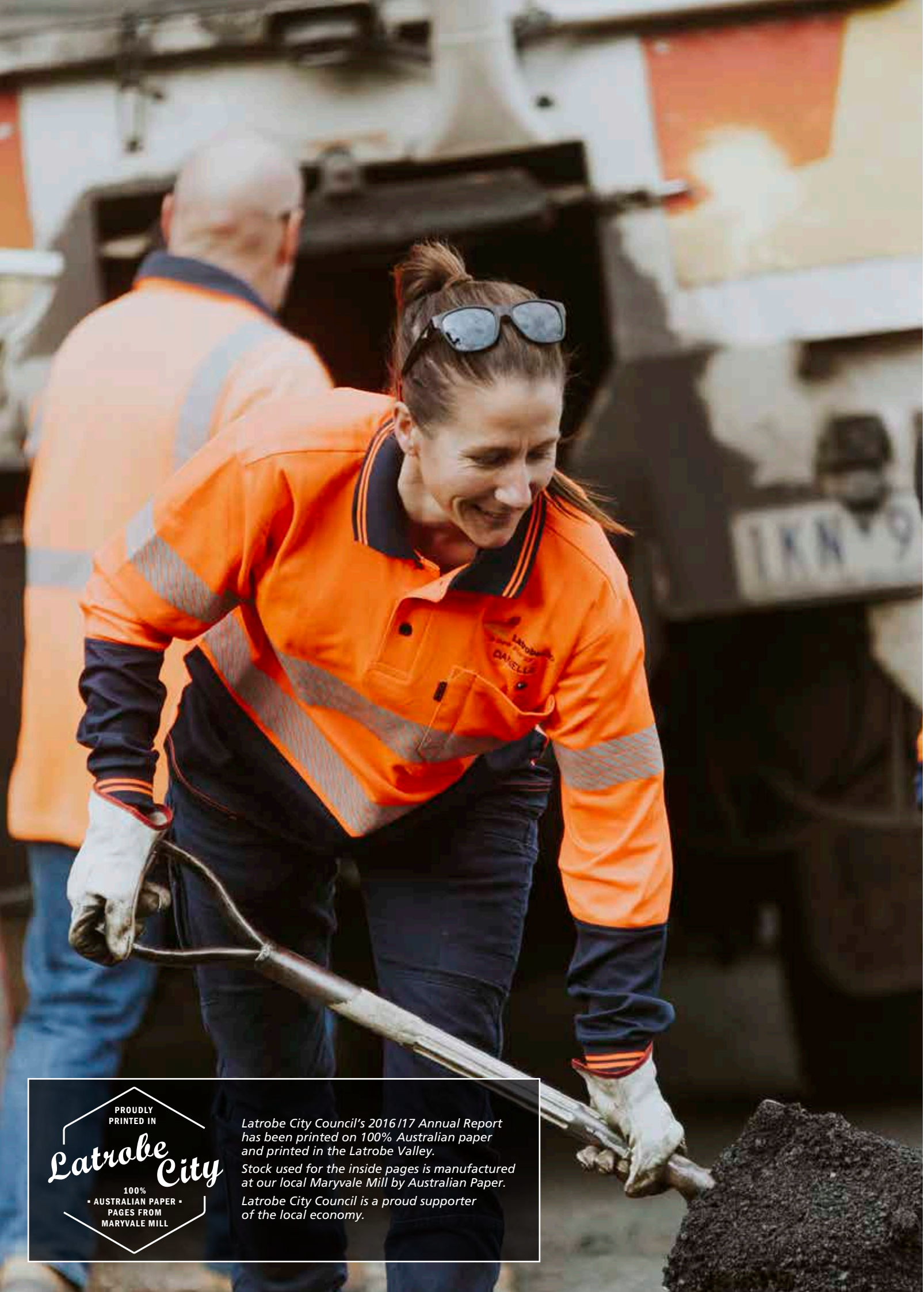




LATROBE
CITY Annual Report
COUNCIL 2016/17



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LATROBE
CITY
COUNCIL

Annual Report
2016/17

PREAMBLE

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



Chief Executive Officer's report



GARY VAN DRIEL

It is with tremendous pride that I am able to report that despite great uncertainty this year following the closure of the Hazelwood Power Station, our community and Council, in partnership with a range of organisations, have again delivered a program of achievements focused on making a positive difference to our municipality.

The uncertainty surrounding the future of the Hazelwood Power Station saw our community come together to agree and cement its shared aspirations before mobilising to pursue a just and proper transition.

The resultant Strength-Led Transition Plan quickly became the central focal point for our advocacy campaign, where we at Latrobe City sought to amplify the voice of our community up through the tiers of government, and successfully secured a number of significant grants and funding announcements.

Just some of our Strength-Led Transition achievements:

- GovHub Morwell – relocation of 300 State Government employees to Latrobe City
- High Tech Precinct - \$17 million investment in high tech education and employment pathways
- Tech School - \$10 million investment in connecting young people to science, technology, engineering and mathematics
- Upgrade of the Latrobe Regional Gallery - \$1.15 million
- Shared pathway for Morwell-Traralgon - \$3 million
- Gippsland Regional Aquatic and Leisure Centre - \$46 million
- Latrobe Sports and Entertainment Complex - \$1.7 million
- Gippsland Regional Indoor Sports and Entertainment Complex - \$17 million
- Morwell Recreation Reserve Upgrade - \$9 million
- Upgrade to the Ted Summerton Reserve - \$3 million

I attribute our success in gaining this level of support from the state and federal realm to our community's ability to remain cohesive, our strong focus on lobbying and advocating, the ability to rally together and at every opportunity to act in a respectful and dignified way despite the challenges and uncertainty we faced. ►

Opposite: Farmland in the Latrobe City municipality.

Cover: Hard hats from Hazelwood Power Station workers were on display at Latrobe City Morwell Headquarters in April 2017.

Inside Front Cover: A Latrobe City roads maintenance crew member.

Chief Executive Officer's report

(CONTINUED)

In addition to the above achievements we have also secured funding for the Latrobe Creative Precinct to be developed in Traralgon; developed a Customer Experience Strategy; produced a Housing Strategy, Rural Land Use Strategy and Employment and Industrial Land Use Strategy; and advocated for the Electricity Generation and Paper sectors.

Of course, this work delivering on the last year of the Council Plan 2013-2017, occurred in addition to the usual operations the team of officers and executive deliver at Council each year.

The new Council, elected in October 2016, has now articulated a new set of priorities for Council operations to deliver. The Council Plan 2017-2021 has a strong focus on education, employment, health and wellbeing, liveability as well as job growth and economic development. The collective focus of our new Council creates an impressive community centred ambition and I look forward to reporting our achievements throughout the next four-year term.



GARY VAN DRIEL
Chief Executive Officer, Latrobe City

I attribute our success in gaining this level of support from the state and federal realm to our community's ability to remain cohesive, our strong focus on lobbying and advocating, the ability to rally together and at every opportunity to act in a respectful and dignified way despite the challenges and uncertainty we faced.

*Latrobe City Council Local Laws staff member
at the Morwell Depot.*



Why we have an annual report

Under the *Local Government Act 1989*, councils are required to report to the community on a variety of topics covering council operations, performance and finances.

HOW TO OBTAIN A COPY OF THIS REPORT

A copy of this report can be found on the Latrobe City website www.latrobe.vic.gov.au by searching 'Annual Report' and downloading or viewing a printed version at any one of our libraries or service centres. An accessible version is also available on our website.

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

**MOE SERVICE CENTRE
AND FRANK BARTLETT
MEMORIAL LIBRARY**
1-29 George Street
Moe

MORWELL LIBRARY
63-65 Elgin Street
Morwell

**LATROBE CORPORATE
HEADQUARTERS**
141 Commercial Road
Morwell

**CHURCHILL SERVICE
CENTRE AND LIBRARY**
9-11 Philip Parade
Churchill

**TRARALGON SERVICE
CENTRE AND LIBRARY**
34-38 Kay Street
Traralgon



Learn to Swim at Morwell Leisure Centre.

Table of contents

Preamble	2	Services snapshot	54
Chief Executive Officer's report	3	Our employees	56
Latrobe City snapshot	8	Setting Our Direction	58
Latrobe's profile	9	Council Plan 2013 – 2017	59
Our leadership	10	How are we performing?	62
Mayor's report	11	Council report card	63
Your representatives on Council	14	Major initiatives	64
Our Community's Reflections of 2016/17	16	Local Government Performance Reporting Framework Indicators	66
Latrobe Municipal Garden Competition	18	Capital works highlights	68
Hazelwood Hard Hats	20	Finance and Performance Statements	70
Australia Day	22	Notes to the financial report	77
Lake Narracan	24	Financial certification	113
Volunteering in Latrobe	26	Performance certification	125
Meals on Wheels	28	Governance, Management and other information	128
Morwell Centenary Rose Garden	30	What Council does and how Council works	129
Planned Activity Group	32	Council Committee Membership	133
Social Support Services	34	Information Management	140
Churchill Bowls Club	36	Local Government Performance Reporting Framework—Governance and Management Checklist	144
Economic Investment in Latrobe	38	Glossary	148
Railway Reservoir Reserve	40	Index	151
Gippsland Sculpture Exhibition	42		
Art Therapy	44		
Firmins Lane Wetlands	46		
Latrobe City Trust	48		
Our people	50		
Organisational structure	52		

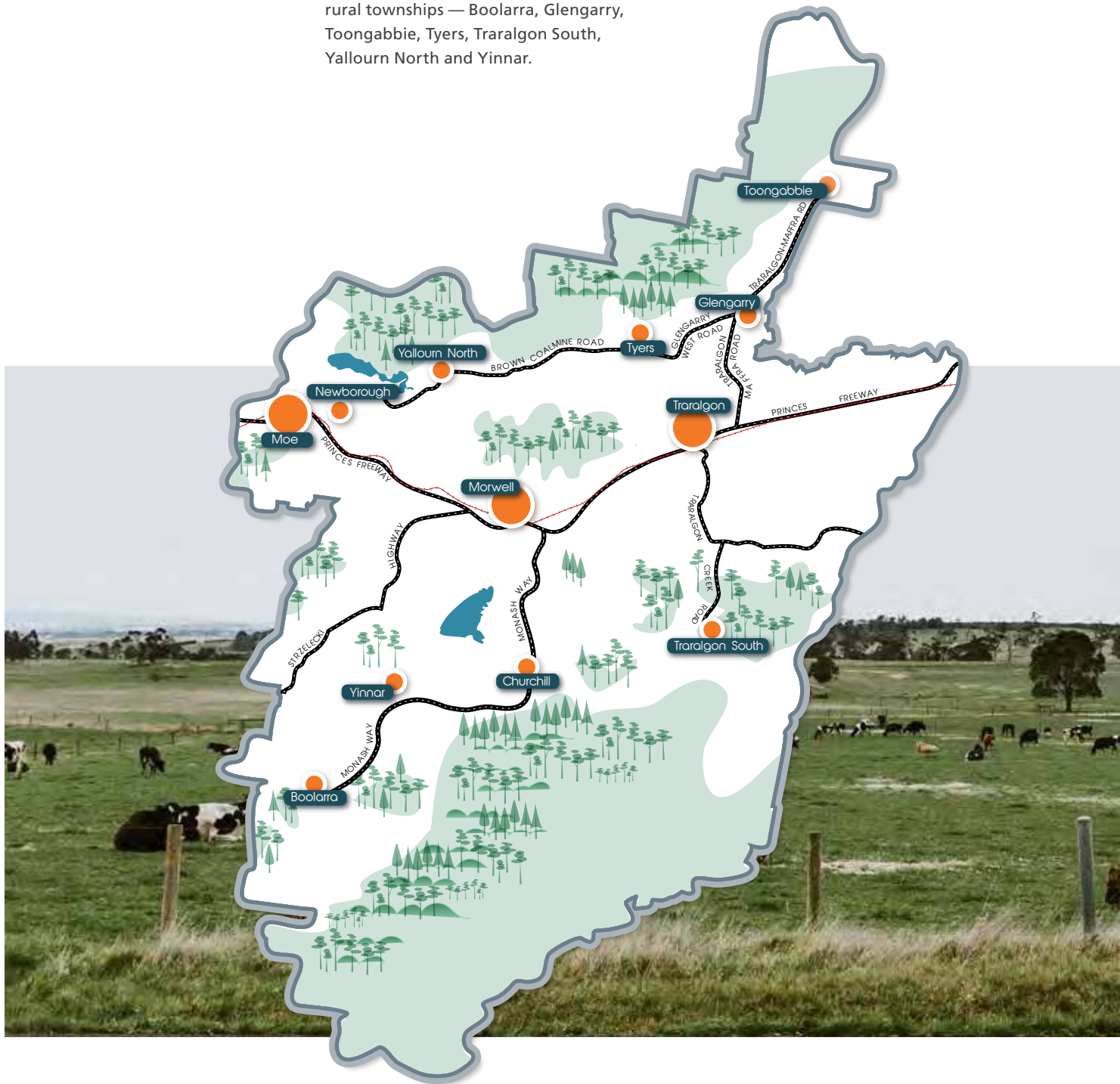
Latrobe City Snapshot

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

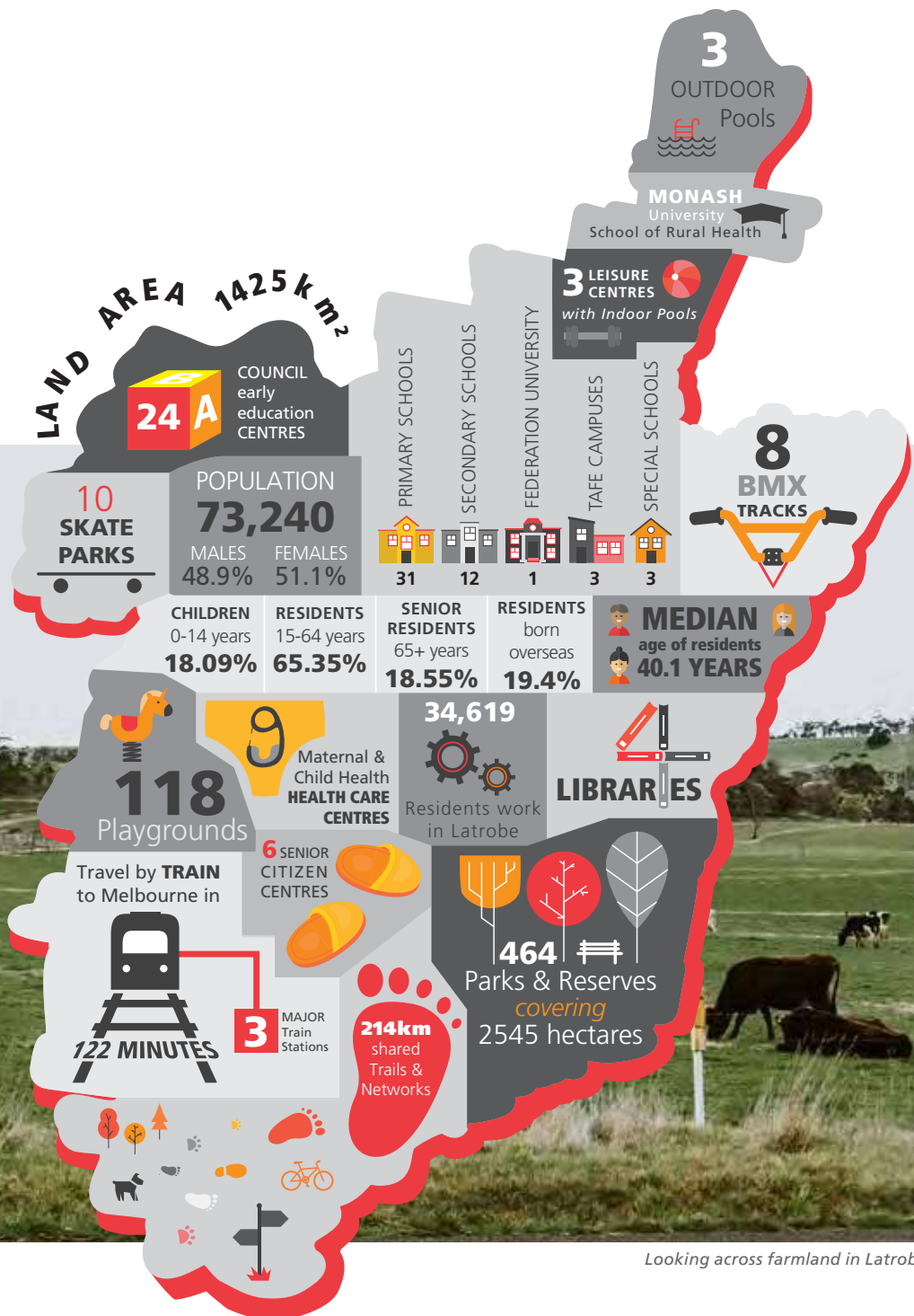
Latrobe City is a 90-minute drive east of Melbourne covering an area of 1425 square kilometres, situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north.

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

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.



Latrobe's Profile



Looking across farmland in Latrobe City.

OUR LEADERSHIP

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.



Mayor's report



CR KELLIE O'CALLAGHAN

2016/17 has been one of the most tumultuous years in the history of our municipality. On 31 March 2017 Hazelwood Power Station closed its doors and said goodbye to its 750-strong workforce. It was a sad day for our community, the shock of the initial closure news was, for many, still sinking in.

That said, it has also been one of our finest years. As a community we have endured a number of difficult days with dignity and integrity.

We've held our heads high as we've been prodded and poked by the media, our deep sadness and distress paraded for the pure titillation of others.

In the lead up to the closure of the Hazelwood Power Station, watching the rising anguish of our community became a national sport. Through this we remained strong and united, however we will never forget the ugly, tasteless gloating of those who chose to celebrate the closure of the Hazelwood Power Station and the unemployment of 750 of our colleagues, friends and family.

Upon reflection, it is remarkable that as a community we are in one piece. And that is probably my proudest reflection for the 2016/17 year – we're still here – stronger, bolder, more determined than ever.

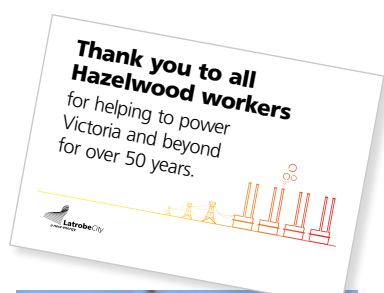
What a remarkable thing to be able to say.

When things get difficult it is often easier to fall apart under strain and to admit defeat. But not here and not in this community.

What we've demonstrated this year is that a community like ours, a community that has endured its fair share of trials and tribulations can and will remain strong in the face of adversity. That in challenging times, we were united, we chose hope, optimism and unity over the ease of division. This year we've stayed focused and we've drawn strength from our united sense of community and we've proudly proclaimed our determination to secure for all a just and respectful economic transition.

Our advocacy work to secure a Strength-Led Transition for our community has involved calling for the decentralisation of state and federal government workers to be relocated to Latrobe City. We were proud when the State Government announced the establishment of a GovHub for Morwell, bringing 300 State Government employees to a yet-to-be constructed facility.

We have also lobbied for additional rail services to connect our community with Melbourne's CBD. A commutable city is a prosperous city and Latrobe City's rail services are less efficient and less reliable than they were in the 1960s. Our work has involved



Cr O'Callaghan assists with the display of Hazelwood workers' hard hats at Morwell Headquarters.

Mayor's report

(CONTINUED)

supporting the development of a Rail Needs Assessment and the securing of \$435 million in immediate rail improvements.

There is still a lot to do. We're continuing to advocate for the establishment of a Brown Coal Royalties Fund. The fund would secure just a small percentage of the brown coal royalty paid to the State Government in a standalone fund for the future economic development of Latrobe City. Our position is very clear – this is our valuable and versatile resource, a very small component of its wealth should be held for the community.

We believe that when the mineral resource in our backyard is converted into wealth for the State, that a small share should be quarantined for investment directly into creating the next generation of jobs and economic prosperity for this region.

As we said in March, it will take years of hard work, commitment, funding, determination and drive to secure a just transition for our community. In 2016/17 we started that work and will continue to drive our transition

and advocacy plans in support of our community long into the future.

To each and every member of the community who has individually advocated for the collective good of this community, I extend to you my deepest and sincerest thanks.

While our economic foundation was shaken to its very core, the community continued to strive for excellence, continued to volunteer, continued to look out and care for one another, continued to be kind, respectful and generous.

To do this while experiencing great upheaval is a testament to our collective desire to secure a bright and prosperous future for all.

Thank you.

CR KELLIE O'CALLAGHAN
Latrobe City Mayor





Clockwise from top

Latrobe City has secured \$435 million for rail improvements.

A dredger at work in a Latrobe Valley mine.

Our Strength-Led Transition Plan, developed in conjunction with the community, has been the foundation of Latrobe City's advocacy work.

The closure of Hazelwood Power Station saw the loss of 750 jobs.

Your Representatives on Council

Latrobe City's council was elected on 22 October 2016 for a four year term, comprising nine councillors representing four wards.

WARD INFORMATION

The councillors elected to these ward areas are as follows:

East Ward



CR KELLIE O'CALLAGHAN (MAYOR*)

Phone: 0400 696 324

Email: kellie.o'callaghan@latrobe.vic.gov.au

Cr Kellie O'Callaghan is an East Ward Councillor who was first elected in 2008, again in 2012 and then again in 2016. Cr O'Callaghan was mayor from December 2009 to December 2010 and is now our current mayor.



CR DARREN HOWE

Phone: 0429 113 015

Email: darren.howe@latrobe.vic.gov.au

Cr Darren Howe is an East Ward Councillor who was first elected in November 2016.



CR DALE HARRIMAN

Phone: 0419 399 093

Email: dale.harriman@latrobe.vic.gov.au

Cr Dale Harriman is an East Ward Councillor and former mayor. He is currently serving a third term and was first elected in 2011 (following a resignation).



CR DAN CLANCEY

Phone: 0428 664 968

Email: dan.clancey@latrobe.vic.gov.au

Cr Dan Clancey is an East Ward Councillor who was first elected in November 2016.

Central Ward



CR GRAEME MIDDLEMISS (DEPUTY MAYOR*)

Phone: 0417 379 059

Email: graeme.middlemiss@latrobe.vic.gov.au

Cr Graeme Middlemiss is a Central Ward Councillor who was first elected in 1997 during the first La Trobe Shire Council elections. He has been on Council for 19 years and was mayor from March 2003 to March 2004.



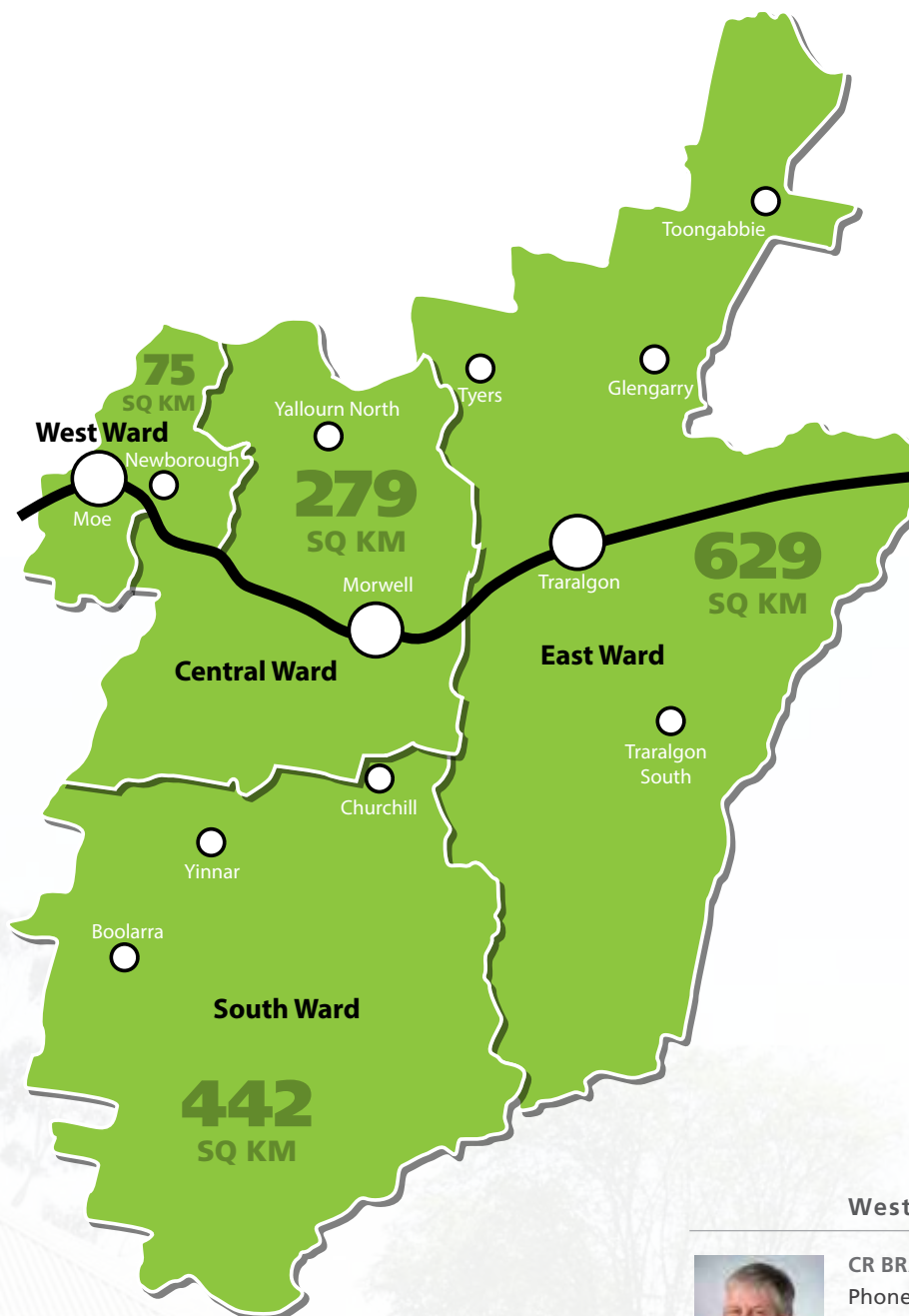
CR ALAN MCFARLANE

Phone: 0428 645 402

Email: alan.mcfarlane@latrobe.vic.gov.au

Cr Alan McFarlane is a Central Ward Councillor who was first elected in November 2016.

* The Mayor and Deputy Mayor were elected at the Special Council Meeting held on 9 November 2016.



West Ward



CR BRADLEY LAW
 Phone: 0428 560 501
 Email: bradley.law@latrobe.vic.gov.au

Cr Brad Law is a West Ward Councillor who was first elected in November 2016.



CR SHARON GIBSON
 Phone: 0429 338 762
 Email: sharon.gibson@latrobe.vic.gov.au

Cr Sharon Gibson is a West Ward Councillor who was first elected in December 2008, again in 2012 and then again in 2016. Cr Gibson was mayor from November 2013 to October 2014 after serving as deputy mayor three consecutive times.

