



Latrobe City Council
Annual Report

2020—2021





Latrobe City Council's 2019/20 Annual Report has been printed on 100% Australian paper and printed in the Latrobe Valley.

Stock used for the inside pages is manufactured at our local Maryvale Mill by Australian Paper.

Latrobe City Council is a proud supporter of the local economy.

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

Chief Executive Officer's Report

The financial year ended almost as eventful as it began. In July 2020, Latrobe City and the rest of Victoria grappled with the impacts of the COVID-19 pandemic and were on the verge of a second extended lockdown.

In June 2021, the municipality endured a flood and storm event that caused extensive damage across the City, leaving people without homes and electricity, and farmers sustaining losses of stock, fodder and fencing.

The wild weather struck on 9 and 10 June 2021. The subsequent flooding of Traralgon Creek was the largest since 1978 and affected homes and businesses in Traralgon, and was exacerbated by further rain on 11 June.

The surrounds of Yinnar were also flooded, and significant winds felled trees and blocked roads at Yinnar South, Jeeralang, Budgerie and Boolarra.

Our staff came to the fore by establishing relief and information centres, arranging access to support, opening Leisure centres for hot showers and more. We stood by the community for the following weeks and will continue to do so well into the new financial year.

The COVID pandemic is still as much part of our lives as it was in 2020/21, with lockdowns affecting businesses and disrupting Council services, however the community of Latrobe has still been able to escape infections, with no local cases reported.

Council continued to support the business community by offering programs such as Business Support Vouchers, the Latrobe City Gift Card and webinars that when combined, helped to stimulate the economy, encouraged businesses to draw on each other's services and access support. We also assisted the hospitality industry by staging outdoor music events and helping businesses to offer outdoor dining and therefore continue trading.

Council staff again displayed their ability to adapt, as office-based staff returned to working from home, and Leisure and Library staff managed the change in operating arrangements.

While it appears COVID will be part of our lives for the foreseeable future, Council as an organisation is contributing to the greater cause by encouraging Council staff to be vaccinated.

As challenging as the financial year was for the Latrobe community, it was also a year of celebration, with the openings of two major sporting and recreational facilities.

The new \$19 million Gippsland Regional Indoor Sports Stadium (GRISS) at Traralgon was officially opened in December 2020, after a redevelopment of the former Traralgon Sports Stadium.

The spectacular facility with eight courts for ball sports has since hosted major basketball and netball events, and is also a venue for gymnastics.

In March 2021, Council was proud to open yet another facility with its partners: the \$57 million Gippsland Regional Aquatic Centre (GRAC) at Traralgon.

This has the only indoor 50m pool east of Melbourne, along with eight lanes and 500 spectator seats, plus an indoor water play zone, two large water slides, a learn to swim pool, a café and retail precinct, and a 25m heated outdoor pool.

A deep bore geothermal heating system reduces GRAC's operational costs and carbon footprint.

The Gippsland Performing Arts Centre (GPAC) continues to take shape and will be a first class cultural facility capable of hosting shows people previously had to travel to Melbourne for. GPAC is on schedule to open later this year.

A long-awaited project for the Morwell community was realised in March, when Federal Member for Gippsland Darren Chester opened the \$3.75 million revitalisation of Commercial Road and Tarwin Street, as part of the Future Morwell project.

The project included new street surfacing and paving, new public open space by creating 12 parklets and a community gathering space in Tarwin Street, a shade structure and seating.

We are already seeing more people in the heart of Morwell as a result and my thanks goes to the Future Morwell Committee for driving this project.

A \$3.91 million upgrade to the Monash Reserve in Newborough was unveiled in April, featuring 10 redeveloped multi-use courts, LED lighting, a new pavilion, upgraded car parking and fortified fencing. Again we thank the federal and state governments for their support.

We are also excited to progress the Moe Revitalisation Project with funding secured for stage two, which will involve redeveloping the car park and skate park east of the Moe Service Centre.

While COVID restrictions impacted Council's ability to hold many of our regular events, we were still able to stage some. In February, GRISS was the venue for Basketball Victoria's Under 16 Country Championships.

In late March, more than 2000 fans watched the Collingwood Magpies host the Adelaide Thunderbirds and Queensland Firebirds in practice matches for the Suncorp Super Netball league, as part of the Magpies on the Road tour.

The iconic Morwell International Rose Garden Festival was held as a virtual event in November, with local and national gardening celebrities joining with the community to bring a sense of normality to the community during abnormal times.

I wish to acknowledge the contribution made by our staff – particularly during the flood and storm event of June – and our volunteers to providing services and facilities for the enjoyment of the Latrobe City community.

I was personally proud to see Council recognised as an Employer of Choice in The Australian Business Awards 2020 – the only council recognised in this category.

Council was able to demonstrate its achievements across Organisational Culture and Leadership; Employee Education, Training and Development; Employee Health, Safety and Satisfaction; Performance Management; Recognition and Remuneration.

As an employer of more than 1000 people, we are dedicated to providing our staff with a rewarding employment experience.

This Annual Report is a record of another year of achievement by everyone at Latrobe City Council, as we continue to maintain our standing as eastern Victoria's regional city, and the benefits that brings to not only our community, but also Gippsland as a whole.



Steven Piasente

Chief Executive Officer
Latrobe City Council

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 Council website www.latrobe.vic.gov.au/annualreport or a printed version can be viewed at any one of our libraries or service centres.

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

Council Offices

Morwell Corporate Headquarters
141 Commercial Road

Morwell Library
63-65 Elgin Street

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

Traralgon Service Centre and Library
34/38 Kay Street

Churchill and District Community Hub
9/11 Philip Parade

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Photography that appears within has been captured at various times throughout the period of the report. During 2020/21 the Chief Health Officer, announced restrictions on the State of Victoria to ensure the health and safety of the community. At various periods, throughout the financial year, the mandatory wearing of face masks in an indoor or outdoor environment was not required.

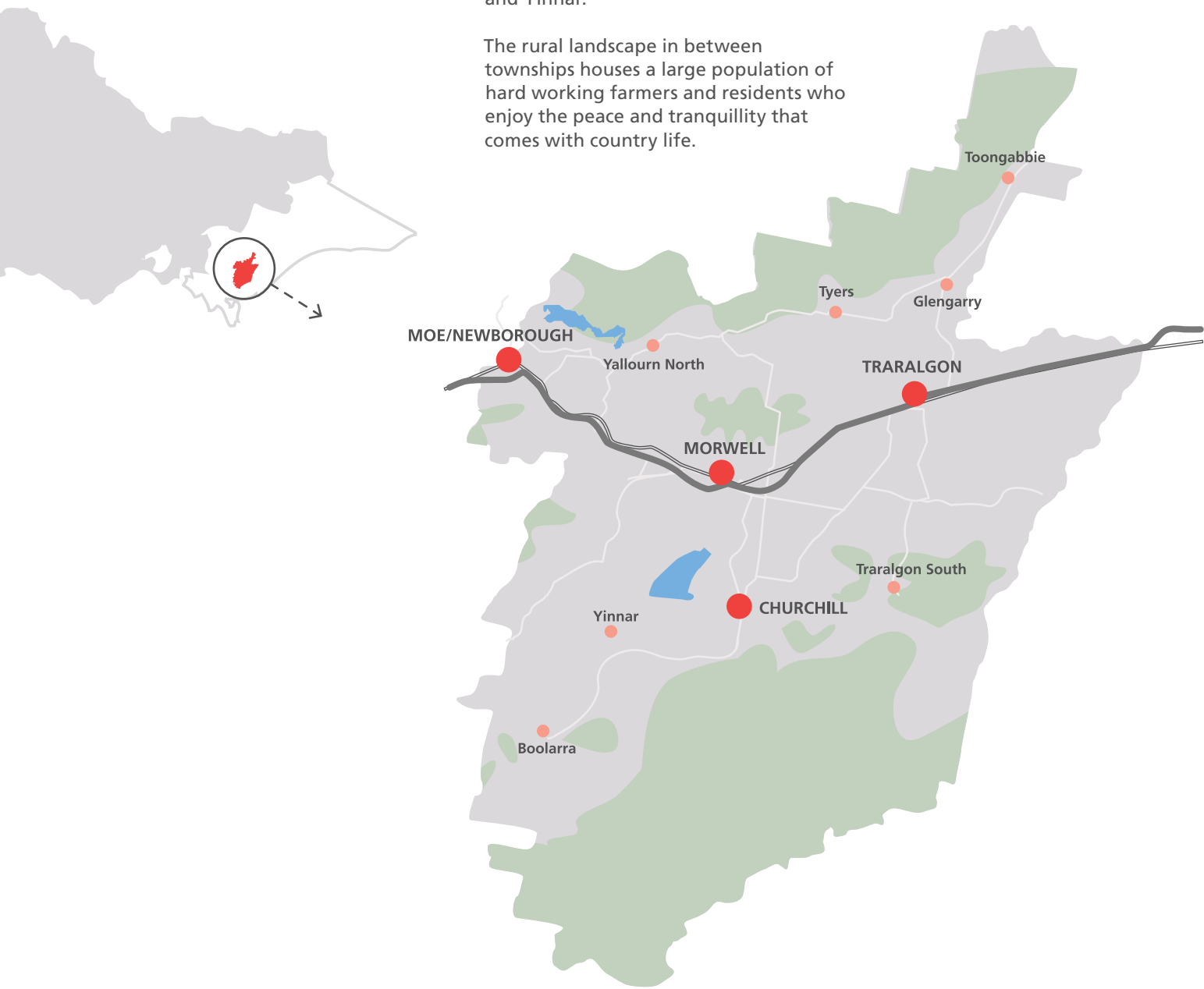
Latrobe City Snapshot & Profile

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

Latrobe City is located an hour and half drive east of Melbourne covering an area of 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.



24
early education centres

31
primary schools

9
MCH centres

12
secondary schools

3
special schools

3
TAFE campuses

1
Federation University

1
Monash University school of rural health

24
early education centres

9
MCH centres

6
senior citizen centres



75,915
population total



32,389
work in Latrobe

71.80%
homeowners



18.10%
0-14yrs

63.65%
15-64yrs

18.55%
65+yrs

90 minute
drive to Melbourne

10
skate parks

4
libraries

2 hrs
travel by train to Melbourne

\$268.75
tourism output

3 outdoor pools

7 indoor pools

127
playgrounds

14 ha
garden beds

626 ha
open space parks



Our Leadership

Latrobe City Council is a public statutory body which operates under the legislative requirements of the *Local Government Act 1989* and *Local Government Act 2020*. These Acts set out the role of the Council as an elected body to provide leadership for the good governance of the municipal district and the local community.



Mayor's Report

I love our Latrobe City. It's where I live, work, play and have the honour to serve. To me, our sense of community and the passion that we have, is something that we should all be proud of and working together we can achieve an even better community that we are rightfully proud of in the future.

As Mayor of Latrobe City for this past year, I have seen how our Council Staff and Community Members have worked tirelessly for our Community. Their dedication was particularly evident, during the flood and storm event of 9 and 10 June.

Both our staff and community members were there rolling up their sleeves to comfort people in need and to provide them with support and services to start pursuing a return to normal life. Be it clearing trees, cooking and delivering food, helping obtain medical supplies, checking on neighbours and their needs, that is what they did all in the name of selflessly serving our community – which both staff and community members already did, every day, year-round.

I have met volunteers in a variety of capacities, from the arts and tourism, to sport and general community service, and have recognised just a selection of them in my Mayor's Community Champions columns, in print and online. I'm so in awe of the breadth of their knowledge and their enthusiasm, and I thank them so very much for doing what they do for our communal benefit.

While we continued to grapple with the COVID pandemic and lockdowns, may I urge you all to continue to support each other and shop locally whenever you can to keep our economy buoyant. Too many businesses are struggling to survive and without us helping one another, they will not survive and jobs you support today are contributing to us all being part of a stronger Latrobe City tomorrow.

After the news that Yallourn Power Station will close in 2028, Council is preparing for the impact that will have on our Community by setting up a bi-partisan Transition Taskforce to further support existing Industry and encourage new Industry to our City.

Council has asked all levels and both sides of politics to support Council in any way they can. We have gone down this track before with the closure of Hazelwood Power Station and this time we need to actively transition our economy, yet we cannot and should not do it alone.

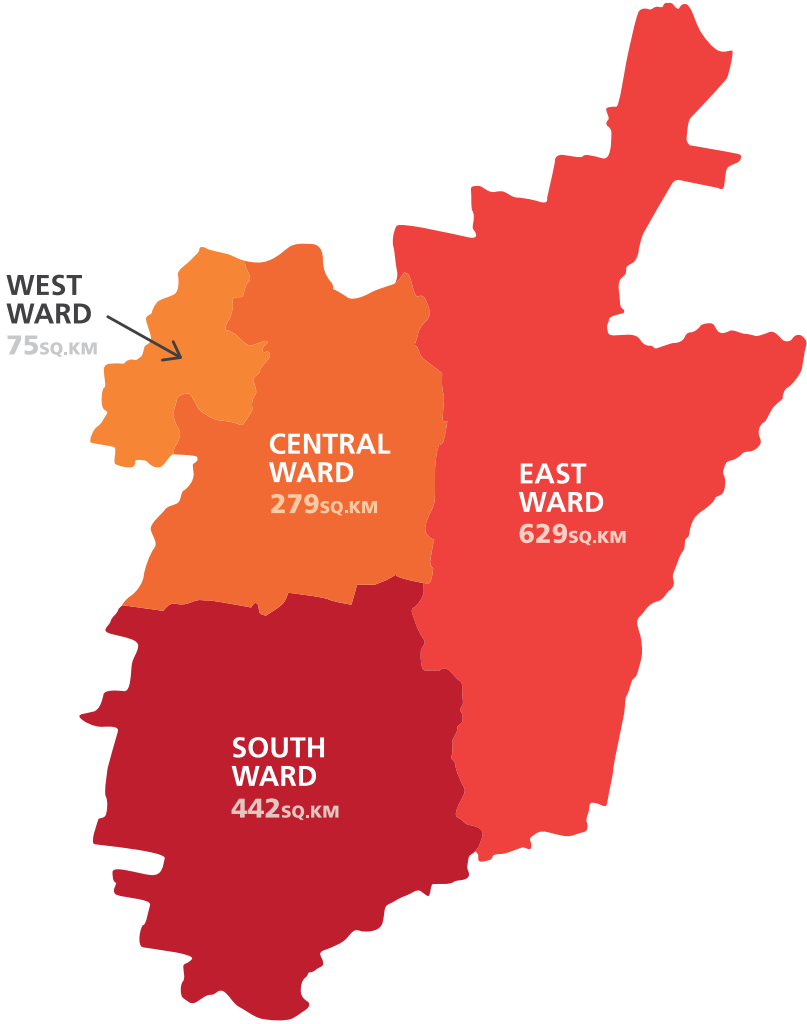
While the past 12 months has been challenging, it has also been rewarding and we deserve to celebrate what we have achieved by working together.

Cr Sharon Gibson

Mayor
Latrobe City Council

Your Council Representatives

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



**Mayor
Sharon Gibson**

West Ward

P: 0429 338 762
E: sharon.gibson@latrobe.vic.gov.au

Cr Sharon Gibson was first elected in 2008. Cr Gibson is the current Mayor of Latrobe City Council and was previously Mayor in 2013.



**Deputy Mayor
Darren Howe**

East Ward

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

Cr Darren Howe was first elected in November 2016.



**Councillor
Dan Clancey**

East Ward

P: 0428 664 968
E: dan.clancey@latrobe.vic.gov.au

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



**Councillor
Graeme Middlemiss**

Central Ward

P: 0417 379 059
E: graeme.middlemiss@latrobe.vic.gov.au

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



**Councillor
Tracie Lund**

Central Ward

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

Cr Tracie Lund was first elected in November 2020.



**Councillor
Bradley Law**

West Ward

P: 0428 560 501
E: bradley.law@latrobe.vic.gov.au

Cr Bradley Law was first elected in November 2016.



**Councillor
Melissa Ferguson**

South Ward

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

Cr Melissa Ferguson was first elected in November 2020.



**Councillor
Dale Harriman**

East Ward

P: 0419 399 093
E: dale.harriman@latrobe.vic.gov.au

Cr Dale Harriman was first elected in 2011 (following a resignation). Cr Harriman was Mayor in 2014.



**Councillor
Kellie O'Callaghan**

East Ward

P: 5128 6185
E: kellie.o'callaghan@latrobe.vic.gov.au

Cr Kellie O'Callaghan was first elected in 2008. Cr O'Callaghan was Mayor in 2012 and 2017.

The following Councillors served until the election in October 2020.



**Councillor
Alan McFarlane**

Central Ward

Cr Alan McFarlane was first elected in November 2016.



**Councillor
Darrell White OAM**

South Ward

Cr Darrell White was first elected in 1997 during the first Latrobe Shire Council elections. Cr White was Mayor in 2018 and has previously been Mayor three times.

Year in Review

27,547

meals on wheels delivered to people in need.

2,925,134

bin lifts as part of Council's kerbside waste collection.

79

sporting reserves. BMX tracks and skate parks maintained for recreation.

05

unfenced off-leash dog areas.

13,818

pets registered 10,623 dogs and 3,195 cats across the city.

2697

clients received care services in the home.

74,499

calls answered by Council's Customer Service staff.

54,042

online visits to Council's tourism website, www.latrobe.city.com

34

supervised school crossings to ensure our children and families remain safe.

6426

visitors to Council's Visitor Information Centre at Traralgon (closed during COVID lockdowns).

626ha

open space parklands maintained across the city.

10

public swimming pools maintained across the city.

01

fenced off-leash dog area.

173,511

items borrowed from Latrobe City Council libraries.

5308

vaccines administered at public, school and Council staff sessions.

821.9km

footpaths maintained across the city.

0%

keeping your rates low in-line with the rate cap.

72.2km

roads resealed.

\$61.07m

capital works completed.

1608.5km

roads maintained. combined total of sealed and un-sealed roads.

363

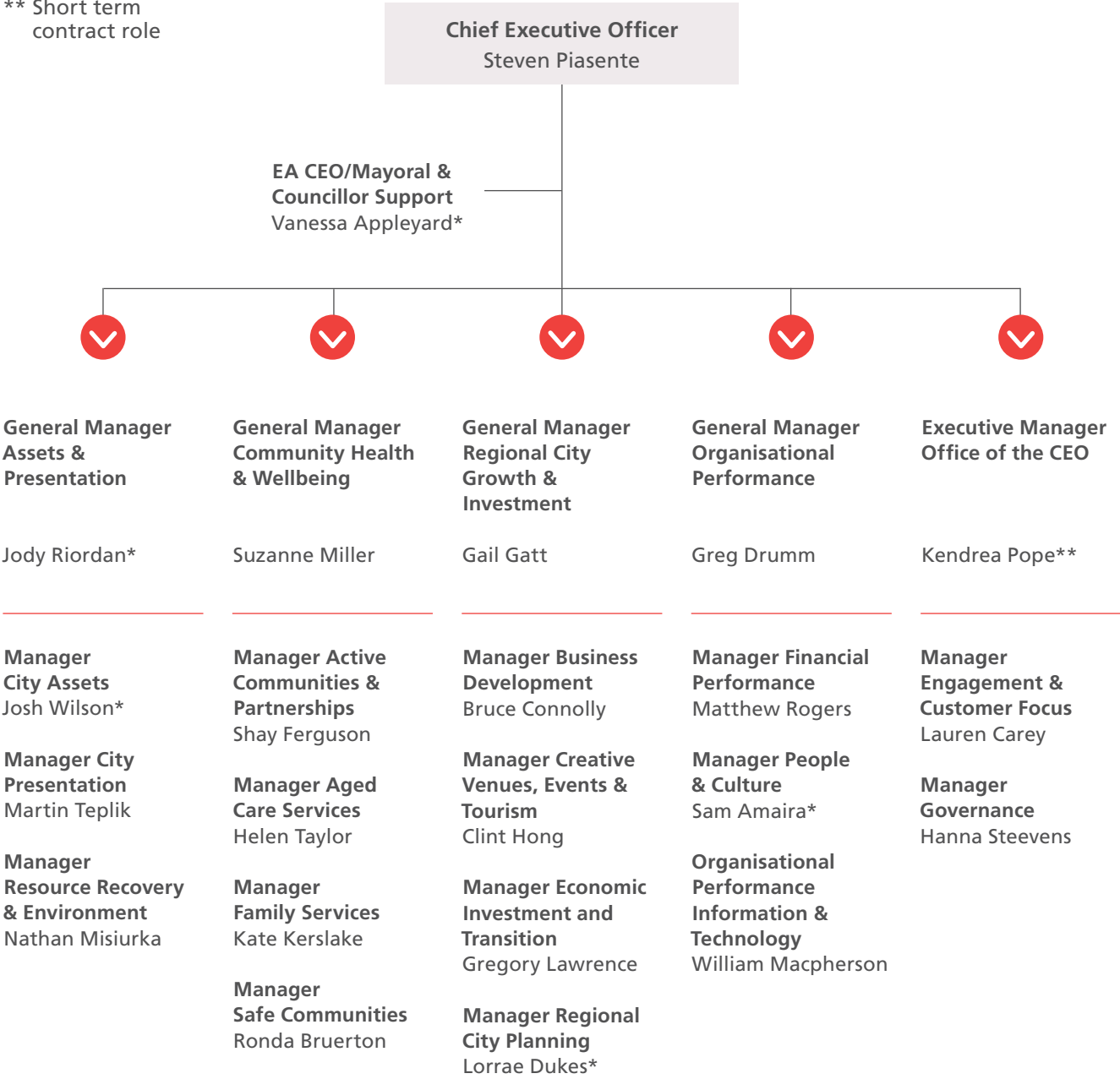
planning permits issued with a total value of \$149,552,309



Our Organisational Structure

We adopted this structure on 30 June 2021.

