
- Payroll

**Acting Manager Community
Relations** - Emma Lewis

- Communications
- Community Engagement

Acting Manager Future Planning -
Gail Gatt*

- Strategic Planning
- Urban Growth

Manager Statutory Planning –
Debbie Tyson*

- Statutory Planning
- Building Services
- Environment Sustainability



3.3

OUR EMPLOYEES

Employee Profile

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. We value and celebrate the contribution of our people, working together in a spirit of honesty, teamwork and trust. Our priorities are formally described in the Latrobe City 'People Plan'.

As of 30 June 2014, Latrobe City Council employed 1,017 employees, comprising full time, part time and casual employees. The number of equivalent full time positions is 553.



LATROBE CITY STAFFING LEVELS

| | 2011/12 | | 2012/13 | | 2013/14 | |
|------------------------|------------|------------|-------------|------------|-------------|------------|
| | ACTUAL | FTE | ACTUAL | FTE | ACTUAL | FTE |
| Full Time | 338 | | 401 | | 350 | |
| Part Time | 372 | | 354 | | 404 | |
| Casual | 223 | | 260 | | 263 | |
| Total Employees | 933 | 518 | 1015 | 555 | 1017 | 553 |

WORKFORCE PROFILE

| | 2011/12 | 2012/13 | 2013/14 |
|------------------------------|---------|---------|---------|
| Female | 74% | 74% | 74% |
| Male | 26% | 26% | 26% |
| Senior Officers ¹ | 1.7% | 1.7% | 2.1% |

¹ In accordance with the Local Government Act 1989

WORKFORCE BY AGE AS AT 30 JUNE 2014

| | 2011/12 | 2012/13 | 2013/14 |
|-----------------|---------|---------|---------|
| 17-30 year olds | 23% | 25% | 22% |
| 31-50 year olds | 41% | 43% | 42% |
| 51-70 year olds | 35% | 33% | 35% |
| 70 + year olds | 1.0% | .9% | 1.0% |

STAFF TURNOVER RATES

| | 2011/12 | 2012/13 | 2013/14 |
|----------------------------|---------|---------|---------|
| Turnover rate ² | 7.2% | 4.7% | 12.0% |

² Including seasonal and casual staff

Latrobe City Council's turnover of employees for 2013/14 was 12 per cent which was an increase from the previous period. Council carefully reviews feedback from departing employees to identify any issues leading to their departure.

WORKCOVER

The health and safety of employees continues to be a leading priority.

| | 2011/12 | 2012/13 | 2013/14 |
|------------------------------|-----------|-----------|-----------|
| Standard claims | 9 | 16 | 13 |
| Minor claims | 8 | 7 | 5 |
| Claims closed | 4 | 18 | 8 |
| Total claims received | 17 | 23 | 18 |

Latrobe City Council's WorkCover insurance premium for 2013/14 was \$1,188,807 which was an increase of \$261,233 compared with 2012/13.

Equal Employment Opportunity (EEO)

Latrobe City Council is committed to providing a workplace environment free from discrimination, harassment and bullying. All employees, contractors, volunteers and agents are entitled to be treated fairly and equitably on the basis of their abilities and merit. To support a discrimination free workplace, training for leadership staff, frameworks and procedures and a Corporate Induction Program are provided.

Employee Assistance Program

Council understands the importance of providing effective support services to its staff. The Employee Assistance Program is a confidential and professional source of support, accessible to all staff. Counselling and coaching sessions are confidential, short-term and solutions focussed.

Industrial Relations

Latrobe City Council Enterprise Agreement 2012- 2015 was negotiated, submitted and subsequently approved by Fair Work Australia in August 2012 with an expiry date of 30 July 2015. The organisation also works with a consultative committee that meets quarterly to proactively and collaboratively monitor the progress of the agreement.

Learning and Development

We are committed to providing employees with high quality and diverse learning and development opportunities. The skills and knowledge obtained support employees to work effectively and contribute to the organisation's success, providing excellent outcomes for our community.

Employees can undertake internal and external programs as well as study providing a diverse range of opportunities. Programs range from an introduction to leadership through to technical skills development.

Learning and development initiatives support attraction and retention of our workforce.

During 2013/14, Latrobe City's learning and development opportunities for employees included:

- 122 Employees completed internally facilitated leadership programs (compared to 101 in 2012/13)
- 24 Employees completed externally facilitated programs (compared to 18 in 2012/13)
- 14 Employees were supported to undertake tertiary and further education through the Latrobe City Council's Study Assistance Program (compared to 20 in 2012/13)

Careers@Latrobe

A broad range of career options are available at Latrobe City Council. During 2013/14 we recruited for 160 positions. Positions consisted of temporary and permanent roles for casual, part time and full time positions to meet seasonal and peak service delivery requirements.

Current vacancies are advertised on Latrobe City Council's website: www.latrobe.vic.gov.au/Careers and through a variety of other advertising media.



3.4

AWARDS & RECOGNITION

External Recognition

Latrobe City Council promotes a culture of performance excellence, continuous improvement and innovation resulting in great outcomes for our community. Awards achieved by business units and individual officers during 2013/14 include:



Image credits (left to right, top to bottom):
Australian Garden Project in China,
Award for Excellence, Latrobe City Council
employees Joanne Brunt and Steve Tong,
Neil Cooper, Fraser Orr, Latrobe City Council
Annual Report 2012/13.



JOANNE BRUNT

COORDINATOR EMPLOYMENT DEVELOPMENT

Wurreker Award, Local Government Employer – October 2013

Awarded by the Victorian Aboriginal Education Association Incorporated (VAEAI), for recognition of Latrobe City Council's contribution to growing success in Aboriginal employment, education and training.

The Wurreker award recognises how high quality training can open up new directions for Aboriginal people. This promotion of excellence provides an inspiring example of the potential within our communities and has a real impact on all stakeholders who support the ongoing development of the strategy.

National Awards for Local Government Category Winner, Youth Employment – June 2014

This award was presented for the Steps to the Future Indigenous Employment Program. The award recognises the effectiveness of the Indigenous Employment program in supporting Young Aboriginal and Torres Strait people to gain ongoing employment. The program provides support for trainees through mentoring, work placements and support to employers.

National Awards for Local Government Award for Excellence – June 2014

Awarded in recognition of the Latrobe City Council's highly successful Steps to the Future Indigenous Employment Program that was judged the winner in the Youth Employment category. The Award for Excellence is presented to the initiative judged to be the most outstanding from the six category winners.



NEIL COOPER

GENERAL MANAGER LATROBE REGIONAL AIRPORT

Award for Individual Excellence – September 2013

Awarded by the Australian Airports Association for "Contribution to the Airport Industry in willingly providing advice and assistance to other member airports".



FRASER ORR

BUILDING SURVEYOR INTERN

2013 Holmesglen Outstanding Student Award, Higher Education – March 2013

Latrobe City Council's Fraser Orr was recognised as a top three finalist in the higher education category for his academic achievements while studying his Graduate Diploma of Building Surveying with Latrobe City Council. The higher education category takes into account all students studying at or above degree level.

Graduate – Regional Building Surveyor Internship Program – April 2014

Fraser Orr was one of five Victorian interns to complete this program sponsored by Regional Development Victoria and the Victorian Building Authority. This two year program was designed to enable rural and regional councils to recruit and educate talented young individuals. In order to fast track their development into competent and capable building surveyors, interns are exposed to various aspects of building control functions.

ARTS, EVENTS, TOURISM & INTERNATIONAL RELATIONS

Single Project - Australian Garden Project – November 2013

Awarded by Sister Cities Australia National Awards for establishment of the Australian Garden in our sister city Taizhou, China.

The annual award recognised the most outstanding and imaginative project that furthers the development of the local sister cities program within the community.

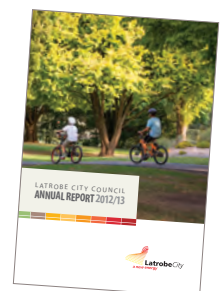
Youth Project – Youth Sports Exchange Program – November 2013

Awarded by Sister Cities Australia National Awards for a significant youth project which encouraged and stimulated youth participation in the local sister cities program.

CORPORATE STRATEGY DEPARTMENT

Australasian Reporting Awards Local Government Category Bronze Award – June 2014

Awarded for the *Latrobe City Council Annual Report 2012/13*



Internal Recognition - Excellence Awards

Latrobe City Council recognises that the contribution of employees is vitally important to the success of the organisation. Latrobe City Council has a Frequent Striver Program established to recognise employees who continuously strive for organisational excellence and recognises performance that exceeds expectations over and above position requirements.

During 2013/14, 126 Frequent Striver awards were presented to employees throughout the organisation.

Recognising Years of Service

Latrobe City Council is proud of the commitment and dedication of employees and the contribution they make to local government and the community. In line with the People Plan commitments to Value and Celebrate, the 'Years of Continuous Service Employee Recognition Operational Framework' was implemented during 2013/14 setting out guidelines to formally recognise our loyal employees with substantial continuous years of service with Latrobe City Council.

A number of employees have dedicated significant years of service to the organisation with just under 300 employees recognised in the first ceremony held on 29 August 2013 for their long serving contribution at the completion of 10, 15, 20, 25, 30, 35 and 40 plus years of service with Council.

During 2013/14, 55 employees celebrated notable lengths of service with Latrobe City.



Image credits (left to right, top to bottom): Latrobe City Council's 'Team Latrobe', Latrobe City Council Early Learning Centre and Meals on Wheels volunteers.

H.O.W

The Healthy Organisation Working Group (HOW) focuses on healthy eating, physical activity, mental health and wellbeing and help to stop smoking to assist staff to feel and perform even better at work.

During 2013/14 HOW implemented a range of activities and initiatives for staff including:

A renewed strategic direction

- The updated Healthy Organisation Workgroup Operational Framework and key principles was adopted.
- The renewed strategic direction was launched at a special event, where a HOW themed photobooth was hosted, future HOW activities discussed, a healthy competition launched and a healthy staff breakfast.
- Registered to participate in the Healthy Together Victoria, Achievement Program – Workplaces.
- The 'Workplace Health Check' program, which included 128 employees participating in health checks during 2013/14, was promoted and implemented.

Promotion of physical activity through events such as:

- 'Team Latrobe' running group culminating in participation in a local marathon event.
- Promotion of Premier's Active April, which saw 860 people across the municipality register for the month long event - a significant increase on the 200 from the previous year.
- Involvement in the launch of the sit-stand workstation initiative.
- Support of Cycling Challenge with incentives for participants and healthy catering provided.

Healthy eating initiatives included:

- Provision of healthy food options at the National Tree Planting Day event for staff.
- Masterchef 'Healthy Lunchbox' cooking initiative delivered with demonstration, tastings and recipes provided.

HOW aimed to increase the focus on mental health and wellbeing, through:

- Support of Laughter Workshops held in August 2013.
- Provision of massage to staff at a subsidised rate, to reduce stress and tension and provide reward and recognition to those assisting HOW.



3.5

CONNECTING WITH OUR COMMUNITY

Have your say

Latrobe City Council promotes community consultation activities in a number of ways to ensure our community is well informed and has the opportunity to have a say on the projects and initiatives that interest them. Some of the channels available to inform community members of community engagement activities include:

- 'Have your Say' section of the Latrobe City Council website.
- Community Sounding Board newsletter, available in email and hardcopy (90 members registered in 2013/14).
- Council Noticeboard in Latrobe Valley Express
- Public notices / advertisements in target print media.
- Links on Latrobe City Council social media pages.
- Personal invitation to target audiences.
- Face to face advice.

Latrobe City Council recognises that community members have different preferences for how they provide their feedback. Methods regularly available to support community participation include:

- Online surveys, polls and submissions.
- Hard copy surveys and submissions.
- Telephone surveys and discussions.
- One-on-one meetings with Latrobe City Council officers.
- Meetings with key stakeholders, community groups and individuals.

The methods available for community engagement participation and providing feedback vary dependent on the community engagement strategy adopted for the project/initiative.

During 2013/14 there were 27 'Have your Say' pages on Latrobe City Council's website requesting community participation on a range of strategies, plans, local laws and projects, including:

- Draft 2014-15 Budget (Excluding Fees & Charges) and 2014-18 Strategic Resource Plan.
- Latrobe Planning Scheme Review.
- Draft Latrobe Heritage Strategy.
- Natural Environment Sustainability Strategy for 2014-2019.
- Local Law No. 1 Amendment.
- Churchill West Development Plan.
- Review of Community Engagement Plan.



3.6

COMMUNITY PARTNERSHIP HIGHLIGHTS



Welcoming New Citizens

Welcoming new citizens is one of the highlights on the calendar for the Mayor who attended all six ceremonies (including a special Australia Day ceremony on 26 January 2014) to confer citizenship on the new citizens. The Mayor was joined by local members of state and federal government and Latrobe City Council's Youth Mayor (for 2014), Tearna Schumann, to officially welcome the new citizens before family and friends.

During 2013/14, 203 candidates, including 148 adults and 55 children, received Australian Citizenship. The predominant country of birth was India and Sudan, followed by the Philippines and the United Kingdom.

Citizenship Ceremonies are coordinated by Latrobe City Council on behalf of the Department of Immigration and Citizenship and in liaison with the Australian Electoral Commission.



Fire Prevention Assistance

Latrobe City Council's Municipal Fire Prevention Team and Home and Community Care (HACC) services undertook a unique initiative, identifying and assisting vulnerable community members living in high risk bushfire environments within Latrobe City.

Following the identification of these community members, an inspection of their properties was completed by Council Fire Prevention officers. Thorough inspections of the fire risks were undertaken and appropriate treatment options were recommended.

By utilising available HACC services funding, contractors were then engaged to assist these community members to make their properties safer in the event of being impacted by bushfire.

This initiative is a first for Latrobe City, where Latrobe City Council's Fire Prevention and HACC services worked together to assist vulnerable community members.

Image credits (left to right): above; Latrobe City Council Citizenship Ceremony participants, Sister Cities Festival 2014, Latrobe City Children's Expo, below: Latrobe City Council Citizenship Ceremony participants, Latrobe City landscape, Jaime Oliver's Ministry of Food participants, face painting at the Latrobe City Children's Expo.



Jamie Oliver's Ministry of Food

Jamie's Ministry of Food was an initiative that Healthy Together Latrobe (a partnership between Latrobe City Council and Latrobe Community Health Service) and the Victorian Government supported to help address overweight (34.2%) and obesity (19.7%) levels (source: Victorian Population Health Survey 2008) within Latrobe City. Initiatives such as Jamie's Ministry of Food Mobile Kitchen support our community to develop the skills, knowledge and confidence to prepare and enjoy great tasting, healthy meals.

Jamie's Ministry of Food van rolled into town in September and over the course of its stay, more than 450 people participated in the cooking courses or volunteered their time to help. There were two cycles of cooking courses and the people who attended came from all walks of life. Their main motivation was to learn to cook simple, nutritious meals but everyone who attended took something unique from the experience.

"Providing a program that inspires our participants to get into the kitchen and cook healthy meals from scratch, using fresh ingredients is what our kitchen is all about. Participants walk away from our program with one of life's most important skills – the knowledge and ability to cook, how to shop and how to enjoy food in a way that benefits them and their families."

Emma Hannah, Food Trainer Jamie's Ministry of Food

Latrobe City Children's Expo

The fourth Children's Expo was delivered at Kernot Hall in October 2013.

Latrobe City families and children flocked to the free event for entertainment, fun and information on services and activities that are available to them. The event demonstrated the extensive Early Years network that exists in Latrobe City made up of families, community groups, services, businesses and government bodies. The Children's Expo demonstrated that we share the responsibility of building a better future for children and their families.

Latrobe City Council acknowledges its Children's Expo event partners: Best Start, GippsTAFE, Department of Education and Early Childhood Development, and Children's Week Council of Australia.

3.7

OUR VOLUNTEERS

18 per cent (just under 10,500) of Latrobe City residents reported participating in voluntary work in the latest Australian Bureau of Statistics Census (2011). In addition to benefitting many people, volunteering strengthens our whole community while keeping people active and connected to each other.

High Tea Celebrations for Morwell Meals on Wheels Volunteers

Latrobe City Council held a “Thank you High Tea” for Meals on Wheels volunteers who supported Morwell Meals on Wheels clients throughout the Hazelwood Mine Fire event. Acting General Manager Community Liveability, David Elder, thanked volunteers for their support to clients; for delivering meals and also monitoring client wellbeing while smoke and ash impacted the community.

As part of the celebrations the retirement and birthday of Ada Pigot was recognised – Ada not only turned 90 but had volunteered for Morwell Meals on Wheels for over 30 years, as well as supporting other numerous organisations in the community – Probus, Council of International Women and Central Gippsland Retired Persons Association.

Ada was presented with flowers, a gift and a cake to celebrate the occasion.



Latrobe Says Thanks

The ‘Latrobe Says Thanks’ event, held in May 2014, was an opportunity for members of the community to thank some of the wonderful Country Fire Authority volunteers involved in the fire-fighting effort during the Hazelwood Mine Fire and see the fire trucks up close.

As well as offering the community a chance of a relaxing afternoon, to browse the stalls, mingle and have some family fun time, it was also an opportunity to reflect on the superb efforts that the fire-fighters put in during the fire season.

The event was supported by GDF Suez, TRFM and Gold 1242, and included a variety of activities, stalls and entertainment along with food and drink. With approximately 1500 people attending, the event held in the Latrobe City Council corporate headquarters car park, included a party atmosphere, street performers, children’s activities and food stalls.







3.8

CONNECTING WITH OUR YOUTH

Youth Council

The Latrobe City Youth Council provides an opportunity for local young people to meet regularly and express their views on issues that affect them and their peers. The program aims to increase civic participation by local youth and develop their knowledge of issues that affect young people at federal, state, local government and community levels.

Youth councillors are appointed for a calendar year with a membership of up to 15 positions. The group is drawn from a range of schools, towns and ages to ensure youth councillors are representative of the diverse range of young people that reside in Latrobe City. Youth Council meetings are held fortnightly during school terms.



Image credits (top to bottom): Latrobe Says Thanks event, Latrobe City Youth Council 2014, Latrobe City Youth Council 2014 meeting with skate park users.

2013 YOUTH COUNCIL JUNE 2013 – DECEMBER 2013

Twelve young people were recruited to the 2013 Youth Council Program.

Youth Councillors:

- Samantha Heatherington
- Tearnna Schumann
- Hayden Stephens
- Matthew Bayley
- Marley Kincaid
- Tiffany Russell
- Josie Slater
- Andrew Dacton
- Crystal Bertoli
- Tim Beattie
- Daniel Frost
- Rory Smith

Key achievements included:

- Participation in the 2013 Sister Cities Youth Conference held in Broken Hill, New South Wales, where representatives had the opportunity to share ideas and expand their awareness of youth issues at a national level.
- Remembrance Day services held at the Morwell RSL.
- Re-development of the second version of the Youth Info Card which provides information on local support agencies and services for young people aged 12 to 25 in Latrobe City.
- A visit to Parliament House, Victoria with the opportunity to meet with Russel Northe, MP and other Victorian MP's to debate youth issues.
- UN-Youth Evatt Debating competition.
- Discussion with the Latrobe City Environmental Health Unit about local issues.
- Attended the Clean Coal Victoria presentation at the Premier Function Centre, Traralgon.
- Assisted the Community Development Team at the Community Safety Forum in October 2013.
- Attended the Halogen 10,000 Idea State Youth Conference.

2014 YOUTH COUNCIL JANUARY 2014 – JUNE 2014

Fourteen young people were recruited to the 2014 Youth Council Program.

Youth Councillors:

- Samantha Heatherington
- Tearnna Schumann
- Tim Beattie
- Daniel Frost
- Rory Smith
- Gregory Evans
- Nathan Smith
- Daniel Lithgow
- Natasha Exell
- Brodie Logue
- Kristen Schumann
- Arron Smith
- Luke Smith
- Harmony Nolan

Key achievements included:

- Presenting the young Australian of the year award at the annual Australia Day service held at Kernot Hall, Morwell.
- Youth Council was represented at several ANZAC Day services within the Latrobe area, performing a major role once again with the Morwell RSL.
- Participate in an awareness session hosted by Latrobe Community Health Services on the value of Social Connectedness around Volunteering as part of National Volunteers week.
- The opportunity to interact with several Latrobe City skate park users which allowed in-depth discussions on what is good and what could be improved with our local skate parks.
- Met with representatives from Latrobe Community Health Services to learn about problems and local issues caused by gambling.
- Met with representatives from Latrobe Regional Hospital Mental Health Unit to learn about the issues faced by Latrobe City residents who experience mental health issues.



Youth Leadership Program

The Latrobe City Youth Leadership Program aims to empower and build the capacity of local young people through a nine-month leadership program. The program covers leadership styles, identifying strengths and personal growth areas, networking with community leaders, investigating career options and making new friends.

Latrobe City Council thanks the following participants for their commitment to the program:

- Riley Smith
- Glen Robinson
- Sharni Bennett
- Tanika Bottomley
- Carly Talbot
- Nathan Smith
- Kristen Schumann
- Gregory Evans
- Daniel Lithgow
- Natasha Exell
- Brodie Logue

Key topics covered included:

- **Diversity within the Community**
Students had the opportunity to learn about differences within the local population, including presentations from Vision Australia and Deaf Access Victoria. Experiences with mental illness were spoken about and a presentation was given about life growing up Koorie.
- **Monash University/Federation University**
The students had the opportunity to experience life at the Gippsland Campus, having the chance to attend several lectures including, Primary Education, Science and Visual Arts.
- **Parliament House**
Students had the opportunity to visit Parliament House, Victoria with a guided tour by local member, Russel Northe, which was followed by an informative discussion around youth issues.
- **Public Speaking**
Students learnt the art of structuring a speech, and were provided with an opportunity to refine their skills and overcome their fears when speaking to a large audience or during interviews.
- **Community Engagement Program**
Students visited a local Early Learning Centre allowing them to interact with some of the younger members of the community. This was followed by an in-depth presentation by the Latrobe City Home and Community Care services.

2014 Youth Leadership Program

During 2014 the Youth Leadership Program, which has run for almost twenty years, was reformatted and improved with the focus to engage with local skate park users, something which previously had not been done.

In partnership with YMCA Action Sports and Victorian Skateboarding Association, Latrobe City Council will manage the Latrobe Skate and BMX League (LSBL) facilitated by the Youth Leadership Programs at various skate parks throughout the Latrobe City local government area during 1 January - 31 December 2014.

The new leadership program, named Latrobe City Skatepark Committee, has a clear focus on learning outcomes and measurable objectives and was recruited through various means including; presentations at local secondary schools, various youth service providers, advertisements in the local paper and social media. The most productive recruitment activity was word of mouth around the skate parks.

Several training days were held for program participants in early 2014, with the focus on building the capacity of each individual within the group and encouraging the ability to deliver four skate park events in Latrobe City by December 2014.

Program Purpose:

Unlike other recreation facilities, skate parks and their associated sports do not use club structures or a formal process to engage patrons and the broader community. The purpose of the LSBL is to provide a formal process and build capacity of young people that patronise skate parks within local communities.

This is achieved by:

- Conducting sports specific training including, but not limited to, coaching, officiating and event management.
- Developing skate park "Volunteer Committees" and connecting them through LSBL events.
- Delivering a series of consistent structured events that celebrate the skills and talents of young people and athletes on a local and regional level.

Up to June 2014, Latrobe City has engaged with over 1000 young people who visit and use the various Latrobe City skate parks and has hosted four major skate park events, all of which were extremely well attended by both males and females aged between 6 – 35 years of age:

- Saturday 5 April 2014
- Sunday 27 April 2014
- Friday 30 May 2014 (under lights)
- Saturday 14 June 2014

Youth Sector Activities July 2013 – June 2014

- Hosted the Victorian Regional FReeZA Summit.
- **A key contributor to the continuation of RYAN (Regional Youth Affairs Network) on a quarterly basis.**
- Assisted "BlaK MistiQ" - an indigenous dance program for secondary school-aged females with seeking funding opportunities.
- **Hosted the Annual Gippsland Regional Round of the Evatt Trophy - a Victorian UN-Youth debating competition.**
- Supported Headspace to deliver the FReeZA program.
- **Supported CREATE foundation by attending monthly meetings.**
- Facilitated the monthly (Latrobe Youth Network) LYN meeting.
- **Attended regular (Gippsland Youth Commitment) GYC Transition and Re-engagement meetings.**
- Hosted and assisted the delivery of "Deadly Health Race" - a health awareness program for indigenous secondary school students.
- **Attended monthly Advisory Committee – Gippsland Youth Leadership and Participation Project.**
- Assisted with the Road Safe Bike Challenge.
- **Attended bi-monthly L2P Program Steering Committee Meeting.**
- Participated in the Clean Coal Victoria Consultation.
- **Presented on the role of Local Government to the Commercial Road Primary School, Morwell.**
- Presented on the role of Local Government to the Crinigan Road Primary School, Morwell.
- **Presented on the role of Local Government to the Moe and Newborough Primary Schools.**
- Presented on the role of Local Government at the Gippsland Education Precinct (GEP).
- **Worked with (Baw Baw Latrobe Local Learning and Employment Network) BBLEN on the various projects.**
- Assisted with KEMPE "Read the Play" program
- **Monthly participation with the "StraightTALK" Program run by The Smith Family.**
- Participated as an active member of the monthly LV Sports and Recreation Network Meeting hosted by Latrobe Community Health Services.
- **Assisted with the Victorian Regional Living Expo.**
- Assisted students to gain work experience hours.
- **Attended the Bass Coast Youth Service Providers Meeting.**
- Attended the Baw Baw Youth Service Providers Meeting.
- **Attended the Wellington Youth Service Providers Meeting.**

3.9

COMMUNITY GRANTS 2013/14



Latrobe City Council's Community Grants Program assists not-for-profit, largely volunteer, community-based organisations to implement projects and activities which meet identified community priorities that benefit Latrobe City residents by:

- Strengthening community connections
- Developing an accessible and inclusive community
- Encouraging community initiatives that promote self-sufficiency and innovation, and
- Helping to strengthen local participation in the planning and implementation of services.

MINOR CAPITAL WORKS

1st Glengarry Scouts - Replace deck on scout camp accommodation building

1st Newborough Scout Group
- Plumbing upgrades

1st Traralgon Scout Group
- Upgrade hall key locking system

1st Yinnar Scout Group - Electrical works

Adrenalin Paintball Club (Vic) Inc.
- Club house refurbishment

Advance Morwell Inc.
- Replacement of missing rose plants in CBD tubs, planting other plants in season

Australian Breastfeeding Association, Latrobe Group - Gazebo shelters

Boolarra Folk Festival Committee - Old Boolarra post office restoration project

Boolarra Memorial Hall Inc.
- Safety floor covering in men's toilets

Boolarra Pony Club Inc.
- Construct equestrian dressage arena

Cameron Street Pre-School
- Large play equipment

Carinya Preschool - Bike track and path

Churchill Bowls Club Inc. - Construct suitable toilet and kitchen facilities and improve access for people with disabilities

Churchill Preschool - Concrete path

Cooinda Hill Inc. - New oven

Cumberland Park Kindergarten
- Playground refurbishment

Eastern Valley Street Rodders Inc.
- Refurbishment of KC Wombat Building Crinigan South Reserve

Falcons 2000 Soccer Club
- Supply of maintenance materials

Flynn Tennis Club
- Veranda replacement on club rooms

Friends of Traralgon Railway Reservoir
- Conservation Reserve - Fencing of reserve in Hickox Street

Gippsland Acoustic Music Club Inc.
- Portable roll and fold staging

Glendonald Park Preschool
- Learning through play equipment

Glengarry Cricket Club - Top dressing of Fred King Oval, Glengarry Recreational Reserve

Glengarry Recreation Reserve Committee of Management - Self-propelled sprinkler

Good Beginnings Australia - Storage shed

Gormandale Cricket Club - New synthetic surfaces for two practice wickets

Hazelwood & Churchill Past Players & Officials Association

- Wireless electronic scoreboard

Hazelwood Cemetery Trust
- New lawn beam

Kay Street Preschool Parents Committee
- Grid-connected solar power system

Latrobe Cricket Club
- Perimeter fencing at Maryvale Reserve

Latrobe Orchestra Inc. - Portable public address / amplification equipment

Latrobe Theatre Company - Portable mirrors

Latrobe Valley Hockey Association Inc.
- Hockey facilities - coaches boxes

Latrobe Valley U3A Inc.
- Laptop computer, printer and software

Latrobe Valley Umpires Association
- Lighting upgrade of ground

Latrobe Valley Volleyball
- Electronic timer

Latrobe Valley Water Ski Club
- Refurbishing of ski jump

Lions Club Of Moe Inc.
- Renovation and maintenance of playground

Maryvale Crescent Preschool
- Soft landings for playground

Moe Amateur Swimming Club Inc.
- Banners and a gazebo shelter

Moe And District Netball Association Inc.
- PA system

Moe Cricket Club
- Bollard & safety rail upgrade

Moe Early Learning Centre Preschool
- Spare parts storage unit

Moe Football Netball Club
- Goal post safety netting

Moe Golf Club Inc.
- Painting external of clubhouse

Moe Lions Junior Football Club Inc.
- Behind the goal safety nets at Ted Summerton Reserve

Moe Little Athletics Centre
- Wireless timing gates

Moe Neighbourhood House
- Disability access project

Moe Pony Club Inc.
- Roller doors for new shed

Moe Senior Citizens Inc.
- Air conditioning unit

Monash Soccer Club
- Safe & secure storage with shelter

Morwell Cricket Club
- Change rooms upgrade

Morwell Croquet Club Inc.
- Split system air conditioner

Morwell Football Netball Club
- Social rooms flooring upgrade

Morwell Seniors Club
- Carpet bowling mat

Morwell Tennis Club
- Split system air conditioner

Morwell Town Common Development Plan Project Control Group
- Morwell town common historical sign

Newborough Bulldogs Junior Football Club - Tiered spectator seating

Newborough Football Netball Club
- Spectator shelter

Newborough Urban Fire Brigade
- Lighting equipment

Possums Of Yinnar Playgroup
- Equipment and craft materials

Rotary Club Of Morwell
- Installation of power supply outlets

St John Ambulance Latrobe Combined Division
- Defibrillators for use at community events

St Vincent's Cricket Club
- Synthetic cricket pitch

The Lions Club Of Traralgon Inc.
- LED lighting Loy Yang Latrobe Community Sound Shell

Toongabbie Mechanics Institute Committee Inc. - Rebuild entry ramp

Toongabbie Recreation Reserve Committee Inc.
- Landscaping old butter factory site

Traralgon & District Agricultural Society
- Updating of cladding on the pavilion wall

Traralgon & District Pony Club Inc.
- Ride on mower

Traralgon Baseball Club
- Upgrade batting cages

Traralgon Community Toy Library
- Shelving units

Traralgon Croquet Club Inc.
- New vehicle access gate

Traralgon East Senior Citizens Centre
- Carpet bowls mat

Traralgon Girl Guides - Kitchen upgrade

Traralgon Golf Club
- Clubhouse roofing renovations

Traralgon Olympians Soccer Club
- Portable goals

Traralgon Playgroup
- Painting of building - external

Traralgon Soft Tennis & Walking Group
- Portable PA system with wireless microphone

Traralgon South Hall Committee
- Replacement of stoves in kitchen

Traralgon South User Group
- Solar power system

Traralgon Swimming Club
- New website for Traralgon Swimming Club

Traralgon Tyers United Football & Netball Club Inc. - Tyers Recreation Reserve master plan enhancement project - part 3

Traralgon West Playgroup - Bike shed

Twin City Archers Gippsland Inc.
- Disabled access paths

Tyers Soccer Club - Tyers Recreation Reserve master plan enhancement project -part 3

Tyers Tennis Club - Tyers Recreation Reserve master plan enhancement project - part 3

West Traralgon Scouts - Replace weather boards and painting

Yallourn Association
(Run By Yallourn Old Girls' Association)
- Yallourn reunion banners for photos display

Yallourn Golf Club
- Upgrade watering system

Yallourn Newborough RSL Sub Branch
- Anzac centenary lighting project

Yallourn North Bowling Club
- Upgrade lighting

Yallourn North Cricket Club
- Upgrade of cricket nets

Yallourn North Elderly Citizens Club
- New fridge

Yallourn North Kindergarten
- Outdoor table and bench seats

Yallourn North Playgroup
- Storage shed shelving

Yinnar Bowls & Recreation Club Inc.
- Solar panels

Yinnar Preschool - Play equipment upgrade

Yinnar Recreation Reserve Committee
- Replacement of community BBQ'S

Yinnar Tennis Club
- Tennis net replacement

EVENTS

Art Resource Collective Inc. (Arc Yinnar)
- Fibre/textile art exhibition

Association Of Filipinos
- Australians In Gippsland - The Austral-Asia Quest 2013 & Filipino Fiesta 2013

Boolarra Pony Club Inc.
- Boolarra Pony Club gymkhana

Central Gippsland Kennel Club Inc.
- Central Gippsland Kennel Club Inc. Championship Show

Churchill & District News
- Junior fishing competition

Churchill Neighbourhood Centre Inc.
- Gumleaf Quilters 5th biennial quilt & craft exhibition

Filipino Seniors & Carers Support Group Of Gippsland Inc.
- Multicultural seniors celebration

Fil-Oz Senior Citizens In Gippsland
- Harmony Day/international food festival

Gippsland Australian Muslim Community Inc. - Eid Ul Adha festival

Gippsland Indonesian Australian Association Inc. - 68th anniversary of the Indonesian - independence (1945 - 2013)

Grand Strzelecki Track Inc.
- Duncan Orr Memorial run

Italian Australian Bocce Club
- Latrobe City mixed triples bocce classic championships

Italian Australian Coordinating Committee Of Gippsland
- Ballo Della Repubblica - celebrating Italian National Day

Latrobe Valley Mixed Dart League Inc.
- Darts Victoria Latrobe Classic

Latrobe Valley Philatelic Society Inc.
- Annual stamp and coin fair

Latrobe Valley Veterans Badminton LVBA Inc. - Latrobe Valley Victorian Teams Event

Latrobe Valley Yacht Club Inc.
- Sailing - open day

Moe Bowling Club Inc.
- Latrobe City Classic Pairs and Latrobe City Ladies Classic Pairs

Moe Traders Association
- Moe schools superstar

Morwell/Traralgon Kennel Club Inc.
- All breeds championship dog show

Pistons Car Club
- Hazelwood car and bike show

Polish Community Council Of Victoria
- Latrobe Valley Polish Seniors Club 25th year jamboree & seniors picnic

Traralgon And District Art Society
- Latrobe Valley Art Societies exhibition

Traralgon Fire Brigade
- Traralgon Fire Brigade 125th anniversary

Traralgon Harriers Athletics Club
- 47th Traralgon marathon running festival

Tyers Art Festival - GDF Suez Australian Energy 34th Tyers Art Festival

COMMUNITY DEVELOPMENT

Buddy Bear Volunteer Sewing Group
- Volunteer sewing program

Churchill And District News
- Churchill and District News publication

Gecc-Gippsland Interfaith
- "Talking faith" program

Gippsland Asbestos Related Diseases Support Inc. (GARDS)
- GARDS/ACV asbestos newsletter

Gippsland Ethnic Communities' Council
- Effective communications relating to CALD and religious communities

Gippsland Indonesian Australian Association Inc - Using music as an expression of cultural harmony

Gippsland Rainbow Collective Incorporated
- Community visibility project 2013/14

Gippsland Sudanese Association
- Ongoing community activities, volunteer support and small events

Interchange Central Gippsland
- Community newsletter

International Women's Group Inc.
- Monthly and annual community activities

Italian Elderly Citizen Group Morwell
- Promotion of Italian culture, social interaction and support for elderly citizens

Latrobe Valley U3A
- Educational courses to meet the needs of retirees in the Latrobe Valley

Latrobe Valley Volleyball
- Spikezone Program

Life Education Gippsland - Mobile learning centre for Latrobe Valley and Gippsland

Make Moe Glow Inc.
- New Moe visitors guide

Moe Ambulance Auxiliary - Gazebo

Morwell Historical Society Inc.
- Purchase of archiving material

Skateboarding Australia
- Skateboarding Australia Hub Program

The Big Boom Bang
- Latrobe Valley Drumming Inc. Program - Latrobe Valley Drumming

Traralgon And District Art Society Incorporated - Printing of brochures

Traralgon Neighbourhood Learning House - Business plan for Latrobe Valley community shed

Yallourn Association
- Virtual Yallourn website

Young Multicultural Voices Of Gippsland Action Group
- Young multicultural voices of Gippsland

4.0 OUR PERFORMANCE



OUR PERFORMANCE

Performance against the Latrobe City Council Plan 2013-2017

The Latrobe City Council Plan 2013-2017 identifies five themes and supporting objectives which provide the framework for Strategic Directions and supporting Strategies and Plans defining what actions Latrobe City Council will work to achieve. Performance Indicators have also been included to monitor Latrobe City Council's achievement of the objectives of the Council Plan. This section of the report is divided into the five themes providing a detailed account of our performance.