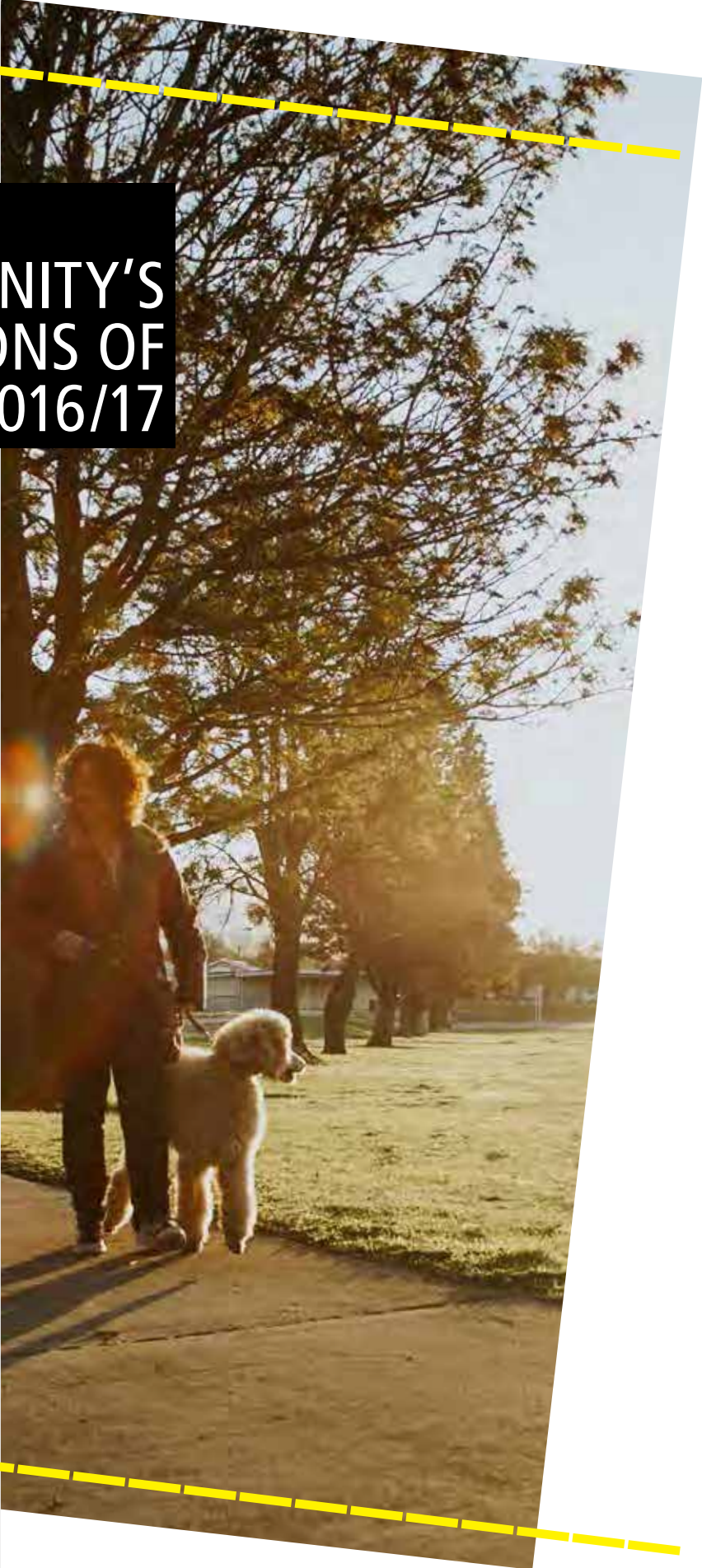
South Ward



CR DARRELL WHITE
 Phone: 0417 377 645
 Email: darrell.white@latrobe.vic.gov.au

Cr Darrell White is a South Ward Councillor who was first elected in 1997 during the first La Trobe Shire Council. Cr White has been on Council for 28 years and was mayor three times.

OUR COMMUNITY'S REFLECTIONS OF 2016/17



The year 2016/17 will be remembered as one of transition and resilience, perhaps best symbolised by the hard hats of the Hazelwood Power Station workers. The installation, now open for viewing at PowerWorks, is a reminder of our heritage and an emblem of our spirit.

These community stories also reflect our capacity to look after the more vulnerable members of society, to put up our hands to help, to aim high and to look after our environment.

Our achievements this past year have been remarkable – perhaps more so because of the way our community has had to gather its collective strengths and work together for a brighter future.

Opposite: Late afternoon walk at Agnes Brereton Park, Traralgon.



“Many of the children loved being able to go home and tell their parents what we had won.”

Toongabbie Primary School garden wins Mayor's Award

THE INAUGURAL LATROBE CITY MUNICIPAL GARDEN COMPETITION REVEALED THE BEAUTY, INNOVATION AND SUSTAINABILITY OF GARDENS AROUND THE MUNICIPALITY. WE REALLY ARE A REGION OF GREEN THUMBS AND THE SENSE OF PRIDE THAT THE COMPETITION GENERATED WAS PALPABLE.

With so many beautiful gardens picking a winner was difficult. However, the garden at the Toongabbie Primary School, was presented with the Mayor's Award at a ceremony on 23 November 2016. It was not only an inspiring transformation, but the creative way in which the concept looked at the future needs of the garden and built an income stream through a micro herb business, ensuring the children of the school gained an invaluable experience.

Toongabbie Primary School teacher, Eleena Fothergill-Sherson said the win was a huge recognition of the achievements the children made within the school.

"At the beginning of 2016 students from various age levels asked staff if there could be a gardening program they could engage in. When the program was created students had a discussion with staff and volunteers about the areas available for gardening adventures. Students were asked to have a think about what they would like to do in the different areas. The gardening projects

were undertaken partially inside the classroom and during lunchtimes. The students were given options of what could be planted for the season and worked cooperatively to plan what to grow and harvest," Eleena said.

"The students were shocked and excited when they found out they had won both the school garden award and the overall award. It gave them a huge sense of pride and accomplishment at their work. Many of the children loved being able to go home and tell their parents what we had won and we saw an influx of children, parents, grandparents and local members within the community showing interest in the school and its gardens."

Latrobe City Council's coordinator community resilience, Stuart Simmie said students not only learnt about gardening but they gained life skills such as teamwork, effort and commitment.

"But perhaps the most remarkable take away for them will be the learning of business elements like marketing, communication and presentation

skills. The garden gives a whole new meaning to the term 'hands-on learning.' These children devoted their time to nurturing the garden and it is rewarding them not just with the tangible fruits of their labour, but with financial ones too," Stuart said.

"The response to the competition was overwhelming with more than 60 entries received across the categories.

"Our sponsors were generous with prizes, which really helped to generate entries. And the judges were blown away with the standard across all the categories. We saw small gardens, large rural plots, sustainable gardens, community gardens, native gardens and everything in between. To say our community loves its plants is to not do justice to the array of designs, plantings, features and passion that we witnessed," Stuart concluded.

For a full list of winners and sponsors, visit: www.latrobe.vic.gov.au/gardencomp

Opposite: Toongabbie Primary School students with the judges of the inaugural garden competition.

“...the engineering skills that were developed and advanced during the life of Hazelwood are a very important part of Latrobe Valley’s power heritage...”



Latrobe City Headquarters proudly displayed the Hazelwood workers' hats following the closure of the power station.

Hazelwood workers' hard hats find a home

IN APRIL 2017, A WEEK AFTER THE CLOSURE OF THE HAZELWOOD POWER STATION, LATROBE CITY COUNCIL'S CORPORATE HEADQUARTERS IN MORWELL BECAME THE TEMPORARY HOME FOR A DISPLAY OF WORKERS' HARD HATS.

The installation, a striking symbol of the Valley, is now permanently displayed at PowerWorks.

At the time, there was community distress around the removal of the hats from the power station, and installing the display at the headquarters allayed some of that angst.

Latrobe City Council's general manager community services, Sara Rhodes-Ward, said the workers who left their hats would be pleased with the outcome.

"It's not just the workers, but the wider community, who saw the hard hats display as a tangible tribute to the end of an era. Given the level and nature of community sentiment on the day of Hazelwood's closure, it made sense that there should be a place to pause and reflect.

"Worker tributes, written on the hats, are so heartfelt and honest. Being able to provide a place where the public could access them was a constructive and valuable part our community's healing process as we all come to terms with the loss of Hazelwood," Sara said.

"The pop-up installation was open for workers and their families, or those who wished to take some time reading the comments on the hats. It also allowed workers who didn't get the opportunity to leave their hard hat at the Hazelwood site, but wanted to display it later, to do so. Tribute books were also available at Latrobe City Council offices for people to record their thoughts and memories.

PowerWorks Vice Chairman, Bruce Lougheed said the museum was delighted to display the installation.

"It is the view of the PowerWorks Board that the closure of the Hazelwood Power Station and the mine was the end of an era. The hard hats are a final symbol by the workforce to the closure. One only has to take the time to read some of the messages on the hats to get an understanding.

"For more than 50 years, Hazelwood Power Station played an important role in the economy of the Latrobe Valley and the State of Victoria. Over those years a dedicated work force was developed. The Latrobe Valley community is fully aware of the impact that Hazelwood had on the region. The number of families where three generations were employed at Hazelwood – a lifetime of employment – as well as apprenticeships, training, skills and camaraderie that was gained must not now be lost", Bruce said.

"The technology required in the production of electricity, the engineering skills that were developed and advanced during the life of Hazelwood are a very important part of Latrobe Valley's power heritage.

"PowerWorks has displays including photos and other items that have been donated by community members, which are of interest. Also included are the tribute books that Latrobe City Council placed in their service centres for the community to record their thanks to the Hazelwood workforce. One of the books is available for visitors to record their comments," Bruce concluded.

PowerWorks is located at Ridge Road, Morwell. The hard hats are on display in the lower carpark at the south end of PowerWorks. From this display with a simple turn to the west, visitors have a view of the Morwell / Hazelwood mine.



AUSTRALIA DAY 2017 WAS CELEBRATED ACROSS LATROBE CITY WITH A VARIETY EVENTS. AROUND 3260 PEOPLE ATTENDED THE NINE COMMUNITY BREAKFASTS IN BOOLARRA, CALLIGNEE, CHURCHILL, MOE, MORWELL, TOONGABBIE, TRARALGON, YALLOURN NORTH AND YINNAR.

The Civic Function and Australia Day Awards event attracted 500 people. The event started with a citizenship ceremony where nine new citizens were welcomed. Awards were presented for Citizen of the Year, Young Citizen of the Year, Community Service of the Year and Event of the Year, as well 17 Latrobe City Recognition awards.

Meet our Young Citizen of the Year

On Australia Day 2017, Emily Beecroft was named Latrobe City's Young Citizen of the Year. Emily's amazing year included representing Australia at the Paralympics in Rio in September 2016. Here, she talks about the award, her swimming and her typical day.

What was it like to win the award?

I knew I was nominated, but I never thought I would win due to all of the other amazing nominees. When I found out that I had won it meant a lot to me. It meant the community recognised me as someone who deserved this award amongst all of the other young people in our community who have done extraordinary things.

How was the Paralympics?

I have been swimming all my life, but I started swimming at the Traralgon Swimming Club in 2010. I would say my best sporting achievement would have to be representing my country at the 2016 Rio Paralympics. It was my first international team, and for it to be at the Paralympics at 16 years of age was absolutely amazing and something that I will cherish forever.

Not many people in the world, let alone many 16 year-olds, can say that they have competed in a Paralympics. I would recommend everyone to go to at least one Paralympics in their lifetime. It is the most inspiring thing to watch. You see so many people with disabilities doing amazing things

that most able-body athletes cannot do. There is nowhere else in the world where a person with a disability will ever feel more at home. I loved every single moment of my trip.

What's your typical day like?

A typical day would start with me waking up at 4.45am and travelling to training. I swim for two hours and our sessions average around six to seven kilometres. I then rush home and go to school for seven hours. Once I'm home, I have about an hour to eat something and relax before another three-hour training session. I get home about 9pm and have my dinner. I'm usually very tired by this point as our night sessions are usually the hardest, so if I don't have any homework that night, I usually go straight to bed. Then I repeat it all over again. I train 10 times a week — eight swim sessions and two gym sessions. My weekends usually consist of sleeping and homework, or competing at swim meets.

Any advice for young people in Latrobe City?

My advice would be that even though we do live in the country and we might be restricted with our resources or opportunities due to living so far away from the city, that doesn't need to stop you from doing anything. You just need to do as much as you can and you will get where you want to eventually. Never give up!

Opposite: Australian Paralympian representative Emily Beecroft was awarded Latrobe City Young Citizen of the Year.

“ You just need to do as much as you can and you will get where you want to eventually. Never give up!”



“the opportunity to collaborate with other users to work on the lake was too good to miss.”



CAPACITY
7230 mL



SURFACE AREA
281 ha



MAXIMUM HEIGHT
23 m approx.

Lake Narracan: safer together.

LATROBE CITY COUNCIL, SOUTHERN RURAL WATER AND THE USER GROUPS AT LAKE NARRACAN HAVE COME TOGETHER TO ENSURE THE WATERWAY IS SAFER AND MORE WELCOMING COMMUNITY ASSET, BY EXTENDING THE MAIN BOAT RAMP AND REMOVING HAZARDS FROM THE LAKE.

Allan Casey, a member of the Lake Narracan User Groups, said the opportunity to collaborate with other users to work on the lake was too good to miss.

"As Lake Narracan was being drained for Southern Rural Water to work on the lake wall, it made sense to look at other works we could undertake over that time.

"The lake is a great attraction for locals and visitors alike. There are multiple user groups, each enjoying different activities, but a common focus is to ensure the lake is effectively maintained. Working together with that mutual aim means we were able to pool our resources so that the works were carried out as efficiently as possible.

Opposite: Lake Narracan as most residents know it and during works undertaken while it was drained during the year.

"After discussions with some of the local lake users, we inspected areas where it had been reported that boats had hit objects under the surface. Along with identifying these obstacles, a major concern was the length of the main boat ramp, which was too short when the water level was down to 65 per cent. The ramp was excavated and lengthened to enable easier launching access," Allan said.

"As the lake 'bowl' was still very wet, I engaged the services of Glenn Azlin from the Hovercraft Club, to carry out the inspection and we identified shallow areas, loose timber piles and stumps. These hazard removal works were undertaken by Macallister Earthmoving Pty Ltd.

"During this time, a group of local waterskiers used chainsaws to cut a large amount of dangerous timber that was standing just under the surface in Halls Bay and reduced the height of many large stumps around the lake. This work was very labour intensive and took many days to achieve. This crew included myself, Mark Perkins, Craig Perkins, Jordan Perkins, Dav

Westhorpe and Glenn Azlin. Loose timber that was exposed at the entrance of Halls Bay was cleaned up by the Latrobe Valley Waterski Club, just prior to the lake being refilled.

"We would like to thank Latrobe City Council for providing funds and the opportunity to undertake this work. We now have a much safer watersport venue and that was achieved through collaboration and teamwork," Allan concluded.

Latrobe City's general manager infrastructure and recreation, Steven Piasente, said Southern Rural Water drained the lake to work on the spill way gates.

"It made perfect sense for us to use this time to extend the main boat ramp, using funding from Marine Safety Victoria. We worked closely with the user groups to ensure that everyone was on board, prepared and understood what was happening.

"There are a number of users at the lake; groups that have operated for a long time. We have the Latrobe Valley Waterski Club, the Latrobe Valley Model Aero Club, the Naval Cadets and the Hovercraft Club of Victoria. It was important for us to work collaboratively with these groups so that there was minimal interruption for their activities," Steven said.

Volunteering in **Latrobe**

Giving back through volunteering

GEORGE KAMPHUIS GOT INTO VOLUNTEERING QUITE BY ACCIDENT.

In 2004, George retired and pretty soon found himself at a loose end. His wife was looking for work and was volunteering as a Meals on Wheels assistant. She suggested he might like it as a way to fill in some time during his day and he's been doing it ever since.

"I'm a person who likes to have a routine and having something to do on particular days, helps me to get through the week. I play golf a few days a week and I like to spend some time in my garden, but volunteering for Meals on Wheels means that my Thursdays are busy too.

"I also fell into driving a bus for the Planned Activity Group on a Friday – when my wife asked me to fill in for someone who was on holiday. That person was unable to continue and so I've been the driver since 2005," George said.

"I get to meet the clients for both the Meals on Wheels and the PAG and it's nice to be able to chat with them for a while.

There is often a little moment during both of our days that means something – a social connection, a human connection. That's important.

"For some of the clients, having a friendly face come to their door with a hot meal, or being able to talk on the way to the PAG, might be the only time they speak with someone during the week.

George added that volunteering was a good way to give back to the community.

"If you have time on your hands, it's good to fill it with useful tasks. Volunteering is a great way to meet people and to know that you're assisting those in the community who might need an extra helping hand. It makes you feel good to know you're providing a useful service."



“Volunteering is a great way to meet people and to know that you’re assisting those in the community who might need an extra helping hand.”



George Kamphuis provides a valuable service as a volunteer with Latrobe City's Meals on Wheels service.

**“ ...it’s nice to chat to the
volunteer who delivers the meals.”**



Latrobe City resident Thelma McKenney finds the local Meals on Wheels service a valuable service to our community.

**Flexible Meals on
Wheels service saves
time and money**

FOR THELMA MCKENNEY, HAVING MEALS DELIVERED EACH WEEK DIRECT TO HER DOOR IS A SERVICE SHE IS GRATEFUL TO RECEIVE, NOT JUST BECAUSE SHE HAS PERIODS OF ILL-HEALTH, BUT BECAUSE IT ALLOWS HER TO GO OUT TO HER APPOINTMENTS AND SOCIAL EXCURSIONS WITHOUT HAVING TO WORRY ABOUT SHOPPING OR COOKING.

Despite being extremely independent and only 80 years young, Thelma and her family made the decision to get the Meals on Wheels service early in 2017.

"I had been ill and needed to rest so my daughters enquired about Meals on Wheels to help me manage my day. I already have someone come and clean the house once a fortnight but having meals delivered has really helped me. It also means I don't have the expense of buying meat or expensive food items.

"I get a hot lunch delivered on Monday and frozen meals delivered on Tuesdays. I can defrost and warm those when I want, so the service is really flexible. It's good to know I have a store of food in the freezer when I need it," Thelma said.







"The menus offer a range of meal choices. I am diabetic so it's important to be able to choose the meals that cater for my health. I was pleased to see that the menus were designed for different needs.

"And, it's nice to chat to the volunteer who delivers the meals. I'm lucky that my family is close by, but for others who might live alone it must be good to have a familiar and regular visitor during the week."

Thelma added that she would definitely recommend the service to others.

"For peace of mind and for convenience, Meals on Wheels is a great community service."

In the past year...

MORWELL:	48		12687		153	
		VOLUNTEERS DELIVERED		MEALS TO		CLIENTS
TRARALGON:	80		12630		146	

Volunteering in *Latrobe*

Rose garden blooms under the care of volunteers

THE MORWELL CENTENARY ROSE GARDEN ALWAYS LOOK AMAZING AND LIKE A SWAN GRACEFULLY FLOATING ACROSS THE WATER, THE AMOUNT OF HARD WORK GOING ON UNDER THE SURFACE TO KEEP THE GARDEN AT ITS PRIME, IS ASTONISHING.

There is a dedicated committee and an army of volunteers – currently numbering around 40 – who turn out every Tuesday so that residents and visitors can enjoy the spectacular floral display almost year-round.

Rose Garden Committee President, Del Matthews says each year is busy, but each year is also a reward.

“This year, the Friends of the Rose Garden received a community grant from Council for a ride-on mower to use as tractor. It has a small trailer for carrying mulch, soil, bags of fertiliser etc, and we have also had a 200 litre spray unit built to enable us to apply the liquid fertiliser throughout the garden. This has been a wonderful acquisition.

“In terms of new developments in the garden itself, over the past year we have planted a bed of David Austin roses at the site of the old storage container site at the end of the Council car park. Beautifying that spot was a real win. We also planted the Country Fire Association’s rose, Firestar, which blooms in bright orange and mixed these bushes with the yellow of the Graham Thomas rose. These were planted in the four new towers on the south side of the garden and will give a great display,“ Del said.

“Council has completed work on the Commercial Road median strip at the rose garden to keep our volunteers safer as they work. Council also helped with our pruning weekend by providing parks and gardens team members to chip and transport the

prunings. This saved a lot of time and enabled all volunteers to concentrate on the actual pruning.

“Our volunteers don’t just prune and plant. The rose garden is a venue for events as well as a tourist attraction, so our volunteers hold all manner of qualifications, from food handling to traffic management to first aid. And each year we host visiting delegations from other rose gardens or we visit gardens around the state looking for inspiration and ideas.

“Our new look website is about to go live with new content, new photos, interactive elements and it will be mobile friendly. We may be an ageing committee but we are always keen to keep up with the trends. We’re always looking for fresh help, and volunteers are always welcome.

“We know locals and tourists love our garden so there’s a real incentive to keep working hard. We feel our achievements manifest themselves in the beauty of the gardens over the course of a year, but of course, we also achieve much more than just a riot of colourful flowers. We achieve the knowledge that what we do is for the benefit of others – creating a garden of beauty for the community, we achieve the satisfaction of volunteering and we achieve civic pride that resonates around the town,“ Del concluded.

The blooms at the Morwell Rose Garden burst into spectacular colour in spring, a testament to the hard work and commitment of the volunteers, including Bev Maguire (right).





“We know locals and tourists love our garden so there’s a real incentive to keep working hard.”



THE MORWELL CENTENARY ROSE GARDEN CONTAINS:



3500
INDIVIDUAL BUSHES



100
BEDS



400
VARIETIES



“For me, it’s about talking with the attendees, it’s about the social connectedness of the meeting them and chatting...”

Doris Jennings volunteers her time with the Planned Activity Group (PAG) in Traralgon, providing company to older people and learning about their lives.

Volunteering at Planned Activity Group is a social occasion

DORIS JENNINGS HAS BEEN A VOLUNTEER WITH THE PLANNED ACTIVITY GROUP (PAG) IN TRARALGON SINCE FEBRUARY 2017 AND HAS ENJOYED EVERY MINUTE.

She sees the PAG as more than just an activity-based program, it's a social occasion.

"PAG provides a weekly high spot for many of the attendees as it's a chance to see their friends again. There is a program of activities that might be bingo or an excursion, and we provide a morning tea and a hot meal. My role is to help prepare the food and generally assist with the activities.

"But for me, it's about talking with the attendees. It's about the social connectedness of the meeting them and chatting, finding out more about their lives and really listening.

"Some of the attendees may not see other people during the week so they look forward to the few hours where they have company," Doris said.

"I've always enjoyed being with older people. Their lives are fascinating and they have so many wonderful memories about days gone by that really put your own life into perspective.

"I also volunteer at the Marjorie Cole cafe, which I've been doing for a few years. If you are willing to put in the time, you will always be rewarded for it," Doris concluded.



Members of the Planned Activity Group at Traralgon enjoy a range of social activities.

Volunteering in **Latrobe**

Social support is a social connection

PAT WILLIAMS IS 91 YEARS OLD BUT IS FIERCELY INDEPENDENT. HER ONLY CONCESSION TO A LITTLE HELP AROUND THE HOUSE IS TO RECEIVE A FORTNIGHTLY VISIT FROM A CLEANER, THROUGH COUNCIL'S SOCIAL SUPPORT SERVICES.

But for Pat, it's not even about the cleaning. It's about the social connection.

"I look forward to the visits from the cleaner. She is very friendly and I enjoy our chats. She cleans my bathroom, washes the floors and vacuums through. It is really helpful because physically it's hard for me to do this sort of cleaning now. I fractured my hip and leg and was in the hospital for a good few months and so I need to take it a bit easy when it comes to the house work.

"I do my own shopping and I still cook for myself. I don't think that I'll need any other services just yet, but it's good to know that there are options," Pat said.

"I attend the Planned Activity Group on Wednesdays and Fridays and talk with my friends there. That's how I found out about the different types of services on offer through the Council."

Pat added that the carers are wonderful people.

"They offer more than just a service, they offer friendship."



“I look forward to the visits from the cleaner. She is very friendly and I enjoy our chats.”



Pat Williams finds some support from Council services helps to maintain her independence.



“The facility meets World Bowls performance standards and is a great asset in Churchill.”



Churchill Bowls Club members enjoy the new synthetic lawn at Churchill.

Opposite: Churchill's new bowling green.

Synthetic green puts Churchill on the map

Sport in **Latrobe**

WHEN BILL BROWN FIRST MOVED FROM MORWELL TO CHURCHILL 50 YEARS AGO, IT WAS A NEW TOWN WITH A POPULATION OF YOUNG FAMILIES. THE SPORTING FACILITIES THAT WERE CONSTRUCTED IN THOSE EARLY DAYS CATERED TO YOUNG FAMILIES – FOOTY, TENNIS, NETBALL. FIFTY YEARS ON, A LARGE PROPORTION OF THE COMMUNITY IS NOW MUCH OLDER AND PAST PLAYING THE MORE ROBUST SPORTING PURSUITS.

“We recognised that we needed a reappraisal of the town’s sporting and recreational needs, to fit this changing scenario. In 2007, the Churchill Bowls Club was formed with the objective of working with Latrobe City Council towards establishing a synthetic lawn bowls facility in the town. In the transition period from 2007 to 2016 we started indoor bowls to create a membership base and make people aware of our existence and what we stood for.

“In 2008 we become the first bowls club in the Latrobe Valley to become a GippSport Welcoming Inclusive club. We recognised early on that if we were to succeed in our community we had to involve the community in our journey, hence our motto ‘Churchill Bowls Club Partners in our Community’”.

“Three years ago we started renovating the clubrooms to improve accessibility. This work includes a kitchen and new accessible toilet facilities. The final cost of this project will be around \$90,000,

with the majority of this money being in-kind works carried out by members and volunteers. This money was raised through activities such as raffles, trivia nights and sausage sizzles,” Bill said.

“The club has also received a number of Latrobe City Council Minor Capital Works Grants. These grants have been used to buy items such as air conditioners and fans. Our organisation is indebted to Latrobe City Council for its generosity.

“Over the years, we have gradually built up our membership, and whilst all our current members still play for other clubs, our vision was always to ensure that there would be a competitive club for future generations. The club would also be fully inclusive.

“In 2015, thanks to a decision by Latrobe City Council to provide funding of \$400,000 for a synthetic bowling green, we could finally make preparations for outdoors bowling. Work started earlier in 2016, and on 20 September 2016 the facility was officially opened. Our club provided much of the in-kind support and labouring as well as \$20,000 in additional monies.

“The green is now installed and is surrounded by a fence with a new path leading from the club rooms. The facility meets World Bowls performance standards and is a great asset in Churchill, giving us the

opportunity to further develop a wide range of bowls and other social activities to encourage participation for all age groups across the Churchill community.

“We will continue to make the improvements to the club rooms, painting and installing the kitchen equipment. We will also mark out the green with a view to hosting events over the summer period, such as barefoot and twilight bowls. We aim to be taking part in the West Gippsland Bowls Division pennant for the 2017/18 season.

“We’re very much looking forward to the coming months and years. We have worked hard to get the club running from the ground up and with the help of Latrobe City Council our vision of an inclusive and welcoming club is being realised,” Bill concluded.

The Churchill Bowling Club is located at Gaskin Park in Manning Drive, Churchill. The Churchill Bowls Club offers indoor bowls every Thursday night from 7.15pm, but please arrive no later than 7pm. Cost for the night is \$4 with a light supper, tea and coffee served. For more information about the Churchill Bowling Club phone Bill on 5122 1860.



Investing in **Latrobe**

DURING WHAT HAS BEEN A CHALLENGING YEAR FOR THE VALLEY IN TERMS OF ECONOMIC IMPACT, LATROBE CITY COUNCIL'S ECONOMIC DEVELOPMENT UNIT FACILITATED 64 DIFFERENT BUSINESS OPPORTUNITIES OVER THE YEAR, RANGING FROM BUSINESS EXPANSIONS TO NEW INVESTMENTS.

Each of these opportunities has the potential to create new employment in a diverse range of jobs. Importantly, this groundwork has been undertaken collaboratively across Latrobe City Council as well as with external agencies, such as Regional Development Victoria and Latrobe Valley Authority.

A highlight of the year was Council's participation at the Australian International Airshow at Avalon which included the launch of the Aerospace Precinct – a project that has already attracted significant industry interest.

Latrobe City Council's manager economic development, Bruce Connolly, said investment attraction was a key priority for the year.

"We are open for business and we strive to connect businesses with funding opportunities to ensure Latrobe City is seen as a strong place to invest and expand. At the Invest Gippsland event held in May, Council hosted a delegation of South East Asian buyers to Gippsland.

"Clearly, the launch of the Aerospace Precinct at the Latrobe Regional Airport is a major development in terms of garnering interest from aviation industry players," Bruce said.

"For our small to medium enterprises, we ran our successful Six Steps to Business Success, a quarterly program targeted at start-ups, and it was fully

subscribed for each of the sessions. The Decisions that Drives Profits program is also aimed at existing SMEs. Its aim is to develop a business strategy. The 10 businesses that participated found it helpful in developing their own strategies.

"An innovative program launched during the year was the Latrobe Valley Defence Industry Capability Program. This highly targeted program benchmarked five local businesses with expertise in welding high strength steel, with the express purpose of introducing those businesses to the highly competitive defence sector. It was delivered by Defence Materials Technology Centre (DMTC)".