* Acting
 ** Short term contract role



Services Snapshot

Business Development	Culture, Leisure and Recreation	Community Information and Development
<ul style="list-style-type: none"> Investment attraction Manage, maintain and develop the Latrobe Regional Airport Support aviation-related employment at Latrobe Regional Airport Business development, support and training services Economic modelling and impact analysis New business support Startup ecosystem Pursue new business investment and employment growth Develop the Gippsland Logistics Precinct Centre for Australian Automotive Futures Leveraging opportunities from our International Relations program Concierge system to support people seeking permits and licences Business support programs and services to deal with the impact of the COVID pandemic 	<ul style="list-style-type: none"> Four indoor leisure centres and three outdoor pools 18 indoor stadiums/courts across four facilities Traffic School Lake Narracan Caravan Park and Waterway Support community committees 60 sporting reserves, BMX tracks and skate parks Maintain 626 hectares of open space parks and 14 hectares of garden beds Maintain 15.6 hectares of wetlands and rain gardens Maintain 124 playgrounds Operate Council's Airlie Bank Nursery Kerbside spraying and tree planting Garden competition Recreation planning Open space planning Latrobe Regional Gallery Latrobe Performing Arts Centre Provide halls and minor venues for community hire 	<ul style="list-style-type: none"> Operate Latrobe City Libraries and Service Centres. Provide information about Council services Recording and processing customer requests Support the delivery of Council projects, programs, strategies and action plans to deliver improved liveability within our community Advocate on behalf of our community for better health and wellbeing outcomes Improve liveability for people with a disability within the community Support a more connected and engaged community across all ages Creation of training and employment opportunities for Indigenous people Promote social justice and reconciliation
Aged Care Services		
<ul style="list-style-type: none"> Home, personal and respite care Home maintenance/ramps and rails Social support programs Meals on Wheels Operation of Senior Citizens Centres Support community volunteering Health promotion Welcoming and Age Friendly clubs/groups Support for Carers program Access and Support for Dementia and People at Risk 		





Environment

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

Planning and Building

- Land use planning and permit application 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

Events and Tourism

- Develop, attract and promote events
- Support the facilitation of community events
- Deliver Council civic events and festivals
- Support Latrobe City and broader Gippsland's tourism industry
- Operate a Visitor Information Centre

Libraries

- Operation of public libraries
- Provision of library education programs
- Resourcing the community, including fiction and non-fiction books, CDs and DVDs, audio books, and hard copy newspapers and magazines
- Digital library resources including eBooks, eMagazines, eAudiobooks, eMovies, eNewspapers, family history databases, research and learning tools for leisure, skills updates and employment prospects
- Community access to meeting rooms, learning spaces, public computers and free WiFi
- Author talks and guest speakers/presentations, including an annual literary festival
- Community outreach program
- Preschool Storytime, Baby Bounce, Wiggle and Jiggle, school holiday program and other children's activities
- Work experience placements
- COVID-19 response included: Click and Collect, home delivery, Ask a librarian phone back service, Online Storytime, and Online Book Chat

Family and Children

- Pre-school and pre-kinder services across 24 preschools
- Maternal and Child Health services provided throughout the municipality
- Enhanced Maternal and Child Health program
- Best Start program
- Early Years participation
- Preschool Field Officer program
- Long Day Care offered in three locations
- Supported Playgroups
- Parent education
- Immunisation program
- Home and Community Care - Program for Young People
- Regional Assessment Service

Infrastructure

- Design and deliver Council's capital works programs
- Engineering investigation and support
- Planning for Latrobe City's current and future civil infrastructure needs
- Ensure existing infrastructure is maintained and protected
- Asset management planning and traffic management
- After hours emergency works for buildings
- Fixed plant and equipment maintenance and upgrades
- Maintenance of buildings, roads and drainage
- Vegetation and other Council-owned assets
- 723km of paths maintained annually

Running Council

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

Safe Communities

- Implementing Council local laws, environmental health and building standards, and relevant legislation
- Registration and monitoring of food and beauty premises
- Waste water management
- School crossing supervision
- Fire risk preparedness and prevention property notices
- Animal management services, including:
 - Pet registrations, collection of stray pets and managing pound operations
 - Cat cage hire, animal adoptions and microchipping
 - Pet care education and promotion
- Unsightly/unsafe property inspections
- Road safety education and awareness
- Legal proceedings
- Building permit services
- Pool barriers audit program
- Ensure adherence to the *Building Act 1993*
- Building audits and education
- Plan and prepare communities for disasters
- Provide emergency support to disaster-affected communities

Waste and Recycling

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



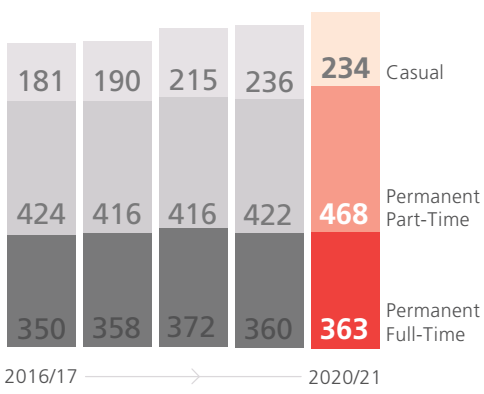
Our Employees

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

Council values and celebrates the contribution of its people, working together in the spirit of honesty, teamwork and trust. As of 30 June 2021, Latrobe City Council employed 1065 people, comprising full-time, part-time and casual employees.

The number of equivalent full-time positions (FTE) is 613.5. The total number of employees has increased by 47 from the previous year.

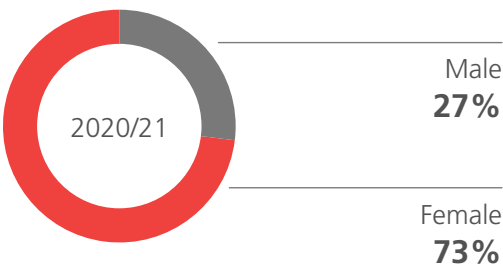
Staffing Levels



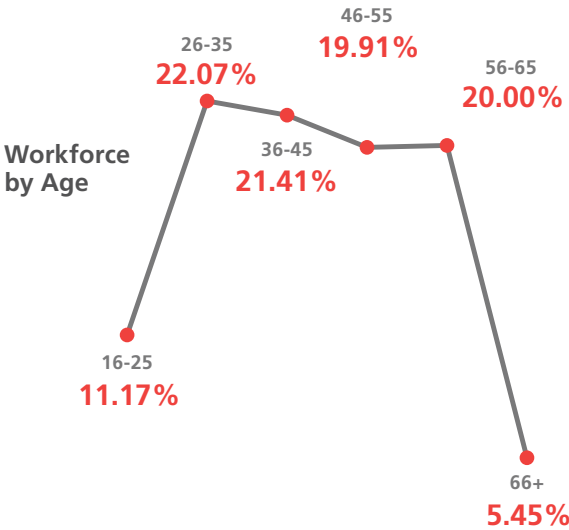
1065
staff overall
with a 11.5% increase since 2016/17.



Gender Profile



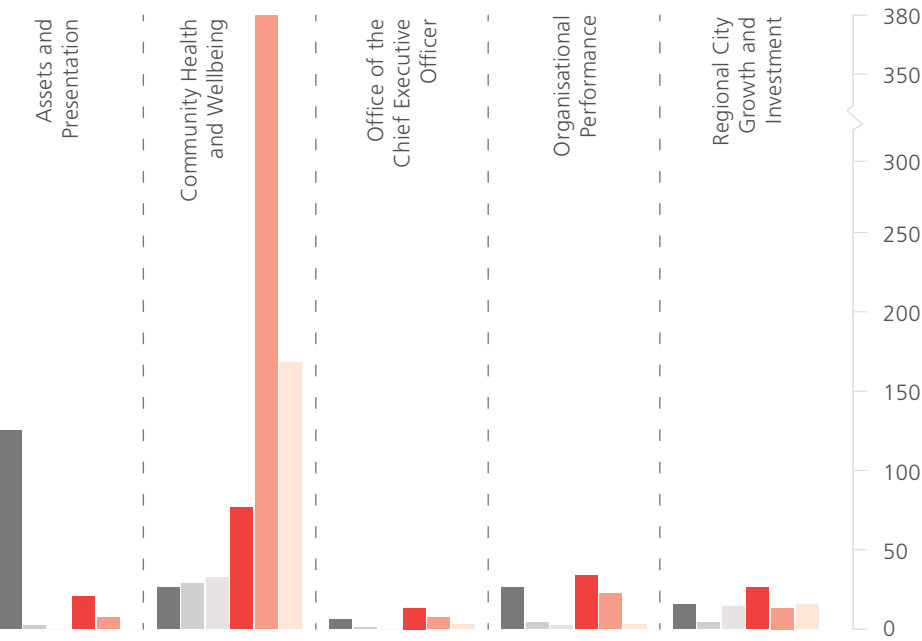
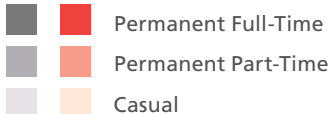
	Male	Female
2016/17	27%	73%
2017/18	27%	73%
2018/19	28%	72%
2019/20	26%	74%



Council Staff

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

Male | Female

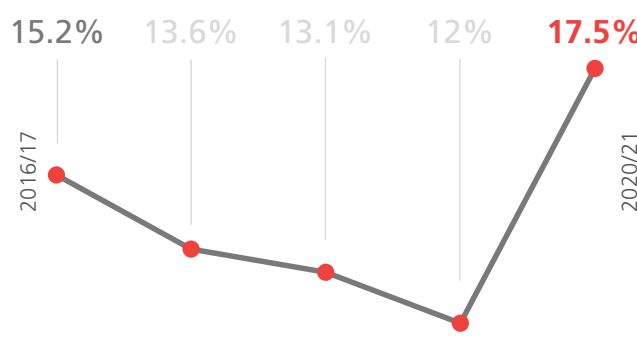


Salary Banding for 2020/21

Male	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	52	14	35	32	27	9	23
Permanent Part-Time	10	2	15	4	4	2	0	0	2
Casual	1	2	27	12	2	0	0	0	4
Female	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	6	32	30	48	17	9	21
Permanent Part-Time	96	36	25	86	30	23	2	3	128
Casual	5	26	68	25	3	0	0	1	58

2.3%
increase in
staff turnover

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



Our Direction



Council Plan
Objectives
2017-2021

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

In aspiring to achieve these goals, Council is guided by the Latrobe 2026 Community Vision, created with residents and businesses as a showcase of the community's aspirations for the development of the region. We are drawing on the City's standing as a hub of health, education and community services, and as an industrial and economic powerhouse for Gippsland and the state.

Council adopted the Community Vision in 2010 and this document now underpins the Council Plan 2017-2021, and Council's activities and services.

Our Vision and Council Plan 2017-2021

Latrobe City Council is committed to achieving the Latrobe 2026 Community Vision through Council's values.

These are providing affordable people-focused community services; planning strategically and acting responsibly in the best interests of the whole community; accountability, transparency and honesty; listening to and working with the community; respect, fairness and equity; and being open to and embracing new opportunities.

Councillors are committed to focusing on employment, economic growth, liveability and a connected Latrobe City.

The Latrobe City Council Plan 2017-2021 sets out seven objectives that Council aims to achieve through 14 strategies. Council's success is monitored by indicators. The objectives are:



01
Job creation
and economic
sustainability



02
Education
and training
outcomes



03
Liveability
and
connectedness



04
Amenity and
accessibility of
Council services



05
Connected,
engaged and
safe communities



06
Ensure Council
operates openly,
transparently and
responsibly



07
Grow the
civic pride
of our
municipality

Council still there for the community

Re-emerging from COVID-19 lockdowns was an exciting time for community groups but not without its challenges, as groups came to terms with loss of income and members re-connecting.

Latrobe City Council staff worked with groups to make the transition as smooth as possible by offering online training sessions, and providing grants to assist with operations and recovery efforts.

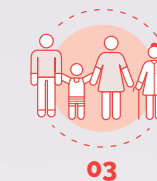
Staff also surveyed community group members about how members were coping, their strategies for managing in the COVID-19 pandemic, health and wellbeing impacts, and identifying any need to support recovery for individuals and communities.

The Rotary Club of Hazelwood received an Operational Support Grant of \$888 from Council. This paid for the club's insurance at its events for a year, as well as the audit of the club's financial statements.

"Due to the Council grant, we were able to run our first fundraising barbecue at Bunnings since the COVID-19 pandemic and get back to earning money for community projects. For this we are very grateful to Council," club Treasurer Heather Beaton said.

Council Plan objectives met:

See objectives on page 25



03



05



07

"Being an integral part of the community and a positive influence within it is a key objective of the club"

"We had been unable to fundraise due to COVID-19 and so any financial support we receive eases the pressure on our bank balance and enables us to give as much money to the community as we can."

An Operational Support Grant of \$2500 helped Gippsland Ranges Roller Derby members return to training after the two COVID-19 lockdowns of 2020.

"We used these funds to pay the insurance for the skates and equipment located in our store room in Traralgon," roller derby President Bodey Darvill said.

"The grant also allowed us to do a deep clean of our shed in Traralgon before activities re-started in late November 2020, as well as purchase sanitising equipment and cleaning supplies for ongoing compliance with COVID requirements."

The grant from Council was timely, given the roller derby group was up to \$20,000 out-of-pocket due to losing training fees while the COVID lockdowns were in place.

"The funds from Latrobe City allowed us to pay one of our largest bills – insurance - and to make sure our shed was a safe and sanitary space to welcome skaters back to after the restrictions on indoor activities eased," Bodey said.

Gippsland Ranges Roller Derby has run in Latrobe City for 10 years. The group runs a social and recreational skating program called Gippy Ranges SkateFit for people aged 16 and over. No experience is necessary. All skates

and equipment are provided in a welcoming and friendly environment.

"We also run a competition arm, with our Gippsland Ranges Roller Derby team competing across Victoria in the annual State-wide Stampede Tournament," Bodey said.

Moe Football Netball Club was delighted to receive a Fundraising Support Grant of \$2500 from Council to assist with fundraising costs.

The grant was used to purchase goods and services from local businesses as prizes in the club's 2021 fundraising raffle – a win-win for the club and the business community.

"Being an integral part of the community and a positive influence within it is a key objective of the club," club Treasurer Liesl McKay said.

"This grant will help us raise money to support our junior and senior football and netball teams, whilst also supporting our local business community."

The Moe Football Netball Club is a community not-for-profit sporting club run by volunteers, and fields seven junior and five senior netball and football teams in the Gippsland League.

GRAC lures fitness fans by the thousands

More than 51,165 people used the \$57 million Gippsland Regional Aquatic Centre (GRAC) from when it opened in March until 30 June 2021.

The world-class swimming and leisure facility was officially opened by Victorian Minister for Regional Development Mary-Anne Thomas, Member for Eastern Victoria Harriet Shing and Latrobe City Council Mayor, Cr Sharon Gibson on 23 March, ahead of opening to the public on 25 March.

GRAC was the flagship project of the State Government's \$85 million Latrobe Valley Sports and Community Initiative and features the only indoor 50m pool east of Melbourne, along with eight lanes and 500 spectator seats.

In a regional first, a deep bore geothermal heating system reduces GRAC's carbon footprint and significantly decreases operational costs.

The YMCA managed centre also features: an indoor water play zone, two large water slides, a learn to swim pool, a café and retail precinct, and a 25m heated outdoor pool.

There is also a warm water program pool, spa, sauna and steam rooms, wellness centre, wet and dry change facilities, and gymnasium with group fitness rooms.

"The Gippsland Regional Aquatic Centre has been on our community's agenda for many years and Council is privileged to have made this a reality thanks to the incredible support of the State Government," Cr Gibson said.

"This world class centre puts Latrobe City firmly in the spotlight when it comes to swimming and leisure facilities, major aquatic events and use of geothermal energy, and stands as a testament to community spirit."

The public opening was a three-day

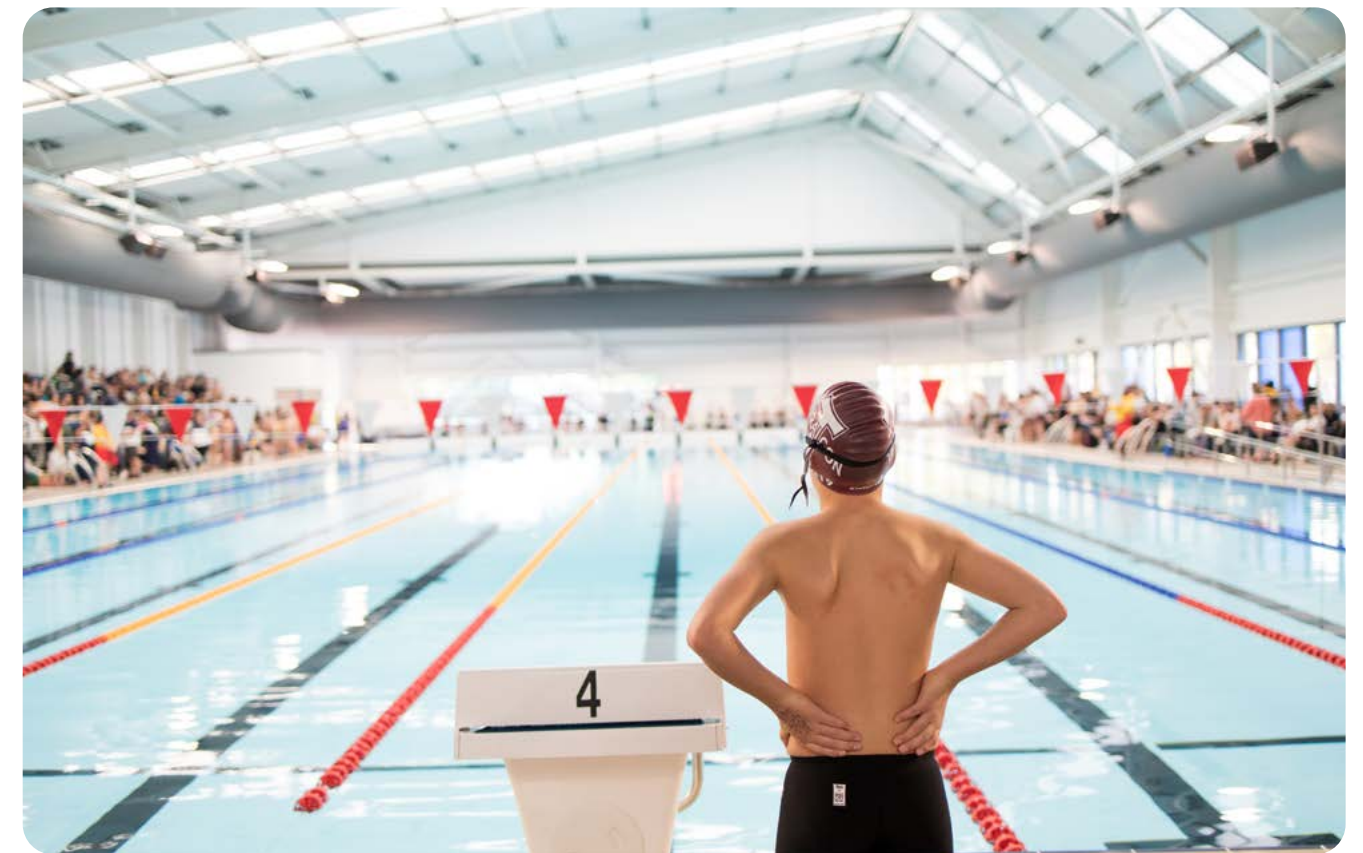
extravaganza, with a pool party, inflatable ninja course, water slides, TRFM outdoor radio broadcast, gentle water exercise class, yoga and zumba.

GRAC is located at the Hubert Osborne Park site, which formerly hosted the Traralgon Outdoor Pool and Traralgon Croquet Club.

The club was relocated to a new home at the sporting precinct at Glenview Park, a move supported by funding from the Latrobe Valley Sports and Community Initiative administered by the Latrobe Valley Authority.

GRAC was also funded by Sport and Recreation Victoria and Council, and is now managed by the YMCA on Council's behalf.

Led by ADCO Constructions, the build provided an economic boost for local contractors, with more than 500 workers engaged in more than 10,000 hours of labour on-site.



What is at GRAC?

- 8 lane 50m indoor pool
- 25m heated outdoor pool
- Indoor water play zone
- Two large water slides
- Learn to Swim pool
- Warm water program pool
- Spa, sauna and steam rooms
- Wellness centre (coming soon)
- Gymnasium
- Group fitness rooms
- Cafe and retail precinct
- 500 spectator seats
- Geothermal heating system
- Meeting room



Since GRAC opened in late March until 30 June:

- 33,380 casual swimmers have enjoyed GRAC pools
- 7877 water slide passes were purchased
- There have been 4081 visits to the gymnasium
- 3 events held.

Through the Door



Nola swims into history

Nola Kirkpatrick of Traralgon was the last person to use the Traralgon Outdoor Pool before it closed on Monday 11 March 2019 and also the first person in the 50m indoor pool at GRAC.

Braving an autumn chill, she stayed in the outdoor pool until the lifeguards announced it was closing time.

"I wanted to make the most of this great old-fashioned resource whilst it was still there. It really was the 'end of an era,'" she said.

"Our family and friends had spent a lot of time there, had enjoyed many ice-creams in the sun, lap swimming and the odd Splash and Dash event."

When GRAC opened, Nola was the first in the queue with her daughter Mia Griffiths, who was with her in the old pool's final moments.

"We thought that since we were last in the old pool, it would be a novelty to also be first in the new pool," Nola said.

"Swimming in the new outdoor pool on opening morning was sensational. It was still dark and raining lightly, but the water was warm. Those who enjoy swimming in the outdoors year-round will be glad that this has been included as part of the complex."

Nola described the 50m indoor lap swimming pool – the only one east of Melbourne – as "very impressive".

"With its movable boom, diving blocks and spectator seating, it is well set to host swimming carnivals," she said.

For Nola and her swimming friends, the old pool was a social hub for the community.

"It was like stepping back in time and gave us an opportunity to re-live our childhood. Many will share memories of learning to swim and dive there, swimming carnivals, and Splash and Dash triathlons, all in pretty cold water," she said.

"I won't forget those quirky mermaid and mermen changeroom signs, the toddlers pool with fibreglass fountains, diving boards, the old picnic tables, turnstiles, the old kiosk and the historic water fountain. For a short time in the nineties, there was also a large water slide."



Home Library Service provides a lifeline

Although the service has existed for a number of years, demand for Latrobe City Library's Home Library delivery service skyrocketed during the first COVID-19 lockdown. Throughout the 2020/21 year, 12,105 items were delivered via 3355 home visits.

The service was initially established so that older residents, or those with barriers to physically visiting a branch, could continue to receive loan items from the library service. Library staff members contact the Home Library patrons to discuss their preferences and make suitable selections from the collection. A team of volunteers then deliver the items across the City.

However, the pandemic meant the volunteers were unable to continue their valuable contribution, even

though it was vital that the service itself carried on. As leisure centres and the performing arts centre shut their doors to the public, members of those Council teams stepped in as delivery drivers to ensure the Home Library service customers received their books and DVDs.

The service was expanded outside of the government's 'at risk' category to include all library members and book bundles were offered for genre reading, family packs and more. Feedback in the form of notes and thank-you cards, and social media comments, showed how much of a 'lifeline' the Home Library patrons considered the service. In fact, the service went global, when a Home Library service patron received books and read them over Facetime to their grandchildren in London.

Latrobe City Council Mayor, Cr Sharon Gibson said the service was a lifeline and a not just for the vulnerable, but a boost to mental and social health and wellbeing.

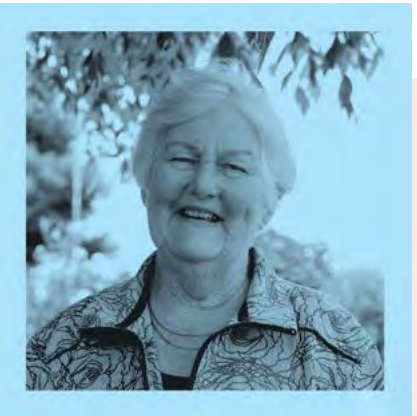
"During the challenge of lockdowns, our Home Library service ensured members were able to continue to read, watch, listen and learn as part of our library community," she said.

Perhaps this comment on the library Facebook page encapsulates the value of the service:

"This is a fabulous service. My 92-year-old father is loving it. He would be lost without books to read – thanks to those organising this service."

New campaign celebrates the elderly

AGE≠OLD



The contributions of senior citizens to Latrobe City were celebrated as part of the AGE≠OLD campaign that promoted positive attitudes towards ageing and the elderly.

The campaign raised awareness of elder abuse and ageism, and was launched in December 2020 at the Moe Library and Service Centre.

AGE≠OLD reads ‘age does not equal old’. The project was instigated by the Latrobe Elder Abuse Prevention Network, of which Latrobe City Council is a part.

“The elderly are respected and valued members of our community, and that’s why Latrobe City Council celebrated their contributions,” Latrobe City Council Mayor, Cr Sharon Gibson said.

The campaign saw life-sized photos of older Latrobe residents erected around the City with a short story about their contribution to our community.

The public could see the posters on such Council buildings as the Moe Library, Moe Town Hall, Churchill Hub, Morwell Leisure Centre and Traralgon Library, as well as Mid Valley Shopping Centre in Morwell.

Council staff provided campaign postcards to businesses to raise further awareness and posts ran on Council’s social media pages concurrently. The public was invited

to take photos of themselves with the posters, using the hashtag #ageold.

People could go to the website www.latrobe.vic.gov.au/ageold for information about the project, elder abuse and support agencies able to help.

Members of the public were encouraged to write a positive story about someone they knew or thank someone for their community work or contribution to family and friends.

The citizens featured on the posters were Bruce McMaster of Morwell,

Peter Grey of Churchill, Audrey Cooling of Yallourn Heights, Del Mathews of Morwell, Soula Kannellopoulos of Narracan (Moe South), Ian Gibson of Jeeralang Junction, Aunty Vera Briggs of Moe and Maryanne Huggins of Traralgon.

A native of the Greek island of Corfu, Soula came to Australia in September 1964 and became a nurse.

“Amongst the many skills and attitudes instilled in me in my upbringing was respect and to help others,” she said.

Another participant, Audrey, said the campaign was an effective way of commemorating the positives of being a senior citizen.

“I volunteered for the campaign to show people age is only a number, not a disability,” she said.

Elder abuse can take various forms, including: financial, physical, psychological, emotional and sexual abuse or neglect. This includes being subjected to such abuse as being coerced into handing over property and money.

It is estimated that 1 in 10 older people will experience elder abuse. It can be carried out by someone known to the older person, like family members, a friend, a professional or a paid caregiver.