Council's overall progress for 2013/14:

| | | |
|--|-------------------------------------|-----|
| | Number of Annual Actions in 2013/14 | 61 |
|  | Total Annual Actions completed | 72% |
|  | Total Annual Actions in progress | 8% |
|  | Total Annual Actions not complete | 19% |
|  | Total Annual Actions not started | 1% |

The five themes include:



Image credit: Latrobe City Council Local Laws employee.

THEME

1

JOB CREATION & ECONOMIC SUSTAINABILITY



OBJECTIVES

- Actively pursue long term economic prosperity for Latrobe City, one of Victoria's four major regional cities.
- Actively pursue further diversification of business and industry in the municipality.
- Actively pursue and support long term job security and the creation of new employment opportunities in Latrobe City.

STRATEGIC DIRECTION

Provide incentives and work proactively to attract new businesses and industry to locate in Latrobe City.



ACTION

In accordance with the Economic Sustainability Strategy, continue to pursue employment generating opportunities at the Latrobe Regional Airport.

RESULT

During 2013/14 officers worked to attract a number of new businesses to the Latrobe Regional Airport by providing prospectus material detailing the opportunities and facilities that Latrobe Regional Airport has to offer, and making personal contact with a number of aviation related businesses.

Officers have worked closely with Mahindra/GippsAero, the major tenant at Latrobe Regional Airport, to increase their employment capacity. This has been successful with 191 people now employed - a 30% increase over the past year, and extends to include employment and training of apprentices.

STRATEGIC DIRECTION

Work in partnership with business, industry and government to create new jobs and investment in Latrobe City.



ACTION

Commence the review of the 2009 Latrobe Regional Airport Master Plan.

RESULT

Initial consultations with stakeholders have taken place with further consultation scheduled to occur in coming months.



ACTION

In accordance with the Economic Sustainability Strategy, provide assistance to local businesses to grow and expand through referrals, the provision of statistical and site information and relevant funding opportunities.

RESULT

During 2013/14, 507 business development enquiries were received and responded to.

This included:

- 51 new business requests
- 104 on site meetings
- Assistance to 44 businesses in identifying sites and obtaining relevant approvals.



ACTION

Review the Economic Development Assistance Policy.

RESULT

The review of the Economic Development Assistance Policy was completed during the 2013-14 financial year.

Image credit: Latrobe Regional Airport

STRATEGIC DIRECTION

Enhance community and business confidence in the future of the local economy.

ACTION

In accordance with the Economic Sustainability Strategy, present the outcomes of 2014 Gippsland Major Projects and Opportunities Summit to Council.

RESULT

The Gippsland Major Projects and Opportunities Summit was scheduled to be held in February. Unfortunately, during this time, there were significant bushfires affecting the municipality which subsequently, caused many road closures. As a result, the decision to cancel the 2014 Summit was made.



01 JULY 2013 ▶ 30 JUNE 2014

STRATEGIC DIRECTION

Facilitate the creation of an Industrial Park and an Intermodal Freight Terminal in the municipality.

ACTION

In accordance with the Economic Sustainability Strategy, advocate for the creation of an industrial park and the Gippsland Logistics Precinct.

RESULT

A funding application for the development of roads at the Gippsland Heavy Industrial Park has been submitted.

Latrobe City Council liaised with a range of businesses interested in locating on both the Industrial Park and the Gippsland Logistics Precinct.

This initiative will continue in 2014/15 with construction complete in early 2015.



01 JULY 2013 ▶ 30 JUNE 2014

STRATEGIC DIRECTION

Promote research and development for new products and processes to exploit the significant coal resource of the Latrobe Valley.

ACTION

In accordance with 'Positioning Latrobe City for a Low Carbon Emission Future' advocate with state and federal governments for research and development of innovative uses of brown coal resources to be located in Latrobe City.

RESULT

A range of advocacy activities relating to innovative uses of brown coal in Latrobe City were held including consultation between the Latrobe City Council Mayor and the Shadow Minister for Climate Action to discuss low carbon transition actions and Federal Government policy.

ACTION

In accordance with the Economic Sustainability Strategy, actively pursue power generation and brown coal opportunities within Latrobe City and provide business development assistance to energy related industry.

RESULT

Consultations were held with supporters of a range of local projects including those who successfully received funding through the Advanced Lignite Demonstration Program. Assistance was provided to project proponents in many and varied areas including:

- Providing assistance with site selection
- Sourcing approvals from relevant agencies
- Providing local contact details



01 JULY 2013 ▶ 30 JUNE 2014



01 JULY 2013 ▶ 30 JUNE 2017



SERVICE PROFILE

Business Development

Provide business development advice, services and programs in accordance with the Latrobe City Council Economic Development Strategy 2011.

Employment Development

Promote, coordinate and provide training and employment opportunities for aboriginal people.

Latrobe Regional Airport

Maintain, develop and operate Latrobe Regional Airport in accordance with Civil Aviation Safety Authority regulations and the Latrobe Regional Airport Masterplan.

Tourism

Implement recommendations from the Tourism Product Audit and Visitor Information Centre Review.

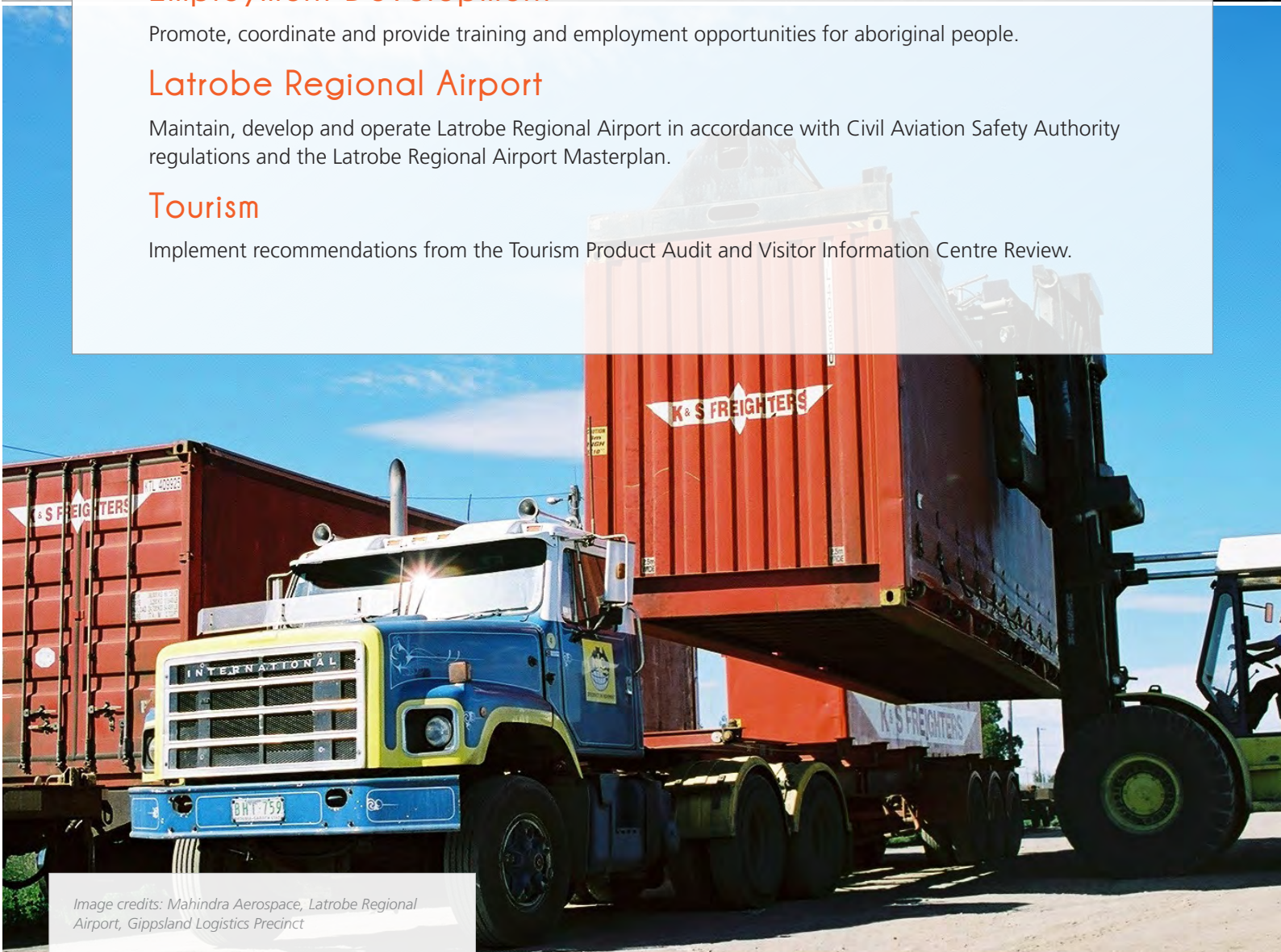


Image credits: Mahindra Aerospace, Latrobe Regional Airport, Gippsland Logistics Precinct



SERVICE PROVISION HIGHLIGHTS FOR 2013/14

- Almost 10,000 people attended the Regional Living Expo held over three days at the Melbourne Convention and Exhibition Centre.
- Responded to 507 business enquiries, an increase from 414 in 2012/13.
- The Latrobe Regional Airport operated in accordance with Civil Aviation Safety Authority regulations.
- Supported the Latrobe City Business Tourism Association to host the People's Choice Awards.
- Supported five funding applications for business expansion, job creation and investment attraction.
- 285 businesses were directly supported by the Economic Development Team.
- Visited 300 businesses in Morwell CBD that were impacted by the Hazelwood Mine Fire and organised a series of workshops to support recovery.

Image credit: Latrobe City Council employees at the Regional Living Expo.

MEASURING OUR PERFORMANCE

2013/14 was the first year that this performance indicator information was collected and therefore, in most cases, will provide the baseline for the establishment for future targets.

| PERFORMANCE INDICATOR | 2013/14 | COMMENTS |
|---|----------|--|
| Number of Council jobs funded through the federal and state government | 133.4 | The ratio of grant funds to employee costs is calculated for each program or project which is supported by government grant funding. This figure is based on the adopted 2013/14 Budget. |
| Number of International, national, state and regional events held in Latrobe City | 435 | The breakdown of events held during 2013/14 included: <ul style="list-style-type: none"> • International: 8 • National: 11 • State/Regional: 39 • Community: 377 |
| Return on investment from Council's contribution to major events held in Latrobe City | 9077% | \$6,581,006 was the total estimated Economic Benefit to Latrobe City From the 2013/14 events that were captured. The cash contribution by Latrobe City Council to these events was \$72,500. Therefore, for every \$1.00 Latrobe City Council spent, the Tourism Victoria methodology suggests the return on investment was \$90.77. |
| Number and value of business expansion, job creation and investment attraction funding applications supported by Council | 5 | Five business expansion, job creation and investment attraction funding applications were supported by Latrobe City Council in 2013/14 to the value of \$1.12 million in government funding and total project value of \$9.42 million. |
| Number of businesses supported through direct contact with Latrobe City Council's Economic Development Department, including factors of attraction, job creation and investment value | 285 | The Economic Development Team supported 285 businesses including 25 industry groups and associations in the 2013/14 financial year providing assistance for 44 site selections, 144 referrals to other departments, attended 104 meetings with businesses and assisted 51 new business enquiries. |
| Annual employment growth rate in Latrobe City benchmarked against other regional cities | -5.26 | During 2013/14, Latrobe City experienced a 5.26% decline in the number of residents employed both within and outside of Latrobe City. Figures for 2013 were 36,576 compared with 38,607 in 2012. The number of Latrobe City residents employed within the municipality experienced an increase in the Health Care and Social Assistance; Public Administration and Safety, Transport, Postal and Warehousing; and Mining sectors. In comparison, the number of residents employed increased in City of Ballarat by 6.49%, decreased in Greater Bendigo by 3.89% and increased in Greater Geelong by 1.68%. Source: REMPLAN Jobs growth rate report, August 2014. |
| Number of trainee and apprentice positions available in Latrobe City each year | 6,861 | The number of trainee and apprentice positions available in Latrobe City for 2012/13 totalled 6,861. The figures for 2013/14 are not available until December 2014. |
| Mean taxable income of residents benchmarked against other regional cities | \$51,498 | Latrobe City experienced an increase in the mean taxable income, from \$47,678 to \$51,498, which represents an increase of 8.1%. In comparison, the mean taxable income in City of Ballarat increased by 5.6%, decreased in Greater Bendigo by 4.8% and increased in Greater Geelong by 5.4%. Source: Australian Bureau of Statistics National Regional Profiles. |
| Percentage change in employment rates by industry sector | 13.30 | Employment rates in Latrobe City increased 13.3% with Health Care and Social Assistance, Public Administration and Safety, Transport, Postal and Warehousing and Mining experiencing over 50% increases in employment between 2012 and 2013. Source: Australian Bureau of Statistics. |
| Number of new business registrations by sector with Latrobe City | 623 | Approximately 623 new business registrations were recorded in Latrobe City for 2013/14. The largest increases were in Construction (18.3%), Other Services (11.9%), Administrative and Support Services (11.0%) and Professional, Scientific and Technical Services (10.4%). Source: Australian Business Register. |

THEME

2

APPROPRIATE, AFFORDABLE & SUSTAINABLE FACILITIES, SERVICES & RECREATION

OBJECTIVES

- To promote and support a healthy, active and connected community.
- To provide facilities and services that are accessible and meet the needs of our diverse community.
- To enhance the visual attractiveness and liveability of Latrobe City.

Develop and maintain community infrastructure that meets the needs of our community.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Progress Council's decision in respect to the provision of Our Future Our Place project for Kingsford Street Reserve Moe, to deliver an affordable housing scheme on the site.

RESULT

The Expression of Interest process to establish developer interest in the project is complete and meetings with interested parties were held and reviewed in August/September 2013. Further engagement with potential development/construction partners was held in January 2014 discussing project agreements with an update provided to Executive Team in June 2014.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Implement year three actions and amendments of the Latrobe City Council Playground Improvement Implementation Plan 2011-2016 to enhance social and health outcomes and improve local neighbourhood amenity.

RESULT

Year three actions of the Latrobe City Council Playground Improvement Implementation Plan 2011-2016 have been delivered. Upgrades, including equipment replacements, shade sail repairs and graffiti removal have been completed across a number of locations including:

- Charles Bond Park, Yinnar
- Jeeralang Avenue Reserve, Newborough
- Alfred Drive Reserve, Yinnar
- Randall Crescent Reserve, Moe
- Berg Street Reserve, Morwell



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Implement actions from the technical audit report for Latrobe Leisure Centres.

RESULT

The actions implemented from the technical audit report during 2013/14 included;

- Latrobe Leisure Moe/Newborough
 - Resurfacing of the Joe Carmody Athletics Track
 - Sauna Heater Replacement
- Latrobe Leisure Morwell
 - Replacement of Hot Water Units
 - Gym Refurbishment
- Latrobe Leisure Traralgon Sports Stadium
 - Re-surfacing of Court 5
 - Refurbished Kiosk/Kitchen/Office Community Group
- Latrobe Leisure Churchill
 - New fencing around the 'Hypo Tanks'



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Deliver the Annual Capital Works Program.

RESULT

Delivered the Annual Capital Works Program consisting of minor and major capital works projects. 58% of the \$41.2 million in the originally planned program was completed during 2013/14. The main factors in the shortfall of \$17.1 million against the original program was caused by delays associated with the Moe Rail Precinct Revitalisation Project (Government funding constraints) and the introduction of a revised procurement policy which caused delays with procurement activities. Projects not finalised are expected to be completed in 2014/15.

ACTION

Progress Council's decision in respect to the delivery of the Moe Rail Precinct Revitalisation Project.

RESULT

External funding totalling \$10.5m has been secured for this project enabling the proceeding of Stage 1 which includes the Civic Hub Building and Plaza.

Town planning issues have been resolved with required re-zoning that supports the project approved.

Land purchase agreements have been negotiated with the tender for the main construction works completed and construction of the Hub and Plaza are expected to commence in August 2014. This project will continue in 2014/15.



ACTION

Commence development of Drainage Asset Management Plan (DAMP).

RESULT

The development of the Drainage Asset Management Plan commenced following the adoption of the Asset Management Strategy. Collation of inventory data and representation of spatial data into Intramaps (Council's Geographic Information System), has been completed. The forecast delivery date for the Plan is December 2015.



ACTION

Progress Council's decision in respect to the delivery of the Gippsland Regional Aquatics Centre in Traralgon.

RESULT

The concept design has been completed following consultation. Currently, a car parking and traffic study is being undertaken to be included in the schematic design of the facility. A funding submission with Regional Development Australia was unsuccessful and other external funding avenues are being investigated.



ACTION

Review the Traralgon Outdoor Recreation Plan to review existing priorities not yet delivered and to identify new priorities for the plan.

RESULT

Consultants were engaged to review the Recreation Plan and, following Community engagement activities in Sept 2013 and March/April 2014, a final plan was developed and adopted by Council at the Ordinary Council Meeting held 30 June 2014.



ACTION

Complete a needs assessment for the Moe Tennis Centre to determine the future requirements for the facility.

RESULT

After extensive community engagement, an assessment was completed on the future requirements of the Moe Tennis Centre, and endorsed by Council in March 2014.



ACTION

Commence implementation of the Latrobe City Public Open Space Strategy.

RESULT

The Public Open Space Strategy includes 52 recommendations. During 2013/14 work commenced on the following master plans –

- Traralgon Recreation Reserve
- Morwell Recreation Reserve Precinct
- Warren Terrace Reserve

Latrobe City Council has been successful in obtaining a number of external funding approvals for priorities identified in the Public Open Space Strategy.

This project will continue in 2014/15.





ACTION

Kilkenny Close, Traralgon – Drainage Easement Acquisition.

RESULT

Preliminary consultations were held with affected landowners with the proposed extent of the acquisition being reviewed in regard to the discharge of water onto adjoining properties. Legal advice was obtained and the acquisition process has commenced. Once finalised, a revised 'Notice of Intention to Acquire' will be sent to property owners.

This project has experienced delays and is now expected to be delivered in the 2014/15 financial year.

STRATEGIC DIRECTION

Promote and support opportunities for people to enhance their health and wellbeing.



ACTION

Develop a Latrobe City Council Public Health and Wellbeing Plan in accordance with the Public Health and Wellbeing Act 2008, and present to Council for consideration.

RESULT

The Latrobe City Council Public Health and Wellbeing Plan, which also involved the development of a comprehensive health and wellbeing data profile for the municipality, was adopted by Council on 2 December 2013 and was formally launched on 13 May 2014 by the Mayor and Ms Georgie Crozier, MLC - Parliamentary Secretary for Health. The launch was attended by 83 plan partners, stakeholders and community members including Minister Russell Northe, MP and Danny O'Brien, MP.



ACTION

Maintain the World Health Organisation (WHO) safe community status.

RESULT

The safe community status was maintained in accordance with the World Health Organisation (WHO).

Two highly successful sessions were held providing the community with information about Alcohol and ICE substance abuse as part of a Safety Forum in Community Safety. Data was gathered and evaluated from across the community and an annual report on Safety Activities within Latrobe City was compiled and submitted to the WHO to maintain Safer Communities accreditation.



ACTION

Review the Latrobe City Council Positive Ageing Plan 2009-2012, which encourages active participation by older people in community life, and present to Council for consideration.

RESULT

Community consultations have occurred. Township consultations are scheduled to commence in July 2014.

The completed review is expected to be presented to Council in December 2014. This action is behind schedule due to extended staff vacancies and is now due to be delivered during the 2014/15 financial year.

STRATEGIC DIRECTION

Encourage and create opportunities for more community participation in sports, recreation, arts, culture and community activities.

ACTION

Progress Council's decision in respect to the provision of a performing arts and convention centre for Latrobe City to enhance Latrobe City's cultural infrastructure and programs and to attract business tourism to our city.

RESULT

A Feasibility Study, Business Case, Concept Designs and Remplan Economic Modelling Assessment have been completed. To further progress, Latrobe City Council is required to advocate to state and federal Government for funding.

ACTION

Develop a Latrobe City Council 2013-2017 Arts Strategy and Action Plan for Council endorsement.

RESULT

A project brief was prepared and funding application with the state government Putting Locals First Program was received. This project has been delayed until the 2014/15 financial year due to insufficient staff resources and workload priorities. The tender process for consultancy is scheduled to be undertaken during July 2014.

ACTION

Deliver the Community Grants Program to support non-for-profit community focussed groups for projects that will assist in the ongoing development of community facilities and to meet the social, recreational and cultural needs of the Latrobe City community.

RESULT

During 2013-14, Community Groups completed and submitted the required paperwork requesting a grant/s. The submissions were evaluated to ensure compliance was met and as a result, 174 Community Groups received grants including:

- 99 Minor Capital Works
- 23 Community Development
- 26 Events
- 26 Venue Hire

For further information on the Community Grants Program, please refer to page 62.

ACTION

Deliver Year 1 Actions of the Latrobe City Events Strategy and Action Plan 2013-2017 to present an exciting and diverse events calendar that benefits our community, economy and profile of our city.

RESULT

Year 1 Actions of the Latrobe City Events Strategy and Action Plan delivered during 2013-14 included Latrobe City hosting and supporting over 377 events including:

- 8 International events
- 11 National events
- 39 State/Regional events
- 17 Significant community and cultural events



Improve and link bicycle paths, footpaths and rail trail networks to encourage physical activity and promote liveability.




01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Finalise the detailed design of the Morwell to Traralgon shared pathway feasibility study to improve connectivity between the two towns.

RESULT

An inspection, survey and detailed preliminary design have been completed following community engagement in August 2013 and Council endorsement in December 2013. Currently a detailed assessment of native vegetation offsets is being undertaken which will confirm final costings for the completion of the project. This project will continue in 2014/15.

Enhance and develop the physical amenity and visual appearance of Latrobe City.




01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Develop and deliver initiatives to improve the visual attractiveness of our towns.

RESULT

Advice has been provided to stakeholders on proposed open space developments for Latrobe City including the development or redevelopment of town entries, parks and existing playgrounds. Regional Development Victoria recently announced funding of \$150k for the beautification of the Morwell Central Business District. This project will continue in 2014/15.

Continue to maintain and improve access to Latrobe City's parks, reserves and open spaces.




01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Review Council's design guidelines to ensure appropriate access for emergency vehicles on Latrobe City roads.

RESULT

Latrobe City Design Guidelines were reviewed and updated to ensure street widths in new residential developments are able to accommodate emergency vehicles.




01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Complete the development of master plans for Morwell and Traralgon Recreation Reserves.

RESULT

Consultants were engaged to undertake master plans for the Morwell and Traralgon Recreation Reserves and, following community engagement activities in Sept 2013 and March/April 2014, a draft master plan has been developed for both sites. The Morwell Recreation Reserve Precinct Master Plan was adopted by Council at the Ordinary Council Meeting held 30 June 2014, however the Traralgon Recreation Reserve Precinct Master Plan requires further engagement with key stakeholders to gain consensus with the recommendations.

SERVICE PROFILE

Aged & Disability Services

Deliver Home and Community Care (HACC) program in accordance with Department of Health guidelines and Disability Service Programs in accordance with the Department of Human Services guidelines.

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.

Civil Works Projects

Deliver civil works projects across Latrobe City in accordance with relevant legislation and guidelines.

Early Childhood Health & Development

Deliver enhanced maternal and child health services in accordance with Council adopted policies.

Early Learning & Care

Deliver early learning, family day care, and preschool services in accordance with Council adopted policies, and work with other providers to improve and integrate support services for all children in the municipality.

Events

Facilitate the attraction of new events and support existing events across Latrobe City and deliver Latrobe City Council's annual Australia Day program as per the 2013-2017 Latrobe City Events Strategy and Action Plan.

Healthy Communities

Work in partnership with the community to address causes of chronic preventable disease by developing local solutions for healthy living, encourage healthy eating and physical activity, and reduce smoking and harmful alcohol use.

Infrastructure Design

Design civil works projects in consultation with the Latrobe City community.

Landfill Services

Operate and maintain the Latrobe City Hyland Highway Municipal Landfill facility in accordance with Environment Protection Authority licence conditions.

Leisure Facilities

Maintain and operate Latrobe City leisure centres, outdoor pools and stadiums together with managing and maintaining the Hazelwood Pondage and Lake Narracan caravan park and day visitor facilities.

Library services

Deliver library services and programs in accordance with the Library Plan 2011-2017.

Major Projects

Deliver major projects from the Annual Capital Works Program.

Parks, Gardens & Playgrounds

Manage and maintain parks and gardens across Latrobe City and maintain and develop playgrounds in accordance with the Latrobe City Council Playground Strategy.

Recreation & Open Space Planning

Provide Recreation and Open Space Planning advice for Latrobe City.

Recreation Liaison

Manage and maintain sporting reserves and work with community groups across Latrobe City.

Social Support

Deliver the Planned Activity Group and Meals on Wheels Programs to eligible clients.



SERVICE PROVISION HIGHLIGHTS FOR 2013/14

- During 2013/14, 832,000 recycling collections and 769,000 green waste collections were completed, diverting 8,500 tonnes of recyclables and 8,400 tonnes of green waste from landfill.
- Recycling of plasterboard commenced at transfer stations to further reduce waste to landfill.
- The number of outdoor pool participants for the 2013/14 season was 22,950.
- 385,310 library items were borrowed by community members.
- Hosted eight international, 11 national, 39 state/regional events, 17 significant community and cultural events and supported over 377 events.
- Over 100 public amenities received a regular cleaning service.
- Over 500 hectares of active and passive reserves and over 90,000 square metres of shrub and garden beds maintained.
- The Latrobe Regional Gallery hosted 39 exhibitions and events including the return of the Tibetan Monks for the 'Footsteps from the Roof of the World Tour 2013' which attracted 1560 patrons during the five day event.
- 723 km of paths within Latrobe City were maintained.
- Delivered more than 33,000 meals on wheels meals to eligible clients.
- Through the 'Swift' Library program, 18,593 items were sourced and loaned to Latrobe City Council library members, an increase from the previous period.
- 242 bookings at the International Power Hazelwood Traffic School.
- Delivered two no charge hard waste drop off weekends, two no charge green waste weekends and provided two hard waste kerbside collection services by resident appointment in December 2013 and May 2014.
- Completed design for landfill capping which received EPA approval.
- Healthy Together Latrobe supported approximately 75% of schools and early childhood services to improve the health and wellbeing outcomes of Latrobe City's children and young people.



Image credit: Latrobe Leisure patron

MEASURING OUR PERFORMANCE

2013/14 was the first year that this performance indicator information was collected and therefore, in most cases, will provide the baseline for the establishment for future targets.

| PERFORMANCE INDICATOR | 2013/14 | COMMENTS |
|---|------------------|--|
| Opinion of visitors on the cleanliness and attractiveness of Latrobe City | 87% | During April – June 2014 Latrobe City Council implemented a postcard survey to gain an insight into visitor perception of the cleanliness and attractiveness of Latrobe City. From the responses provided, 87% rated the city as either good or very good. This year's results will be used as baseline data to inform future trends. |
| Number of visitors and memberships for Latrobe City Council's leisure facilities, stadiums and reserves annually | 431,734 | During 2013/14, Latrobe Leisure recorded attendances of 429,934 through the facilities and stadiums and had 1,800 members, which is slightly lower compared with 2012/13. |
| Number of people who attend Latrobe City Council's performing arts, visual arts and arts education public programs annually | 118,138 | Attendance for 2013/14 is broken down into the following: <ul style="list-style-type: none"> • Latrobe Regional Gallery (Visitors, Education, Public Programs and Openings) -18,020 • Latrobe Performing Arts and Venues (LPA Shows, Education, Community Engagement, • Community/Commercial shows & Venue Hire) -100,118 |
| Number of requests from the community for rubbish collection received annually | 204 | During 2013/14 a total of 204 Pathway requests were carried out for dumped rubbish, including 12 asbestos and 6 syringe pick up requests. |
| Latrobe City Council's mean score for the appearance of public areas in the annual Local Government Community Satisfaction Survey | 67 | Latrobe City's score remains the same as 2013 which is 2 below the score received in 2012 and trails the regional average of 73. |
| Number of shared pathways, pedestrian footpaths, bicycle paths and walking trails constructed and maintained annually | 723.2km | An additional 34.2 km of pathways were developed and maintained during 2013/14 with the majority of the increase from developer gifted assets in new residential developments. |
| Number of people participating in volunteering to support Latrobe City Council events and service delivery annually | 390 | Each year Latrobe City Council works with volunteers across of a range of services including Home and Community Care (HACC), maintaining open space reserves and supporting festivals, expos and sporting events. |
| Number of visits to Latrobe City Council libraries to access services, activities, education programs annually | 230,630 | Included in this figure were: <ul style="list-style-type: none"> • 6,710 children attended Storytime, Afterschool program and Library School Holiday Program • 305 children and 150 adults participated in library tours • 90 adults attended author talks • 120 adults attended digital literacy sessions • 155 adults attended educational talks • 53 adults attended the Indigenous Honour Roll launch During this period 385,310 library items were borrowed by members. |
| Overall customer satisfaction in the annual Latrobe City Council Maternal and Child Health Services Survey | 85% | Latrobe City Council's score of 85% has exceeded the target of 80%. |
| Overall customer satisfaction in the annual Latrobe City Council's Home and Community Care Services Survey | 93% | Surveys were sent out to Latrobe City Council's Home and Community Services clients in April and feedback provided was followed up and actioned with responsible officers. |
| Latrobe City Council's satisfaction rating for recreational facilities in the annual Local Government Community Satisfaction Survey | 68% | Latrobe City's score of 68 is a slight increase from 2013 but remains lower than the score of 71 from 2012 and the regional centres average of 72. |
| Report annual health and wellbeing community indicators as described by the Healthy Together Latrobe Strategic Roadmap | Completed | During 2013/14, the Healthy Together Latrobe initiative has worked to support the community to embrace and drive positive health behaviours where they live, learn, work and play including: <ul style="list-style-type: none"> • Supported approximately 70% of large workplaces within Latrobe City through the Workplace Achievement program. • Supporting 75% of schools and early childhood services through the Schools and Early Childhood Achievement program. • 109 community members participating in Latrobe Parks Walks program. • Supporting the community through the Health Champions initiative. |

THEME

3

EFFICIENT, EFFECTIVE & ACCOUNTABLE GOVERNANCE



OBJECTIVES

- To achieve the highest standards of financial probity and meet all statutory obligations.
- To provide open, transparent and accountable governance.
- Work to minimise rate increases for our community.
- Effectively manage Council debt to minimise long term cost.