DMTC CEO, Dr Mark Hodge, said the Latrobe region has a wealth of capability that has the potential to work in the defence sector and provide wide ranging benefits to the nation.

"It is an exciting time for the region and DMTC looks forward to working more closely with businesses in the future. Our benchmarking program will help businesses to improve productivity, engage with defence prime contractors and understand requirements for supply chain partners, work with experts from the research sector in leading edge manufacturing technologies and establish new commercial relationships with project partners," Dr Hodge said.

Bruce added that the success of the Developers Forum in November was driven by the delivery of the key note presentation by Planning Minister, the Hon Richard Wynne MP.

Economic investment in Latrobe City continues

"It was a full house, with 75 local representatives from the developer community. This demonstrates the continuing desire to invest in Latrobe City and that confidence in the future of our region is strong," Bruce said.

"The engineering industry in the Latrobe Valley is well advanced in developing an industry cluster to raise the profile of the local expertise and create new opportunities for local businesses.

"This past year saw an interim industry working group developed to lead work in developing an engineering cluster. The group also hosted world-renowned Cluster expert Ifor Ffowcs-Williams, who made a presentation to key representatives in the engineering and manufacturing sector.

"The Gippsland Small Business Festival ran in August 2016 and saw three events delivered, including a fully subscribed breakfast event presented by Dan Gregory. The inaugural Jobs Fair, held at Kernot Hall in March attracted more than 1400 people with 70 exhibitors and 800 job opportunities on display.

"The fact that our programs continue to deliver a diverse array of opportunities to our businesses, whatever their size or industry, is testament to our strong partnerships with government, local industry and commerce, our capacity to understand where to position the Latrobe Valley in terms of its strengths and its Regional City status and to lay down the foundations for investment to build a strong economic future," Bruce concluded.

“the Latrobe region has a wealth of capability that has the potential to work in the defence sector and provide wide ranging benefits to the nation.”



Latrobe City deputy mayor Councillor Graeme Middlemiss officially launched the Latrobe Aerospace Precinct at the 2017 International Airshow, held in Avalon. Premier Daniel Andrews visits the Latrobe Regional Airport booth. Top left: Latrobe City booth at the 2017 International Airshow. Top right: Dan Gregory held a captive audience at his presentation as part of the Small Business Festival in 2016.



“We have constructed pathways, bridges, fencing, signage and conducted scientific investigations into the aquatic life, and also flora and fauna within the reserve.”



New bridge and boardwalk at **Railway Reservoir Reserve**

Volunteering in **Latrobe**

GARY DEANE GREW UP NEAR THE RAILWAY RESERVOIR IN TRARALGON AND PLAYED THERE AS A KID. HE HAS BEEN VOLUNTEERING, JUST LIKE HIS PARENTS, SINCE HIS LATE TEENAGE YEARS AND IN THE LATE 1980S HIS FATHER, BERT DEANE, PROPOSED A DEVELOPMENT FOR THE AREA OF THE RAILWAY RESERVE. GARY WAS DRAWN IN.



"A plan was drafted to keep this area as a significant benefit to the community. I was involved right from that point. In the early 1990s the Friends of the Traralgon Railway Reservoir Conservation Reserve was formed and has been working with Council since.

"The reserve today is a great asset to the area and more than 1500 visitors a week on average over the last three years use the reserve. Dad would be really pleased," Gary said.



"One reason I volunteer is because Mum and Dad showed so much passion for his proposal and I always had a soft spot for the area many Traralgon people loved as children. I saw his idea as a good one that had merit, and as we see today the dream has been realised. The job now is for the Friends to maintain and care for it."



"Over the years the reserve has required planning and management, drafted under Council guidelines. We have used mainly plants indigenous to the area. We have constructed pathways, bridges, fencing, signage and conducted scientific investigations into the aquatic life and also flora and fauna within the reserve. Planting and replacing dying plants within the reserve is an ongoing large project and will remain so for many years.

Gary says that the Friends look ahead a number of years to predict which projects will require a long lead time, such as cleaning silt in the dam and managing weed infestation.

"We work collaboratively with many organisations including Landcare, West Gippsland Catchment Management Authority, Field Naturalists, Federation University and the power industry.

"A major achievement this year was the construction of a bridge and boardwalk. The project, valued at \$7000, was funded by the Friends and with support from Council, Engie and the State Government. In August 2016, around 15 to 20 Work for the Dole participants helped to construct the bridge and boardwalk. The project was completed by November 2016. The work was done under supervision, but to an extremely high standard and now provides an attractive crossing for visitors to use.

"The participants also helped to maintain and weed the reserve, repaired the fences, helped with pruning and planting and generally provided a number of hours of help that were invaluable to the Friends. Some of the participants even volunteered outside of their usual hours to see the bridge project to completion," Gary concluded.

The Traralgon Railway Reservoir Conservation Reserve is a favourite location for locals and visitors in Latrobe City.

Opposite: Gary Deane at the reserve.

Exhibiting in **Latrobe**

IF ART IS ALL ABOUT ENGAGEMENT THEN THE 55 SCULPTURES DELIVERED BY 45 LOCAL AND INTERNATIONAL ARTISTS INSTALLED IN YINNAR HAVE ACCOMPLISHED THAT GOAL. THE WORKS RANGED FROM FIGURATIVE ARTWORK THROUGH TO ABSTRACT FORMATIONS AND WERE MADE FROM STEEL, STONE, CERAMIC, BRONZE, WOOD, GLASS AND CONCRETE.

The Gippsland Sculpture Exhibition, located in Yinnar, was a successful collaboration between artists, Latrobe City Council, arcYinnar, local businesses and the Lions Club.

From the opening on 1 April 2017 in the arc gardens to the conclusion of the event in May 2017, the Yinnar and wider community embraced the exhibition.

Artists who entered the competition had the opportunity to win one of three prizes, including the \$5000 Glover Prize donated by Alan and Margaret Glover for best exterior work.

Organiser, Nicole Allen, said the idea germinated after she exhibited a sculpture at Castlegar, a small Canadian Rockies country town that needed to reestablish itself.

“Every year, the town is transformed by a sculpture exhibition and as a consequence, the yearly event and all the small businesses in town prosper with the influx of tourists and art

lovers. I thought to myself, “wouldn’t it be great to transform Yinnar with sculpture too?”

“Any inaugural exhibition needs immediate credentials. We approached Simon Gregg, curator of Sale Gallery, and Kevin Mortensen, a well-known Australian sculptor,” Nicole said.

“First, they judged the 24 exterior street sculptures and gave the nod to Aldo Bilotta’s sculpture ‘Emoji’. From the 31 interior sculptures, they chose Andrew Bryant’s sculpture, ‘Regenerate’ to be the inaugural interior winner.

“The exhibition benefited the community, not just the art community, but the farmers, the power station workers and everyone who lives and works in the region.

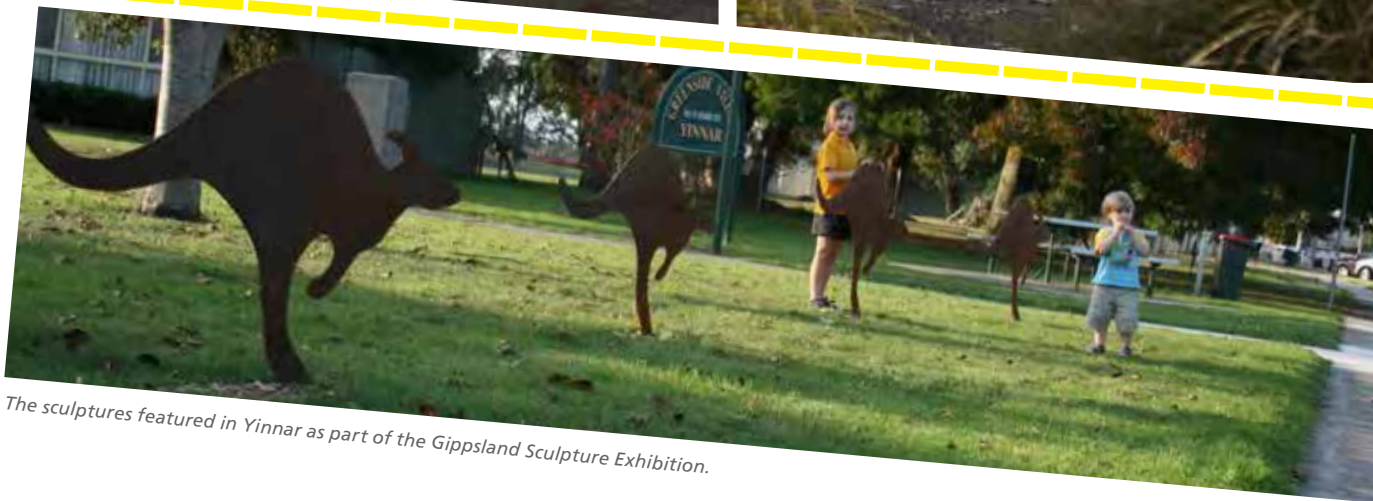
“We transformed the town for a couple of months and gave our community a sense of pride and interest in sculpture. We also put Yinnar on the state and national sculpture map and calendar; while giving others within the region a reason to visit Yinnar,” Nicole concluded.

Putting a small township **on the art map**



“We transformed the town for a couple of months and gave our community a sense of pride and interest in sculpture. We also put Yinnar on the state and national sculpture map and calendar; while giving others within the region a reason to visit Yinnar.”





The sculptures featured in Yinnar as part of the Gippsland Sculpture Exhibition.

“This aspect of the program provided them with social skills to use in other settings, and gave them a sense of where they belonged in the community. This was their gallery, their public space.”



The art therapy project helped engage the Berry Street students in a creative space.

Students learn life skills through art therapy

AN ART THERAPY PROJECT AIMED AT DISADVANTAGED YOUTH HAS SEEN GREAT RESULTS THIS YEAR AND THE HOPE IS TO CONTINUE THE PROGRAM FOR FUTURE STUDENTS. THE BRAINCHILD OF LATROBE REGIONAL GALLERY'S PUBLIC PROGRAMS AND EDUCATION OFFICER, NICOLE BRINDLEY, AND DELIVERED AT THE GALLERY, THE PROGRAM ENGAGES STUDENTS AT THE BERRY STREET SCHOOL IN A CREATIVE SPACE.

Berry Street School specialist art teacher Kim Sanders is an artist herself and saw value in providing an outlet for those whose lives might be challenging on a daily basis.

"For some of our students, being able to paint, draw, imagine and create as a way of expression was such a powerful tool. It was fascinating to watch their progress as they became more confident in their work and learnt not to judge themselves against unrealistic standards. They were not there to create masterpieces, but rather to explore their imaginations through the art-making process.

"It was also important that the students manage themselves in the community – they were using the gallery so behaviour modification was important. This aspect of the program provided them with social skills to use in other settings, and gave them a sense of where they belonged in the community. This was their gallery, their public space," Kim explained.

"The program allowed us to break down some of the barriers to art – the perception that it is only to be

enjoyed by a certain demographic was challenged. The students created works across many different mediums – painting, drawing, modelling and video. They also heard from artists and developed an understanding of what art can mean to the creator and to the viewer.

"Broadening the horizons of the students was a positive outcome of the program, which primarily was aimed at providing them with a therapeutic experience. Students also painted a mural in the Morwell Library which taught them about teamwork and discipline. Going in to the library showed them what a great resource they had, right on their doorstep.

"The program was a great success and we're really hoping it can be continued," Kim said.

Nicole Brindley said the program offered personal development, life skills and art therapy.

"This program was developed after I completed studies in Art Therapy as a way to engage young people through creative expression. The program is

designed to create conversations about art, creativity, and personal stories regardless of previous art knowledge.

"Participants are given opportunities to view the artworks from our exhibitions, and respond to them by finding personal meanings and interpretations. No formal arts education is necessary, as this is not about analysing works from an educational perspective, but rather about finding important symbols and stories that they can connect with and make meaning from," Nicole said.

"This process is then explored further in an art-making activity where the students can develop their stories."

Nicole added that the aim of this process was to connect students with their emotions.

"They develop a better understanding of themselves and their issues, and develop positive and constructive ways to process their emotions that, in turn, facilitates a healing outcome."

Creative in **Latrobe**

Wetlands project delivered with community help

MORE THAN 170,000 NATIVE TREES, SHRUBS, GRASSES, AQUATIC AND SEMI-AQUATIC FLORA SPECIES HAVE BEEN PLANTED AT THE NEW FIRMIN'S LANE WETLANDS, AT THE CORNER OF FIRMIN'S LANE AND MONASH WAY, MORWELL. THE PROJECT CONTAINS THE LARGEST VARIETY OF AQUATIC PLANT SPECIES IN A CONSTRUCTED WETLANDS IN LATROBE CITY. MUCH OF THE WORK HAS BEEN DONE BY VOLUNTEERS VIA CONSERVATION VOLUNTEERS AUSTRALIA (CVA). THE COLLABORATIVE NATURE OF THE PROJECT HAS GIVEN THE CONSTRUCTION PROCESS A REAL COMMUNITY FEEL.

Churchill resident Lorraine Schneider contributed the most volunteer hours.

"I'm studying for my Certificate IV in Horticulture with Federation Training. I got into the volunteering through CVA. I love being outside, I love plants and gardening and I thought it was a great way to learn more for my studies, so this opportunity was too good to pass up. It was also a great social and networking opportunity. I'm passionate about horticulture and I met many other like-minded people. "As I want to start my own landscape business, the project has been a hands-on way to develop more practical knowledge. It was also extremely satisfying to make such a significant contribution to the environment," Lorraine said.

The CVA team leader said the wetlands served multiple purposes. "Council's main intention was improving the quality of storm-water run-off from the local industrial precinct. The wetlands is a natural water treatment plant. For example, it will remove heavy metals and restore the chemical balance to water entering Waterhole Creek and flowing through Morwell. It will also provide habitat for various native animals such as insects, frogs, fish and waterbirds. Hopefully it will also become a much-valued recreational resource for nature-loving locals.

"CVA is proud to contribute to this project. Our staff and volunteers attended 80 days at the wetlands in Hazelwood North and Waterhole Creek in Morwell. About 80 volunteers accrued over 220 volunteer days. Some 47 volunteers were locals and this included school groups, girl guides and Loy Yang A employees.

"We also had 12 Melbourne residents and 21 international volunteers from China, Japan, Taiwan, Malaysia, Singapore, Switzerland and Germany.

"It was a fair effort. It will look beautiful once the plants have grown. However, the real winner will be the local environment."

Latrobe City Council's landscape officer, Belinda Kolek said two different types of floating wetlands had been installed to better understand the performance of these types of systems.

"Floating wetlands have the potential to decrease the nutrient load in the discharge waters from the wetlands. The bacteria that live on the root systems of these floating plants are what helps to clean the water.

"Council has partnered with Federation University to undertake a detailed study of the water treatment. A team of engineering students, led by Dr Harpreet Kandra and Dr Susanga Costa, will monitor the water quality to determine the effectiveness of the wetlands in general, as well as the floating wetlands", Belinda said.

"This is an exciting collaboration with the university. Having data available to evaluate the effectiveness of the wetlands will provide us with a measureable outcome of the benefits of this project. And the students will gain invaluable, practical experience."



AROUND
250
LARGE
TREES



AROUND
100,000
TERRESTRIAL PLANTS
(GARDEN/HABITAT
PLANTS)



AROUND
70,000
AQUATIC
PLANTS



400m³
OF MULCH



OVER
600
RARE OR
THREATENED
SPECIES



PLANTS
CHOSEN FOR
WETLAND
ZONES
INCLUDING:



13,000
EPHEMERAL
EDGES

“It was a fair effort. It will look beautiful once the plants have grown. However, the real winner will be the local environment.”

The new Firmins Lane Wetlands has been a collaborative project between Conservation Volunteers Australia and Council.



15,000
SHALLOW
MARSH



22,000
DEEP
MARSH



13,000
SUBMERGED
MARSH

Giving in **Latrobe**

Latrobe City Trust supports community in many ways

THE LATROBE CITY TRUST WAS ESTABLISHED BY LATROBE CITY COUNCIL IN 1999 AS AN INDEPENDENT REGISTERED TRUST TO RAISE FUNDS AND ENCOURAGE LOCAL PHILANTHROPY ACROSS LATROBE CITY THROUGH THE DISTRIBUTION OF GRANTS.

The Latrobe City Trust provides a valuable method of assisting the community to develop capacity, both from an individual and community perspective, through a range of funding opportunities to strengthen knowledge and skills, increase community connection and improve the health and wellbeing of those living in Latrobe City.

During the past 12 months, the Trust has made disbursements totalling more than \$60,000 through various funds, including scholarships and youth programs, community strengthening projects and emergency relief administered through a number of community-based organisations.

Community projects funding during the year included the Flinders Youth Development Camps and the 'Give a Damn, Give a Can' project.

This year also saw the announcement of grants through the newest fund, the Latrobe Community Arts Fund.

Through the generosity of the former Traralgon Arts Council (TAC), the Latrobe Community Arts Fund was established in 2016 to facilitate the development, promotion and encouragement of the arts in a number of fields including music, visual arts, literature and performing arts.

The opening of this fund reinforced the idea of promoting arts and creativity as the heart of the community.

Two organisations were awarded funding in 2016/17: Alt_Art for its short film project and Good Beginnings for its Indigenous Artwork Project.

Ann Dyer, former member of the Traralgon Arts Council said the organisation was founded in the early 1970s when Regional Arts Victoria was formed.

"There is a long history of arts and culture management in Latrobe City. In the 1950s there was a Traralgon Music Drama and Arts Society (TMDA). It was an umbrella organisation to support the Repertory Group, Music, Choir, Film and Art groups. It was a thriving group for over 20 years but was disbanded in the early 1970s. The Traralgon Arts Council started, using the balance of

monies from the TMDA, and this new group brought touring performances to Traralgon and helped fund local artists.

"With state and local government supporting the arts more TAC decided to close and gave the remaining money to the Latrobe City Trust. The Latrobe Community Arts Fund was developed. The former TAC committee members were delighted with the projects that were chosen for its inaugural year and are looking forward to seeing the projects selected for coming years," Ann said.

The Trust is delighted that these projects would not only see the pursuit of artistic endeavours in the community, but that they would make a significant contribution to the mental wellbeing of those involved.

More information about the Latrobe City Trust can be found here: www.latrobe.vic.gov.au/latrobecitytrust

Scholarship recipient Kerrie Macreadie with Lorraine Bartling OAM.

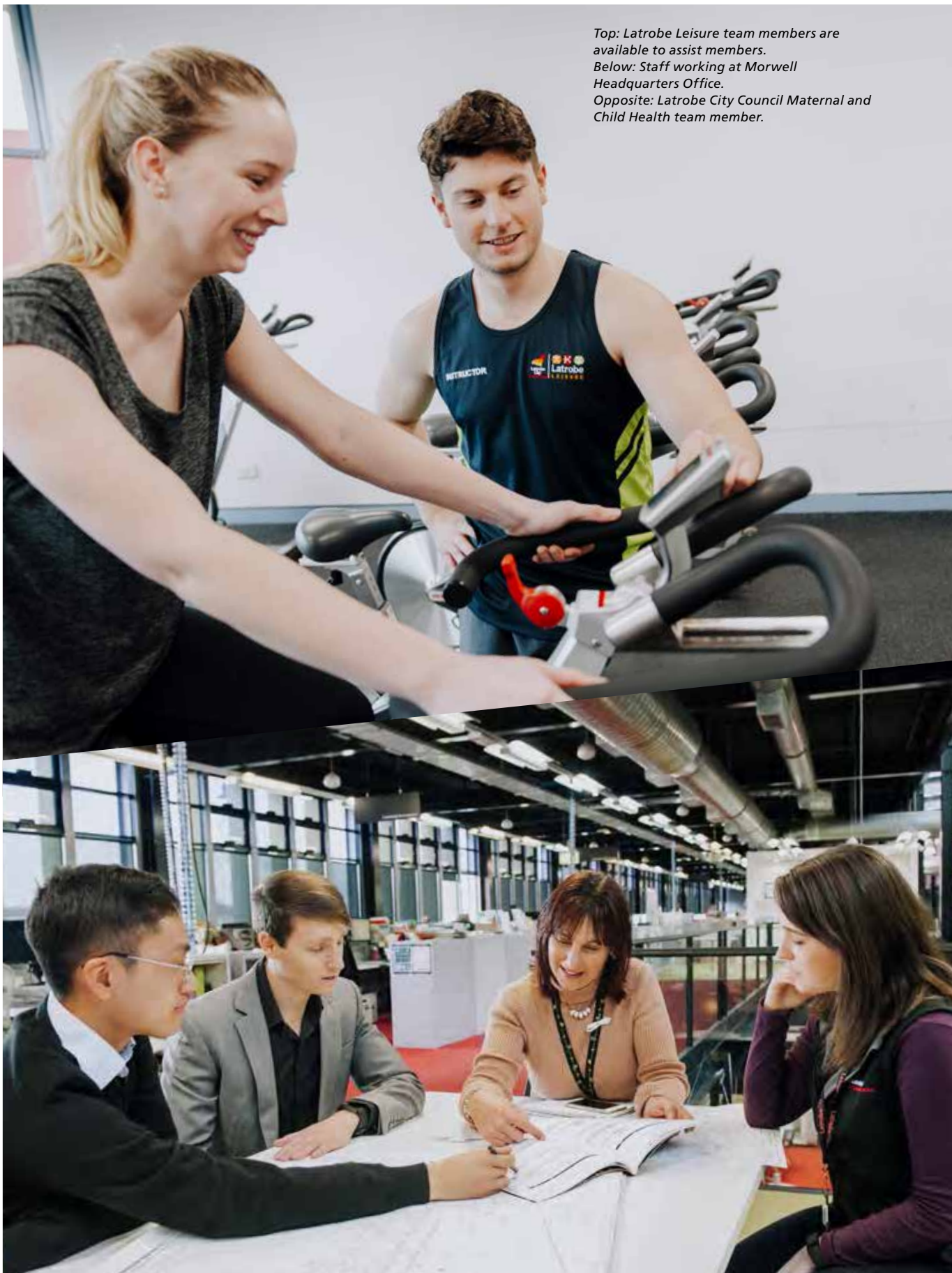


“The former Traralgon Arts Council committee members were delighted with the projects that were chosen for its inaugural year and are looking forward to seeing the projects selected for coming years.”

OUR PEOPLE

We strive to provide the best possible services and support for our community, our region and all that it has to offer.





*Top: Latrobe Leisure team members are available to assist members.
Below: Staff working at Morwell Headquarters Office.
Opposite: Latrobe City Council Maternal and Child Health team member.*

Organisational Structure



OFFICE EXECUTIVE

CHIEF EXECUTIVE OFFICER
Gary Van Driel



CITY DEVELOPMENT

GENERAL MANAGER
Phil Stone

MANAGER
ARTS AND EVENTS
Michael Bloyce

MANAGER
ECONOMIC DEVELOPMENT
Bruce Connolly

GENERAL MANAGER
LATROBE REGIONAL AIRPORT
Neil Cooper

MANAGER
MUNICIPAL SERVICES
Ronda Bruerton

MANAGER
PLANNING SERVICES
Gail Gatt

Latrobe City Council Corporate Headquarters in Morwell CBD.





CORPORATE SERVICES

GENERAL MANAGER
Sarah Cumming

MANAGER
FINANCE
Matthew Rogers

MANAGER
GOVERNANCE
Brett McCulley

MANAGER
INFORMATION SERVICES
Christine Wright

MANAGER
PEOPLE & CULTURE
Michael Crane

MANAGER
PERFORMANCE AND INNOVATION
Angelo Saridis



COMMUNITY SERVICES

GENERAL MANAGER
Sara Rhodes-Ward

MANAGER
AGED & DISABILITY SERVICES
Helen Taylor

MANAGER
COMMUNICATIONS
& CUSTOMER RELATIONS
Edith Heiberg

MANAGER
COMMUNITY DEVELOPMENT
Steve Tong

MANAGER
FAMILY SERVICES
Kate Kerslake (Acting)



INFRASTRUCTURE & RECREATION

GENERAL MANAGER
Steven Piasente

MANAGER
INFRASTRUCTURE
DEVELOPMENT
Kevan Delaney

MANAGER
INFRASTRUCTURE
OPERATIONS & WASTE
Martin Teplik

MANAGER
RECREATION
Jamey Mullen



Services Snapshot



Environment

- Council Emissions Reporting (Water, Electricity, Gas and Fuel)
- Approximately 400km of Rural Roadside Weed Management
- Vegetation Removal Permit Assessments
- Vehicle Emissions Offsets (Tree Plantings)
- Participate in Industry and Community Environment
- Committees and Networks
- Bushland Reserve Management
- Forestry Coup Compliance Reviews
- Environmental Education Services
- Trust for Nature Property Rate Rebates
- Biodiversity Protection Incentive Program Grants
- Community Tree Planting
- Waterway Management Services



Culture, Leisure and Recreation

- 3 Indoor Pools and 3 Outdoor Pools
- 14 Indoor Stadiums
- Traffic School
- Lake Narracan and Hazelwood Pondage Caravan Parks
- Support Community Committees
- 60 Sporting Reserves, BMX Tracks and Skate Parks
- Latrobe Performing Arts Performances and Venues
- Latrobe Regional Gallery Programs and Exhibitions
- Visual Arts Education and Public Activities
- Cultural Programs and Events
- Sister Cities Partnership Program
- Maintain 510 hectares of Parks and Gardens and 90,500 square metres of Garden Beds
- Maintain 118 Playgrounds
- Operate Council Nursery
- Kerbside Spraying and Tree Planting



Running Council

- Freedom of Information Requests
- Facilitate Council Elections
- Develop Latrobe City Council Plan and Annual Report
- Organisational Business Planning and Performance Reporting
- Financial Management
- IT, Document and Mail Management and Geographic Information Services
- Human Resources Services
- Risk Management and Insurance
- Occupational Health and Safety
- Facilitate Internal Audits
- Communications and Community Engagement
- Property and Statutory Services
- Mayoral and Councillor Support
- Office of the CEO



Aged and Disability Care

- Home, Personal and Respite Care
- Disability Support Services and Home Maintenance
- Social Support Programs
- Planned Activity Groups
- We Care Program
- Meals on Wheels
- Operate Senior Citizen Centres
- Support Community Volunteering
- Health Promotion
- Disease Prevention Strategies



Family and Children

- Preschool and Prekinder Services across 24 Preschools
- Early Childhood Health and Development
- Maternal and Child Health Services
- Best Start Program for Infants
- Preschool Field Officer Program for Children with Additional Needs
- Prevention, Early Detection and Intervention of Factors Affecting Young Children and their Families
- Operate three Long Day Care Centres
- Manage and Operate a Commonwealth Funded Family Day Care Scheme



Community Safety

- Car Parking Services
- Animal Management Services
- Implementing Council Local Laws, Environmental Standards and Relevant Legislation
- School Crossing Supervision
- Fire Risk Prevention Property Notices
- Animal Management Including Cat Cage Hire, Animal Adoptions and Micro-Chipping
- Pet Care Education and Promotion
- Unsightly/unsafe Property Inspections
- Road Safety Education and Awareness



Community Information & Development

- Operate Latrobe City Service Centres
- Provide Information on Council Services
- Recording and Processing Customer Requests
- Support the Delivery of Projects, Programs, Strategies and Action Plans
- Advocate on Behalf of the Community
- Plan and Prepare Communities for Disasters
- Provide Emergency Support to Disaster Affected Communities
- Improve Liveability for People with a Disability
- Assist with Training and Employment Opportunities for Indigenous Community, and Promote Social Justice and Reconciliation
- Garden Competition



Economic Development

- Investment Attraction
- Manage, Maintain and Develop the Latrobe Regional Airport
- Support Aviation Manufacturing
- Business Development, Support and Training Services
- Economic Modelling Data
- New Business Start Up and Support
- Pursue New Business Investment Employment Growth
- Major Projects Summit
- Support Community and Emergency Services



Infrastructure

- Design and Delivery of Major Capital Projects
- Civil Works Project Planning and Delivery
- Design of Public Infrastructure (Roads, Paths, Bridges, etc)
- Research and Surveying
- Planning for Municipality's Current and Future Infrastructure Needs
- Ensure Existing Infrastructure is Maintained and Protected
- Asset Management
- Traffic Management
- Building Maintenance, Upgrades and Renewal
- After Hours Emergency Works
- Fixed Plant and Equipment Maintenance and Upgrades
- Maintenance of Roads, Drainage, Vegetation and other Council Owned Assets
- 723km of Paths Maintained Annually



Waste and Recycling

- Kerbside Rubbish Collection, Recycling and Transfer Stations
- Manage and Monitor Landfill Facilities
- Rehabilitation and After Care of Closed Landfills
- Development of New Landfill Cells
- Organic Processing
- Lead Initiatives to Divert Waste from Landfill



Tourism and Events

- Support Latrobe City and Broader Gippsland's Tourism Industry
- Operate Visitor Information Centre and Services
- Develop, Attract and Promote Events
- Support Community and Council Civic Events
- Facilitate the Community Event Grant Program



Planning and Building

- Building Permit Services
- Pool Barriers Audit Program
- Ensure Adherence to the *Building Act 1993*
- Land Use Planning and Permit Application Services
- Provide Mediation Services
- Ensure Adherence to the *Planning and Environment Act 1987*
- Land Use Planning Research, Policy and Re-zoning
- Facilitate Council and Community Initiated Planning Scheme Amendments
- Planning Scheme Reviews
- Coordination of New Infrastructure and Services to Support New Communities
- Building Audits and Education



Libraries

- Operation of Public Libraries
- Provision of Library Education Programs
- Provide resources for the community including Books, CDs and DVDs, Audio Books, Hard Copy and Online Newspapers and Magazines
- Provide Community Access to WiFi and the Internet
- Preschool StoryTime
- Your Tutor (online program)
- School Holiday Programs
- Work Experience Placements
- Author Talks and Guest Speakers/ Presentations

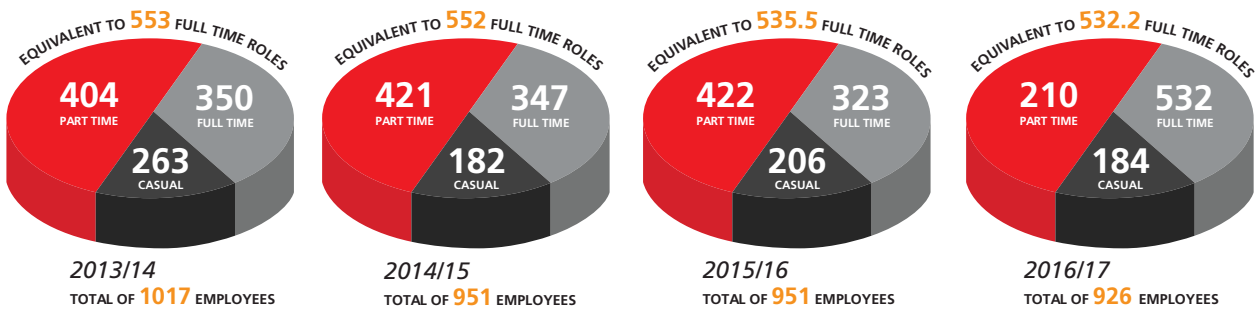
Our Employees

Latrobe City Council is committed to attracting, developing and retaining employees who have 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.