Ageism is stereotyping, discrimination and mistreatment based solely on a person’s age. When directed towards older people, it comes from negative attitudes and beliefs about what it means to be older. At its extreme, ageism contributes to elder abuse.



Council
Plan
objectives
met:

See objectives
on page 25



02



05

TV lifeguard dives into water & fire safety

A celebrity lifeguard and full-time firefighter spread safety messages throughout Latrobe City in April. Trent Maxwell – better known as Lifeguard Maxi – has his own Maxi the Lifeguard book series for children that promote water safety.

Maxi is well placed to provide safety information, given he was the youngest professional lifeguard to work at Australia's world-famous Bondi Beach – the “busiest beach in Australia” according to Maxi.

Starting as a 16-year-old trainee, his 14-year career was well documented on award-winning Australian TV show Bondi Rescue. He then became a firefighter with NSW Fire and Rescue. During the April school holidays, Maxi visited Gippsland Regional Aquatic Centre at Traralgon, Morwell Library, Latrobe Leisure Churchill and Moe Library to talk with more than 160 locals about his books.

The book titles for children aged eight to 12 and are ‘In Deep Water’, ‘The Stormy Protest’ and ‘Beach Battle’. There is also a picture book for younger children, called ‘Beach Rescue’.

“Maxi talked about water safety with a focus on inland waterways to cater for local families, as well as about rips, swimming between the flags and how to call for help,” Council’s Libraries Coordinator Victoria Whelan said.

“As a firefighter, he also spoke about fire safety at the home, how to make a map of your house to know the exit routes, what to do in a fire, where to gather and the importance of practising safety drills.”

Maxi’s visit was the result of a partnership between Latrobe Libraries and Latrobe Leisure.

“It was also great to meet the lifeguards at the new aquatic centre, and offer them encouragement and support as lifeguarding is such a rewarding career,” Maxi said.



“We met many new friends on the visit. We look forward to building on the work we have started with the team at Latrobe City and bringing more valuable lessons to the region in the future.”

Latrobe Libraries holds programs, activities and events during school holidays to offer free or low-cost options for local families.

“Offering children fun activities, with a view to promoting literacy, means we can demonstrate the value of a library membership, attract reluctant readers or simply get people through our doors who may never have been inside a library,” Victoria said.

Maxi’s presentations were among the most popular library events in recent years.

“After the pandemic lockdown, where we were unable to have families in our libraries, it was wonderful to see the enthusiastic response to the events,” Victoria said.

“In addition, there were many young boys in the audience, a cohort that traditionally does not engage in reading or library patronage, who clearly saw Trent Maxwell as a strong role model in their lives.

“One outstanding aspect was his ability to authentically relate to members of the audience – from the very young and teens to parents and grandparents.

“He was a refreshing and generous presence in our City, offering more than just a smile and wise words; he gave freely of his time and that will stay with the young people who attended for a long time.”

Latrobe Leisure is reinforcing Maxi’s water safety messages through its Learn to Swim Program.

During his visit, Maxi posted to Instagram, capturing the activities and promoting Gippsland globally to his 172,000 followers.



Hyland Landfill gas to generate renewable electricity and savings for the community

Council Plan objectives met:

See objectives on page 25

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Using methane as a landfill by-product to generate electricity will not only benefit the environment but also save Latrobe City Council up to \$900,000 per year in electricity costs.

Council has installed a Biogas Generator (a gas engine) at Hyland Highway Landfill to use harvested methane to generate electricity.

Methane is produced as a natural product of decomposition at the landfill and is 25 times more damaging to the environment than carbon dioxide.

The biogas will be cleaned and dried, and be used to drive a 900 kW Jenbacher landfill gas-to-power engine instead of being flared off (destroyed).

The project means Latrobe City is at the forefront of Victorian councils adopting innovative waste management and renewable energy technologies.

“The Biogas Generator project has the capacity to offset 70% of Council’s electricity demand, saving millions of dollars to Council over the life of the landfill,” Latrobe City Council Mayor, Cr Sharon Gibson said.

“This project will reduce the environmental impacts of Council’s activities and carbon footprint for Latrobe City Council. Although this technology is widely used in private waste management facilities, only a few councils are using similar energy technology.”

The project will save Council money that will be reinvested in other projects and services that will benefit the community.

The engine was installed at Hyland landfill in February 2021, and was commissioned and connected to the electricity grid in May 2021.

Council has funded the \$1.6 million project from its landfill reserve and will return the funds to this reserve within an attractive timeframe for a return on investment.

Modelling shows that up to 7000 MWh of electricity would be generated per year when the generator is operating at full capacity – enough to power 500 homes and offsetting 70% of Council’s current electricity load of around 9000 MWh per year.

The public will be able to learn more about the new Biogas Generator at the EcoGeni Sustainability Education Centre, also located at the Hyland Highway Landfill.

The centre has been used by school groups as part of Council’s WasteSmart tours of its waste and recycling facilities for the past 10 years.

The centre is being redeveloped to include information and resources about sustainability and renewable technologies, and will reopen on 1 September 2021.

Any school wishing to make a booking for a WasteSmart tour or visit the Education Centre should contact Resource Recovery and Environment at Latrobe City on 1300 367 700 or at RRE@latrobe.vic.gov.au

Unemployed welcome the chance to work



Council Plan objectives met:

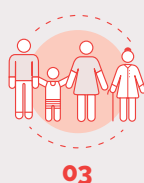
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When many people lost their usual jobs due to the COVID-19 pandemic, the State Government instigated the Working for Victoria initiative.

The \$500 million program was designed to create work by funding positions that helped the community and contributed to Victoria's ability to respond to the pandemic.

Latrobe City Council employed 61 people under the Working for Victoria scheme, working across the areas of outdoor maintenance, community development, community grants administration, environmental works, Meals on Wheels, communications and business development.

These roles were key to the delivery of projects such as the clean-up of Waterhole Creek at Morwell, supporting Council's COVID-19 Helpline, supporting local businesses with accessing government support

and grants, and maintaining the delivery of meals to vulnerable members of the community.

There was also a team making sure the amenities of Latrobe City were kept clean and safe for the community to use.

The roles were funded for six months under the program and the majority of the roles were filled by local people.

The Working for Victoria program enabled Council to provide meaningful employment while providing a range of additional services to the community.

The members of Council's Bush Crew program were among the Working for Victoria participants.

They worked outdoors across the municipality to undertake brushcutting, spread mulch, remove

weeds and rubbish – including trolleys and bikes from waterways – and plant trees.

Among the areas to be beautified by Bush Crew members were Moe Botanic Gardens and Narracan Creek.

The Bush Crew members provided Council with extra resources to undertake maintenance works.

The creek line and the water are cleaner from all the litter that was removed, and the clean-up along the path and plantings has made the area much more attractive to users.

The Bush Crew started operation in July 2020 and attended to sites around Latrobe City, planting more than 22,000 trees, shrubs and grasses.

The Bush Crew staff came from a range of employment backgrounds, from engineering and labourers, to accounting and retail.



10

shopping trolleys removed from Waterhole Creek



02

bikes & 3 shopping trolleys pulled from Narracan Creek



37

truck & trailer loads of green waste recycling



04

truck loads of mulch spread at Waterhole Creek



05

truck loads of garbage removed from waterways



4.3k

grasses, shrubs & trees ordered



"We hope that girls and young women will be inspired to play netball and to follow the Magpies."

National netball highlights new stadium's capability



The newly opened Gippsland Regional Indoor Sports Stadium (GRISS) is the sporting venue of choice in eastern Victoria. That's while the venue was perfect for hosting Suncorp Super Netball practice matches in March. GRISS hosted two matches as part of the Magpies on the Road Tour, hosted by the Collingwood netball team.

The Magpies were defeated by the Adelaide Thunderbirds, 48-51, in game one, before overcoming the Queensland Firebirds, 67-56.

A third game was to be held – between the Adelaide Thunderbirds and Queensland Firebirds – but was cancelled at the last minute. This was due to sudden COVID quarantine requirements for travellers from Queensland that required Firebirds players and staff to be tested for COVID and isolate until they received their results.

While the stadium's capacity of 3000 was reduced due to COVID protocols, just over 2000 people attended the two games, with most from Gippsland and some from Melbourne. The netballers found GRISS to be a magnificent new stadium with world class facilities for netball.

"The facilities for players at GRISS are superb and whilst the crowd was restricted due to COVID, there was still a great atmosphere at the stadium," Collingwood Captain Geva Mentor said.

"The fans are really close to the action and it was terrific to be able to interact with them immediately after the games."

Collingwood appreciated the opportunity to promote netball in regional Victoria and to bring world class netballers to Traralgon. The club also hosted community clinics and coaching workshops over the weekend.

"We have played AFL and AFLW matches in the region, and it was terrific to be able to bring elite netball and some of the very best netballers in the world to GRISS," Collingwood's Director of Stadia and Community David Emerson said.

"We hope that girls and young women will be inspired to play netball and to follow the Magpies."

Collingwood has a partnership with the Latrobe Valley Authority to bring elite sporting events to the Latrobe Valley. That partnership was formed in 2017 to help bring significant social and economic benefits to the region.

"Collingwood views GRISS as an ideal venue for Suncorp Super Netball and will be working with Netball Australia to schedule more games at GRISS in the future," David said.

Council Plan objectives met:

See objectives on page 25

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Council stands by community during flood, storm recovery

Latrobe City was struck by significant flooding and storm damage when wild weather impacted the municipality – and broader Victoria – on 9 and 10 June 2021.

The flooding of Traralgon Creek was the largest since 1978, affecting homes and businesses, and exacerbated by further rain on 11 June.

Other areas, such as farms around Yinnar, were also flooded, with many people losing stock, fodder and fencing to the rising water.

The smaller communities of Yinnar South, Jeeralang, Budgerie and Boolarra were affected by a cyclone-like storm front that brought down trees on private property and across roads. Others in the municipality were also affected.

As a result of the weather, many people were without power for days on end and sustained damage to their homes and other property.

“Right from the start of the unfolding emergency, Latrobe City Council supported its community through a number of channels,” Council Mayor, Cr Sharon Gibson said.

“We were there to help clear trees, restore access to roads, and provide information and support. We worked with our valued community members to assess the damage and help them get on the way to returning to life as they knew it.

“Council’s response does not end there. We will be with the community for the long haul.”

Straight to work

Depot crews worked extended hours in trying conditions removing fallen trees and clearing debris from roads. Clean-up work continued for many weeks.

To alleviate understandable concern from the community, Council reacted swiftly to the emergency by setting up a Relief Centre at the Gippsland Regional Indoors Sports Stadium (GRISS) in Catterick Crescent, Traralgon.

Initially, this hub assisted community members impacted by flooding and power outages with hot showers, mobile phone charging facilities and a safe refuge.

Community connection

Once the immediate danger period was over, the centre focused on information and advice, connection to other agencies and services, explained hardship payment eligibility and provided ongoing assistance tailored to residents' needs. The centre moved to the Traralgon Library after two weeks at GRISS.

Leisure centres and libraries offered spaces for people to gather, recharge their devices, access WiFi and hot showers, or simply spend a few hours in a warm and welcoming place.

Council also established an information centre at the Yinnar Memorial Hall and then moved this to the Yinnar RSL. Officers registered people in the Crisisworks system and referred them to other services for assistance.

The Call Centre team worked overtime, taking many calls and establishing a dedicated flood email account to ensure there were multiple means of communication over the stressful period. Information was regularly updated on Council's website and social media accounts.

Over the Queen's Birthday long weekend, Council leaders participated in two meetings facilitated by the Incident Control Centre to advise the community about the latest conditions and the expected situation going forward. Held at the Latrobe Performing Arts Centre, presentations were given by Council CEO Steve Piasente, Victoria Police, Energy Safe Victoria and the Victorian State Emergency Service.

Bushfire Recovery Victoria established a presence in Latrobe City to support residents.

Cleaning up

To help flood-impacted residents clean-up, Council offered a free hard waste collection to impacted residents in Traralgon, where the

greatest flood damage occurred. All impacted residents were able to take damaged property and waste to transfer stations for free. Council also offered a green waste amnesty to help people dispose of uncontaminated green waste at no charge at PineGro in Morwell.

Charitable collaborations

Council teamed with the charity Need for Feed Australia to supply fodder to farmers whose supplies had been impacted. Need for Feed Australia is a project of Lions Clubs of Australia.

To help offset the financial toll of the disaster on residents, Council encouraged the community to donate to the Gippsland Emergency Relief Fund which provided flood-affected people with immediate support.

Council also promoted the charity GIVIT, which partnered with the Victorian Government to source donated goods for people in need.

Moving forward

Council will continue to support residents as they address the damage to their homes and property, providing advice and advocacy and ensuring they receive up-to-date information about financial or other relief.



Flood & storm response

As of 30 June, Council staff had responded to the following flood/storm related matters:

- **3764** flood and storm related phone calls taken by Call Centre staff from 10 to 30 June
- **15 bins** replaced from **10 affected** flood properties.
- More than **640 secondary assessments** for flood and storm impacted residents
- **1700 people** from **897 families** registered with Council at information and relief centres at Traralgon and Yinnar
- **81 kerbside collections** of hard waste from properties impacted by the flood and storm. A total of **24 tonnes** and **35 mattresses** collected
- **113 customers** disposed of green waste for free at PineGro
- **6 free** transfer station visits
- Council provided a **triage and referral** program to link people with service providers.

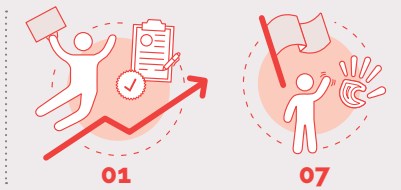




Council named an Employer of Choice

Council Plan objectives met:

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Praise for Council's flood response

Krista Khomis is grateful. She was on the cusp of giving birth, caring for three children, when floodwaters surrounded her Traralgon home in June.

She is grateful the torrent did not enter her house. She is grateful for the neighbour who used a boat to ferry Krista and her family to safety as her street became a river.

And she is grateful to the Latrobe City Council staff who worked hard to return her life to a sense of normality as she adapted to life with another child – a daughter born just a week after the flood.

"I'm just so thankful to the Council staff who helped. They picked up our bins every day as we kept filing them as we cleaned up after the flood. Council offered free use of the tip and gave us free hard rubbish," Krista said.

"Council told us to hose the mud out of our yard into the street and then they came and cleared it. Council was just amazing. They really cleaned up our neighbourhood.

"After the flood we had Council building staff visit to check under the house and other staff gave us pamphlets with information about the grants and emergency support services available."

"I'm just so thankful to the Council staff who helped. They really cleaned up our neighbourhood."

Latrobe City Council was pleased to be recognised as an Employer of Choice in The Australian Business Awards 2020. Latrobe City was the only council recognised by The Australian Business Awards in this category.

The awards recognise organisations that demonstrate the core values of business innovation, product innovation, technological achievement and employee engagement.

The Australian Business Awards for Employer of Choice (EOC) recognise organisations that maximise the full potential of their workforce through practices that demonstrate effective employee recruitment, engagement and retention.

Council was able to demonstrate its achievements across key areas of Organisational Culture and Leadership; Employee Education, Training and Development; Employee Health, Safety and Satisfaction; Performance Management; Recognition and Remuneration.

Latrobe City Council Chief Executive Officer, Steven Piasente said the award acknowledged the organisation's leadership practices.

"We are proud to be formally recognised as an Employer of Choice with The Australian Business Awards amongst such high calibre candidates," he said.

"Latrobe City Council provides employment to over 1000 individuals and we are committed to continuing to provide a rich and rewarding employment experience within the local government sector."

Fifty-four organisations were selected in the 2020 ABA Employer of Choice Awards.

"These organisations have demonstrated adaptability in the workplace by utilising flexible and new ways of working and learning," Program Director Tara Johnston said.

"The landscape of the workplace environment has changed rapidly as technology has gained momentum, coinciding with businesses navigating a broad range of interrelated issues from the impact of the current challenges facing the global economy. The ability to work from anywhere, combined with the advances in connectivity tools, makes us geographically neutral.

"Leading organisations have begun to implement an entirely new working environment that breaks down communication barriers, positioning organisations to harness the talent within their organisation, transform the employee experience and position businesses to be more resilient."

Council has been proud to display and promote the EOC Winners Mark.



Council acknowledges dedicated citizens

Thirty-six citizens were honoured by Latrobe City Council with awards on Australia Day 2021 - the highest number of awards given by Council for nearly 20 years.

National pride filled Morwell's Kernot Hall – and homes across Latrobe City and beyond – when the 2021 awards and citizenship ceremony were live streamed on 26 January due to the COVID-19 pandemic.

Due to physical distancing and State Government requirements around COVIDSafe this year, the Civic Reception was split into the Citizenship, and the Civic Function and Awards presentation. Eight people became Australian citizens.

The 36 awards presented included the main awards of the Community Service of the Year, Community Event of the Year, Young Citizen of the Year, Senior of the Year and Citizen of the Year.

In addition, there were 31 Latrobe City Australia Day Recognition Awards in the categories of Community Service of the Year, Community Event of the Year,

Young Citizen of the Year, Senior Citizen of the Year and Adult Citizen of the Year.

"The awards recognise outstanding personal achievement and celebrate the remarkable contributions individuals are making to communities across Latrobe City," Latrobe City Council Mayor, Cr Sharon Gibson said.

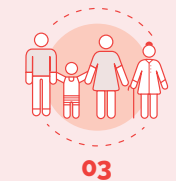
"It is always a privilege to be part of Council's Australia Day celebrations, as this is one opportunity to find and recognise those special people in our community." Citizen of the Year, Richard (Rick) Teychenne, of Boolarra, is the President of the Boolarra Folk Festival Committee.

He contributes hundreds of hours to the preparation of the Boolarra Folk Festival each year, and was instrumental in organising and conducting the 10th



The recipients of major awards were as follows:

Council Plan objectives met:
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Citizen of the Year:
Richard (Rick) Teychenne of Boolarra

Senior of the Year:
Mario Sammut OAM of Morwell

Young Citizen of the Year:
Ben Grumley of Traralgon

Community Event of the Year:
2020 Latrobe Motorfest

Community Service of the Year:
Edith McGill of Morwell, aged 102.

anniversary commemoration of the Black Saturday and Delburn fires - despite losing his own family's property in the 2009 blaze.

Rick supports people who lost their homes to fire, including people affected by the 2019 Yinnar bushfires.

Young Citizen of the Year, Ben Grumley of Traralgon, has worked hard to achieve in tennis, winning the Kooyong Under 21 Club Championship in 2020 and being ranked 131 in Australia.

In recognition of his commitment, Ben received a scholarship with William Woods University to play college tennis in the United States of America for the next four years while he undertakes a major in exercise science.

Ben assists at the Traralgon Tennis Association by helping with coaching, volunteering at major events and representing the club at community events.

Senior Citizen of the Year, Mario Sammut OAM of Morwell, has volunteered in the town since arriving with his family in 1985.

Mario's leadership skills have resulted in numerous projects, including the opening of the only Maltese museum in Australia in Morwell in 2020.

He is a passionate radio presenter on community radio stations Gippsland FM, 3ZZZ and 3GCR weekly, broadcasting the Maltese Show and two breakfast shows in English.

He has been secretary and president of the Latrobe Valley Migrants Resource Centre, an executive board member of the Ethnic Communities Council of Victoria, delegate to the Federation of Ethnic Communities Council of Australia, and committee member of the Morwell Community Health Centre.

Event of the Year was the 2020 Latrobe Motorfest, which drew a crowd of more than 10,000 people to Mid Valley Shopping Centre at Morwell in February 2020.

The event included motorcycle road racing, a food truck carnival, live band, children's rides and entertainment, a Kids BBQ Competition, Car and Motorbike Show 'n' Shine, and a trade area for local businesses.

Community Service of the Year recipient was Edith McGill of Morwell.

She has volunteered for the Morwell RSL Auxiliary for 38 years, selling badges for ANZAC Day and Remembrance Day, and raffle tickets at bingo until this year.

Edith has also been involved with other fundraising: knitting squares for the Walhalla Goldfields Railway, and making hundreds of poppies, blankets for rescue animals, and jackets for penguins and lambs.

For many years, Edith was a member of Uncle Bob's Club, collecting and counting money raised for the Good Friday Appeal. She also volunteers for Legacy and at a sheltered workshop at the Salvation Army Shed.

The Community Service awards acknowledge citizens and organisations that could be described as "hidden treasures".

"This year Council also included the Senior of the Year announcement, which had traditionally been presented during Seniors Week, but will now become a category in the Australia Day Awards program," Cr Gibson said.

Council acknowledges the receipt of a National Australia Day COVIDSafe grant of \$20,000 to video and live stream the proceedings, engage two cleaners, and provide COVIDSafe event supplies and signs.

Project beautifies Morwell's CBD



The streetscape of Morwell's Central Business District (CBD) has been enhanced by the completion of the Morwell CBD Revitalisation project.

Federal Member for Gippsland Darren Chester opened the nearly \$3.75 million revitalisation of Commercial Road and Tarwin Street in March, as part of the Future Morwell project.

The project will encourage people to visit, walk and spend time in the heart of Morwell and creates a village atmosphere that appeals to residents and visitors alike. The project also rebranded Morwell as the Town of Gardens, based on the iconic Morwell Centenary Rose Garden.

"The revitalisation of Morwell's CBD has created a new sense of pride in the heart of town, as well as a fresh identity that brings Morwell into the twenty-first century," Latrobe City Councillor, Graeme Middlemiss said.

"The facelift for Morwell will bring more people to shop at local businesses and visit such attractions as Latrobe Regional Gallery."

The project included new street surfacing and paving, new public open space by creating 12 parklets and a community gathering space in Tarwin Street, complete with a shade structure, and café and casual seating.

The spaces will enable events to be held in the area and create spaces for people to gather, complemented by more than 500m² of feature gardens. Modern technology has been introduced, with decorative lighting within parklets, free public WiFi and wireless mobile phone chargers integrated into street furniture.

There is a pedestrian counter and LED street lighting that can be programmed to be dimmed or brightened. In the future, these lights may be fitted with motion sensors that will enable lights to brighten automatically when someone walks by.

All parklets have access to 240 volt electricity for the staging of events. Three-phase electricity can be accessed at Legacy Place and the Gathering Place in Tarwin Street.

All parklets are serviced by an in-built watering system to supply trees and flower beds.

The Federal Government, State Government and Latrobe City Council contributed funding to the project. Member for Eastern Victoria Harriet Shing said the project first began in response to the Hazelwood Mine Fire in 2014.

"This project was all about creating a brighter future for Morwell and the Latrobe Valley, and we were pleased to be able to contribute nearly \$2 million of Victorian Government funding to improve the liveability and pride of place for Morwell," she said.

"As we develop the businesses and industries who call the Latrobe Valley home, we also want it to be a well-equipped place to live and visit, which is why it's great to see this project reach completion."

Advance Morwell President John Guy said the new roadworks in Commercial Road and Tarwin Street modernised the area.

"The works have provided much-needed seating and gathering places throughout Commercial Road and Tarwin Street," he said.

"These areas have experienced major change over the years with improvements being made to the Morwell CBD. This project, following intensive community consultation, is by far the most successful for the rebirth of the area."

The Future Morwell Project includes the Morwell Entrance Project that entailed the planting of trees, the creation of garden beds adjacent to the Commercial Road freeway exit and a unique Morwell town sign at the freeway.

The project was driven by the Future Morwell Committee, chaired by Cr Graeme Middlemiss, and including John Bellerby and Ray Burgess (Morwell Traders), John Guy OAM (Advance Morwell), Carolyn Boothman (Morwell Community Recovery Committee), and Marika Gacs (Latrobe City Business Tourism Association).



Summer Sessions reignite musical flame

After a long period of closure, the team at Latrobe Performing Arts (LPA) wanted to give something back to the community. The gift came in the form of the Summer Sessions concerts presented by LPA in the AGL Loy Yang Sound Shell at Victory Park in Traralgon.

"It's a big year coming up with the opening of Gippsland Performing Arts Centre in late 2021 and we know our community loves live music," Latrobe City Council's Director Creative Arts Bec Cole said.

"They showed us this with the huge uptake of our LPA Online program which was largely live music.