Continuously review our policies and processes to increase efficiency and quality of our facilities and the services we provide.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Review Local Law No 3 to ensure protection of Council assets and local amenity during building works and present to Council for consideration.

RESULT

The review of Local Law No 3 is currently underway. The internal review is scheduled to be completed and presented to Council at the Ordinary Council Meeting on 21 July 2014 with a public consultation period to follow. The review will be presented to Council for consideration at the Ordinary Council Meeting in September 2014.

The adjusted Council meeting schedule has caused some delays with the projected timeframes for this project, pushing the completion date into the 2014/15 financial year.



01 JULY 2013 ▶ 31 DEC 2013

ACTION

Review the Asset Management Strategy to ensure future years asset management meets best practice and present to Council for consideration.

RESULT

A review of the strategy was completed and the Asset Management Strategy 2014-2018 was adopted by Council at the Ordinary Council Meeting held 3 February 2014.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Review Latrobe City Council's Internal Audit Program to ensure all statutory obligations are met and the highest standards of governance are met.

RESULT

Delays have been experienced due to contract and resourcing issues. A draft audit plan was presented to the Audit Committee for consideration. Two internal audit projects have been carried out in the current calendar year with draft reports provided.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Review the Council Plan 2013-2017, present to Council for consideration and submit to the Minister for Local Government within the legislated timeframe.

RESULT

The annual review of the 2013-2017 Council Plan was undertaken within the legislated timeframe with Council resolving to endorse the Plan at the Ordinary Council Meeting held 19 May 2013 with no amendments.



01 JULY 2013 ▶ 30 JUNE 2014

ACTION

Review Local Law No. 2 which contributes to the peace, order and good governance of Latrobe City and present to Council for consideration.

RESULT

Resourcing issues due to the increased workloads and altered priorities during the Hazelwood Mine Fire has caused a delay to this project. The draft Local Law No. 2 has been prepared for legal review prior to presentation to Council in 2014. This project will continue in 2014/15.

ACTION

Update Latrobe City Council's telephone system to improve customer service to our community.

RESULT

Latrobe City Council's ageing analogue telephone system was replaced with a new digital system that went live on 28 November 2013. The project involved the installation of new equipment at 13 locations with over 400 handsets replaced, covering the customer contact centre and general staff. The communications infrastructure was also upgraded to increase resilience and communications capacity. Customer service has been greatly improved through efficient call handling and responsiveness to calls from the community and integrates telephone communications with Latrobe City Council's corporate computer systems.



ACTION

Review Latrobe City Council's Procurement Policy to maximise the proportion of local goods and services purchased.

RESULT

Council adopted the Procurement Policy on 7 October 2013 and, following further amendments, on 6 November 2013. Following a further review in January 2014, Council amended the Policy on 25 January 2014. The adopted Procurement Policy is compliant with the *Local Government Act 1989*.



STRATEGIC DIRECTION

Regularly report Council decisions and performance to the community.

ACTION

Participate in and implement the outcomes pertaining to the changed environment for performance reporting.

RESULT

Latrobe City Council participated in a two stage Pilot Program to assist with the development of a Local Government Performance Reporting Framework. Following the pilot, amendments to the Local Government Act were approved in Parliament in April 2014. As a result, Latrobe City Council has integrated the new reporting requirements within our performance reporting application.



STRATEGIC DIRECTION

Increase community awareness and satisfaction with Council's services and facilities.

ACTION

Prepare the Annual Report, submit to the Minister for Local Government and present to Council within the legislated timeframe.

RESULT

The Annual Report 2012/13 was prepared in accordance with the *Local Government Act 1989* and submitted to the Minister for Local Government within the legislated timeframe.

Latrobe City Council received a bronze award for the 2012/13 Annual Report in the 2014 Australasian Reporting Awards.



STRATEGIC DIRECTION

Continuously improve financial management and reporting.



01 JULY 2013 ▶ 30 JUN 2014

ACTION

Review the 10 Year Financial Plan in order to align with the Council Plan 2013-2017.

RESULT

The review of the Long Term Financial Plan was undertaken in conjunction with the development of the Annual Budget. A number of key changes throughout the budget process resulted in some significant changes to the plan.



01 JULY 2013 ▶ 30 JUN 2014

ACTION

Facilitate the development of the Annual Budget and present to Council for consideration.

RESULT

A number of key workshops were undertaken with Councillors throughout the process of the development of the budget. Once developed, the draft annual budget was presented to the Audit Committee.

On 19 May 2014, the draft budget documentation was finalised and presented to Council at the Ordinary Council Meeting.

Latrobe City Council then extended an invitation to community organisations and individuals to make a submission in relation the draft 2014/15 Budget.

A review of public submissions was heard on 23 June 2014 at the Special Council Meeting and Council met to adopt the budget on 30 June 2014. The adopted 2014/15 Budget was submitted to the Minister for Local Government within the legislated timeframe.

STRATEGIC DIRECTION

Ensure Latrobe City Council's infrastructure and assets are maintained and managed sustainably.



01 JULY 2013 ▶ 30 JUN 2014

ACTION

Commence the review of the Building Asset Management Plan by collating building data to ensure a clear, achievable plan for future management of Council owned building assets.

RESULT

Work has commenced on the Building Asset Management Plan with consultations held and Buildings data (125 buildings) imported in MyData Asset Management System.

The importing of asset ownership details and documentation into MyData is underway.

There was some delay in commencing the Building Asset Management Plan review until after the Asset Management Strategy review was completed. The review of the Building Asset Management Plan will continue in 2014/15.

SERVICE PROFILE

Building Maintenance

This unit is to deliver the cyclic maintenance program on Latrobe City Council buildings.

Community Information

Deliver professional customer service at all Latrobe City Council service centres and libraries in accordance with the Customer Service Plan 2012-2016.

Corporate Strategy

Administer corporate planning and reporting of Latrobe City Council.

Council Operations – Legal Council

Administer the operation of Council meetings. Administer legal advice and services for Latrobe City Council.

Financial Services

Administer financial management, advice and service of Latrobe City Council, administer procurement processes for goods and services within Latrobe City Council, administer payroll for Latrobe City Council staff and administer the database of properties within Latrobe City Council, including property valuation and municipal rate collection in accordance with the Rating Strategy.

Health Services

Minimise the incidence of food-borne illness pursuant to the Food Act. Deliver an Immunisation program in accordance with the Public Health and Wellbeing Act.

Infrastructure Maintenance

This unit is to provide maintenance services for Latrobe City's road, drainage, signage, footpath and tree networks and to deliver cleansing services across the municipality, including footpath and street-sweeping, public toilets, bus shelters, barbecues, rotundas and picnic shelters in accordance with specified standards and schedules.

Infrastructure Planning

Provide Traffic Management and Asset Management planning, advice and services for Latrobe City in accordance with statutory and regulatory timeframes.

Information Services

Maintain the Latrobe City Council IT networks infrastructure, assets, purchasing and licences and provide an effective secure environment for storage and disaster recovery. Develop and maintain a Geographical Information System (GIS) for broad use by the organisation. Maintain corporate information and Council documentation and information applications in accordance with regulatory guidelines.

Local Laws

Deliver customer focussed Local Law services across the municipality in accordance with Local Law No. 2 and other relevant legislation.

Mayoral and Council Support

Provide support services to Councillors of Latrobe City Council and deliver civic functions and events across Latrobe City.

Office of the CEO

Actively participate in the Gippsland Local Government Network.

People and Development

To provide advice, education and support to ensure the success of the organisation through effective leadership, resourcing and people management initiatives. To deliver a variety of learning initiatives and develop the knowledge, skills and confidence of our people.

Property and Statutory

Administer property management, advice and services of Latrobe City Council.

Risk and Compliance

Provide Latrobe City Council with risk management support and advice, coordinate Occupational Health and Safety responsibilities and develop and implement a compliance framework. Administer Freedom of Information requests, Information Privacy requirements; maintain public registers, policies, audit activities and electoral functions for Latrobe City Council.





SERVICE PROVISION HIGHLIGHTS FOR 2013/14

- Latrobe City Council held six citizenship ceremonies where over 200 candidates received Australian Citizenship.
- Processed just under 54,000 pieces of mail and 1503 faxes.
- Implemented the new Geographic Information System, Intramaps to improve mapping services and support.
- 89% of impounded dogs were re-housed or returned to owners, which was a slight increase from the previous year.
- More than 26,000 hours of group based activities (Planned Activity Group) delivered for older adults living in Latrobe City.
- In accordance with the *Public Health and Wellbeing Act*, 169 registered health premises were inspected.
- Councillors completed their review of the Council Plan 2013 - 2017.
- The average waiting period for a call to be answered through the call centre was reduced from 53 seconds to 44 seconds.
- 25,253 hours of Full Cost Home Care were provided to eligible clients as per Department of Health Guidelines.
- Administered financial management, advice and services in accordance with accounting standards.
- Council meetings were administered in line with the *Local Government Act 1989* and *Local Law No.1*.
- Completed 81 septic tank inspections.

MEASURING OUR PERFORMANCE

2013/14 was the first year that this performance indicator information was collected and therefore, in most cases, will provide the baseline for the establishment for future targets.

| PERFORMANCE INDICATOR | 2013/14 | COMMENTS |
|--|---------------|--|
| Report performance improvements and initiatives to increase efficiency of our services as required by Best Value legislation annually | Completed | Best value achievements in the delivery of services provided by Latrobe City Council are provided within this Annual Report. |
| Report Council's performance against the Victorian Local Government Indicators annually | Completed | Victorian Local Government Indicators were reported for 2013/14 and provided for inclusion within the Annual Report |
| Deliver 100% of Key Strategic Activities and Annual Actions annually | 72% | Of the seven Key Strategic Activities's for 2013/14, four were completed. 44 Annual Actions were delivered for 2013/14 from a total of 61. |
| Compare and report our annual Local Government Community Satisfaction Survey results | Completed | Latrobe City's Local Government Community Satisfaction Survey results for 2013/14 were compared and reported on. |
| Provide financial reports quarterly and annually | 4 | Three Quarterly Reports and one Annual Financial Report were provided to Council. |
| Report the number and type of community complaints received and resolved annually, including response timeframes | 101 | 101 complaints were recorded in Latrobe Content Management System (LCMS) for the 2013/14 financial year. All complaints were actioned according to the process outlined in the Citizen Complaints Policy and Procedure. |
| Percentage of procurement that is awarded to businesses that have a head office in Latrobe City, are owned by a Latrobe City resident or source a high percentage of goods and services from Latrobe City annually | 48% | During 2013/14, 48% of contracts awarded were to businesses located within Latrobe City. This percentage was determined by information supplied in tenderer's documents. |
| Percentage of actions completed in the annual internal Audit Plan | 35% | The remainder of the actions are at 80-90% complete and are anticipated to be completed by September 2014. |
| Percentage of Local Government Community Satisfaction Survey respondents who are satisfied that Council is open about the decisions it makes | Not Available | This information was not captured during 2013/14 Local Government Community Satisfaction survey. |

THEME

4

ADVOCACY FOR & CONSULTATION WITH, OUR COMMUNITY



OBJECTIVES

- Strengthen the profile of Latrobe City as one of Victoria's four major regional cities.
- Work in partnerships with all levels of governments to ensure Latrobe City is well supported, resourced and recognised as one of Victoria's four major regional cities.
- To advocate for and support cooperative relationships between business, industry and the community.
- To ensure effective two-way communication and consultation processes with the community in all that we do.

STRATEGIC DIRECTION

Work with relevant agencies to improve the management and maintenance of all roads and roadsides in Latrobe City.



ACTION

Support the extension of 'Gippsland's Gateways' project through improvements to rail, road and ports. In particular proposed rail access to the Port of Hastings, the establishment of the North East freeway link and construction of West link as an alternative.

RESULT

Officers worked with businesses to increase the volume of freight moving to and from Gippsland via rail and organised a presentation to Councillors and site tour of Port of Hastings during May. A Councillor briefing on the Gippsland Freight Strategy was held on June 16.

STRATEGIC DIRECTION

Advocate for and support our partners to improve air and water quality in Latrobe City.



ACTION

Participate in the development and delivery of the Waterhole Creek Waterway Management Plan, together with the West Gippsland Catchment Management Authority and identified stakeholders.

RESULT

The Waterhole Creek Waterway Management Plan was finalised and signed off by West Gippsland Catchment Management Authority and released on 28 February 2014. Implementation of the plan will continue in 2014/15.

A number of community consultation events were held during the development and consultation period including;

- A successful 'What lives in Waterhole Creek?' event held on 7 December 2013
- Public open house
- Walk and talk along Waterhole Creek

STRATEGIC DIRECTION

Establish a strong image and brand for Latrobe City as one of Victoria's four major regional cities.



ACTION

In accordance with 'Positioning Latrobe City for a Low Carbon Emission Future', pursue opportunities to lobby, advocate and educate state and federal government officers and Ministers on Council's specific transition needs and its status as a major regional city.

RESULT

During 2013/14 officers continued to pursue opportunities to lobby the state and federal government. Letters were prepared on behalf of the Mayor and sent to a number of new federal government ministers including an invitation to visit Latrobe City.

Council delegations to Canberra took place in March and June 2014 to advocate to the federal government on the Emissions Reduction Fund, Advanced Lignite Development Program Fund and Securing our Future priorities.

Image credit: Traralgon Railway Reserve

ACTION

Implement priority actions from the City Image Strategy to strengthen Latrobe City's profile as Gippsland's Regional City.

RESULT

Action pending due to Council Resolution to defer the City Image Strategy indefinitely to enable a further review by Councillors. A draft 'Terms of Reference' was presented to Councillors at an Information & Discussion Meeting for consideration. Further discussions between Councillors is required before this project can proceed.



STRATEGIC DIRECTION

Review Council's Community Engagement Plan to ensure effective community consultation and engagement in all that we do.

ACTION

Review Latrobe City Council's Community Engagement Plan to establish more effective and focused community consultation procedures.

RESULT

The draft engagement plan was presented to Councillors on 30 September 2013 at the Issues and Discussions meeting.

Community engagement activities were conducted in many forms throughout October 2013 including;

- Business Development e-newsletter
- Social media
- A roving team at the Children's Expo
- Latrobe City Council website
- Internal engagement with Latrobe City Council staff
- A stand at Stockland Traralgon to survey the community

The activities focused on providing community members with an opportunity to reflect on the existing Community Engagement Plan, commitments and approach of Council.

The review of Latrobe City Council's Community Engagement Plan was completed and presented to Council at the Ordinary Council Meeting held 30 June 2014.



STRATEGIC DIRECTION

Strengthen our region by actively leading and encouraging partnerships with other local governments, industry and community agencies.

ACTION

Develop and conduct a program of Councillor meetings with peak industry and community bodies.

RESULT

Council determined the annual schedule of meetings with relevant peak industry and community bodies at the Ordinary Council Meeting held 6 November 2013.

The program of meetings held during 2013/14 included:

- 6 February 2014 – AGL Loy Yang
- 8 May 2014 – Qube Logistics
- 23 May 2014 – Port of Hastings Development Authority

A report of meetings held between Latrobe City Council and peak industries was noted by Council at the Ordinary Council Meeting held 30 June 2014.



Actively encourage and support initiatives that promote social inclusion and diversity within our community.



ACTION

Deliver Year 3 actions from the Latrobe City International Relations Plan 2011-2014 to enhance cultural and economic benefits.

RESULT

Year 3 actions were delivered in line with the Latrobe City International Relations Plan 2011-2014.

The International Relations program plays a proactive role in the delivery of all current International Relations objectives and action. Highlights for the 2013/14 year included;

- Sister Cities Australia National Award recipient
- Sister Cities Festival
- The Mayoral led Music Exchange program to Takasago, Japan and Taizhou, China



ACTION

Lead the development of the Gippsland Low Carbon Economy Transition Plan and support the implementation of the broader Gippsland Regional Plan.

RESULT

A funding submission was made to the Victorian Adaptation & Sustainability Partnerships Grant Scheme on 6 September 2013 on behalf of the Gippsland Local Government Network and Gippsland Regional Plan Group under the "Putting climate adaptation plans into action" category.

Consultations were held with Gippsland Regional Plan Low Carbon Strategy Group and a briefing on the Port of Hastings development was provided to South East Australian Transport Strategy Inc. (SEATS).

The funding application for this project was not successful. This initiative will continue to be progressed in 2014/15.



ACTION

Provide regional leadership and facilitate a successful transition for Latrobe City to a low carbon future by delivering 'Positioning Latrobe City for a Low Carbon Emission Future'.

RESULT

At the Ordinary Council Meeting held 28 April 2014, a review of 'Positioning Latrobe City for a Low Carbon Emission Future – Consolidated Progress and Achievements 2014' was presented to Councillors, providing an overview of the successful implementation of the policy over its lifespan.

Following site visits that were organised and attended with both Qube Logistics and the Port of Hastings in May, a report was presented to Council on 30 June 2014.



ACTION

Review the Cultural and Linguistic Diversity Action Plan to assist in building an inclusive, harmonious and engaged community and present to Council for consideration.

RESULT

The Draft Cultural and Linguistic Diversity Action Plan was delayed due to the Hazelwood Mine Fire. A revised Action Plan has been prepared and is to be presented to Council for approval to release for community consultation on 21 July 2014. The adoption of the plan is scheduled to occur by December 2014.



ACTION

Develop and implement the annual Disability Action Plan to focus on equitable access to infrastructure and services provided by Latrobe City Council.

RESULT

The 2013/14 Disability Action Plan was developed and implemented following both internal and external consultation. This initiative will continue in 2014/15.

SERVICE PROFILE

Aboriginal Liaison

Strengthen the relationship between the local Aboriginal community and Latrobe City Council by delivering on the Statement of Commitment.

Communications

Provide communications, marketing and public relations services on behalf of Latrobe City Council.

Community Engagement

Provide community engagement support services to Latrobe City Council.

Community Strengthening

Build community leadership, connectedness, inclusiveness and wellbeing by advocating on behalf of the community, and partnering with them to deliver and facilitate a range of projects, programs, strategies and action plans.

Disability Access and Inclusion

Develop and implement the Rural Access Plan and develop and implement the Disability Action Plan.

Emergency Management

Provide Emergency Management services including preparedness, planning, response and recovery.

International Relations

Deliver International Relations services in accordance with the Latrobe City International Relations Plan.

Regional Partnerships

Provide regional leadership and facilitate a successful transition for Latrobe City to a low carbon future.

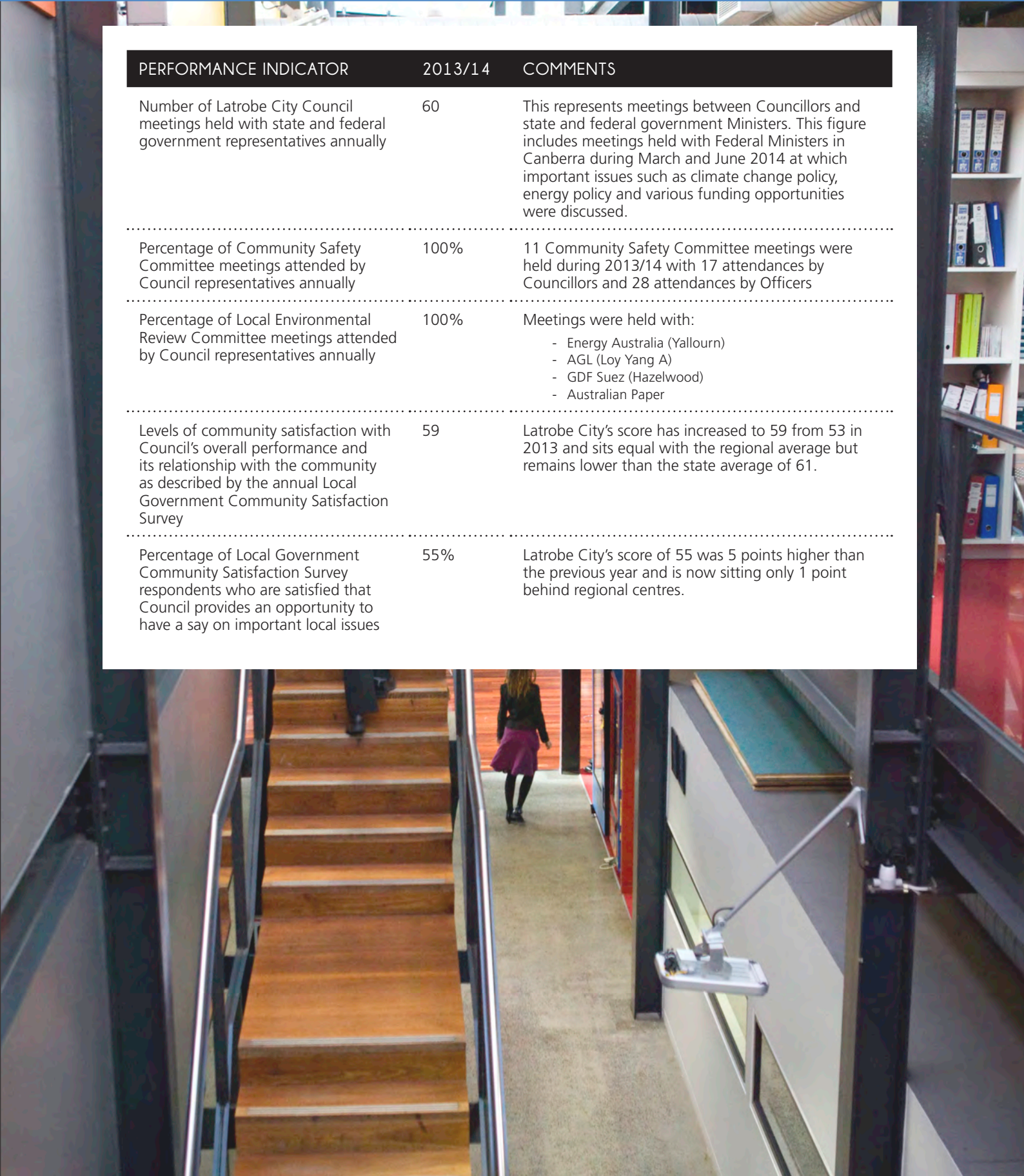
SERVICE PROVISION HIGHLIGHTS FOR 2013/14

- Latrobe City Council's website included 27 'Have your say' pages during 2013/14, inviting community participation on the development of a range of strategies, plans and projects.
- The 2013/14 Disability Action Plan was developed and implemented.
- Completed the review of the Community Engagement Plan, which demonstrated the positive foundations which have been established.
- Commenced a trial of Public Presentation sessions designed to allow members of the community, organisations and other stakeholders to speak to Councillors on important issues.
- Latrobe City Council was tasked with supporting state government and other agencies to support the relief and recovery operations in response to the Hazelwood Mine Fire.

MEASURING OUR PERFORMANCE

2013/14 was the first year that this performance indicator information was collected and therefore, in most cases, will provide the baseline for the establishment for future targets.

| PERFORMANCE INDICATOR | 2013/14 | COMMENTS |
|---|---------|--|
| Number of Latrobe City Council meetings held with state and federal government representatives annually | 60 | This represents meetings between Councillors and state and federal government Ministers. This figure includes meetings held with Federal Ministers in Canberra during March and June 2014 at which important issues such as climate change policy, energy policy and various funding opportunities were discussed. |
| Percentage of Community Safety Committee meetings attended by Council representatives annually | 100% | 11 Community Safety Committee meetings were held during 2013/14 with 17 attendances by Councillors and 28 attendances by Officers |
| Percentage of Local Environmental Review Committee meetings attended by Council representatives annually | 100% | Meetings were held with: <ul style="list-style-type: none">- Energy Australia (Yallourn)- AGL (Loy Yang A)- GDF Suez (Hazelwood)- Australian Paper |
| Levels of community satisfaction with Council's overall performance and its relationship with the community as described by the annual Local Government Community Satisfaction Survey | 59 | Latrobe City's score has increased to 59 from 53 in 2013 and sits equal with the regional average but remains lower than the state average of 61. |
| Percentage of Local Government Community Satisfaction Survey respondents who are satisfied that Council provides an opportunity to have a say on important local issues | 55% | Latrobe City's score of 55 was 5 points higher than the previous year and is now sitting only 1 point behind regional centres. |



THEME

5

PLANNING FOR THE FUTURE

OBJECTIVES

- To provide a well-planned, connected and liveable community.
- To provide clear and concise policies and directions in all aspects of planning.
- Advocate for planning changes at the state level to reflect regional needs and aspirations.
- To reduce the time taken to process land use and development planning applications.

STRATEGIC DIRECTION

Provide efficient and effective planning services and decision making to encourage development and new investment opportunities.



ACTION

Undertake improvements to Council's statutory planning procedures and delegations to improve timely processing of planning applications.

RESULT

A Service Improvement Plan was developed and presented to Councillors at the Issues & Discussions session held on 11 November 2013 outlining the proposed improvements and timeline for the delegation process. Changes to delegations were approved by Council at the Ordinary Council Meeting held on 3 March 2014.

Since the approved Service Improvement Plan has been implemented, the percentage of applications being dealt with within 60 statutory days has increased from 33% to 70%.

Initiatives to improve statutory planning procedures will continue in 2014/15.



ACTION

Finalise the Traralgon Car Parking Strategy.

RESULT

The Traralgon Car Parking Strategy aims to identify solutions to assist with balancing supply and demand for car parking in the Traralgon township. The Traralgon Car Parking Strategy has been finalised and makes recommendations including the introduction of a Parking Overlay through a Planning Scheme Amendment which will be implemented during 2014/15 financial year.

STRATEGIC DIRECTION

Plan and coordinate the provision of key services and essential infrastructure to support new growth and developments.



ACTION

Review the Moe/Newborough Structure Plan Review including the Lake Narracan Growth Area Precinct Structure Plan to identify long term growth and development opportunities.

RESULT

The review of the Moe/Newborough Structure Plan and development of Lake Narracan Precinct Structure Plan aims to provide long-term residential and recreational development opportunities. Community engagement was undertaken on a draft Lake Narracan concept plan during November 2013. Council resolved to commence development of a detailed Precinct Structure Plan in March 2014.

This project will continue in the 2014/15 financial year.

ACTION

Finalise the Traralgon Growth Areas Review including the Traralgon West Corridor Precinct Structure Plan to identify long-term growth and development opportunities.

RESULT

The Traralgon Growth Areas Review identifies long-term growth and development opportunities for Traralgon. During the public exhibition period of the draft Traralgon Growth Areas Review documents in 2012, a total of 73 submissions were received which were heard at a Special Council Meeting held in February 2013. Consideration of the issues raised in the submissions resulted in changes to the exhibited draft documents.

The updated Traralgon Growth Areas Review documents were subsequently adopted at the Ordinary Council Meeting on 28 April 2014 where Council also resolved to prepare a Planning Scheme Amendment.

ACTION

Progress appropriate Tyers sewerage/wastewater management system.

RESULT

Latrobe City Council continues to liaise with Gippsland Water to undertake an analysis of options for treatment of wastewater within the township of Tyers. All new septic tank installations within Tyers are subjected to Land Capability Assessments and installed in accordance with the EPA 2013 Code of Practice. This initiative will continue in 2014/15 with Latrobe City Council to advocate on behalf of the Tyers community.

STRATEGIC DIRECTION

Review our policy and guidelines for new residential development in particular lot density, unit development, road widths and emergency vehicle access.

ACTION

Develop a Housing Strategy and present to Council for consideration, to support application of new residential zones within the Latrobe Planning Scheme.

RESULT

Council is working with state government to introduce new residential land zones within the Latrobe Planning Scheme.

Draft amendment documentation, including new residential zone maps, were completed with community notification commencing 17 March 2014 for a period of 20 days. The state government appointed Advisory Committee conducted a Panel Hearing in April 2014 to consider all submissions received from the community. Council officers also presented the draft amendment documentation to the Advisory Committee during May 2014. The Advisory Committee's recommendations have since been provided to the Minister for Local Government for consideration.



01 JULY 2013 ▶ 30 JUN 2014



01 JULY 2013 ▶ 30 JUN 2014



01 JULY 2013 ▶ 30 JUN 2014

STRATEGIC DIRECTION

In consultation with the community, review Council's Municipal Strategic Statement and the Latrobe City Planning Scheme.



01 JULY 2013 ▶ 30 JUN 2014

ACTION

Review Council's Municipal Strategic Statement and the Latrobe Planning Scheme review to provide a strategic vision for land use planning in Latrobe City.

RESULT

A review of the current policy and key issues has been completed and a Project Implementation Plan and Stakeholder Engagement Strategy has been developed.

A detailed consultation process has taken place including:

- Workshops held with Council staff, Referral Agencies and Councillors as outlined in the Stakeholder Engagement Strategy
- Mail out to development fronts (400)
- Mail out to businesses (3000)
- Council Notice Boards and "Have Your Say" webpage
- Surveys distributed

Feedback from consultation will inform the review which will continue in 2014/15.

STRATEGIC DIRECTION

Work with stakeholders to maintain and enhance the natural environment and biodiversity of Latrobe City and the region.



01 JULY 2013 ▶ 30 JUN 2014

ACTION

Review the Latrobe City Natural Environment Sustainability Strategy 2008-2013 and present to Council for consideration.

RESULT

Following the review of the 2008-2013 Latrobe City Natural Environment Sustainability Strategy, the consultation draft of the 2014-2019 strategy was developed and approved by Council in February 2014. The draft strategy then went out for public consultation to invite submissions and closed on 19 March 2014. All submissions received were reviewed and amendments were made to the draft strategy. The 2014-2019 Latrobe City Natural Environment Sustainability Strategy was adopted by Council at the Ordinary Council Meeting held 10 June 2014.

SERVICE PROFILE

Building Services

Provide building advice, statutory services and enforcement action in accordance with the Building Act.

Environment Sustainability

Provide environmental planning, advice and services to internal and external stakeholders.

Statutory Planning

Provide statutory planning services, advice and enforcement action in accordance with the Latrobe Planning Scheme and Planning and Environment Act.

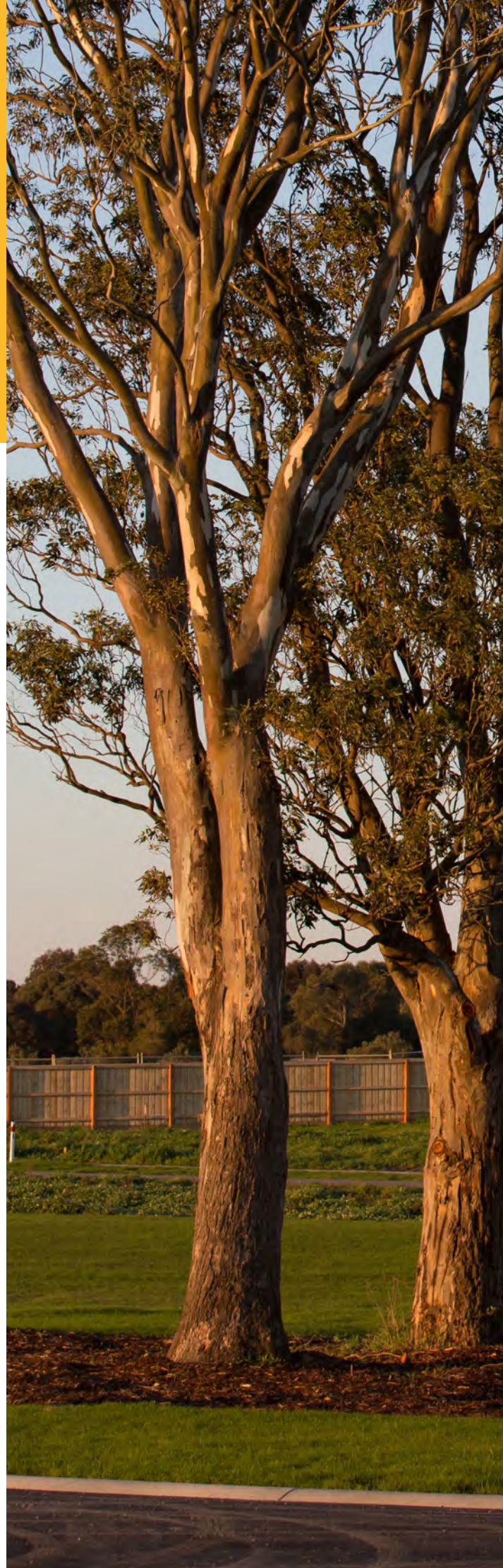
Strategic Planning

Provide strategic planning services and advice in accordance with the Latrobe Planning Scheme and Planning and Environment Act.