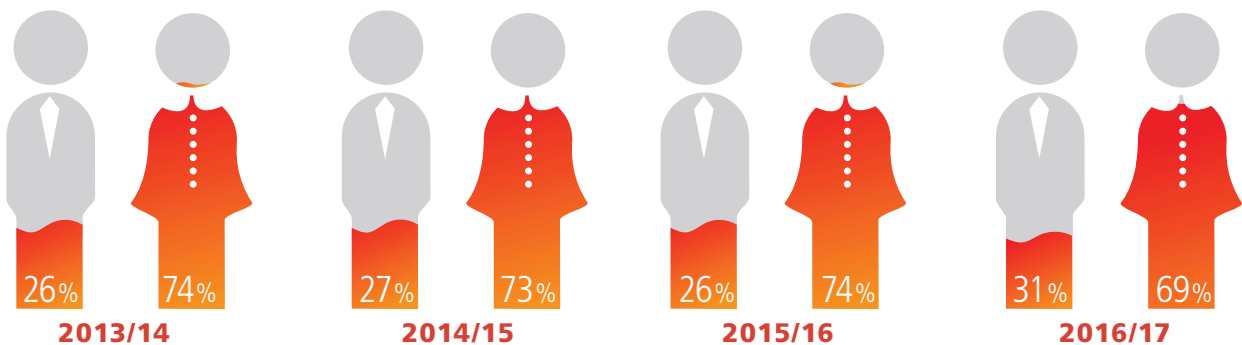
As of 30 June 2017, Latrobe City Council employed 926 people, comprising full time, part time and casual employees. The number of equivalent full time positions (EFT) is 532.2. The total number of employees is down by 25 from the previous year, however, the EFT has remained virtually unchanged as has the level and diversity of services we provide.

WORKFORCE DETAILS

Workforce Staffing Levels



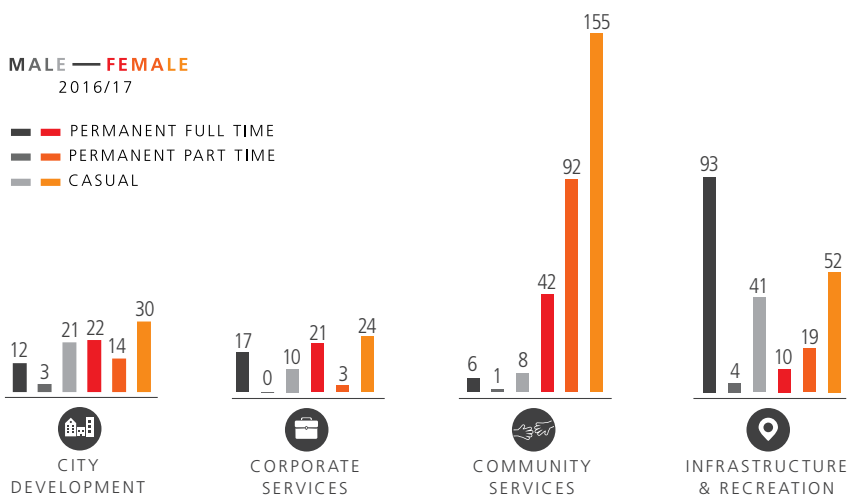
Workforce Profile



(in accordance with the *Local Government Act 1989*)
 2% ARE SENIOR OFFICERS

Council Staff

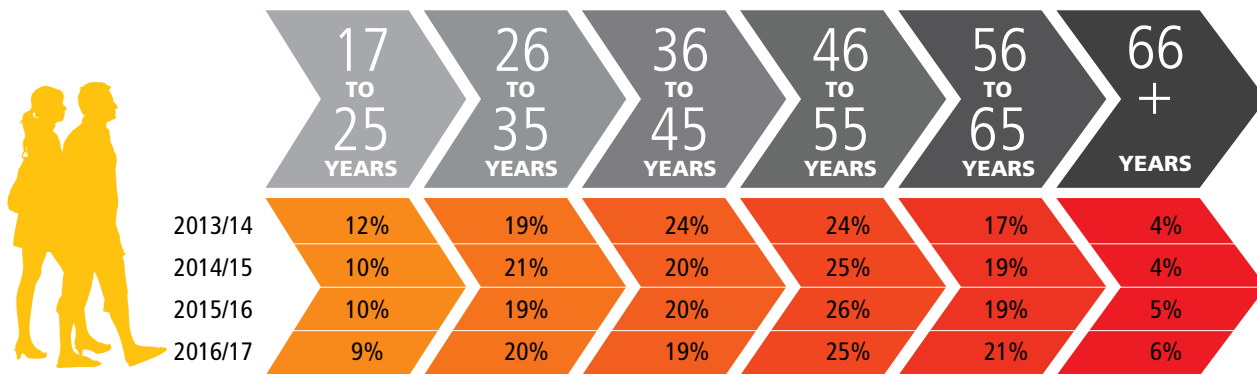
A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender



Salary Banding

		2016/17	1	2	3	4	5	6	7	8	ALL OTHER
MALE	Permanent Full Time	0	4	45	16	24	22	24	11	15	
	Permanent Part Time	3	0	4	6	0	1	1	1	1	
	Casual	3	3	27	6	0	0	0	0	0	
FEMALE	Permanent Full Time	0	1	4	25	40	41	21	4	23	
	Permanent Part Time	56	8	10	43	13	10	2	0	48	
	Casual	6	19	50	28	1	0	0	0	30	

Workforce by Age



Staff Turnover

Latrobe City Council's turnover of employees for 2016/17 was 14.9 percent, which was an increase from the previous period.

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

12.0%	2013/14
17.2%	2014/15
11.7%	2015/16
14.9%	2016/17

SETTING OUR DIRECTION

"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.

Adopted in 2010, the Community Vision sets down the aspirations of the community and guides council in its activities and services, underpinning the Council Plan 2013 - 2017.



Latrobe City Council Plan 2013-2017

Responding to Latrobe 2026 Community Vision, the Council Plan defines the mission and values of the organisation and the objectives to be achieved.

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-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
- Being open to and embracing new opportunities

The Council Plan 2013-2017 is structured around five Themes and supporting Objectives which provide the framework for Strategic Directions and supporting Strategies and Plans which define what Council will work to achieve. Performance Indicators have been included to monitor Latrobe City Council's achievement of the Council Plan's objectives.

COUNCIL PLAN THEMES:

- 01 JOB CREATION & ECONOMIC SUSTAINABILITY
- 02 APPROPRIATE, AFFORDABLE & SUSTAINABLE FACILITIES, SERVICES & RECREATION
- 03 EFFICIENT, EFFECTIVE & ACCOUNTABLE GOVERNANCE
- 04 ADVOCACY FOR & CONSULTATION WITH OUR COMMUNITY
- 05 PLANNING FOR THE FUTURE

The Council Plan is accompanied by the Strategic Resource Plan and an Annual Action Plan. The Strategic Resource Plan sets out the financial and non-financial resources required to achieve the objectives of the Council Plan. The Annual Action Plan outlines the Major Initiatives and actions to be undertaken each year to deliver on the Council Plan.

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



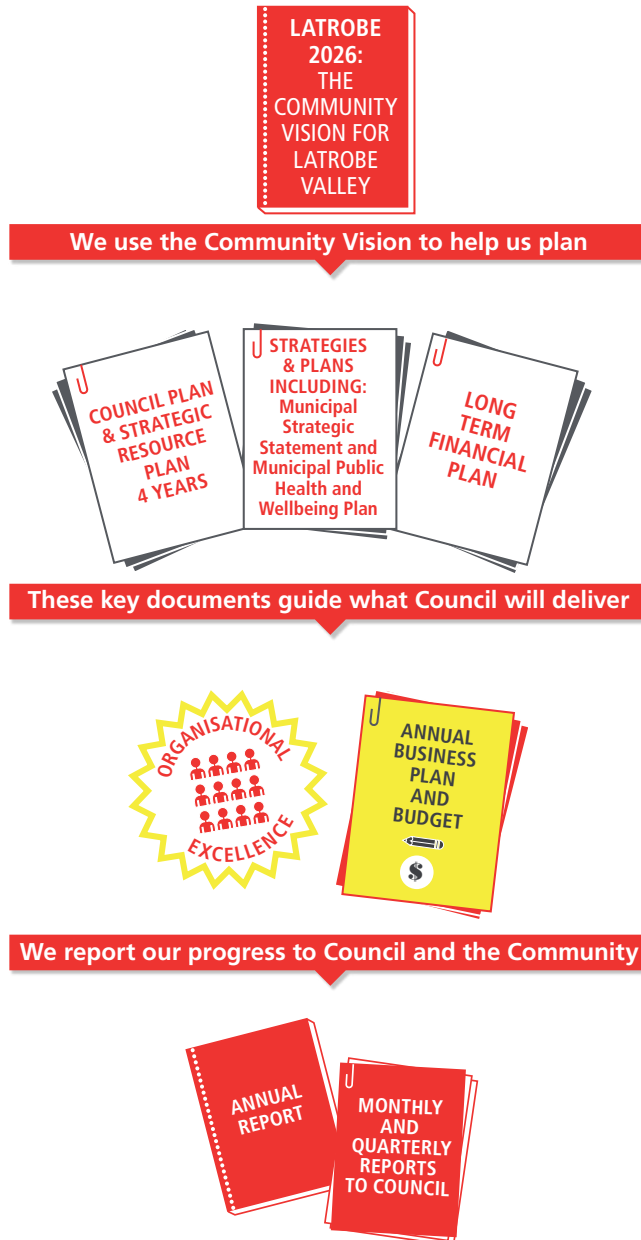
Opposite: Latrobe City Council are committed to our community with 24 Council owned and managed Preschool Centres in the municipality.

Planning and Reporting

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

Delivering on the objectives of the Council Plan is measured against the achievement of identified actions and a number of performance indicators that form part of the performance reporting process. This process is outlined in the following Planning and Reporting Framework:

Setting Our Direction



Latrobe City Council
team member at Morwell
Headquarters.



HOW ARE WE PERFORMING?



Council Report Card

The following Report Cards have been arranged by the five themes of the Council Plan. Where available, 2016/17 results have been provided. The Local Government Performance Reporting Framework (LGPRF) results have also been included.

Measure types included in the report cards as shown below:

MAJOR INITIATIVES

Most significant Annual Actions included within the Latrobe City Council Annual Budget 2016/17

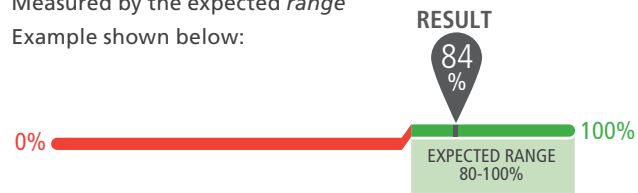
Measured by the *delivery* of listed projects

- Achieved: Green
- Part Achieved: Amber
- Not Achieved: Red

LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK INDICATORS

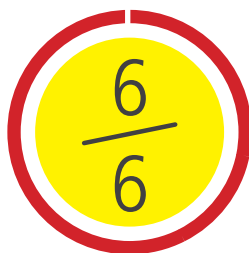
Standard performance indicators required across all Victorian Local Government Areas.

Measured by the expected *range*
Example shown below:



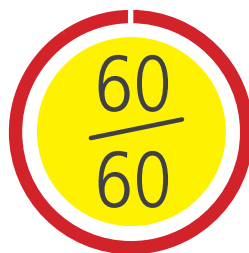
RESULTS AT A GLANCE

MAJOR INITIATIVES



DELIVERED

LOCAL GOVERNMENT



WITHIN EXPECTED RANGE

Opposite: Community members at the May 2017 Citizenship Ceremony held at Latrobe City Morwell Headquarters.

Results in detail

MAJOR INITIATIVES

THEME	MEASURE TYPE	ACTION	2016/17 RESULT
Advocacy for and consultation with our community	Major Initiative	Actively engage with state and federal governments to advocate for the interests of the Latrobe City community to maximise access to government funding, supporting job creation, economic diversification and environmental sustainability.	Achieved
Appropriate, affordable and sustainable facilities, services and recreation	Major Initiative	Actively pursue state and federal government funding to enable the production of detailed designs for the Latrobe Creative Precinct (LCP), to develop a 750-seat performing arts centre and a creative digital hub, improving access to educational and employment outcomes.	Achieved
Efficient, effective and accountable governance	Major Initiative	Develop a strategy which puts the customer first and works to make Council easy to deal with. Ensure that the Customer Experience Strategy includes the development of Key Performance Indicators which can be reported to the community.	Achieved
Job creation and economic sustainability	Major Initiative	Pursue state and federal government commitment to transition our economic base.	Achieved
Job creation and economic sustainability	Major Initiative	Advocate for the Electricity Generation and Paper sectors within Latrobe City.	Achieved
Planning for the future	Major Initiative	Produce the Housing Strategy, the Rural Land Use Strategy and the Employment and Industrial Land Use Strategy.	Achieved

Opposite from top: Latrobe Regional Airport, the Moe Service Centre and Library, financial planning, a local school sports carnival at Harold Preston Reserve in Traralgon, one of many new housing estates in the region and Loy Yang mine.



Results in detail

(CONTINUED)

LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK INDICATORS

KPI	15/16	16/17
AF2 – Health inspections of aquatic facilities	1	2.3
AF3 – Reportable safety incidents at aquatic facilities	0	0.0
AF4 – Cost of indoor aquatic facilities	2.3	2.2
AF5 – Cost of outdoor aquatic facilities	10.9	10.7
AF6 – Utilisation of aquatic facilities	5.2	5.2
AM1 – Time taken to action animal management requests	2.1	2.0
AM2 – Animals reclaimed	35.7	36.9
AM3 – Cost of animal management service	47.5	41.1
AM4 – Animal management prosecutions	0	1.0
C1 – Expenses per head of municipal population	1659.1	1563.3
C2 – Infrastructure per head of municipal population	12811.1	12929.1
C3 – Population density per length of road	46.5	45.5
C4 – Own-source revenue per head of municipal population	1274.3	1350.3
C5 – Recurrent grants per head of municipal population	362	428.8
C6 – Relative Socio-Economic Disadvantage	1	1.0
E1 – Average residential rate per residential property assessment	1534.6	1582.0
E2 – Expenses per property assessment	3118.4	3037.7
E3 – Resignations and terminations compared to average staff	15	10.0
FS1 – Time taken to action food complaints	1	1.2
FS2 – Food safety assessments	86.4	97.4
FS3 – Cost of food safety service	533.9	331.3
FS4 – Critical and major non-compliance outcome notifications	82.5	79.2
G1 – Council decisions made at meetings closed to the public	25.6	17.3
G2 – Satisfaction with community consultation and engagement	48	54.0
G3 – Councillor attendance at council meetings	93.6	95.4
G4 – Cost of governance	41483.5	38508.6
G5 – Satisfaction with council decisions	47	51.0
L1 – Current assets compared to current liabilities	271.2	302.1
L2 – Unrestricted cash compared to current liabilities	-54.85	-55.1
LB1 – Library collection usage	2.8	2.6

KPI	15/16	16/17
LB2 – Standard of library collection	53.4	55.7
LB3 – Cost of library service	9.8	7.3
LB4 – Active library members	15.8	11.5
MC1 – Participation in first MCH home visit	109.8	109.5
MC2 – Infant enrolments in the MCH service	100	97.4
MC3 – Cost of the MCH service	79.8	72.0
MC4 – Participation in the MCH service	74.9	76.3
MC5 – Participation in the MCH service by Aboriginal children	71.4	68.2
O1 – Asset renewal compared to depreciation	64	71.4
O2 – Loans and borrowings compared to rates	24.9	21.5
O3 – Loans and borrowings repayments compared to rates	9.3	3.7
O4 – Non-current liabilities compared to own source revenue	42.9	30.3
OP1 – Adjusted underlying surplus (or deficit)	1.1	0.1
R1 – Sealed local road requests	32.2	30.2
R2 – Sealed local roads maintained to condition standards	99.6	99.3
R3 – Cost of sealed local road reconstruction	111.1	185.6
R4 – Cost of sealed local road resealing	9.9	9.8
R5 – Satisfaction with sealed local roads	50	61.0
S1 – Rates compared to adjusted underlying revenue	61.2	56.3
S2 – Rates compared to property values	0.7	0.7
SP1 – Time taken to decide planning applications	73	73.0
SP2 – Planning applications decided within required time frames	93	92
SP3 – Cost of statutory planning service	2488.3	3023.3
SP4 – Council planning decisions upheld at VCAT	66.7	57.1
WC1 – Kerbside bin collection requests	120.2	146.4
WC2 – Kerbside collection bins missed	3.1	3.4
WC3 – Cost of kerbside garbage bin collection service	98	99.6
WC4 – Cost of kerbside recyclables collection service	22.9	24.3
WC5 – Kerbside collection waste diverted from landfill	52.1	53.2

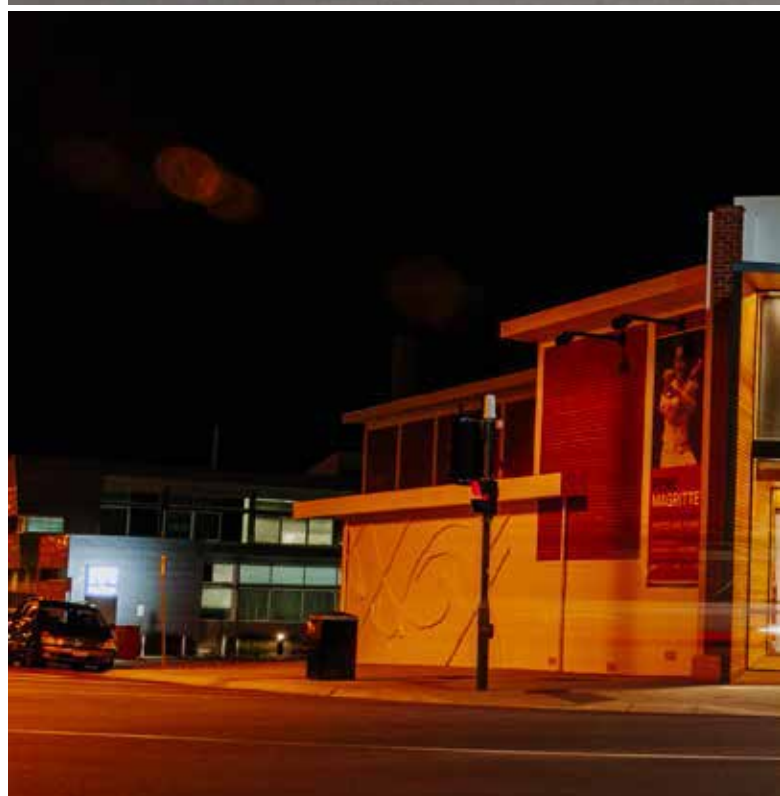
Results in detail

(CONTINUED)

CAPITAL WORKS HIGHLIGHTS

PROJECT	16/17 EXPENDITURE \$
Road Rehabilitation Program	5,701,781
Local Road Reseals Program	2,299,471
Local Roads Reseal Prep Program	1,875,240
Traralgon Tennis Show Court	1,835,111
Upgrade of the Moe Tennis Complex	1,533,852
Latrobe Regional Gallery - Refurbishment & Lighting Upgrade	1,290,463
Gravel Road Resheets Program	1,221,269
Hyland Highway Landfill - Cell 5 Construction	1,033,763
Footpath Rehabilitation Program	973,089
Heavy Industrial Park Road Infrastructure Construction	916,749
Fleet Replacement Program	829,480
Kerb and Channel Replacement Program	480,285
Argyle Street South Service Road Drainage Augmentation	428,157
Plant Replacement Program	412,905
Playground Equipment Renewal Program	390,494
Building Renewal program	353,125
Latrobe Leisure Renewal Program	345,388
Pavilion Upgrade - Glengarry Recreation Reserve	340,401
Kenyon Lane Bridge - Traralgon East	316,267

Renovations to the Latrobe Regional Gallery included a new facade, open foyer and new lighting, with some major works behind the scenes to enable the special handling of valuable art work.





PROJECT	16/17 EXPENDITURE \$
Nation Building Blackspot Program	282,126
IT Equipment Purchases	218,603
New Footpaths to Link Existing Footpath Networks	244,387
Morwell Library Front Entrance Reconstruction	195,353
Footpath Construction Track and Trails Program	185,970
Drainage augmentation to Furlonger Street - Nixon Court precinct	181,117
Minor sealing works program	165,576
Moe Rail Precinct Revitalisation Project	151,838
Rural Gravel Road Sealing Program	136,587
Equipment Replacement	128,974
Traralgon Star Hotel Outdoor Kitchen	128,246
Pavilion Upgrade - Traralgon West	125,252
Highland Highway Landfill Road Reseal	121,988
Footpath Construction - Montane Boulevard - Haigh Street Shared Path	120,456
Reserve Roads and Carpark Resurfacing Program	109,429
Pavilion upgrade - Joe Tabuteau Reserve	104,573
Roof Renewal Program	103,086
Bridge and Major Culvert works	102,953



FINANCIAL REPORT AND PERFORMANCE STATEMENT

For the year ended
30 June 2017

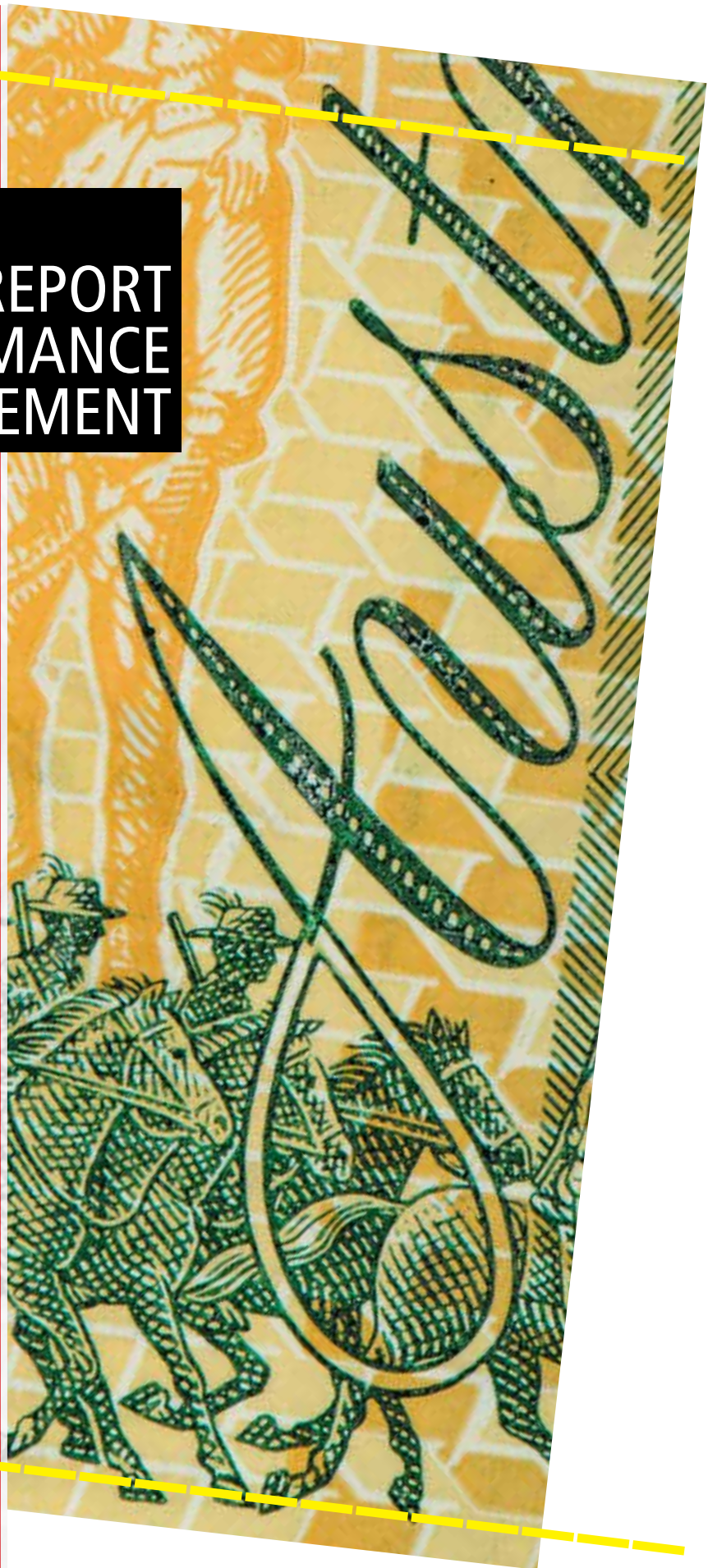


Table of Contents

FINANCIAL STATEMENTS

Comprehensive Income Statement	72
Balance Sheet	73
Statement of Changes in Equity	74
Statement of Cash Flows	75
Statement of Capital Works	76