"Throw in the perfect setting at the sound shell and a huge array of musical talents across Gippsland, and it's easy to say 'yes' and make this concert series happen."

The concerts featured Gippsland artists as the COVID lockdowns of 2020 resulted in musicians losing millions of dollars worth of gigs in a matter of weeks.

"Many Gippsland artists hadn't played live for 12 months and relied on working in Melbourne. We wanted to create those opportunities here in Latrobe City too," Bec said.

Three Summer Sessions concerts were held on three Sundays in February, featuring performances by Dan Musil, Darcy Fox and Harry Hook (concert one); Tayla Clavarino, Meg Doherty, Michael Waugh and The Davidson Brothers (concert two); and Fruit Tree Magic, Hazel Ray and Jack Jones (concert three). Another concert was cancelled due to a snap COVID lockdown.

"Lucky for us we were able to invite the scheduled acts to perform at other events. The Strzelecki Stringbusters were able to support Keep The Circle Unbroken, one of our first gigs back in the theatre," Bec said. More than 1800 attended the concerts, with the final show attracting just under 1000.

"Most people in the crowd were so thankful to have an opportunity to gather together again, and to get back to something normal and fun," Bec said.

"There is something really special about sharing a live experience with your community; it bonds you together in a way that viewing it on a screen just can't.

"There are also the economic benefits. We were able to pay musicians, get our technical team working again and support local businesses by bringing extra activity to the town. That money goes directly back into our local economy."

The concert series left Bec feeling proud in many ways. "I was really proud of the team, proud of how much talent is here in Latrobe City and proud of the community for showing so much resilience over a difficult time," she said.

"To see people being together again was an amazing moment for me. That's why we invest in the arts – it's about the community.

"The sound shell is also an amazing outdoor venue and a brilliant community asset to bring to life." LPA is owned and operated by Latrobe City Council.



Sports stadium scores for Latrobe City



The Gippsland Regional Indoor Sports Stadium (GRISS) in Traralgon has not taken long to put points on the board.



The grandest sporting venue in Victoria’s east hosted national level netball games, a major basketball tournament and a travelling basketball competition within months of officially opening in late December 2020.

Sports fans are relishing the opportunity to see elite sport in Latrobe City, proving the value of the \$19 million redevelopment of the former Traralgon Sports Stadium, funded by the State Government.

The centre now features eight courts for ball sports, including a show court with 3000 retractable spectator seats, office space, training rooms, a cafeteria, social spaces, a gymnastics facility and more.

In late March, a crowd just over 2000 fans watched the Collingwood Magpies host the Adelaide Thunderbirds and Queensland Firebirds in a practice game for the Suncorp Super Netball league, as part of the Magpies on the Road tour.

GRISS hosted Basketball Victoria’s Under 16 Country Championships in February this year, proving that it is an elite basketball facility for not

only Gippsland, but the Victorian basketball community.

“Basketball Victoria is excited to see GRISS in action with it serving as an exceptional home venue for the Traralgon Amateur Basketball Association, Latrobe City Energy and one of Basketball Victoria’s 10 High Performance Hubs, amongst other competitions and programs,” David Huxtable, Basketball Victoria General Manager – Member and Community Services, said.

“The championships proved to be a great success, with the venue able to cater to our tournament requirements and court capacity needs as a state sporting organisation hosting a large-scale event.”

“We also recently hosted our State Development Program All-Country Camp at the stadium.”

“We congratulate Latrobe City Council, the Victorian Government and project partners for creating such an elite facility for Gippsland’s booming basketball community, and we look forward to using it as much as possible into the future.”

GRISS hosted the 3x3Hustle basketball event in January. Affiliated with the National Basketball League, 3x3Hustle is the nation’s 3x3 basketball pathway from grassroots to the Olympics.

3x3 basketball teams are made up of four players (three on-court, one substitute) who play a fast game on a half-court.

The first team to reach 21 points, or the highest scoring team after 10 minutes, is the winner. Teams who are successful at local levels can progress to state, national and even international tournaments.

“The facilities at the Gippsland Regional Indoor Sports Stadium were tremendous,” 3x3Hustle Manager Jaele Patrick said.

“The stadium had everything we needed to run a safe and efficient 3x3Hustle event. All the staff were helpful and friendly, and we can’t wait to bring 3x3Hustle back to the Gippsland Regional Indoor Sports Stadium in the future.”

The refurbished stadium and additional courts are enabling the TABA to host large events, said Secretary Allison Speairs.

The association hosted the Under 16 Division 1 and 2 Country Championships, and also the Under 14 Country Championships.

The association has also been able to host State Development Program try-outs and camps and Under 14 Skills Days.

“The eight courts are also being used for the TABA domestic competition four nights per week and it is anticipated this competition will have the capacity to expand with the additional courts,” Allison said.

The Country Championships attracted people from across Victoria, in a boon for the economy.

“Large numbers of athletes and their families stayed in local accommodation, and shopped and dined in local shops and eateries,” Allison said.

The TABA’s Labour Day tournament hosted an unprecedented 173 teams

over three days of competition, with up to 6000 people attending across the weekend.

While there were nine courts at GRISS, the oldest remaining court had next to no run-off and a low ceiling, so has been repurposed into a gymnastic facility for maximum activation.

Events hot spot

GRISS is fully equipped to host international standard competition across a range of indoor sports.

Hawthorn Netball Club and Melbourne Boomers have also committed to GRISS appearances in a big coup for Latrobe City’s burgeoning sports and events precinct.

Local businesses win

A 12-month build led by Becon Constructions provided an economic boost for Latrobe City, with a host of local contractors engaged.

Gippsland businesses MSD Painting, Morrow Plumbing, Platinum Electricians, WELDTEK, CME

Installations, Cornwall Building, Carpet Country, MTS Excavations and Drilling, J.O Miller and M&JM Cook, among others, contributed to the project.

The stadium was funded by \$17 million from the Victorian Government’s \$85 million Latrobe Valley Sports and Community Initiative, administered by Latrobe Valley Authority, and \$2 million Sport and Recreation Victoria’s Community Sports Infrastructure Loan Scheme.

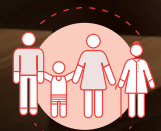
TSS Fast Facts

- 8 ball sports courts, 1 showcourt, 3000 spectator seats
- Gymnastics facility
- Basketball Victoria high-performance hub
- Home of GippSport – new office space
- 55,000 hours total worked on site (approx.)
- 85% local labour content
- \$19 million redevelopment



Council
Plan
objectives
met:

See objectives
on page 25



03



05

Da Vinci's machines inspire thousands of gallery visitors

An international exhibition of the ideas of a great inventor exposed Latrobe Regional Gallery to a new legion of fans – as well as art-lovers who already appreciate the iconic arts hub in Morwell.

The Da Vinci Machines exhibition showed more than 60 machines based on original drawings by Leonardo Da Vinci - one of the world's most recognised inventors - and attracted more than 9500 people during its two months' duration.

Held from 26 February to 25 April 2021, the exhibition boosted the City's economy and cultural scene, and encouraged visitors to shop and dine while in Morwell.

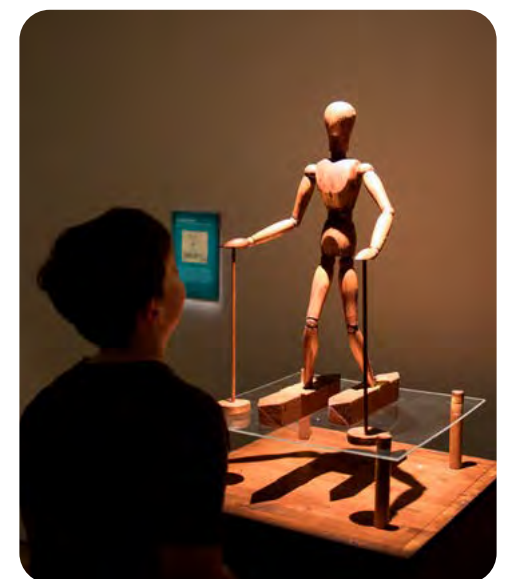
Latrobe City Council Mayor, Cr Sharon Gibson said the exhibition attracted people who would not normally attend the gallery.

"Generally more females than males visit the gallery, however the Da Vinci exhibition drew significant interest from males who were no doubt intrigued by Da Vinci's mechanical ingenuity and engineering feats," she said.

In one week alone, 1513 people saw the exhibition. Fifty tours were conducted and 2151 people took part in public programs and workshops. The exhibition was visited by 1836 school children, who enjoyed free bus travel, funded by a grant from the Department of Transport.

Among the machines on show were a mechanical drumming robot, flying machines such as a hang glider, automatons (the precursors to robots), machines of war, a bicycle, scuba suit, a spring-powered car and an airscrew, the precursor to the helicopter.

Visitors saw replicas of iconic Da Vinci paintings, including the famous Mona Lisa, and enjoyed workshops, inventing sessions for children, life drawing, a family fun day and late-night trading.



"This exhibition appealed to Latrobe City residents and also visitors from across the region and even Melbourne," Cr Gibson said.

"Da Vinci's creations excite this generation as much as they have excited previous generations. His studies in nature, anatomy, mechanics, flight and robotics are more than 500 years old and prove that Da Vinci was clearly a man before his time."

The machines came from Italy, where they were crafted by the acclaimed Artisans of Florence in collaboration with The Niccolai Group. The exhibition was based around themes: War Machines, Robotics, Flying Machines, Nautical and Hydraulic Machines, Civil Machines and the Art Gallery.

Latrobe City Council offered free entry to this remarkable exhibition as a gift to the community after the challenges posed by the COVID-19 pandemic.

And visitors cherished the opportunity to see the exhibition, making such comments as:

"Second time I've seen this expo.
First time was in Florence, Italy. 'Wow'."

"Excellent 10/10 rating."

"Great, well worth visiting."

"Extraordinary. The fore-running of so many things."

"Absolutely fantastic exhibition."

"Loved the whole exhibit and the interactive section."

"Fabulous. One of the best exhibitions I have seen."

"Wowzers! What a fabulous way to spend a wet afternoon. Thank you!"

Additional support from the Latrobe Valley Authority and Council's Public Programs partner Opal ensured everyone could access this unique opportunity.



The people have their say

The people who live in and visit Latrobe City have contributed to how the City will look in the future.

Council received 1453 responses to its community survey, Your Latrobe, to provide feedback to help Council prepare a new Community Vision and Council Plan, Financial Plan, and Municipal Public Health and Wellbeing Plan by October 2021.

The survey asked the community about what makes Latrobe City a great place now and what could make it better. Participants were asked for three features that made Latrobe City a good place overall, a good place to work, study and visit, and to name current and future challenges.

The project looked at what our region boasts that people wish to maintain, as well as the missing pieces that our community needs to ensure Council meets the community's aspirations.

Survey respondents noted safety as the most important factor for Council to focus on, followed by economy and employment; built environment; health and social connection/belonging; climate change; natural environment; and arts and creative industries.

The respondents named family and friends as the key reason Latrobe City is a great place to be, and distance to home as the main reason Latrobe is a good place to work and study.

As an incentive to take part, community group and sports clubs that participated in the survey were offered the opportunity to go into the draw to win a \$1000 gift voucher from any Latrobe City business.

Children were invited to express their thoughts through a colouring in or drawing activity, and had the chance to win one of 20 Your Latrobe Family Fun Packs.

Each pack contained a \$50 Stadium 34 voucher, Latrobe Leisure Family Swim pass, two vouchers for Kids Mega Shakes from Momo Traralgon and a \$20 Wyncity Morwell voucher.

The survey responses were intended to feed the second stage of community engagement – a community panel – in July 2021.

A panel of 100 people were to meet to deliberate on important key priorities to be included in the plans being developed this year.

The world tunes into our Rose Garden Festival



The COVID-19 pandemic was unable to stop Morwell's beloved annual rose celebration from blooming; it just made the event grow in another way.

The International Rose Garden Festival Morwell was held virtually on the weekend of November 14-15, 2020, due to COVID-19 restrictions.

More than 800 patrons registered for the online celebration and the main section of the festival website received more than 14,000 visits.

Despite the pandemic, the roses still bloomed in the world famous Centenary Rose Garden of Morwell.

"The festival attracted interest from around the world, from countries such as Canada, the United Kingdom, Italy and Pakistan, as well as gardening enthusiasts from every state in Australia," Latrobe City Council Mayor, Cr Sharon Gibson said.

International presenters included Jonathan Webster, curator of the Royal Horticultural Society Gardens Rosemoor (UK) and Rebecca Koraytem of David Austin Roses (US), who spoke about rose preparation in other locations.

Other speakers included leading rosarian Kelvin Trimper from Adelaide and beekeeper Sean-Paul Smith from the Latrobe Valley Beekeepers Association. Costa Georgiadis, host of the ABC's Gardening Australia, and children's gardening entertainer, Dirtgirl, also performed.

The only physical event, the AGL Midsummer Night Light Show in the Rose Garden, attracted nearly 2000 people over the Saturday and Sunday nights.

"Social distancing was maintained throughout the garden and many families took the opportunity to finally have something to celebrate as they marvelled at the outstanding illumination installation," Central Ward Councillor Graeme Middlemiss said.

"A lasting legacy from this year's International Rose Garden Festival is a virtual tour video of the Rose Garden that incorporates 360 degree panoramas, close-ups of particular rose varieties and a host of interesting facts that beautifully showcases our magnificent Rose Garden. This will be a valuable tool to assist in the marketing of Latrobe City."

Rose Garden President Del Matthews praised Council's Events Team for having the vision to hold the virtual event.

"The virtual presentation opened up the festival to so many people worldwide who otherwise would not have had access to being part of this festival," she said.

"Even locally there are many people who would have been unable to physically attend the festival, not only due to COVID-19 but a wide variety of reasons such as health, transport and elderly. And there it was to enjoy in their lounge-rooms."

Del felt it was important for the festival to proceed despite the pandemic, to maintain continuity. Almost 200 people enjoyed the outdoor dining event in Morwell on the Saturday and Sunday as part of the festival.

Council delivered the State Government's Outdoor Dining Initiative which aimed to encourage the community to support local cafés and restaurants safely during the pandemic.

Setting Our Direction

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

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

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



04

Our Performance

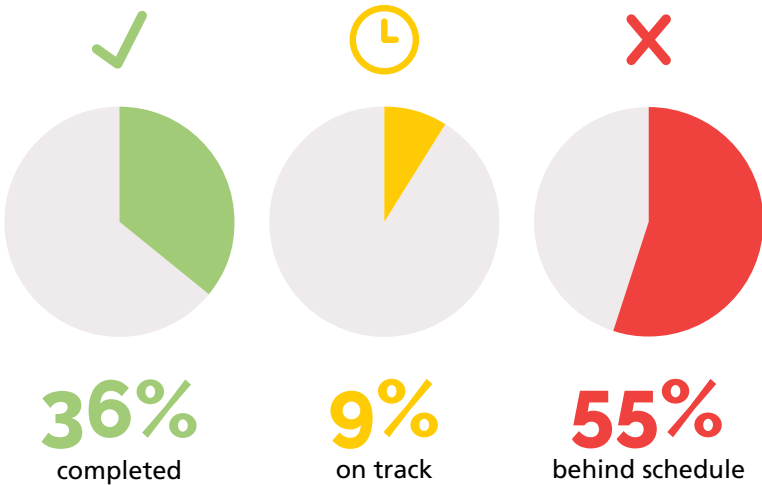


Council Report Card

Major Initiatives

Most significant annual actions included within the Latrobe City Council Annual Budget 2020/21.
Measured by the delivery of listed projects.

Of the 11 major initiatives the following summary is provided:



Action	2020/21 Result
MI.1 Implement the Economic Development Strategy	✓
MI.2 Implement the Advocacy Strategy	✓
MI.3 Gippsland Logistics Precinct	✗
MI.4 Latrobe Creative Precinct	✗
MI.5 Moe Rail Precinct Revitalisation Stage 2	✗
MI.6 Advocate for new parking spaces across the municipality	🕒
MI.7 Gippsland Regional Aquatic Centre.	✓
MI.8 Kernot Hall refurbishment.	✗
MI.9 Reorient services for greater equity of access and outcomes	✗
MI.10 Long term Financial Plan	✓
MI.11 Latrobe City Branding	✗

✓ Completed 🕒 In Progress ✗ Behind Schedule



Total Societal Impact

Latrobe City Council is committed to developing our capability to measure Total Societal Impact (TSI) in relation to the services we provide to the community.

TSI assists in evaluating a service by measuring a large range of factors including social benefits, health benefits and economic benefits, which together represent the total value the service provides from the ratepayer money spent in providing the service.

Understanding the total value delivered to our community results in better informed decisions in regards to policy and investment in the service.

For example, Sport Victoria has reviewed TSI in relation to community sporting and active recreation infrastructure. In addition to the economic benefits, Sport Victoria quantified the health and social benefits such as reduced risk of chronic diseases, improved mental health, increased social connectedness and community pride and found that across Victoria, community sport and active recreation had a TSI of \$7.04 billion, which significantly exceeded the financial investment in this area.

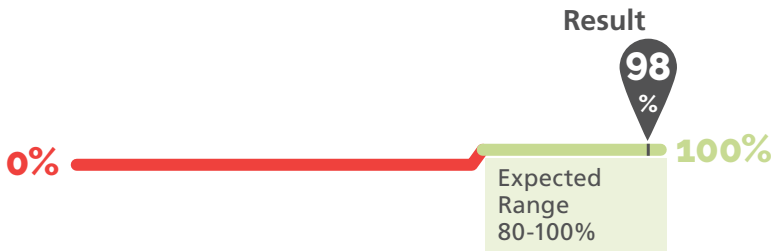
Future development of TSI measures of Latrobe City services could include Leisure, Libraries, Performing Arts, Economic Development, Events and a range of other services.

Local Government performance reporting framework indicators

Standard performance indicators required across all Victorian Local Government Areas. Measured by the expected range. Example shown to the right.

Further commentary, on the results, of key performance indicators (KPI) can be viewed at www.knowyourcouncil.vic.gov.au

KPI	Measure	2020/21	2019/20	2018/19	2017/18	2016/17
AF2	Health inspections of aquatic facilities	1.00	1.00	2.00	1.83	2.33
AF6	Utilisation of aquatic facilities	2.39	3.59	4.92	4.91	5.18
AF7	Cost of aquatic facilities	10.46	7.19			
AM1	Time taken to action animal management requests	1.49	2.27	2.69	2.07	1.96
AM2	Animals reclaimed	44%	42%	40%	31%	37%
AM5	Animals re-homed	29.28%	10.72%	–	–	–
AM6	Cost of animal management service per population	\$10.67	\$9.65	\$7.54	\$5.04	\$8.34
AM7	Animals management prosecutions	100%	100%	–	–	–
C1	Expenses per head of municipal population	1844.30	1804.54	1812.98	1890.50	1563.30
C2	Infrastructure per head of municipal population	14,243.89	13,865.12	13,210.02	13,086.30	12,929.15
C3	Population density per length of road	52.46	45.66	45.92	45.75	45.51
C4	Own-source revenue per head of municipal population	1279.87	1356.27	1325.92	1288.25	1350.30
C5	Recurrent grants per head of municipal population	361.42	375.31	352.82	377.74	428.82
C6	Relative socio-economic disadvantage	1.00	1.00	1.00	1.00	1.00
C7	Staff turnover rate	17.24%	10.70%	12.46%	9.77%	10.17%
E2	Expenses per property assessment	\$3612.97	\$3518.91	\$3534.00	\$3689.81	\$3037.72
E4	Average rate per property assessment	\$1556.02	\$1541.57	–	–	–
FS1	Time taken to action food complaints	0.67	2.18	1.64	1.78	1.24
FS2	Food safety assessments	118.67%	75.38%	130%	83%	97%
FS3	Cost of food safety service	\$403.48	\$383.59	\$343.00	\$335.19	\$331.32
FS4	Critical and major non-compliance outcome notifications	75.33%	63.12%	88.54%	93.44%	79.19%
G1	Council decisions made at meetings closed to the public	14.36%	20.09%	21.90%	20.78%	17.37%
G2	Satisfaction with community consultation and engagement	58.00	55.00	57.00	57.00	54.00
G3	Councillor attendance at Council meetings	97.78%	97.04%	94.15%	97.04%	95.42%
G4	Cost of governance	\$36,960.36	\$41,516.42	\$39,306.84	\$39,164.29	\$38,508.56
G5	Satisfaction with Council decisions	56.00	53.00	54.00	52.00	51.00
L1	Current assets compared to current liabilities	253.01%	267.49%	324.70%	321.71%	302.09%
L2	Unrestricted cash compared to current liabilities	29%	25.13%	-71.18%	-4.55%	-55.08%
LB1	Library collection usage	1.62	2.54	2.36	2.46	2.60



KPI	Measure	2020/21	2019/20	2018/19	2017/18	2016/17
LB2	Standard of library collection	48.01%	49.94%	45.56%	49.36%	55.72%
LB4	Active library members	9.76%	10.31%	10.34%	10.28%	11.59%
LB5	Cost of library service per population	\$34.27	\$36.32	\$36.72	\$28.78	\$29.95
MC2	Infant enrolments in the MCH service	100.11%	101.15%	100.98%	100.65%	97.42%
MC3	Cost of the MCH service	\$79.39	\$80.56	\$80.39	\$77.44	\$71.97
MC4	Participation in the MCH service	74.51%	72.59%	70.48%	72.58%	76.27%
MC5	Participation in the MCH service by Aboriginal children	86.68%	76.04%	69.14%	70.86%	68.24%
MC6	Participation in first MCH home visit	92.23%	93.67%	–	–	–
O2	Loans and borrowings compared to rates	20.39%	12.72%	19.31%	22.08%	21.50%
O3	Loans and borrowings repayments compared to rates	1.24%	11.98%	2.91%	3.47%	3.68%
O4	Non-current liabilities compared to own source revenue	32.34%	24.74%	26.91%	39.01%	30.29%
O5	Asset renewal and upgrade compared to depreciation	82.71%	152.23%	–	–	–
OP1	Adjusted underlying surplus (or deficit)	-5.00%	-1.47%	-5.01%	-11.21%	13.24%
R1	Sealed local road requests	76.68	37.85	34.56	33.29	30.23
R2	Sealed local roads maintained to condition standards	99.70%	99.98%	99.71%	99.88%	99.34%
R3	Cost of sealed local road reconstruction	\$132.18	\$155.75	\$104.92	\$153.43	\$185.62
R4	Cost of sealed local road resealing	\$13.00	\$11.25	\$11.68	\$10.36	\$9.75
R5	Satisfaction with sealed local roads	61.00	57.00	60.00	56.00	61.00
S1	Rates compared to adjusted underlying revenue	61%	60.11%	60.08%	59.41%	56.32%
S2	Rates compared to property values	0.66%	0.69%	0.69%	0.70%	0.70%
SP1	Time taken to decide planning applications (days)	63.00	52.00	56.00	52.00	73.00
SP2	Planning applications decided within required time-frames	95.04%	96.30%	95.57%	95.45%	92.16%
SP3	Cost of statutory planning service	\$1991.09	\$2514.72	\$2477.90	\$2469.20	\$3023.27
SP4	Council planning decisions upheld at VCAT	0%	40.00%	40.00%	60.00%	57.14%
WC1	Kerbside bin collection requests	146.11	148.12	126.63	153.51	146.44
WC2	Kerbside collection bins missed	2.90	3.16	2.80	3.23	3.38
WC3	Cost of kerbside garbage bin collection service	\$108.84	\$106.57	\$103.97	\$101.27	\$99.57
WC4	Cost of kerbside recyclables collection service	\$26.06	\$26.34	\$26.20	\$24.70	\$24.31
WC5	Kerbside collection waste diverted from landfill	49.17%	51.43%	52.08%	53.95%	53.24%

Financial Report

For the year ended
30 June 2021

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Certification of the Financial Statement

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.



Matthew Rogers CPA
Principal Accounting Officer
Dated: 09/09/2021

In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2021 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.