Urban Growth

Develop, assess and coordinate the implementation of Development Plans and Development Contribution Plans for growth areas of Latrobe City.

*Image credit: Stockdale Fields,
Traralgon*





ANGUS



SERVICE PROVISION HIGHLIGHTS FOR 2013/14

- 1116 building permits were lodged in accordance with the Building Act 1993.
- 126 private pool barrier audits were carried out in accordance with the Building Act 1993.
- 856km of Latrobe City roadsides were assessed and treated for weed infestations.
- 331 land use and development planning permits applications were received for processing.
- The Urban Growth team formally endorsed five Development Plans during 2013/14 that will generate 2476 residential lots across the municipality.
- Assistance and advice was provided to community members and groups in relation to environmental planning and native vegetation related issues.
- 8330 native plants were planted to offset Council vehicle fleet emissions.
- 4 energy efficient solar hot water systems were installed across Latrobe City Council buildings.
- 100 properties were audited for essential safety measure compliance.
- 69 building notices or orders were issued in accordance with the *Building Act 1993*.
- Strategic planning advice was provided in accordance with the *Planning and Environment Act 1987*.

Image credit: Plans for Lake Narracan development

MEASURING OUR PERFORMANCE

2013/14 was the first year that this performance indicator information was collected and therefore, in most cases, will provide the baseline for the establishment for future targets.

| PERFORMANCE INDICATOR | 2013/14 | COMMENTS |
|--|---------|--|
| Latrobe City Council's mean score for Council planning processes and outcomes in the annual Local Government Community Satisfaction Survey | 69 | Latrobe City's score of 69 is an increase from 2012/13 but remains lower than the state and regional average of 71. |
| Number of objections and or complaints received from the community each year in relation to new residential developments and growth areas annually | 41 | During the 2013/14 financial year Latrobe City Council received a total of 19 objections to strategic planning projects for residential growth and 22 objections in response to residential statutory planning permit applications. |
| Percentage of planning permit applications by category processed within 60 statutory days annually | 65% | <p>On average 65% of planning permit applications were processed within 60 days during the 2013/14 financial year. This increased to 71% in June 2013, representing a 20% increase since September 2013. The majority of planning permit applications were received in the following categories:</p> <ul style="list-style-type: none"> • Subdivision of land (83) • New buildings (60) • Change or extension of use (37) • Single dwellings (35) <p>(NOTE: Annualised results for the 2013/14 financial year have not yet been received from the State Government).</p> |
| Number of planning permit applications received annually by category | 331 | 331 is the total number of planning permit applications received over 35 categories. This is a slight reduction from 347 in 2012/13. |
| Annual percentage of Council planning permit decisions upheld by Victorian Civil and Administrative Tribunal where an appeal has been lodged | 73% | During 2013/14, 13 planning permit appeals were lodged with the Victorian Civil and Administrative Tribunal (VCAT) of which 73% of Council's decisions were upheld. |
| Number of community members who have participated in consultation activities undertaken as part of strategic planning projects | 6,456 | This number represents consultation activities that have occurred across numerous projects. |
| Number of vacant lot residential property sales in Latrobe City each year | 247 | This is an increase from 200 during the previous year. |



5.1

ORGANISATIONAL EXCELLENCE @ LATROBE

Organisational Excellence @ Latrobe is the 'internal' strategy which supports our organisation to achieve the Council Plan. It highlights the importance of bringing our mission, values and behaviours to life and continuously striving to improve day-to-day service delivery. Consisting of five themes: Direction, Relationships, Systems, Innovation and People, each theme defines how we demonstrate and achieve organisational excellence.

Image credit: Latrobe City Council employees

SETTING OUR DIRECTION

Our direction is shaped by Latrobe 2026, Council Plan, Business Plans and Performance Plans.

How we set our direction in 2013/14:

- Supported the Council Plan 2013-2017 review to achieve the best outcomes for Latrobe City over the next four years.
- The Annual Report 2012/13 was completed in accordance with the *Local Government Act 1989* and received a bronze award from the Australasian Reporting Awards.
- Provided monthly and quarterly reports to Council and senior management on the organisation's progress and performance.
- Completed internal promotion of the Integrated Planning Framework as part of the Business Planning process.

STRENGTHENING OUR RELATIONSHIPS

Strong relationships lead to productive partnerships and improved community engagement.

How we strengthened our relationships during 2013/14:

- Participated in Gippsland Local Government Network and Regional Cities Victoria Meetings.
- Use of social media channels including Facebook and Twitter.
- Numerous community engagement activities were held.
- 27 'Have your say' pages on Latrobe City Council's website during 2013/14, sought input on the development of a range of strategies, plans and projects.
- Regular meetings with authorities and agencies initiated including West Gippsland Catchment Management Authority, VicRoads and Gippsland Water.

SYSTEMS SUPPORT OUR NEEDS

Our systems add value to all that we do.

How systems supported our needs in 2013/14:

- Provided on average 99% IT system availability to the organisation.
- Successful roll-out of the telephony project including the replacement of more than 400 handsets across 13 sites.
- Upgraded our internal reporting system to provide a more efficient, user friendly system for users.
- Implemented Intramaps, the new Geographic Information System.
- Continually monitored network integrity and implemented a backup regime to ensure recoverability of Latrobe City Council data.
- Continued progression to electronic records across the organisation.

INNOVATION: WORKING SMARTER, NOT HARDER

We are open to new ideas, challenge past practices and embrace innovation.

How we embraced innovation during 2013/14:

- Innovative ideas identified by staff through Learning and Development programs are included in internal newsletters on a regular basis.
- Frontline Leadership program participants presented over 22 innovative new project ideas to Council management for consideration.
- Over 120 staff members were identified for outstanding service delivery, innovation or going above and beyond the call of duty.
- Replaced Latrobe City Councils ageing analogue phone system with a new digital system. This also involved upgrading the communications infrastructure to increase resiliency and communications capacity.

VALUING OUR PEOPLE

Our people work together in a spirit of honesty, teamwork and trust.

How we valued our people in 2013/14:

- Regular communication was held with employees via a variety of means including 17 copies of Linkages produced, email, intranet, team meetings and staff briefings.
- Provided 146 Learning and Development program placements, including internal and external programs, which is a slight increase from 2012/13.
- A diverse range of programs and study opportunities are offered, from an introduction to leadership through to technical skills development.
- Latrobe City aims to be an employer of choice, providing a broad range of career options and opportunities, culture of learning and innovation and flexible work/life options.
- The Healthy Organisation Working Group (HOW) delivered a range of initiatives for staff in line with our healthy eating, physical activity, mental health and wellbeing, and help to stop smoking. Refer to page 52 for further information.

5.2

BEST VALUE

Best Value legislation was introduced by the state government in 1999 with the overall objective of encouraging Local Government to achieve high community satisfaction based on service excellence and continuous improvement.

The *Local Government Act 1989* 208B Best Value Principles incorporates the six Best Value Principles, which require Council to ensure:

- All services provided by a Council must meet the quality and cost standards;
- All services provided by a Council must be responsive to the needs of the community;
- Each service provided by a Council must be accessible to those members of the community for whom the service is intended;
- A Council must achieve continuous improvement in the provision of services for its community;
- A Council must develop a program of regular consultation with its community in relation to the services it provides;
- A Council must report regularly, at least once a year, to its community on its achievements in relation to the Best Value Principles.

| BEST VALUE PRINCIPLE | IMPLEMENTATION AT LATROBE CITY COUNCIL |
|--|---|
| QUALITY AND COST STANDARDS | |
| The extent to which services are achieving or exceeding relevant key performance indicators for service quality and cost. | Latrobe City Council measures the standard of service through a range of quality and cost measures including industry standards. |
| RESPONSIVE TO COMMUNITY NEEDS | |
| The extent to which the community feels that we not only understand what the community is seeking from our services, but also the extent that current services reflect their needs. Community needs are established through the analysis of customer requests, community feedback and survey results. | During 2013/14, Latrobe City Council sought feedback on its performance from resident and business groups via a variety of methods including customer surveys (refer to page 53 for further information). Survey results help the organisation set targets for continuous improvement in service delivery and provide data to support Best Value principles in our planning, decision-making and actions. |
| ACCESSIBLE SERVICES | |
| The extent to which services are readily accessible to all members of the community. | Latrobe City Council continues to work to ensure our communications, services and facilities are accessible to all members of our community. The Disability Access Plan (DAP) highlights specific actions to be delivered across the organisation each year to improve accessibility. |
| CONTINUOUS IMPROVEMENT | |
| The extent to which our work is continuously improved. | Continuous improvement is a core part of our service delivery and is demonstrated throughout the report where comparisons are made to previous years and commented upon. |
| COMMUNITY CONSULTATION | |
| Community engagement is any process that involves the public in problem solving or decision making and uses public input to assist with decisions. | Latrobe City Council promotes community engagement activities in a number of ways to ensure our community is well informed about the opportunity to have a say on the projects and initiatives that interest or may affect them. |
| REPORT REGULARLY TO THE COMMUNITY | |
| | Reporting regularly to the community is done through a number of avenues including: Advisory Committees, our website, Facebook, Twitter, newsletters, local media and the Annual Report. |

Implementing Best Value

Best Value initiatives have been implemented across the organisation involving a broad range of services and activities such as:

MAV STEP PROGRAM - IMPROVEMENT IN ASSET MANAGEMENT

Latrobe City Council continues to be actively involved in the Municipal Association of Victoria (MAV) Step program for improvement in Asset Management. Key improvements achieved include the formation of an Asset Management Working Group, and review of the Asset Management Policy and Asset Management Strategy. The Asset Management Strategy outlines the work program to advance asset management over the period 2014-2018.

LATROBE CITY MUNICIPAL PUBLIC HEALTH AND WELLBEING PLAN 2013 - 2017

Strong leadership and governance provided by internal Council and external stakeholder reference groups, accompanied by extensive community consultation, resulted in a strong Municipal Public Health and Wellbeing Plan (the Plan) with six strategic directions.

This approach embeds the commitment to community health and wellbeing as core business for Latrobe City Council beyond 2017.

Taking a participative approach to engagement, planning and development over a 12 month period culminated in the unanimous adoption of the Plan by Council in December 2013.

The official launch of the Plan took place on 13 May 2014 and was attended by 83 external stakeholders and community members.

STRENGTHENING THE FOOD SYSTEM IN LATROBE:

The first Latrobe Food Forum was held in December 2013, with 85 representatives attending.

A variety of stakeholders including farmers, schools, businesses, local and state government and community agencies were represented. Members from across the food system discussed how they could contribute and work together to drive identified opportunities locally.

Following the Food Forum, thirty expressions of interest have been received to form a local food coalition to drive this work in Latrobe. This group is now working together to create a collective vision for Latrobe's Food System.

Image credit: Crinigan Road Reserve, Morwell



AGED AND DISABILITY SERVICE QUALITY MANAGEMENT SYSTEMS

During the 2013/14 financial year, Latrobe City Council's Aged and Disability Services were subjected to an independent audit against their International ISO 9001:2008 Quality Management Systems accreditation. Audited against 34 of the 44 standards, Aged and Disability Services were found to be compliant against all standards examined. Client feedback regarding service delivery received during the review was very complimentary.

NATIONAL QUALITY ASSESSMENTS

Early learning and care services received an achieved mark against National Quality Assessments newly implemented rating scale, with many noting an exceptional mark.

BUILDING PERMIT AUDIT PROGRAM

This program audits building permits issued by private building surveyors and includes report and consent applications, and monitoring compliance with enforcement documents issued by private building surveyors. The audit includes a selection of all building permits issued in Latrobe City to ensure the best possible outcomes are achieved for our ratepayers. It supports good building practice, identifies illegal building work and ensures that private building surveyors are held accountable.

FIRE INSPECTION PROGRAM

This season's Fire Inspection Program was divided into two areas: urban and rural/urban fringe. Two teams of officers conducted inspections in each area. The urban division was inspected by the Local Laws team and the rural/urban fringe division was inspected by the Fire Prevention Team. 2013/14 saw the introduction of Toughpad tablets for inspections conducted by the Fire Prevention Team. The Toughpads are fitted with Intramaps Roam (GIS) and GPS which allows officers to electronically tag each property that requires a notice to be issued and what type of notice – rural or urban. This enhanced the program as notes could be added to each property and photos taken, where required. In previous years this process was paper based.

PROJECT MANAGEMENT FRAMEWORK

The development of Latrobe City Council's Project Management Framework was guided by the following objective:

"To increase project management performance by reviewing and establishing a consistent and transparent approach to the way Latrobe City Council governs, plans and manages projects at an organisational level, integrating with existing strategic, business and financial reporting."






















Following a trial of the Project Management Framework and tools, the framework was endorsed by Council's Executive team and was subsequently applied to the planning and budgeting of Council's Capital Works program. Extending the application of the framework and further refinement of the project management tools will be ongoing with a commitment to continuous improvement.

HEALTHY TOGETHER LATROBE (HTL)

Healthy Together Latrobe is a three year initiative involving Latrobe City Council's Healthy Communities Team in Partnership with Latrobe Community Health Service and the Victorian Department of Health. Additionally, a "BE ACTIVE" grant from VicHealth aims to improve people's health within the local community. The focus is on encouraging healthy eating, physical activity, reducing smoking and harmful alcohol use. This is being implemented through the development of partnerships and strengthened community involvement in health and wellbeing.

QUALITY & COST MEASURE SNAPSHOT:

This Annual Report contains a range of service provision statistics and performance indicators. In addition, a snapshot of Quality and Cost measures are provided here which promote the Best Value principles.

-  96% customer satisfaction with Latrobe City Council's Home and Community Care Services.
-  Customers wait an average of 44 seconds for their call to be answered by Latrobe City Council's Call Centre reduced from 51 seconds during 2012/13.
-  The average cost per candidate to deliver the Latrobe City Citizenship Ceremonies is \$35.15.
-  95% overall customer satisfaction of responses to Infrastructure Maintenance requests.
-  97% customer satisfaction for all early learning & care services.
-  100% overall satisfaction from participants who attended the annual Latrobe City Children's Expo.
-  More than 33,000 meals on wheels meals delivered annually to over 900 eligible clients.
-  92% of families received contact from a Maternal and Child Health nurse following birth notification.
-  28% of Latrobe City's population are members of Council's libraries.
-  203 community members naturalised as part of Latrobe City Council Citizenship ceremonies an increase from 131 in 2012/13.
-  89% of impounded dogs were re-housed or returned to owners.
-  4857 vaccinations administered as part of Latrobe City Council's Immunisation Program in accordance with the *Public Health and Wellbeing Act*.
-  456 hours of professional Learning and Development programs delivered across Latrobe City Council.
-  7500 square metres of garden beds maintained monthly across Latrobe City.
-  242 bookings at the International Power Hazelwood Traffic School.
-  90 Essential Safety Measure building audits carried out in accordance with the *Building Act 1993*.
-  111 participants in school and cultural exchange programs and activities.
-  2361 attendees of Latrobe Performing Arts Education and Community Engagement Programs.
-  1,034,036 page visits on Latrobe City Council's website compared with 208,605 during 2012/13.
-  Participation in the Local Government Community Satisfaction Survey for the 17th time.
-  7 Monthly and 4 Quarterly Performance Reports provided to management and Council.

5.3

AUDIT & RISK

Audit Committee

The Audit Committee's role is to assist Latrobe City Council in the effective conduct of financial reporting, management of risk, maintaining internal controls and facilitating ethical development.

The Committee met four times during the year and is comprised of two independent external members: Mr Ron Gowland and Mrs Chris Trotman, and two Councillors: Cr Darrell White and Cr Michael Rossiter, with Cr Kellie O'Callaghan as alternative. The Chief Executive Officer, General Manager Planning and Governance, Manager Finance and Manager Risk and Compliance also attend Audit Committee meetings.

During the year, the Committee dealt with a range of activities including:

- Internal Audit Program
- 2014/15 Budget
- 2013/14 Financial Statements
- Risk management
- Outstanding debtors' review
- Quarterly financial and performance reports, and mid-year review
- Monthly performance reporting
- Strategic risk reporting

Internal Audit Program

Latrobe City Council has recently engaged the services of Pitcher Partners Consulting Pty Ltd to provide its internal audit services. A three year internal audit program will be established to review a range of internal functions of Latrobe City Council commencing with Purchasing Card audit.

Insurance Audits

Latrobe City Council participates in an insurance scheme that is specific to Victorian Local Government. The scheme carries out audits of Council's risk management on a bi-annual basis. These are used for benchmarking of Local Government authorities across Victoria.

An audit of Latrobe City Council's public liability risk management was undertaken in February 2013, and a score of 82%, an increase from 73% at last review, was achieved.

Insurance

Latrobe City Council has a responsibility to ensure that the nature and extent of our insurance cover is adequate.

Latrobe City Council participates in an insurance

scheme that is specific to Victorian Local Government. The scheme carries out review and audit of Latrobe City Council's risk management. These are used for benchmarking of Local Government authorities across Victoria. An audit of Latrobe City Council's property risk management was undertaken in June 2014, and a score of 88% was achieved, an increase from 75% at last review.

Latrobe City Council has insurance policies covering:

- public liability
- industrial special risk (i.e. property and art work) and business interruption
- public/products liability
- Councillors' and officers' liability
- motor vehicles
- engineering risks
- machinery and computer breakdown
- hangar keeper's liability, and
- personal accident/corporate travel

These insurances are reviewed annually and adjusted accordingly, having consideration for the various associated risks, past history and the benefit of expert advice.

Latrobe City Council liaises regularly with its insurers regarding changes in legislation, court decisions and industry best practice. Latrobe City Council manages public and property liability claims based on the framework and advice of its insurers.

Regular contact is made with the insurers to discuss claims and/or risk mitigation activities.

Risk Management

The Risk Management Plan 2011-2014 sets out Latrobe City Council's commitment to risk management and is aligned to the risk management standard, AS/ISO 31000. It is applicable to the management of all risks facing the organisation including: financial, reputation, Occupational Health and Safety (OHS), personnel, environmental, and legislative.

Actions and initiatives were implemented during 2013/14 including:

- Reviewed and improved frameworks, procedures and tools for staff
- Considered strategic and organisational risk registers as part of organisational business planning
- Continued to embed risk management, with the improved consideration of risk across organisational processes including Latrobe City Council reports and business cases

- Continued involvement in risk networks and forums
- Review of insurance policies and participation in insurance audits
- Continued the comprehensive review of council's Business Continuity Plan to ensure Latrobe City Council is in the best position to respond to a business disruption
- Handled insurance claims and renewals, including council's property, motor vehicle, public liability and professional indemnity
- Processing of public liability claims, including receipt of 148 reports/approaches, resulting in 33 claims, with 9 of those accepted or paid out
- Planning underway to review the Risk Management Plan

Occupational Health, Safety & Wellbeing

HAZARD INCIDENT & REPORTING

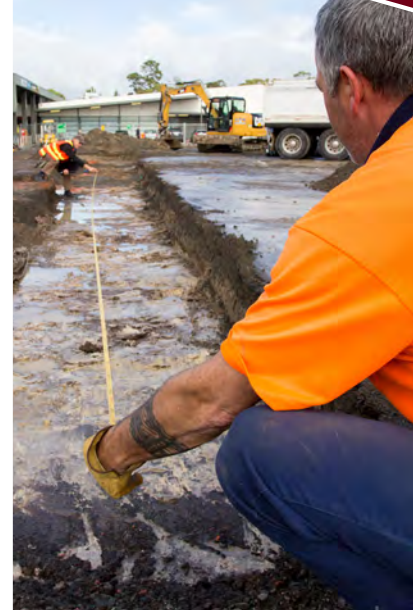
2013/14 saw the continuing trend of a higher number of near misses reported. This reflects organisational messaging to encourage such reporting rather than necessarily indicating a higher number of near misses. The Hazelwood Mine Fire resulted in 56 smoke related incidents being reported which added to the fairly standard number of incident reports arising from normal operations. There were three WorkSafe notifiable incidents in 2013 – 2014.

| HAZARD INCIDENT & REPORTING | 2011/12 | 2012/13 | 2013/14 | % CHANGE |
|--|---------|---------|-----------|----------|
| Lost time injuries | 16 | 16 | 20 | 25% |
| Medical Treatment injuries | 11 | 14 | 15 | 7% |
| Non Lost Time injuries | 33 | 48 | 36 | -25% |
| Near Miss Reports | 7 | 35 | 32 | -8% |
| Reports Only (incidents without injuries and hazard reports) | 28 | 31 | 46 | 48% |
| Notifiable Incident | 6 | 0 | 3 | 300% |

OHS Highlights

- WorkSafe week activities during October 2013.
- Finalised onsite Work Health Checks bringing the total number of employees participating to 521 since the start of the program.
- Purchase of stand-up workstations.
- Two new Health and Safety Representatives elected and nine re-appointed for a further three-year term.
- Emergency warden training conducted.
- Occupational Health and Safety Management System Audit undertaken.
- WorkSafe issued three (3) Improvement Notices which were actioned within the required timeframe.

Image credit: Latrobe City Council employees, Churchill Town Centre



5.4

STATUTORY INFORMATION

Documents for public inspection

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

Summarised below is a list of documents that are available for public inspection in accordance with Section 11 of the *Local Government (General) Regulations 2004*. In accordance with Section 222 of the *Local Government Act 1989*, inspection of these documents can be arranged by contacting Latrobe City Council on 1300 367 700.

- Details of current allowances fixed for the Mayor and Councillors under Section 74 of the *Local Government Act 1989*.
- Details of senior officers' total salary packages for the current financial year and the previous financial year.
- Details of overseas or interstate travel taken in an official capacity by Councillors or council officers in the previous 12 months (with the exception of interstate travel by land for less than three days).
- Names of council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- Names of Councillors who submitted a return of interest during the financial year and the dates the returns were submitted.
- Agendas and minutes for Ordinary and Special Council Meetings held in the previous 12 months kept under Section 93 of the Act, 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*.
- A list of special committees established by Latrobe City Council and the purpose for which each committee was established.
- A list of all special committees established by Latrobe City Council which were abolished or ceased to function during the financial year.
- Minutes of special committees established under Section 86 of the *Local Government Act 1989* 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 89 of the Act.

- A register of delegations made pursuant to the Act.
- Submissions received during the previous 12 months in accordance with the process outlined in Section 223 of the Act.
- Agreements to establish regional libraries under Section 196 of the *Local Government Act 1989*.
- Details of property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee.
- Register of authorised officers appointed under section 224 of the *Local Government Act 1989*.
- A list of donations and grants made by Latrobe City Council during the financial year.
- Organisations of which Latrobe City Council was a member during the financial year.
- Contracts valued at \$100,000 or more that Latrobe City Council entered into during the financial year without first engaging in a competitive process and that are not contracts referred to in section 186[5] of the *Local Government Act 1989*.

Other documentation and registers available to the public include:

- The Councillor Reimbursement Policy (known as *Provision of Resources and Support to Councillors Policy 11POL-5*)
- The *Councillor Code of Conduct*
- Records of Assembly of Councillors
- Register of Interests
- Local Laws 1, 2 and 3
- The Council Plan
- The Strategic Resource 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.

Image credits: Latrobe Regional Gallery, Storytime, Library and Service Centre Traralgon, Meals on Wheels Volunteer, Power Works..





5.5

INFORMATION MANAGEMENT

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. The FOI Act has four main principles:

- 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 appeal against a decision not to give access to information or not amend a personal record.

Latrobe City Council received 18 requests to access information under the Freedom of Information legislation during the 2013/14 financial year. This is five less than the previous year. Freedom of Information requests must be made in writing and accompanied by a \$25.70 application fee. A total of nine 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 45 days. Of the 18 requests received, 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 *Information Privacy 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 adopted a Privacy Policy which can be obtained upon request.

During the 2013/14 financial year, there was one complaint referred to the Privacy Commissioner, the Privacy Commissioner referring the applicant back to Latrobe City Council to deal with issues.

Charter of Human Rights and Responsibilities

The *Charter of Human Rights and Responsibilities Act 2006* ('Charter') came into force in 2008 and contains 20 fundamental rights that reflect the four basic principles of freedom, respect, equality and dignity. The Charter introduces standards to ensure that human rights are considered when making laws and decisions and when providing services.

The rights are:

FREEDOM

- Freedom from forced work
- Freedom of movement
- Freedom of thought, conscience, religion and belief
- Freedom of expression
- Right to peaceful assembly and freedom of association
- Right to property
- Right to liberty and security of person
- Right to a fair hearing
- Rights in criminal proceedings
- Right not to be tried and punished more than once
- Protection from retrospective criminal laws

RESPECT

- Right to life
- Protection of families and children
- Cultural rights, including the recognition of the distinct cultural rights of the Aboriginal people of Victoria

EQUALITY

- Recognition of equality before the law
- Entitlement to participate in public life (including voting)

DIGNITY

- Protection from torture and cruel, inhumane or degrading treatment
- Protection of privacy and reputation
- Humane treatment when deprived of liberty
- Appropriate treatment of children in the criminal process.

Latrobe City Council policies have been adopted following proper consideration of all the rights contained within the *Charter of Human Rights and Responsibilities Act 2006*.

During 2013/14, Latrobe City Council received no complaints in relation to Human Rights.

FURTHER READING:

www.humanrightscommission.vic.gov.au
www.justice.vic.gov.au

Protected Disclosures

The *Protected Disclosures Act 2012* (the Act) has replaced the *Whistleblowers' Protection Act 2001* in Victoria. The Act encourages and facilitates disclosures of wrongful acts by protecting those who disclose wrongful acts.

The Act relates to the behaviours and actions of council officers and Councillors. A person is entitled to make a complaint pursuant to the Act by contacting the Independent Broad-based Anti-corruption Commission (IBAC) on 1300 735 135.

Latrobe City Council supports the aims and objectives of the Act and has implemented the Protected Disclosure Procedure in accordance with the Act.

During the 2013/14 financial year there were no reported Protected Disclosures made to Council.

Carers Recognition Act 2012

The *Carers Recognition Act 2012* (the Act) came into effect on 1 July 2012 and formally recognises and values the role of carers and the importance of care relationships in the Victorian community. The Act defines a carer as someone who provides care to another person, and includes carers under the age of 18. Carers can provide care for a person who:

- Has a disability
- Has a mental illness
- Has an ongoing medical condition
- Is an older person with care needs

Care relationships also include those situations where a person is being cared for in a foster, kinship or permanent care arrangement.

Within the *Carers Recognition Act 2012* Latrobe City Council is required to report annually on its care measurement obligations under Section 11 of the Act. Latrobe City Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*. Latrobe City Council has promoted the principles of the Act to people in care relationships who receive Council services; to people in care relationships, and to the wider community by:

- Distributing printed material through relevant Latrobe City Council services;
- Displaying posters at Latrobe City Council community venues;
- Providing links to state government resource materials on Latrobe City Council's website; and
- Providing information to organisations represented in Latrobe City Council/ community networks.

Latrobe City Council has taken all practicable measures to ensure staff, Council agents and volunteers working for Latrobe City Council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Latrobe City Council induction and training programs for staff working in Home and Community Care and disability services.
- Latrobe City Council induction and training programs for staff working in front-line positions with the general community, and
- Induction and training programs for volunteers working directly with the community.

Latrobe City Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship.

Latrobe City Council's Aged and Disability Services, with funding from the Victorian Department of Health, have continued to provide a Couples' Respite Program. The program's strength is its recognition of care relationships, with 40 couples currently being supported. Couples in a care relationship have had the opportunity to attend musicals in Melbourne, go on holidays together, build reassuring friendships with like couples and hear from informative guest speakers.

Disability Action Plan 2013-14

The aim of the Disability Action Plan is to ensure people with a disability have equitable access to infrastructure and services provided by Latrobe City, in accordance with the *Disability Discrimination Act 1992*.

Each year, Latrobe City Council develops and implements a Disability Action Plan and has a whole of Council approach. The 2013 -2014 Disability Action Plan had eleven actions. Highlights of these actions were:

- Promote to local business the economic advantages of providing access for all abilities via the tourism e-newsletter, Business Connect, and relevant business forums.
- Audit the accessibility of library after hours return bins to allow safe and easy access to all community members.
- Produce Mobility Maps for two towns within Latrobe City per year.

The Latrobe City Disability Reference Committee plays a vital role in overseeing the implementation of the Disability Action Plan to continue transparency and community involvement.

5.6

VICTORIAN LOCAL GOVERNMENT INDICATORS

The Victorian Government requires all Victorian councils to measure and annually report against 11 Victorian Local Government Indicators. These indicators are designed to quantify aspects of expenditure, the cost of service and infrastructure provision, customer satisfaction and governance. As a comparison, figures from the past two years are provided.

| CATEGORY | VLGI # | DESCRIPTION | 2011/12 | 2012/13 | 2013/14 |
|---------------------------|--------|---|---------|---------|---------|
| Cost of Governance | 1 | Average rates and charges per assessment | \$1,582 | \$1,683 | \$1,778 |
| | 2 | Average residential rates and charges per assessment | \$1,250 | \$1,346 | \$1,431 |
| Sustainability | 3 | Average liabilities per assessment | \$1,642 | \$1,651 | \$1,630 |
| | 4 | Operating result per assessment | \$169 | \$256 | \$205 |
| Services | 5 | Average operating expenditure per assessment | \$2,911 | \$2,839 | \$2,985 |
| | 6 | Community satisfaction rating for the overall performance of Council | 61 | 53 | 59 |
| Infrastructure | 7 | Average capital expenditure per assessment | \$625 | \$653 | \$644 |
| | 8 | Renewal | 103% | 96% | 107% |
| | 9 | Renewal and maintenance | 102% | 98% | 105% |
| Governance | 10 | Community satisfaction rating for the Council's advocacy and community representation on key local issues | 56 | 49 | 56 |
| | 11 | Community satisfaction rating for the Council's engagement in decision making on key local issues | 54 | 50 | 55 |

6.1

FINANCIAL REPORT

This report shows how Council performed financially during the 2013/2014 financial year. It also provides the overall financial position of Council as at 30 June 2014.

Latrobe City Council presents this Finance Report in accordance with the Australian Accounting Standards, the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004. As the Council is a not-for-profit organisation, some terms used in the private sector are not appropriate for use with these statements.

Introduction

The Finance Report contains the following three sets of statements;

- Financial Statements
- Standard Statements
- Performance Statement

The statements and notes to the accounts are prepared by the Council's Finance Unit, audited by the Victorian Auditor General and examined by the Audit Committee and Council.

Financial Statements

COMPREHENSIVE INCOME STATEMENT

The Comprehensive Income Statement shows:

- Revenue sources by income category;
- Expenses relating to Council operations, not including costs associated with capital purchases, construction and asset renewal. While capital expenditure costs are not shown, asset depreciation and amortisation is included.
- other comprehensive income items (e.g Asset Revaluation Reserve increments/decrements).

The key figure in this statement is the surplus or deficit for the year. A surplus indicates that revenue exceeded expenses.

BALANCE SHEET

The Balance Sheet is a summary of Council's financial position as at the 30 June 2014. It shows what Council owns as assets and what is owed in liabilities. Assets and liabilities are split into current and non-current items. Current items reflect those assets or liabilities that will fall due in the next 12 months. The 'Total Equity' line of this statement indicates the net worth of Council which has been accumulated over many years.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the 2013/2014 financial year indicating the net increase or decrease in cash held by Latrobe City Council. Values in this statement represent 'cash-in-hand' and may vary from the Income Statement and Balance Sheet which are prepared on an accrual basis.

STATEMENT OF CHANGES IN EQUITY

This statement summarises the change in the net worth of Latrobe City Council. The net worth of Council can change as a result of:

- a surplus or deficit recorded in the Income Statement;
- use of money from Council reserves;
- an increase or decrease in the value of non-current assets based on revaluation of assets.

NOTES TO THE FINANCIAL STATEMENTS

These notes provide detailed information to assist understanding of the financial statements including statement preparation procedures, significant Council accounting policies, and many summary figures underlying the values contained within the statements. Notes also provide information and detail that Council wishes to provide but cannot be included within the financial statements. Numbers associated with notes are shown beside the relevant items within the financial statements.

Standard Statements

Latrobe City Council is required to present audited Standard Statements of Income, Balance Sheet, Cash Flows and Capital Works in accordance with the Local Government Act (1989). Each standard statement reports the difference between actual results for the financial year and the adopted Council budget that was established at the start of the financial year. Any major differences between the financial statements and the standard statements are explained within the notes.

These standard statements reflect the Financial Statements with the addition of the capital works statement. The Statement of Capital Works provides details of Council expenditure on creating, purchasing, renewing and upgrading property, infrastructure, plant and equipment by asset category.

Performance Statement

The Performance Statement reports on the performance against the Key Strategic Activities identified in the 2013/2014 adopted Council budget. Section 127 of the Local Government Act 1989 requires identification of key activities that will be pursued in support of the Strategic Objectives.

The Performance Statement reports on the outcome of these performance measures. The reported result is reviewed by the external auditors, with supporting evidence and data scrutinised to ensure accuracy of performance reporting.

Certification Reports

Certification of the Principal Accounting Officer is made by the Latrobe City Council Manager Finance who is responsible for the financial management of Council. The report certifies that in their opinion, the financial statements have met all statutory and professional reporting requirements.

Certification is also required by the Latrobe City Council Chief Executive Officer, and two Councillors on behalf of Council. Their reports certify that in their opinion, the financial statements are fair and not misleading.