NOTES TO FINANCIAL STATEMENTS

Introduction	77
NOTE 1 Significant accounting policies	77
NOTE 2 Budget comparison	84
NOTE 3 Rates and charges	89
NOTE 4 Statutory fees and fines	89
NOTE 5 User fees	90
NOTE 6 Grants	90
NOTE 7 Contributions	92
NOTE 8 Net gain / (loss) on disposal of property, infrastructure, plant and equipment	92
NOTE 9 Other income	92
NOTE 10 Employee costs	93
NOTE 11 Materials and services	93
NOTE 12 Bad and doubtful debts	94
NOTE 13 Depreciation and amortisation	94
NOTE 14 Borrowing costs	94
NOTE 15 Other expenses	94
NOTE 16 Cash and cash equivalents	95
NOTE 17 Other financial assets	95
NOTE 18 Trade and other receivables	96
NOTE 19 Non current assets classified as held for sale	97
NOTE 20 Other assets	97
NOTE 21 Property, infrastructure, plant and equipment	98
NOTE 22 Intangible assets	102
NOTE 23 Trade and other payables	103
NOTE 24 Trust funds and deposits	103
NOTE 25 Provisions	103
NOTE 26 Interest-bearing loans and borrowings	104
NOTE 27 Reserves	105
NOTE 28 Reconciliation of cash flows from operating activities to surplus/(deficit)	106
NOTE 29 Financing arrangements	106
NOTE 30 Commitments	107
NOTE 31 Operating leases	108
NOTE 32 Superannuation	108
NOTE 33 Contingent liabilities and contingent assets	109
NOTE 34 Financial instruments	109
NOTE 35 Related party disclosures	111
NOTE 36 Senior officer remuneration	112
NOTE 37 Events occurring after balance date	112
Certification of the Financial Statements	113

PERFORMANCE STATEMENT

Description of Municipality	116
Sustainable Capacity Indicators	117
Service Performance Indicators	118
Financial Performance Indicators	121
Other Information	124
Certification of the Performance Statement	125

Comprehensive Income Statement

For the Year Ended 30 June 2017

	NOTE	2017 \$'000s	2016 \$'000s
INCOME			
Rates and charges	3	75,121	72,491
Statutory fees and fines	4	2,158	1,851
User fees	5	14,755	15,226
Grants - operating	6	30,683	20,520
Grants - capital	6	7,993	11,498
Contributions - monetary	7	410	634
Contributions - non monetary	7	8,647	7,840
Landfill rehabilitation provision movement	25	2,620	-
Other income	9	5,607	4,154
Total income		147,994	134,214
EXPENSES			
Employee costs	10	(50,460)	(50,759)
Materials and services	11	(35,135)	(35,659)
Bad and doubtful debts	12	-	(17)
Depreciation and amortisation	13	(25,288)	(23,179)
Borrowing costs	14	(884)	(1,003)
Net loss on disposal of property, infrastructure, plant and equipment	8	(304)	(1,849)
Landfill rehabilitation provision movement	25	-	(2,478)
Other expenses	15	(3,958)	(3,968)
Total expenses		(116,029)	(118,912)
Surplus for the year		31,965	15,302
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	27	(30)	96
Total comprehensive result		31,935	15,398

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

Balance Sheet

As at 30 June 2017

	NOTE	2017 \$'000s	2016 \$'000s
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	16	9,071	8,680
Trade and other receivables	18	7,663	7,037
Other financial assets	17	71,518	52,884
Non-current assets classified as held for sale	19	385	175
Other assets	20	2,562	2,205
Total current assets		91,199	70,981
NON-CURRENT ASSETS			
Trade and other receivables	18	16	-
Property, infrastructure, plant and equipment	21	1,179,890	1,171,160
Other financial assets	17	2	2
Intangible assets	22	798	1,618
Total non-current assets		1,180,706	1,172,780
TOTAL ASSETS		1,271,905	1,243,761
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	23	9,222	6,220
Trust funds and deposits	24	2,349	2,732
Provisions	25	16,749	15,335
Interest-bearing loans and borrowings	26	1,869	1,883
Total current liabilities		30,189	26,170
NON-CURRENT LIABILITIES			
Provisions	25	15,994	21,935
Interest-bearing loans and borrowings	26	14,281	16,150
Total non-current liabilities		30,275	38,085
TOTAL LIABILITIES		60,464	64,255
NET ASSETS		1,211,441	1,179,506
EQUITY			
Accumulated surplus		701,604	669,939
Reserves	27	509,837	509,567
TOTAL EQUITY		1,211,441	1,179,506

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

Statement of Changes in Equity

For the Year Ended 30 June 2017

	NOTE	TOTAL \$'000s	ACCUMULATED SURPLUS \$'000s	REVALUATION RESERVE \$'000s	OTHER RESERVES \$'000s
2017					
Balance at beginning of the financial year		1,179,506	669,939	506,565	3,002
Surplus for the period		31,965	31,965		
Net asset revaluation increment	27(a)	(30)		(30)	
Transfers to other reserves	27(a)	-	(311)		311
Transfers from other reserves	27(a)	-	11		(11)
Balance at end of the financial year		1,211,441	701,604	506,535	3,301
2016					
Balance at beginning of the financial year		1,159,595	650,502	506,469	2,624
Prior year correction of errors					
Found assets	1(aa)	4,513	4,513		
Restated opening equity		1,164,108	655,015	506,469	2,624
Surplus for the period		15,302	15,302	-	-
Net asset revaluation increment	27(a)	96	-	96	-
Transfers to other reserves	27(a)	-	(485)	-	485
Transfers from other reserves	27(a)	-	107	-	(107)
Balance at end of the financial year		1,179,506	669,939	506,565	3,002

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

Statement of Cash Flows

For the Year Ended 30 June 2017

	NOTE	2017 \$'000s	2016 \$'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges		75,398	72,208
Statutory fees and fines		2,160	1,851
User fees		15,670	16,052
Grants - operating		30,683	20,714
Grants - capital		7,988	12,467
Contributions - monetary		463	952
Interest received		2,066	2,103
Trust funds and deposits taken		15,585	16,776
Other receipts		3,419	2,030
Net GST refund/ (payment)		2,190	2,881
Employee costs		(50,780)	(51,389)
Materials and services		(39,363)	(41,886)
Trust funds and deposits repaid		(15,968)	(16,653)
Other payments		(3,439)	(3,872)
Net cash provided by operating activities	28	46,072	34,234
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment		(24,937)	(33,726)
Proceeds from sale of property, infrastructure, plant and equipment		656	1,878
Payments for investments		(157,518)	(133,144)
Proceeds from sale of investments		138,884	124,558
Net cash used in investing activities		(42,915)	(40,434)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs		(883)	(1,002)
Proceeds from borrowings		-	3,350
Repayment of borrowings		(1,883)	(5,710)
Net cash used in financing activities		(2,766)	(3,362)
Net increase/ (decrease) in cash and cash equivalents		391	(9,562)
Cash and cash equivalents at the beginning of the financial year		8,680	18,242
Cash and cash equivalents at the end of the financial year	16	9,071	8,680
Financing arrangements	29		
Restrictions on cash assets	16		

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

Statement of Capital Works

For the Year Ended 30 June 2017

	NOTE	2017 \$'000s	2016 \$'000s
PROPERTY			
Land		-	10
Total land		-	10
Buildings		6,576	10,874
Heritage buildings		5	-
Total buildings		6,581	10,874
Total property		6,581	10,884
PLANT AND EQUIPMENT			
Plant, machinery and equipment		1,460	2,611
Fixtures, fittings and furniture		37	351
Computers and telecommunications		219	184
Art collection		19	66
Total plant and equipment		1,735	3,213
INFRASTRUCTURE			
Roads		12,350	12,273
Bridges		451	8
Footpaths and cycleways		1,832	1,513
Drainage		1,650	1,235
Recreational, leisure and community facilities		-	49
Waste management		1,033	841
Parks, open space and streetscapes		381	206
Off street car parks		196	128
Other infrastructure		7	14
Total infrastructure		17,900	16,268
Total capital works expenditure		26,216	30,365
Represented by:			
New asset expenditure		3,463	13,032
Asset renewal expenditure		17,396	14,575
Asset expansion expenditure		902	1,247
Asset upgrade expenditure		4,455	1,510
Total capital works expenditure		26,216	30,365

The above statement of capital works should be read with the accompanying notes.

Notes to the Financial Report for the year ended 30 June 2016

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.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 1989* and the *Local Government (Financial and Reporting) Regulations 2014*.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

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

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

"Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings, infrastructure, plant and equipment (refer note 1 (m))
- The determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (n))
- The determination of employee provisions (refer note 1 (s))
- The determination of landfill rehabilitation provisions (refer note 1 (t))"

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.

(B) CHANGE IN ACCOUNTING POLICIES

There have been no changes in accounting policies from the previous period.

(C) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2017, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

"Entities consolidated into Council include:

- No entities identified"

(D) COMMITTEES OF MANAGEMENT

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full. The Yallourn North Community Housing Committee is not included in this financial report based on their materiality.

(E) ACCOUNTING FOR INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS

Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Joint Arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

(i) Joint operations

Council recognises its direct right to the, and its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate headings.

(ii) Joint ventures

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

(F) REVENUE RECOGNITION

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.

Rates and Charges

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

Statutory fees and fines

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

User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

Grants

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

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 6. 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.

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Dividends

Dividend revenue is recognised when the Council's right to receive payment is established.

Other Income

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

(G) FAIR VALUE MEASUREMENT

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(H) CASH AND CASH EQUIVALENTS

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

(I) TRADE AND OTHER RECEIVABLES

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

(J) OTHER FINANCIAL ASSETS

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(K) INVENTORIES

"Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition."

(L) NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

A non-current asset classified as held for sale (including

disposal groups) 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, disposal groups and related liabilities and 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 (or disposal group sale) is expected to be completed within 12 months from the date of classification.

(M) RECOGNITION AND MEASUREMENT OF PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE AND INTANGIBLES

Acquisition

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

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

In accordance with Council's policy, the threshold limits detailed in Note 1 n have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year."

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

"Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 21, Property, infrastructure, 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 reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

Council recognises land under roads it controls at fair value.

(N) DEPRECIATION AND AMORTISATION OF PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE AND INTANGIBLES

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

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

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

ASSET CATEGORY	DEPRECIATION PERIOD	THRESHOLD LIMIT \$'000
Property		
Land	-	Nil
Buildings	50 years	10.0
Plant and equipment		
Plant, machinery and equipment	5 - 10 years	1.0
Fixtures, fittings and furniture	5 - 10 years	1.0
Computers and telecommunications	3 - 10 years	1.0
Art works collection	-	0.5
Infrastructure		
Road pavements and seals	14 - 87 years	10.0
Road formation and earthworks	-	10.0
Road kerb and channel	77 years	10.0
Bridges deck	100 years	10.0
Bridges substructure	100 years	10.0
Footpaths and cycleways	15 - 60 years	10.0
Drainage	100 years	10.0
Waste management	2 years	10.0
Parks, open space and streetscapes	20 years	5.0
Off street car parks	14 - 87 years	10.0
Intangible assets		
Software	5 years	5.0
Landfill air space	2 years	10.0

(O) 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.

(P) IMPAIRMENT OF ASSETS

At each reporting date, 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.

(Q) TRUST FUNDS AND DEPOSITS

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 24).

(R) BORROWINGS

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

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

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition,

the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

(S) EMPLOYEE COSTS

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

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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 apply at the time of settlement.

Long Service Leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

"The components of this current liability are measured at:
 - Present value - component that is not expected to be wholly settled within 12 months.
 - Nominal value - component that is expected to be wholly settled within 12 months."

Classification of employee costs

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(T) LANDFILL REHABILITATION PROVISION**

Under legislation Council is obligated to rehabilitate landfill sites to a particular standard. The forecast life of the Highland Highway landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to restore the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

(U) LEASES**Finance leases**

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset, or over the term of the lease, whichever is the shorter. Council currently has no finance leases.

Operating leases

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

(V) 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.

(W) FINANCIAL GUARANTEES

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probably that that right will be exercised. Any details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 33 Contingent Liabilities and Contingent Assets.

(X) 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.

(Y) PENDING ACCOUNTING STANDARDS

The following new AAS's have been issued that are not mandatory for the 30 June 2017 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2019/20)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising

the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has a significant number of operating leases that will be impacted as a result of this change. This will see assets and liabilities of approximately \$1.357 million recognised.

(Z) 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.

(AA) PRIOR YEAR CORRECTIONS

"During the reporting period a number of drainage infrastructure assets under Council's control which had not been previously recognised in the balance sheet were identified as being incorrectly omitted. These assets have been recognised as an adjustment to opening accumulated surplus and the 2015/2016 comparative figures for Property, infrastructure, plant and equipment.

Additionally it was discovered that some intended adjustments to infrastructure inventory in 2015/16 led to some asset disposals being recorded incorrectly. This resulted in overstating the loss on sale and an understatement of the Surplus result for that year. The 2016 comparative figures have therefore been adjusted in the Comprehensive Income Statement, the Balance Sheet and the Statement of Changes in Equity."

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

SUMMARY OF PRIOR YEAR ADJUSTMENTS	2016 RESTATED BALANCES \$'000
COMPREHENSIVE INCOME STATEMENT:	
Comprehensive Result as previously presented	12,284
Assets incorrectly disposed	3,114
Comprehensive result restated	15,398
BALANCE SHEET:	
Non-current assets:	
Property, infrastructure, plant and equipment	1,163,533
<i>Found Assets</i>	
Drainage	4,513
<i>Reverse asset incorrectly disposed</i>	
Roads	2,225
Drainage	507
Footpaths and Cycleways	382
Property, infrastructure, plant and equipment as restated	1,171,160
EQUITY:	
Accumulated Surplus as previously presented	662,312
Found Assets	4,513
Reverse asset incorrectly disposed	3,114
Accumulated Surplus restated	669,939

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: BUDGET COMPARISON (CONTINUED)

**NOTE 2
BUDGET COMPARISON**

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted

(a) Income and Expenditure

	BUDGET 2017 \$'000	ACTUAL 2017 \$'000	VARIANCE 2017 \$'000	VARIANCE 2017 %	REF
INCOME					
Rates and charges	74,568	75,121	553	1%	1
Statutory fees and fines	1,932	2,158	226	12%	2
User fees	13,579	14,755	1,176	9%	3
Grants - operating	22,756	30,683	7,927	35%	4
Grants - capital	7,045	7,993	948	13%	5
Contributions - monetary	41	410	369	905%	6
Contributions - non monetary	3,000	8,647	5,647	188%	7
Landfill provision movement	-	2,620	2,620	100%	8
Other income	3,406	5,607	2,201	65%	9
Total income	126,327	147,994	21,667	17%	
EXPENSES					
Employee costs	52,159	50,460	(1,699)	-3%	10
Materials and services	37,343	35,135	(2,208)	-6%	11
Bad and doubtful debts	15	-	(15)	-100%	12
Depreciation and amortisation	24,271	25,288	1,017	4%	13
Borrowing costs	918	884	(34)	-4%	
Net loss on disposal of property, infrastructure, plant and equipment	-	304	304	100%	14
Other expenses	3,137	3,958	821	26%	15
Total expenses	117,842	116,029	(1,813)	-2%	
SURPLUS/ (DEFICIT) FOR THE YEAR	8,485	31,965	23,480	277%	

The budget figures above include a reclassification of categories which vary from the adopted 2016/17 budget, to align with the current year actuals prescribed line item classifications.

Explanation of material variations - Income and Expenditure

REF	ITEM	EXPLANATION
1	Rates and Charges	Outcome: Favourable \$0.55 million (1%) Higher than anticipated supplementary rates growth from new subdivisions.
2	Statutory fees and fines	Outcome: Favourable \$0.23 million (12%) Higher than expected income mainly relating to parking infringements and failure to vote fines.
3	User fees	Outcome: Favourable \$1.18 million (9%) Higher than expected Landfill fees \$1.28M partly offset by lower Aged care full cost fees income.
4	Grants - operating	Outcome: Favourable \$7.93 million (35%) Advanced 2017/18 Victorian Grants Commission funding \$5.84M, Natural Disaster Claim funding relating to expenditure incurred in previous financial years \$0.60M together with higher than expected recurrent funding for Pre Schools, Aged Care and other community services.
5	Grants - capital	Outcome: Favourable \$0.95 million (13%) Unbudgeted grants received for the Latrobe City Sports & Entertainment Stadium purchase \$2.14M and Latrobe Regional Gallery upgrade \$0.68M. Grant for Heavy Industrial Park project \$1.48M was received but had been budgeted in the previous financial year. These favourable variances were partially offset by reduced Roads to Recovery (\$1.18M) & National Blackspot Program (\$1.89M) grants due to changes in the timing of the funding.
6	Contributions - monetary	Outcome: Favourable \$0.37 million (905%) Higher than expected income from property developer contributions \$0.22M plus non government contributions to capital works that were budgeted under grants.
7	Contributions - non monetary	Outcome: Favourable \$5.65 million (188%) Higher than expected contribution of land and infrastructure assets received from property developers.
8	Landfill provision movement	Outcome: Favourable \$2.62 million (100%) Reductions in provision for Landfill rehabilitation \$2.62M mainly as a result of the design for ex Morwell Landfill finding a reduction in the area requiring capping, which was not included in the budget.
9	Other income	Outcome: Favourable \$2.20 million (65%) Additional items received for unbudgeted recovery of legal costs, insurance claim refunds and other cost reimbursements/contributions received \$1.48M, higher than expected interest on investments and outstanding property rates balances \$0.67M.
10	Employee costs	Outcome: Favourable \$1.70 million (3%) Lower than expected Long Service Leave provision expenditure due to lower wages inflation and higher discount rates used to calculate the provision \$0.87M. Further savings were due to staff vacancies and lower than expected paid parental leave for the year.
11	Materials and services	Outcome: Favourable \$2.21 million (6%) Significant savings were achieved in electricity costs \$0.62M, fuel costs \$0.19M, postage \$0.12M and Gas \$0.10M. In addition some unspent project/program funding is required to be carried over to the new financial year.
12	Bad and doubtful debts	Outcome: Favourable \$0.05 million (365%) A doubtful debt of \$0.05M listed at the end of the previous financial year was subsequently received in 2016/17. The reversal of this provision has exceeded bad and doubtful debts to the end of the financial year.
13	Depreciation and amortisation	Outcome: Unfavourable \$1.02 million (4%) Mainly resulting from depreciation increases on roads as a result of previous revaluation and buildings as a result of capitalisation of the Moe Rail Precinct building in June 2016 which were not factored into the budget.
14	Net loss on disposal of property, infrastructure, plant and equipment	Outcome: Unfavourable \$0.30 million (100%) The loss is mainly due to the demolition of two buildings during the financial year.
15	Other expenses	Outcome: Unfavourable \$0.82 million (26%) The unfavourable variance is caused predominately by additional EPA levies on waste accepted at the landfill as a result of higher than expected quantities received and expenditure previously sitting in WIP, which has now been expensed.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: BUDGET COMPARISON (CONTINUED)

b) Capital Works

	BUDGET 2017 \$'000s	ACTUAL 2017 \$'000s	VARIANCE 2017 \$'000s	VARIANCE 2017 %	REF
PROPERTY					
Buildings	7,559	6,576	983	13%	
Heritage buildings	-	5	(5)	100%	
Total buildings	7,559	6,581	978	113%	1
Total property	7,559	6,581	978	13%	
PLANT AND EQUIPMENT					
Plant, machinery and equipment	1,672	1,460	212	13%	2
Fixtures, fittings and furniture	10	37	(27)	-270%	3
Computers and telecommunications	624	219	405	65%	4
Art collection	15	19	(4)	-27%	5
Total plant and equipment	2,321	1,735	586	25%	
INFRASTRUCTURE					
Roads	14,743	12,350	2,393	16%	6
Bridges	391	451	(60)	-15%	7
Footpaths and cycleways	1,461	1,832	(371)	-25%	8
Drainage	1,389	1,650	(261)	-19%	9
Recreational, leisure and community facilities	1,237	-	1,237	100%	10
Waste management	2,150	1,033	1,117	52%	11
Parks, open space and streetscapes	494	381	113	23%	12
Off street car parks	105	196	(91)	-87%	13
Other infrastructure	-	7	(7)	100%	14
Total infrastructure	21,971	17,900	4,071	19%	
Total capital works expenditure	31,851	26,216	5,635	18%	
Represented by:					
New asset expenditure	5,268	3,463	1,805	34%	15
Asset renewal expenditure	19,620	17,396	2,224	11%	16
Asset expansion expenditure	1,222	902	320	26%	17
Asset upgrade expenditure	5,741	4,455	1,286	22%	18
Total capital works expenditure	31,851	26,216	5,635	18%	

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

Explanation of Material Variations – Capital Works

REF	ITEM	EXPLANATION
1	Land	<p>Outcome: Underspend \$0.98 million (13%)</p> <p>A number of projects will carry over to the 2017/18 financial year most notably the Latrobe Creative Precinct design due to project planning issues around the governance of an intended design competition; Latrobe City Sports & Entertainment Stadium purchase delayed due to negotiations and timing of government funding; Latrobe Leisure Stadiums cooling due to insufficient funds being provided for what was required resulting in delays to obtain further funding; together some renewal projects delayed due to various reasons. These underspends have been partially offset by expenditure on the Traralgon Tennis show court project which was budgeted under the Recreational, leisure and community facilities category.</p>
2	Plant, machinery and equipment	<p>Outcome: Underspend \$0.21 million (13%)</p> <p>A review of Council's plant requirements was undertaken during the year which lead to less plant replacement being undertaken than expected.</p>
3	Fixtures, fittings and furniture	<p>Outcome: Overspend \$0.03 million (270%)</p> <p>Some additional expenditure for the Moe Service Centre funded from monies carried over from the original fitout budget in the previous financial year.</p>
4	Computers and telecommunications	<p>Outcome: Underspend \$0.41 million (65%)</p> <p>A number of items purchased were under the capitalisation thresholds of Council and were expensed to the Income Statement, remaining funds are to be carried forward to meet future requirements.</p>
5	Art collection	<p>Outcome: Overspend \$0.004 million (27%)</p> <p>Minor additional expenditure funded from savings in operational budgets.</p>
6	Roads	<p>Outcome: Underspend \$2.39 million (16%)</p> <p>Nation Building Blackspot Program works were delayed due to design, planning and resourcing issues and are now expected to be undertaken in the 2017/18 financial year and the requirement for a signalised intersection at Maffra/ Marshalls Rd has not yet been triggered in the Traralgon North Development Contribution Plan.</p>
7	Bridges	<p>Outcome: Overspend \$0.06 million (15%)</p> <p>The budget Mainly a result of Kenyon Lane Bridge funded from budget carried over from the previous financial year.</p>
8	Footpaths and cycleways	<p>Outcome: Overspend \$0.37 million (25%)</p> <p>Expenditure on the pathway at the Heavy Industrial Park wetlands was capitalised, however this project was fully budgeted as a drainage project. Additionally funds were carried forward from the previous financial year to complete previous footpath renewal programs.</p>
9	Drainage	<p>Outcome: Overspend \$0.26 million (19%)</p> <p>Expenditure on the Heavy Industrial Park wetlands funded from budget monies carried forward from the previous financial year.</p>
10	Recreational, leisure and community facilities	<p>Outcome: Underspend \$1.24 million (100%)</p> <p>Actual expenditure on the Traralgon Tennis Show court project was budgeted under this category however has been capitalised under buildings and off street carparks. The project was delivered within the overall project budget.</p>
11	Waste management	<p>Outcome: Underspend \$1.12 million (52%)</p> <p>The construction of Cell 5 at the Hyland Highway landfill commenced late in the financial year with remaining funds carried over for completion in 2017/18.</p>

NOTE 2: BUDGET COMPARISON (CONTINUED)

Explanation of Material Variations – Capital Works (continued)

REF	ITEM	EXPLANATION
12	Parks, open space and streetscapes	Outcome: Underspend \$0.11 million (23%) The underspend is a result of some actual expenditure reclassified to drainage and footpaths or expensed.
13	Off street car parks	Outcome: Overspend \$0.09 million (87%) The Traralgon Tennis carpark was upgraded as part of the show court project. This project was budgeted under Recreational, leisure and community facilities.
14	Other infrastructure	Outcome: Overspend \$0.007 million (100%) Expenditure at the Hazelwood Pondage caravan park funded from budget monies carried forward from the previous financial year.
15	New asset expenditure	Outcome: Underspend \$1.77 million (34%) A number of projects will carry over to the 2017/18 financial year most notably the Latrobe Creative Precinct design, Latrobe City Sports & Entertainment Stadium purchase, Latrobe Leisure Stadiums cooling systems.
16	Asset renewal expenditure	Outcome: Overspend \$1.263 million or 11% A number of renewal projects will carry over to the 2017/18 financial year most notably the construction of Cell 5 at the Hyland Highway landfill and building renewal program works.
17	Asset expansion expenditure	Outcome: Underspend \$0.32 million (26%) Mainly a result of drainage augmentation works funding not in 2016/17 which is planned to be carried forward to be used for future drainage works.
18	Asset upgrade expenditure	Outcome: Underspend \$1.29 million (22%) A number of projects will carry over to future financial years most notably Nation Building Blackspot Program works and the signalised intersection at Maffra/Marshalls Rd. These have been partially offset by unbudgeted additional spend on the Latrobe Regional Gallery upgrade funded from a combination of government grants and prior year surplus, and upgrade works at Moe Tennis Club which were funded from budget monies carried forward from previous years.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 3
RATES AND CHARGES**

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

This valuation base was used to calculate general rates, excluding valuations for power generation companies and Australian Paper Maryvale Ltd:

The valuation base used to calculate general rates for 2016/17 was \$10,718.60 million (2015/16 was \$10,090.00 million).

The applicable rates in the CIV dollar were:

	2017 \$	2016 \$
General	0.00466490	0.00473581
Farm	0.00349867	0.00355186
Cultural and recreational	0.00233245	0.00236791
Cultural and recreational with gaming facilities	0.00279894	0.00236791

This derived rate revenues of:

	2017 \$'000s	2016 \$'000s
General rates	48,834	46,652
Municipal charge	4,956	4,817
Garbage charge	10,640	10,383
EPA Victoria landfill levy	685	666
Supplementary rates and rates adjustments	662	814
Cultural and recreational	82	52
Revenue in lieu of rates	9,262	9,107
Total rates and charges	75,121	72,491

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation was first applied in the rating year commencing 1 July 2016.

**NOTE 4
STATUTORY FEES AND FINES**

Infringement and costs	734	516
Town planning fees	9	21
Land information certificates	57	49
Permits	443	371
Other	106	96
Health registrations	364	364
Animal registrations	445	434
Total Statutory fees and fines	2,158	1,851

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$'000s	2016 \$'000s
NOTE 5 USER FEES		
Aged and health services	1,839	1,818
Leisure centre and recreation	2,447	2,312
Child care/children's programs	5,185	5,376
Waste management services	4,189	4,510
Other fees and charges	1,095	1,210
Total User fees	14,755	15,226

**NOTE 6
GRANTS**

Grants were received in respect of the following:

SUMMARY OF GRANTS		
Commonwealth funded grants	23,154	15,205
State funded grants	15,522	16,813
Total	38,676	32,018
GRANTS – OPERATING		
<i>Recurrent – Commonwealth Government</i>		
Victorian Grants Commission	17,195	5,710
Aged and disability programs	2,727	-
Family and children programs	127	130
Employment facilitation	194	301
Other	5	6
<i>Recurrent – State Government</i>		
Aged and disability programs	2,439	5,155
Preschools	3,229	3,810
Family and children programs	1,257	717
Maternal and child health	551	478
Libraries	503	499
Enhanced home visiting program	209	211
Arts programs	155	155
Rural access program	84	119
School crossing supervision	92	88
Community health	207	73
Other	18	78
Total Grants – Operating (Recurrent)	28,992	17,530

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$'000s	2016 \$'000s
Non-Recurrent – Commonwealth Government		
Family and children programs	9	68
Public lighting	70	184
Economic development	64	-
Other	11	-
Non-Recurrent – State Government		
Aged and disability programs	115	35
Arts program	15	21
Community health	25	103
Family and children programs	23	18
Natural disaster recovery	574	1,357
Economic development	114	432
Other recreation facilities	285	164
Community support and development programs	172	282
Roads	-	115
Other	214	211
Total Grants – Operating (Non-Recurrent)	1,691	2,990
Total Grants – Operating	30,683	20,520
GRANTS – CAPITAL		
Recurrent – Commonwealth Government		
Roads to recovery program	2,752	3,405
Total Grants – Capital (Recurrent)	2,752	3,405
Non-Recurrent – Commonwealth Government		
Buildings	-	5,400
Non-Recurrent – State Government		
Buildings	2,992	2,248
Roads	290	13
Drainage	1,473	36
Footpath	60	20
Off-street carparks	-	19
Plant, machinery and equipment	-	12
Recreation, leisure and community facilities	426	260
Parks, open space and streetscape	-	85
Total Grants – Capital (Non-Recurrent)	5,241	8,093
Total Grants – Capital	7,993	11,498
Total Grants	38,676	32,018
Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	5,650	11,127
Received during the financial year and remained unspent at balance date	11,402	4,441
Received in prior years and spent during the financial year	(4,711)	(9,918)
Balance at year end (refer Note 16)	12,340	5,650

	2017 \$'000s	2016 \$'000s
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NOTE 7 CONTRIBUTIONS

Monetary	410	634
Non-monetary	8,647	7,840
Total Contributions	9,057	8,474

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

Artwork	-	435
Land	1,487	718
Infrastructure	7,160	6,687
Total non-monetary contributions	8,647	7,840

NOTE 8 NET GAIN/ (LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Proceeds of sale	656	1,878
Write down value of assets disposed	(960)	(3,727)
Total net gain/ (loss) on disposal of property, infrastructure, plant and equipment	(304)	(1,849)

NOTE 9 OTHER INCOME

Landfill rehabilitation provision decrease	2,620	-
Interest	2,282	2,140
Legal cost recovery	825	-
Other Rent	822	787
Sales	659	626
Contributions other	494	160
Other	348	438
Insurance	138	3
Doubtful Debts Provision reduction	39	-
Total other income	8,227	4,154

	2017 \$'000s	2016 \$'000s
NOTE 10 EMPLOYEE COSTS		
(a) Employee Costs		
Salaries and wages	43,640	44,428
Workcover	1,158	849
Superannuation	4,144	4,000
Fringe benefits tax	498	494
Other	1,020	988
Total employee costs	50,460	50,759

(b) Superannuation

Council made contributions to the following funds:

Defined Benefits Funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	401	423
Employer contributions payable at reporting date	-	-
	401	423

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,357	3,237
Employer contributions payable at reporting date	386	340
	3,743	3,577

Refer to note 32 for further information relating to Council's superannuation obligations.