Cr Graeme Middlemiss
Councillor
Dated: 09/09/2021



Cr Melissa Ferguson
Councillor
Dated: 09/09/2021



Steven Piasente
Chief Executive Officer
Dated: 09/09/2021

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 2021comprehensive income statement for the year then endedstatement of changes in equity for the year then endedstatement of cashflows for the year then endedstatement of capital works for the year then endednotes to the financial statements, including significant accounting policiescertification 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 2021 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. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



Sahchu Chummar

as delegate for the Auditor-General of Victoria

MELBOURNE
27 September 2021

Comprehensive Income Statement

For the year ended
30 June 2021

	Note	2021 \$'000	2020 \$'000
INCOME			
Rates and charges	3.1	81,757	80,776
Statutory fees and fines	3.2	2,429	2,396
User fees	3.3	9,497	11,502
Grants - operating	3.4	33,627	29,347
Grants - capital	3.4	26,999	67,831
Contributions - monetary	3.5	696	788
Contributions - non monetary	3.5	6,766	3,588
Other income	3.6	3,478	5,112
Total income		165,249	201,340
EXPENSES			
Employee costs	4.1	(58,305)	(58,093)
Materials and services	4.2	(40,703)	(39,337)
Depreciation	4.3	(28,166)	(27,956)
Amortisation - intangible assets	4.4	(630)	(651)
Amortisation - right of use assets	4.5	(39)	(25)
Bad and doubtful debts	4.6	(9)	(34)
Borrowing costs	4.7	(289)	(390)
Finance costs - leases	4.8	(29)	(29)
Net loss on disposal of property, infrastructure, plant and equipment	4.9	(3,869)	(6,419)
Landfill rehabilitation provision movement	5.5	(1,409)	2,695
Other expenses	4.10	(6,562)	(3,419)
Total expenses		(140,010)	(133,658)
Surplus/ (Deficit) for the year		25,239	67,682
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	9.1	20,409	(3,151)
Total comprehensive result		45,648	64,531

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

Balance Sheet

As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
CURRENT ASSETS			
Cash and cash equivalents	5.1	39,905	38,731
Trade and other receivables	5.1	5,536	6,681
Other financial assets	5.1	70,800	70,169
Other assets	5.2	6,451	4,402
Total current assets		122,692	119,983
NON-CURRENT ASSETS			
Trade and other receivables	5.1	5	9
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.2	1,275,923	1,222,598
Right-of-use assets	5.8	684	723
Intangible assets	5.2	93	724
Total non-current assets		1,276,707	1,224,056
TOTAL ASSETS		1,399,399	1,344,039
Liabilities			
CURRENT LIABILITIES			
Trade and other payables	5.3	27,590	22,201
Trust funds and deposits	5.3	3,779	3,247
Provisions	5.5	15,638	16,851
Interest-bearing loans and borrowings	5.4	1,459	2,527
Lease liabilities	5.8	27	29
Total current liabilities		48,493	44,855
NON-CURRENT LIABILITIES			
Provisions	5.5	15,531	16,894
Interest-bearing loans and borrowings	5.4	15,215	7,749
Lease liabilities	5.8	677	706
Total non-current liabilities		31,423	25,349
TOTAL LIABILITIES		79,916	70,204
NET ASSETS		1,319,483	1,273,835
Equity			
Accumulated surplus		810,012	784,822
Reserves	9.1	509,471	489,013
TOTAL EQUITY		1,319,483	1,273,835

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

Statement of Changes in Equity

For the year ended
30 June 2021

	Note	Total (\$'000)	Accumulated Surplus (\$'000)	Revaluation Reserve (\$'000)	Other Reserves (\$'000)
2021					
Balance at beginning of the financial year		1,273,835	784,822	484,437	4,576
Surplus for the year		25,239	25,239	-	-
Net asset revaluation increment	6.2	20,409	-	20,409	
Transfers to other reserves	9.1	-	(695)	-	695
Transfers from other reserves	9.1	-	646	-	(646)
Balance at end of the financial year		1,319,483	810,012	504,846	4,625
2020					
Balance at beginning of the financial year		1,235,374	744,259	487,586	3,529
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	(1,238)	(1,238)	-	-
Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities	10	(24,832)	(24,832)	-	-
Impact of change in accounting policy - AASB 16 Leases	5.8	-	-	-	-
Adjusted Opening balance		1,209,304	718,189	487,586	3,529
Surplus for the year		67,682	67,682		
Net asset revaluation decrement	6.2	(3,149)		(3,149)	
Transfers to other reserves	9.1	-	(1,073)	-	1,071
Transfers from other reserves	9.1	-	24	-	(24)
Balance at end of the financial year		1,273,835	784,822	484,437	4,576

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

Statement of Cash Flows

For the year ended
30 June 2021

	Note	2021 \$'000	2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges		83,753	80,047
Statutory fees and fines		2,427	2,385
User fees		9,518	12,651
Grants - operating		36,690	32,386
Grants - capital		27,980	52,930
Contributions - monetary		698	889
Interest received		1,467	2,955
Trust funds and deposits taken		12,687	12,499
Other receipts		2,186	3,587
Net GST refund/ (payment)		3,137	(2,428)
Employee costs		(59,466)	(56,776)
Materials and services		(45,915)	(48,858)
Short-term, low value and variable lease payments		(159)	(36)
Trust funds and deposits repaid		(12,155)	(11,891)
Other payments		(3,909)	(3,191)
Net cash provided by operating activities	9.2	58,939	77,149
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment		(63,355)	(86,627)
Proceeds from sale of property, infrastructure, plant and equipment		165	808
Payments for investments		(210,800)	(120,969)
Proceeds from sale of investments		210,169	147,512
Loans and advances made		-	-
Payments of loans and advances		4	7
Net cash used in investing activities		(63,817)	(59,269)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs		(288)	(435)
Proceeds from borrowings		7,125	4,450
Repayment of borrowings		(727)	(9,238)
Interest paid - lease liability		(29)	(29)
Repayment of lease liabilities		(29)	(14)
Net cash used in financing activities		6,052	(5,266)
Net increase/ (decrease) in cash and cash equivalents		1,174	12,614
Cash and cash equivalents at the beginning of the financial year		38,731	26,117
Cash and cash equivalents at the end of the financial year		39,905	38,731

Financing arrangements	5.6
Restrictions on cash assets	5.1

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

Statement of Capital Works

For the year ended
30 June 2021

	Note	2021 \$'000	2020 \$'000
PROPERTY			
Land		-	-
Total land		-	-
Buildings		34,822	62,945
Heritage buildings		-	-
Total buildings		34,822	62,945
Total property		34,822	62,945
PLANT AND EQUIPMENT			
Plant, machinery and equipment		1,776	2,451
Fixtures, fittings and furniture		71	7
Computers and telecommunications		653	342
Art collection		9	8
Total plant and equipment		2,509	2,808
INFRASTRUCTURE			
Roads		13,962	12,191
Bridges		914	413
Footpaths and cycleways		1,967	2,935
Drainage		398	734
Recreational, leisure and community facilities		3,552	2,741
Waste management		1,381	425
Parks, open space and streetscapes		807	3,900
Off street car parks		233	611
Other infrastructure		525	60
Total infrastructure		23,739	24,010
Total capital works expenditure		61,070	89,763
Represented by:			
New asset expenditure		37,775	47,205
Asset renewal expenditure		19,335	20,860
Asset expansion expenditure		-	-
Asset upgrade expenditure		3,960	21,698
Total capital works expenditure	1.2	61,070	89,763

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



Notes to the Financial Statement

For the year ended
30 June 2021

OVERVIEW

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

Statement of Compliance

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

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 to Note 6.2)
- The determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.2)

- The determination of employee provisions (refer to note 5.5)
- The determination of landfill provisions (refer to note 5.5)
- The determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- The determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is substance shot-term or low value (refer to Note 5.8)
- Whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable (refer to Note 8.2)
- Other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation and disclosure has been made of any material changes to comparatives.

(b) Impact of Covid-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

- **Revenue reductions**
Across council's services there has been a significant reduction in user fees and charges because of service closures, restrictions on attendances and decreased demand. These reductions have primarily impacted the areas of leisure and performing arts and has resulted in decreased revenue of \$2148K. In addition, there has also been a decrease in statutory fees and fines, namely parking fine revenue of \$328K. There has also been decreased associated expenses in these areas and other areas such as libraries, events and tourism all linked to Covid of \$2452K.
- **Revenue foregone**
Council passed a resolution on the 6 April 2020 to introduce a Business and Community Support Package in recognition of the COVID-19 pandemic and the significant widespread community and economic impacts within Latrobe City. This package included waiver of fees and charges associated with street trading and outdoor dining permits, health registration fees, planning permit fees, sporting club permits and annual ground rentals, and venue hire fees resulting in a decrease in revenue of \$482K.
- **Additional costs**
Council incurred additional costs associated with the Business and Community Support Package of \$782K which included an extension to the community grants program, small business support program, and program management costs. In addition, council also incurred \$503K of expenditure directly related to Covid responses including additional advertising, OH&S supplies and protective clothing, cleaning, signage and employee costs.
- Financial hardship provisions were also introduced for ratepayers experiencing financial hardship which resulted in the deferral of rates revenue and waiver of penalty interest.

Note 1: Performance against budget

The performance against budget notes compare Council’s financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 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 by Council on 3 August 2020. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council’s planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and Expenditure

	Budget 2021 \$’000	Actual 2021 \$’000	Variance 2021 \$’000	Variance 2021 %	Ref
INCOME					
Rates and charges	81,377	81,757	380	0%	1
Statutory fees and fines	2,126	2,429	303	14%	2
User fees	12,277	9,497	(2,780)	(23%)	3
Grants - operating	25,274	33,627	8,353	33%	4
Grants - capital	19,734	26,999	7,265	37%	5
Contributions - monetary	90	696	606	673%	6
Contributions - non monetary	4,000	6,766	2,766	69%	7
Other income	3,707	3,478	(229)	(6%)	8
Total income	148,585	165,249	16,664	11%	
EXPENSES					
Employee costs	60,030	58,305	1,725	3%	9
Materials and services	37,216	40,703	(3,487)	(9%)	10
Bad and doubtful debts	9	9	-	0%	
Depreciation	29,823	28,166	1,657	6%	11
Amortisation - Intangible assets	612	630	(18)	(3%)	0
Amortisation - Right of use assets	-	39	(39)	100%	12
Borrowing costs	651	289	362	56%	13
Finance Costs - Leases	-	29	(29)	100%	14
Net loss on disposal of property, infrastructure, plant and	-	3,869	(3,869)	100%	15
Other expenses	4,189	6,562	(2,373)	(57%)	16
Landfill provision movement	-	1,409	(1,409)	100%	17
Total expenses	132,530	140,010	(7,480)	(6%)	
SURPLUS/ (DEFICIT) FOR THE YEAR	16,055	25,239	9,184	57%	

(i) Explanation of material variations - Income and Expenditure

REF	ITEM	EXPLANATION
1	Rates and charges	Outcome: Favourable \$0.38 million (0%) Higher than expected growth in Council’s rate base as a result of supplementary valuations from subdivisions and property improvements \$0.33M and additional waste charge assessments \$0.05M.
2	Statutory fees and fines	Outcome: Favourable \$0.3 million (14%) Favourable variances for planning permits and works permits partially offset by unfavourable parking fines income substantially due to the COVID-19 pandemic.

REF	ITEM	EXPLANATION
3	User fees	Outcome: Unfavourable \$2.78 million (23%) Lower than expected fees and charges mainly due to COVID shutdowns and restrictions on council services. Latrobe Leisure programs \$1.31M, pre-School and pre-Kinder \$0.60M (funded by state government). In addition the budget did not allow for Council’s transition out of the Family Day Care Program which accounts for \$0.58M of the variance and there was less landfill gate fees collected than expected \$0.37M.
4	Grants - operating	Outcome: Favourable \$8.35 million (33%) The favourable variance is mainly due to unbudgeted/increased grants for pre school programs (including replacing user fees) \$1.93M, Working for Victoria \$1.77M, major recreation projects project directors office \$1.17M, emergency management and recovery \$1.14M, sports lighting projects \$0.55M, outdoor eating package \$0.50M, car parks early works package \$0.35M and Traralgon South tennis/netball courts \$0.34M.
5	Grants - capital	Outcome: Favourable \$7.27 million (37%) The favourable variance is largely due to timing variances mainly related to funding for Latrobe Valley Sports and Community Initiative projects \$3.70M, Gippsland Performing Arts Centre (GPAC) \$2.44M, Future Morwell Commercial Road \$0.59M together with various other smaller amounts. In addition unbudgeted grant funds have been received for the Local Roads and Community Infrastructure program \$1.12M, Latrobe Leisure Churchill structural remediation and squash courts \$0.34M, Moe Apex Park AAA Playspace \$0.33M, Yinnar Hall upgrade \$0.27M, Latrobe Leisure Moe Newborough multi purpose facility \$0.23M and various projects. These variances have been partially offset by an unfavourable timing variance in receipt of grant funding for the Gippsland Logistics Precinct \$1.91M and the Safe Traffic in Local Streets program \$0.74M.
6	Contributions - monetary	Outcome: Favourable \$0.61 million (673%) The favourable variance is mainly due to the higher than expected receipt of contributions for open space and future infrastructure works associated with new property subdivision development.
7	Contributions - non monetary	Outcome: Favourable \$2.77 million (69%) Higher than expected contribution of land and infrastructure assets have been received mainly due to the budget being based on uncertain development projections due to the timing of developers requesting a Statement of Compliance for their subdivisions.
8	Other income	Outcome: Unfavourable \$0.23 million (6%) The unfavourable variance is primarily due to low interest rates resulting in decreased interest on investments \$0.976M, and reduced kiosk sales in Latrobe Leisure due to COVID closures \$0.342M. These have been partially offset by unbudgeted reimbursements \$0.481M, sale of carbon generation units at landfill \$0.251M, interest on rates and charges \$0.157M, and various other smaller variance items.
9	Employee Costs	Outcome: Favourable \$1.73 million (3%) The favourable variance is mainly due to a reduction in the long service leave provision as a result of lower wages inflation and higher discount rates applied to calculate the present value of leave liabilities \$2.111M, together with reduced costs across services impacted by COVID closures e.g. Leisure, Libraries, Events and Tourism. This is partially offset by employees costs associated with the state government funded Working for Victoria program (\$2.34M), higher workcover premiums (\$0.198M).

Note 1: Performance against budget (continued)

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

REF	ITEM	EXPLANATION
10	Materials and services	Outcome: Unfavourable \$3.49 million (9%) The variance is predominantly a result of expenditure that was budgeted as capital but has been expensed as a result of it not meeting the criteria required to be capitalised \$1.4M, together with expenditure funded from unbudgeted government grants and income received in previous financial years.
11	Depreciation	Outcome: Favourable \$1.66 million (6%) The favourable variance is mainly in the Buildings category (\$1.13M) due to the later than anticipated timing of completion of major projects such as the Gippsland Regional Aquatic Facility and Gippsland Performing Arts Centre . In addition total infrastructure depreciation was less than expected (\$0.61M) due to the re-valuation that was implemented at the end of the 2019/20 financial year, after the 2020/21 budget had been formulated.
12	Amortisation - right of use assets	Outcome: Unfavourable \$0.04 million (100%) The impact of the implementation of AASB 16 Leases had not been assessed when the budget was formulated.
13	Borrowing costs	Outcome: Favourable \$0.36 million (56%) Lower loan repayments due to later than expected and reduced drawdown of loan funds for the Gippsland Regional Aquatics Facility.
14	Finance costs - leases	Outcome: Unfavourable \$0.03 million (100%) The impact of the implementation of AASB 16 Leases had not been assessed when the budget was formulated. Lease payments were budgeted under the "Other expenses" line item.
15	Net loss on disposal of property, infrastructure, plant and equipment	Outcome: Unfavourable \$3.87 million (100%) The variation is associated with the disposal of assets renewed as part of the capital works program. This process was not factored in to the 2020/21 budget process and involves the disposal of the residual value of assets that have been replaced with a renewed asset and relates mainly to asset classes of infrastructure (\$3.81M) and buildings (\$0.13M). This has been partially offset by a gain on disposal of plant and fleet (\$0.11M).
16	Other expenses	Outcome: Unfavourable \$2.37 million (57%) The unfavourable variance is mainly due to the expensing of items from opening Capital Works in Progress (\$2.72M). This is partially offset by favourable variances due to lower than expected State Government landfill levies associated with reduced levels of waste to landfill during the year (\$0.23M) together with lower than anticipated community grants expenditure (\$0.23M).
17	Landfill provision movement	Outcome: Unfavourable \$1.41 million (100%) An independent review of the expected costs to rehabilitate Council's existing and legacy landfill sites has resulted in an increase in the required provision. At the time the 2020/21 budget was formulated it was not anticipated that there would be a movement in this provision.

1.2 Capital Works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
PROPERTY					
Land	-	-	-	100%	
Total land	-	-	-	100%	
Buildings	44,717	34,822	9,895	22%	1
Heritage buildings	-	-	-	100%	
Total buildings	44,717	34,822	9,895	22%	
Total property	44,717	34,822	9,895	22%	
PLANT AND EQUIPMENT					
Plant, machinery and equipment	2,987	1,776	1,211	41%	2
Fixtures, fittings and furniture	10	71	(61)	(610%)	3
Computers and telecommunications	600	653	(53)	(9%)	
Art collection	15	9	6	40%	4
Total plant and equipment	3,612	2,509	1,103	31%	
INFRASTRUCTURE					
Roads	13,778	13,962	(184)	(1%)	
Bridges	530	914	(384)	(72%)	5
Footpaths and cycleways	1,248	1,967	(719)	(58%)	6
Drainage	150	398	(248)	(165%)	7
Recreational, leisure and community facilities	2,604	3,552	(948)	(36%)	8
Waste management	2,638	1,381	1,257	48%	9
Parks, open space and streetscapes	8,205	807	7,398	90%	10
Off street car parks	208	233	(25)	(12%)	11
Other infrastructure	2,370	525	1,845	78%	12
Total infrastructure	31,731	23,739	7,992	25%	
Total capital works expenditure	80,060	61,070	18,990	24%	
Represented by:					
New asset expenditure	50,984	37,775	13,209	26%	13
Asset renewal expenditure	21,111	19,335	1,776	8%	14
Asset expansion expenditure	-	-	-	100%	
Asset upgrade expenditure	7,965	3,960	4,005	50%	15
Total capital works expenditure	80,060	61,070	18,990	24%	

(i) Explanation of material variations - Capital Works

REF	ITEM	EXPLANATION
1	Buildings	Outcome: Underspend \$9.9 million (22%) The underspend is largely a result of delays in the final construction and fit-out of the Gippsland Performing Arts Centre (\$8M) from original projections and the later than expected commencement of the Kernot Hall Refurbishment (\$2.7M) due to scoping considerations.
2	Plant, machinery and equipment	Outcome: Underspend \$1.211 million (41%) The underspend is largely a result of deferrals in the replacement of fleet items due to reduced usage of council's vehicles during COVID restrictions, together with a delay in a major plant acquisition due to the item being unable to be delivered before the end of financial year.
3	Fixtures, fittings and furniture	Outcome: Overspend \$0.06 million (610%) Additional acquisitions were funded from operating budget lines, largely for library shelving upgrades.

Note 1: Performance against budget (continued)

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

REF	ITEM	EXPLANATION
4	Art collection	Outcome: Underspend \$0.006 million (610%) Minor delay in the acquisition of new artwork.
5	Bridges	Outcome: Overspend \$0.38 million (72%) The overspend related to the unbudgeted reconstruction of Downies Lane bridge. External funding was secured durin the year to enable the project to be jointly funded. Council’s contribution was funded from a previous financial year budget allocation.
6	Footpaths and cycleways	Outcome: Overspend \$0.72 million (165%) The overspend was as a result of unbudgeted footpath projects financed from the Commonwealth government’s Local Road and Community Infrastructure grant funding (\$0.63M).
7	Drainage	Outcome: Overspend \$0.25 million (48%) The overspend relates to drainage works (\$0.19M) incurred as part of the Road Rehabilitation program which were funded under the Roads classification budget.
8	Recreational, leisure and community facilities	Outcome: Overspend \$0.95 million (36%) Gippsland Regional Aquatic Centre recreation assets relating to pool infrastructure that were classified under buildings in the budget (\$3.2M), partially offset by Morwell Recreation Reserve Change rooms capitalised as Building’s (\$1.15M), but classified in the budget as Recreational assets.
9	Waste management	Outcome: Underspend \$1.26 million (48%) Variances relate to unexpected timing of projects spanning multiple financial years - Hyland Hwy Landfill Cell 6 Construction (\$0.9M) delayed due to slower than expected filling of Cell 5 and the construction of the “Biogas to Energy” Project (\$0.38M).
10	Parks, open space and streetscapes	Outcome: Underspend \$7.4 million (90%) Moe Revitalisation Project Stage 2 (\$7.7M) has been delayed as a result of Council exploring additional funding options and finalising the scope of the project.
11	Off street car parks	Outcome: Overspend \$0.03 million (12%) Minor remaining works on Gippsland Regional Indoor Sporting Stadium car parking (\$0.03M) funded from monies carried over from the previous financial year.
12	Other infrastructure	Outcome: Underspend \$1.85 million (78%) Delayed progress of the Gippsland Logistics Precinct and Intermodal Freight Terminal (\$2.07M) due to the need for alternative design works required for a revised planning application.
13	New asset expenditure	Outcome: Underspend \$13.2 million (26%) Underspend mainly due to projects to be carried over to the next financial year which include the Gippsland Performing Arts Centre (\$8M) and Moe Revitalisation Project Stage 2 (\$7.7M).
14	Asset renewal expenditure	Outcome: Underspend \$1.78 million (8%) Underspend mainly due to projects to be carried over to the next financial year which include Building Renewal (\$0.6M), Hyland Hwy Landfill Cell 6 Construction (\$0.9M) and Waste Plant (\$0.4M).
15	Asset upgrade expenditure	Outcome: Underspend \$4.01 million (50%) Kernot Hall Refurbishment (\$2.7M) to be carried over to the next financial year. Fully funded Regional Roads Victoria Safe Traffic in Local Streets Program will also continue into the next financial year (\$0.74M).

Note 2: Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.1 (a)

Office of the Chief Executive

- Office of the Chief Executive
- Mayoral and Council Support and Operations
- Engagement and Customer Focus
- Governance

Regional City Growth and Investment

- Business Development
- Economic Investment and Transition
- Creative Venues, Events and Tourism
- Regional City Planning (including Statutory, Strategic and Urban Growth planning)

Organisational Performance

- Financial Performance
- Organisational Performance and Information Technology
- People and Culture

Assets and Presentation

- City Assets (Infrastructure Design, Infrastructure Planning, Civil Works, Major Projects & Building Maintenance and Recreation and Open Space Planning)
- City Presentation (includes Infrastructure Maintenance, Open Space Maintenance and Recreation Liaison)
- Environment Sustainability

Community Health and Wellbeing

- Active Communities and Partnerships (includes Community Strengthening, Safe & Inclusive Communities, Community Resilience, Libraries and Leisure Facilities)

- Safe Communities (includes Building Services, Emergency Management, Health Services, Local Laws and Legal Proceedings)
- Aged Care Services
- Family Services

Resource Recovery

- Landfill Operations
- Waste and Recycling
- Litter Bins
- Garbage Charge revenue

Major Recreation Projects

- Latrobe Valley Sports and Community Initiative Project Director’s Office

Other Operating

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

Capital Works Program

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

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income \$’000	Expenses \$’000	Surplus/ (Deficit) \$’000	Grants included in income \$’000	Total assets \$’000
2021					
Office of the Chief Executive	8,923	(8,485)	438	942	91
Regional City Growth & Investment	12,604	(10,639)	1,965	2,505	43,318
Organisational Performance	13,461	(14,053)	(592)	3,267	5,540
Assets & Presentation	43,158	(45,529)	(2,371)	6,284	1,009,092
Community Health & Wellbeing	40,742	(38,087)	2,655	18,135	172,872
Resource Recovery	16,636	(13,855)	2,781	141	26,729
Major Recreation Projects	7,753	(3)	7,750	1,165	2,255
Other Operating	332	(260)	72	-	79,845
Capital Works Program	21,640	(9,099)	12,541	28,187	59,657
	165,249	(140,010)	25,239	60,626	1,399,399
2020					
Office of the Chief Executive	4,747	(4,452)	295	617	79
Regional City Growth & Investment	11,517	(10,223)	1,294	2,144	42,156
Organisational Performance	16,377	(14,391)	1,986	2,696	5,835
Assets & Presentation	41,237	(48,526)	(7,289)	7,250	976,122
Community Health & Wellbeing	38,373	(40,083)	(1,710)	14,712	114,953
Resource Recovery	16,820	(9,207)	7,613	151	27,632
Major Recreation Projects	51,450	581	52,031	50,808	64,942
Other Operating	1,633	(1,633)	-	-	68,092
Capital Works Program	19,186	(5,724)	13,462	18,800	44,228
	201,340	(133,658)	67,682	97,178	1,344,039

Note 3: Funding for the delivery of our services

3.1 Rates and charges

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

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

The valuation base used to calculate general rates for 2020/21 was \$12.305 million (2019/20 was \$11,725 million).