Auditor General Report

The Independent Audit Report presents an external professional opinion on the financial statements. The report provides confirmation that the Finance Report has been prepared to comply with relevant legislation and professional standards, and provides a fair representation of Council finances.

6.2

FINANCIAL INDEX

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6.3

FINANCIAL STATEMENTS

Comprehensive Income Statement for the year ended 30 June 2014

| | NOTE | 2014 \$'000s | 2013 \$'000s |
|---|-------------|------------------|------------------|
| INCOME | | | |
| Rates | 2 | 66,355 | 62,637 |
| Grants - Operating (recurrent) | 3 | 16,909 | 21,860 |
| Grants - Operating (non-recurrent) | 3 | 4,056 | 3,746 |
| Grants - Capital (recurrent) | 3 | 1,175 | 1,689 |
| Grants - Capital (non-recurrent) | 3 | 5,802 | 2,749 |
| User Charges | 4 | 16,203 | 14,759 |
| Other Income | 5 | 4,222 | 4,479 |
| Developer Cash Contributions | 6 | 36 | 665 |
| Developer Contributed Assets | 7 | 4,578 | 2,150 |
| Recognition of Previously Unrecognised Assets | 19(a) | - | 407 |
| Total Income | | 119,336 | 115,141 |
| EXPENSES | | | |
| Employee Costs | 8 | (49,900) | (46,563) |
| Materials & Services | 9 | (32,686) | (33,768) |
| Bad and Doubtful Debts | 10 | (8) | (4) |
| Depreciation and Amortisation | 11 | (22,196) | (20,004) |
| Finance Costs | 12 | (1,211) | (1,086) |
| Other Expenditure | 13 | (5,151) | (4,164) |
| Net loss on disposal of property, infrastructure, plant and equipment | 19(b) | (533) | (28) |
| Total Expenses | | (111,683) | (105,618) |
| SURPLUS | | 7,653 | 9,523 |
| OTHER COMPREHENSIVE INCOME | | | |
| Net Asset Revaluation increment | 19(a)/25(a) | 866 | 91,459 |
| Reversal of Impairment losses on Revalued Assets | 19(a)/25(a) | - | 61 |
| TOTAL COMPREHENSIVE RESULT | | 8,519 | 101,043 |

The above statement should be read with the accompanying notes

Balance Sheet as at 30 June 2014

| | NOTE | 2014 \$'000s | 2013 \$'000s |
|---|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 14 | 42,632 | 27,663 |
| Prepayments | 15 | 293 | 207 |
| Trade and Other Receivables | 16 | 8,962 | 6,293 |
| Financial Assets | 17 | 3,310 | 19,500 |
| Total Current Assets | | 55,198 | 53,662 |
| NON-CURRENT ASSETS | | | |
| Trade and Other Receivables | 16 | 17 | 26 |
| Financial Assets | 17 | 2 | 2 |
| Property, Infrastructure, Plant and Equipment | 19 | 1,036,036 | 1,029,689 |
| Intangible Assets | 20 | 239 | 261 |
| Total Non-Current Assets | | 1,036,294 | 1,029,979 |
| TOTAL ASSETS | | 1,091,492 | 1,083,641 |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 21 | 10,942 | 16,695 |
| Interest-bearing Liabilities | 22 | 10,823 | 2,959 |
| Provisions | 23 | 12,935 | 12,492 |
| Trust Funds and Deposits | 24 | 2,214 | 2,043 |
| Total Current Liabilities | | 36,914 | 34,188 |
| NON-CURRENT LIABILITIES | | | |
| Interest-bearing Liabilities | 22 | 8,828 | 11,427 |
| Provisions | 23 | 14,998 | 15,794 |
| Total Non-Current Liabilities | | 23,827 | 27,221 |
| TOTAL LIABILITIES | | 60,740 | 61,409 |
| NET ASSETS | | 1,030,751 | 1,022,232 |
| EQUITY | | | |
| Accumulated Surplus | | 628,307 | 620,526 |
| Reserves | 25 | 402,445 | 401,706 |
| TOTAL EQUITY | | 1,030,751 | 1,022,232 |

The above statement should be read with the accompanying notes

Statement of Changes in Equity for the year ended 30 June 2014

| | NOTE | TOTAL | ACCUMULATED SURPLUS | ASSET REVALUATION RESERVE | OTHER RESERVES |
|---|-------|------------------|---------------------|---------------------------|----------------|
| | | \$'000s | \$'000s | \$'000s | \$'000s |
| Equity at beginning of year | | 1,022,232 | 620,526 | 399,253 | 2,453 |
| Surplus for the period | | 7,653 | 7,653 | - | - |
| Net Asset Revaluation Increment | 25(a) | 866 | - | 866 | - |
| Transfers to Other Reserves | 25(b) | - | (36) | - | 36 |
| Transfers for Other Reserves | 25(b) | - | 164 | - | (164) |
| Balance at end of the financial year | | 1,030,751 | 628,307 | 400,119 | 2,325 |

The above statement should be read with the accompanying notes

Statement of Changes in Equity for the year ended 30 June 2013

| | NOTE | TOTAL | ACCUMULATED SURPLUS | ASSET REVALUATION RESERVE | OTHER RESERVES |
|--|-------|------------------|---------------------|---------------------------|----------------|
| | | \$'000s | \$'000s | \$'000s | \$'000s |
| Equity at beginning of year | | 921,188 | 611,558 | 307,732 | 1,898 |
| Surplus for the period | | 9,523 | 9,523 | - | - |
| Net Asset Revaluation Increment | 25(a) | 91,459 | - | 91,459 | - |
| Transfers to Other Reserves | 25(b) | - | (665) | - | 665 |
| Transfers for Other Reserves | 25(b) | - | 110 | - | (110) |
| Reversal of Impairment losses on Revalued Assets | | 61 | - | 61 | - |
| Balance at end of the financial year | | 1,022,232 | 620,526 | 399,253 | 2,453 |

The above statement should be read with the accompanying notes

Statement of Cash Flows for the year ended 30 June 2014

| | NOTE | 2014 \$'000s | 2013 \$'000s |
|---|-------|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from ratepayers | | 65,560 | 62,471 |
| Government Grants (inclusive of GST) | | 27,793 | 30,458 |
| Interest received | | 1,739 | 1,773 |
| User charges, fines and fees (inclusive of GST) | | 16,973 | 15,496 |
| Developer Contributions | | 36 | 665 |
| Other Receipts | | 1,581 | 4,095 |
| Payments to Employees | | (49,289) | (46,008) |
| Payments to Suppliers (inclusive of GST) | | (46,130) | (37,125) |
| Net Cash provided by Operating Activities | 32 | 18,263 | 31,824 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for property, infrastructure, plant and equipment | | (24,108) | (24,286) |
| Proceeds from sale of property, infrastructure, plant and equipment | 19(b) | 570 | 828 |
| Net movement in Financial Assets | | 16,190 | (5,190) |
| Net Cash used in Investing Activities | | (7,348) | (28,648) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Finance Costs | | (1,211) | (1,086) |
| Loan Funds | | 8,970 | 1,000 |
| Repayment of Borrowings | | (3,705) | (3,150) |
| Net Cash used in Financing Activities | | 4,054 | (3,237) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | 14,970 | (60) |
| Cash and Cash Equivalents at beginning of the Financial Year | | 27,663 | 27,723 |
| Cash and Cash Equivalents at the end of the Financial Year | 14 | 42,632 | 27,663 |

The above statement should be read with the accompanying notes

6.4

NOTES

TO THE FINANCIAL STATEMENTS

Introduction

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.

Latrobe City Council's mission is to provide the best possible facilities, services, advocacy and leadership for Latrobe City, one of Victoria's four major regional cities. Our values are:

- Providing affordable people focussed community services;
- Planning strategically and acting responsibly, in the best interests of the whole community;
- Accountability, transparency and honesty;
- Listening to and working with the community;
- Respect, fairness and equity;
- Open to and embracing new opportunities.

These financial statements are general purpose financial statements that consist of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes accompanying these financial statements. The general purpose financial statements comply with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989 and the Local Government (Financial and Reporting) Regulations 2004.

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report has been prepared on an accrual basis and going concern basis.

These financial statements have been prepared under the historical cost convention, except where specifically stated in notes 1(h).

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.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, have been included in this financial report. All transactions between these entities and the Council have been eliminated in full. The Yallourn North Housing Committee is not included in this financial report based on their materiality.

(b) Change in accounting policies

AASB 13 Fair Value Measurements

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 Share-based Payment, leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

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 in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Change in accounting policies (continued)

AASB 13 Fair Value Measurements (continued)

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2013 comparative period (please see note 19).

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the 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.

AASB 119 Employee Benefits

In the current year, Council has applied AASB 119 Employee Benefits (as revised in 2011) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of annual leave provision from an undiscounted to discounted basis

This change in classification has not materially altered Councils measurement of the annual leave provision

(c) Revenue Recognition

Rates, grants and contributions

Rates, grants, donations and contributions (including developer contributions), are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 3. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User Fees and Fines

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

A provision for doubtful debts is recognised when collection in full is no longer probable.

Sale of property, plant and equipment

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

Rental

Rentals are recognised as revenue when the payment is due, or the payment is received, whichever first occurs.

Interest

Interest is recognised as it is earned.

(d) Trade and other Receivables

Rate Debtors

Rates are carried at amortised cost plus interest and are secured by a charge over the ratepayer's property. A provision for doubtful rate debtors is not required due to the Council's extensive legal powers for recovery, unless the value of the specific property involved is less than the outstanding debt.

Other Debtors

Other debtors represent amounts due to Council for the provision of services, advances and accrued income. The carrying amount of non-rate debtors (including any loans made) has been assessed for recovery at year end and provision made for doubtful debts as deemed necessary. Recoverability of debtors is reviewed on an ongoing basis throughout the course of each financial year and debts which are known to be uncollectable are written off.

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

- (e) Depreciation and amortisation of property, plant and equipment, infrastructure and intangibles
- Buildings, 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.

Land, Land Under Roads and Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Artworks are not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year.

Major Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

| ASSET CATEGORY | DEPRECIATION/AMORTISATION USEFUL LIFE (YEARS) 2014 |
|------------------------------|--|
| Building & Improvements | 30 – 50 |
| Furniture & Equipment | 5 -10 |
| Plant & Equipment | 5 |
| Drainage Works | 50 – 70 |
| Roads & Streets | 7 – 73 |
| Bridges | 75 |
| Playgrounds | 11 |
| Landfill Improvements | 2 - 31 |
| Intangible Assets - Software | 5 |

Various sub-categories of furniture and equipment, plant and equipment, car parks and roads have different estimated useful lives and therefore attract different depreciation rates.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the date they are completed and held ready for use.

- (f) 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.
- (g) Finance Costs
- Finance costs are recognised as an expense in the period in which they are incurred.

(h) Recognition and Measurement of Assets

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, any direct labour and an appropriate share of directly attributable variable and fixed overheads.

Capitalisation Thresholds

Capitalisation thresholds for all classes of assets, with the exception of Land, are as shown below which are consistent with prior year unless otherwise stated. Land including Land Under Roads has no capitalisation threshold.

| ASSET TYPE | THRESHOLD \$ |
|----------------------------|-----------------|
| Property | |
| Buildings & Improvements | 10,000 |
| Plant and Equipment | |
| Furniture & Equipment | 1,000 |
| Plant and Equipment | 1,000 |
| Art Works Collection | 500 |
| Infrastructure | |
| Drainage Works | 10,000 |
| Roads & Streets | 10,000 |
| Bridges | 10,000 |
| Playgrounds | 5,000 |
| Intangibles | |
| Software | 5,000 |

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment and office furniture and equipment are measured at 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. At balance date, the Council reviewed the carrying value of the individual classes of assets within land and buildings and infrastructure assets to ensure that each asset materially approximates its fair value. Where the carrying value materially differs from the fair value the class of asset is revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 19 Property Plant and Equipment.

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.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation 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 extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Recognition and Measurement of Assets (continued)

Land under roads

Council recognises land under roads it controls at fair value. A revaluation is undertaken every 2 years.

(i) Cash and Cash Equivalents

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

(j) Financial Assets

Term Deposits

Includes investments with original maturities of greater than three months.

(k) Investment

Investments are recognised and brought to account at their cost. Interest revenues are recognised as they accrue.

(l) Trade and Other Payables

Creditors and other current liabilities are amounts due to external parties for the purchase of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid within 30 days after initial recognition. Interest is not payable on these liabilities.

(m) Deposits and Retentions

Amounts received as tender deposits and retention amounts controlled by Council are included in the financial statements as liabilities until they are returned or forfeited.

(n) Employee Costs

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

Salaries and Wages

Liabilities for wages and salaries are measured as the amount unpaid at balance date. Entitlements include oncosts that are calculated using employee remuneration rates as at balance date.

Long Service Leave

Long Service Leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long Service Leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long Service Leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth Bond Rates are used for discounting future cash flows.

Annual Leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value, including appropriate oncosts, based on the amount expected to be paid when settled. 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 present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to be applied at the time of settlement.

(n) Employee Costs (continued)

Superannuation

The amount charged to the Comprehensive Income Statement in respect of superannuation represents contributions made or due by Latrobe City Council to the relevant superannuation plans in respect to the services of Latrobe City Council's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that Latrobe City Council is required to comply with.

(o) Leases

All Council's leases are deemed to be "operating leases" as the lessor effectively retains substantially all of the risks and benefits incidental to ownership of the leased items. The related rentals are expensed as incurred. (refer to Note 28)

(p) Allocation between Current and Non-Current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being the Council's operational cycle or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(q) Agreements equally proportionately unperformed

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the balance sheet. Such agreements are recognised on an 'as incurred' basis.

(r) Web site costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(t) 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 to sell 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.

(u) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statements may not equate due to rounding.

(v) Non-Current Assets Classified as Held for Sale

A non-current asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell and are not subject to depreciation. Non current assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

(w) Contingent assets and contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

(x) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, where it is probable (more likely than not) that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

(y) Landfill Improvements Provision

Under legislation Council is obligated to rehabilitate landfill sites to a particular standard. Current engineering projections indicate that all current landfill sites will cease operation in 2027/28. The forecast for life of the 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 site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date

| PRONOUNCEMENT | SUMMARY | APPLICATION DATE | IMPACT ON COUNCIL |
|-------------------------------------|--|--------------------|---|
| AASB 9 Financial Instruments | <p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas.</p> <p>AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the ‘available for sale’ and ‘held-to-maturity’ categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets.</p> <p>The new categories of financial assets are:</p> <ul style="list-style-type: none"> • Amortised cost – those assets with ‘basic’ loan features’. • Fair value through other comprehensive income - this treatment is optional for equity instruments not held for trading (this choice is made at initial recognition and is irrevocable). • Fair Value through profit and Loss - everything that does not fall into the above two categories. <p>The following changes also apply:</p> <ul style="list-style-type: none"> • Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure of fair value where there is insufficient more recent information available to determine a fair value. • There is no longer any requirement to consider whether ‘significant or prolonged’ decline in the value of financial assets has occurred. The only impairment testing will be on those assets held at amortised cost, and all impairments will be eligible for reversal. <p>Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity.</p> | 1 July 2015 | <p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities.</p> <p>This will also create a requirement to measure some instruments annually that has not previously existed.</p> |

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Pending Accounting Standards (continued)

| PRONOUNCEMENT | SUMMARY | APPLICATION DATE | IMPACT ON COUNCIL |
|--|---|--------------------|---|
| AASB 10 Consolidated Financial Statements | <p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p> | 1 July 2014 | The AASB have finalised deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, Council will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated. |
| AASB 11 Joint Arrangements | <p>This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.</p> | 1 July 2014 | The AASB have finalised deliberations and any modifications made to AASB 11 for not-for-profit entities, Council will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11. |
| AASB 12 Disclosure of Interests in Other Entities | <p>This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures.</p> <p>The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.</p> | 1 July 2014 | Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures. |

NOTE 1 | SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Pending Accounting Standards (continued)

| PRONOUNCEMENT | SUMMARY | APPLICATION DATE | IMPACT ON COUNCIL |
|--|---|--------------------|---|
| AASB 127 Separate Financial Statements | This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. | 1 July 2014 | The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities. |
| AASB 128 Investments in Associates and Joint Ventures | This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. | 1 July 2014 | The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities. |
| AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounts Standard arising from Reduced Disclosure Requirements | These standards set out the tiers of financial reporting and the reduced disclosure framework. | 1 July 2014 | Council has yet to determine the impact of this standard, |

NOTE 2 | RATES

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 valuations for power generation companies and Australian Paper Maryvale Ltd:

The valuation base used to calculate general rates for 2013/14 was \$9,909,313,000 (2012/13 was \$9,801,839,000).

The applicable rates in the CIV dollar were:

| | 2014 | 2013 |
|-----------------|------------|------------|
| | \$ | \$ |
| General | 0.00442245 | 0.00421418 |
| Farm | 0.00331684 | 0.00316063 |
| Recreation Land | NA | 0.00163615 |

This derived rate revenues of:

| | \$'000s | \$'000s |
|---|---------------|---------------|
| Residential | 33,632 | 31,754 |
| Commercial/Industrial | 6,608 | 6,253 |
| Farm | 2,761 | 2,627 |
| Recreation Land | (2) | 34 |
| Rating Agreements/Payments in lieu of rates | 8,765 | 8,549 |
| Municipal Charge | 4,444 | 4,227 |
| Garbage Charge | 9,555 | 8,658 |
| EPA Victoria Landfill Levy | 592 | 535 |
| Total Rates | 66,355 | 62,637 |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation will be first applied in the rating year commencing 1 July 2014.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation first applied to the rating year commencing 1 July 2012.

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

NOTE 3 GRANTS

Grants were received in respect of the following:

Summary of Grants

| | | |
|-------------------------|---------------|---------------|
| Federally funded grants | 5,627 | 3,101 |
| State funded grants | 22,176 | 26,893 |
| Others | 140 | 50 |
| Total | 27,942 | 30,044 |

Recurrent

| | | |
|---|---------------|---------------|
| Victorian Grants Commission – General Purpose | 4,327 | 8,635 |
| Aged and Disability | 4,488 | 4,126 |
| Preschools | 3,660 | 3,361 |
| Victorian Grants Commission – Local Roads | 1,258 | 2,304 |
| Commonwealth Government - Roads to Recovery Program | 1,175 | 1,689 |
| Family and Children Programs | 918 | 898 |
| Libraries | 494 | 490 |
| Maternal and Child Health | 482 | 468 |
| Employment Facilitation Programs | 407 | 744 |
| Enhanced Home Visiting Program | 222 | 209 |
| Arts Programs | 145 | 145 |
| Family Day Care | 127 | 158 |
| Rural Access Program | 109 | 104 |
| School Crossing Supervision | 100 | 93 |
| Health Programs | 99 | 66 |
| Community Support and Development Programs | 31 | 32 |
| Environment | 42 | 26 |
| Total Recurrent | 18,084 | 23,549 |

Non-Recurrent

| | | |
|--|--------------|--------------|
| Natural Disaster Recovery | 2,509 | 294 |
| Latrobe Regional Airport | 1,408 | 1,712 |
| Other Recreation Facilities | 1,339 | 721 |
| Moe Outdoor Pool | 1,243 | - |
| Moe Rail Precinct Revitalisation | 924 | 818 |
| Healthy Communities | 850 | 1,165 |
| Roads, Streets & Bridges | 640 | - |
| Federal Blackspot Program (Vic Roads) | 485 | 847 |
| Economic Development | 207 | 216 |
| Community Support and Development Programs | 136 | 453 |
| Fire Service Property Levy | 106 | 39 |
| Environment | 25 | 55 |
| City Planning and Development | 21 | - |
| Health Programs | 7 | - |
| Other | (42) | 34 |
| Employment Facilitation Programs | - | 94 |
| City Image Strategy | - | 45 |
| Landfill | - | 4 |
| Total Non-Recurrent | 9,858 | 6,495 |

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 3 | GRANTS (Continued)

Conditions on Grants

Grants & Contributions recognised as revenue during the year and were obtained on the condition that they be expended in a specified manner that had not occurred at balance date were:

| | 2014 | 2013 |
|---|--------------|--------------|
| Recurrent | | |
| Aged and Disability Programs | 568 | 402 |
| Health Programs | 358 | 217 |
| Family and Children Programs | 267 | 267 |
| Employment Facilitation Programs | 165 | 252 |
| Libraries | 72 | 82 |
| City Planning and Development | 6 | - |
| Victorian Grants Commission – General Purpose | - | 4,642 |
| Victorian Grants Commission – Local Roads | - | 1,211 |
| Community Support and Development Programs | - | 34 |
| Arts Programs | - | 10 |
| Total Recurrent | 1,436 | 7,118 |
| Non-Recurrent | | |
| Moe Rail Revitalisation Project | 997 | 397 |
| Healthy Communities | 692 | 924 |
| Lighting | 342 | - |
| Natural Disaster Recovery | 299 | 66 |
| Roads, Streets and Bridges | 214 | 460 |
| Recreation | 137 | 364 |
| Latrobe Regional Airport | 23 | - |
| Community Support and Development Programs | 26 | 64 |
| Economic Development | 11 | 70 |
| Other | 1 | 6 |
| Environment | - | 44 |
| Other Infrastructure | - | 30 |
| Family and Children Programs | - | 29 |
| Fire Service Property Levy | - | 29 |
| Total Non-Recurrent | 2,753 | 2,483 |
| Total | 4,189 | 9,601 |

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

NOTE 3 GRANTS (Continued)

Grants & Contributions which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

| | | |
|--|----------------|----------------|
| Recurrent | | |
| Victorian Grants Commission – General Purpose | 4,642 | 4,684 |
| Victorian Grants Commission – Local Roads | 1,211 | 1,184 |
| Aged and Disability Programs | 388 | 392 |
| Family and Children Programs | 332 | 582 |
| Employment Facilitation Programs | 260 | 153 |
| Health Programs | 211 | 107 |
| Libraries | 63 | 52 |
| Arts Programs | 13 | 23 |
| Commonwealth Government - Roads to Recovery Program | - | 681 |
| Community Support and Development Programs | - | 61 |
| City Planning and Development | - | 4 |
| Total Recurrent | 7,119 | 7,922 |
| Non-Recurrent | | |
| Natural Disaster Recovery | 1,390 | 2,053 |
| Healthy Communities | 846 | 308 |
| Moe Rail Revitalisation Project | 528 | 887 |
| Moe Outdoor Pool | 435 | - |
| Recreation | 364 | 237 |
| Roads, Streets and Bridges | 116 | - |
| City Planning and Development | 106 | 7 |
| Community Support and Development Programs | (95) | 39 |
| Economic Development | 70 | 74 |
| Environment | 44 | - |
| Fire Services Property Levy | 29 | - |
| Aged and Disability Programs | 30 | 12 |
| Other | 11 | 8 |
| Health Programs | - | 24 |
| Arts Programs | - | 22 |
| Family and Children Programs | - | 21 |
| Employment Facilitation Programs | - | 17 |
| Total Non-Recurrent | 4,063 | 3,709 |
| Total | 11,182 | 11,631 |
| Net Increase/(Decrease) in Restricted Assets Resulting from Grant Revenues for the Year | (6,993) | (2,030) |

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 4 | USER CHARGES

| | | |
|---------------------------------|---------------|---------------|
| Leisure Centres | 3,011 | 2,865 |
| Outdoor Pools | 92 | 76 |
| Child Care / Pre Schools | 4,211 | 3,985 |
| Aged Services | 1,982 | 2,055 |
| Recreation (Halls and Reserves) | 383 | 339 |
| Planning | 547 | 529 |
| Building Services | 148 | 148 |
| Health Services | 372 | 354 |
| Local Laws | 943 | 960 |
| Waste Services | 4,054 | 2,976 |
| Library Services | 48 | 50 |
| Debt Collections Recovery | 276 | 236 |
| Council Election Fines | 39 | 88 |
| Other Fees and Charges | 97 | 98 |
| Total User Charges | 16,203 | 14,759 |

NOTE 5 | OTHER INCOME

| | | |
|---------------------------|--------------|--------------|
| Interest on Rates | 331 | 511 |
| Interest on Investments | 1,566 | 1,778 |
| Sales – Non Capital | 130 | 13 |
| Valuation Fees | 15 | 27 |
| Commissions | 42 | 47 |
| Property Rentals | 747 | 741 |
| Insurance Reimbursements | 227 | 12 |
| Fundraising | 25 | 12 |
| Sponsorship | 86 | 100 |
| Local Contributions | 230 | 489 |
| Donations | 18 | 14 |
| Merchandise Sales | 564 | 591 |
| Other | 241 | 144 |
| Total Other Income | 4,222 | 4,479 |

NOTE 6 | DEVELOPER CASH CONTRIBUTIONS

| | | |
|---|-----------|------------|
| Public Open Space | 27 | 79 |
| Drainage Headworks | - | 72 |
| Street Trees | 9 | 16 |
| Future Roadworks | - | 199 |
| Development Plan | - | 299 |
| Total Developer Cash Contributions | 36 | 665 |

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 7 DEVELOPER CONTRIBUTED ASSETS

| | | |
|---|--------------|--------------|
| Roads | 2,534 | 870 |
| Drains | 1,102 | 176 |
| Footpaths | 347 | 452 |
| Kerb and Channel | 540 | 171 |
| Land | - | 467 |
| Land Under Roads | 54 | 14 |
| Total Developer Contributed Assets | 4,578 | 2,150 |

NOTE 8 EMPLOYEE COSTS

| | | |
|--|---------------|---------------|
| Salaries and Wages | 38,428 | 35,969 |
| Long Service Leave | 934 | 872 |
| Annual Leave | 3,848 | 3,492 |
| Superannuation | 3,904 | 3,528 |
| Other OnCosts | 1,188 | 1,308 |
| Fringe Benefits Tax and Workcover Levy | 1,598 | 1,394 |
| Total Employee Costs | 49,900 | 46,563 |

NOTE 9 MATERIALS AND SERVICES

| | | |
|-------------------------------------|---------------|---------------|
| Contract Payments | 14,700 | 15,129 |
| Plant Hire | 994 | 958 |
| Utilities | 3,190 | 2,888 |
| Building Maintenance | 988 | 1,194 |
| Equipment Maintenance | 709 | 682 |
| IT Consumables/ Communications | 1,800 | 1,779 |
| Family Day Care | 1,107 | 1,323 |
| Consultancy | 1,243 | 1,438 |
| Vehicle Expenses | 1,386 | 1,280 |
| Other Materials | 6,569 | 7,097 |
| Total Materials and Services | 32,686 | 33,768 |

NOTE 10 BAD AND DOUBTFUL DEBTS

| | | |
|-------------------------------------|----------|----------|
| Other Debtors | 8 | 4 |
| Total Bad and Doubtful Debts | 8 | 4 |

NOTE 11 DEPRECIATION AND AMORTISATION EXPENSES

| | | |
|------------------------------------|---------------|---------------|
| Building and Improvements | 3,586 | 3,668 |
| Furniture and Equipment | 737 | 691 |
| Intangible Assets | 80 | 87 |
| Playground Improvements | 91 | 70 |
| Plant and Equipment | 1,649 | 1,601 |
| Roads, Streets and Bridges | 10,331 | 9,712 |
| Drainage Works | 1,493 | 1,332 |
| Landfill Improvements | 4,229 | 2,842 |
| Total Depreciation Expenses | 22,196 | 20,004 |

| | 2014 | 2013 |
|--------------------------------|--------------|--------------|
| | \$'000s | \$'000s |
| NOTE 12 FINANCE COSTS | | |
| Interest on Borrowings | 1,211 | 1,086 |
| Total Finance Costs | 1,211 | 1,086 |

| | | |
|------------------------------------|--------------|--------------|
| NOTE 13 OTHER EXPENDITURE | | |
| Auditors Remuneration | 101 | 77 |
| Councillors Allowances | 268 | 264 |
| Operating Lease Rentals | 187 | 163 |
| Grants & Contributions | 1,519 | 1,162 |
| Levies | 1,610 | 1,125 |
| Advertising & Promotion | 557 | 562 |
| Insurances | 909 | 811 |
| Total Other Expenditure | 5,151 | 4,164 |

| | | |
|--|---------------|---------------|
| NOTE 14 CASH AND CASH EQUIVALENTS | | |
| Cash on Hand | 18 | 19 |
| Cash at Bank | 21,064 | 6,334 |
| Short Term Deposits | 21,550 | 21,310 |
| Total Cash and Cash Equivalents | 42,632 | 27,663 |

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

| | | |
|--|---------------|---------------|
| Trust funds and deposits (Note 24) | 2,214 | 2,043 |
| Reserve funds allocated for specific future purposes | 2,326 | 2,453 |
| Unexpended Grants (Note 3) | 5,336 | 12,329 |
| Restricted Funds (Note 18) | 9,876 | 16,825 |
| Total Unrestricted Cash and Cash Equivalents | 32,756 | 10,838 |

| | | |
|----------------------------------|------------|------------|
| NOTE 15 PREPAYMENTS | | |
| Registrations | 110 | 112 |
| Software Maintenance and Support | 170 | 59 |
| Memberships and Subscriptions | 2 | 19 |
| Property Leases | 4 | 3 |
| Other | 7 | 14 |
| Total Prepayments | 293 | 207 |

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

NOTE 16 TRADE AND OTHER RECEIVABLES

Current

| | | |
|---|--------------|--------------|
| Child Care | 125 | 112 |
| Family Day Care | 42 | 53 |
| Home Care / Maintenance / Meals on Wheels | 222 | 214 |
| Rates * | 2,906 | 2,172 |
| Government Grants and Subsidies | 3,137 | 1,104 |
| Accrued Interest | 115 | 288 |
| Staff Advances | 14 | 9 |
| Pre Schools | 3 | 20 |
| Health Registrations | 2 | - |
| Advances to Community Groups/ Vendor Term Loans | 10 | 24 |
| Pension Claim | 379 | 365 |
| Latrobe Regional Airport Projects | 37 | 44 |
| Landfill | 608 | 466 |
| Other | 462 | 727 |
| Net GST Receivable | 943 | 748 |
| Provision for Doubtful Debts | (43) | (53) |
| Total Current | 8,962 | 6,293 |

* Rates are payable by four instalments during the year or by lump sum in February. Arrears attract interest, currently at the rate of 10.5% per annum.

Non-Current

| | | |
|--|-----------|-----------|
| Advances to Community Group/ Vendor Term Loans | 17 | 26 |
| Total Non-Current | 17 | 26 |

Total Trade and Other Receivables

8,979 **6,319**

NOTE 17 FINANCIAL ASSETS

Current

| | | |
|--|--------------|---------------|
| Term Deposits with a maturity term > 90 Days | 3,310 | 19,500 |
| Total Current | 3,310 | 19,500 |

Non-Current

| | | |
|--------------------------|----------|----------|
| MAPS Group Ltd. Shares | 2 | 2 |
| Total Non-Current | 2 | 2 |

Total Financial Assets

3,312 **19,502**

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 18 RESTRICTED ASSETS

Cash

Council has cash and cash equivalents (Note 14) that are subject to restrictions as at the reporting date. Council has legislative restrictions in relation to non discretionary reserve and grant funds, together with cash held for trust funds and deposits

Restricted Cash Assets

| | | |
|--|--------------|---------------|
| Street Lighting Reserve (1) | 13 | 13 |
| Off Street Parking Contributions (1) | 230 | 230 |
| Drainage Contributions (1) | 586 | 732 |
| Playground/ Public Open Space Contributions(1) | 410 | 384 |
| Tree Planting Contributions (1) | 210 | 218 |
| Future Roadwork (1) | 578 | 578 |
| Development Contribution Plan (1) | 298 | 298 |
| Trust Funds and Deposits (Note 24) | 2,214 | 2,043 |
| Unexpended Grants & Contributions (Note 3) | 5,336 | 12,329 |
| Total Restricted Cash Assets | 9,876 | 16,825 |

(1) Funds required to be spent on projects for which contributions have been received.

| | 2014 | 2013 |
|--|------------------|------------------|
| | \$'000s | \$'000s |
| NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT | | |
| Summary | | |
| Property, Plant and Equipment | | |
| At fair value | 1,286,137 | 1,281,656 |
| At Cost | 57,891 | 35,313 |
| Less Accumulated Depreciation | (307,992) | (287,281) |
| Total Property, Plant and Equipment | 1,036,036 | 1,029,689 |
| Land | | |
| • at independent valuation 2013 | 201,546 | 201,546 |
| • at cost | - | - |
| Total Land | 201,546 | 201,546 |
| Buildings and Improvements | | |
| • at independent valuation 2013 | 178,844 | 178,844 |
| • at cost | 5,338 | - |
| | 184,182 | 178,844 |
| Less Accumulated Depreciation | (3,586) | - |
| Total Buildings and Improvements | 180,596 | 178,844 |
| Furniture and Equipment | | |
| • at cost | 7,237 | 6,020 |
| Less Accumulated Depreciation | (4,774) | (4,143) |
| Total Furniture and Equipment | 2,463 | 1,877 |
| Plant and Equipment | | |
| • at cost | 12,717 | 12,333 |
| Less Accumulated Depreciation | (5,649) | (4,837) |
| Total Plant and Equipment | 7,068 | 7,496 |
| Drainage Works | | |
| • at Council valuation 2013 | 153,267 | 152,177 |
| • at cost | 115 | - |
| | 153,382 | 152,177 |
| Less Accumulated Depreciation | (61,671) | (60,188) |
| Total Drainage Works | 91,711 | 91,989 |
| Land Under Roads | | |
| • at Council valuation 2014 | 18,030 | 17,104 |
| Total Land Under Roads | 18,030 | 17,104 |
| Roads, Streets and Bridges | | |
| • at Council valuation 2013 | 710,769 | 708,375 |
| • at cost | 16,631 | - |
| | 727,400 | 708,375 |
| Less Accumulated Depreciation | (217,294) | (207,413) |
| Total Roads, Streets and Bridges | 510,105 | 500,962 |

| | 2014 | 2013 |
|--|------------------|------------------|
| | \$'000s | \$'000s |
| NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Continued) | | |
| Landfill Improvements | | |
| • at Council valuation 2014 | 18,822 | 18,751 |
| • at cost | 5,102 | 2,034 |
| | 23,924 | 20,785 |
| Less Accumulated Amortisation | (13,928) | (9,700) |
| Total Landfill Improvements | 9,995 | 11,086 |
| Playground Improvements | | |
| • at Council valuation 2013 | 1,963 | 1,963 |
| • at cost | 799 | - |
| | 2,762 | 1,963 |
| Less Accumulated Depreciation | (1,090) | (999) |
| Total Playground Improvements | 1,672 | 964 |
| Art Collection | | |
| • at Council valuation 2011 | 2,896 | 2,896 |
| • at cost | 52 | 37 |
| Total Art Collection | 2,948 | 2,933 |
| Works in Progress – at cost | | |
| • Furniture and Equipment | - | 517 |
| • Buildings and Improvements | 6,424 | 6,667 |
| • Roads, Streets and Bridges | 3,309 | 4,432 |
| • Drainage | 148 | - |
| • Playgrounds | 8 | 222 |
| • Landfill Improvements | 12 | 3,052 |
| Total Works in Progress | 9,901 | 14,889 |
| Total Property, Plant and Equipment | 1,036,036 | 1,029,689 |

NOTE 19 | PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Continued)

Fair value assessments have been performed at 30 June 2014 for Land, Buildings and Infrastructure. This assessment demonstrated that fair value was materially similar to carrying value, and therefore a full revaluation was not required this year. The next scheduled full revaluation for this purpose will be conducted in 2016/17 for Land and Buildings and 2014/15 for Infrastructure.