**NOTE 11
MATERIALS AND SERVICES**

Contract payments	20,639	21,774
Building maintenance	213	176
General maintenance	4,197	3,965
Utilities	2,590	2,833
Office administration	2,252	2,017
Information technology	1,940	1,652
Insurance	1,117	1,049
Consultants	1,976	2,058
Other	211	135
Total materials and services	35,135	35,659

	2017 \$'000s	2016 \$'000s
NOTE 12 BAD AND DOUBTFUL DEBTS		
Other debtors	-	18
Rates debtors	-	(1)
Total bad and doubtful debts*	-	17

* A doubtful debt listed in previous reporting periods was recovered during the current year, the subsequent reversal of the provision has led to a credit balance in this line item requiring it to be reported under "Other Income".

NOTE 13 DEPRECIATION AND AMORTISATION

Property	4,015	3,697
Plant, furniture and equipment	2,100	2,142
Infrastructure	18,267	16,973
Total depreciation	24,382	22,812
Intangible assets	906	367
Total depreciation and amortisation	25,288	23,179

Refer to Note 21 and 22 for a more detailed breakdown of depreciation and amortisation charges.

NOTE 14 BORROWING COSTS

Interest on Borrowings	884	1,003
Total Borrowing Costs	884	1,003

NOTE 15 OTHER EXPENSES

Auditors' remuneration - VAGO	64	57
Auditors' remuneration - Internal	47	138
Audit other	33	38
Councillors' allowances	283	283
Operating lease rentals	179	154
Grants	1,059	1,272
Levies	1,741	1,854
Landfill rehabilitation provision movement	-	2,478
Works in progress expensed	552	172
Total other expenses	3,958	6,446

	2017 \$'000s	2016 \$'000s
NOTE 16		
CASH AND CASH EQUIVALENTS		
Cash on Hand	17	16
Cash at Bank	9,054	8,664
Total Cash and Cash Equivalents	9,071	8,680

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 24)	2,349	2,732
Unexpended grants (Note 6 – net increase of \$6.69 million from 2016 to 2017)	12,340	5,650
Total restricted funds	14,689	8,382
Total unrestricted cash and cash equivalents	(5,618)	298

Intended Allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

Reserve funds allocated for specific future purposes (Note 27 (b))	3,301	3,002
Cash held to fund carried forward capital works	7,708	11,649
	11,009	14,651

Refer also to Note 17 for details of other financial assets held by Council. Council holds funds in term deposits with a maturity term of over 90 days which will be utilised to meet the current shortfall in cash and cash equivalents obligations of restricted funds and intended allocations when they are required.

NOTE 17 OTHER FINANCIAL ASSETS

Current

Term Deposits with a maturity term > 90 days	71,518	52,884
Total current other financial assets	71,518	52,884

Non-Current

MAPS Group Ltd. Shares	2	2
Total non-current other financial assets	2	2
Total other financial assets	71,520	52,886

	2017 \$'000s	2016 \$'000s
NOTE 18		
TRADE AND OTHER RECEIVABLES		
CURRENT		
<i>Statutory receivables</i>		
Rates debtors*	4,131	4,353
Health Registrations	-	2
Goods and services tax (GST)	985	756
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	3	7
Other debtors	2,567	1,996
Provision for doubtful debts - other debtors	(23)	(77)
Total current trade and other receivables	7,663	7,037
<i>*Rates are payable by four instalments during the year or by lump sum in February. Arrears attract interest, currently at the rate of 9.5% per annum.</i>		
NON-CURRENT		
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	16	-
Total non-current trade and other receivables	16	-
Total trade and other receivables	7,679	7,037

(a) Ageing of Receivables

At Balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's Trade & Other Receivables (excluding statutory receivables i.e Rates and GST) was:

Current (not yet due)	1,992	1,116
Past due by up to 30 days	252	548
Past due between 31 and 60 days	159	161
Past due between 61 and 90 days	64	52
Past due by more than 90 days	119	127
Total trade and other receivables	2,586	2,003

	2017 \$'000s	2016 \$'000s
(b) Movement in Provision for Doubtful Debts		
Balance at the beginning of the year	77	80
New Provisions recognised during the year	19	24
Amounts already provided for and written off as uncollectible	(18)	(20)
Amounts provided for but recovered during the year	(55)	(7)
Balance at the end of the year	23	77

(c) Ageing of Individually Impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$23K (2016 \$77K) were impaired. The amount of the provision raised against these debtors was \$23K (2016 \$77K). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	4	-
Past due by more than 90 days	19	77
Total trade and other receivables	23	77

**NOTE 19
NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

Cost of Acquisition	385	175
Total Non-Current Assets Classified as Held for Sale	385	175

**NOTE 20
OTHER ASSETS**

Prepayments	1,072	411
Accrued Income	1,490	1,794
Total Other Assets	2,562	2,205

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	AT FAIR VALUE 30 JUNE 2016	ACQUISITIONS	CONTRIBUTIONS	REVALUATION	DEPRECIATION	DISPOSAL	TRANSFERS	AT FAIR VALUE 30 JUNE 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	221,304	-	1,487	(30)	-	(102)	138	222,797
Buildings	189,641	4,174	-	-	(4,015)	(370)	145	189,575
Plant and equipment	12,660	1,735	-	-	(2,100)	(324)	-	11,971
Infrastructure	743,817	12,040	7,160	-	(18,267)	(164)	2,241	746,827
Work in progress	3,738	8,268	-	-	-	(552)	(2,734)	8,720
	1,171,160	26,217	8,647	(30)	(24,382)	(1,512)	(210)	1,179,890

Summary of works in progress

	OPENING WIP \$'000	ADDITIONS \$'000	TRANSFERS \$'000	WRITE OFFS \$'000	CLOSING WIP \$'000
Buildings	317	2,407	(70)	-	2,654
Infrastructure	3,421	5,861	(2,664)	(552)	6,066
Total	3,738	8,268	(2,734)	(552)	8,720

Land and Buildings

NOTE	LAND - SPECIALISED (INCL LAND UNDER ROADS) \$'000	LAND - NON SPECIALISED \$'000	TOTAL LAND \$'000	BUILDINGS - SPECIALISED \$'000	TOTAL BUILDINGS \$'000	WORK IN PROGRESS \$'000	TOTAL PROPERTY \$'000
At fair value 1 July 2016	134,134	87,170	221,304	200,569	200,569	317	422,190
Accumulated depreciation at 1 July 2016	-	-	-	(10,928)	(10,928)	-	(10,928)
	134,134	87,170	221,304	189,641	189,641	317	411,262

MOVEMENTS IN FAIR VALUE

Acquisition of assets at fair value	-	-	-	4,174	4,174	2,407	6,581
Contributed assets	1,487	-	1,487	-	-	-	1,487
Reclassification of assets	576	(576)	-	-	-	-	-
Revaluation increments/ decrements	-	-	-	-	-	-	-
Fair value of assets disposed	(102)	-	(102)	(393)	(393)	-	(495)
Impairment losses recognised in asset revaluation reserve	-	(30)	(30)	-	-	-	(30)
Transfers	523	(385)	138	145	145	(70)	213
	2,484	(991)	1,493	3,926	3,926	2,337	7,756

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE	LAND - SPECIALISED (INCL LAND UNDER ROADS) \$'000	LAND - NON SPECIALISED \$'000	TOTAL LAND \$'000	BUILDINGS - SPECIALISED \$'000	TOTAL BUILDINGS \$'000	WORK IN PROGRESS \$'000	TOTAL PROPERTY \$'000
MOVEMENTS IN ACCUMULATED DEPRECIATION							
Depreciation and amortisation	-	-	-	(4,015)	(4,015)	-	(4,015)
Accumulated depreciation of disposals	-	-	-	22	22	-	22
Transfers	-	-	-	-	-	-	-
	-	-	-	(3,993)	(3,993)	-	(3,993)
At fair value 30 June 2017	136,618	86,179	222,797	204,495	204,495	2,654	429,946
Accumulated depreciation at 30 June 2017	-	-	-	(14,921)	(14,921)	-	(14,921)
	136,618	86,179	222,797	189,574	189,574	2,654	415,025

Plant and Equipment

NOTE	PLANT MACHINERY AND EQUIPMENT \$'000	FIXTURES FITTINGS AND FURNITURE \$'000	COMPUTERS AND TELECOMMS \$'000	ART COLLECTION \$'000	TOTAL PLANT AND EQUIPMENT \$'000
At fair value 1 July 2016	14,409	1,686	5,258	3,571	24,924
Accumulated depreciation at 1 July 2016	(7,044)	(1,185)	(4,035)	-	(12,264)
	7,365	501	1,223	3,571	12,660
MOVEMENTS IN FAIR VALUE					
Acquisition of assets at fair value	1,460	37	219	19	1,735
Contributed assets	-	-	-	-	-
Revaluation increments/ decrements	-	-	-	-	-
Fair value of assets disposed	(1,199)	-	-	-	(1,199)
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	-
	261	37	219	19	536
MOVEMENTS IN ACCUMULATED DEPRECIATION					
Depreciation and amortisation	(1,678)	(79)	(343)	-	(2,100)
Accumulated depreciation of disposals	875	-	-	-	875
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	-
	(803)	(79)	(343)	-	(1,225)
At fair value 30 June 2017	14,670	1,723	5,477	3,590	25,460
Accumulated depreciation at 30 June 2017	(7,847)	(1,264)	(4,378)	-	(13,489)
	6,823	459	1,099	3,590	11,971

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 21: PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

Infrastructure

INFRASTRUCTURE	NOTE	ROADS	BRIDGES	FOOTPATHS AND CYCLEWAYS	DRAINAGE	WASTE MANAGEMENT	PARKS OPEN SPACES AND STREETSCAPES	AERODROMES	OFF STREET CAR PARKS	WORK IN PROGRESS	TOTAL INFRASTRUCTURE
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2016		707,175	54,794	74,550	199,855	7,063	3,247	4,928	6,687	3,421	1,061,720
Accumulated depreciation at 1 July 2016		(178,617)	(21,634)	(23,472)	(83,360)	(5,346)	(1,342)	(241)	(472)	-	(314,484)
		528,558	33,160	51,078	116,495	1,717	1,905	4,687	6,215	3,421	747,236
MOVEMENTS IN FAIR VALUE											
Acquisition of assets at fair value		8,192	411	1,650	1,329	-	280	-	179	5,860	17,901
Contributed assets		3,897	-	931	2,332	-	-	-	-	-	7,160
Reclassification of assets		-	-	-	-	-	-	-	-	-	-
Fair value of assets disposed		(88)	-	-	(236)	-	-	-	-	-	(324)
Transfers		951	62	13	1,215	-	-	-	-	(3,216)	(975)
		12,952	473	2,594	4,640	-	280	-	179	2,644	23,762
MOVEMENTS IN ACCUMULATED DEPRECIATION											
Depreciation and amortisation		(12,935)	(561)	(1,329)	(1,954)	(981)	(148)	(226)	(135)	-	(18,269)
Reclassification of assets		(123)	-	-	-	-	-	-	123	-	-
Acquisition of assets at fair value		-	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals		52	-	-	108	-	-	-	-	-	160
		(13,006)	(561)	(1,329)	(1,846)	(981)	(148)	(226)	(12)	-	(18,109)
At fair value 30 June 2017		720,127	55,267	77,144	204,495	7,063	3,527	4,928	6,866	6,065	1,085,482
Accumulated depreciation at 30 June 2017		(191,623)	(22,195)	(24,801)	(85,206)	(6,327)	(1,490)	(467)	(484)	-	(332,593)
		528,504	33,072	52,343	119,289	736	2,037	4,461	6,382	6,065	752,889

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer, CJA Lee Property – Valuers and Consultants (Registration number: 61902). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values

adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is June 2013.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2017 are as follows:

	LEVEL 1 \$'000s	LEVEL 2 \$'000s	LEVEL 3 \$'000s
Land – Non Specialised	-	86,179	-
Land – Specialised	-	-	136,619
Buildings – Specialised	-	-	189,574
Total	-	86,179	326,193

Valuation of infrastructure

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

The date of the current valuation is June 2015.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2017 are as follows:

	LEVEL 1 \$'000s	LEVEL 2 \$'000s	LEVEL 3 \$'000s
Roads	-	-	528,504
Bridges	-	-	33,072
Footpaths and cycleways	-	-	52,343
Drainage	-	-	119,289
Waste management	-	-	736
Parks, open space and streetscapes	-	-	2,037
Aerodromes	-	-	4,461
Off street car parks	-	-	6,382
Total	-	-	746,824

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 21: PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$350 to \$6,462 per square metre. The remaining useful lives

of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

	2017 \$'000s	2016 \$'000s
Land under roads	18,185	18,124
Parks, reserves and other	118,434	116,010
Total specialised land	136,619	134,134

**NOTE 22
INTANGIBLE ASSETS**

Software	191	202
Landfill Air Space	607	1,416
Total Intangible Assets	798	1,618

	SOFTWARE \$'000s	LANDFILL AIR SPACE \$'000s	TOTAL \$'000s
GROSS CARRYING AMOUNT			
Balance at 1 July 2016	1,061	16,586	17,647
Additions from internal developments	-	-	-
Other additions	86	-	86
Balance at 1 July 2017	1,147	16,586	17,733
ACCUMULATED AMORTISATION AND IMPAIRMENT			
Balance at 1 July 2016	(858)	(15,171)	(16,029)
Amortisation Expense	(98)	(808)	(906)
Balance at 1 July 2017	(956)	(15,979)	(16,935)
Net Book Value at 30 June 2016	203	1,416	1,618
Net Book Value at 30 June 2017	191	607	798

	2017 \$'000s	2016 \$'000s
NOTE 23 TRADE AND OTHER PAYABLES		
Trade Payables	8,293	5,489
Accrued Expenses	929	731
Total Trade and Other Payables	9,222	6,220

**NOTE 24
TRUST FUNDS AND DEPOSITS**

Refundable deposits	1,884	2,269
Fire Service Levy	322	336
Retention amounts	95	108
Other refundable deposits	48	19
Total trust funds and deposits	2,349	2,732

Purpose and Nature of Items

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

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

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

**NOTE 25
PROVISIONS**

	ANNUAL LEAVE \$'000s	LONG SERVICE LEAVE \$'000s	LANDFILL REHABILITATION \$'000s	TOTAL \$'000s
2017				
Balance at Beginning of the Financial Year	4,155	9,767	23,348	37,270
Additional/(Reduced) Provisions	3,725	1,115	(2,036)	2,804
Amounts Used	(3,520)	(859)	(1,510)	(5,889)
Increase/ (Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	6	(865)	(584)	(1,443)
Balance at the End of the Financial Year	4,366	9,158	19,219	32,743
2016				
Balance at Beginning of the Financial Year	4,117	8,884	19,549	32,550
Additional Provisions	3,708	1,289	3,488	8,485
Amounts Used	(3,676)	(1,047)	(295)	(5,018)
Increase in the discounted amount arising because of time and effect of any change in the discount rate	6	641	606	1,253
Balance at the End of the Financial Year	4,155	9,767	23,348	37,270

NOTE 25: PROVISIONS (CONTINUED)

	2017 \$'000s	2016 \$'000s
(a) Employee Provisions		
Current Provisions Expected to be wholly settled within 12 months		
Annual Leave	4,054	3,863
Long Service Leave	2,062	2,111
	6,116	5,974
Current Provisions Expected to be wholly settled after 12 months		
Annual Leave	312	291
Long Service Leave	5,524	5,709
	5,836	6,000
Total Current Employee Provisions	11,952	11,974
Non-Current		
Long Service Leave	1,573	1,948
Total Non-Current Employee Provisions	1,573	1,948
Aggregate Carrying Amount of Employee Provisions		
Current	11,952	11,974
Non-Current	1,573	1,948
Total Aggregate Carrying Amount of Employee Provisions	13,525	13,922
(b) Landfill Restoration		
Current	4,797	3,361
Non-Current	14,421	19,987
	19,218	23,348
(c) Summary of provisions		
Current	16,749	15,335
Non-current	15,994	21,935
	32,743	37,270

NOTE 26
INTEREST-BEARING LOANS AND BORROWINGS

Current		
Borrowings – Secured	1,869	1,883
Total Current	1,869	1,883
Non-Current		
Borrowings – Secured	14,281	16,150
Total Non-Current	14,281	16,150
Total Interest-Bearing Loans and Borrowings	16,150	18,033

All borrowings are secured over Council's Rate Revenue

The maturity profile for Council's borrowings is:

Not later than one year	1,869	1,883
Later than one year and not later than five years	10,796	12,548
Later than five years	3,485	3,602
	16,150	18,033

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

	BALANCE AT BEGINNING OF REPORTING PERIOD \$'000s	INCREMENT/ (DECREMENT) \$'000s	BALANCE AT END OF REPORTING PERIOD \$'000s
NOTE 27			
RESERVES			
(a) Asset Revaluation Reserves			
2017			
PROPERTY			
Land	167,239	(30)	167,209
Buildings	89,475		89,475
	256,714	(30)	256,684
INFRASTRUCTURE			
Roads	134,136		134,136
Bridges	28,982		28,982
Footpaths and cycleways	19,311		19,311
Off street carparks	7,080		7,080
Drainage	59,370		59,370
Parks, open space and streetscapes	63		63
	248,942	-	248,942
OTHER			
Artworks	895		895
Other	14		14
	909	-	909
Total Asset Revaluation Reserves	506,469	96	506,565
2016			
PROPERTY			
Land	167,239	-	167,239
Buildings	89,547	(72)	89,475
	256,786	(72)	256,714
INFRASTRUCTURE			
Roads	134,136	-	134,136
Bridges	28,983	-	28,983
Footpaths and cycleways	19,311	-	19,311
Off street carparks	7,079	-	7,079
Drainage	59,370	-	59,370
Parks, open space and streetscapes	63	-	63
	248,942	-	248,942
OTHER			
Artworks	727	168	895
Other	14	-	14
	741	168	909
Total Asset Revaluation Reserves	506,469	96	506,565

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

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 27: RESERVES (CONTINUED)

(b) Other Reserves

	BALANCE AT BEGINNING OF REPORTING PERIOD \$'000s	TRANSFER FROM ACCUMULATED SURPLUS \$'000s	TRANSFER TO ACCUMULATED SURPLUS \$'000s	BALANCE AT END OF REPORTING PERIOD \$'000s
2017				
Developer Contributions	3,002	(11)	311	3,301
Total Other Reserves	3,002	(11)	311	3,301
2016				
Developer Contributions	2,624	(107)	485	3,002
Total Other Reserves	2,624	(107)	485	3,002

Purpose and Nature of Other Reserves

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

**NOTE 28
RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)**

	2017 \$'000s	2016 \$'000s
Surplus for the year	31,964	15,302
Depreciation and amortisation	25,288	23,179
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	304	1,849
Contributions non-monetary assets	(8,647)	(8,031)
Finance costs	884	1,003
Work in progress written off	552	172
Changes in assets and liabilities		
(Increase)/ decrease in trade and other receivables	(642)	1,167
(Increase)/ decrease in prepayments	(661)	(81)
(Increase)/ decrease in accrued income	304	228
Increase/ (decrease) in trade and other payables	1,636	(3,780)
Increase/ (decrease) in trust funds and deposits	(383)	123
Increase/ (decrease) in provisions	(4,527)	3,103
Net cash provided by operating activities	46,072	34,234

**NOTE 29
FINANCING ARRANGEMENTS**

Bank Overdraft	1,000	1,000
Credit card facilities	120	120
Other facilities	16,150	18,034
Total Facilities	17,270	19,154
Used Facilities	16,164	18,049
Unused Facilities	1,106	1,105

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 30
COMMITMENTS**

The Council has entered into the following commitments

	NOT LATER THAN 1 YEAR \$'000s	LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS \$'000s	LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS \$'000s	LATER THAN 5 YEARS \$'000s	TOTAL \$'000s
2017					
OPERATING					
Recycling	1,411	2	-	-	1,413
Garbage collection	3,377	1,735	-	-	5,112
Courier service	57	-	-	-	57
Cleaning contracts for council amenities/streets	518	102	-	-	620
Meals for Delivery	295	-	-	-	295
Security	79	-	-	-	79
Landfill	360	133	-	-	493
Total	6,097	1,972	-	-	8,069
CAPITAL CONSTRUCTION					
Buildings	2,876	-	-	-	2,876
Roads	783	-	-	-	783
Total	3,659	-	-	-	3,659
2016					
OPERATING					
Recycling	1,726	1,388	-	-	3,114
Garbage collection	3,281	3,372	1,732	-	8,385
Courier service	59	-	-	-	59
Consultancies	261	-	-	-	261
Cleaning contracts for council amenities/streets	367	-	-	-	367
Cleaning contracts for council buildings	400	-	-	-	400
Meals for Delivery	275	-	-	-	275
Recreation	182	-	-	-	182
Total	6,551	4,760	1,732	-	13,043
CAPITAL CONSTRUCTION					
Plant, machinery and equipment	171	-	-	-	171
Buildings	399	-	-	-	399
Drainage	1,351	-	-	-	1,351
Footpaths	44	-	-	-	44
Roads	4,111	-	-	-	4,111
Landfill	-	-	-	-	-
Total	6,076	-	-	-	6,076

NOTE 31 OPERATING LEASES

Operating Lease Commitments

At the reporting date, the Council has the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

	2017 \$'000s	2016 \$'000s
Not later than one year	106	115
Later than one year and not later than five years	241	307
Later than five years	1,010	1,040
	1,357	1,462

NOTE 32 SUPERANNUATION

Latrobe City Council makes some of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/ Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2017, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2016, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.0% pa

Salary information 4.25% pa

Price inflation (CPI) 2.5% pa

Vision Super has advised that the estimated VBI at 30 June 2017 was 103.1%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2016 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2017, this rate was 9.5% of members' salaries (9.5% in 2015/2016). This rate will increase in line with any increase to the contribution rate. 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.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2016 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$40.3 million; and

A total service liability surplus of \$156 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2016. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2016 VBI during August 2016.

2017 Full triennial actuarial investigation

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

Future superannuation contributions

In addition to the disclosed contribution, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2015/16 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2017. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 are \$0.43 million.

NOTE 33 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

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

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

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 34 FINANCIAL INSTRUMENTS

(a) Objectives and Policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market Risk

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

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

NOTE 34: FINANCIAL INSTRUMENTS (CONTINUED)**Interest Rate Risk**

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- Diversification of investment product;
- Monitoring of return on investment; and
- Benchmarking of returns and comparison with budget.

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

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

(c) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 33.

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

(d) Liquidity Risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 33, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 26.

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

(e) Fair Value

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

Fair value hierarchy

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

(f) Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 1.50%.

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

NOTE 35 RELATED PARTY TRANSACTIONS

(i) Related Parties

PARENT ENTITY: Latrobe City Council

SUBSIDIARIES AND ASSOCIATES: N/A

(ii) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

		FROM	TO	FROM	TO
Mayor	K O'Callaghan (Mayor)	09/11/16	30/06/17		
	M Rossiter (Mayor)	01/07/16	22/10/16		
Councillors	D Clancey	04/11/16	30/06/17		
	P Gibbons	01/07/16	22/10/16		
	S Gibson	01/07/16	22/10/16	04/11/16	30/06/17
	D Harriman	01/07/16	22/10/16	04/11/16	30/06/17
	D Howe	04/11/16	30/06/17		
	S Kam	01/07/16	22/10/16		
	B Law	04/11/16	30/06/17		
	A McFarlane	04/11/16	30/06/17		
	G Middlemiss	01/07/16	22/10/16	04/11/16	30/06/17
	K O'Callaghan	01/07/16	22/10/16	04/11/16	08/11/16
	C Sindt	01/07/16	22/10/16		
	D White	01/07/16	22/10/16	04/11/16	30/06/17

Note: Council elections held on 22 October 2016 and new Councillors sworn in on 4 November 2016

	2017 NO.
Total Number of Councillors	13
Chief Executive Officer and other Key Management Personnel	6
Total Key Management Personnel	19

(iii) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2017 \$'000s
Short-term benefits	1,363
Post-employment benefits	95
Long-term benefits	78
Termination benefits	-
Total	1,536

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

	2017 NO.
Income Range	
\$1 - \$9,999	3
\$10,000 - \$19,999	4
\$20,000 - \$29,999	5
\$40,000 - \$49,999	1
\$60,000 - \$69,999	1
\$180,000 - \$189,999	1
\$210,000 - \$219,999	1
\$220,000 - \$229,999	2
\$280,000 - \$289,999	1
Total	19

NOTE 35: RELATED PARTY TRANSACTIONS (CONTINUED)**(iv) Transactions with related parties**

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

	2017 \$'000s
Employee expenses for close family members of key personnel *	20
Purchase of materials & services from entities controlled by key management personnel	1
Total	21

* All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The council employees 747 staff of which only one is a close family member of key management personnel.

(v) Outstanding balances with related parties

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

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

(vi) Loans to/from related parties

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

(vii) Commitments to/from related parties

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

	2017 \$'000s
Employee commitments for close family members of key personnel	9
Total	9

**NOTE 36
SENIOR OFFICER REMUNERATION**

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- has management responsibilities and reports directly to the Chief Executive; or
- whose total annual remuneration exceeds \$142,000"

The number of Senior Officers are shown below in their relevant income bands:

	2017 NO.	2016 NO.
Income Range		
< \$142,000		4
\$142,000 - \$149,999	13	5
\$150,000 - \$159,999	4	5
Total	17	14
Total Remuneration for the reporting year for Senior Officers included above, amounted to (\$,000)	\$2,506	\$2,055

Note: comparative figures for 2016 exclude Senior Officers that have been classified as Key Management Personnel in 2017 (see Note 35).