	2021 \$'000	2020 \$'000
General rates	54,504	53,716
Municipal charge	5,415	5,389
Garbage charge	12,607	12,437
EPA Victoria landfill levy	821	751
Supplementary rates and rates adjustments	380	634
Cultural and recreational	92	84
Revenue in lieu of rates	7,938	7,765
Total rates and charges	81,757	80,776

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation was first applied in the rating year commencing 1 July 2020.

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.

3.2 Statutory fees and fines

	2021 \$'000	2020 \$'000
Infringement and costs	453	449
Town planning fees	18	10
Land information certificates	107	54
Permits	965	810
Pool and Spa Registrations	114	42
Health registrations	(25)	330
Animal registrations	572	536
Other	225	165
Total Statutory fees and fines	2,429	2,396

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

3.3 User fees

	2021 \$'000	2020 \$'000
Aged and health services	1,931	1,807
Leisure centre and recreation	1,335	2,293
Child care/children's programs	3,481	4,092
Waste management services	1,988	2,361
Other fees and charges	762	949
Total User fees	9,497	11,502

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	9,497	11,502
Total User fees	9,497	11,502

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

3.4 Funding from other levels of government

Grants were received in respect of the following:

	2021 \$'000	2020 \$'000
Summary of grants		
Commonwealth funded grants	26,592	24,655
State funded grants	34,034	72,523
Total grants received	60,626	97,178

(a) Operating Grants

Recurrent – Commonwealth Government

Financial assistance grant	11,436	13,044
Aged and disability programs	3,035	2,278
Employment facilitation	226	282
Family and children programs	98	79

Recurrent – State Government

Preschools	5,802	4,623
Family and children programs	2,283	2,265
Maternal and child health	779	1,265
Aged and disability programs	319	1,045
Libraries	534	521
School crossing supervision	187	204
Arts programs	155	155
Environment sustainability	33	33
Other	-	15

Total recurrent operating grants	24,887	25,809
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Non-Recurrent – Commonwealth Government

Family and children programs	415	-
Recreational, Leisure & Community Facilities	231	-
Economic development	160	200
Aged and disability programs	46	69
Events And International Relations	21	100
Other	72	21

Non-Recurrent – State Government

Working for Victoria COVID19 Response	1,773	443
Recreational, Leisure & Community Facilities	1,560	1,650
Pre Schools	875	33
Economic development	838	204
Community support and development programs	752	87
Natural disaster recovery	685	166
Infrastructure Planning	350	8
Family and children programs	344	-
Strategic Planning	245	-
Public Lighting	120	108
Events & International Relations	25	145
Arts program	25	59
Other	203	245

Total non-recurrent operating grants	8,740	3,538
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Total operating grants	33,627	29,347
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Note 3: Funding for the delivery of our services *(continued)*

	2021 \$'000	2020 \$'000
(b) Capital Grants		
<i>Recurrent – Commonwealth Government</i>		
Roads to recovery program	2,550	2,550
Total recurrent capital grants	2,550	2,550
<i>Non-Recurrent – Commonwealth Government</i>		
Buildings	5,395	2,483
Roads	1,114	-
Recreation, leisure and community facilities	1,045	1,960
Parks, Open Spaces And Streetscapes	628	1,319
Bridges	120	-
Footpath & Cycleways	-	270
<i>Non-Recurrent – State Government</i>		
Buildings	12,502	51,576
Recreation, leisure and community facilities	1,533	4,357
Parks, Open Spaces And Streetscapes	292	1,277
Roads	1,490	1,114
Footpath & Cycleways	41	712
Other Infrastructure	289	213
Total non-recurrent capital grants	24,449	65,281
Total capital grants	26,999	67,831
Total Grants	60,626	97,178

(c) Unspent grants received on condition that they be spent in a specific manner

(c) Unspent grants received on condition that they be spent in a specific manner

<i>Operating</i>		
Balance at start of year	2,955	12,649
Transition to AASB15	-	(1,227)
Received during the financial year and remained unspent at balance date	3,605	2,866
Received in prior years and spent during the financial year	(2,613)	(11,333)
Balance at year end	3,947	2,955

Capital

Balance at start of year	-	25,639
Transition to AASB1058	-	(25,734)
Differences between previous reporting and AASB1058	-	95
Received during the financial year and remained unspent at balance date	-	-
Received in prior years and spent during the financial year	-	-
Balance at year end	-	-

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

3.5 Contributions

	2021 \$'000	2020 \$'000
Monetary	696	788
Non-monetary	6,766	3,588
Total Contributions	7,462	4,376

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

Roads	3,089	1,788
Drainage	1,711	835
Land	1,045	556
Footpaths	878	405
Other	43	4
Total non-monetary contributions	6,766	3,588

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

3.6 Other Income

	2021 \$'000	2020 \$'000
Interest	1,190	2,371
Other Rent	689	828
Sales	443	469
Contributions other	794	1,149
Rebates	358	280
Other	4	15
Total other income	3,478	5,112

Interest is recognised as it is earned.

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

Note 4: The cost of delivering services

4.1 (a) Employee costs

	2021 \$'000	2020 \$'000
Salaries and wages	50,091	49,486
Workcover	1,423	1,228
Superannuation	4,947	4,714
Fringe benefits tax	285	333
Other	1,559	2,332
Total employee costs	58,305	58,093

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	309	325
Employer contributions payable at reporting date	-	-
	309	325

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,079	3,894
Employer contributions payable at reporting date	559	495
	4,638	4,389

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

Note 4: The cost of delivering services *(continued)*

4.2 Materials and services

	2021 \$'000	2020 \$'000
Cleaning	861	906
Family Day Care Educators	47	644
Vehicle Expenses	865	989
Management and Operation of Gippsland Regional Aquatic Centre	806	-
Parks and Reserves	714	148
Sporting Grounds & Facilities	1,850	2,664
Domestic Rubbish Collection	3,370	3,323
Transfer Stations	997	1,050
Materials Recovery Facility	1,442	821
Green Waste Processing	679	731
Litter Bins	426	455
Street Sweeping	523	523
Other Contracts	6,028	6,364
Building maintenance	2,157	1,672
General maintenance	3,423	3,480
Utilities	3,210	2,883
Office administration	1,955	1,711
Information technology	2,426	1,972
Insurance	1,109	983
Consultants	3,415	2,594
Other	4,400	5,424
Total materials and services	40,703	39,337

4.3 Depreciation

Property	6,055	5,936
Plant, furniture and equipment	2,331	2,182
Infrastructure	19,780	19,838
Total depreciation and amortisation	28,166	27,956

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

4.4 Amortisation - Intangible assets

Software	18	39
Landfill	612	612
Total Amortisation - Intangible assets	630	651

4.5 Amortisation - Right of use assets

Property	23	23
Vehicles	16	1
Total Amortisation - Right of use assets	39	24

4.6 Bad and doubtful debts

Other debtors	9	34
Total bad and doubtful debts	9	34

Movement in provision for doubtful debts

Balance at the beginning of the year	20	60
New Provisions recognised during the year	5	10
Amounts already provided for and written off as uncollectible	(10)	(49)
Amounts provided for but recovered during the year	-	(1)
Balance at the end of the year	15	20

Provision for doubtful debts is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Borrowing costs

	2021 \$'000	2020 \$'000
Interest on borrowings	289	390
Total borrowing costs	289	390

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.

4.8 Finance Costs - Leases

Interest - Lease liabilities	29	29
Total finance costs	29	29

4.9 Net gain / (loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	164	808
Write down value of assets disposed (sold/written off)	(92)	(855)
Write down value of assets disposed (asset renewal)	(3,941)	(6,372)
Total net gain/ (loss) on disposal of property, infrastructure, plant and equipment	(3,869)	(6,419)

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

4.10 Other expenses

Auditors' remuneration - VAGO	62	61
Auditors' remuneration - Internal	118	112
Audit other	45	80
Councillors' allowances	309	316
Operating lease rentals	145	33
Grants	1,890	1,175
Levies	1,274	1,303
Assets written-off / impaired	2,719	339
Total other expenses	6,562	3,419

Note 5: Our financial position

5.1 Financial assets

	2021 \$'000	2020 \$'000
(a) Cash and cash equivalents		
Cash on hand	11	11
Cash at bank	39,894	18,720
Term Deposits	-	20,000
Total cash and cash equivalents	39,905	38,731
(b) Other financial assets		
Term Deposits - current (>90days)	70,800	70,169
MAPS Group Ltd. Shares - non-current	2	2
Total other financial assets	70,802	70,171
Total financial assets	110,707	108,902

Note 5: Our financial position *(continued)*

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

These include:

	2021 \$'000	2020 \$'000
Trust funds and deposits (Note 5.3 (b))	3,779	3,247
Total restricted funds	3,779	3,247
Total unrestricted cash and cash equivalents	36,126	35,484
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 9.1 (b))	4,625	4,578
Cash held to fund carried forward capital works	13,366	16,680
Unspent grants (Note 3.4)	3,947	2,956
Funds held to rehabilitate previous landfill cells and fund future landfill cell construction	21,953	21,802
Funds held to repay principal for "Interest Only" loan facility	670	-
Defined Benefits Superannuation calls	1,500	-
Funds held to meet future Information Technology capital investment requirements	4,101	4,550
Funds held to meet future Developer Contribution Plan (DCP) infrastructure requirements	1,166	770
Total funds subject to intended allocations	51,328	51,336

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

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

(c) Trade and other receivables

Current

<i>Statutory receivables</i>		
Rates debtors*	2,628	4,569
Health Registrations	(50)	5
Goods and services tax (GST)	1,048	1,487
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	3	4
Other debtors	1,922	636
Provision for doubtful debts - other debtors	(15)	(20)
Total current trade and other receivables	5,536	6,681

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

Non-Current

<i>Non-statutory receivables</i>		
Loans and advances to community organisations	5	9
Total non-current trade and other receivables	5	9

Total trade and other receivables	5,541	6,690
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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.

	2021 \$'000	2020 \$'000
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(d) Ageing of receivables

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

Current (not yet due)	607	149
Past due by up to 30 days	581	163
Past due between 31 and 60 days	380	70
Past due between 61 and 90 days	141	35
Past due by more than 90 days	221	232
Total trade and other receivables	1,930	649

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$15K (2020 \$20K) were impaired. The amount of the provision raised against these debtors was \$15K (2020 \$20K). 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	-	-
Past due by more than 90 days	15	20
Total trade and other receivables	15	20

5.2 Non-financial assets

	2021 \$'000	2020 \$'000
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(a) Other assets

Prepayments	1,142	818
Accrued income	5,309	3,584
Total other assets	6,451	4,402

(b) Intangible assets

Software	4	22
Landfill Air Space	89	701
Total intangible assets	93	723

	Software \$'000	Landfill Air Space \$'000	Total \$'000
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Gross Carrying Amount

Balance at 1 July 2020	1,147	18,422	19,569
Additions from internal developments	-	-	-
Other additions	-	-	-
Balance at 30 June 2021	1,147	18,422	19,569

Accumulated Amortisation and Impairment

Balance at 1 July 2020	(1,125)	(17,721)	(18,846)
Amortisation Expense	(18)	(612)	(630)
Balance at 30 June 2021	(1,143)	(18,333)	(19,476)

Net Book Value at 30 June 2020	22	701	723
Net Book Value at 30 June 2021	4	89	93

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

Note 5: Our financial position *(continued)*

5.3 Payables

	2021 \$'000	2020 \$'000
(a) Trade and other payables		
Trade Payables	11,617	11,925
Accrued Expenses	1,728	1,402
Total trade and other payables	13,345	13,327
(b) Trust funds and deposits		
Refundable deposits	2,777	2,263
Fire Service Levy	828	857
Retention amounts	95	95
Other refundable deposits	79	32
Total trust funds and deposits	3,779	3,247
(c) Unearned income		
Grants received in advance - operating	5,916	3,136
Grants received in advance - capital	8,300	5,708
Other	30	30
Total unearned income	14,246	8,874

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

Purpose and Nature of Items

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

Fire Service Levy – Council is the collection agent for 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.

5.4 Interest-bearing liabilities

	2021 \$'000	2020 \$'000
Current		
Borrowings – Secured	1,459	2,527
Total current	1,459	2,527
Non-Current		
Borrowings – Secured	15,215	7,749
Total non-current	15,215	7,749
Total interest-bearing loans and borrowings	16,674	10,276
All borrowings are secured over Council's Rate Revenue		
The maturity profile for Council's borrowings is:		
Not later than one year	1,459	2,527
Later than one year and not later than five years	9,424	2,198
Later than five years	5,791	5,551
	16,674	10,276

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.

5.5 Provisions

	Annual Leave \$'000	Long Service Leave \$'000	Landfill Rehabilitation \$'000	Total \$'000
2021				
Balance at Beginning of the Financial Year	4,854	10,792	18,099	33,745
Additional/(Reduced) Provisions	4,466	(51)	1,978	6,393
Amounts Used	(4,109)	(1,111)	(2,656)	(7,876)
Increase/ (Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	(12)	(512)	(569)	(1,093)
Balance at the End of the Financial Year	5,199	9,118	16,852	31,169
2020				
Balance at Beginning of the Financial Year	4,285	10,169	26,551	41,005
Additional/(Reduced) Provisions	4,342	1,279	(2,828)	2,793
Amounts Used	(3,776)	(1,129)	(5,757)	(10,662)
Increase/ (Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	3	473	133	609
Balance at the End of the Financial Year	4,854	10,792	18,099	33,745

(a) Employee provisions

	2021 \$'000	2020 \$'000
Current Provisions Expected to be wholly settled within 12 months		
Annual leave	4,830	4,506
Long service leave	2,495	2,398
	7,326	6,904
Current Provisions Expected to be wholly settled after 12 months		
Annual leave	369	347
Long service leave	5,511	6,842
	5,880	7,189
Total current employee provisions	13,206	14,093
Non-Current		
Long service leave	1,111	1,553
Total non-current employee provisions	1,111	1,553
Aggregate Carrying Amount of Employee Provisions		
Current	13,206	14,093
Non-Current	1,111	1,553
	14,317	15,646

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

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick 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 the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Note 5: Our financial position *(continued)*

Long service leave

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

Unconditional LSL is disclosed as a 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.

	2021 \$'000	2020 \$'000
Key assumptions:		
- discount rate	1.09%	0.71%
- inflation rate	1.50%	2.70%
- settlement period	25 years	25 years
(b) Landfill restoration		
Current	2,432	2,758
Non-Current	14,420	15,341
	16,852	18,099

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

Key assumptions:		
- discount rate	0.98%	0.63%
- inflation rate	2.00%	2.00%
- settlement period	10.1 years	7.4 years

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021.

	2021 \$'000	2020 \$'000
Bank overdraft	1,000	1,000
Credit card facilities	500	500
Other facilities	16,674	18,476
Total facilities	18,174	19,976
Used facilities	16,749	10,340
Unused facilities	1,425	9,636

5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet.

Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2021					
Operating					
Recycling	2,993	-	-	-	2,993
Garbage collection	3,900	1,950	-	-	5,850
Processing of Organic Waste	857	-	-	-	857
Cleaning contracts for council amenities/streets	1,738	377	-	-	2,115
Cleaning contracts for council buildings	961	-	-	-	961
Meals for Delivery	265	-	-	-	265
Landfill	2,452	525	673	-	3,650
Software	70	-	-	-	70
Management and Operation of GRAC	1,399	1,399	-	-	2,798
Business Development Program	143	99	-	-	242
Total	14,778	4,350	673	-	19,801
Capital construction					
Buildings	12,091	-	-	-	12,091
Other Infrastructure	145	-	-	-	145
Total	12,236	-	-	-	12,236
2020					
Operating					
Recycling	2,242	2,242	-	-	4,484
Garbage collection	3,868	3,868	-	-	7,736
Processing of Organic Waste	525	-	-	-	525
Courier service	60	-	-	-	60
Cleaning contracts for council amenities/streets	841	246	-	-	1,087
Cleaning contracts for council buildings	1,015	-	-	-	1,015
Meals for Delivery	308	308	-	-	616
Landfill	1,273	546	12	-	1,831
Recreation	430	-	-	-	430
Total	10,562	7,210	12	-	17,784
Capital construction					
Buildings	45,482	-	-	-	45,482
Landfill	1,250	-	-	-	1,250
Footpaths and Cycleways	16	-	-	-	16
Other Infrastructure	212	-	-	-	212
Streetscapes	456	-	-	-	456
Recreation	212	-	-	-	212
Roads	456	-	-	-	456
Total	48,084	-	-	-	48,084

Note 5: Our financial position *(continued)*

5.8 Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date less any lease incentives received; plus
- Any initial direct costs incurred; and
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

<i>Right-of-Use Assets</i>	Property \$'000	Vehicles \$'000	Total \$'000
Balance at 1 July 2019	717	-	717
Additions	-	31	31
Amortisation charge	(24)	(1)	(25)
Balance at 30 June 2020	693	30	723
Balance at 1 July 2020	693	30	723
Additions	-	-	-
Amortisation charge	(23)	(16)	(39)
Balance at 30 June 2021	670	14	684

<i>Lease Liabilities</i>	2021 \$'000	2020 \$'000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	27	29
One to five years	60	72
More than five years	617	634
Total undiscounted lease liabilities as at 30 June	704	735
Lease liabilities included in the Balance Sheet at 30 June		
Current	27	29
Non-Current	677	706
Total lease liabilities	704	735

Short-term and low value leases

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

Expenses relating to:		
Short-term leases	145	33
Leases of low value assets	-	-
Total	145	33
Variable lease payments (not included in measurement of lease liabilities)		

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

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

Payable:		
Within one year	4	5
Later than one year but not later than five years	1	1
Later than 5 years	4	4
Total lease commitments	9	10

Note 6: Assets we manage

6.1 Non-current assets classified as held for sale	2021 \$'000	2020 \$'000
Cost of acquisition	-	-
Total non-current assets classified as held for sale	-	-

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of their carrying amount and fair value less costs of disposal, 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.

Note 6: Assets we manage *(continued)*

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At fair value 30 June 2020 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At fair value 30 June 2021 \$'000
Land	174,936	-	1,045	18,617	-	-	-	194,598
Buildings	198,401	6,297	-	-	(6,055)	(132)	56,678	255,188
Plant and equipment	12,480	2,509	43	200	(2,331)	(92)	-	12,809
Infrastructure	752,598	18,892	5,678	1,592	(19,780)	(3,809)	12,112	767,283
Work in progress	84,183	33,372	-	-	-	(2,719)	(68,790)	46,045
	1,222,598	61,070	6,766	20,409	(28,166)	(6,752)	-	1,275,923

Summary of works in progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write Offs \$'000	Closing WIP \$'000
Buildings	70,672	22,583	(59,593)	(70)	33,592
Infrastructure	13,512	10,788	(9,197)	(2,649)	12,453
Total	84,184	33,372	(68,790)	(2,719)	46,045

(a) Property

	Land specialised (incl. land under roads) \$'000	Land non- specialised \$'000	Total Land \$'000	Building specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total Property \$'000
At fair value 1 July 2020	128,361	46,575	174,936	273,459	273,459	70,672	519,067
Accumulated depreciation at 1 July 2020	-	-	-	(75,059)	(75,059)	-	(75,059)
	128,361	46,575	174,936	198,400	198,400	70,672	444,008
Movements in fair value							
Additions	-	-	-	6,297	6,297	22,583	28,880
Contributions	1,045	-	1,045	-	-	-	1,045
Revaluation	13,660	4,957	18,617	-	-	-	18,617
Disposal	-	-	-	(671)	(671)	-	(671)
Write-off	-	-	-	-	-	(70)	(70)
Transfers	-	-	-	56,678	56,678	(59,593)	(2,915)
	14,705	4,957	19,662	62,304	62,304	(37,080)	44,886
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(6,055)	(6,055)	-	(6,055)
Revaluation	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	539	539	-	539
Transfers	-	-	-	-	-	-	-
	-	-	-	(5,516)	(5,516)	-	(5,516)
At fair value 30 June 2021	143,066	51,532	194,598	335,763	335,763	33,592	563,953
Accumulated depreciation at 30 June 2021	-	-	-	(80,575)	(80,575)	-	(80,575)
	143,066	51,532	194,598	255,188	255,188	33,592	483,378

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixture fittings and furniture \$'000	Computers and telecomms \$'000	Art collection \$'000	Total plant and equipment \$'000
At fair value 1 July 2020	16,424	1,779	6,487	3,710	28,400
Accumulated depreciation at 1 July 2020	(9,018)	(1,475)	(5,427)	-	(15,920)
	7,406	304	1,060	3,710	12,480
Movements in fair value					
Additions	1,772	75	653	9	2,509
Contributions	29	-	-	21	50
Revaluations	-	-	-	200	200
Disposal	(505)	-	-	(39)	(544)
Transfers	-	-	-	(1)	(1)
	1,296	75	653	191	2,215
Movements in accumulated depreciation					
Depreciation and amortisation	(1,814)	(56)	(461)	-	(2,331)
Accumulated depreciation of disposals	452	-	-	-	452
Contributions	(7)	-	-	-	(7)
	(1,369)	(56)	(461)	-	(1,886)
At fair value 30 June 2021	17,720	1,854	7,140	3,901	30,615
Accumulated depreciation at 30 June 2021	(10,387)	(1,531)	(5,888)	-	(17,806)
	7,333	323	1,252	3,901	12,809

Note 6: Assets we manage (continued)

(c) Infrastructure											Depreciation	Threshold
	Roads	Bridges	Footpaths & cycleways	Drainage	Waste management	Parks, open spaces & streetscapes	Aerodromes	Off street parking	Recreation, leisure & community facilities	Work in progress	Period \$'000	limit \$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At fair value 1 July 2020	725,417	55,558	95,645	234,141	10,192	9,303	4,928	10,419	9,137	13,511		
Accumulated depreciation at 1 July 2020	(228,007)	(23,712)	(38,258)	(94,706)	(8,972)	(3,487)	(1,144)	(2,940)	(916)	-		
	497,410	31,846	57,387	139,435	1,220	5,816	3,784	7,479	8,221	13,511		
Movements in fair value												
Additions	8,004	160	864	380	59	42	-	486	8,897	10,788		
Contributions	3,089	-	878	1,711	-	-	-	-	-	-		
Revaluations	-	(3,982)	-	-	-	-	-	-	-	-		
Disposal	(4,303)	(98)	(241)	(1,595)	-	(436)	-	(233)	-	(2,649)		
Transfers	4,879	161	512	293	-	976	-	-	5,291	(9,197)		
	11,669	(3,759)	2,013	789	59	582	-	253	14,188	(1,058)		
Movements in accumulated depreciation												
Depreciation and amortisation	(12,877)	(569)	(1,740)	(2,349)	(1,043)	(418)	(226)	(216)	(342)	-		
Contributions	-	-	-	-	-	-	-	-	-	-		
Revaluations	-	5,574	-	-	-	-	-	-	-	-		
Accumulated depreciation of disposals	2,236	44	114	490	-	186	-	27	-	-		
Transfers	-	-	-	-	-	-	-	-	-	-		
	(10,641)	5,049	(1,626)	(1,859)	(1,043)	(232)	(226)	(189)	(342)	-		
At fair value 30 June 2021	737,086	51,799	97,658	234,930	10,251	9,885	4,928	10,672	23,325	12,453		
Accumulated depreciation at 30 June 2021	(238,648)	(18,663)	(39,884)	(96,565)	(10,015)	(3,719)	(1,370)	(3,129)	(1,258)	-		
	498,438	33,136	57,774	138,365	236	6,166	3,558	7,543	22,067	12,453		

Acquisition

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

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

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

Asset category	Depreciation Period \$'000	Threshold limit \$'000
Property		
land	na	Nil
buildings	10-100 years	10.0
Plant and equipment		
plant, machinery and equipment	3 - 12 years	1.0
fixtures, fittings and furniture	5 - 10 years	1.0
computers and telecommunications	3 - 7 years	1.0
art works collection	na	0.5
Infrastructure		
road pavements and seals	14 - 87 years	10.0
road formation and earthworks	na	10.0
road kerb and channel	77 years	10.0
bridges deck	100 years	10.0
bridges substructure	100 years	10.0
footpaths and cycleways	15 - 60 years	10.0
drainage	100 years	10.0
waste management	2 - 20 years	10.0
parks, open space and streetscapes	20-40 years	5.0
recreation, leisure and community facilities	40 years	10.0
off street car parks	14 - 87 years	10.0
Intangible assets		
software	5 years	5.0
landfill air space	2 years	10.0

Land under roads	Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.
Council recognises land under roads it controls at fair value.	