Details of the Council's Land, Buildings and Infrastructure and information about the fair value hierarchy as at 30 June 2014 are as follows:

| | LEVEL 1 | LEVEL 2 | LEVEL 3 |
|---------------------------|----------|---------------|----------------|
| | \$'000s | \$'000s | \$'000s |
| Land – Non Specialised | - | 87,270 | - |
| Land – Specialised | - | - | 114,276 |
| Land Under Roads | - | - | 18,030 |
| Landfill Improvements | - | - | 8,298 |
| Buildings – Specialised | - | - | 175,267 |
| Roads, Street and Bridges | - | - | 493,515 |
| Drainage | - | - | 91,596 |
| Playground Improvements | - | - | 876 |
| Art Collection | - | 2,896 | - |
| Total | - | 90,166 | 901,858 |

No transfers between levels occurred during the year

Valuation Basis

Non-specialised land, non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by CJA Lee Property – Valuers and Consultants (Registration number: 61902) to determine the fair value using the market based direct comparison method. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2013. To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

Specialised land and specialised buildings

The market based direct comparison method is also used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. For Council specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. Specialised assets contain significant, unobservable adjustments, therefore these assets are classified as Level 3 fair value measurements.

An adjustment is made to reflect a restriction on the sale or use of an asset by Council. The adjustment is an allowance made to reflect the difference in value between unrestricted assets and those held by the Council which are impacted by external restraints on their use.

An independent valuation of Council's specialised land and specialised buildings was performed by CJA Lee Property – Valuers and Consultants (Registration number: 61902). The valuation was performed using either the market based direct comparison method or depreciated replacement cost, adjusted for restrictions in use. The effective date of the valuation is 30 June 2013.

NOTE 19 | PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Continued)

Land Under Roads

All land under roads 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.

Infrastructure

Infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the property to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable. Infrastructure assets contain significant unobservable adjustments, therefore these assets are classified as Level 3.

A valuation of Council's, infrastructure assets was performed by Council's Infrastructure Planning staff. The valuation was performed based on the depreciated replacement cost of the assets. The effective date of the valuation is 30 June 2013.

Art Collection

Art collection has been valued at market value by an independent art valuer as at 30 June 2011. Valuations were carried out by:

- Guy Abrahams – Approved Valuer, Australian Government Cultural Gifts Program
- Lesley Kehoe Galleries

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 Fair Value

| | SPECIALISED LAND AND LAND IMPROVEMENTS | SPECIALISED BUILDINGS | LAND UNDER ROADS | INFRASTRUCTURE |
|---------------------------|--|--------------------------|---------------------|----------------|
| | \$'000S | \$'000S | \$'000S | \$'000S |
| 2014 | | | | |
| Opening Balance | 114,276 | 178,844 | 17,104 | 603,975 |
| Depreciation | - | (3,577) | - | (13,704) |
| Impairment Loss | - | - | - | - |
| Revaluation | - | - | 866 | - |
| Acquisitions/ (Disposals) | - | - | 60 | 4,014 |
| Transfers | - | - | - | - |
| Closing Balance | 114,276 | 175,267 | 18,030 | 594,285 |

NOTE 19 | PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Continued)

Description of Significant Unobservable Inputs into Level 3

| | VALUATION TECHNIQUE | SIGNIFICANT UNOBSERVABLE INPUTS | RANGE | SENSITIVITY |
|--|---|--|---|--|
| Specialised Land and Land Improvements (\$114.3 m) | Market based direct comparison approach (refer above) | Extent and impact of restriction of use | Impact of restriction of use is likely to be in the range of +- 10% of value. | Increase or decrease in the extent of restriction would result in a significantly lower or higher fair value. |
| Specialised Buildings (\$175.3 m) | Depreciated Replacement Cost | Direct cost per square metre Useful life of specialised buildings | \$350 - \$6,462 per square metre. 30-50 years | Increase or decrease in the direct cost per square metre adjustment and/or estimated useful life would result in a significantly lower or higher fair value. |
| Land Under Roads (\$18.0 m) | Market based direct comparison approach (refer above) | Extent and impact of restriction of use | 87% | Increase or decrease in the extent of restriction would result in a significantly lower or higher fair value. |
| Roads, Streets and Bridges (\$493.515m) | Depreciated Replacement Cost | Cost per unit Useful life of infrastructure | \$3.19 Sealed Surface to \$3,885 bridge super structures per square metre. 7 – 75 years. | Increase or decrease in the cost per unit and/or estimated useful life would result in a significantly lower or higher fair value. |
| Drainage Works (\$91.596 m) | Depreciated Replacement Cost | Cost per unit Useful life of infrastructure | \$42.18-10,224.10 per metre pipes. Pits & Traps \$1,037.25 to 66,506.15 per item. 50-70 years | Increase or decrease in the cost per unit and/or estimated useful life would result in a significantly lower or higher fair value. |
| Landfill Improvements (\$8.298 m) | Depreciated Replacement Cost | Cost per unit Useful life of infrastructure | Unit rate per item is influenced by EPA requirements and size of landfill cell. Useful life is based on usage of landfill cell and is currently in the range of 6 - 31 years | Increase or decrease in the cost per unit and/or estimated useful life would result in a significantly lower or higher fair value. |
| Playground Improvements (\$0.876 m) | Depreciated Replacement Cost | Cost per unit Useful life of infrastructure | \$111 - \$44,400 per item. 11 years | Increase or decrease in the cost per unit and/or estimated useful life would result in a significantly lower or higher fair value. |

NOTE 19 (a) PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

| | CARRYING AMOUNT 30/06/2013 | WDV T/FER ASSETS HELD FOR SALE | RECOGNITION OF PREVIOUSLY UNRECOGNIS ED ASSETS | ADDITIONS 2013/14 | WDV DISPOSALS | DEPRECIATION EXPENSES | REVALUATION INCREMENT/ (DECREMENT) | CARRYING AMOUNT 30/06/2014 |
|--|-------------------------------|--------------------------------------|---|----------------------|------------------|--------------------------|--|----------------------------------|
| | | | | | Note 19(b) | Note 11 | | |
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | | | | | |
| Land | 201,546 | - | - | - | - | - | - | 201,546 |
| Buildings and Improvements | 178,844 | - | - | 5,338 | - | (3,586) | - | 180,596 |
| Furniture and Equipment | 1,877 | - | - | 1,323 | - | (737) | - | 2,463 |
| Plant and Equipment | 7,495 | - | - | 1,750 | (529) | (1,649) | - | 7,068 |
| Drainage Works | 91,989 | - | - | 1,217 | (2) | (1,493) | - | 91,711 |
| Land Under Roads | 17,104 | - | - | 60 | - | - | 866 | 18,030 |
| Roads, Streets and Bridges | 500,963 | - | - | 20,046 | (572) | (10,331) | - | 510,105 |
| Landfill Improvements | 11,086 | - | - | 3,138 | - | (4,229) | - | 9,995 |
| Playground Improvements | 964 | - | - | 799 | - | (91) | - | 1,672 |
| Art Collection | 2,933 | - | - | 15 | - | - | - | 2,948 |
| Works in Progress | 14,889 | - | - | (4,988) | - | - | - | 9,901 |
| Total Property, Infrastructure, Plant and Equipment | 1,029,689 | - | - | 28,698 | (1,103) | (22,116) | 866 | 1,036,036 |
| 2013 | | | | | | | | |
| Land | 169,192 | 190 | 554 | 519 | - | - | 31,091 | 201,546 |
| Buildings and Improvements | 176,558 | 553 | (370) | 1,791 | - | (3,668) | 3,980 | 178,844 |
| Furniture and Equipment | 1,874 | - | - | 704 | (10) | (691) | - | 1,877 |
| Plant and Equipment | 6,436 | - | 324 | 3,178 | (841) | (1,601) | - | 7,495 |
| Drainage Works | 83,937 | - | - | 292 | - | (1,332) | 9,092 | 91,989 |
| Land Under Roads | 17,090 | - | - | 14 | - | - | - | 17,104 |
| Roads, Streets and Bridges | 450,062 | - | (101) | 13,419 | - | (9,712) | 47,295 | 500,963 |
| Landfill Improvements | 11,893 | - | - | 2,035 | - | (2,842) | - | 11,086 |
| Playground Improvements | 746 | - | - | 231 | (5) | (70) | 63 | 964 |
| Art Collection | 2,908 | - | - | 24 | - | - | - | 2,933 |
| Works in Progress | 10,704 | - | - | 4,185 | - | - | - | 14,889 |
| Total Property, Infrastructure, Plant and Equipment | 931,400 | 743 | 407 | 26,392 | (856) | (19,916) | 91,521 | 1,029,689 |

NOTE 19 (b) PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

| | PLANT | FURNITURE AND EQUIPMENT | INFRASTRUCTURE | TOTAL 2014 | TOTAL 2013 |
|---------------------------------|-----------|-------------------------|----------------|--------------|-------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| Proceeds of Sales | 569 | 1 | | 570 | 828 |
| Sales Expenses | - | - | - | - | - |
| Net Proceeds | 569 | 1 | - | 570 | 828 |
| Book Values | (529) | - | (574) | (1,103) | (856) |
| Gain/(Loss) on Disposals | 40 | 1 | (574) | (533) | (28) |

NOTE 20 INTANGIBLE ASSETS

| | Software |
|--|--------------|
| | \$'000s |
| Gross Carrying Amount | |
| Balance at 1 July 2012 | 788 |
| Additions 2012/13 | 44 |
| Balance at 30 June 2013 | 832 |
| Additions 2013/14 | 58 |
| Balance at 30 June 2014 | 890 |
| Accumulated Amortisation and Impairment | |
| Balance at 1 July 2012 | (483) |
| Amortisation Expense 2012/13 | (87) |
| Balance at 30 June 2013 | (571) |
| Amortisation Expense 2013/14 | (80) |
| Balance at 30 June 2014 | (650) |
| Net Book Value at 30 June 2013 | 261 |
| Net Book Value at 30 June 2014 | 239 |

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

NOTE 21 TRADE AND OTHER PAYABLES

| | | |
|---------------------------------------|---------------|---------------|
| Current | | |
| Payables | 8,844 | 14,927 |
| Accrued Salaries and Wages | 2,097 | 1,766 |
| Accrued Loan Interest | 1 | 2 |
| Total Trade and Other Payables | 10,942 | 16,695 |

| | 2014 | 2013 |
|---|---------------|---------------|
| | \$'000s | \$'000s |
| NOTE 22 INTEREST-BEARING LIABILITIES | | |
| Current | | |
| Borrowings – Secured | 10,823 | 2,959 |
| Total Current | 10,823 | 2,959 |
| Non-Current | | |
| Borrowings – Secured | 8,828 | 11,427 |
| Total Non-Current | 8,828 | 11,427 |
| Total Interest-Bearing Liabilities | 19,651 | 14,386 |
| All borrowings are secured over Council's Rate Revenue. | | |
| The maturity profile for Council's borrowing is: | | |
| Within 12 months | 10,823 | 2,959 |
| Later than 1 year but not later than 5 years | 7,485 | 8,711 |
| After 5 years | 1,343 | 2,716 |
| | 19,651 | 14,386 |

NOTE 23 PROVISIONS

| | ANNUAL LEAVE | LONG SERVICE LEAVE | LANDFILL IMPROVEMENTS | TOTAL |
|---|--------------|--------------------|-----------------------|----------------|
| | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | |
| Balance at beginning of the financial year | 3,707 | 8,164 | 16,415 | 28,285 |
| Additional provisions | 3,805 | 742 | - | 4,547 |
| Amounts Used | (3,587) | (807) | (738) | (5,131) |
| Increase in the discounted amount arising because of time and the effect of any change in the discount rate | 5 | 156 | 71 | 232 |
| Balance at the end of the financial year | 3,930 | 8,256 | 15,748 | 27,933 |

| | | | | |
|---|--------------|--------------|---------------|----------------|
| 2013 | | | | |
| Balance at beginning of the financial year | 3,563 | 7,896 | 16,589 | 28,048 |
| Additional provisions | 3,504 | 1,463 | 193 | 5,160 |
| Amounts Used | (3,360) | (632) | (367) | (4,359) |
| Increase in the discounted amount arising because of time and the effect of any change in the discount rate | - | (563) | - | (563) |
| Balance at the end of the financial year | 3,707 | 8,164 | 16,415 | 28,286 |

| | 2014 | 2013 |
|---|---------------|---------------|
| | \$'000s | \$'000s |
| Current Provisions expected to be settled within 12 months | | |
| Annual Leave | 3,650 | 3,707 |
| Long Service Leave | 1,882 | 1,903 |
| Landfill Rehabilitation | 2,119 | 2,027 |
| | 7,651 | 7,637 |
| Current Provisions expected to be settled after 12 months | | |
| Annual Leave | 280 | - |
| Long Service Leave | 5,003 | 4,855 |
| | 5,283 | 4,855 |
| Total Current Provisions | 12,935 | 12,492 |
| Non-Current Provisions | | |
| Long Service Leave | 1,370 | 1,406 |
| Landfill Rehabilitation | 13,628 | 14,388 |
| Total Non-Current Provisions | 14,998 | 15,794 |

The following assumptions were adopted in measuring the present value of employee benefits

| | | |
|---|-------|-------|
| Weighted average increase in employee costs | 4.44% | 4.50% |
| Weighted average discount rates | 3.06% | 3.24% |
| Weighted average settlement period | 12 | 12 |

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 24 TRUST FUNDS AND DEPOSITS

| | | |
|---------------------------------------|--------------|--------------|
| Contracts and Sundry Deposits | 2,214 | 2,043 |
| Total Trust Funds and Deposits | 2,214 | 2,043 |

NOTE 25 RESERVES

(a) Asset Revaluation Reserve

| | BALANCE AT BEGINNING OF REPORTING PERIOD | | INCREMENT/ (DECREMENT) | | BALANCE AT END OF REPORTING PERIOD | |
|----------------------------|--|-----------------|------------------------|-----------------|------------------------------------|-----------------|
| | 2014 \$'000s | 2013 \$'000s | 2014 \$'000s | 2013 \$'000s | 2014 \$'000s | 2013 \$'000s |
| Land | 160,054 | 128,963 | - | 31,091 | 160,054 | 160,054 |
| Buildings and Improvements | 89,547 | 85,567 | - | 3,980 | 89,547 | 89,547 |
| Land Under Roads | 6,319 | 6,319 | 866 | - | 7,185 | 6,319 |
| Plant and Equipment | 14 | 14 | - | - | 14 | 14 |
| Roads, Streets and Bridges | 96,285 | 48,990 | - | 47,295 | 96,285 | 96,285 |
| Drainage | 46,244 | 37,152 | - | 9,092 | 46,244 | 46,244 |
| Playgrounds | 63 | - | - | 63 | 63 | 63 |
| Artworks | 727 | 727 | - | - | 727 | 727 |
| Total | 399,253 | 307,732 | 866 | 91,521 | 400,119 | 399,253 |

(b) Other Reserves

| | 2014 | 2013 |
|---|----------------|----------------|
| | \$'000s | \$'000s |
| Developer Contributions | | |
| Balance at beginning of reporting period | 2,453 | 1,898 |
| Transfer from accumulated surplus | (164) | (110) |
| Transfer to accumulated surplus | 36 | 665 |
| Balance at end of reporting period | 2,326 | 2,453 |
| Total Reserves | 402,445 | 401,706 |

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

NOTE 26 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

Council has been served with an unquantified claim under the Water Act 1989 in relation to the Morwell Land Movement. Council will be defending this claim in the Victorian Civil and Administrative Tribunal and the Supreme Court in the 2014-2015 financial year and as this matter is yet to be finalised, and as the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

NOTE 26 | CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Continued)

Contingent Liabilities (continued)

Council has varying obligations for the rehabilitation of five former landfill sites, estimated costs associated with undertaking these works have been included in the balance sheet provisions, however there is still some uncertainty around the Environmental Protection Agency (EPA) requirements, which could lead to additional costs that cannot currently be reliably measured.

Contingent Assets

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.

NOTE 27 | COMMITMENTS

| | NOT LATER THAN 1 YEAR | LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS | LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS | LATER THAN 5 YEARS | TOTAL |
|---|-----------------------|--|---|--------------------|---------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | | |
| Operating | | | | | |
| Garbage Collection | 3,110 | 3,203 | 8,447 | - | 14,760 |
| Transfer Station Operations | 1,007 | 1,037 | 2,168 | - | 4,211 |
| Street Sweeping | 385 | 198 | - | - | 583 |
| Cleaning Services | 353 | - | - | - | 353 |
| Landfill Leachate Treatment | 297 | 306 | 158 | - | 760 |
| Meals On Wheels | 96 | - | - | - | 96 |
| Latrobe Regional Airport Master Plan | 89 | - | - | - | 89 |
| Landfill Rehabilitation | 94 | - | - | - | 94 |
| Hazelwood Pondage Caravan Park | 65 | - | - | - | 65 |
| Waste Water Disposal | 56 | 5 | - | - | 61 |
| Sanitary Disposal Services | 53 | 54 | 114 | - | 221 |
| Materials Recovery Facility - Recycling | 23 | - | - | - | 23 |
| | 5,628 | 4,803 | 10,887 | - | 21,317 |
| Capital Construction | | | | | |
| Roads, Streets & Bridges | 1,033 | - | - | - | 1,033 |
| Recreation | 5 | - | - | - | 5 |
| | 1,038 | - | - | - | 1,038 |

NOTE 27 | COMMITMENTS (Continued)

| | NOT LATER THAN 1 YEAR | LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS | LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS | LATER THAN 5 YEARS | TOTAL |
|---|-----------------------|--|---|--------------------|---------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2013 | | | | | |
| Operating | | | | | |
| Garbage Collection | 3,097 | 3,189 | 10,154 | 1,795 | 18,235 |
| Street Sweeping | 377 | 388 | 200 | - | 965 |
| Meals on Wheels | 347 | 209 | - | - | 556 |
| Public Convenience Cleaning | 185 | - | - | - | 185 |
| Website and Intranet Development | 52 | - | - | - | 52 |
| Green Waste Acceptance and Processing | 847 | 872 | 1,824 | - | 3,543 |
| Transfer Station Operations | 997 | 1,027 | 3,269 | - | 5,293 |
| Materials Recovery Facility - Recycling | 54 | 55 | 175 | - | 284 |
| Emergency Management | 62 | - | - | - | 62 |
| | 6,016 | 5,741 | 15,622 | 1,795 | 29,173 |
| Capital Construction | | | | | |
| Roads, Streets and Bridges | 2,567 | - | - | - | 2,567 |
| Recreation | 2,429 | - | - | - | 2,429 |
| Latrobe Regional Airport | 285 | - | - | - | 285 |
| Buildings and Improvements | 249 | - | - | - | 249 |
| Telecommunications Solution Replacement | 191 | - | - | - | 191 |
| | 5,721 | - | - | - | 5,721 |

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

NOTE 28 | OPERATING LEASES

At the reporting date, the municipality had the following obligations under non-cancellable operating leases. (These obligations are not recognised as liabilities):

| | | |
|---|--------------|--------------|
| Not Later than one year | 163 | 80 |
| Later than one year and not later than five years | 403 | 370 |
| Later than five years | 1,401 | 1,210 |
| | 1,967 | 1,660 |

NOTE 29 | EVENTS OCCURRING AFTER BALANCE DATE

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

Latrobe City Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Latrobe City Council and the Latrobe City Council's legal or constructive obligation is limited to these contributions.

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 category, Vision Super Saver receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2014, this was 9.25% required under Superannuation Guarantee legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Effective from 1 July 2014, the Superannuation Guarantee contribution rate will increase to 9.5%.

Defined Benefit

The Fund's Defined Benefit category is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated to each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32 (b) of AASB 119, Latrobe City Council does not use defined benefit accounting for its defined benefit obligations.

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's actuary. Council makes employer contributions to the Funds Defined Benefit category at rates determined by the Fund's Trustee. This rate is currently 9.25% of member's salaries (9.25% in 2012/13).

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 (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

Council is also required to make additional contributions to cover the contribution tax payable on the contributions referred to above.

Employees are also required to make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

Unfunded Superannuation Liability - Funding Calls

The fund is required to comply with the superannuation prudential standards. Under the superannuation prudential standards SPS 160, The Fund is required to target full funding of its vested benefits. There may be circumstances where:

- a fund is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100% at the date of the actuarial investigation); or
- a fund's VBI is below the shortfall limit at any time other than the date of the actuarial investigations.

If either of the above occur, the Fund 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. There may be circumstances where the Australian Prudential Authority (APRA) may approve a period longer than three years.

The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%. Since 30 June 2013 the VBI has been in excess of 100%. The 31 March estimated VBI was 104.6%. As this is greater than 100%, the fund is considered to be fully funded with no action required by employers at this stage.

The next full actuarial investigation of the Fund's liability for accrued benefits will be based on the Fund's position as at 30 June 2014. The anticipated completion date of this actuarial investigation is 19 December 2014.

| | 2014 | 2013 |
|--|---------|---------|
| | \$'000s | \$'000s |

Superannuation Contributions

Contributions by Latrobe City Council to the above superannuation plans for the financial year ended 30 June 2014 are detailed below:

Defined Benefit Plans

Employer contributions paid to Local Authorities Superannuation Fund (Vision Super)

| | |
|-----|-----|
| 516 | 476 |
|-----|-----|

Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date

| | |
|---|-------|
| - | 6,975 |
|---|-------|

| | |
|------------|--------------|
| 516 | 7,451 |
|------------|--------------|

Accumulation Funds

Employer contributions paid to Accumulation Funds

| | |
|-------|-------|
| 2,924 | 2,645 |
|-------|-------|

Employer contributions payable to Accumulation Funds at reporting date

| | |
|-----|-----|
| 464 | 407 |
|-----|-----|

| | |
|--------------|--------------|
| 3,388 | 3,052 |
|--------------|--------------|

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2015 is \$0.550 million.

NOTE 31 RELATED PARTY TRANSACTIONS

- (i) Responsible Persons
Names of persons holding the position of Responsible Person at the Latrobe City Council during the reporting period are:

| | | From | To |
|------------------------|------------------------|----------|----------|
| Councillors: | Darrell White | 01/07/13 | 30/06/14 |
| | Graeme Middlemiss | 01/07/13 | 30/06/14 |
| | Sandy Kam | 01/07/13 | 30/06/14 |
| | Kellie O'Callaghan | 01/07/13 | 30/06/14 |
| | Sharon Gibson | 01/07/13 | 30/06/14 |
| | Dale Harriman | 01/07/13 | 30/06/14 |
| | Michael Rossiter | 01/07/13 | 30/06/14 |
| | Christine Sindt | 01/07/13 | 30/06/14 |
| | Peter Gibbons | 01/07/13 | 30/06/14 |
| Chief Executive | Paul Buckley | 01/07/13 | 14/02/14 |
| | John Mitchell (Acting) | 24/12/13 | 30/06/14 |

- (ii) Remuneration of Responsible Persons
The numbers of Responsible Officers, whose total remuneration from Council and any related entities fall within the following bands;

| | 2014 | 2013 |
|---|------------|------------|
| | \$'000s | \$'000s |
| Income Range | | |
| <\$20,000 | - | 5 |
| \$20,000 - \$29,999 | 7 | 5 |
| \$30,000 - \$39,999 | - | 1 |
| \$40,000 - \$49,999 | 1 | - |
| \$50,000 - \$59,999 | - | 1 |
| \$60,000 - \$69,999 | 1 | - |
| \$140,000 - \$149,999 | 1 | - |
| \$210,000 - \$219,999 | 1 | - |
| \$300,000 - \$309,999 | - | 1 |
| Total | 11 | 13 |
| Total Remuneration for the reporting period for Responsible Persons included above, amounted to: | 650 | 571 |

- (iii) Retirement Benefits
No Retirement benefits have been paid by the Council in connection with the retirement of Responsible Persons of the Council. (2012/13: \$Nil)
- (iv) Loans
No Loans have been made, guaranteed or secured by the Council to a Responsible Person of the Council during the reporting period. (2012/13: \$Nil)

(v)

Other Transactions

During the year, a number of transactions were entered into that require additional disclosures in this note. All transactions listed below occurred under normal commercial terms and conditions.

(a) Apprenticeships Group Australia

Councillor Darrell White is the Director of Apprenticeships Group Australia (AGA). For the year ended 30 June 2014, Council paid AGA \$6,600 in Wage Subsidy payments.

(b) Morwell Bowling Club

Councillor Darrell White is the Director of Morwell Bowling Club. For the year ended 30 June 2014, Council paid Morwell Bowling Club \$7,305.40 for Catering and Room Hire.

(c) Power Works Holdings Ltd

Councillor Darrell White is the Director of Power Works Holdings Ltd. For the year ended 30 June 2014, Council has not made any payments to Power Works Holdings Ltd.

(d) Gippsland Regional Waste Management Group

Councillor Graeme Middlemiss is the Director and Deputy Chair of Gippsland Regional Waste Management Group (GRWMG). For the year ended 30 June 2014, Council has not made any payments to GRWMG.

(e) South Eastern Australian Transport Strategy Inc.

Councillor Graeme Middlemiss is the Secretary and Executive Member of South Eastern Australia Transport Strategy Inc (SEATS). For the year ended 30 June 2014, Council paid SEATS \$6,514.76 for a membership subscription.

(f) Victorian District of Mining and Energy Division of the Construction, Forestry, Mining and Energy Union

Councillor Graeme Middlemiss is the Vice President of Victorian District of Mining and Energy Division of the Construction, Forestry, Mining and Energy Union (CFMEU). For the year ended 30 June 2014, Council has not made any payments to CFMEU.

(g) Gippsland Road Safe

Councillor Sandy Kam is the Secretary, Treasurer and Public Office of Gippsland Road Safe. For the year ended 30 June 2014, Council has not made any payments to Gippsland Road Safe.

(h) Barrier Breakers

Councillor Sandy Kam is the Returning Officer of Barrier Breakers. For the year ended 30 June 2014, Council has not made any payments to Barrier Breakers.

(i) Latrobe New Arrivals Driving Program

Councillor Sandy Kam is the Chair of Latrobe New Arrivals Driving Program (LNADP). For the year ended 30 June 2014, Council has not made any payments to LNADP.

(j) Gippsland Regional Advisory Council for Victorian Multicultural Commission

Councillor Sandy Kam is a member of Gippsland Regional Advisory Council for Victorian Multicultural Commission. For the year ended 30 June 2014, Council has not made any payments to Gippsland Regional Advisory Council for Victorian Multicultural Commission.

(k) Timber Towns Victoria

Councillor Sandy Kam is the Deputy Chair (Vice President) of Timber Towns Victoria. For the year ended 30 June 2014, Council paid Timber Towns Victoria \$3,300 for a membership subscription.

(l) Latrobe Regional Hospital

Councillor Kellie O'Callaghan is the Board Chair of Latrobe Regional Hospital (LRH). For the year ended 30 June 2014, Council paid LRH \$5,625 for Sponsorship for a Gala Ball including 5 x Gala Ball Tickets. Council also reimbursed LRH \$1,096.60 in overpaid fees for council services.

(v) Other Transactions (continued)

(m) Community Advisory Committee, Clean Coal Victoria

Councillor Kellie O'Callaghan is the Chair of Community Advisory Committee, Clean Coal Victoria. For the year ended 30 June 2014, Council has not made any payments to Community Advisory Committee, Clean Coal Victoria.

(n) Gippsland Medicare Local

Councillor Kellie O'Callaghan is the Director of Gippsland Medicare Local. For the year ended 30 June 2014, Council has not made any payments to Gippsland Medicare Local.

(o) St Gabriel's Primary School

Councillor Dale Harriman is on the Board of St Gabriel's Primary School. For the year ended 30 June 2014, Council has paid St Gabriel's Primary School \$126 for Traffic School Hire Refund.

(p) Cool One Refrigeration Pty Ltd

Councillor Michael Rossiter has declared an interest in Cool One Refrigeration Pty Ltd. For the year ended 30 June 2014, Council has not made any payments to Cool One Refrigeration Pty Ltd.

(q) Rotary Club of Traralgon

Councillor Michael Rossiter has declared an interest in the Rotary Club of Traralgon. For the year ended 30 June 2014, Council has not made any payments to Rotary Club of Traralgon.

(r) Sindt Pty Ltd

Councillor Christine Sindt is the Trustee for Sindt Pty Ltd. For the year ended 30 June 2014, Council has not made any payments to Sindt Pty Ltd.

(s) Gibbo River Pty Ltd Mitchell Family Trust

Acting CEO John Mitchell is the Director of Gibbo River Pty Ltd Mitchell Family Trust. For the year ended 30 June 2014, Council has not made any payments to Gibbo River Pty Ltd Mitchell Family Trust.

(t) Sunderman Water Power Ltd

Acting CEO John Mitchell is the Director of Sunderman Water Power Ltd. For the year ended 30 June 2014, Council has not made any payments to Sunderman Water Power Ltd.

(u) Gunai Kurnai Traditional Land Owners Management Board

Acting CEO John Mitchell is the Deputy Chairman of Gunai Kurnai Traditional Land Owners Management Board. For the year ended 30 June 2014, Council has not made any payments to Gunai Kurnai Traditional Land Owners Management Board.

(v) Gippsland Emergency Relief Fund

Acting CEO John Mitchell is the President of Gippsland Emergency Relief Fund (GERF). For the year ended 30 June 2014, Council has not made any payments to GERF.

(w) Gippstafe

Acting CEO John Mitchell was the Chairman of Gippstafe. For the year ended 30 June 2014, Council made payments of \$65,362.63 for training, catering of functions, refunds of overpaid council services and a contribution to a forum.

NOTE 31 RELATED PARTY TRANSACTIONS (Continued)

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$133,000 (2012/13 \$130,000).