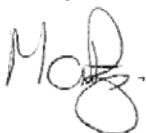
**NOTE 37
EVENTS OCCURRING AFTER BALANCE DATE**

No matters have occurred after balance date that requires disclosure in the financial report. (2015/16, Nil)

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 (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Principal Accounting Officer



Matthew Rogers, CPA

Dated: 11 September 2017

In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2017 and the financial position of the Council as at the date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

Councillor



Cr. Darrell White

Dated: 11 September 2017

Councillor



Cr. Alan McFarlane

Dated: 12 September 2017

Chief Executive Officer



Gary Van Driel

Dated: 11 September 2017

Auditor General's Report

ON THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017



Independent Auditor's Report

To the Councillors of Latrobe City Council

Opinion	<p>I have audited the financial report of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2017 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including a summary of significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

AUDITOR GENERAL'S REPORT (CONTINUED)

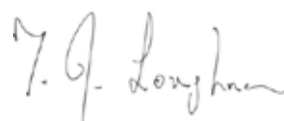
Auditor's responsibilities for the audit of the financial report As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is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

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

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

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

MELBOURNE
13 September 2017



Tim Loughnan
as delegate for the Auditor-General of Victoria

Performance Statement

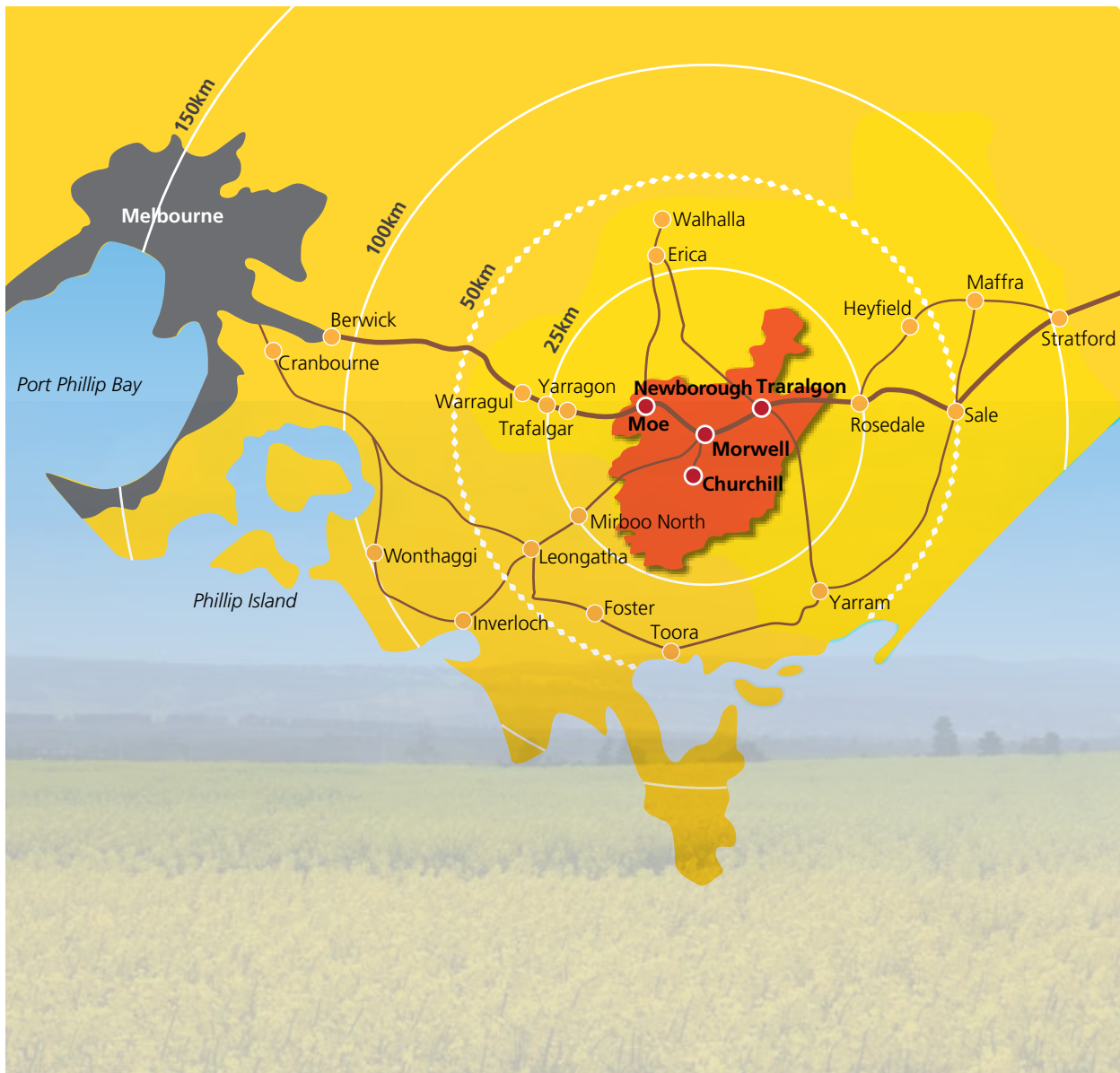
FOR THE YEAR ENDED 30 JUNE 2017

Description of municipality

Latrobe City is Victoria's eastern Regional City and Gippsland's primary service centre and employment hub, providing retail, entertainment, education, government and health services to the region with a population of 74,026¹.

Latrobe City is located an hour and half drive east of Melbourne covering an area of 1425 square kilometres situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north. The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar. The rural landscape in between townships houses a large population of hard working farmers and residents who enjoy the peace and tranquillity that comes with country life.

1. Australian Bureau of Statistics 3218.0 Regional Population Growth Australia, 30 March 2017 E.R.P 2016



Sustainable Capacity Indicators

FOR THE YEAR ENDED 30 JUNE 2017

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
Own-source revenue				
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,231	\$1,274	\$1,350	2017 are being distorted due to a write back of landfill rehabilitation provision and a one off legal settlement
Recurrent grants				
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$424	\$285	\$429	The 2015 and 2017 results included Victoria Grants Commission funding received in advance. This advance payment did not occur in 2016.
Population				
Expenses per head of municipal population [Total expenses / Municipal population]	\$1,594	\$1,659	\$1,563	2017 result is favourable when compared with 2016 due to the 2016 inclusion of an increase in the Landfill rehabilitation provision.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$12,685	\$12,811	\$12,929	No material variations
Population density per length of road [Municipal population / Kilometres of local roads]	47	47	46	No material variations
Disadvantage				
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	1	1	1	No variance

To ensure comparability of indicators, these comparative figures for 2016 have been amended to accord with the current presentation. The restated comparatives which have changed materially on the amounts previously disclosed in the Performance Statements for the year ended 30 June 2016 are disclosed in the below table.

DIMENSION/INDICATOR/MEASURE	PREVIOUSLY REPORTED 2016	RESTATED 2016	REASON FOR RESTATEMENT
Population #			
Expenses per head of municipal population	\$1,659	\$1,617	The 2016 results have been restated as a result of an error in processing that led to an overstated loss on disposal of infrastructure assets. Subsequently the 2016 total expenditure has been decreased and infrastructure assets increased.
Infrastructure per head of municipal population	\$12,811	\$12,915	

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

FOR THE YEAR ENDED 30 JUNE 2017

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
GOVERNANCE Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	49	47	51	No material variations
STATUTORY PLANNING Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	80.0%	66.7%	57.1%	Latrobe City Council has low numbers of planning applications referred to VCAT. In 2016/17 there were 7 cases heard of which 4 were upheld in favour of council.
ROADS Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	52	50	61	Latrobe City Council continues to invest in the road infrastructure network to the increased satisfaction of customers
LIBRARIES Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	10.5%	10.4%	11.6%	Library membership increased due to the opening of the new Library Centre in Moe.
WASTE COLLECTION Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	55.1%	52.1%	53.2%	No material variations
AQUATIC FACILITIES Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.1	5.2	5.2	No material variations
ANIMAL MANAGEMENT Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	4.0	0.0	1.0	In accordance with Council Policy, resolution of animal management matters is conducted utilising conciliation and mutual agreement and has been successful in minimising litigation.

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
FOOD SAFETY Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	90.8%	82.5%	79.2%	No material variation however from 1 July 2016 this indicator has changed from financial year to calendar year reporting which may have resulted in some variances year on year.
HOME AND COMMUNITY CARE Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	18.4%*	18.5%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	19.5%	18.5%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
MATERNAL AND CHILD HEALTH Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	73.7%	74.9%	76.3%	No material variance
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	69.0%	71.4%	68.2%	No material variance

To ensure comparability of indicators, these comparative figures for 2015 and 2016 have been amended to accord with the current presentation. The restated comparatives which have changed materially on the amounts previously disclosed in the Performance Statements for the years ended 30 June 2015 and 30 June 2016 are disclosed in the below table.

DIMENSION/INDICATOR/MEASURE	PREVIOUSLY REPORTED 2015	RESTATED IN 2015	PREVIOUSLY REPORTED 2016	RESTATED 2016	REASON FOR RESTATEMENT
LIBRARIES Participation <i>Active library members</i>	16.1%	10.5%	15.8%	10.4%	The 2015 and 2016 were incorrectly calculated and counted members with multiple visits more than once. This has now been corrected and the value restated.

*SERVICE PERFORMANCE INDICATORS (CONTINUED)***Definitions**

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

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

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

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

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

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

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the *Home and Community Care Act 1985* of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

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

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

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

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

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

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the *Home and Community Care Act 1985* of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

"VCAT decisions upheld" is defined as rulings in favour of council's original decision and includes where there have been variations that do not materially affect the intention of the original decision. Decisions "set aside" include decisions of VCAT that set aside the original decision of council and therefore result in the original decision of Council being overturned.

Financial Performance Indicators

FOR THE YEAR ENDED 30 JUNE 2017

DIMENSION/INDICATOR/ MEASURE	RESULTS			FORECASTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	
OPERATING POSITION								
Adjusted underlying result #								
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	5.8%	(1.1%)	13.2%	2.0%	1.5%	0.9%	0.3%	The higher result is mainly due to Federal Government Assistance Grants for 2017/18 being received in advance from the Victorian Grants Commission in 2016/17; a reduction in the Landfill Rehabilitation provision mainly due to the design of the ex-Morwell Landfill having a reduced area for capping; recovery of legal costs and insurance claim refunds during 2016/17; and significant savings in electricity costs, fuel costs, postage & gas costs.
LIQUIDITY								
Working capital								
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	208.9%	271.2%	302.1%	244.2%	185.3%	241.5%	238.2%	The 2017 result includes unspent Government Grants, Capital Works in Progress and reserves. Future results are within the expected range.
Unrestricted cash								
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	96.9%	147.2%	(55.1%)	28.2%	25.6%	18.8%	31.3%	Latrobe City Council holds other current financial assets in the form of term deposits with a maturity term greater than 90 days which were previously included in this calculation.
OBLIGATIONS								
Loans and borrowings								
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	29.3%	24.9%	21.5%	21.6%	25.5%	16.2%	18.1%	The decrease in 2017 reflects the scheduled repayment of debt exceeding new borrowings. The decrease in 2020 reflects the repayment of interest only borrowings.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	17.0%	9.3%	3.7%	3.4%	3.0%	12.8%	2.1%	In 2016 an interim loan facility of \$3.4 million was repaid, leading to reduced payment requirements in 2017, and for the next 2 years. The increase in the ratio in 2020 is due to the repayment of the \$8.2 million interest only Local Government Funding Vehicle (LGFV).
Indebtedness								
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	36.9%	42.9%	30.3%	35.1%	23.8%	25.6%	25.0%	The lower level in 2017 is mainly due to a decrease in the estimated cost to restore Council's landfills after changes to EPA requirements, and the subsequent decrease in the provision for landfill rehabilitation. The lower forecast in 2019 is due to the reclassification of the LGFV interest only loan to Current Liabilities.

FINANCIAL PERFORMANCE INDICATORS (CONTINUED)

DIMENSION/INDICATOR/ MEASURE	RESULTS				FORECASTS			MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	
Asset renewal								
<i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	79.9%	64.0%	71.6%	78.4%	69.2%	69.9%	78.7%	The 2017 result reflects the increased focus on asset renewal.
STABILITY								
Rates concentration								
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	55.9%	64.3%	56.3%	63.1%	63.5%	63.7%	63.9%	The proportion has decreased mainly due to underlying revenue being inflated in 2017 because of 2018 Grants Commission funding paid in advance in 2017, a reduction in the Landfill Rehabilitation provision, and recovery of legal costs and insurance claim refunds during 2016/17.
Rates effort								
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.70%	0.72%	0.70%	0.71%	1.72%	0.74%	0.75%	No material variance
EFFICIENCY								
Expenditure level								
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,127	\$3,118	\$3,038	\$3,122	\$3,201	\$3,285	\$3,371	No material variance
Revenue level								
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,494	\$1,535	\$1,582	\$1,608	\$1,640	\$1,673	\$1,706	No material variance
Workforce turnover								
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.4%	15.0%	10.2%	11.5%	11.5%	11.5%	11.5%	After an organisational realignment in 2016, turnover has returned to normal levels.

To ensure comparability of indicators, these comparative figures for 2016 have been amended to accord with the current presentation. The restated comparatives which have changed materially on the amounts previously disclosed in the Performance Statements for the year ended 30 June 2016 are disclosed in the below table.

DIMENSION/INDICATOR/ MEASURE	PREVIOUSLY REPORTED 2016	RESTATED 2016	REASON FOR RESTATEMENT
Operating position			
<i>Adjusted underlying result</i>	(3.9%)	(1.1%)	The 2016 result has been restated as a result of an error in processing that led to an overstated loss on disposal of infrastructure assets. The 2016 underlying deficit was subsequently also overstated.
<i>Adjusted underlying surplus (or deficit)</i>			



Top: Training at Traralgon Tennis Complex
Below: a local Park Run event.

FINANCIAL PERFORMANCE INDICATORS (CONTINUED)**Definitions**

"adjusted underlying revenue" means total income other than—

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

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and

is not expected to be received again during the period covered by a council's Strategic Resource Plan

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

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

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

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

Other Information**FOR THE YEAR ENDED 30 JUNE 2017****1. Basis of preparation**

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 19 June 2017 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

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

Principal Accounting Officer



Matthew Rogers, CPA

Dated: 11 September 2017

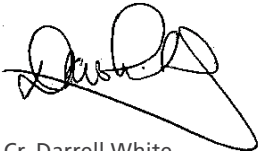
In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2017 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.

Councillor



Cr. Darrell White

Dated: 11 September 2017

Councillor



Cr. Alan McFarlane

Dated: 11 September 2017

Chief Executive Officer



Gary Van Driel

Dated: 11 September 2017

Auditor General's Report

ON THE PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2017



Independent Auditor's Report

To the Councillors of Latrobe City Council

Opinion	<p>I have audited the accompanying performance statement of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2017 • sustainable capacity indicators for the year ended 30 June 2017 • service performance indicators for the year ended 30 June 2017 • financial performance indicators for the year ended 30 June 2017 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement of Latrobe City Council in respect of the year ended 30 June 2017 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the <i>Auditor's responsibilities for the audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>

Auditor's responsibilities for the audit of the performance statement

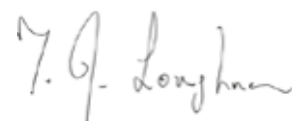
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or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

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

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

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

MELBOURNE
13 September 2017



Tim Loughnan
as delegate for the Auditor-General of Victoria

GOVERNANCE, MANAGEMENT AND OTHER INFORMATION



*Customer Information
Officer at the
Churchill Hub.*

Statutory Information

WHAT COUNCIL DOES AND HOW COUNCIL WORKS

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

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

This Act sets out the role of the elected Council that is responsible for the leadership and good governance of the municipal district and local community.

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

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

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is a formally appointed advisory committee of Council under Section 139 of the *Local Government Act 1989*.

The Audit and Risk Committee Charter was reviewed within the financial year. At the Council meeting held on 18 April 2017, the revised Charter was adopted by Council. The new Charter describes the authorities and scope of the Committee, which includes assisting Council in the discharge of its oversight on:

- Corporate reporting processes, including financial reporting processes and internal control
- Risk management
- External audit
- Internal audit
- Compliance with laws, regulations, internal policies and industry standards.

The Audit and Risk Committee consists of two Councillors and three independent external members as outlined below. Remuneration is currently set at \$1500 per meeting for the Chair and \$1000 per meeting for the other independent members.

The Committee currently consists of:

- **Independent Chair:**
Ms Beverley Excell
Appointed by Council as an independent member: 11 August 2014
Appointed by Council as Chair: 24 May 2016 (for a two-year period)
- **Independent Member:**
Ms Joanne Booth
Appointed by Council: 11 August 2014 (for a three-year period)
- **Independent Member:**
Mr Terry Richards
Appointed by Council from: 2 June 2016 (for a three-year period)

- **Council Representative:**
Cr Darrell White
Cr Alan McFarlane
(from 9 November 2016*)

*Cr Michael Rossiter was previously appointed as a Council Representative until 22 October 2016.

The Audit and Risk Committee held four meetings in the 2016/2017 financial year. All independent and Councillor members attended each of the meetings. Councillors not appointed to the Committee are also invited to attend to observe proceedings, and members of management are present to respond to questions from the Committee.

The Committee has regular reports relating to:

- External audit process and outcomes
- Internal audit planning, reports and action implementation
- Risk management
- Performance reporting
- Awareness of VAGO, IBAC and Ombudsman reports that have been tabled in state parliament (relating to local and state government agencies)
- Key policies that are being reviewed (that relate to internal controls, such as Gifts, Benefits and Hospitality Policy, Debtor Management Policy, Loan Borrowings Policy)
- These reports assist the Committee to provide the oversight and input as required under its Charter.

The following internal audits were conducted and reported to the Audit and Risk Committee in the 2016/2017 year:

- Digital Engagement
- Compliance Management
- Capital Works Planning
- Tendering and Contract Management

Statutory Information *(CONTINUED)*

COUNCIL ELECTION 2016

The Latrobe City Council election was held on Saturday 22 October 2016 via postal voting. The Victorian Electoral Commission (VEC) conducted the election on behalf of Council.

The VEC was required to undertake statutory public notices at key stages of the election on behalf of Latrobe City Council. This was also supported via state-wide media releases and radio advertisements.

The VEC provided a report on the conduct of the election, which is available on Council's website. The VEC worked with a number of providers to provide support for blind and low vision voters, voters with a disability, and culturally and linguistically diverse voters.

In comparison to the 2012 election, statistics show:

- Twenty-four candidates stood for election in 2016, in comparison to 22 in the 2012 election.
- There was an overall 1.48 percent increase from the 2012 election in voter turnout for the 2016 election.

The following two tables provide a snapshot of the key voting data for the 2012 and 2016 elections:

2012 SNAPSHOT

WARD	NUMBER OF VACANCIES	ENROLMENT	FORMAL VOTES	INFORMAL VOTES	VOTER TURNOUT	NUMBER OF CANDIDATES
Central	2	12,239	8,306	280 (3.26%)	8,586 (70.15%)	6
East	4	22,983	16,823	658 (3.76%)	17,481 (76.06%)	8
South	1	6,333	4,503	178 (3.80%)	4,681 (73.91%)	2
West	2	12,830	9,085	257 (2.75%)	9,342 (72.81%)	6
Total	9	54,385	38,717	1,373	40,090	22

2016 SNAPSHOT

WARD	NUMBER OF VACANCIES	ENROLMENT NUMBERS	FORMAL VOTES	INFORMAL VOTES	VOTER TURNOUT	NUMBER OF CANDIDATES
Central	2	12,462	8,600	303 (3.40%)	8,903 (71.44%)	6
East	4	24,439	18,052	932 (4.91%)	18,984 (77.68%)	12
South	1	6,634	4,734	278 (5.55%)	5,012 (75.55%)	2
West	2	13,091	9,490	197 (2.03%)	9,687 (74.00%)	4
Total	9	56,626	40,876	1,710	42,586	24

As part of the non-voter follow up, the VEC issued 'apparent failure to vote' notices to any person who was required to vote and failed to vote.

The VEC notified that they intend to follow through to the Infringements Court any remaining non-voters after the above process has been completed. This is a statutory process conducted by the VEC.

Before an elected candidate can act as a Councillor, the elected candidate must make a written declaration that they will abide by the Latrobe City Council Councillor Code of Conduct, as well as take an oath of office. The Swearing in Ceremony was held on Friday 4 November 2016 in the Nambur Wariga Meeting Room, Council Headquarters, Morwell.

COUNCIL MEETINGS AND DECISIONS

Council meetings are held at Latrobe City Council Corporate Headquarters in Morwell from 6pm 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.

A Council Meeting is where Councillors are able to make formal decisions on items presented to them. Council Meetings include ordinary meetings (the regular meetings held), special meetings and statutory meetings which are all open to the public (unless Council resolves to close the meeting in accordance with guidelines of the *Local Government Act 1989*).

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

Councillors also meet for confidential briefing meetings. At these meetings, Councillors have the opportunity to be briefed on strategic items in relation to Council business and on matters of interest within the community. These confidential briefing meetings are considered as Assemblies of Councillors, and records are tabled accordingly at Council Meetings, as per the requirements in the *Local Government Act 1989*.

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

COUNCIL MEETING ATTENDANCE 2016/17

During 2016/17, there were 14 Ordinary Council Meetings and three Special Council Meetings held.

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

COUNCILLOR	ORDINARY COUNCIL MEETING	SPECIAL COUNCIL MEETING
Cr Kellie O'Callaghan	14	3
Cr Graeme Middlemiss	14	3
Cr Darrell White	13	2
Cr Sharon Gibson	12	2
Cr Dale Harriman	12	3
*Cr Alan McFarlane	9	3
*Cr Darren Howe	9	3
*Cr Brad Law	9	3
*Cr Dan Clancey	9	3

*Councillors commenced term in November 2016.

Previously Elected Councillors (up until 22 October 2016)

COUNCILLOR	ORDINARY COUNCIL MEETING	SPECIAL COUNCIL MEETING
Cr Michael Rossiter	5	-
Cr Sandy Kam	5	-
Cr Christine Sindt	5	-
Cr Peter Gibbons	5	-

COUNCILLOR CODE OF CONDUCT

After a Council election, every Victorian Council is required to undertake a process of reviewing and amending its Councillor Code of Conduct within four months. Latrobe City Council completed this review and adopted its Councillor Code of Conduct at its Special Council Meeting on Monday 13 February 2017.

The Code of Conduct provides guidelines on:

- Councillor behaviour
- Conflict of interest procedures
- Dispute resolution procedures

The code affirms principles of behaviour requiring that Councillors:

- Act with integrity
- Impartially exercise their responsibilities in the interests of the local community
- Not improperly seek to confer an advantage or disadvantage on any person
- Avoid conflicts between their public duties as a Councillor and their personal interests and obligations
- Act honestly and avoid statements (whether oral or in writing) or actions that will or are likely to mislead or deceive a person
- Treat all persons with respect and have due regard to the opinions, beliefs, rights and responsibilities of other Councillors, Council officers and other persons
- Exercise reasonable care and diligence
- Use their position properly
- Act lawfully and in accordance with the trust placed in us as elected representatives
- Not make improper use of information acquired because of their position
- Support and promote these principles by leadership and example.

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

Statutory Information (CONTINUED)

COUNCILLOR REMUNERATION

From July 2016, the Mayoral allowance was \$72,834.42 and the Councillor allowance \$23,539.76 per annum, plus the equivalent of the superannuation guarantee contribution of 9.5 percent.

On 18 November 2016, the Department of Environment Land, Water & Planning (refer circular No. 42/2016) advised all councils that a notice was published in the Government Gazette G47 dated 24 November 2016, providing for a 2.5 percent adjustment to apply to all Mayoral and Councillor allowances to take effect from 1 December 2016. Under Section 73B of the *Local Government Act 1989*, a Council must increase the Mayoral and Councillor allowances by this adjustment.

Consequently, from 1 December 2016, Mayoral and Councillor allowances

were increased to \$74,655.28 and \$24,128.25 per annum respectively, plus the equivalent of the superannuation guarantee contribution of 9.5 percent.

In accordance with section 74(1) of the *Local Government Act 1989*, A Council must review and determine the level of the Councillor allowance and the Mayoral allowance within the period of six months after a general election or by the next 30 June, whichever is later.

As Council Elections occurred on the 22 October 2016, Council undertook a review process in accordance with the Act which subsequently resulted in Council resolving to set the Mayoral allowance to \$76,521.00 and the Councillor allowance to \$24,730.00 per annum, effective from the date of the resolution, being 13 February 2017.

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

The Mayor receives a vehicle for the duration of the term, a dedicated office and support from an assistant. These expenses and resources are specified in the Provision of Resources and Support to Councillors policy, a copy of which is available from the Latrobe City Council website: www.latrobe.vic.gov.au

COUNCILLORS*	TERM	ALLOWANCES	TRAVEL EXPENSES	CAR MILEAGE	INFORMATION AND COMMUNICATION TECHNOLOGY EXPENSES	CONFERENCE AND TRAINING EXPENSES	TOTAL
Cr Alan McFarlane	4 Nov 16 to 30 Jun 17	17,569	0	0	632	0	18,201
Cr Brad Law	4 Nov 16 to 30 Jun 17	17,569	0	0	641	644	18,854
Cr Christine Sindt	1 Jul 16 to 21 Oct 16	7,993	0	530	552	2,940	12,015
Cr Dale Harriman	1 Jul 16 to 21 Oct 16; 4 Nov 16 to 30 Jun 17	25,563	0	3,249	2,187	4,558	35,557
Cr Dan Clancey	4 Nov 16 to 30 Jun 17	17,569	0	2,117	613	440	20,740
Cr Darrell White	1 Jul 16 to 21 Oct 16; 4 Nov 16 to 30 Jun 17	25,563	0	2,407	2,710	271	30,952
Cr Darren Howe	4 Nov 16 to 30 Jun 17	17,569	0	0	576	0	18,145
Cr Graeme Middlemiss	1 Jul 16 to 21 Oct 16; 4 Nov 16 to 30 Jun 17	25,563	0	0	1,463	158	27,183
Cr Kellie O'Callaghan	(Mayor - 9 Nov 16 to 30 Jun 17) 1 Jul 16 to 21 Oct 16; 4 Nov 16 to 30 Jun 17	61,617	45	1,365	2,779	156	65,962
Cr Michael Rossiter	(Mayor - 1 Jul 16 to 21 Oct 16) 1 Jul 16 to 21 Oct 16	24,732	507	0	749	3,022	29,010
Cr Peter Gibbons	1 Jul 16 to 21 Oct 16	7,993	0	782	338	378	9,492
Cr Sandy Kam	1 Jul 16 to 21 Oct 16	7,993	0	1,314	987	2,095	12,389
Cr Sharon Gibson	1 Jul 16 to 21 Oct 16; 4 Nov 16 to 30 Jun 17	25,563	0	7,243	2,825	2,815	38,445

* Council elections held on 21 Oct 2016 and new Councillors sworn in on 4 Nov 2016

COUNCILLOR REPRESENTATION ON COMMITTEES

To assist Council in the delivery of a range of complex tasks, committees are constituted to undertake specific delegated functions (special committees) or to provide expert advice on specific topics or projects (advisory committees). These committees provide insight and information that Council may not otherwise receive either internally or externally. The role of a committee is to inform and enhance, not replace the role or responsibilities of Council and individual Councillors.

As at 30 June 2017, Latrobe City Council had 37 committees which Councillors are appointed to (previously 54 committees).

In addition, Councillors or Officers represent Council on another 18 external committees (previously 25).

These are as follows:

- Section 86 Special Committee (2)
- Statutory Committees (2)
- Advisory Committee (20)
- Other Committees and Groups (12)

These committees are governed under the Establishment of Council

Committee Policy, which defines the types of committees that Council currently has.