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

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

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

Valuation of land and buildings
Valuation of land and buildings were undertaken by a qualified independent valuers CJA Lee Property – Valuers and Consultants (Registration number: 62467) for land and Assetic Pty Ltd for buildings. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

Note 6: Assets we manage (continued)

The date of the current valuation is June 2018. As a result of the annual fair value review of assets land values have been indexed by 10.64% during the 2021 reporting period.

Details of the Council’s land and buildings and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1 \$’000	Level 2 \$’000	Level 3 \$’000
Land – Non specialised	-	51,532	-
Land – Specialised	-	-	143,066
Buildings – Specialised	-	-	255,188
Total	-	51,532	398,254

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 detailed in the following table. Full revaluation was conducted in the current year for bridges.

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 2021 are as follows:

	Level 1 \$’000	Level 2 \$’000	Level 3 \$’000	Date of valuation
Roads	-	-	498,438	Jun-2020
Bridges	-	-	33,136	Jun-2021
Footpaths and cycleways	-	-	57,774	Jun-2020
Drainage	-	-	138,365	Jun-2020
Recreational, Leisure and community facilities	-	-	236	Jun-2019
Waste management	-	-	6,166	n/a
Parks, open space and streetscapes	-	-	3,558	Jun-2019
Aerodromes	-	-	7,543	Jun-2015
Off street car parks	-	-	22,067	Jun-2020
Total	-	-	767,283	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0 and \$826 per square metre

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 \$84 to \$5480 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the 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.

	2021 \$’000	2020 \$’000
Reconciliation of specialised land		
Land under roads	19,714	17,780
Parks, reserves and other specialised land	123,352	110,581
Total specialised land	143,066	128,361

6.3 Investments in associates, joint arrangements and subsidiaries

Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2021, and their income and expenses for that part of the reporting period in which control existed.

Council had no subsidiaries in the 2020/21 financial year (2019/20 \$nil).

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.

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.

Note 7: People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity
Latrobe City Council

(b) 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:

Councillor

Councillor D Clancey
(Mayor from 1/07/2020 to 24/10/2020)
Councillor S Gibson
(Mayor from 20/11/2020 to 30/06/2021)
Councillor G Middlemiss
Councillor K O’Callaghan
Councillor D Harriman
Councillor D Howe
Councillor B Law
Councillor T Lund (from 10/11/2020)
Councillor M Ferguson (from 10/11/2020)

Other KMP

Chief Executive Officer
General Manager Assets and Presentation
(two people held this role during the year)
General Manager Community
Health and Wellbeing
General Manager Regional City
Growth and Investment
General Manager Organisational Performance

	2021	2020
Total number of Councillors	11	9
CEO and KMP	6	6
Total KMP	17	15

Note: Council election held 24 October 2020, with elected Councillors sworn in from 10 November 2020

Note 7: People and relationships *(continued)*

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:	2021	2020
	\$'000	\$'000
Short-term benefits	1,455	1,427
Long-term benefits	11	30
Post employment benefits	102	100
Termination benefits	-	-
Total	1,568	1,557

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

	2021	2020
	Number	Number
\$0 - \$9,999	2	-
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	5	7
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	1
\$90,000 - \$99,999	-	1
\$120,000 - \$129,999	-	1
\$200,000 - \$209,999	1	-
\$230,000 - \$239,999	2	3
\$240,000 - \$249,999	1	-
\$310,000 - \$319,999	-	1
\$320,000 - \$329,999	1	-
Total	17	15

(d) 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 \$151,000

Income Range:		
\$151,000 - \$159,999	9	6
\$160,000 - \$169,999	7	7
\$170,000 - \$179,999	3	3
Total	19	16

Total Remuneration for the reporting year for Senior Officers included above, amounted to (\$,000)	\$2,585	\$2,811
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7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties:	2021	2020
	\$'000	\$'000
Employee expenses for close family members of key personnel *	3	12
Purchase of materials & services from related parties of key management personnel	37	39
Total	40	51

* 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 employs in excess of 1000 staff of whom only one is a close family member of key management personnel.

(b) Outstanding balances with related parties

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

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

(c) Loans to/from related parties

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

(d) Commitments to/from related parties

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

	2021	2020
	\$'000	\$'000
Employee commitments for close family members of key personnel	5	10
Total	5	10

Note 8: Managing uncertainties

8.1 Contingent assets and liabilities

(a) 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.

(b) Contingent liabilities

Superannuation

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

Future superannuation contributions

In addition to the disclosed contribution, there were no contributions outstanding at the 30 June 2021.

Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2019/20 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 are \$0.3 million.

Landfill

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

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

Liability Mutual Insurance

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

Note 8: Managing uncertainties *(continued)*

(b) Contingent liabilities *(continued)*

Gippsland Regional Aquatic Centre site

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

Council has until the 6 December 2021 to produce an environmental audit report, prepared in accordance with section 53X of the *Environment Protection Act 1970* and in accordance with the approved EPA audit scope along with either a Certificate of Environmental Audit in accordance with section 53Y of the Act; or a Statement of Environmental Audit in accordance with section 53Z of the Act, demonstrating that that site has been cleaned to the EPA's satisfaction. The EPA has sole discretion as to whether the works undertake have been sufficiently undertaken or whether further works are required to be completed.

(c) Guarantees for loans to other entities

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

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

8.2 Change in accounting standards

'Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) 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 the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 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. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 0.10%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

Note 8: Managing uncertainties *(continued)*

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

No other matters have occurred after balance date that requires disclosure in the financial report. (2019/20 \$Nil)

Note 9: Other matters

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period	Increment/ (decrement)	Balance at end of reporting period
2021			
Property			
Land	116,600	18,617	135,217
Buildings	110,489	-	110,489
	227,089	18,617	245,706
Infrastructure			
Roads	117,377	-	117,377
Bridges	28,982	1,593	30,575
Footpaths and cycleways	18,205	-	18,205
Off street carparks	8,282	-	8,282
Drainage	79,047	-	79,047
Recreation, leisure and community facilities	1,159	-	1,159
Parks, open space and streetscapes	3,387	-	3,387
	256,439	1,593	258,032
Other			
Artworks	895	200	1,095
Other	14	-	14
	909	200	1,109
Total Asset Revaluation Reserves	484,437	20,410	504,847

2020			
Property			
Land	116,600	-	116,600
Buildings	110,489	-	110,489
	227,089	-	227,089
Infrastructure			
Roads	134,136	(16,759)	117,377
Bridges	28,982	-	28,982
Footpaths and cycleways	25,474	(7,269)	18,205
Off street carparks	7,080	1,202	8,282
Drainage	59,370	19,677	79,047
Recreation, leisure and community facilities	1,159	-	1,159
Parks, open space and streetscapes	3,387	-	3,387
	259,588	(3,149)	256,439
Other			
Artworks	895	-	895
Other	14	-	14
	909	-	909
Total Asset Revaluation Reserves	487,586	(3,149)	484,437

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

Note 9: Other matters (continued)

(b) Other reserves	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
2021				
Developer Contributions	4,576	(646)	695	4,625
Total other reserves	4,576	(646)	695	4,625
2020				
Developer Contributions	3,529	(24)	1,071	4,576
Total other reserves	3,529	(24)	1,071	4,576

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

9.2 Reconciliation of cash flows from operating activities to surplus (deficit)

	2021 \$'000	2020 \$'000
Surplus/(deficit) for the year	25,239	67,682
Depreciation and amortisation	28,835	28,631
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	3,869	6,419
Contributions non-monetary assets	(6,766)	(3,588)
Finance costs	318	419
Impairment losses/ Work in progress written off	2,719	339
Changes in assets and liabilities		
(Increase)/ decrease in trade and other receivables	1,144	1,398
(Increase)/ decrease in prepayments	(323)	(236)
(Increase)/ decrease in accrued income	(1,725)	61
Increase/ (decrease) in trade and other payables	7,673	(17,323)
Increase/ (decrease) in trust funds and deposits	532	608
Increase/ (decrease) in provisions	(2,576)	(7,260)
Net cash provided by operating activities	58,939	77,149

9.3 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 Comprehensive Operating Statement when they are made or due.

Accumulation
The Fund’s accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, 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 [Employer name] in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

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

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%.The financial assumptions used to calculate the VBI were:

- Net investment returns 5.6% pa
- Salary inflation 2.5% pa for two years and 2.75% pa thereafter
- Price inflation (CPI) 2.0% pa

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 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 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund’s Defined Benefit category at rates determined by the Fund’s Trustee. For the year ended 30 June 2021, this rate was 9.5% of members’ salaries (9.5% in 2019/2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

The 2020 triennial actuarial investigation surplus amounts
An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

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

	2020 (triennial) \$m	2019 (interim) \$m
- A VBI surplus	100.0	151.3
- A total service liability surplus	200.0	233.4
- A discounted accrued benefits surplus	217.8	256.7

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund’s participating employers (including Latrobe City Council are required to make an employer contribution to cover the shortfall.

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

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

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

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

Note 9: Other matters (continued)

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 2020.

The total service liability surplus means that the current value of the assets in the Fund’s Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund’s Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund’s position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021

Superannuation contributions

Contributions by Latrobe City Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of scheme	Rate	2021 \$’000	2020 \$’000
Vision Super	Defined Benefits	9.5%	309	325
Various	Accumulation	9.5%	4,079	3,894

In addition to the above contributions, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2019/20 \$nil).

There were \$559K contributions outstanding (2019/20 \$495K) and \$nil loans issued (2019/20 \$nil) from or to the above schemes as at 30 June 2021.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$330K.

Note 10: Change in accounting policy

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)

Council has adopted AASB 1059 Service Concession Arrangements: Grantors , from 1 July 2020.

AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020

AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework from 1 July 2020.

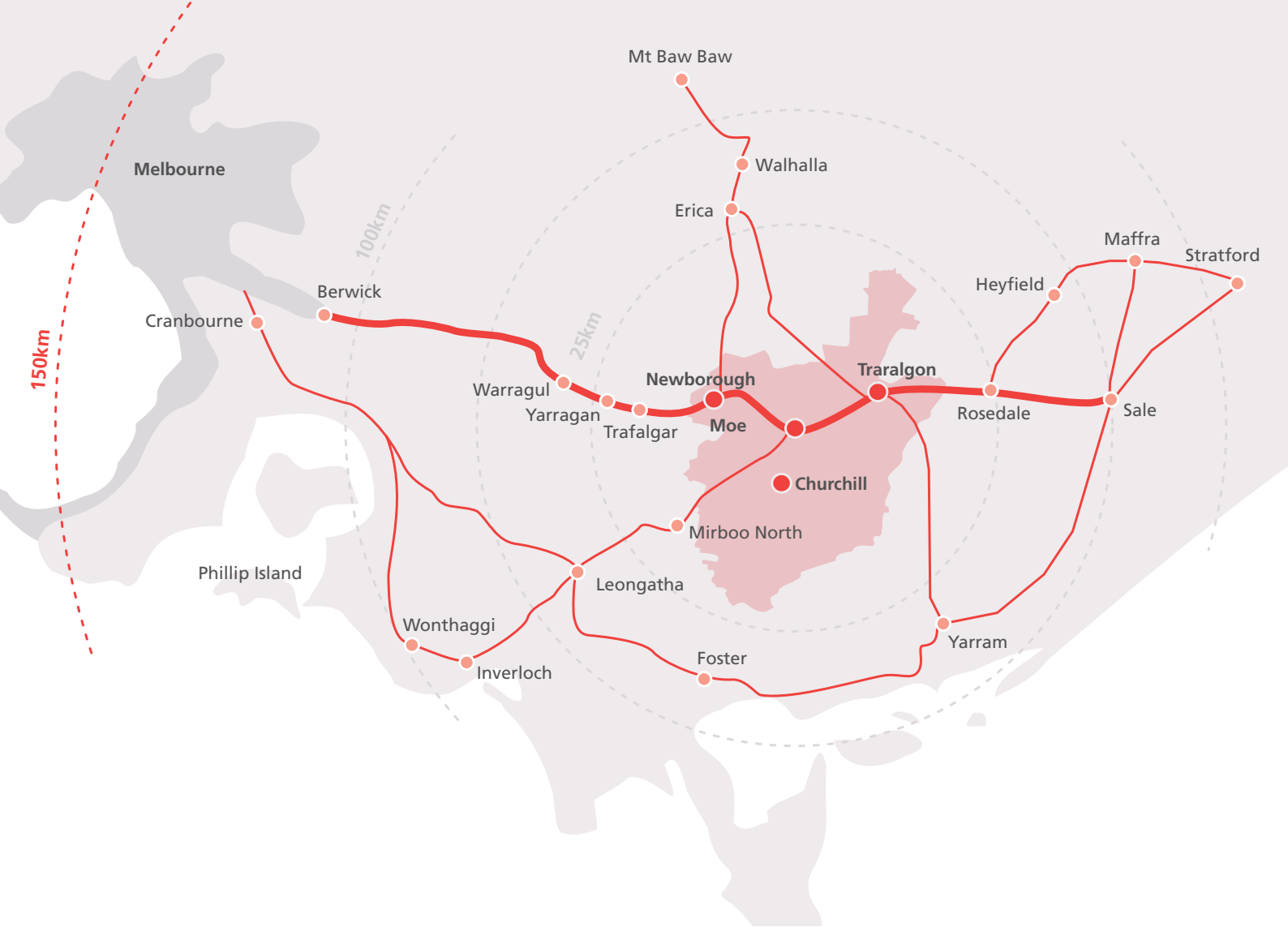
These standards have not had any significant impact on council.



Performance Statement

For the year ended
30 June 2021





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 75,9511.

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, has a large population of hard working farmers and residents who enjoy the peace and tranquillity that comes with country life.

¹Australian Bureau of Statistics 3218.0 Regional Population Growth Australia, 1 April 2021 E.R.P 2021

Certification of the Performance Statement

In my opinion the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).

Matthew Rogers CPA
Principal Accounting Officer
Dated: 09/09/2021

In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2021 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* (as per the transitional provisions of the *Local Government Act 2020*).

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

As at the date of signing, we are not aware of any circumstances which 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.

Cr Graeme Middlemiss
Councillor
Dated: 09/09/2021

Cr Melissa Ferguson
Councillor
Dated: 09/09/2021

Steven Piasente
Chief Executive Officer
Dated: 09/09/2021

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 2021sustainable capacity indicators for the year ended 30 June 2021service performance indicators for the year ended 30 June 2021financial performance indicators for the year ended 30 June 2021other information andcertification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 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. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. 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 Victoria 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 are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 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	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Performance Statement

For the year ended 30 June 2021

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 75,915¹.

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

¹ Australian Bureau of Statistics 3218.0 Regional Population Growth Australia, 1 April 2021 E.R.P 2021

Sustainable Capacity Indicators

For the year ended
30 June 2021

Indicator/measure	Results				Material variations
	2018	2019	2020	2021	
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1891	\$1813	\$1805	\$1844	The result for this measure has increased by \$39 over the year. This is largely in line with CPI increases and an increase in Council's landfill rehabilitation provision following an independent review of the cost of works required to meet EPA requirements.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$13,086	\$13,210	\$13,865	\$14,244	The result for this measure increased by \$1158 per capita over the four year period in line with large capital works programs undertaken by Council with the assistance of State and Commonwealth government grants.
<i>Population density -per length of road</i> [Municipal population / Kilometres of local roads]	46	46	46	52	The increase in 2021 is the result of a review of Council's asset database which found on-street parking had previously been included in road length data, this has been revised to give the true length of the road.
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1288	\$1326	\$1356	\$1280	The reduction experienced in 2021 is directly related to decreased user fees and charges revenue as a result of service closures due to COVID restrictions.
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$378	\$353	\$375	\$361	The result for this measure has decreased by \$14 per capita over the 2021 year. The reduced amount mainly related to Commonwealth Financial Assistance Grants funding received in advance in 2020 exceeding the equivalent advance in 2021 by \$11 per capita.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	1	1	1	1	The result for this measure has remained unchanged over the four year period.
Workforce Turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	9.8%	12.5%	10.7%	17.2%	This rate was impacted by an increase in the number of appointments ceasing during the year, which were funded under the Working for Victoria COVID-19 program. Council also saw an increased turnover figure early in the 2021 calendar year, with the labour market reactivating as most organisations suspended recruitment activities over the height of the pandemic in 2020. This increase is reflective of the labour market across the state during this time.

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 above.

"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 2021

Indicator/measure	Results				Material variations
	2018	2019	2020	2021	
AQUATIC FACILITIES Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.9	4.9	3.6	2.4	Council aquatic facilities include those at Latrobe Leisure Morwell, Latrobe Leisure Moe Newborough, Latrobe Leisure Churchill, Yallourn North Outdoor Pool and Moe Outdoor Pool. The decline in utilisation is a result of COVID-19 restrictions, which required closure of aquatic facilities, along with ongoing restrictions throughout 2020-21.
ANIMAL MANAGEMENT Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions/ Number of animal management prosecutions]x100	New in 2020	New in 2020	100%	100%	A favourable result of 100% successful prosecutions in 2020-21. The number of cases put forward was significantly less due to the impacts of COVID-19 on non-urgent criminal matters before the Court, this has resulted in a substantial reduction in the number of matters lodged and an increase in the number of adjournments.
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 a food premises] x100	93.4%	88.5%	63.1%	75.3%	2020 COVID-19 restrictions, resulted in a reduction in the number of operating businesses, sporting groups and community organisations. This meant that the ability of the Health Services team, to complete a follow up inspection, to major and/or critical assessments, was impacted – although focusing on this portfolio improved, this performance indicator, compared to the previous year where staff time was impacted by the 2019 bushfires, demonstrated improvement despite the ongoing challenges of COVID-19.

Service Performance Indicators *(continued)*

For the year ended
30 June 2021

Indicator/measure	Results				Material variations
	2018	2019	2020	2021	
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]	52	54	53	56	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. Satisfaction with Council decisions has increased from 53 out of 100 in 2020 to 56 in 2021.
LIBRARIES Participation <i>Active library members</i> [Number of active library borrowers in the last 3 years / The sum of the population for the last three years] x100	10.3%	10.3%	10.3%	9.8%	Participation at libraries has been impacted in 2020-21 by ongoing COVID-19 restrictions, which has seen the facilities closed to the public during lockdown periods. An alternate click and collect service was provided during these periods.
MATERNAL AND CHILD HEALTH (MCH) Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	72.6%	70.3%	72.6%	74.5%	During the year, 3578 children were enrolled in the Maternal and Child Health (MCH) service with 2666 of those children having attended the service at least once during the year. This is an increase since 2019-20. Participation is increasing overall due to an increase in MCH nurses and a focus on engaging directly with all families that require additional support to attend the MCH service.
Participation Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	70.9%	69.1%	76.0%	86.7%	Participation in the Maternal and Child Health service by Aboriginal children has increased with 191.5 Aboriginal children enrolled and, of those, 166 children attended the service at least once during the year. This increase is due to a significant focus on engaging with Aboriginal families to support their engagement in the MCH service.
ROADS Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	56	60	57	61	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. Satisfaction with sealed local roads has increased to a rating of 61%. Council's understanding of the sealed local road network, gained through customer service requests and the ongoing inspection program, both indicate the network is generally in good condition.
STATUTORY PLANNING Decision making Council planning decisions upheld at VCAT [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	60.0%	40.0%	40.0%	0.0%	Latrobe City Council had two planning applications referred to VCAT during 2020-21, with both decisions being overturned.

Indicator/measure	Results				Material variations
	2018	2019	2020	2021	
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	54.0%	52.1%	51.4%	49.2%	Council has seen a steady decrease in the percentage of waste diverted from landfill over the last four years, we suspect it is partly due to a higher level of contaminated recycle material being diverted to landfill and the impact of more people working from home due to COVID-19 restrictions.

Definitions

"Aboriginal child" means a child who is an Aboriginal person	"food premises" has the same meaning as in the Food Act 1984
"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006	"local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
"active library member" means a member of a library who has borrowed a book from the library	"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
"annual report" means an annual report prepared by a council under sections 98 of the Act	"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
"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	"population" means the resident population estimated by council
"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	
"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	

Financial Performance Indicators

For the year ended
30 June 2021

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
EFFICIENCY Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3690	\$3534	\$3519	\$3613	\$3483	\$3322	\$3353	\$3377	The result for this measure has increased by \$94 over the year. This is largely in line with CPI increases and an increase in Council's landfill rehabilitation provision following an independent review of the cost of works required to meet EPA requirements. A reduction is forecasted in 2023 aligned to the planned transition of the Commonwealth Home Support Program and Community Care Program for Young People (HACC PYP) services to other service providers within the community.
Revenue level <i>Average rate per property assessment</i> [Total rate revenue (General rates and Municipal charges) / Number of property assessments]	New in 2020	New in 2020	\$1542	\$1556	\$1564	\$1591	\$1623	\$1656	The average rate per property assessment is expected to increase in line with expected Rate Cap amounts of 1.5% in 2022 and are currently estimated at 2% per annum from 2023 to 2025.
LIQUIDITY Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	321.7%	324.7%	267.5%	253.0%	181.0%	196.5%	201.5%	198.3%	The result for this measure has decreased in 2021 mainly due to council spending capital grants received in advance and other funding carried forward for major infrastructure projects.

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
LIQUIDITY (cont.) Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	(4.6%)	(71.2%)	25.1%	29.3%	32.1%	32.9%	34.1%	31.8%	The 4.2% increase in 2021 is due to reduced restrictions on cash holdings mainly related to a reduction in carry forward capital works. This ratio is forecasted to remain in a positive position due to assumptions of lower restrictions on cash as current capital works projects are completed and unspent grants are expected to reduce. This ratio is also influenced by the timing and level of investments not classified as cash but timed to mature in time meet the current liabilities when they fall due.
OBLIGATIONS Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	22.1%	19.3%	12.7%	20.4%	28.0%	24.5%	25.2%	21.5%	The result for this measure has increased by 7.7% in 2021 due to the drawdown of a further \$7.1 million in borrowing for the completion of the Gippsland Regional Aquatic Centre (GRAC). The ratio is forecasted to increase to 28.0% in 2022 as Council draws down a further \$10.0 million of new borrowings for the Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment projects.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.5%	2.9%	12.0%	1.2%	3.6%	3.5%	3.4%	3.7%	The result for this measure decreased by 10.8% in 2021 due to the principal repayment of an \$8.2 million interest only loan inflating the 2020 ratio. The measure is forecasted to return to 3.6% in 2022 following the final drawdown of the GRAC loan in June 2021 and the expected drawdown of a further \$10.0 million new borrowings for the Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment projects in 2022.

Financial Performance Indicators *(continued)*

For the year ended
30 June 2021

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	39.0%	26.9%	24.7%	32.3%	29.2%	27.4%	25.7%	18.9%	The increased ratio in 2021 was due to final drawdown of \$7.1 million new borrowings for the Gippsland Regional Aquatic Centre (GRAC), together with a reduction in own source revenue as a result of the impact of the COVID-19 pandemic on user fees such as leisure, performing arts and parking fines.
Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	152.2%	82.7%	77.3%	58.3%	71.9%	63.6%	The ratio in 2020 included additional one off stimulus funding from the State and Federal Government. The reduction in the ratio in future years is symbolic of the increased depreciation costs associated with over \$100M of new infrastructure assets predominately funded by State and Federal Government grants. Council's largest asset class, roads, is expected to be maintained around 100%, however other classes such as drainage, which is renewed only on a reactive basis, and buildings which are often reliant on government funding for major renewal and upgrade works will remain below 100%.