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

| | 2014 | 2013 |
|---|--------------|--------------|
| | \$'000s | \$'000s |
| Income Range | | |
| <\$133,000 | - | - |
| \$130,000 - \$139,999 | 5 | 10 |
| \$140,000 - \$149,999 | 3 | 3 |
| \$150,000 - \$159,999 | 2 | - |
| \$170,000 - \$179,999 | 2 | - |
| \$190,000 - \$199,999 | 1 | - |
| \$200,000 - \$209,999 | - | 3 |
| \$210,000 - \$219,999 | - | 2 |
| \$220,000 - \$229,999 | 1 | - |
| Total | 14 | 18 |
| Total remuneration for the reporting period for senior officers included above, amounted to: | 2,187 | 2,807 |

NOTE 32 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS

| | | |
|---|---------------|---------------|
| Surplus for the Period | 7,653 | 9,523 |
| Depreciation and Amortisation | 22,195 | 20,004 |
| Finance Costs | 1,211 | 1,086 |
| Net Loss on disposal of Property, Infrastructure, Plant and Equipment | 533 | 28 |
| Recognition of Previously Unrecognised Assets | - | (407) |
| Developer Contributions for Contributed Assets | (4,578) | (2,150) |
| Changes in Assets and Liabilities: | | |
| (Increase)/decrease in Trade and Other Receivables | (2,661) | 1,086 |
| Increase/(decrease) in Trade and Other Payables | (5,753) | 1,747 |
| (Increase)/decrease in Prepayments | (86) | 147 |
| Increase/(decrease) in Provisions | (423) | 237 |
| Increase/(decrease) in Contract and Security Deposits | 172 | 523 |
| Net Cash provided by Operating Activities | 18,263 | 31,824 |

NOTE 33 FINANCIAL INSTRUMENTS

(a) Accounting Policy, Terms and Conditions

| RECOGNISED FINANCIAL INSTRUMENT | NOTE | ACCOUNTING POLICY | TERMS AND CONDITIONS |
|---------------------------------|------|--|---|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | 14 | <p>Cash on hand and at bank and money market call account are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>-Investments and Bills were valued at cost -Investments are held to maximise interest returns of surplus cash. -Interest revenues are recognised as they accrue.</p> | <p>Cash at Bank and At call deposits returned a floating interest rate of 2.40% (3.04% in 2012/13). The interest rate at balance date was 2.39% (2.69% in 2012/13).</p> <p>Funds returned fixed interest rates of between 3.39% (4.15% in 2012/13), and 4.38% (6.05% in 2012/13) net of fees.</p> |
| Trade and Other Receivables | 16 | <p>Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.</p> | <p>General debtors are unsecured and arrears attract an interest rate of 10.5% (10.5% in 2012/13). Credit terms are based on 30 days.</p> |
| Financial Assets | 17 | <p>-Investments and Bills were valued at amortised cost using the effective interest method. -Investments are held to maximise interest returns of surplus cash. -Interest revenues are recognised as they accrue.</p> | <p>Funds returned fixed interest rates of between 3.65% (4.20% in 2012/13), and 4.70% (4.70% in 2012/13) net of fees.</p> |
| FINANCIAL LIABILITIES | | | |
| Trade and Other Payables | 21 | <p>Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.</p> | <p>General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.</p> |
| Interest Bearing Liabilities | 22 | <p>-Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. -Interest is accrued over the period it becomes due and is recognised as part of payables</p> | <p>Borrowings are secured by way of mortgage over the general rates of the Council.</p> <p>The weighted average interest rate on borrowings is 5.57% during 2012/13 (7.11% in 2012/13)</p> |
| Bank Overdraft | | <p>Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.</p> | <p>The overdraft is subject to annual review. Council has a \$1M overdraft facility. It is secured by a mortgage over Council's general rates and is repayable on demand.</p> <p>No overdraft was utilised during 2013/14 or 2012/13.</p> |

NOTE 33 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rate of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:

| | FLOATING INTEREST RATE | 1 YEAR OR LESS | OVER 1 TO 5 YEARS | MORE THAN 5 YEARS | NON- INTEREST BEARING | TOTAL |
|---|------------------------------|-------------------|-------------------------|-------------------------|-----------------------------|---------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | | | |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | 21,064 | 21,550 | - | - | 18 | 42,632 |
| Financial Assets | - | 3,310 | - | - | 2 | 3,312 |
| Trade and Other Receivable | - | - | - | - | 5,130 | 5,130 |
| Total Financial Assets | 21,064 | 24,860 | - | - | 5,150 | 51,074 |
| Weighted Average Interest Rates | 2.39% | 3.61% | - | - | - | - |
| Financial Liabilities | | | | | | |
| Trade and Other Payables | - | - | - | - | 10,942 | 10,942 |
| Trust Funds and Deposits | - | - | - | - | 2,214 | 2,214 |
| Interest-Bearing Liabilities | - | 10,823 | 7,485 | 1,343 | - | 19,651 |
| Total Financial Liabilities | - | 10,823 | 7,485 | 1,343 | 13,156 | 32,807 |
| Weighted Average Interest Rates | - | 4.24% | 7.37% | 6.34% | - | - |
| Net Financial Assets (Liabilities) | 21,064 | 14,037 | (7,485) | (1,343) | (8,006) | 18,267 |
| 2013 | | | | | | |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | 6,334 | 21,310 | - | - | 19 | 27,663 |
| Financial Assets | - | 19,500 | - | - | - | 19,500 |
| Trade and Other Receivable | - | - | - | - | 3,416 | 3,416 |
| Total Financial Assets | 6,334 | 40,810 | - | - | 3,435 | 50,579 |
| Weighted Average Interest Rates | 3.04% | 4.32% | - | - | - | - |
| Financial Liabilities | | | | | | |
| Trade and Other Payables | - | - | - | - | 16,695 | 16,695 |
| Trust Funds and Deposits | - | - | - | - | 2,043 | 2,043 |
| Interest-Bearing Liabilities | - | 2,959 | 8,710 | 2,717 | - | 14,386 |
| Total Financial Liabilities | - | 2,959 | 8,710 | 2,717 | 18,738 | 33,124 |
| Weighted Average Interest Rates | - | 6.89% | 7.30% | 6.76% | - | - |
| Net Financial Assets (Liabilities) | 6,334 | 37,851 | (8,710) | (2,717) | (15,303) | 17,455 |

NOTE 33 FINANCIAL INSTRUMENTS (Continued)

(c) Net Fair Value

The aggregate net fair value of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:

| | TOTAL CARRYING AMOUNT AS PER BALANCE SHEET | | AGGREGATE NET FAIR VALUE | |
|------------------------------------|--|-----------------|--------------------------|-----------------|
| | 2014 \$'000s | 2013 \$'000s | 2014 \$'000s | 2013 \$'000s |
| Financial Assets | | | | |
| Cash and Cash Equivalents | 42,632 | 27,663 | 42,632 | 27,663 |
| Financial Assets | 3,312 | 19,500 | 3,312 | 19,500 |
| Trade and Other Receivable | 5,130 | 3,416 | 5,130 | 3,416 |
| Total Financial Assets | 51,074 | 50,579 | 51,074 | 50,579 |
| Financial Liabilities | | | | |
| Trade and Other Payables | 10,942 | 16,695 | 10,942 | 16,695 |
| Trust Funds and Deposits | 2,214 | 2,043 | 2,214 | 2,043 |
| Interest-Bearing Liabilities | 19,651 | 14,386 | 19,651 | 14,386 |
| Total Financial Liabilities | 32,807 | 33,124 | 32,807 | 33,124 |

(d) Risk and Mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market Risk

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

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. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. We manage interest rate risk on our net debt portfolio by:

- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our net debt portfolio by appropriate budgeting strategies.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- adequate safety,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on all financial assets included in our balance sheet. To help manage this risk:

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

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 26.

| | 2014 | 2013 |
|---|-----------|-----------|
| | \$'000s | \$'000s |
| Movement in Provision for Doubtful Debts | | |
| Balance at the beginning of the year | 53 | 66 |
| New Provisions recognised during the year | 18 | 23 |
| Amounts already provided for and written off as uncollectible | (12) | (15) |
| Amounts provided for but recovered during the year | (16) | (21) |
| Balance at the end of the year | 43 | 53 |

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Councils' Trade and Other Receivables at reporting date was:

| | | |
|---------------------------------|--------------|--------------|
| Current (not yet overdue) | 2,445 | 2,314 |
| Past due by up to 30 days | 2,326 | 616 |
| Past due between 31 and 60 days | 85 | 100 |
| Past due between 61 and 90 days | 48 | 28 |
| Past due by more than 90 days | 226 | 358 |
| | 5,130 | 3,416 |

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover financial assets at all.

To help reduce these risks we:

- 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 exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for Council's Financial Liabilities.

These amounts undiscounted gross payments including both principal and interest amounts.

| | 6 MONTHS OR LESS | 6-12 MONTHS | 1-2 YEARS | 2-5 YEARS | >5 YEARS | TOTAL AMOUNT | CARRYING AMOUNT |
|------------------------------|------------------------|----------------|--------------|--------------|--------------|-----------------|--------------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | | | | |
| Trade and Other Payables | 10,942 | - | - | - | - | 10,942 | 10,942 |
| Trust Funds and Deposits | 2,214 | - | - | - | - | 2,214 | 2,214 |
| Interest-Bearing Liabilities | 9,933 | 1,647 | 2,921 | 5,918 | 1,425 | 21,844 | 19,651 |
| | 23,089 | 1,647 | 2,921 | 5,918 | 1,425 | 35,000 | 32,807 |
| 2013 | | | | | | | |
| Trade and Other Payables | 16,695 | - | - | - | - | 16,695 | 16,695 |
| Trust Funds and Deposits | 2,043 | - | - | - | - | 2,043 | 2,043 |
| Interest-Bearing Liabilities | 2,055 | 1,832 | 3,334 | 7,333 | 2,941 | 17,495 | 14,386 |
| | 20,793 | 1,832 | 3,334 | 7,333 | 2,941 | 36,233 | 33,124 |

(e) Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Commonwealth Bank of Australia):

- A parallel shift of +1% and -2% in market interest rates (AUD) from year end rates of 2.50%. (2012/13 2.75%)

The statement below discloses the impact on net operating result and equity for each category of financial instruments held by the Council at year end, if the above movements were to occur.

Based on a market interest rate (AUD) at year end of 2.50% (2012/13 2.75%) a parallel shift of +1% will result in an increase of \$211K (2012/13 \$63K) in operating surplus and equity and accordingly a parallel shift of -2% would have resulted in a decrease of \$422K and (2012/13 \$126K) in operating surplus and equity on those balances subject to floating interest rates.

| | 2014 | 2013 |
|---|-----------|------------|
| | \$'000s | \$'000s |
| NOTE 34 AUDITOR'S REMUNERATION | | |
| Audit Fee to conduct External Audit – Victorian Auditor-General | 59 | 58 |
| Internal Audit Fees | 39 | 66 |
| | 98 | 124 |

NOTE 35 | INCOME, EXPENSES AND ASSETS BY FUNCTION/ACTIVITY

| | TOTAL | EXECUTIVE OFFICE | ECONOMIC SUSTAINABILITY | ORGANISATIONAL EXCELLENCE | RECREATION, AND COMMUNITY INFRASTRUCTURE | COMMUNITY LIVEABILITY | PLANNING AND GOVERNANCE | OTHER |
|---|------------------|------------------|-------------------------|---------------------------|--|-----------------------|-------------------------|---------------|
| | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s | \$'000s |
| 2014 | | | | | | | | |
| Income | | | | | | | | |
| Grants | 27,942 | - | 406 | 3 | 1,961 | 13,134 | 153 | 12,286 |
| Other | 91,394 | 3 | 5,027 | 59 | 8,883 | 7,763 | 919 | 68,740 |
| Total Income | 119,336 | 3 | 5,433 | 62 | 10,843 | 20,897 | 1,072 | 81,026 |
| Expenses | 111,683 | 1,467 | 12,223 | 6,835 | 23,713 | 29,208 | 8,487 | 29,751 |
| Surplus (deficit) for the year | 7,653 | (1,465) | (6,789) | (6,773) | (12,869) | (8,311) | (7,414) | 51,275 |
| Assets attributed to Function/Activities * | 1,091,492 | 545 | 47,614 | 746 | 883,900 | 106,172 | 1,742 | 50,773 |
| 2013 | | | | | | | | |
| Income | | | | | | | | |
| Grants | 30,044 | 3 | 361 | 1 | 2,178 | 12,527 | 181 | 14,794 |
| Other | 85,069 | 2 | 4,020 | 111 | 6,945 | 7,485 | 1,123 | 65,382 |
| Total Income | 115,113 | 5 | 4,381 | 113 | 9,123 | 20,012 | 1,304 | 80,175 |
| Expenses | 105,590 | 1,227 | 11,822 | 6,743 | 22,682 | 26,532 | 7,855 | 28,729 |
| Surplus (deficit) for the year | 9,523 | (1,222) | (7,441) | (6,630) | (13,558) | (6,520) | (6,552) | 51,446 |
| Assets attributed to Function/Activities * | 1,083,641 | 463 | 44,944 | 944 | 874,274 | 108,925 | 1,764 | 52,327 |

* Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

EXECUTIVE OFFICE

This division is responsible for the management of council operations and chief executive office functions.

ECONOMIC SUSTAINABILITY

This division is responsible for investment facilitation, tourism and Latrobe Regional Airport activities and natural environment sustainability including the management of waste services.

ORGANISATIONAL EXCELLENCE

This division is responsible for people management and development, corporate strategy and information services.

RECREATION, & COMMUNITY INFRASTRUCTURE

This division is responsible for recreational and cultural activities, infrastructure operations such as the maintenance of buildings, roads, drains and parks and gardens, transit cities and the management of capital projects. It is also responsible for cleansing services such as street and footpath sweeping and cleaning of public conveniences.

COMMUNITY LIVEABILITY

This division is responsible for the provision of family and children services programs including preschool, childcare and maternal and child health. Community Liveability is also responsible for community wellbeing programs including home care, meals on wheels ADASS and environmental health. This division also manages community information services including libraries, service centres and local laws. Community capacity building programs are also part of this division's responsibility.

PLANNING AND GOVERNANCE

This division is responsible for council operations and legal counsel, financial management, community relations, risk management, statutory and strategic planning and building services.

OTHER

Other includes the Victoria Grants Commission general purpose grants and rate revenue together with expenditure that is not attributable to any other division.

NOTE 36 FINANCIAL RATIOS

| 2014 | 2014 | 2013 | 2013 | 2012 | 2012 |
|---------|------|---------|------|---------|------|
| \$'000s | % | \$'000s | % | \$'000s | % |

(i) Debt Servicing Ratio

(to identify the capacity of Council to service its outstanding debt)

| | | | |
|---|----------------------------------|----------------------------------|----------------------------------|
| $\frac{\text{Debt Servicing Cost}}{\text{Total Revenue}}$ | $\frac{1,211}{119,336} = 1.01\%$ | $\frac{1,086}{115,113} = 0.94\%$ | $\frac{1,226}{113,545} = 1.08\%$ |
|---|----------------------------------|----------------------------------|----------------------------------|

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft.

The ratio expresses the amount of interest paid as a percentage of Council's total revenue.

(ii) Debt Commitment Ratio

(to identify a Council's debt redemption strategy)

| | | | |
|---|---------------------------------|---------------------------------|---------------------------------|
| $\frac{\text{Debt Servicing \& Redemption Costs}}{\text{Rate Revenue}}$ | $\frac{4,916}{66,355} = 7.41\%$ | $\frac{4,237}{62,637} = 6.76\%$ | $\frac{4,069}{58,762} = 6.92\%$ |
|---|---------------------------------|---------------------------------|---------------------------------|

The strategy involves the payment of loan principal and interest, finance lease principal and interest.

The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

(iii) Revenue Ratio

(to identify a Council's dependence on non-rate income)

| | | | |
|--|------------------------------------|------------------------------------|------------------------------------|
| $\frac{\text{Rate Revenue}}{\text{Total Revenue}}$ | $\frac{66,355}{119,336} = 55.60\%$ | $\frac{62,637}{115,113} = 54.41\%$ | $\frac{58,762}{113,545} = 51.75\%$ |
|--|------------------------------------|------------------------------------|------------------------------------|

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.

(iv) Debt Exposure Ratio

(to identify a Council's exposure to debt)

| | | | |
|--|------------------------------------|------------------------------------|------------------------------------|
| $\frac{\text{Total Indebtedness}}{\text{Total Realisable Assets}}$ | $\frac{60,740}{446,889} = 13.59\%$ | $\frac{61,409}{442,882} = 13.87\%$ | $\frac{61,053}{404,902} = 15.08\%$ |
|--|------------------------------------|------------------------------------|------------------------------------|

For the purpose of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset (note 19) is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets:
Land and buildings on Crown land; restricted assets; heritage assets and total infrastructure assets.

The ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage to total liabilities for each dollar of realisable assets.

NOTE 36 | FINANCIAL RATIOS (Continued)

| 2014 | 2014 | 2013 | 2013 | 2012 | 2012 |
|---------|------|---------|------|---------|------|
| \$'000s | % | \$'000s | % | \$'000s | % |

(v) Working Capital Ratio

(to assess a Council's ability to meet current commitments)

| | | | |
|--|---------------------------------|---------------------------------|---------------------------------|
| $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ | $\frac{55,198}{36,914} = 150\%$ | $\frac{53,662}{34,188} = 157\%$ | $\frac{50,490}{24,704} = 204\%$ |
|--|---------------------------------|---------------------------------|---------------------------------|

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

(vi) Adjusted Working Capital Ratio

(to assess a Council's ability to meet current commitments)

| | | | |
|--|---------------------------------|---------------------------------|---------------------------------|
| $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ | $\frac{55,198}{31,631} = 175\%$ | $\frac{53,662}{29,334} = 183\%$ | $\frac{50,490}{18,816} = 268\%$ |
|--|---------------------------------|---------------------------------|---------------------------------|

The ratio expresses the level of current assets the Council has available to meet its adjusted current liabilities.

Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

| 2014 | 2013 |
|---------|---------|
| \$'000s | \$'000s |

NOTE 37 CAPITAL EXPENDITURE

Capital Expenditure Areas

| | | |
|--------------------------------------|---------------|---------------|
| Roads, Paths, Bridges and Carparks | 16,602 | 13,997 |
| Drainage | 263 | 75 |
| Land, Buildings and Improvements | 4,002 | 4,352 |
| Plant and Equipment | 1,750 | 3,178 |
| Furniture, Equipment and Intangibles | 864 | 1,231 |
| Playgrounds | 584 | 423 |
| Artworks | 15 | 24 |
| Landfill Cell Construction | 27 | 1,006 |
| Total Capital Works | 24,108 | 24,286 |

Represented by:

| | | |
|------------------------------|---------------|---------------|
| Asset Renewal (a) | 18,617 | 14,260 |
| New Assets (b) | 3,510 | 4,038 |
| Asset Expansion/ Upgrade (c) | 1,981 | 5,988 |
| Total Capital Works | 24,108 | 24,286 |

Property, Infrastructure, Plant and Equipment and Intangibles

The movement between the previous year and the current year in Property, Infrastructure, Plant and Equipment and Intangibles as shown in the Balance Sheet links to the net of the following items:

| | | |
|--|---------------|---------------|
| Total Capital Works | 24,108 | 24,286 |
| Depreciation and Amortisation | (22,195) | (20,004) |
| Less Written Down Value of Assets Disposed | (1,103) | (856) |
| Developer Contributed Assets | 4,578 | 2,150 |
| Landfill Provision Present Value Increase | 71 | 744 |
| Asset Revaluation Reserve | 866 | 91,521 |
| Net Movement in Property, Infrastructure, Plant and Equipment and Intangibles | 6,325 | 98,247 |

(a) Asset Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) New Assets

Expenditure which creates a new asset that provides a new service that did not previously exist. New asset expenditure does not have any element of renewal, expansion or upgrade of existing assets. New capital expenditure may or may not result in additional revenue for council and will result in an additional burden for future operation, maintenance and capital renewal.

(c) Asset Expansion/ Upgrade

Expenditure that extends the capacity of an existing asset to provide benefits, at the same standard as is currently enjoyed by existing beneficiaries, to new users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group.

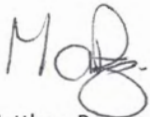
Expenditure which enhances an existing asset to provide a higher level of service or that will increase the life of the asset beyond that which it originally had. Asset upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base.

6.3

CERTIFICATION of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*, Australian Accounting Standards and other mandatory professional reporting requirements.

Principal Accounting Officer



Matthew Rogers, CPA
Dated: 15 September 2014

In our opinion the accompanying financial statements present fairly the financial transactions of the Latrobe City Council for the year ended 30 June 2014 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.

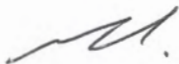
We have been authorised by the Council on 15 September 2014 to certify the financial statements in their final form.

Councillor



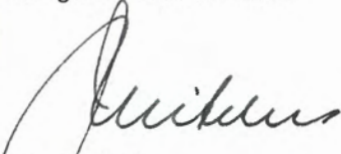
Cr. Darrell White
Dated: 15 September 2014

Councillor



Cr. Michael Rossiter
Dated: 15 September 2014

Acting Chief Executive Officer



John Mitchell
Dated: 15 September 2014

6.4

STANDARD STATEMENTS

| | | |
|-------|---|-----|
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6.4.1 Standard Income Statement

STANDARD INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

| | REF | Actual | Budget | Variances | |
|---|-----|------------------|------------------|-----------------|-------------|
| | | 2013/14 | 2013/14 | \$'000s | % |
| | | \$'000s | \$'000s | \$'000s | % |
| INCOME | | | | | |
| Rates | | 66,355 | 66,530 | (175) | - |
| Operating Grants and Contributions | 1 | 20,965 | 23,504 | (2,539) | (11) |
| Capital Grants and Contributions | 2 | 6,977 | 11,777 | (4,800) | (41) |
| Interest | 3 | 1,566 | 1,223 | 343 | 28 |
| User Fees and Charges | 4 | 16,203 | 14,060 | 2,143 | 15 |
| Other Income | 5 | 2,655 | 1,869 | 786 | 42 |
| Developer Contributions | 6 | 36 | 72 | (36) | (50) |
| Developer Contributed Assets | 7 | 4,578 | 2,000 | 2,578 | 129 |
| Total Income | | 119,336 | 121,035 | (1,699) | (1) |
| EXPENSES | | | | | |
| Employee Costs | 8 | (49,900) | (49,696) | (204) | - |
| Materials and Services | 9 | (32,686) | (31,995) | (691) | 2 |
| Bad and Doubtful Debts | 10 | (8) | (18) | 10 | (57) |
| Finance Costs | | (1,211) | (1,337) | 126 | (9) |
| Other Expenditure | 11 | (5,151) | (4,378) | (773) | 18 |
| Depreciation and Amortisation | | (22,195) | (22,100) | (95) | - |
| Net loss on disposal of Property, Infrastructure, Plant and Equipment | 12 | (533) | - | (533) | 100 |
| Total Expenses | | (111,683) | (109,525) | (2,158) | 2 |
| SURPLUS / (DEFICIT) FOR THE YEAR | | | | | |
| | | 7,653 | 11,510 | (3,857) | (34) |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Other | 13 | 866 | 19,130 | (18,264) | (95) |
| Total Comprehensive Income for the Year | | 8,519 | 30,639 | (22,120) | (72) |

STANDARD INCOME STATEMENT

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|---|---|
| 1 | Operating Grants and Contributions | <p>Outcome: Unfavourable \$2.539 million or 11%</p> <p>The unfavourable variance is mainly as a result of Victoria Grants Commission funding for the 2013/14 financial year that was advanced to Council in the previous financial year, no such advance was made in June 2014.</p> |
| 2 | Capital Grants and Contributions | <p>Outcome: Unfavourable \$4.800 million or 41%</p> <p>The unfavourable variance is mainly a result of funding originally budgeted for the Moe Rail Precinct Revitalisation and other projects which are now expected to be received during the 2014/2015 financial year.</p> |
| 3 | Interest | <p>Outcome: Favourable \$0.343 million or 28%</p> <p>Additional interest income was achieved mainly due to greater than expected cash holdings as a result of the receipt of additional program and project funding in advance of the timing of expenditure and some delays in capital works projects.</p> |
| 4 | User Fees and Charges | <p>Outcome: Favourable \$2.143 million or 15%</p> <p>The additional income is primarily due to greater than expected commercial & industrial waste received at Council's Landfill facility. Other favourable variances were received for child care and subdivision supervision fees.</p> |
| 5 | Other Income | <p>Outcome: Favourable \$0.786 million or 42%</p> <p>The additional income relates to an insurance claim refund for Moe Tennis Complex together with greater than budgeted interest on outstanding rates and charges.</p> |
| 6 | Developer Contributions | <p>Outcome: Unfavourable \$0.036 million or 50%</p> <p>Cash contributions from developers were lower than expected mainly due to the timing of these contributions being difficult to predict.</p> |
| 7 | Developer Contributed Assets | <p>Outcome: Favourable \$2.578 million or 129%</p> <p>Infrastructure asset contributions from developers were higher than expected mainly due to the timing of these contributions being difficult to predict.</p> |
| 8 | Employee Costs | <p>Outcome: Unfavourable \$0.204 million or 0%</p> <p>The additional expenditure was mainly a result of higher than expected parental leave, workcover premium, recruitment costs and overtime associated with the February fires.</p> |
| 9 | Materials and Services | <p>Outcome: Unfavourable \$0.691 million or 2%</p> <p>The additional expenditure was mainly a result of additional costs associated with the February Fires and mine fire response which is expected to be recouped through Natural Disaster funding in 2014/2015.</p> |

STANDARD INCOME STATEMENT (Continued)

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|--|---|
| 10 | Bad and Doubtful Debts | <p>Outcome: Favourable \$0.010 million or 57%</p> <p>The favourable result is primarily due to a doubtful debt recognised in the previous financial year that was subsequently received in full in the 2013/14 financial year.</p> |
| 11 | Other Expenditure | <p>Outcome: Unfavourable \$0.773 million or 18%</p> <p>The additional expenditure is mainly due to higher than expected Environmental Protection Agency (EPA) levies as a result of the higher than expected commercial and industrial waste received at Council's landfill facility. These levies are recouped through user fees and charges.</p> |
| 12 | Net loss on disposal of Property, Infrastructure, Plant and Equipment | <p>Outcome: Unfavourable \$0.533 million or 100%</p> <p>During the financial year a review of Council's Infrastructure assets identified some duplications and assets which were no longer controlled by Council and were subsequently disposed.</p> |
| 13 | Other Comprehensive Income | <p>Outcome: Unfavourable \$18.264 million or 95%</p> <p>An anticipated revaluation of Council's infrastructure assets was unable to be completed during the financial year meaning that only the Land Under Roads asset class was revalued. Reference to inflation factors suggested that any indexation increments would be immaterial.</p> |

6.4.2 Standard Balance Sheet

STANDARD BALANCE SHEET AS AT 30 JUNE 2014

| | REF | Actual 2013/14 | Budget 2013/14 | Variances | |
|--|-----|-------------------|-------------------|----------------|-------------|
| | | \$'000s | \$'000s | \$'000s | % |
| CURRENT ASSETS | | | | | |
| Cash and Cash Equivalents and Financial Assets | 1 | 45,942 | 17,026 | 28,916 | 170 |
| Trade and Other Receivables | | 8,962 | 9,087 | (125) | (1) |
| Prepayments | 2 | 293 | 354 | (61) | (17) |
| Total Current Assets | | 55,198 | 26,467 | 28,731 | 109 |
| NON-CURRENT ASSETS | | | | | |
| Trade and Other Receivables | 3 | 17 | 10 | 7 | 68 |
| Property, Plant, Equipment and Intangibles | 4 | 1,036,275 | 996,071 | 40,204 | 4 |
| Financial Assets | | 2 | 2 | - | - |
| Total Non-Current Assets | | 1,036,294 | 996,083 | 40,211 | 4 |
| TOTAL ASSETS | | 1,091,492 | 1,022,550 | 68,941 | 7 |
| CURRENT LIABILITIES | | | | | |
| Trade and Other Payables | 5 | 10,942 | 7,267 | 3,675 | 51 |
| Interest-Bearing Liabilities | 6 | 10,823 | 3,316 | 7,507 | 226 |
| Provisions - Employee Benefits | | 10,815 | 10,976 | (161) | (1) |
| Provisions - Landfill Improvements | 7 | 2,120 | 1,500 | 620 | 41 |
| Trust Funds and Deposits | 8 | 2,214 | 1,566 | 648 | 41 |
| Total Current Liabilities | | 36,914 | 24,625 | 12,289 | 50 |
| NON-CURRENT LIABILITIES | | | | | |
| Interest-Bearing Liabilities | 9 | 8,828 | 16,557 | (7,729) | (47) |
| Provisions - Employee Benefits | | 1,370 | 1,538 | (168) | (11) |
| Provisions - Landfill Improvements | 10 | 13,628 | 11,580 | 2,048 | 18 |
| Total Non-Current Liabilities | | 23,827 | 29,675 | (5,848) | (20) |
| TOTAL LIABILITIES | | 60,740 | 54,300 | 6,440 | 12 |
| NET ASSETS | | 1,030,751 | 968,250 | 62,501 | 6 |
| EQUITY | | | | | |
| Accumulated Surplus | 11 | 628,307 | 620,939 | 7,368 | 1 |
| Asset Revaluation Reserve | 12 | 400,119 | 345,433 | 54,686 | 16 |
| Other Reserves | 13 | 2,325 | 1,878 | 447 | 24 |
| TOTAL EQUITY | | 1,030,751 | 968,250 | 62,501 | 6 |

STANDARD BALANCE SHEET

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|---|---|
| 1 | Cash and Cash Equivalents and Financial Assets | Outcome: Favourable \$28.916 million or 170% Cash and financial assets are higher than budgeted mainly due to the early receipt of government grant funding, together with incomplete capital works at the end of the reporting period. |
| 2 | Prepayments | Outcome: Unfavourable \$0.061 million or 17% The level of prepayments lower than expected mainly due to the later than expected receipt of software maintenance invoices for 2014/2015. |
| 3 | Trade and Other Receivables – Non current | Outcome: Favourable \$0.007 million or 68% Minor variance showing as large percentage due small budget amount. |
| 4 | Property, Plant, Equipment and Intangibles | Outcome: Favourable \$40.204 million or 4% The additional valuation is mainly a result of asset revaluations that were processed at the end of the 2012/13 financial year but after the 2013/14 budget had been prepared. |
| 5 | Trade and Other Payables | Outcome: Unfavourable \$3.675 million or 51% The value of supplier invoices received after 30 June for works performed in the 2013/2014 reporting period was higher than anticipated in the budget which allowed for these payments being made prior year end. |
| 6 | Interest-Bearing Liabilities | Outcome: Unfavourable \$7.507 million or 226% Council's 2013/14 borrowings have been placed in a short term loan facility pending the first issuance of the Local Government Funding Vehicle. As the short term facility matures in the new financial year the whole amount is required to be treated as current as at balance date. |
| 7 | Provisions – Landfill Improvements (Current) | Outcome: Unfavourable \$0.620 million or 41% The current provision is higher than anticipated due to works budgeted for 2013/14 that have not been completed as at the balance date. |
| 8 | Trust Funds and Deposits | Outcome: Unfavourable \$0.648 million or 41% The higher than budgeted balance is due to greater than anticipated holdings of security deposits and contract retention amounts at the end of the financial year. |
| 9 | Interest-Bearing Liabilities – (Non-current) | Outcome: Favourable \$7.729 million or 41% Council's 2013/14 borrowings have been placed in a short term loan facility pending the first issuance of the Local Government Funding Vehicle. As the short term facility matures in the new financial year the whole amount is required to be treated as current as at balance date. The budget assumed a ten year loan with nine years of principal repayment treated as non-current. |

STANDARD BALANCE SHEET (Continued)

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|---|--|
| 10 | Provisions – Landfill Improvements (Non Current) | <p>Outcome: Unfavourable \$2.048 million or 18%</p> <p>This provision is higher than anticipated as a result of delays in commencing rehabilitation works together with increments in the provision due to inflation and present value calculations.</p> |
| 11 | Accumulated Surplus | <p>Outcome: Favourable \$7.368 million or 1%</p> <p>The increased surplus relates mainly to higher than expected opening equity in the 2013/14 financial year partially offset by a lower than expected surplus in the current reporting period. The additional surplus was largely due to government grants and other funds received in advance together with some other project/program expenditures that were delayed to the 2013/14 financial year.</p> |
| 12 | Asset Revaluation Reserve | <p>Outcome: Favourable \$54.686 million or 16%</p> <p>The additional balance is mainly a result of asset revaluations that were processed at the end of the 2012/13 financial year but after the 2013/14 budget had been prepared.</p> |
| 13 | Other Reserves | <p>Outcome: Favourable \$0.447 million or 24%</p> <p>The additional balance is due to delays in drainage works that were earmarked to be funded from reserve during the reporting period.</p> |

6.4.3 Standard Cash Flow Statement

STANDARD CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

| | REF | ACTUAL | BUDGET | VARIANCES | |
|---|-----|----------------|-----------------|----------------|-------------|
| | | 2013/14 | 2013/14 | \$'000s | % |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| <i>Receipts</i> | | | | | |
| Rates and Charges | | 65,560 | 65,534 | 26 | - |
| User Fees and Fines | 1 | 16,973 | 14,060 | 2,913 | 21 |
| Grants | 2 | 27,793 | 35,209 | (7,416) | (21) |
| Interest | 3 | 1,739 | 1,223 | 516 | 42 |
| Developer Contributions | 4 | 36 | 72 | (36) | (50) |
| Other Receipts | 5 | 1,581 | 1,941 | (360) | (19) |
| | | 113,683 | 118,039 | (4,356) | (4) |
| <i>Payments</i> | | | | | |
| Employee Costs | | (49,289) | (49,112) | (177) | - |
| Other Payments | 6 | (46,130) | (46,467) | 337 | (1) |
| | | (95,419) | (95,579) | 160 | - |
| Net Cash Flows from Operating Activities | | 18,263 | 22,460 | (4,197) | (19) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Proceeds from Property, Plant and Equipment | | 570 | 621 | (51) | (8) |
| Payments for Property, Plant and Equipment | 7 | (24,108) | (41,216) | 17,108 | 42 |
| Net movement in Financial Assets | 8 | 16,190 | - | 16,190 | (100) |
| Net Cash Flows from/(used in) Investing Activities | | (7,348) | (40,595) | 33,247 | (82) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Finance Costs | | (1,211) | (1,337) | 126 | 9 |
| Proceeds from Borrowings | | 8,970 | 8,970 | - | - |
| Repayment of Borrowings | | (3,705) | (3,483) | (222) | (6) |
| Net Cash Flows from/(used in) Financing Activities | | 4,054 | 4,150 | (96) | - |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | 14,970 | (13,985) | 28,955 | 207 |
| Cash and Cash Equivalents at Beginning of Financial Year | 9 | 27,663 | 31,011 | (3,348) | (11) |
| Cash at End of Financial Year | | 42,632 | 17,026 | 25,606 | 150 |