Committees that have been formally abolished in the 2016/2017 year include:

- Oldsmobile Management Committee abolished 1 August 2016
- Traralgon East Community Centre Advisory Committee abolished 22 August 2016
- Procedural Breaches Advisory Committee abolished 12 September 2016
- Mayoral Sponsorship Committee abolished 18 April 2017

COUNCIL COMMITTEE MEMBERSHIP APPOINTMENTS FROM 1 JULY 2016 TO 22 OCTOBER 2016

● Member ● Alternate

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR MICHAEL ROSSITER	CR SANDY KAM	CR CHRISTINE SINDT	CR PETER GIBBONS
Latrobe Regional Airport Board		●					●		
The Yallourn North Community Housing Committee		●							
Mayoral Sponsorship Committee				●		●			
Callignee and Traralgon South Sporting and Facility User Group Committee						●			
Crinigan Bushland Reserve Committee of Management		●							
Edward Hunter Heritage Bush Reserve Committee of Management				●					●
Friends of the Traralgon Railway Reservoir Conservation Reserve Committee					●				
Mathison Park Advisory Committee			●						
Morwell Centenary Rose Garden Advisory Committee		●						●	
Ollerton Avenue Bushland Reserve Committee of Management				●					●
Audit and Risk Committee (Pursuant to s.139 of the <i>Local Government Act 1989</i>)	●		●			●			
Municipal Emergency Management Planning Committee (Pursuant to s.21 of the <i>Emergency Management Act 1986</i>)				●	●			●	
Australia Day Advisory Committee			●					●	

Statutory Information *(CONTINUED)*

COUNCIL COMMITTEE MEMBERSHIP *(CONTINUED)* APPOINTMENTS FROM 1 JULY 2016 TO 22 OCTOBER 2016

● Member ● Alternate

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR MICHAEL ROSSITER	CR SANDY KAM	CR CHRISTINE SINDT	CR PETER GIBBONS
Braiakaulung Advisory Committee	●		●						
Chief Executive Officer Recruitment, Performance and Remuneration Review Advisory Committee			●	●		●			
Churchill & District Community Hub Advisory Committee			●						
Early Years Reference Committee	●							●	
Jumbuk and Yinnar South Timber Traffic Reference Group			●				●		
Latrobe City Cultural Diversity Advisory Committee					●				
Latrobe City Hyland Highway Municipal Landfill Consultative Committee					●				●
Latrobe City International Relations Committee			●					●	●
Latrobe Regional Gallery Advisory Committee			●						●
Latrobe Tourism Advisory Board			●					●	
Link Editorial Committee		●		●		●			
Morwell CBD Safety Group		●					●	●	
Morwell Town Common Development Plan Project Control Group		●						●	
Positive Ageing Reference Group	●						●		
Procedural Breaches Advisory Committee			●	●			●		
Rail Freight Working Group		●							●
Sale of Goods from Council Properties Committee				●			●		
Social Planning for Wellbeing Committee							●		
Traralgon Aquatic Facility Working Party					●				
Traralgon CBD Safety Committee						●	●		
Traralgon Parking Precinct Plan Working Group					●				
Victory Park Precinct Advisory Committee					●		●		
War Memorials Advisory Committee						●			
Warren Terrace Hazelwood North Recreation Reserve Advisory Committee	●						●		
Timber Umbrella Group				●	●		●		
Gippsland Carbon Transition Committee						●			

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR MICHAEL ROSSITER	CR SANDY KAM	CR CHRISTINE SINDT	CR PETER GIBBONS
Latrobe City Industry Forum				●		●			●
Latrobe City Lake Narracan User Group Committee				●					●
Latrobe City Synthetic Sports Field User Group Committee			●						
Latrobe Leisure Churchill User Group			●						
Latrobe Leisure Moe Newborough User Group				●					●
Latrobe Leisure Morwell User Group		●						●	
Latrobe Leisure Traralgon Sports Stadium User Group					●		●		
Latrobe Regional Motorsport Complex User Group		●		●					
Moe Southside Community Precinct User Group Committee				●					●
Traralgon Recreation Reserve and Showgrounds User Group Committee							●		
Traralgon West Sporting Complex User Group Committee							●		
Alliance of Councils for Rail Freight Development		●							●
Apprenticeships Group Australia Board			●	●					
Australian Paper Community Environmental Consultative Committee		●							
Baw Baw Latrobe Local Learning & Employment Network Board								●	
Gippsland Local Government Network (GLGN)						●			
Gippsland Regional Waste Management Group [GRWMG] Board		●							●
Gippstown Reserve Committee of Management Inc.				●					●
International Power Hazelwood Environmental Review Committee			●						
Latrobe Settlement Committee	●								●
Loy Yang Power Environmental Review Committee								●	
Moe Yallourn Rail Trail Committee Inc				●					●
Morwell River Neighbourhood Improvement Plan Steering Committee			●						
Municipal Association of Victoria (MAV)					●		●		
Regional Aboriginal Justice Advisory Committee (RAJAC)				●					
Regional Cities Victoria						●			

Statutory Information *(CONTINUED)*

COUNCIL COMMITTEE MEMBERSHIP *(CONTINUED)* APPOINTMENTS FROM 1 JULY 2016 TO 22 OCTOBER 2016

● Member ● Alternate

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR MICHAEL ROSSITER	CR SANDY KAM	CR CHRISTINE SINDT	CR PETER GIBBONS
Roadsafe Gippsland Community Road Safety Council				●			●		
South East Australian Transport Strategy (SEATS)		●							●
Timber Towns Victoria (Committee)							●		
Traralgon Creek Neighbourhood Improvement Plan Steering Committee							●		
TRU Energy Yallourn Environmental Review Committee								●	
Victorian Local Governance Association (VLGA)						●			●
West Gippsland Catchment Management Authority – Central Catchment Ecosystem Advisory Group [CCEAG]				●			●		
Latrobe City Trust						●			

COUNCIL COMMITTEE MEMBERSHIP APPOINTMENTS FROM 9 NOVEMBER 2016 TO 30 JUNE 2017

● Member ● Alternate

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR ALAN MCFARLANE	CR DARREN HOWE	CR BRAD LAW	CR DAN CLANCEY
Alliance of Councils for Rail Freight Development		●						●	
Audit and Risk Committee (Pursuant to s.139 of the <i>Local Government Act 1989</i>)			●	●		●			
Australia Day Advisory Committee			●				●		
Callignee and Traralgon South Sporting and Facility User Group Committee							●		
Chief Executive Officer Recruitment, Performance And Remuneration Review Advisory Committee	●	●		●					●
Churchill & District Community Hub Advisory Committee			●						
Crinigan Bushland Reserve Committee of Management		●							
Early Years Reference Committee	●								●
Edward Hunter Heritage Bush Reserve Committee of Management				●				●	
Friends of the Traralgon Railway Reservoir Conservation Reserve Committee					●		●		●

APPOINTMENTS FROM 9 NOVEMBER 2016 TO 30 JUNE 2017

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR ALAN MCFARLANE	CR DARREN HOWE	CR BRAD LAW	CR DAN CLANCEY
Gippsland Carbon Transition Committee	●								
Gippsland Local Government Network (GLGN)	●								
Gippsland Local Government Waste Forum		●			●				
Gippstown Reserve Committee of Management Inc. (by invitation)				●				●	
Hazelwood Mine Fire Health Study Community Advisory Committee	●								
Engie Hazelwood Environmental Review Committee			●						
Jumbuk and Yinnar South Timber Traffic Reference Group.			●			●			
Latrobe City Cultural Diversity Advisory Committee			●						●
Latrobe City Hyland Highway Municipal Landfill Consultative					●		●		
Latrobe City Industry Forum	●	●						●	
Latrobe City International Relations Committee			●	●	●				●
Latrobe City Lake Narracan User Group				●				●	
Latrobe City Synthetic Sports Field User Group			●						
Latrobe City Trust	●	●							
Latrobe Leisure Traralgon Sports Stadium User Group					●				●
Latrobe Regional Airport Board		●				●			
Latrobe Regional Gallery Advisory Committee			●						●
Latrobe Tourism Advisory Board			●				●		●
Latrobe Valley Mine Rehabilitation Advisory Committee		●							
Link Editorial Committee	●			●					●
Loy Yang Power Environmental Review Committee	●								●
Mathison Park Advisory Committee			●						
Moe Southside Community Precinct User Group Committee				●				●	
Moe Yallourn Rail Trail Committee Inc.				●				●	
Morwell Centenary Rose Garden Advisory Committee		●				●			
Morwell Town Common Development Plan Project Control Group		●				●			

Statutory Information *(CONTINUED)*

COUNCIL COMMITTEE MEMBERSHIP APPOINTMENTS FROM 9 NOVEMBER 2016 TO 30 JUNE 2017

● Member ● Alternate

COMMITTEE	CR KELLIE O'CALLAGHAN	CR GRAEME MIDDLEMISS	CR DARRELL WHITE	CR SHARON GIBSON	CR DALE HARRIMAN	CR ALAN MCFARLANE	CR DARREN HOWE	CR BRAD LAW	CR DAN CLANCEY
Municipal Association of Victoria (MAV)				●	●				
Municipal Emergency Management Planning Committee (Pursuant to sect. 21 of the <i>Emergency Management Act 1986</i>)				●		●	●	●	
National Timber Councils Association					●				
Ollerton Avenue Bushland Reserve Committee of Management				●				●	
Rail Freight Working Group		●		●				●	
Regional Aboriginal Justice Advisory Committee (RAJAC)				●					
Regional Cities Victoria	●								
Roadsafe Gippsland Community Road Safety Council						●	●		
Social Planning for Wellbeing Committee/Municipal Public Health and Wellbeing Reference Group	●								
South East Australian Transport Strategy (SEATS)		●						●	
Timber Towns Victoria				●	●				
Timber Umbrella Group	●			●	●				
Traralgon CBD Safety Committee							●		
Traralgon Recreation Reserve and Showgrounds User Group Committee					●		●		
Victorian Local Governance Association (VLGA)	●	●							
Victory Park Precinct Advisory Committee					●				●
War Memorials Advisory Committee	●								
Yallourn North Community Housing Committee		●				●			

COUNCIL DELEGATIONS

The elected 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. 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.

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

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

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

Council is required to review all delegations within 12 months of a Council election. Council completed this review on 29 May 2017.

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.



Flags at Latrobe City Corporate Headquarters

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. 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 to amend a personal record.

Latrobe City Council received 24 valid requests to access information under the *Freedom of Information Act 1982*, in the 2016/17 financial year. This was

a decrease of 37 compared to the previous year. Freedom of Information requests must be made in writing and accompanied with a \$27.90 application fee. A total of 13 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 24 valid 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 *Privacy & Data Protection Act 2014* and *Health Records Act 2001*.

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

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 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 2016/17 there was one reported Protected Disclosure made to Council. One report was made to Council in accordance with Section 57A of the IBAC Act.

DOCUMENTS FOR PUBLIC INSPECTION

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

Summarised below is a list of documents that are available for public inspection in accordance with 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 phoning 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 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
- 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

OTHER INFORMATION AVAILABLE TO THE PUBLIC

- The Councillor Reimbursement Policy (known as Provision of Resources and Support to Councillors Policy).
- Councillor Code of Conduct
- Records of Assembly of Councillors
- Register of Interests
- Council policies
- 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.

CONTRACTS

A list of contracts valued at \$150,000 or more for services, or \$200,000 or more for works or more of a kind specified in section 186(5) and (c) of the *Local Government Act 1989* is listed below.

Contract

- Provision of Security Services
- Provision of a Service to Locate and Prove Various Underground Assets
- 2016/17 Resealing of Municipal Roads Within Latrobe City
- Reconstruction of Tennis Courts at the Moe Tennis Club Off Botanic Drive, Moe
- Morwell Library Entrance Upgrade
- Civil Works Panel of Providers
- Footpath Replacement Program 2016/17
- Provision of Internal Audit Services
- Provision of First Aid Kits and Consumables
- Provision of Painting Services
- Reconstruction of Hourigan Road at Morwell - Stage 3
- Provision of an OHS Management Software Solution
- Reconstruction of Tarwin Street at Morwell
- Rehabilitation of Maryvale Crescent at Morwell
- Rehabilitation of Bonds Road at Yinnar
- Rehabilitation of Sara Court at Traralgon
- Rehabilitation of Ray Street at Traralgon
- Rehabilitation of Elliott Street at Traralgon
- Hyland Highway Landfill - Construction of Landfill Cap - Parts Cells 1, 2 and 3
- Design and Construct - Automated Irrigation System and Subsurface Drainage System at Harold Preston Reserve, Traralgon
- Design and Construct - Sports Lighting at Traralgon Recreation Reserve
- Supply and Deliver - Truck Mounted Elevating Work Platform
- Provision of Services of an Environmental Auditor for the Construction of Hyland Highway Landfill Cap - Parts of Cells 1, 2, and 3
- Provision of Services of TPCC & GITA for the Construction of Hyland Highway Landfill Cap - Parts of 1, 2 and 3
- Hyland Highway Landfill - Cell 5 Excavation, Fencing and Access Road
- Moe Landfill Rehabilitation - Construction of Landfill Cap and Leachate Pond
- Leachate Pumping Trial - Moe Landfill
- Reconstruction of Garibaldi Street at Traralgon - Stage 3
- Glengarry Netball/Tennis Pavilion Construction
- Provision of Unsuitable Tree Removal, Stump Grinding and Nature strip Reinstatement 2016/2017
- Provision of Urban Street Tree Pruning 2017/2018
- Latrobe Leisure Morwell Female Change Room Refurbishment
- Drainage Augmentation to Furlonger Street - Nixon Court Precinct, Traralgon - Stage 1A
- Latrobe Regional Gallery, Morwell – Refurbishment
- Provision of Air Conditioning Maintenance
- Sealing of Taylors Road at Koornalla

DEVELOPMENT CONTRIBUTIONS PLAN

From 2016/17 changes to sections 46GM and 46QM of the Planning and Environment Act 1987 require councils to provide a report on development contributions

Total DCP levies received in 2016/2017

DCP NAME AND YEAR APPROVED	LEVIES RECEIVED IN 2016 /17 FINANCIAL YEAR (\$)
N/A	N/A
Total	

DCP land, works, services or facilities accepted as works-in-kind in 2016/2017

DCP NAME AND YEAR APPROVED	PROJECT ID	PROJECT DESCRIPTION	ITEM PURPOSE	PROJECT VALUE (\$)
N/A	N/A	N/A	N/A	N/A
Total				

Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)

DCP NAME AND YEAR APPROVED	TOTAL LEVIES RECEIVED (\$)	TOTAL LEVIES EXPENDED (\$)	TOTAL WORKS-IN-KIND ACCEPTED (\$)	TOTAL DCP CONTRIBUTIONS RECEIVED (LEVIES AND WORKS-IN-KIND) (\$)
N/A	N/A	N/A	N/A	N/A
Total				

Land, works, services or facilities delivered in 2016/2017 from DCP levies collected

PROJECT DESCRIPTION	PROJECT ID	DCP NAME AND YEAR APPROVED	DCP FUND EXPENDED (\$)	WORKS-IN-KIND ACCEPTED (\$)	COUNCIL'S CONTRIBUTION (\$)	OTHER CONTRIBUTIONS (\$)	TOTAL PROJECT EXPENDITURE (\$)	PERCENTAGE OF ITEM DELIVERED
Relocation of Hovercraft Club	CF-03	Lake Narracan DCP 2015	\$6,479	N/A	N/A	N/A	\$6,479	1.29%
Total			\$6,479				\$6,479	

Local Government Performance Reporting Framework—

Governance and Management Checklist

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

The completion of the checklist is a legislative requirement under the *Local Government Act 1989*.

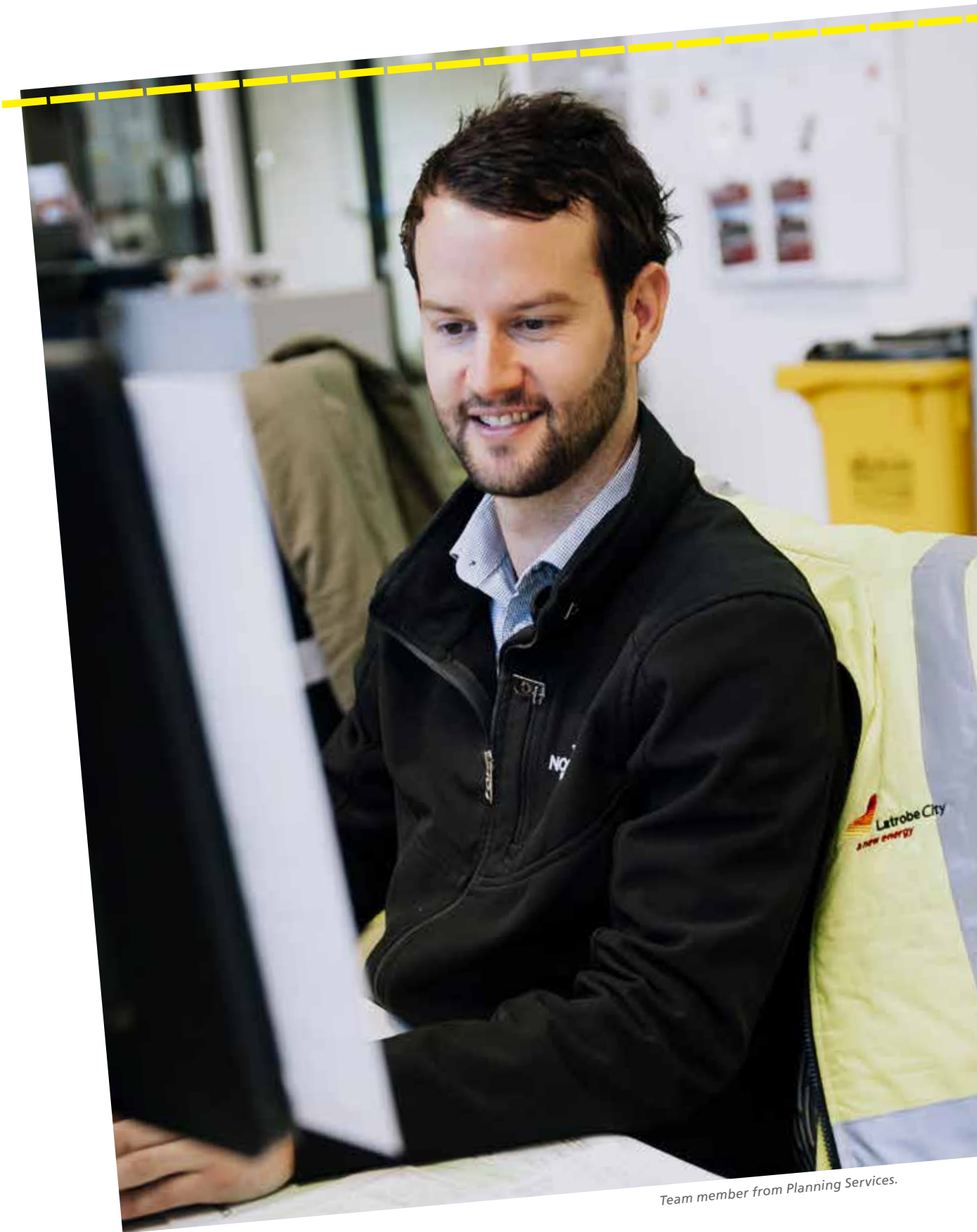
THEME	CHECKLIST ITEM	DEFINITIONS	YES / NO	DATE OF OPERATION OF POLICY AND EXPIRY DATE / STRATEGY	IF NO POLICY/ STRATEGY - INSERT EXPLANATION
1 Community engagement	Community engagement policy	Policy outlining Council's commitment to engaging with the community on matters of public interest	Yes	Community Engagement Policy Date of Operation: 14 September 2015	
	Community engagement guidelines	Guidelines to assist staff to determine when and how to engage with the community	Yes	Community Engagement Strategy 2015-2019 Date of Operation: 14 September 2015 Community Engagement Action Plan 2015-2019 Date of Operation: 14 September 2015	
2 Planning	Strategic Resource Plan	Plan under Section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years	Yes	Strategic Resources Plan 2016-2020 Adopted in accordance with Section 126 of the Act. Date of operation: 6 June 2016	
	Annual budget	Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Annual Budget 2016/2017 Adopted in accordance with Section 130 of the Act. Date of operation: 6 June 2016.	
	Asset management plans	Plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years	No	No Plans	Road and Drainage Asset management plan complete. Buildings Bridges and Car Parks scheduled for June 2018.
	Rating strategy	Strategy setting out the rating structure of council to levy rates and charges	Yes	Debtor Control Policy Part of the 10 year financial plan Date of operation: 19 June 2017	
	Risk policy	Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Yes	Latrobe City Council Risk Policy Updated and Adopted: 1 August 2016	
	Fraud policy	Policy outlining Council's commitment and approach to minimising the risk of fraud	Yes	Latrobe City Council Fraud Policy Updated and Adopted: 27 March 2017	

THEME	CHECKLIST ITEM	DEFINITIONS	YES / NO	DATE OF OPERATION OF POLICY AND EXPIRY DATE / STRATEGY	IF NO POLICY/ STRATEGY - INSERT EXPLANATION
2 Planning <i>(Continued)</i>	Municipal emergency management plan	Plan under Section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery	Yes	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act 1986</i> Latrobe City Council Emergency Management Plan Date of operation: 9 September 2015	
	Procurement policy	Policy under Section 186A of the Act outlining the matters, practices and procedures that will apply to all purchases of goods, services and works	Yes	Prepared and approved in accordance with Section 186A of the <i>Local Government Act 1989</i> Latrobe City Council Procurement Policy Date of operation: 22 August 2016	
	Business continuity plan	Plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster	Yes	Latrobe City Council Business Continuity Plan Date of operation: 30 June 2011 with minor review annually since. Full review and update currently underway	
	Disaster recovery plan	Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster	Yes	Strategy Disaster Recovery Plan Date of operation: 1 July 2013 We have a DR Plan that is reviewed regularly and was last tested 2013 – there is another test scheduled in the 15/16 year. There is no such policy around DR at present	
3 Monitoring	Risk management framework	Framework outlining Council's approach to managing risks to the Council's operations	Yes	Risk Management Framework Date of operation: 1 August 2016	
	Audit committee	Advisory committee of Council under Section 139 of the Act whose role is to oversee the integrity of Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements	Yes	Established in accordance with Section 139 of the act Audit Committee Charter Date of operation: 18 April 2016	
	Internal audit	Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Yes	Internal Audit Plan Date of operation: revised plan adopted by the Audit and Risk Committee on 2 June 2016. Pitcher Partners appointed as our current provider	
	Performance reporting framework	A set of indicators measuring financial and non-financial performance including the performance indicators referred to in section 131 of the act	Yes	Integrated Planning Framework Date of operation: 14 December 2011	

Local Government Performance Reporting Framework— Governance and Management Checklist

(CONTINUED)

THEME	CHECKLIST ITEM	DEFINITIONS	YES / NO	DATE OF OPERATION OF POLICY AND EXPIRY DATE / STRATEGY	IF NO POLICY/ STRATEGY - INSERT EXPLANATION
4 Reporting	Council plan reporting	Report reviewing the performance of the Council against the Council Plan including the results in relation to the strategic indicators for the first six months of the financial year	Yes	Integrated Planning Framework Date of operation: 14 December 2011	
	Financial reporting	Quarterly statements to Council under Section 138(1) of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure	Yes	Statements presented to Council in accordance with Section 138(1) of the Act Finance Report Quarterly statements are sent out to councillors every quarter of the financial year.	
	Risk reporting	Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Yes	1 December 2016: 12 Month Risk Management Action Plan and Strategic Risk Register Update 9 March 2017: Risk Management Activity Update 1 May 2017: Risk Management Activity Update	
	Performance reporting	Six-monthly reports of indicators measuring results against financial and non-financial performance including the performance indicators referred to in Section 131 of the Act	Yes	Quarterly performance reports are presented to Council. Date of operation: Meeting of Council following the end of each quarter.	
	Annual report	Annual report under Sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements	Yes	Considered at meeting of the Council in accordance with Section 134 of the Act Annual report is presented to the public annually. Date of operation: 1 October annually	
5 Decision-making	Councillor Code of Conduct	Code under Section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by all Councillors	Yes	Reviewed in accordance with Section 76C of the Act Councillor Code of Conduct Date of operation: 13 February 2017	
	Delegations	A document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff	Yes	S5 Delegation to the Chief Executive Officer (CEO) Date of Adoption by Council: 29 May 2017	
	Meeting procedures	A local law governing the conduct of meetings of Council and special committees	Yes	Meeting procedures local law made in accordance with section 91(1) of the act Local Law 1 Date of operation: 3 March 2014	



Team member from Planning Services.

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

Significant actions for Latrobe City Council to be delivered during the next year which are linked to a strategic direction of the Council Plan. Annual Actions are strategic in nature e.g. strategy/plan, major capital projects, significant community interest, key risk control, council resolutions or legislative requirements.

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 at 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 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 a 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 purpose of this Victorian Government legislation is the regulation of building work and building standards, accreditation of building products and constructions methods and the 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 contributes 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 as 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 on 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 Government Performance Reporting Framework

A set of State Government mandated key performance indicators common to all local councils measuring their performance.

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.

Major Initiative

Most significant actions for delivery over the current twelve month period and are linked to a strategic direction of the Council Plan.

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.

Glossary *(CONTINUED)*

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

Focussed 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 10 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 and is 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.

Index

A

Advisory Committee 129, 133-139, 145, 148
 Arts 44, 54, 90-91
 Arts program 90 -93
 Assembly of Councillors 139, 141
 Audit Committee 129, 145
 Auditor General's Report 114-117, 126

B

Best Value principles 148

C

Capital Works Highlights 68
 Capital Works 31, 70-71, 76-77, 85-88, 95, 114, 121, 124, 129, 148
 Certification of the financial statements 113-114
 Chief Executive Officer *Report 3-4*, 52, 111, 115, 125, 129, 134, 136, 139, 146, 149-150
 Code of Conduct, Council 131
 Code of Conduct, Councillor 130, 131, 141, 146
 Community Grants 148
 Community Satisfaction Survey 149
 Contents 7
 Council Committee Membership 133-138
 Council Delegations 139
 Council Meetings 66, 131, 141
 Council Plan 12, 54, 58-60, 63, 141, 146, 148-149
 Council Report Card 63
 Councillors 12, 14, 94, 111, 113, 114-117, 126-127, 129, 131-33, 139-141, 146
 Councillor Allowance 132
 Councillor Remuneration 132

D

Demographics 9
 Development Contribution Plan 144
 Documents for public inspection 141

E

Economic Development 32, 55, 91
 Economic Development Strategy 11
 Economy 43, 149
 Elected 14-15, 129-131, 139, 148
 Employment 8, 12, 32, 43, 55, 57, 64, 81, 90
 Events 12, 24, 31-32, 48, 55, 112, 115, 127

F

Financial Report 77-114, 127
 Financial Performance Indicator 121-124, 126
 Freedom of Information 57, 140, 148
 Glossary 148-150
 Governance 59, 64, 118, 128-129, 149
 Governance and Management Checklist 144-146

G

Glossary 148-150
 Governance 59, 64, 118, 128-129, 149
 Governance and Management Checklist 144-146

H

How are we performing 62
 How Council works 124
 How to obtain a copy of this report 6

I

Independent Auditor's Report 114, 126
 Index 151-152
 Information Management 140

Information Privacy 140

L

Land use planning 55, 149
 Latrobe 2026 58-60 149
 Latrobe City Snapshot 8
 Local Government Performance Reporting Framework (LGPRF) 63, 66, 144-146, 149

M

Mayor 11-15, 47, 111, 132-133, 141, 149-150
 Mission 59, 149

N

Notes to the Financial Report 77, 110

O

Objectives 59, 60, 63, 109, 110, 115, 127, 140, 148-150
 Occupational Health and Safety 54, 120
 Organisational Structure 52-53, 57
 Other information available to the public 141
 Our Employees 56
 Our Leadership 10
 Our People 50-51, 56

P

Performance Statement 70-71, 116-119, 122, 124-127, 146, 148
 Planning and Reporting 60, 84, 113, 124-125
 Population 9, 31, 66, 116, 120, 124, 149-150
 Protected Disclosures 140

Index (CONTINUED)

R

Rates 67, 72, 75, 78, 80, 84, 85, 89, 94, 96, 108, 110, 121, 122, 124, 144

Recreation 19, 54, 57, 59, 64, 76, 86-91, 107, 134, 135, 138, 142, 149

Report Card 63

Risk Management 54, 109, 129, 145, 146

S

Senior Officer 112

Service Performance Indicator 118-120, 126

Services Snapshot 54

Setting our Direction 58, 60

Statutory Information 129-138, 150

T

Tourism 55, 134, 137

Traditional Owners 2

V

Values 59, 67, 77, 80, 81, 101, 102, 122, 150

Vision 58-60, 30, 148, 149-150

Volunteers 20-29, 40, 47

W

Ward Information 14-15

Why we have an annual report 6

Workcover 93, 120

Workforce Details 56

Opposite: Staff Members at Latrobe City Morwell Headquarters.

Back Cover: The iconic Hazelwood Power Station, part of the municipality's landscape for over 46 years, ceased operation in March 2017.





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

Churchill

Churchill Community Hub
9-11 Philip Parade, Churchill

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