Dimension/ indicator/measure	Results				Forecasts				Material variations
	2018	2019	2020	2021	2022	2023	2024	2025	
OPERATING POSITION Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	(11.2%)	(5.0%)	(1.5%)	(5.0%)	(6.2%)	(4.7%)	(4.4%)	(3.9%)	Council's underlying deficit increased by a further 3.5% compared to 2020. The larger underlying deficit, in the 2021 year, was mainly due to unexpected landfill rehabilitation provision as a result of council undertaking an independent review of the provision in accordance with EPA requirements. The results are forecasted to remain in deficit mainly due to increases in depreciation expenses resulting from the construction of major new infrastructure. e.g Gippsland Regional Aquatic Facility (GRAC) and Latrobe Creative Precinct, now referred to as the Gippsland Performing Arts Centre.
STABILITY Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	59.4%	60.1%	60.1%	61.3%	64.7%	67.6%	67.8%	68%	The result for this measure has been slightly increasing over the last four years indicating an increasing reliance on rate revenue. The ratio is expected to continue to rise into the future primarily based on moderate estimates of future levels of recurrent government funding and user fees and charges linked to COVID recovery.
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	The result for this measure has remained stable over the four year period. A small decrease is forecast in 2022 as a result of increasing property valuations across the municipality.

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 2021

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 (as per the transitional provisions of the Local Government Act 2020).

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

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

indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 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 detailed explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its budget on 7 June 2021. The budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The budget can be obtained by contacting council.

Governance, Management and Other Information

For the year ended
30 June 2021



Statutory Information

What Council does and how Council works

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

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

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

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

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

Audit and Risk Committee

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

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

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

The Audit and Risk Committee consists of two Councillors and 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
Reappointed by Council as Chair on 2 March 2020 for an additional two year period (until 1 August 2023)

Independent Member: Ms Joanne Booth
Reappointed by Council on 2 March 2020 for a three-year period (until 1 August 2022)

Independent Member: Mr Terry Richards
Reappointed by Council on 4 February 2019 for a three-year period (until 2 June 2022)

Council Representative:
Cr Graeme Middlemiss (commenced 08 February 202)
Cr Melissa Ferguson (commenced 07 December 2020)

Cr Darrell White OAM (concluded 24 October 2020)
Cr Alan McFarlane (concluded 24 October 2020)

The Audit and Risk Committee held four meetings in the 2020/2021 financial year. All independent members attended each of the meetings in 2020/2021. Cr Melissa Ferguson was an apology for the March 2021 meeting. All other councillors attended meetings scheduled during their term of appointment.

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

The Committee has regular reports relating to:

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

Statutory Information (continued)

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

Internal audits that were reported to the Audit and Risk Committee in the 2020/2021 financial year included:

- Asset Management
- Human Resources and System Management
- Privacy and the Management of Personal Information
- Developer Contributions Framework and Processes
- Project Management/Governance (Capital Projects)
- Council Governance
- Workforce Development and Succession Planning
- Councils Response to COVID-19 Pandemic
- Cyber Security

Council meetings and decisions

Prior to the COVID-19 pandemic Council meetings were held at Latrobe City Council Corporate Headquarters in Morwell from 6pm once a month. Since the pandemic Council Meeting have been held via Video Conferencing of in a way that allows for hybrid (remote and physical) attendance. Each Council meeting includes a public question time as a standard agenda item, designed to encourage community participation in the overall affairs of Council, in a way that complies with the relevant COVID-19 directions at the time.

Council meeting attendance 2020/21

During 2020/2021, there were 10 Scheduled Council Meetings and five Unscheduled Council Meetings held. Councillor attendance at these meetings is shown in the below table.

Councillor	Scheduled Council Meeting	Unscheduled Council Meeting
Cr Dan Clancey	9	5
Cr Sharon Gibson	10	4
Cr Dale Harriman	10	5
Cr Darren Howe	10	5
Cr Brad Law	10	5
Cr Kellie O’Callaghan	10	5
Cr Graeme Middlemiss	10	5
Cr Tracie Lund	6	3
Cr Melissa Ferguson	6	2
Cr Darrell White	4	2
Cr Alan McFarlane	4	2

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

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

The Council Meetings are also live streamed on YouTube to foster openness and accessibility.

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

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

10

Scheduled Council Meetings

05

Unscheduled Council Meetings

Note: Council election held 24 October 2020, with elected Councillors (Cr Tracie Lund and Cr Melissa Ferguson) sworn in from 10 November 2020. Cr Darrell White OAM and Cr Alan McFarlane concluded on 24 October 2020.

Councillor Code of Conduct

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

The Councillor Code of Conduct is designed to :

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

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

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

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

Councillor Remuneration

The Mayor and Councillors are entitled to receive an allowance while performing their duty as an elected official, with the Victorian Government responsible for setting the upper and lower levels of these allowances.

Allowance levels are subject to annual automatic adjustments that are announced in the Victorian Government Gazette by the Minister for Local Government. On 27 October 2020, the Department of Jobs, Precincts and Regions advised all councils that the Minister for Local Government declared there would be no increase to the Mayoral or Councillor allowances for the 2020/21 year.

Following a general election, the Council is required to set the amount of the allowance within the allowable range, with the determined allowance remaining in effect for the full term of the council. In addition to the allowance, Councillors also receive an amount equivalent to the superannuation guarantee contribution which for the 2020/21 financial year was 9.5%.

At the Scheduled Council Meeting on 12 April 2021, the Council resolved to set the Mayor and Councillors allowances for the 2020 to 2024 term at the maximum allowable amount for a category 2 council, being \$81,204 per annum for the Mayor and \$26,245 per annum for Councillors.

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

The Mayor also receives use of a fully maintained motor vehicle, a dedicated office, and support from an assistant. These expenses and resources are specified in the Councillors and Delegated Committee Members Expenses, Resources and Support policy, a copy of which is available from the Latrobe City Council website: www.latrobe.vic.gov.au

Statutory Information (continued)

Councillor	From/ to re- election	From/ to post election	Allowanc- es	Person- al devel- opment	confer- ences/ seminars/ accom	Station- ery/ supplies	Telecom- munica- tions	Travel	Other	Total
Cr Dan Clancey*	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$48,052	\$2100	\$472	\$161	\$658			\$51,444
Cr Sharon Gibson^	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$64,742		\$1086	\$518	\$1313			\$67,659
Cr Dale Harriman	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$27,992		\$999	\$360	\$1017	\$3073	\$119	\$33,560
Cr Darren Howe	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$27,992				\$1268	\$1030		\$30,291
Cr Brad Law	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$27,992				\$693			\$28,685
Cr Kellie O'Callaghan	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$27,992			\$90	\$967			\$29,050
Cr Graeme Middlemiss	01/07/20 to 24/10/20	10/11/20 to 30/06/21	\$27,992				\$996			\$28,98
Cr Tracie Lund		10/11/20 to 30/06/21	\$18,413	\$3545			\$242			\$22,201
Cr Melissa Ferguson		10/11/20 to 30/06/21	\$18,4134				\$242			\$18,655
Cr Darrell White	01/07/20 to 24/10/20		\$9579				\$419	\$951		\$10,950
Cr Alan McFarlane	01/07/20 to 24/10/20		\$9579				\$175			\$9754

* Cr Dan Clancey: Mayor 01/07/2020 to 24/10/2020
^ Cr Sharon Gibson: Mayor 20/11/2020 to 30/06/2021

Note: Council election held 24 October 2020, with elected Councillors sworn in from 10 November 2020

Councillor representation on Committees

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

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

As at 30 June 2021, Latrobe City Council had 42 committees which Councillors are appointed to.

These are as follows:

- Community Asset Committees (8)
- Statutory Committees (2)
- Advisory Committees (29)
- Other Council Committees and Groups (3)

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

In addition to Latrobe City Council Committees, Councillors or Officers represent Council on 15 external committees and associations.

Council Membership prior to 24 October 2020 as per 2019/2020 annual report
Council Membership after 24 October 2020

	Cr Dan Clancey	Cr Melissa Ferguson	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Brad Law	Cr Tracie Lund	Cr Graeme Middlemiss	Cr Kellie O'Callaghan
Committees									
COMMUNITY ASSET COMMITTEES									
Latrobe Regional Airport Committee					○			●	
Yallourn North Community Housing Committee							○	●	
Morwell Centenary Rose Garden Committee							●		
Callignee and Traralgon South Sporting Facilities Committee					●				
Traralgon Railway Reservoir Conservation Reserve Committee	●			●	●				
George Bates Reserve Committee							●	●	
Baillie Reserve Tyers Committee				○	●				
Mathison Park Committee		●							
STATUTORY COMMITTEES									
Audit and Risk Committee		●	○						
Municipal Emergency Management Planning Committee			●			●	●		
OTHER COUNCIL COMMITTEES AND USER GROUPS									
Australia Day Advisory Committee	●				●				
Animal Welfare Advisory Committee			●				○		●
Braiakaulung Advisory Committee									●
CEO Recruitment, Performance and Remuneration Review Advisory Committee	●		M		DM			●	
Churchill and District Community Hub Advisory Committee		●							
Cultural Diversity Advisory Committee	●				●				
Early Years Reference Committee	●								●
Economic Development Advisory Committee			M		DM				

● Member ○ Alternate M Member as Mayor DM Member as Deputy Mayor M Alternate as Mayor DM Alternate as Deputy Mayor

Statutory Information (continued)

Committees	Cr Dan Clancey	Cr Melissa Ferguson	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Brad Law	Cr Tracie Lund	Cr Graeme Middlemiss	Cr Kellie O'Callaghan
OTHER COUNCIL COMMITTEES AND USER GROUPS									
Flynn Hall PRG									
Gippsland Regional Aquatic Centre PRG									
Latrobe City Hyland Highway Municipal Landfill Consultative Committee									
Latrobe City International Relations Committee									
Latrobe City Lake Narracan Advisory Committee									
Latrobe City Taskforce									
Latrobe City Tourism and Major Events Advisory Committee									
Latrobe Creative Precinct PRG									
Latrobe Leisure Traralgon Sports Stadium User Group									
Latrobe Regional Gallery Advisory Committee									
Moe Southside Community Precinct Advisory Committee									
Motorsports Complex Advisory Committee (Centre for Australia Automotive Futures)									
Morwell Recreation Reserve PRG									
Rail Freight Working Group									
Road and Place Name Advisory Committee									
Social Planning for Wellbeing Committee/ Municipal Public Health and Wellbeing Reference Group									
Traralgon CBD Safety Committee									
Traralgon Recreation Reserve and Showgrounds Advisory Committee									
Victory Park Precinct Advisory Committee									
War Memorials Advisory Committee									
COMMITTEES OF MANAGEMENT									
Crinigan Bushland Reserve Committee									
Edward Hunter Heritage Rush Reserve Committee									
Ollerton Avenue Bushland Reserve Committee									

Member

Alternate

Member as Mayor

Member as Deputy Mayor

Alternate as Mayor

Alternate as Deputy Mayor

Committees	Cr Dan Clancey	Cr Melissa Ferguson	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Brad Law	Cr Tracie Lund	Cr Graeme Middlemiss	Cr Kellie O'Callaghan
EXTERNAL COMMITTEES AND ASSOCIATIONS									
Alliance of Councils for Rail Freight Development									
Gippsland Local Government Waste Forum									
Gippstown Reserve Committee of Management Inc. (by invitation)									
Hazelwood Mine Fire Health Study Community Advisory Committee									
Latrobe City Trust									
Latrobe Valley Mine Rehabilitation Advisory Committee									
Moe Yallourn Rail Trail Committee Inc.									
Municipal Association of Victoria (MAV)									
National Timber Councils Association									
One Gippsland (formerly GLGN)									
Regional Aboriginal Justice Advisory Committee (RAJAC)									
Regional Cities Victoria									
Roadsafe Gippsland Community Road Safety Council									
South East Australia Transport Strategy (SEATS)									
Timber Towns Victoria									

Member

Alternate

Member as Mayor

Member as Deputy Mayor

Alternate as Mayor

Alternate as Deputy Mayor

Council delegations

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

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

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

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

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

Latrobe City Council received 13 valid requests to access information under the *Freedom of Information Act 1982*, in the 2020/2021 financial year. This was an increase of 4 compared to the previous year. Freedom of Information requests must be made in writing and accompanied with a \$29.60 application fee. A total of 1 request was made under the hardship provisions of the Act and no fee was charged.

Requests for access to information should be addressed to: Freedom of Information Officer

Latrobe City Council
PO Box 264
MORWELL VIC 3840

In accordance with the *Freedom of Information Act 1982*, Latrobe City Council must decide if this information will be provided within 28 days. Of the 13 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 Citizen Confidentiality and Privacy policy which can be viewed on Council’s website.

Protected Disclosures

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

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

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

During 2020/21 no disclosures were notified to the Independent Broad-based Anti-Corruption Commission.

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 12 of the *Local Government (General) Regulations 2015*.

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 overseas or interstate travel taken in an official capacity by Councillors or Council officers in the previous 12 months (with the exception of interstate travel by land for less than three days)
- Agendas and minutes for Ordinary and Special Council Meetings held in the previous 12 months, kept under section 93 of the *Local Government Act 1989* or Council’s
- Governance Rules, except where such minutes relate to parts of meetings which have been closed to members of the public under section 89 of the *Local Government Act 1989* or section 66 of the *Local Government Act 2020*
- Minutes of 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 *Local Government Act 1989* or section 66 of the *Local Government Act 2020*
- A register of delegations made pursuant to the *Local Government Act 1989* or the *Local Government Act 2020*

- Details of all leases involving land which were entered into by Council as lessor
- Register maintained under section 224 (1A) of the *Local Government Act 1989* of authorised officers appointed under that section
- A list of donations and grants made by Latrobe City Council during the financial year

Other information available to the public

- The Councillor Reimbursement Policy (known as Councillors and Delegated Committee Members Expenses, Resources and Support Policy)
- Councillor Code of Conduct
- Summary of Personal 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

Contracts entered into in 2020/21 valued at \$150,000 or more for services, or \$200,000 or more for works of a kind specified in section 186(5) and (c) of the Local Government Act 1989 are listed below.

- Resealing of Municipal Roads in Latrobe City
- Provision of Home Maintenance and Home Gardening Duties
- Supply and Delivery of Quarry Products
- Provision of Urban Street Tree Pruning 2020-2021
- Road Reconstruction of Gilmour Street and Canfield Crescent Traralgon
- Supply and Installation of Playground Equipment, Under Surfacing and Shade Sails
- Supply and Installation of Municipal Street Furniture
- Provision of Metal Fabrication and Welding Services
- Reconstruction of Vincent Road Stage 3 and Well Street Stage 2, Morwell
- Design and Construct of LED Sports Lighting at Olympic Park, Moe and Harold Preston Reserve, Traralgon
- Supply and Delivery of Daily Tarpaulin Cover System for Hyland Highway Landfill
- Supply of Fine Washed Sand
- Reconstruction of East Street, Yallourn North – Stage 2 and Prince Street, Moe – Kerb and Channel
- Management and Operation of GRAC

- Construction of Flynn Community Hall
- Design and Construct of 100 Lux Led Football Oval Sports Lighting at George Bates Reserve, Yallourn North
- Design and Construct of 100 Lux Led Football Oval Sports Lighting at Ronald Reserve, Morwell
- Provision of an Employee Management Solution
- Provision of Retail Electricity Services
- Supply of Information and Communication Technology (ICT) Hardware
- Design and Construct of 100 Lux Led Football Oval Sports Lighting at Old Trafford Reserve, Traralgon
- Morwell CBD Traffic Calming Works
- Reconstruction of a Major Culvert at Scrubby Lane, Traralgon
- Structural Rectification and Squash Court Refurbishment, Churchill Leisure Centre
- Reconstruction of Downies Lane Bridge, Traralgon South
- Construction of a Toilet Block at Victory Park, Traralgon
- Flynn Recreation Reserve - Reconstruction of (2) Tennis Courts
- Traralgon CBD Traffic Calming Works
- Moe CBD Traffic Safety Works
- Moe / Newborough Leisure Multi-purpose Facility
- Provision of Service and Repairs to Plant and Equipment
- Pedestrian Crossing at Kay Street, Traralgon
- Specialist Turf Supplies and Services
- Outdoor Dining Bollard Installation
- Provision of Planning Services
- Rehabilitation of Morwell Landfill - Stages 3 and 4
- Provision of Carpentry Services
- Toners Lane, Morwell - Reticulated Water Extension
- Provision of Stump Grinding
- Gippsland Sports & Entertainment Park - Design & Construct Sports Lighting Project
- Latrobe Leisure Morwell - Pool deck and surrounding wet areas re-tiling

Information Management *(continued)*

Development Contributions Plan

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

Total DCP levies received in 2020/21								
DCP name and year approved		Levies received in 2020/21 financial year (\$)						
N/A		N/A						
-		-						
DCP land, works, services or facilities accepted as works-in-kind in 2020/21								
DCP name and year approved	Project ID	Project description	Item purpose	Project value (\$)				
N/A	N/A	N/A	N/A	N/A				
-	-	-	-	-				
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				
-	-	-	-	-				
Land, works, services or facilities delivered in 2020/21 from DCP levies collected								
Project description	Project ID	DCP name and year approved	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contribution	Other contributions	Total project expenditure	Percentage of item delivered
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
-	-	-	-	-	-	-	-	-

Local Government Performance Reporting Framework

Governance and Management Checklist

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

Theme	Checklist item	Definitions	Yes/ No	Date of operation and expiry date/strategy	If no policy/ strategy- insert explanation
Community engagement	Community Engagement Policy	Policy under section 55 of the <i>Local Government Act 2020</i> outlining Council's commitment to engaging with the community on matters of public interest	Yes	Adopted in accordance with section 55 of the Act. Date of operation: 12 April 2021	
	Community Engagement Guidelines	Guidelines to assist staff to determine when and how to engage with the community	Yes	Community Engagement Strategy 2015-2019 Date of operation: 14 September 2015 Community Engagement Action Plan 2015-2019 Date of operation: 14 September 2015	
Planning	Financial Plan	Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years	No		In accordance with the act the Financial Plan is not required for adoption until 31 October 2021.
	Asset Plan	Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Drainage Asset Management Plan 2016 Adopted: 19 June 2017 Sign Asset Management Plan 2007-2011 Adopted: 18 June 2007 Building Asset Management Plan 2010-2014 Adopted: 21 June 2010 Bridge and Major Culvert Asset Management Plan Adopted: 15 June 2009 Asset Management Strategy 2014-2018 Adopted: 3 February 2014 Asset Accounting Policy Adopted: 5 March 2018	
	Revenue and Rating Plan	Plan setting out the rating structure of Council to levy rates and charges	Yes	Revenue and Rating Plan 2021-2025 Adopted in accordance with section 93 of the Act. Adopted: 7 June 2021	
	Annual Budget	Plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Annual Budget 2020/21 Adopted in accordance with section 94 of the Act. Adopted: 3 August 2020	
	Risk Policy	Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Yes	Risk Management Policy Updated and adopted: 1 October 2018	
	Fraud Policy	Policy outlining Council's commitment and approach to minimising the risk of fraud	Yes	Fraud and Corruption Control Policy Updated and adopted: 2 December 2019	

Local Government Performance Reporting Framework *(continued)*

Governance and Management Checklist

Theme	Checklist item	Definitions	Yes/ No	Date of operation and expiry date/strategy	If no policy/ strategy- insert explanation
<i>Planning (cont.)</i>	Municipal Emergency Management Plan	Plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery	Yes	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act 2013</i> Date of operation: 27 November 2018	
	Procurement Policy	Policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council	Yes	Prepared and approved in accordance with Section 108 of Act. Updated and adopted: 6 April 2020	
	Business Continuity Plan	Plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster	Yes	Business Continuity Plan Date of operation: January 2019 Planned for review: October 2019	
	Disaster Recovery Plan	Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster	Yes	The distaster recovery plan is corporated as part of our Business Continuity Plan	
<i>Monitoring</i>	Risk Management Framework	Framework outlining Council's approach to managing risks to the Council's operations	Yes	Risk Management Operational Policy Date of operation: 6 February 2018	
	Audit and Risk Committee	Advisory committee of Council under section 53 and 54 of the Act	Yes	Established in accordance with Section 53 of the <i>Local Government Act 2020</i> Audit and Risk Committee Charter Updated and adopted: 3 August 2020	
	Internal Audit	Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Yes	The Audit and Risk Committee approved the 2021/22 Internal Audit Program on the 3 June 2021. The rolling three year audit program will be presented to the Audit and Risk Committee for consideration at the September 2021 meeting. HLB Mann Judd appointed current internal auditors December 2021	
	Performance Reporting Framework	A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>	Yes	Integrated Planning Framework Date of operation: December 2016	

Theme	Checklist item	Definitions	Yes/ No	Date of operation and expiry date/strategy	If no policy/ strategy- insert explanation
<i>Reporting</i>	Council Plan Report	Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year	Yes	Report provided: 24 March 2021	
	Financial Reporting	Quarterly statements to Council under section 138(1) of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure	Yes	Statements presented to Council in accordance with Section 138(1) of the Act. Dates statement presented: 7 December 2020 8 February 2021 3 May 2021	
	Risk Reporting	Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Yes	Risk reports are provided to Audit and Risk Committee and Executive Risk Management Committee (ERMC) on a quarterly basis. Dates of reports: Audit and Risk Committee 4 June 2020 15 December 2020 4 March 2021 3 June 2021 Executive Risk Management Committee (ERMC) 18 May 2021	
	Performance Reporting	Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the 1989 Act	Yes	Performance reporting is provided on a quarterly basis. Dates of reports: 30 November 2020 22 February 2021 26 April 2021 26 July 2021	
	Annual Report	Annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> containing a report of operations and audited financial performance statements	Yes	Presented at meeting of the Council in accordance with section 134 of the <i>Local Government Act 1989</i> . Date statements presented: 7 December 2020	
	Councillor Code of Conduct	Code setting out the standards of conduct to be followed by Councillors and other matters	Yes	Reviewed in accordance with Section 139 of the Act. Date of operation: 8 February 2021 Future review: November 2024	
<i>Monitoring</i>	Delegations	Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff	Yes	Reviewed in accordance with relevant legislation. Date of review: Council to CEO: 08 June 2021 Council to staff: 08 June 2021 CEO to staff: 6 July 2021	
	Meeting Procedures	Governance Rules governing the conduct of meetings of Council and delegated committees	Yes	Council has adopted Governance Rules in accordance with section 60 of the Act on 7 September 2020.	

Glossary

Latrobe City Council’s adopted strategies and plans are available on the 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.

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 construction 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.

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.

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.

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.

Full-time equivalent

The unit that measures a worker’s involvement in a project, or to track cost reductions in an organisation. An FTE of 1.0 is equivalent to a full-time worker or student, while an FTE of 0.5 signals half of a full work load.

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.

Glossary (continued)

Latrobe Planning Scheme

The planning scheme that sets out policies and requirements for the use, development and protection of land located in Latrobe City.

Latrobe Valley Authority

A State Government agency established to bring together local people, councils, industry, education providers and government to secure the economic future of the Latrobe Valley region after the closure of the Hazelwood power station.

Local Government Act 1989 and Local Government Act 2020

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 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.

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.

Performance Indicator

Measures used to monitor the performance of Latrobe City Council in achieving the objectives of the Council Plan.

Plan

Focused and structured detail of action to be undertaken, involving a series of specific steps, to implement the objectives and goals of an overarching strategic direction.

Planning and Environment Act 1987

This Victorian Government legislation establishes a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians.

Policy

A set of principles intended to influence and provide direction for council decisions, actions, programs and activities.

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.

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.





LatrobeCity
a new energy

LATROBE CITY COUNCIL

Phone 1300 367 700

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Email latrobe@latrobe.vic.gov.au

Website www.latrobe.vic.gov.au

SERVICE CENTRES AND LIBRARIES

Morwell

Corporate Headquarters

141 Commercial Road, Morwell

Morwell Library

63-65 Elgin Street, Morwell

Moe

Moe Service Centre and Library

1-29 George Street, Moe

Traralgon

Traralgon Service Centre and Library

34-38 Kay Street, Traralgon

Churchill

Churchill Community Hub

9-11 Philip Parade, Churchill

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