STANDARD CASH FLOW STATEMENT

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|---|---|
| 1 | User Fees and Fines | <p>Outcome: Favourable \$2.913 million or 21%</p> <p>The additional income is primarily due to greater than expected commercial & industrial waste received at Council's Landfill facility. Other favourable variances were received for child care and subdivision supervision fees.</p> |
| 2 | Grants | <p>Outcome: Unfavourable \$7.416 million or 21%</p> <p>The unfavourable variance is mainly as a result of Victoria Grants Commission funding for the 2013/14 financial year that was advanced to Council in the previous financial year, no such advance was made in June 2014. The other factor was Capital grants that are now expected to be received in the 2014/2015 reporting period.</p> |
| 3 | Interest | <p>Outcome: Favourable \$0.516 million or 42%</p> <p>Additional interest income was achieved mainly due to greater than expected cash holdings as a result of the receipt of additional program and project funding in advance of the timing of expenditure and some delays in capital works projects.</p> |
| 4 | Developer Contributions | <p>Outcome: Unfavourable \$0.036 million or 50%</p> <p>Cash contributions from developers were lower than expected mainly due to the timing of these contributions being difficult to predict.</p> |
| 5 | Other Receipts | <p>Outcome: Unfavourable \$0.360 million or 19%</p> <p>Cash flow for other receipts is lower than expected mainly due to higher than expected outstanding sundry debtors as at the balance date.</p> |
| 6 | Other Payments | <p>Outcome: Favourable \$0.337 million or 1%</p> <p>The lower than anticipated level of payments was mainly due to delayed project and program expenditure which will now be incurred in the 2014/2015 financial year.</p> |
| 7 | Payments for Property , Plant and Equipment | <p>Outcome: Favourable \$17.108 million or 42%</p> <p>The lower than anticipated level of payments was mainly due to delayed capital project expenditure which will now be incurred in the 2014/2015 financial year..</p> |
| 8 | Net movement in Financial Assets | <p>Outcome: Favourable \$16.190 million or 100%</p> <p>Payments for term deposits with an original maturity of greater than 90 days were treated as Cash and Cash Equivalents in the budget but have been actually classified as Financial Assets as a result of advice from the Victorian Auditor General's Office.</p> |
| 9 | Cash and Cash Equivalents at Beginning of Financial Year | <p>Outcome: Unfavourable \$3.348 million or 11%</p> <p>The lower than expected balance at the beginning of the year was mainly due to term deposits with an original maturity of greater than 90 days which were treated as Cash and Cash Equivalents in the budget but have been actually classified as Financial Assets as a result of advice from the Victorian Auditor General's Office. This was largely offset by funding that was advanced to Council in the previous financial year together with capital and operational projects funds which were carried forward to be expended in 2013/14.</p> |

6.4.4 Standard Capital Works Statement

STANDARD CAPITAL WORKS STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

| | REF | Actual 2013/14 | Budget 2013/14 | Variances | |
|--------------------------------------|-----|-------------------|-------------------|-----------------|-------------|
| | | \$'000s | \$'000s | \$'000s | % |
| CAPITAL WORKS AREAS | | | | | |
| Roads, Paths, Bridges and Carparks | 1 | 16,602 | 19,283 | (2,682) | (14) |
| Drainage | 2 | 263 | 1,361 | (1,097) | (81) |
| Land, Buildings and Improvements | 3 | 4,002 | 13,205 | (9,203) | (70) |
| Plant and Equipment | 4 | 1,750 | 2,291 | (541) | (24) |
| Furniture, Equipment and Intangibles | | 864 | 800 | 64 | 8 |
| Playgrounds | 5 | 584 | 761 | (176) | (23) |
| Artworks | | 15 | 15 | - | - |
| Landfill Cell Construction | 6 | 27 | 3,500 | (3,473) | (99) |
| Total Capital Works | | 24,108 | 41,216 | (17,108) | (42) |
| Represented by: | | | | | |
| Asset Renewal | | 18,617 | 18,802 | (185) | (1) |
| New Assets | 7 | 3,510 | 17,615 | (14,105) | (80) |
| Asset Expansion/ Upgrade | 8 | 1,981 | 4,799 | (2,818) | (59) |
| Total Capital Works | | 24,108 | 41,216 | (17,108) | (42) |

Property, Infrastructure, Plant and Equipment and Intangibles movement reconciliation worksheet

| | | | | |
|--|---------------|---------------|-----------------|-------------|
| Total Capital Works | 24,108 | 41,216 | (17,108) | (42) |
| Depreciation and Amortisation | (22,195) | (22,100) | (95) | - |
| Less Written down value of assets sold | (529) | (621) | 92 | (15) |
| Developer contributed assets | 4,578 | 2,000 | 2,578 | 129 |
| Write-off Previously Recognised Assets | (574) | - | (574) | 100 |
| Landfill Provision present value increase | 71 | - | 71 | 100 |
| Asset Revaluation Reserve | 866 | 19,130 | (18,264) | (95) |
| Net movement in Property, Infrastructure, Plant and Equipment and Intangibles | 6,325 | 39,625 | (33,300) | (84) |

STANDARD CAPITAL WORKS STATEMENT

Variance Explanation Report

| REF | ITEM | COMMENTARY |
|-----|---|---|
| 1 | Roads, Paths, Bridges and Carparks | <p>Outcome: Under budget \$2.682 million or 14%</p> <p>The lower than anticipated expenditure is largely due to delays experienced in Churchill Activity Centre Plan works, road rehabilitation projects, rural gravel road sealing program and the timber haulage program. These funds will be carried over to complete these projects in the 2014/2015 financial reporting period.</p> |
| 2 | Drainage | <p>Outcome: Under budget \$1.097 million or 81%</p> <p>The variance relates to delays in drainage projects including Moe North West, Crinigan Road and Milburn Court. These funds will be carried over to complete these projects in the 2014/2015 financial reporting period.</p> |
| 3 | Land, Buildings and Improvements | <p>Outcome: Under budget \$9.203 million or 70%</p> <p>The variance relates mainly to the Moe Rail Precinct Revitalisation Project stage 1 which was originally budgeted to commence in 2013/14 but due to delays in securing funding will now be commenced in the 2014/2015 financial reporting period. Other major carry forward projects include Hazelwood Pondage wastewater and Latrobe Regional Airport upgrade works.</p> |
| 4 | Plant and Equipment | <p>Outcome: Under budget \$0.541 million or 24%</p> <p>Due to a review of Council's Motor Vehicle Framework there was a delay in the fleet replacement program for the year, unspent funds are planned to be carried forward for expenditure in the 2014/2015 financial reporting period.</p> |
| 5 | Playgrounds | <p>Outcome: Under budget \$0.176 million or 23%</p> <p>The variance relates mainly to delays in the Morwell Town Common AAA Playground project as a result of later than expected timing of external funding confirmation.</p> |
| 6 | Landfill Cell Construction | <p>Outcome: Under budget \$3.473 million or 99%</p> <p>The construction of cell 4 is now expected to commence in the 2014/2015 financial reporting period.</p> |
| 7 | New Assets | <p>Outcome: Under budget \$14.105 million or 80%</p> <p>The variance relates mainly to the delays in the Moe Rail Precinct Revitalisation Program, Landfill Cell Construction, Latrobe Regional Airport, Hazelwood Pondage wastewater and Churchill Activity Centre Plan works.</p> |
| 8 | Asset Expansion/ Upgrade | <p>Outcome: Under budget \$2.818 million or 59%</p> <p>The variance relates mainly to delays in Rural Gravel Road Sealing Program, Timber Haulage Program, and drainage upgrade works.</p> |

6.4.5 Basis of Preparation of Standard Statements

BASIS OF PREPARATION OF STANDARD STATEMENTS

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required a Standard Income Statement, a Standard Balance Sheet, a Standard Cash Flow Statement, and a Standard Capital Works Statement, together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on an accounting basis consistent with those used for the General Purpose Financial Statements and the Budget. The results reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included at the beginning of the Financial Statements section of the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare council's financial plan, expressed through its budget, with actual performance. The *Local Government Act 1989* requires explanation of any material variances. The City has adopted a materiality threshold of 10 per cent or \$250,000. 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 included in the Statements are those adopted by Council on 5 August 2013. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan 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.

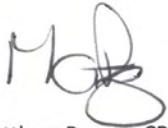
Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The detailed budget can be obtained by contacting council. The Standard Statements must be read with reference to these documents.

CERTIFICATION

of the Standard Statements

In my opinion the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*.

Principal Accounting Officer



Matthew Rogers, CPA
Dated: 15 September 2014

In our opinion the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the *Local Government Act 1989* and the *Local Government (Finance and Reporting) Regulations 2004*.

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

We have been authorised by the Council on 15 September 2014 to certify the standard statements in their final form.

Councillor



Cr. Darrell White
Dated: 15 September 2014

Councillor



Cr. Michael Rossiter
Dated: 15 September 2014

Acting Chief Executive Officer



John Mitchell
Dated: 15 September 2014

AUDITOR GENERAL'S

Report on Financial and Standard Statements

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Latrobe City Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2014 of the Latrobe City Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2014 of Latrobe City Council which comprises standard income statement, standard balance sheet, standard cash flow statement, standard capital works statement, the related notes and the certification of standard statement have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

The Councillors of the Latrobe City Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in note 1 to the statements and the requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report and standard statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and standard statements. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report and standard statements, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report and standard statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report and standard statements.

Independent Auditor's Report (continued)

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Latrobe City Council as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and the requirements of the *Local Government Act 1989*.


Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

Matters Relating to the Electronic Publication of the Audited Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Latrobe City Council for the year ended 30 June 2014 included both in the Latrobe City Council's annual report and on the website. The Councillors of the Latrobe City Council are responsible for the integrity of the Latrobe City Council's website. I have not been engaged to report on the integrity of the Latrobe City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
17 September 2014


Dr Peter Frost
Acting Auditor-General

PERFORMANCE STATEMENT

The Performance Statement reports the result of Strategic Activities adopted by Council in its annual budget in accordance with the requirements of the *Local Government Act 1989*.

JOB CREATION AND ECONOMIC SUSTAINABILITY

KEY STRATEGIC ACTIVITY

In accordance with the Economic Sustainability Strategy advocate for the creation of an industrial park and the Gippsland Logistics Precinct.

Achieved - within the 2013/14 financial year, with performance targets met, as outlined below.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|---|--|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Latrobe City Council allocated \$40,762 within the adopted budget towards the Gippsland Heavy Industry Park and the Gippsland Logistics Precinct, with actual expenditure of \$29,637 incurred. |
| Time | The Ordinary Council Meeting, at which a report detailing progress and activities during 2013/14 financial year will be presented to Council for consideration, will be no later than 30 June 2014. | Achieved. A report detailing the progress of the Gippsland Heavy Industry Park was presented to the 3 March 2014 Council meeting |
| Quantity | A report on the progress support of the creation of an industrial park and the Gippsland Logistics Precinct will be presented to Council for consideration. | Achieved. A report detailing the progress of the Gippsland Heavy Industry Park was presented to the 3 March 2014 Council meeting. |
| Quality | The creation of an industrial park and Gippsland Logistics Precinct are prioritised within Economic Sustainability Strategy 2011 as key Latrobe City Employment Zones. | Achieved. The Gippsland Heavy Industry Park and Gippsland Logistics Precinct are key employment zones within the Economic Sustainability Strategy 2011-2015. |

JOB CREATION & ECONOMIC SUSTAINABILITY

KEY STRATEGIC ACTIVITY

In accordance with the Economic Sustainability Strategy, present the outcomes of 2014 Gippsland Major Projects and Opportunities Summit to Council.

Not Achieved – This event was cancelled due to bushfires and the Morwell Mine fire.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|---|---|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Not Achieved. As the event was not delivered the budget for the event was not expended. |
| Time | The Ordinary Council Meeting, at which a report detailing the outcomes of the Summit will be presented to Council for consideration, will be no later than 31 April 2014. | Not Achieved. The planned event has been cancelled due to the Hazelwood Mine fire. |
| Quantity | At least 80 representatives of business and government will attend the 2014 Gippsland Major Projects and Opportunities Summit. | Not Achieved. 270 invitees indicated an intention to attend the event. |
| Quality | The 2014 Gippsland Major Projects and Opportunities Summit will present details of five or more identified major investment opportunities within Gippsland. | Not Achieved. The preparation of the Summit was fully complete however due to the impact of the Hazelwood Mine fire the event was cancelled. |

APPROPRIATE, AFFORDABLE & SUSTAINABLE FACILITIES, SERVICES & RECREATION

KEY STRATEGIC ACTIVITY

Develop a Latrobe City Council 2013-2017 Arts Strategy and Action Plan for Council endorsement.

Not Achieved - This project is now behind schedule with a tender process for consultancy scheduled to be undertaken during July 2014.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|---|---|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Putting Locals First Program funding confirmed (\$40K), total budget now \$60K with a \$20K budget allocation from Latrobe City Council. Year to date actuals are \$0. |
| Time | The Ordinary Council Meeting, at which the 2013-2017 Arts Strategy and supporting action plan is presented to Council for consideration, will be no later than 30 June 2014. | Not Achieved. A project brief has been prepared and funding application with the State Government Putting Local First Program has been received. This project is now behind schedule with a tender process for consultancy scheduled to be undertaken during July 2014. The project has been deferred and will now be delivered during the 2014-2015 financial year. The decision has been made due to insufficient resources and workload priorities. |
| Quantity | An Arts Strategy which is adopted by Council. | Not Achieved. Funding has been confirmed, project will now be progressed during 2014-2015. |
| Quality | The creation of an Arts Strategy will guide Council in the future in respect to its provision of Arts based facilities and programs, with a view of increasing participation in the Arts. | Not Achieved. A project brief has been prepared. |

APPROPRIATE, AFFORDABLE & SUSTAINABLE FACILITIES, SERVICES & RECREATION

KEY STRATEGIC ACTIVITY

Complete the development of master plans for Morwell and Traralgon Recreation Reserves.

Not Achieved - The Morwell Recreation Reserve Precinct Master plan was adopted by Council on 30/6/2014. A Council report presenting the Traralgon Recreation Reserve & Showgrounds master plan was presented to Council on 30/6/2014 seeking a deferment until further engagement activities have been undertaken.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|--|--|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Latrobe City Council allocated \$119,800 within the adopted budget towards the master plans for Morwell and Traralgon Recreation Reserves, with actual expenditure of \$117,272 incurred. |
| Time | The Ordinary Council Meeting, at which the master plan for Morwell and Traralgon Recreation Reserves is presented to Council for consideration, will be no later than 30 June 2014. | Achieved. The Morwell Recreation Reserve Precinct Master Plan and the Traralgon Recreation Reserve & Showgrounds master plan were presented to Council on 30/6/2014. |
| Quantity | The two master plans will be presented to Council following extensive engagement with the key users and stakeholders of the two reserves, as well as the wider community. | Not Achieved. The Morwell Recreation Reserve Precinct Master plan was adopted by Council on 30/6/2014. A Council report presenting the Traralgon Recreation Reserve & Showgrounds master plan was presented to Council on 30/6/2014 seeking a deferment until further engagement activities have been undertaken. |
| Quality | Both of the master plans when completed will provide clear direction for the future development of the precincts and be supporting documents for the future pursuit of external funding. | Not Achieved. The Morwell Recreation Reserve Precinct master plan was adopted by Council on 30/6/2014. |

EFFICIENT, EFFECTIVE & ACCOUNTABLE GOVERNANCE

KEY STRATEGIC ACTIVITY

Review Council's procurement policy to maximise the proportion of local goods and services purchased.

Achieved - within the 2013/14 financial year, with performance targets met, as outlined below.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|--|--|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Latrobe City Council's contribution was limited to the cost of internal resources only. |
| Time | The Ordinary Council Meeting, at which a revised procurement policy is presented to Council for consideration, will be no later than 30 June 2014. | Achieved. The Procurement Policy was adopted by Council on 7 October 2013 and 6 November following further amendments. Another review was undertaken in January 2014 with Council amending the Policy on 28 January 2014. |
| Quantity | A procurement policy which is adopted by Council. | Achieved. The Procurement Policy was adopted by Council on 7 October 2013 and 6 November following further amendments. Another review was undertaken in January 2014 with Council amending the Policy on 28 January 2014. Policy incorporated weightings consistent with maximising use of local providers. |
| Quality | The adopted procurement policy will be compliant with the <i>Local Government Act 1989</i> and consistent with the Victorian Local Government Procurement Best Practice Guidelines 2013. | Achieved. The policy is compliant with Local Government Act and best Practice Guidelines. |

(Latrobe City Council acknowledges the subjective nature of this measure, but is constrained in its ability to provide an alternative quality measure that is quantifiable within the reporting period).

ADVOCACY FOR & CONSULTATION WITH OUR COMMUNITY

KEY STRATEGIC ACTIVITY

Develop and conduct a program of Councillor Meetings with peak industry and community bodies.

Achieved - within the 2013/14 financial year, with performance targets met, as outlined below.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|--|--|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Latrobe City Council's contribution was limited to the cost of internal resources only. |
| Time | The Ordinary Council Meeting, at which a report outlining progress on the program of meetings will be presented to Council of consideration no later than 30 June 2014. | Achieved. A Council Report 'Summary of meetings between Latrobe City Council and Peak Industry Bodies' was considered and noted by Council at its Ordinary Meeting on 30 June 2014. |
| Quantity | A minimum of three meetings will be scheduled. | Achieved. Three meetings were held between peak industry bodies and Latrobe City Council including; AGL Loy Yang on 6 February 2014, Qube Logistics on 8 May 2014 and Port of Hastings Development Authority on 23 May 2014. |
| Quality | Meetings will be consistent with Council's new innovative and holistic approach to job creation, economic development, investment attraction and the transformation of Latrobe City. | Achieved. Meetings with peak industry bodies included discussion around the opportunities and challenges associated with job creation, economic development and investment attraction for Latrobe City. A summary of meeting discussion is outlined in the Council report 'Summary of meetings between Latrobe City Council and Peak Industry Bodies' which was noted by Council at its Ordinary Meeting on 30 June 2014. |

PLANNING FOR THE FUTURE

KEY STRATEGIC ACTIVITY

Undertake improvements to Council's Statutory Planning procedures and delegations to improve timely processing of planning applications.

Achieved - within the 2013/14 financial year, with performance targets met, as outlined below.

| PERFORMANCE MEASURE | TARGET | ACTUAL |
|---------------------|---|--|
| Cost | Latrobe City Council's financial contribution during the 2013/14 financial year will be limited to resources allocated within Council's adopted budget. | Achieved. Latrobe City Council's contribution was limited to the cost of internal resources only. |
| Time | A service improvement plan will be developed and presented to Councillors and implementation commenced by 30 June 2014. | Achieved. A report was presented to Councillors on the 11 November 2013 and the implementation of process improvement, including changes to Delegations which were approved by Council on the 3 March 2014. |
| Quantity | A service improvement plan will be developed and presented to Councillors and implementation commenced. | Achieved. A service improvement plan was developed and presented to Councillors and the implementation of process improvement, including changes to Delegations have commenced. |
| Quality | The service improvement plan will be consistent with strategic directions provided in the Council Plan 2013/2017 and the Planning and Environment Act 1987. | Achieved. A recognised core objective of the Council Plan 2013/2017 requires the planning department to reduce time taken to process planning applications. The service improvement plan identified improvement processes, including a change in delegations to achieve this directive, If council fails to make a decision on an application within 60 statutory days, as per Regulation 31 of the Planning and Environment Regulations 2005, the applicant can apply for a review to VCAT. By implementing the outcomes of the Service Improvement Plan, Planning has improved the percentage of decisions made within 60 days from 33% August 2013 to 71% in June 2014, therefore providing efficient and effective outcomes for the community as required under the Council plan and the Act. |

(Latrobe City Council acknowledges the subjective nature of this measure, but is constrained in its ability to provide an alternative quality measure that is quantifiable within the reporting period).

COUNCIL APPROVAL

of the Performance Statement

In our opinion the accompanying performance statement of the Latrobe City Council in respect of the 2013/14 financial year is presented fairly.

At the time of signing we are not aware of any circumstance which would render any particular in the statement to be misleading or inaccurate.

We have been authorised by the Council on 15 September 2014 to certify the performance statement in its final form.

Councillor



Cr Darrell White
Dated: 15 September 2014

Councillor



Cr. Michael Rossiter
Dated: 15 September 2014

Acting Chief Executive Officer



John Mitchell
Dated: 15 September 2014

AUDITOR GENERAL'S REPORT

on the Performance Statement

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Latrobe City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2014 of the Latrobe City Council which comprises the statement, the related notes and the Council approval of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Latrobe City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement 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 entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

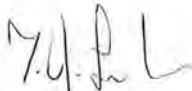
Auditor's Opinion

In my opinion, the performance statement of the Latrobe City Council in respect of the 30 June 2014 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Latrobe City Council for the year ended 30 June 2014 included both in the Latrobe City Council's annual report and on the website. The Councillors of the Latrobe City Council are responsible for the integrity of the Latrobe City Council's website. I have not been engaged to report on the integrity of the Latrobe City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
17 September 2014


Dr Peter Frost
Acting Auditor-General

7.1

GLOSSARY

Latrobe City Council's adopted strategies and plans are available on Latrobe City Council's website www.latrobe.vic.gov.au/CouncilDocuments

ADVISORY COMMITTEE

Specialist appointees who form a committee that provides advice to Latrobe City Council on matters relating to the delivery of strategies, services and activities.

ADVOCACY

To provide support to a cause or to make public recommendation.

ANNUAL ACTION

A project identified by Council to be implemented during the four year period of the Council Plan.

ANNUAL BUSINESS PLAN

The Annual Business Plan, together with the Annual Budget, is Latrobe City Council's short term planning document. The Annual Business Plan consists of actions which support the delivery of the Council Plan and Organisational Excellence @ Latrobe. The Annual Budget identifies the financial and non-financial resources required to support the Plan.

ANNUAL REPORT

The Annual Report is an annual reporting tool to provide an update to Latrobe City Council stakeholders and the Minister for Local Government on how Latrobe City Council has achieved against the commitments made in the Council Plan and Strategic Resources Plan. In accordance with section 131 of the *Local Government Act 1989*, it includes a report of Latrobe City Council's operations, audited standard and financial statements, performance statement (section 132) and report on the performance statement (section 133).

ASSET

Property that is owned by Latrobe City Council.

BEST VALUE PRINCIPLES

Contained in the *Local Government Act 1989*, the six principles must be observed by all Victorian councils. The principles aim to enable councils to determine the most effective means of providing a service to the community.

BUILDING ACT 1993

The primary purposes of this Victorian Government legislation is to regulate building work and building standards, accreditation of building products and constructions methods and provision of building and occupancy permit systems and dispute resolution mechanisms.

CAPITAL WORKS

Projects undertaken to either renew, upgrade or construct assets owned by Latrobe City Council.

COMMUNITY GRANTS

Latrobe City Council allocates a sum of money for the Community Grants Program as part of its annual budget process. This funding is shared between various non-profit community groups and organisations who apply for grants under a range of categories.

COUNCIL

The collective group of nine Councillors who set the strategic direction for Latrobe City Council, monitor organisational performance, liaise with stakeholders and ensure operational compliance.

COUNCIL PLAN

A rolling plan that contains four-year strategies and indicators of outcomes, together with a Strategic Resources Plan that contribute to achieving the key objectives of the Latrobe community vision.

COUNCILLOR

A member of the community elected in accordance with the *Local Government Act 1989* to represent the residents of a ward within the municipality as a member of Council.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES ACT 2006

Legislation created to protect and promote human rights. It sets out freedoms, rights and responsibilities.

DEVELOPMENT PLAN

A plan that aims to coordinate the layout of new subdivisions and is particularly useful to ensure the integrated development of land where there are several properties in separate ownership. The plan may also provide certainty about the nature and staging of new subdivision developments over a period of time. A development plan can provide direction and coordination of infrastructure networks, public open space and housing types.

DISABILITY ACTION PLAN

A plan developed by Latrobe City Council which ensures the needs of people with a disability are included in all aspects of Latrobe City Council's services and infrastructure.

FEASIBILITY STUDY

The evaluation or analysis of the potential impact of a proposed project.

FREEDOM OF INFORMATION ACT 1982

The purpose of this Act is to give members of the public rights of access to official documents of the Government, the Commonwealth and of its agencies.

GIPPSLAND LOCAL GOVERNMENT NETWORK

An alliance of the six Municipal Councils located in Gippsland. The Mayor and Chief Executive Officer of each council meet regularly, with the primary objective to work collaboratively on a range of issues and projects of mutual interest.

GIPPSLAND LOGISTICS PRECINCT

A Latrobe City Council-owned 64 hectare precinct adjacent to the existing rail line in Morwell to be developed to establish a centre for the efficient and cost effective movement of freight to and from the Gippsland region.

GOVERNANCE

How Council operates as a decision-making body.

INDICATORS

Performance measures that provide a range of economic, environmental and social indicators, identifying the extent to which an objective has been achieved.

INDIGENOUS

Originating in a particular geographic region or environment and native to the area and/or relating to Aboriginal and Torres Strait Islander people.

INFORMATION PRIVACY ACT 2001

The purpose of this Act is to create a scheme for the responsible collection and handling of personal information across the Victorian public sector.

INFRASTRUCTURE

Basic community facilities such as roads, drains, footpaths and public buildings, etc.

LANDFILL

Engineered containment facility licensed by the Environment Protection Authority to accept specific solid waste.

LATROBE 2026: THE COMMUNITY VISION FOR LATROBE CITY

The Community Vision was generated after identifying three broad concepts shared by the Latrobe City community; Sustainability, Liveability and Leadership. A further nine strategic objectives were identified to take Latrobe City forward; Economy, Natural Environment, Built Environment, Our Community, Culture, Recreation, Governance, Advocacy and Partnerships, and Regulation and Accountability. Development of the community vision was facilitated by Latrobe City Council in consultation with many organisations, agencies, groups and individuals. The Latrobe 2026 Community Vision is an important long term strategic document for Latrobe City Council which provides the principal direction to the Council Plan.

LATROBE PLANNING SCHEME

The planning scheme that sets out policies and requirements for the use, development and protection of land located in Latrobe City.

LOCAL GOVERNMENT ACT 1989

This Victorian Government legislation outlines the intention for councils to provide a democratic and efficient system of Local Government in Victoria. It also gives councils the power to meet the needs of their communities, and provides the basis for an accountable system of governance in Victoria.

LOCAL GOVERNMENT COMMUNITY SATISFACTION SURVEY

Undertaken by a consulting group on behalf of the Department of Planning and Community Development. The survey tracks residents' views on Council's performance on nine service areas and four governance measures, showing progress, improvements and areas for improvement.

LOCAL LAWS

Laws under the jurisdiction of Latrobe City Council and enforced by Latrobe City Council employees and/or Victoria Police.

LOCAL PLANNING POLICY FRAMEWORK

The framework provides the strategic basis for land use planning as controlled by the Latrobe Planning Scheme. The framework consists of the Municipal Strategic Statement together with the Local Planning Policy.

MAIN TOWN STRUCTURE PLANS

Plans developed by Latrobe City Council that identify areas where land is earmarked for future residential and industrial expansion in and around Latrobe City's main towns, based on predictions of future population growth for the municipality.

MISSION

The overall corporate philosophy that articulates how the Latrobe community vision will be achieved.

MUNICIPALITY

A geographical area that is delineated for the purpose of Local Government.

ORGANISATIONAL EXCELLENCE STRATEGY

A strategy developed by Latrobe City Council that relates to how the organisation functions internally, and focuses on how Latrobe City Council can improve its performance at organisational, team and individual levels.

PERFORMANCE INDICATOR

Measures used to monitor the performance of Latrobe City Council in achieving the objectives of the Council Plan.

PLAN

Focused and structured detail of action to be undertaken, involving a series of specific steps, to implement the objectives and goals of an overarching strategic direction.

PLANNING AND ENVIRONMENT ACT 1987

This Victorian Government legislation establishes a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians.

POLICY

A set of principles intended to influence and provide direction for council decisions, actions, programs and activities.

PUBLIC HEALTH AND WELLBEING ACT 2008

This Victorian Government legislation replaces the previous Health Act 1958. It aims to achieve the highest attainable standard of public health and well-being in Victoria, through the update and modernisation of Victoria's public health framework.

QUARTERLY REPORT

A three monthly report to Councillors on how the organisation is progressing against the commitments made in the Council Plan as well as operational, financial and statutory information.

REGIONAL CITIES VICTORIA

An organisation representing the ten largest provincial centres in Victoria, comprising the municipalities of Ballarat, Bendigo, Geelong, Horsham, Latrobe City, Mildura, Shepparton, Wangaratta, Warrnambool and Wodonga. The Mayor and Chief Executive Officer of each council meet regularly, with the primary objective to expand the population of regional Victoria through promoting business and Government investment and skilled migration to regional centres.

SERVICE

A service identified by Latrobe City Council to be provided to the community during the four year period of the Council Plan.

SISTER CITY

An agreement between two cities in different countries that share cultural contact as a means of promoting cross-cultural awareness and interaction. Latrobe City has sister city affiliations with China and Japan.

STATUTORY BODY

Statutory bodies (or statutory authorities) are organisations established under an Act of the Victorian Parliament or Australian Parliament for a public purpose.

STRATEGIC DIRECTION

Under each strategic objective of the Council Plan are Strategic Directions. Strategic Directions further detail the key areas Latrobe City Council will focus on achieving over the next four years.

STRATEGIC RESOURCES PLAN

A component of the Latrobe City Council Plan prepared in accordance with section 126 of the *Local Government Act 1989*. It identifies the financial and non-financial resources required by Latrobe City Council over the next four years to implement the Council Plan.

STRATEGY

A long term systematic plan of action to achieve defined outcomes in an area of council activity or responsibility. A series of objectives is set out to meet these goals and specific actions are determined to meet these objectives.

STRUCTURE PLANS

A document that provides direction for planning and development of a defined precinct. Structure plans are subject to community consultation and may be incorporated into the Latrobe Planning Scheme.

VALUES

Represent underlying attitudes and beliefs within the organisation that are demonstrated through organisational practices, processes, and behaviours.

VICTORIAN AUDITOR GENERAL'S OFFICE

A public sector audit organisation providing auditing services to the Victorian Parliament and Victorian public sector agencies and authorities.

VISION

A statement of direction that defines the aspirations of Latrobe City Council, and serves to guide all organisational objectives.

WARD

An area of the municipality identified for the purpose of representation. Latrobe City Council has four wards with a total of nine councillors.

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FEEDBACK FORM

The 2013/14 Annual Report is a statutory reporting tool that documents the achievements in the delivery of the Council Plan and against our Annual Budget for the year.

Your feedback will assist us to identify any areas for improvement, and will ensure next year's Annual Report meets your needs.

Please take a few minutes to complete this form and return it to us by 30 January 2015.

PLEASE RETURN THE COMPLETED REPLY PAID FORM TO:

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Latrobe City Council
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PLEASE TICK YOUR SELECTED ANSWER

What is your age group? Under 25 25-39 40-59 60+ years

Do you live within the Latrobe City? Yes No

What is your postcode?

Please indicate the main reason for your interest in Latrobe City Council's Annual Report:

- Latrobe City resident/ratepayer
- Latrobe City business owner/manager
- Private sector organisation
- Other
- Government organisation
- Latrobe City employee
- Community group/association

PLEASE RATE THE USEFULNESS OF EACH SECTION OF LATROBE CITY COUNCIL'S 2013/14 ANNUAL REPORT:

| PLEASE TICK YOUR SELECTED ANSWER | USEFUL | NEUTRAL | NOT USEFUL |
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| Capital Works Highlights | | | |
| Events Highlights | | | |
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| Conciseness | | | |
| Informative | | | |
| Design and presentation | | | |
| Ease of reading | | | |

Do you have any other comments?

THANK YOU FOR TAKING THE TIME TO PROVIDE US WITH YOUR FEEDBACK.

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Image credits (top to bottom): Early Learning Centre, Latrobe City Council employee, Sikorsky water bomber.



LATROBE CITY COUNCIL

| | |
|-----------|--|
| TELEPHONE | 1300 367 700 |
| FACSIMILE | (03) 5128 5672 |
| POST | PO Box 264, Morwell 3840 |
| EMAIL | latrobe@latrobe.vic.gov.au |
| WEBSITE | www.latrobe.vic.gov.au |

LATROBE CITY COUNCIL SERVICE CENTRES & LIBRARIES

| | |
|-----------|--|
| MORWELL | Corporate Headquarters 141 Commercial Road, Morwell Morwell Library 63-65 Elgin Street, Morwell |
| MOE | Moe Service Centre 44 Albert Street, Moe Moe Library 30 Kirk 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 (including audio, electronic, Braille or large print) please contact Latrobe City Council on 1300 367 700.

Information within this document was correct at time of print and is subject to change without prior notice.

